

Unclassified

ECO/WKP(2001)32



Organisation de Coopération et de Développement Economiques
Organisation for Economic Co-operation and Development

06-Sep-2001

English text only

ECONOMICS DEPARTMENT

ECO/WKP(2001)32
Unclassified

STANDARD SHOCKS IN THE OECD INTERLINK MODEL

ECONOMICS DEPARTMENT WORKING PAPERS NO. 306

by
Thomas Dalsgaard, Christophe André and Pete Richardson

Most Economics Department Working Papers beginning with No. 144 are now available through
OECD's Internet Web site at <http://www.oecd.org/eco/eco>.

JT00112173

Document complet disponible sur OLIS dans son format d'origine
Complete document available on OLIS in its original format

English text only

Table A1. Government Spending Increase, United States

(1 pp rise in Government non-wage consumption)

Deviations from baseline, in percent

	Years after shock				
	1	2	3	4	5
United States					
GDP Level	1.1	1.0	0.5	0.2	0.1
Inflation (Consumer Prices)	0.2	0.7	1.0	1.2	1.2
Current account (% GDP)	-0.4	-0.3	-0.3	-0.4	-0.5
Govt net lending (% GDP)	-0.7	-0.7	-0.8	-1.0	-1.1
Japan					
GDP Level	0.5	0.5	0.1	0.0	0.3
Inflation (Consumer Prices)	0.1	0.5	0.2	-0.1	0.1
Current account (% GDP)	0.2	0.3	0.4	0.4	0.4
Govt net lending (% GDP)	0.0	-0.1	-0.1	-0.1	-0.1
European Union					
GDP Level	0.3	0.3	0.1	0.1	0.1
Inflation (Consumer Prices)	0.1	0.3	0.4	0.4	0.5
Current account (% GDP)	0.2	0.3	0.3	0.3	0.4
Govt net lending (% GDP)	0.1	0.1	0.0	0.0	0.0
Euro Area					
GDP Level	0.4	0.4	0.1	0.1	0.2
Inflation (Consumer Prices)	0.0	0.2	0.3	0.4	0.5
Current account (% GDP)	0.2	0.3	0.2	0.2	0.3
Govt net lending (% GDP)	0.1	0.1	0.0	0.0	0.0
Total OECD					
GDP Level	0.7	0.6	0.3	0.1	0.2
Inflation (Consumer Prices)	0.1	0.4	0.6	0.7	0.7
Current account (% GDP)	-0.1	0.0	0.1	0.0	0.0
Govt net lending (% GDP)	-0.2	-0.2	-0.3	-0.4	-0.4
GDP Levels					
Canada	1.0	0.7	0.4	0.2	0.1
France	0.2	0.3	0.2	0.1	0.1
Germany	0.6	0.4	0.0	0.0	0.1
Italy	0.3	0.4	0.1	0.0	0.1
United Kingdom	0.2	0.3	0.1	0.0	0.0
Inflation (Consumer prices)					
Canada	0.0	0.7	1.0	1.0	1.0
France	0.0	0.2	0.3	0.4	0.4
Germany	0.0	0.1	0.3	0.4	0.5
Italy	0.1	0.4	0.3	0.4	0.5
United Kingdom	0.1	0.5	0.5	0.4	0.5

Nominal exchange rates are fixed

Real interest rates are held at their baseline level.

Real government investment is held at its baseline level.

Table A2. Government Spending Increase, Japan

(1 pp rise in Government non-wage consumption)

