Figure 3.5 Median Vertical Trade with China<sup>1</sup> Median Vertical Trade with Japan<sup>2</sup> (In percent of GDP) (In percent of GDP) ■ Upstream vertical integration ■ Downstream vertical integration ■ Upstream vertical integration ■ Downstream vertical integration 5.0 ---4.5 4.0 3.5 3.0 3.0 2.5 2.5 2.0 2.0 1.5 1.5 1.0 1.0 0.5 0.5 0.0 0.0 90s 00s 00s Asia ASEAN-5 ASEAN-5 Rest of Asia non-Asia Asia Rest of Asia non-Asia

Sources: Organization for Economic Co-operation and Development and World Trade Organization, Trade in Value-Added database; and IMF staff estimates.

<sup>1</sup> Calculated as period medians of the median country pair. Upstream vertical integration of China with country j is defined as value added from China embedded in country j's exports; and downstream vertical integration of China with country j is defined as value added from country j embedded in China's exports.

<sup>&</sup>lt;sup>2</sup> Calculated as period medians of the median country pair. Upstream vertical integration of Japan with country j is defined as value added from Japan embedded in country j's exports; and downstream vertical integration of Japan with country j is defined as value added from Japan embedded in Japan's exports.