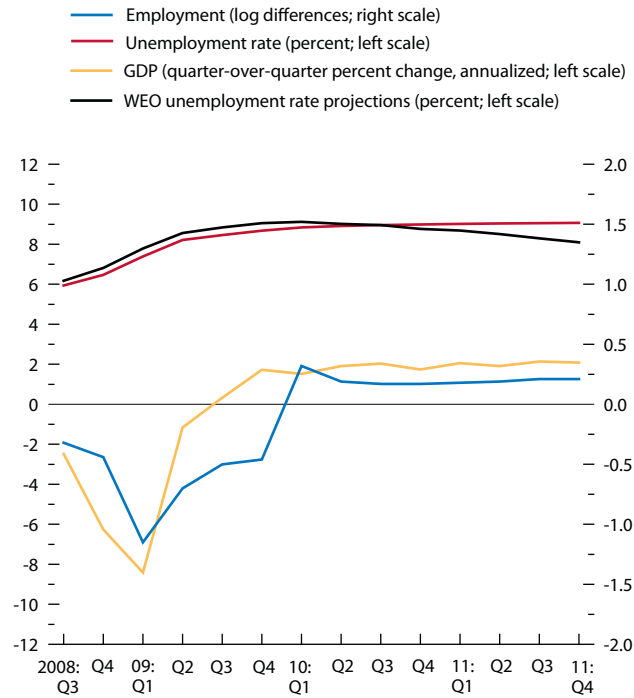


**Figure 3.11. Forecasts of Employment, Unemployment Rate, and GDP for Advanced Economies, Based on Okun's Law<sup>1,2</sup>**



Sources: Haver Analytics; Organization for Economic Cooperation and Development; and IMF staff calculations.

<sup>1</sup>Okun's-law-based forecasts use a mean-reverting Financial Stress Index.

<sup>2</sup>Purchasing-power-parity-weighted average of Austria, Canada, Finland, France, Germany, Greece, Ireland, Italy, Japan, Netherlands, Portugal, Spain, United Kingdom, and United States. Excluded are Australia because it did not experience a recession in 2008–09 and Switzerland for lack of data. Quarterly WEO unemployment projections are not available for Belgium, Denmark, New Zealand, Norway, and Sweden.