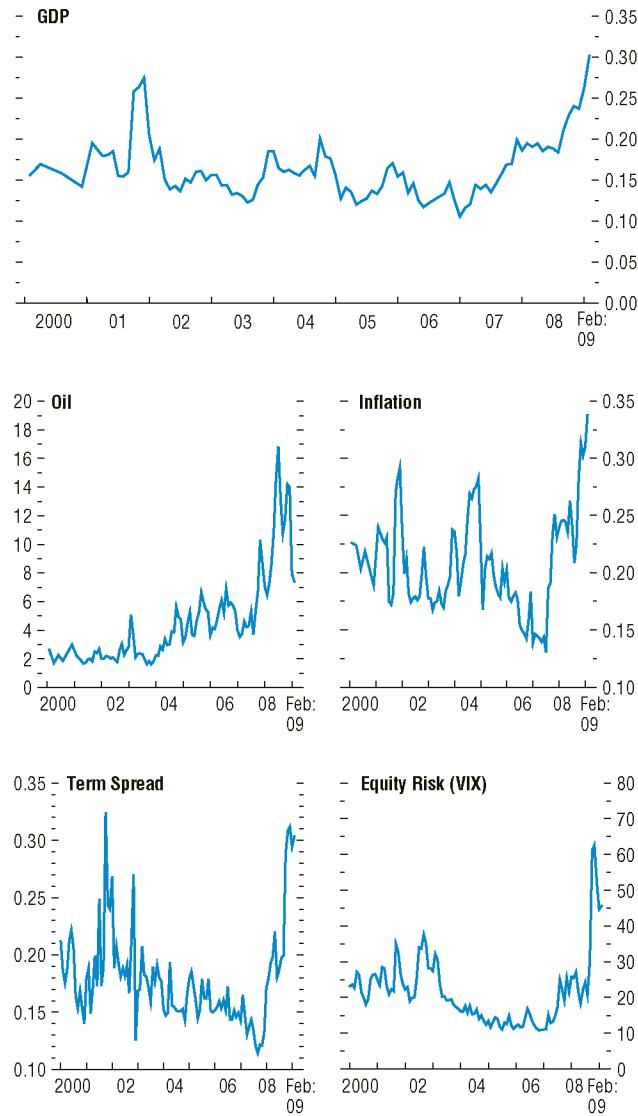


Figure 1.21. Dispersion of Forecasts for GDP and Selected Risk Factors¹



Sources: Consensus Economics; Bloomberg Financial Markets; Chicago Board Options Exchange; and IMF staff calculations.

¹The series for GDP and inflation measure the dispersion (standard deviation) of GDP and inflation forecasts respectively for the G-7 economies, Brazil, India, China and Mexico, taking into account the covariance of forecasts. The series for term spread measures the dispersion of forecasts of the term spread (10-year government bond yield minus 3-month interest rate) for the United States, the United Kingdom, Germany and Japan. The oil price series measures the dispersion of one-year ahead oil forecasts. Finally, the series for equity risk is the VIX series which measures the implied volatility of the S&P 500.