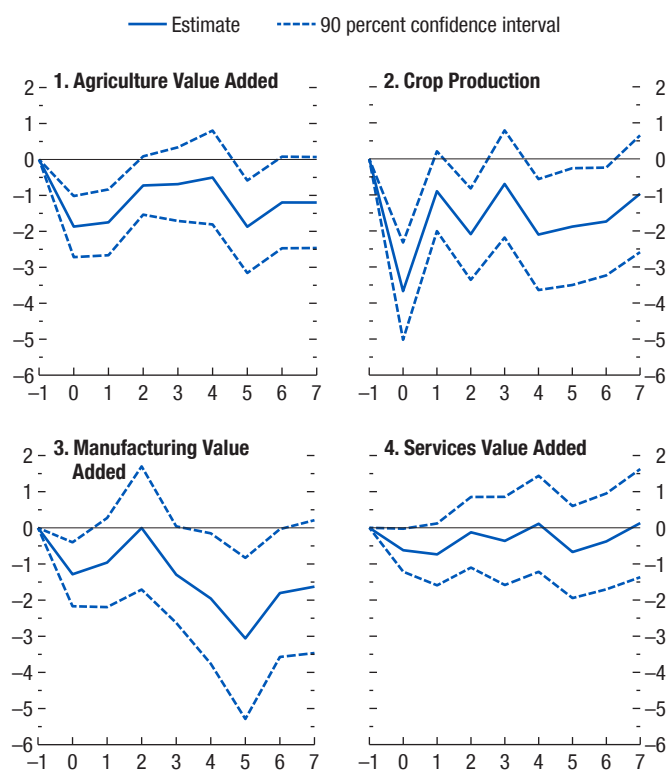


Figure 3.9. Effect of Temperature Increase on Sectoral Output Estimated at the Temperature of the Median Low-Income Developing Country

(Percent; years on x-axis)

An increase in temperature lowers agricultural output, but also has adverse effects on manufacturing value added in hot countries.



Source: IMF staff calculations.

Note: The panels depict the effect of a 1°C increase in temperature estimated at the median low-income developing country temperature (25°C). Horizon 0 is the year of the shock. Crop production is an index, produced by the Food and Agriculture Organization, of price-weighted quantities of agricultural commodities produced excluding production for seeds and fodder.