Deviations from baseline, in percent

	Years after shock				
	1	2	3	4	5
United States					
GDP Level	0.1	0.1	0.0	0.0	0.0
Inflation (Consumer Prices)	0.0	0.1	0.1	0.1	0.1
Current account (% GDP)	0.0	0.0	0.0	0.0	0.0
Govt net lending (% GDP)	0.0	0.0	0.0	0.0	0.0
Japan					
GDP Level	1.7	1.1	0.4	0.2	0.5
Inflation (Consumer Prices)	0.5	1.4	0.5	-0.1	0.4
Current account (% GDP)	-0.5	-0.2	-0.1	-0.2	-0.4
Govt net lending (% GDP)	-1.0	-1.3	-1.5	-1.5	-1.8
European Union					
GDP Level	0.1	0.1	0.0	0.0	0.0
Inflation (Consumer Prices)	0.0	0.1	0.1	0.1	0.1
Current account (% GDP)	0.1	0.1	0.0	0.0	0.1
Govt net lending (% GDP)	0.0	0.0	0.0	0.0	0.0
Euro Area					
GDP Level	0.1	0.1	0.0	0.0	0.1
Inflation (Consumer Prices)	0.0	0.1	0.1	0.1	0.1
Current account (% GDP)	0.1	0.1	0.0	0.0	0.1
Govt net lending (% GDP)	0.0	0.0	0.0	0.0	0.0
Total OECD					
GDP Level	0.3	0.2	0.1	0.0	0.1
Inflation (Consumer Prices)	0.1	0.3	0.1	0.1	0.1
Current account (% GDP)	0.0	0.0	0.0	0.0	0.0
Govt net lending (% GDP)	-0.1	-0.2	-0.2	-0.2	-0.3
GDP Levels					
Canada	0.1	0.1	0.0	0.0	0.1
France	0.1	0.1	0.0	0.0	0.0
Germany	0.2	0.1	-0.1	0.0	0.1
Italy	0.1	0.1	0.0	0.0	0.0
United Kingdom	0.1	0.1	0.0	-0.1	0.0
Inflation (Consumer prices)					
Canada	0.0	0.1	0.1	0.1	0.1
France	0.0	0.1	0.1	0.1	0.1
Germany	0.0	0.1	0.1	0.1	0.1
Italy	0.0	0.1	0.1	0.0	0.1
United Kingdom	0.1	0.2	0.1	0.0	0.1

Nominal exchange rates are fixed

Real interest rates are held at their baseline level.

Real government investment is held at its baseline level.

Table A3. Government Spending Increase, Euro Area

(1 pp rise in Government non-wage consumption)

Deviations from baseline, in percent

	Years after shock				
	1	2	3	4	5
United States					
GDP Level	0.1	0.1	0.0	0.0	0.0
Inflation (Consumer Prices)	0.0	0.1	0.1	0.2	0.2
Current account (% GDP)	0.1	0.1	0.1	0.1	0.1
Govt net lending (% GDP)	0.0	0.0	0.0	0.0	0.0
Japan					
GDP Level	0.2	0.2	0.0	0.0	0.1
Inflation (Consumer Prices)	0.0	0.2	0.1	0.0	0.1
Current account (% GDP)	0.0	0.1	0.1	0.1	0.2
Govt net lending (% GDP)	0.0	0.0	0.0	0.0	0.0
European Union					
GDP Level	1.0	0.7	0.4	0.2	0.0
Inflation (Consumer Prices)	0.2	0.6	0.7	0.8	0.9
Current account (% GDP)	-0.2	-0.2	-0.2	-0.2	-0.2
Govt net lending (% GDP)	-0.5	-0.6	-0.7	-0.9	-1.0
Euro Area					
GDP Level	1.2	0.9	0.5	0.2	0.1
Inflation (Consumer Prices)	0.2	0.6	0.8	0.9	1.0
Current account (% GDP)	-0.3	-0.3	-0.3	-0.3	-0.4
Govt net lending (% GDP)	-0.6	-0.7	-0.9	-1.1	-1.3
Total OECD					
GDP Level	0.4	0.4	0.2	0.1	0.1
Inflation (Consumer Prices)	0.1	0.3	0.3	0.4	0.4
Current account (% GDP)	0.0	0.0	0.0	0.0	0.0
Govt net lending (% GDP)	-0.2	-0.2	-0.2	-0.3	-0.4
GDP Levels					
Canada	0.2	0.1	0.1	0.1	0.1
France	0.8	0.8	0.7	0.4	0.2
Germany	1.5	0.8	0.1	-0.1	-0.3
Italy	1.2	0.9	0.4	0.1	-0.1
United Kingdom	0.2	0.2	0.0	-0.1	-0.1
Inflation (Consumer prices)					
Canada	0.0	0.1	0.2	0.2	0.2
France	0.1	0.7	0.9	1.1	1.1
Germany	0.2	0.4	0.8	1.0	1.0
Italy	0.4	1.1	0.9	1.0	1.0
United Kingdom	0.2	0.5	0.5	0.4	0.5

Nominal exchange rates are fixed

Real interest rates are held at their baseline level.

Real government investment is held at its baseline level.

