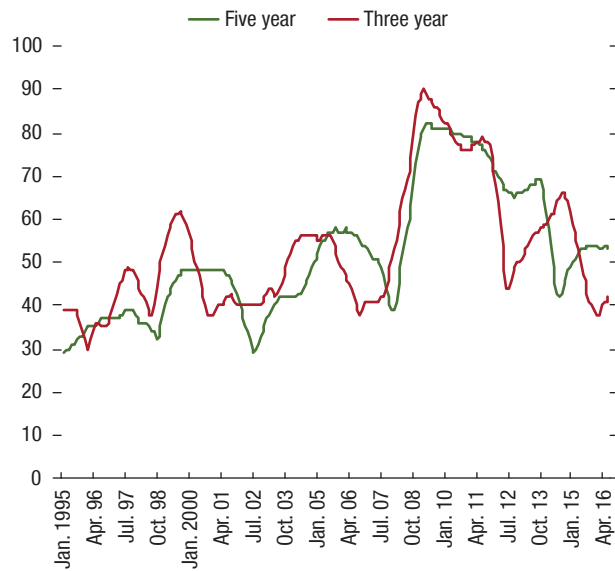


Figure 3.8. Variance Attributable to Global Financial Conditions, 1995–2016
(Percent)

The share of countries' FCI variability accounted for by global financial conditions does not appear to display a pronounced upward trend.



Source: IMF staff estimates.

Note: The figure displays how the share of countries' FCI variability attributable to global financial conditions changes over time. Specifically, it presents the total variance explained by the first principal component across countries' FCI using either a 36- or 60-month rolling window. FCI = financial conditions index.