Annex Figure 3.4.1. Contribution to Inflation Deviations from Targets Using Various Measures of Inflation Expectations

1. Advanced Economies

2. Emerging Market Economies with Inflation below Long-Term Inflation Expectation in 2015


Sources: Consensus Economics; Haver Analytics; Organisation for Economic Co-operation and Development, Economic Outlook database; and IMF staff calculations.

Note: The figure reports average contributions in 2008–15.

1 Exchange rate is defined as currency value per U.S. dollar.
2 The target is defined as the average of 10-year inflation expectation in 2000–07.
3 Okun's law coefficients come from Ball and others 2016.
4 Advanced economies in Annex Table 3.1.1. Estonia, Latvia, Lithuania, the Slovak Republic, and Slovenia are excluded as outliers.
5 Bulgaria, China, Hungary, Malaysia, Mexico, Philippines, Poland, Romania, Thailand.