Figure 4.6. Selected Macrovariables around Economic Downturns with and without Financial Stress\(^1\)
(\(t = 0\); quarters on the x-axis)

The occurrence of financial stress changes the patterns of economic downturns. In particular, the shape of slowdowns seems to be affected.

Sources: Haver Analytics; IMF, International Financial Statistics database; OECD, Analytic Database; and IMF staff calculations.

\(^1\)All in real terms. The sample is constant for all quarters.