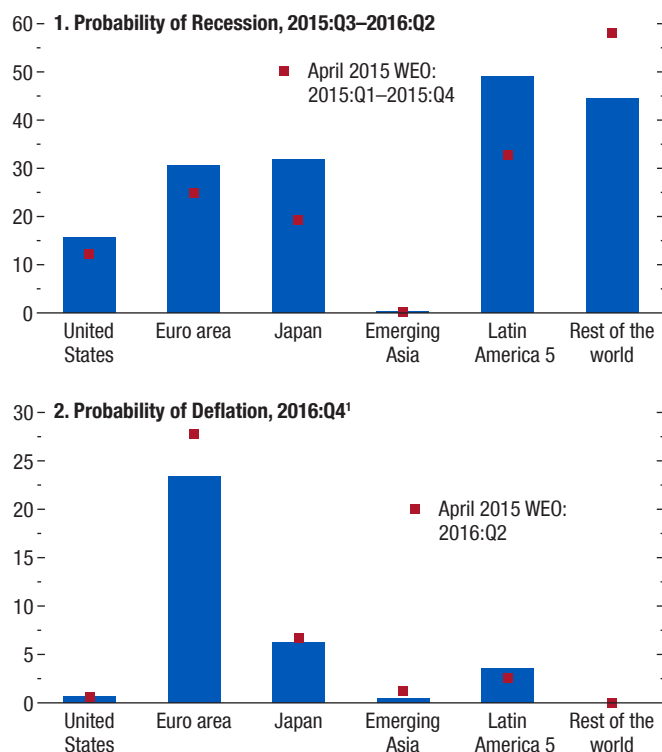


**Figure 1.15. Recession and Deflation Risks**  
(Percent)

The IMF staff's Global Projection Model suggests that recession risks have increased for most advanced economies and the Latin America 5 group, mostly reflecting relatively weaker baseline projections. The risk of deflation, while decreasing, remains elevated in the euro area.



Source: IMF staff estimates.

Note: Emerging Asia comprises China, Hong Kong SAR, India, Indonesia, Korea, Malaysia, Philippines, Singapore, Taiwan Province of China, and Thailand; Latin America 5 comprises Brazil, Chile, Colombia, Mexico, and Peru; Rest of the world comprises Argentina, Australia, Bulgaria, Canada, Czech Republic, Denmark, Estonia, Israel, New Zealand, Norway, Russia, South Africa, Sweden, Switzerland, Turkey, United Kingdom, and Venezuela.

<sup>1</sup>Deflation is defined as a fall in the price level on a year-over-year basis in the quarter indicated in the figure.