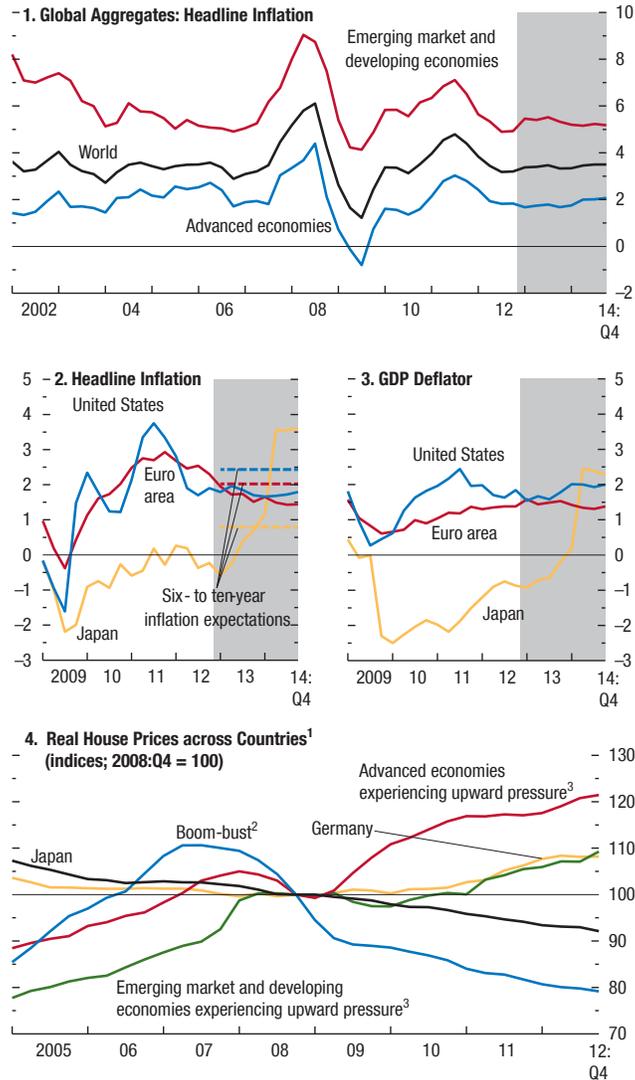


Figure 1.10. Global Inflation
(Year-over-year percent change unless indicated otherwise)

Global inflation has slowed and is projected to continue to do so, helped by stabilizing commodity prices. In the major advanced economies, domestic inflation is running below medium-term inflation targets. This suggests that there is more room for easing monetary policy. In emerging market and developing economies, emerging capacity constraints mean that inflation could surprise on the upside, and policy may have to tighten again or inflation may pick up.



Sources: Haver Analytics; Consensus Economics; Organization for Economic Cooperation and Development, *Global Property Guide*; national sources; and IMF staff estimates.

¹For the following countries, regional or metropolitan averages were used instead of national composites: Estonia, Hungary, India, Latvia, Lithuania, Philippines, Poland, Ukraine, and Uruguay.

²Boom-bust countries: Bulgaria, Croatia, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Greece, Iceland, Ireland, Italy, Latvia, Lithuania, Malta, Netherlands, New Zealand, Poland, Russia, Slovak Republic, Slovenia, South Africa, Spain, Turkey, Ukraine, United Kingdom, United States. Boom-bust countries are those in which real house prices increased by more than 10 percent in the run-up to the global financial crisis (2002–07) and have declined since then.

³Upward pressure countries: Australia, Austria, Belgium, Canada, Colombia, China, Hong Kong SAR, Hungary, India, Israel, Malaysia, Norway, Philippines, Switzerland, Singapore, Sweden, Uruguay.