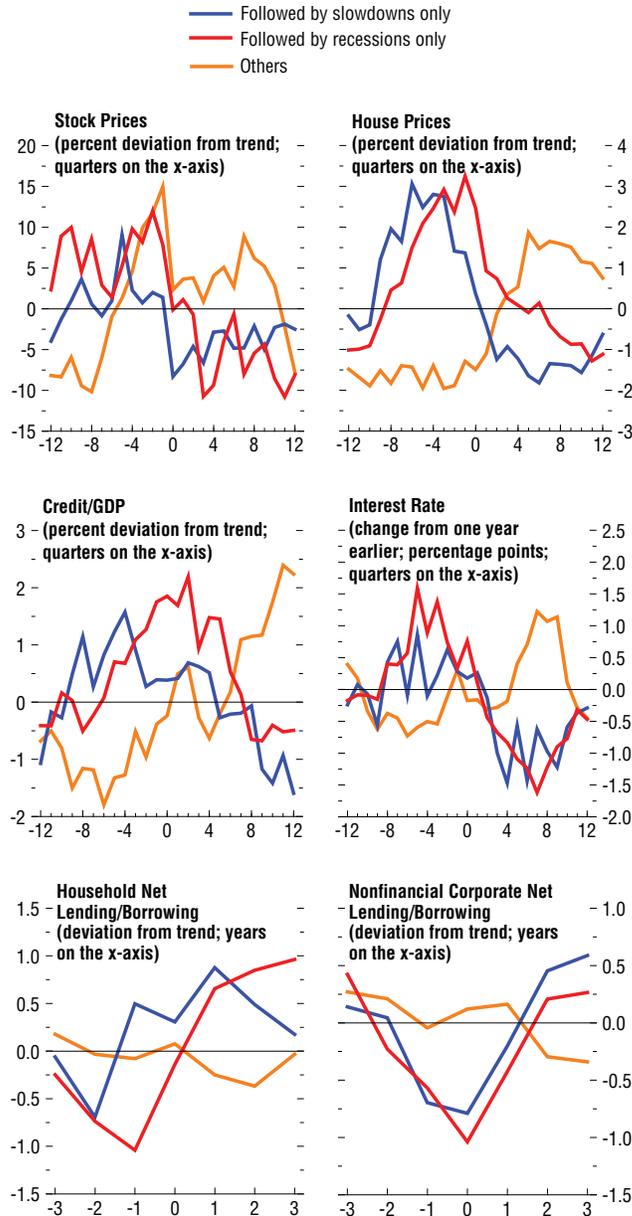


Figure 4.9. Selected Macrovariables around Financial Stress Episodes¹

(Median; start of financial stress episode at $t = 0$; x-axis as stated)

Financial stress episodes followed by slowdowns or recessions tend to be preceded by rapid buildups in asset prices and credit ratios and are associated with higher initial net borrowing from nonfinancial firms and (in cases of recession) from households.



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

¹All in real terms, except for household and nonfinancial corporate net lending ratios. The sample is constant for all quarters and years.