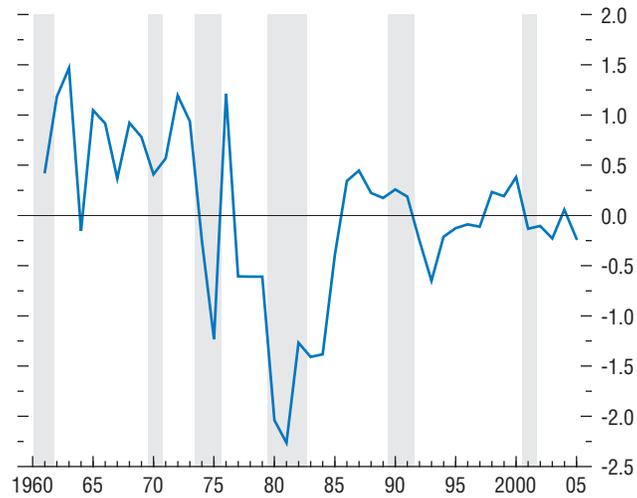


Figure 4.7. Global Factor¹

(Periods of U.S. recessions shaded; de-meaned; annual change in percent)

The global factor closely matches the major peaks and troughs in global GDP growth since 1960. There is also considerable overlap in the evolution of the global factor and U.S. growth, particularly during U.S. recessions.



Sources: World Bank, *World Development Indicators*; and IMF staff calculations.

¹The estimate of the global factor picks up the key peaks and troughs in the growth of U.S. output. Shading indicates recessions as defined by the National Bureau of Economic Research.