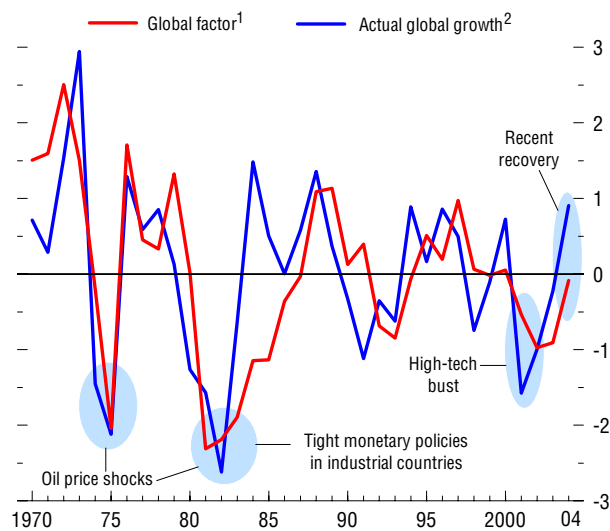


**Figure 2.8. Global Factor and Actual Global Growth**  
*(Annual percentage change; de-meaned)*

The estimate of the global factor picks up the key peaks and troughs in global GDP growth over the past 34 years, including the oil price shocks in the 1970s, the recessions in the early 1980s, the high-tech investment bust, and the recent global recovery.



Sources: Penn World Tables Version 6.1; and IMF staff calculations.

<sup>1</sup>See Appendix 2.2 for further details on the estimation of the global factor. The global factor has been rescaled to have the same variance as the actual global growth.

<sup>2</sup>Actual global growth represents the purchasing-power-parity-weighted real per capita GDP growth rates for all countries in the study.