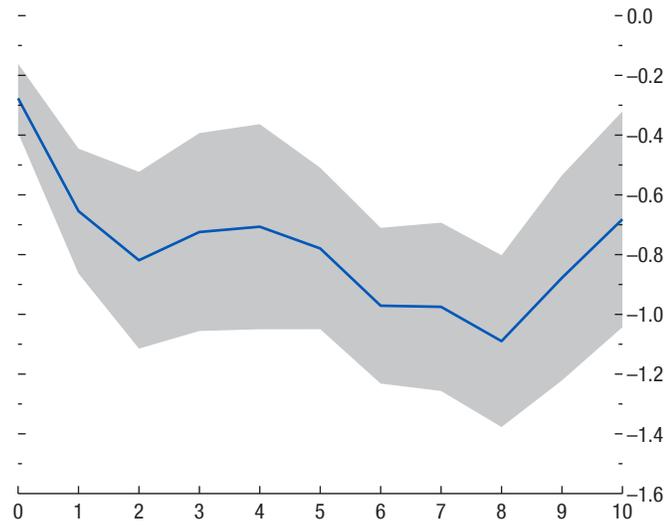


Figure 1.SF.7. Response of Oil Investment to Oil Prices
(Percent change; years forward on x-axis)



Source: IMF staff estimates.

Note: The figure shows the deviation of oil investment from trend in response to a change in oil prices. The computed cumulative response is based on the regression of the first difference in the logs of oil investment on the distributed lags (10) of the first difference in the logs of oil prices after country fixed effects are controlled for. Shaded areas correspond to 95 percent confidence intervals.