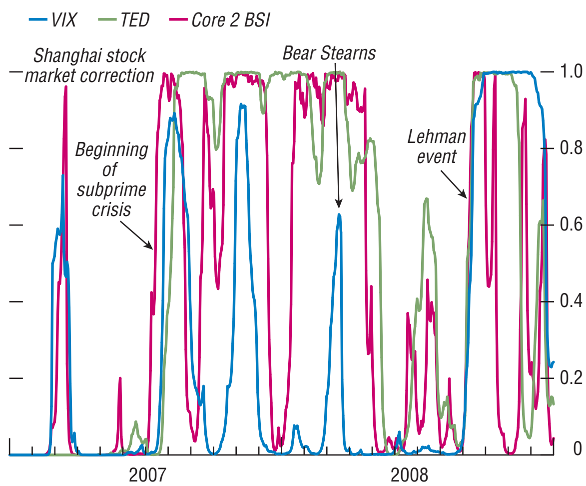
Figure 3.15. Markov-Switching ARCH Model of VIX, TED Spread, and Core 2 BSI

(Probability of being in a high-volatility state)



Sources: Bloomberg L.P.; and IMF staff estimates.
Note: BSI = banking stability index. For Core 2 group, see Annex 3.2.