Figure 3.10. Effect of U.S. Monetary Policy Shocks on Real Interest Rates

1. Effect on Short-Term Real Rate, 1980:Q1–2008:Q4
   (percentage points)

2. Short-Term Real Rate (percent)

3. Long-Term Real Rate (percent)

   (percent)

5. Global Real Interest Rate (percent a year)

Sources: Bloomberg, L.P.; Coibion (2012); Organization for Economic Cooperation and Development; and IMF staff calculations.

Note: In the first panel, the solid line denotes estimated effect; dashed lines denote 90 percent confidence bands. \( t = 0 \) is the year of the monetary policy shock. In panel 5, global real rates exclude U.S. real rates.