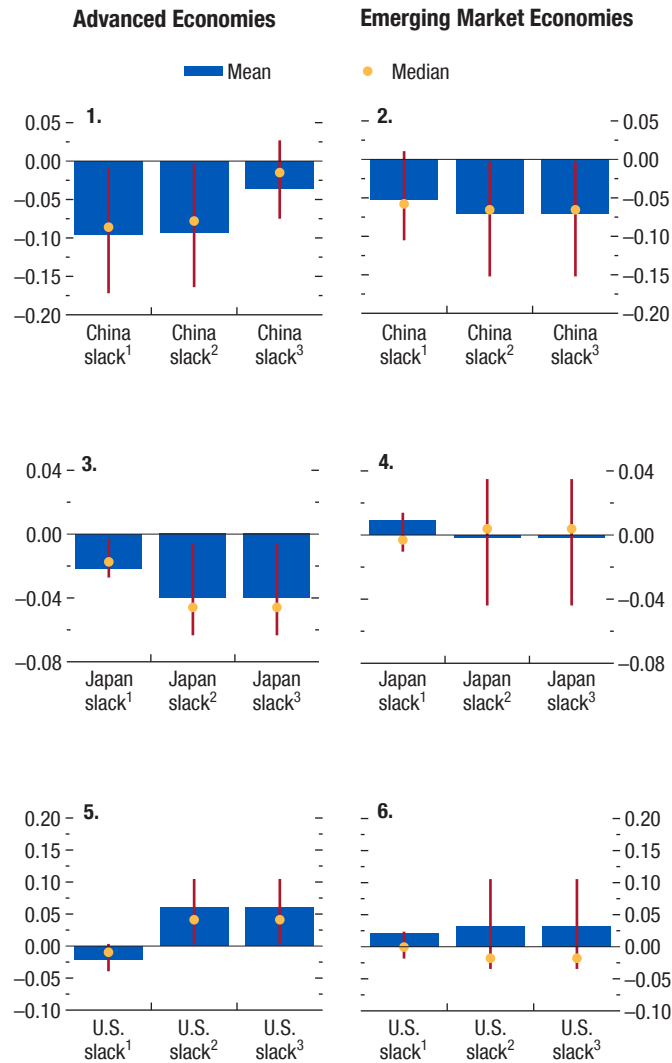


Annex Figure 3.4.3. Correlation of Manufacturing Slack in China, Japan, and the United States with Import Price Contribution to Inflation in Other Economies



Sources: Consensus Economics; Haver Analytics; Organisation for Economic Cooperation and Development; and IMF staff calculations.

Note: Vertical lines denote interquartile ranges. The figure shows the coefficients of manufacturing slack from regressions of the import price contribution to inflation on manufacturing slack and other variables.

¹ No controls.

² Controlling for manufacturing slack in the other two economies, change in oil prices, and global output gap.

³ Controlling for global output gap and change in oil prices in current and previous four quarters.