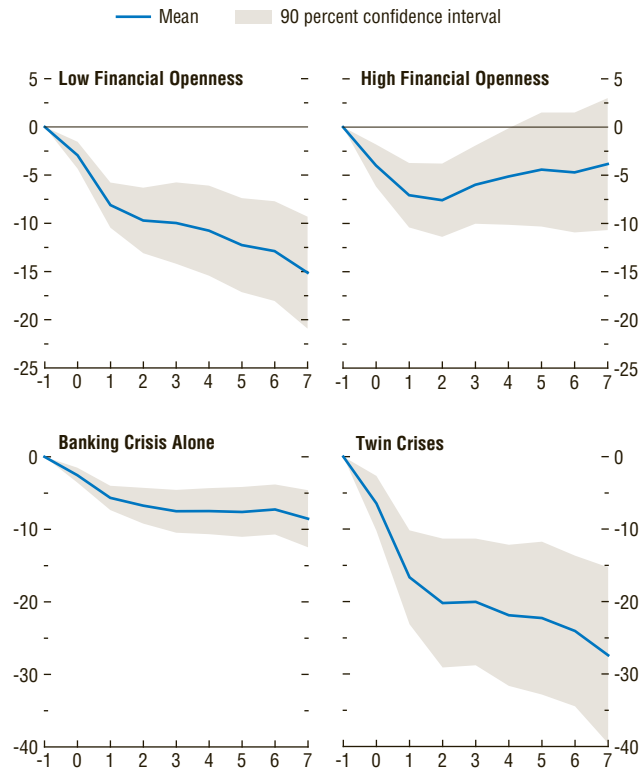


Figure 4.11. Output, Twin Crises, and Financial Openness¹

(Output in percent of precrisis trend; mean difference from year = -1; first year of crisis at t = 0; years on x-axis)



Sources: Lane and Milesi-Ferretti (2006); and IMF staff calculations.

¹Financial openness is measured using the ratio of external assets and liabilities to GDP. Twin crises are defined as simultaneous banking and currency crises. The figure reports output evolution for banking crises and twin crises and for crises with financial openness below and above the sample median, respectively.