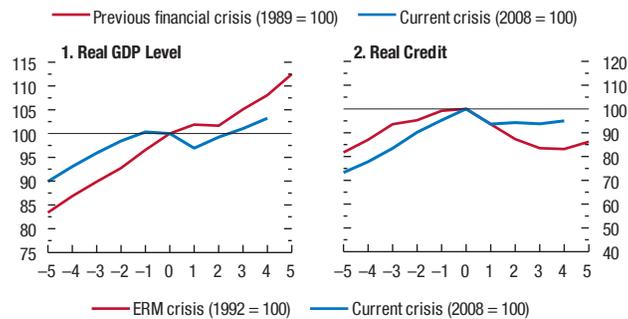


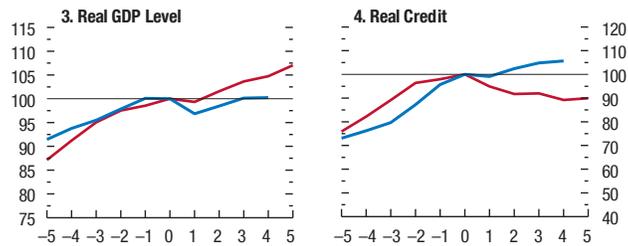
Figure 1.16. Crisis Comparisons
(Index; years from crisis on x-axis)

Credit appears to be doing better after the Great Recession than after previous recessions associated with credit crises. For example, domestic credit in the United States has held up better than after 1989, notwithstanding a much sharper drop in output. The same holds for credit in France and Italy when compared with the European exchange rate mechanism (ERM) crisis, although real credit is now falling in Italy. In Spain, credit is doing less well, consistent with a larger drop in output. Overall, these output and credit developments suggest that low policy rates and unconventional measures have, thus far, helped avert a much deeper credit crunch. However, more action is needed to sustain and improve credit, especially in the euro area periphery.

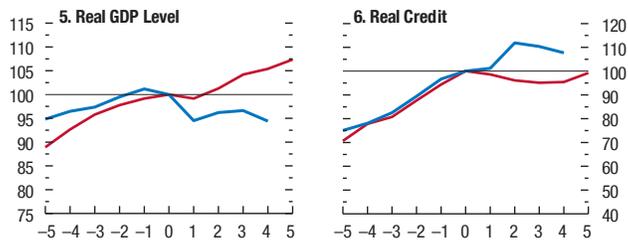
United States



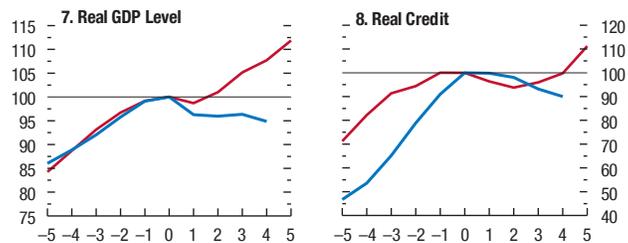
France



Italy



Spain



Sources: IMF, *International Financial Statistics*; and IMF staff calculations.
 Note: Latest 2012 credit data are based on June 2012 levels.