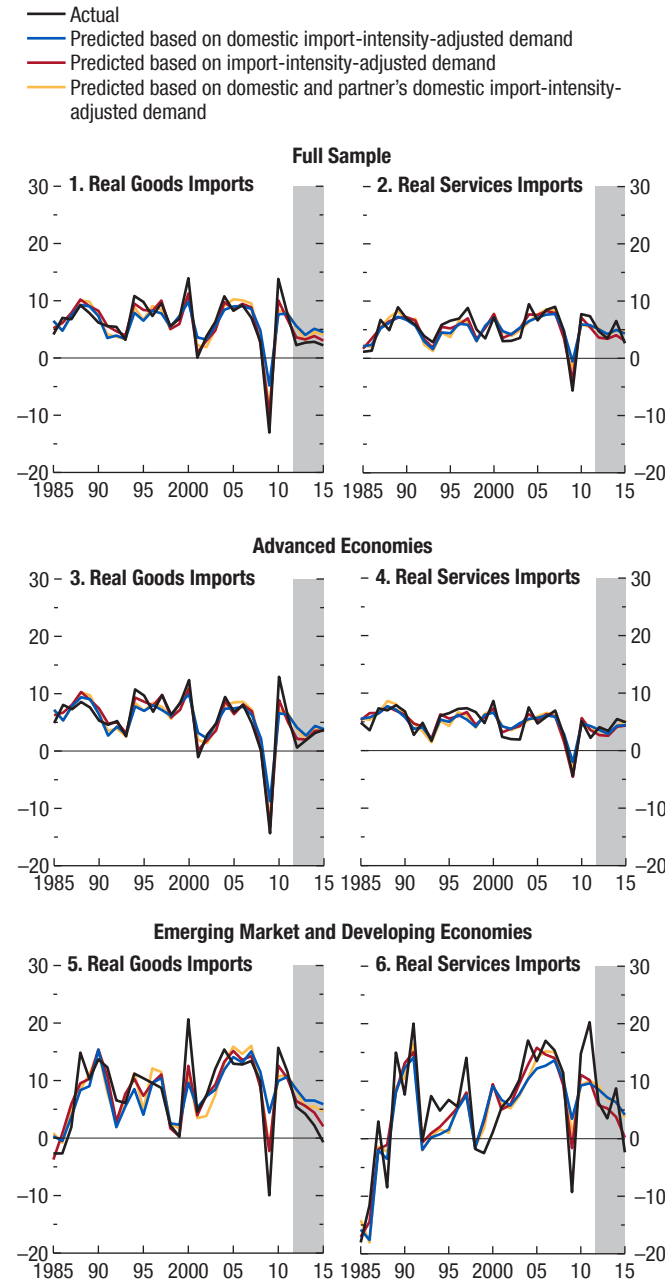


**Figure 2.5. Empirical Model: Actual and Predicted Evolution of Real Import Growth (Percent)**

Post 2012, predicted import growth is consistently above actual for trade in goods, especially in emerging market and developing economies. For services, actual and predicted import growth track each other closely.



Source: IMF staff calculations.

Note: Actual and predicted lines display the average of country real import growth rates, weighted by import shares. Predictions are based on an import demand model, estimated country-by-country, linking real import growth to growth in import-intensity-adjusted demand and relative import prices. See Annex 2.3.