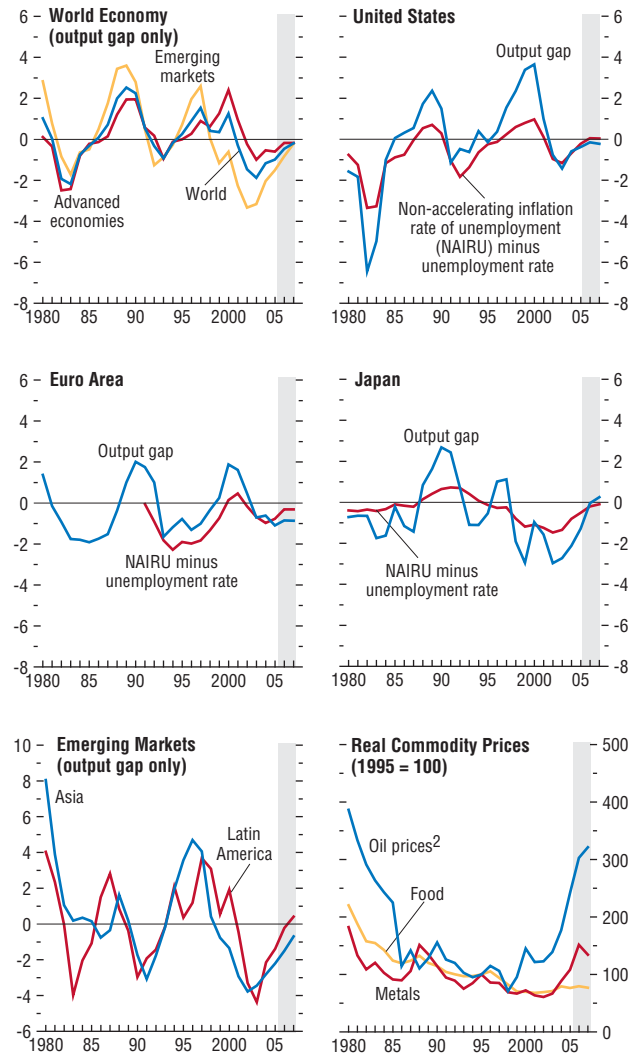


Figure 1.3. Measures of the Output Gap and Capacity Pressures¹

Sustained growth has reduced output gaps and lowered unemployment rates. Tighter capacity constraints in commodity sectors have contributed to sharp increases in oil and metals prices.



Sources: OECD, *Economic Outlook*; and IMF staff estimates.

¹Estimates of the non-accelerating inflation rate of unemployment (NAIRU) come from the OECD. Estimates of the output gap, expressed as a percent of potential GDP, are based on IMF staff calculations.

²Simple average of spot prices of U.K. Brent, Dubai Fateh, and West Texas Intermediate crude oil.