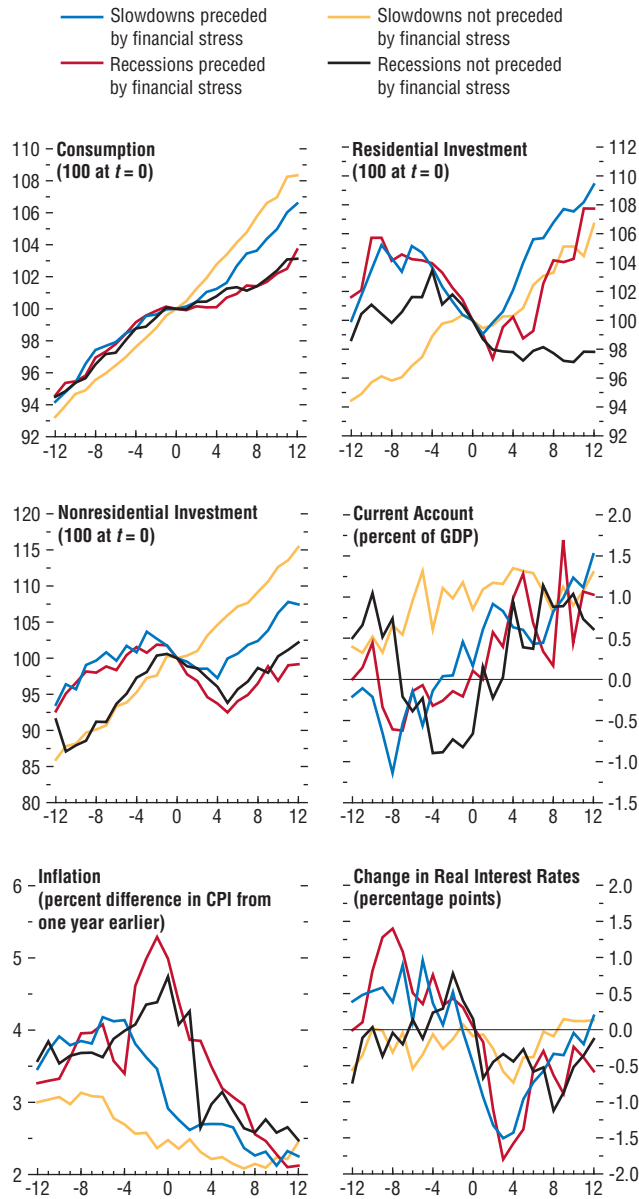


Figure 4.6. Selected Macrovariables around Economic Downturns with and without Financial Stress¹

(Median; start of economic contraction at $t = 0$; quarters on the x-axis)

The occurrence of financial stress changes the patterns of economic downturns. In particular, the shape of slowdowns seems to be affected.



Sources: Haver Analytics; IMF, International Financial Statistics database; OECD, Analytic Database; and IMF staff calculations.

¹All in real terms. The sample is constant for all quarters.