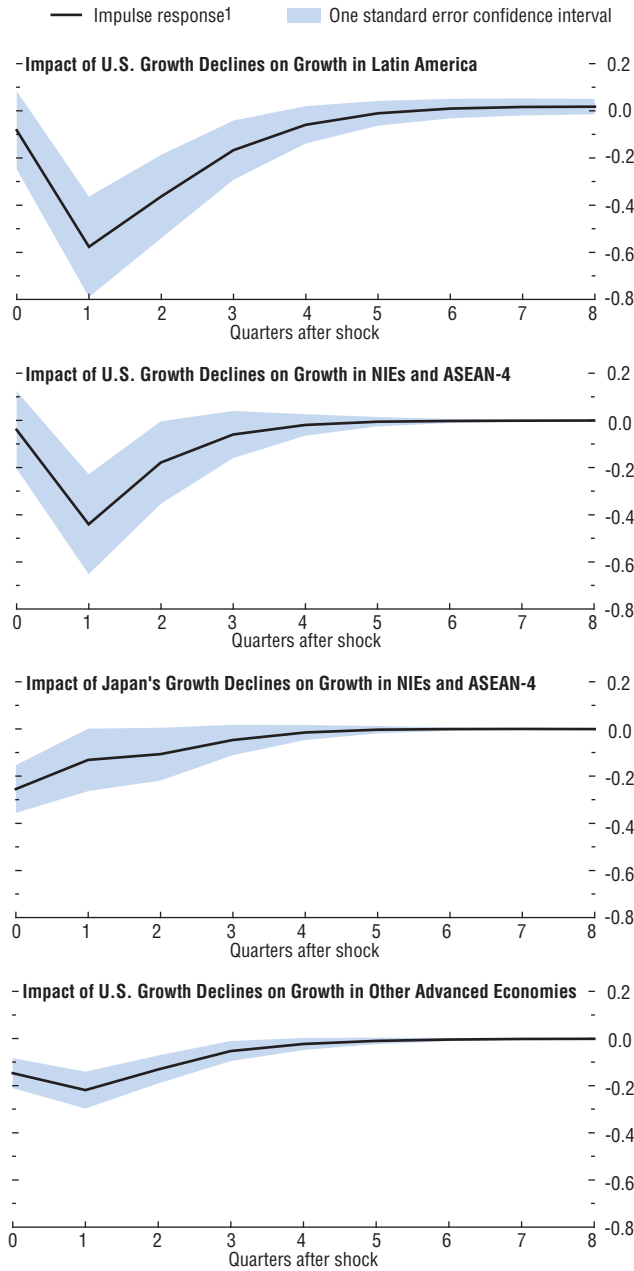


### Figure 4.6. Impact of Growth Declines in the United States and Japan

Changes in U.S. growth exert a clear impact on growth in Latin America. Shocks to growth in the United States and (to a lesser extent) in Japan exert a significant effect on the newly industrialized economies (NIEs) and ASEAN-4. Growth disturbances in the United States are also positively associated with growth in other advanced economies. The spillovers peak after at most one quarter, and are estimated to die out after three to four quarters, slightly later than the underlying growth shocks.



Sources: Haver Analytics; World Bank, *World Development Indicators*; and IMF staff calculations.

<sup>1</sup>In all these impulse responses, the underlying shocks to growth in the United States (or Japan) are normalized to yield a cumulative decline in U.S. (or Japanese) growth after four quarters amounting to 1 percentage point.