Monetary policy remains appropriately supportive. Amid rising uncertainty about future prospects, expectations for further rate hikes have been pushed further into the future, mainly in advanced economies.

Sources: Bloomberg Financial Markets; Eurostat; Haver Analytics; and IMF staff calculations.
1Three-month treasury bill.
2Relative to core inflation.
3Argentina, Brazil, Chile, Colombia, Mexico, and Peru.
4Bulgaria, Estonia, Hungary, Latvia, Lithuania, and Poland.
5Expectations are based on the federal funds rate for the United States, the sterling overnight interbank average rate for the United Kingdom, and the euro interbank offered forward rates for Europe; updated September 23, 2010.
6Updated September 23, 2010. Dashed lines are as of April 12, 2010.
7Average bid-ask spread of the Turkish lira reference interest rate as of September 23, 2010. Some periods are linearly interpolated.
8Based on futures of 28-day interbank rates.