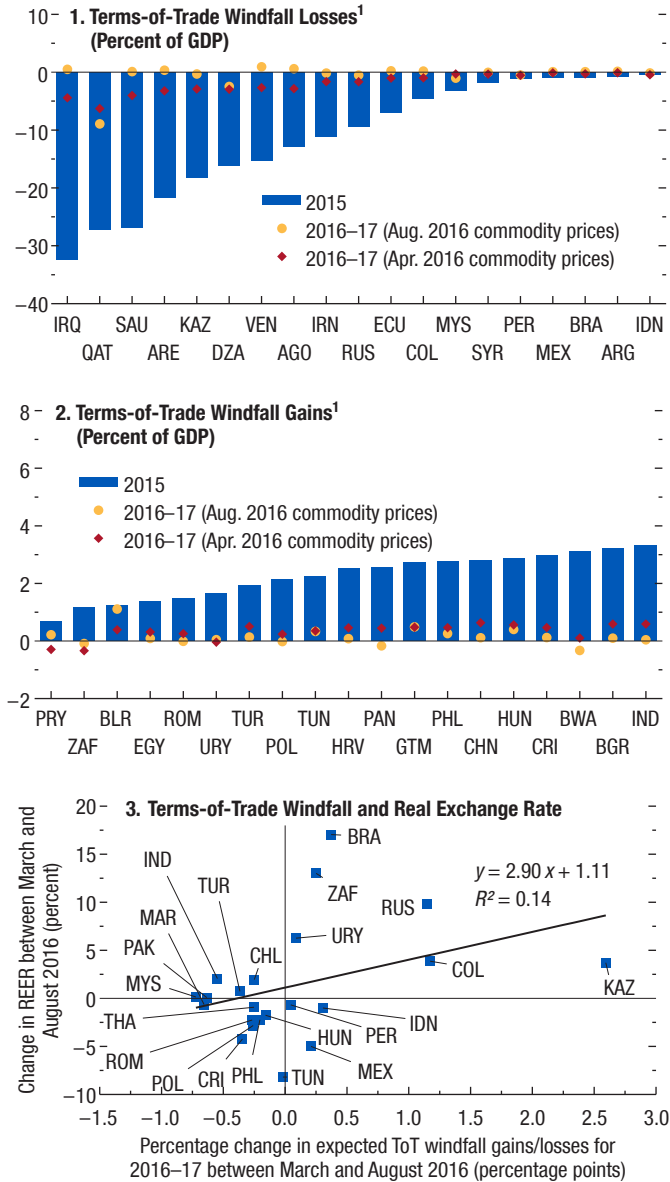


Figure 1.13. Emerging Markets: Terms-of-Trade Windfall Gains and Losses and Real Exchange Rates

With the recent stabilization and strengthening in commodity prices, terms-of-trade windfall gains and losses in 2016–17 are expected to be smaller than those registered in 2015. Exchange rate adjustments over recent months have been positively correlated with changes in expected terms-of-trade windfall gains and losses for 2016–17.



Source: IMF staff estimates.
 Note: REER = real effective exchange rate; ToT = terms of trade. Data labels in the figure use International Organization for Standardization (ISO) country codes.
¹Gains (losses) for 2016–17 are simple averages of annual incremental gains (losses) for 2016 and 2017. For details of the calculations see footnote 7 in the chapter text.