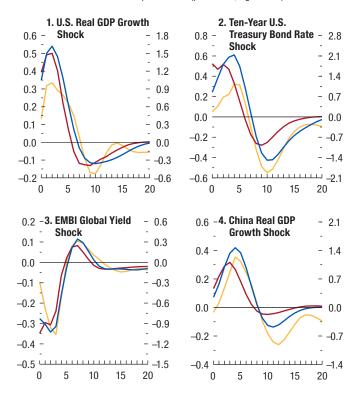
Figure 4.24. Comparison of Impulse Responses from Panel Vector Autoregression with Responses from the Baseline Model

(Percentage points)

Baseline specification (VAR, AR(1) prior; left scale)
Alternative specification (VAR, white-noise priors; left scale)
Alternative specification (panel VAR; right scale)



Sources: Haver Analytics; Thomson Reuters Datastream; and IMF staff calculations.

Note: Shocks are normalized to a 1 percentage point increase. X-axis units in panels are quarters; t=0 denotes the quarter of the shock. AR(1) = first-order autoregression; EMBI = J.P. Morgan Emerging Markets Bond Index; VAR = vector autoregression.