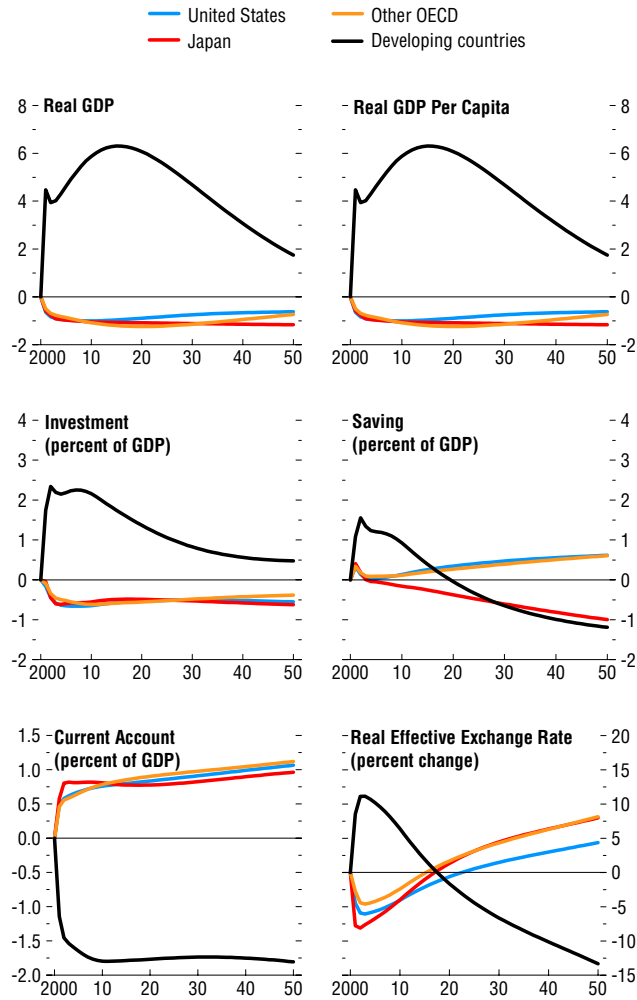


Figure 3.14. Implications of 1 Percentage-Point Decline in Developing Country Risk Premium in the MSG3 Model
(Deviation from baseline projection)

A reduction in the risk of investing in developing countries would boost their capital inflows, investment, and growth.



Source: IMF staff estimates.