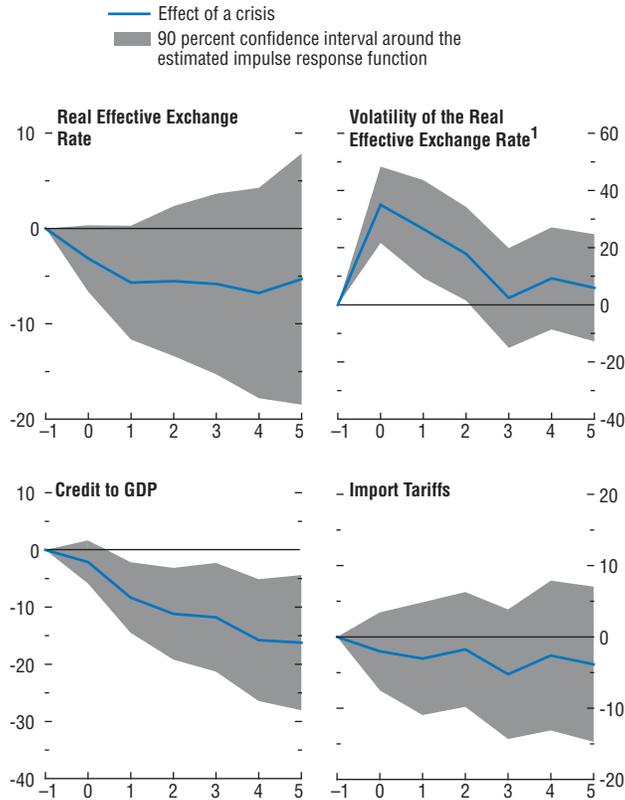


### Figure 4.10. The Postcrisis Evolution of Various Mechanisms

(Percent deviation from normal; years on x-axis; crisis begins at  $t = 0$ )

Crises are followed by persistent declines in credit as a share of GDP, as well as temporary rises in exchange rate volatility. There is a small and statistically insignificant real depreciation and no evidence of significant changes in import tariffs.



Source: IMF staff calculations.

Note: Blue lines indicate the impulse response function—the effect of a crisis relative to what would be predicted in the absence of a crisis. Predictions are based on contemporaneous and lagged crises and country and time dummies.

<sup>1</sup>Exchange rate volatility is measured as the annual standard deviation of monthly real effective exchange rate depreciation.