Table A4. Tax Cut, United States
 (Drop in wage and salary tax rate of 1 percent of GDP)
 Deviations from baseline, in percent

	Years after shock				
	1	2	3	4	5
United States					
GDP Level	0.4	0.8	0.8	0.6	0.4
Inflation (Consumer Prices)	0.1	0.3	0.7	1.0	1.2
Current account (% GDP)	-0.2	-0.3	-0.3	-0.4	-0.5
Govt net lending (% GDP)	-0.9	-0.8	-0.8	-0.9	-1.1
Japan					
GDP Level	0.2	0.4	0.4	0.2	0.2
Inflation (Consumer Prices)	0.0	0.3	0.3	0.2	0.1
Current account (% GDP)	0.1	0.2	0.3	0.4	0.5
Govt net lending (% GDP)	0.0	0.0	0.0	-0.1	-0.1
European Union					
GDP Level	0.1	0.3	0.3	0.2	0.2
Inflation (Consumer Prices)	0.0	0.1	0.3	0.4	0.5
Current account (% GDP)	0.1	0.2	0.3	0.4	0.4
Govt net lending (% GDP)	0.0	0.1	0.1	0.1	0.0
Euro Area					
GDP Level	0.1	0.3	0.3	0.2	0.2
Inflation (Consumer Prices)	0.0	0.1	0.2	0.4	0.5
Current account (% GDP)	0.1	0.2	0.3	0.3	0.3
Govt net lending (% GDP)	0.0	0.1	0.1	0.1	0.0
Total OECD					
GDP Level	0.3	0.5	0.5	0.4	0.3
Inflation (Consumer Prices)	0.0	0.2	0.4	0.6	0.7
Current account (% GDP)	0.0	0.0	0.0	0.0	0.0
Govt net lending (% GDP)	-0.3	-0.3	-0.3	-0.3	-0.4
GDP Levels					
Canada	0.4	0.7	0.7	0.5	0.3
France	0.1	0.2	0.3	0.2	0.2
Germany	0.2	0.4	0.3	0.2	0.1
Italy	0.1	0.3	0.3	0.2	0.1
United Kingdom	0.1	0.2	0.2	0.1	0.0
Inflation (Consumer prices)					
Canada	0.0	0.3	0.7	0.9	1.1
France	0.0	0.1	0.2	0.3	0.4
Germany	0.0	0.1	0.2	0.4	0.5
Italy	0.0	0.2	0.3	0.4	0.5
United Kingdom	0.0	0.2	0.4	0.5	0.6

Nominal exchange rates are fixed

Real interest rates are held at their baseline level.

Real government spending and investment are held at their baseline levels.

Table A7. Interest Rate Cut, United States, Fixed Exchange Rate

(Drop in short term and long term interest rates of 1 percentage point)

Deviations from baseline, in percent

	Years after shock				
	1	2	3	4	5
United States					
GDP Level	0.3	0.5	0.4	0.3	0.2
Inflation (Consumer Prices)	0.0	0.2	0.4	0.5	0.4
Current account (% GDP)	-0.1	-0.1	0.0	0.1	0.1
Govt net lending (% GDP)	0.2	0.3	0.2	0.1	0.1
Japan					
GDP Level	0.2	0.3	0.3	0.2	0.2
Inflation (Consumer Prices)	0.0	0.2	0.3	0.2	0.1
Current account (% GDP)	0.1	0.2	0.2	0.2	0.2
Govt net lending (% GDP)	0.0	0.1	0.1	0.1	0.1
European Union					
GDP Level	0.1	0.3	0.3	0.3	0.3
Inflation (Consumer Prices)	0.0	0.1	0.2	0.3	0.3
Current account (% GDP)	0.0	0.1	0.1	0.1	0.1
Govt net lending (% GDP)	0.0	0.1	0.1	0.2	0.2
Euro Area					
GDP Level	0.1	0.3	0.3	0.3	0.3
Inflation (Consumer Prices)	0.0	0.1	0.2	0.3	0.3
Current account (% GDP)	0.0	0.2	0.2	0.2	0.2
Govt net lending (% GDP)	0.0	0.1	0.1	0.2	0.2
Total OECD					
GDP Level	0.2	0.4	0.3	0.3	0.2
Inflation (Consumer Prices)	0.0	0.1	0.3	0.3	0.4
Current account (% GDP)	0.0	0.0	0.1	0.1	0.1
Govt net lending (% GDP)	0.1	0.1	0.2	0.1	0.1
GDP Levels					
Canada	0.3	0.5	0.4	0.3	0.2
France	0.1	0.2	0.2	0.2	0.3
Germany	0.2	0.4	0.4	0.3	0.3
Italy	0.1	0.3	0.3	0.3	0.2
United Kingdom	0.1	0.2	0.2	0.1	0.1
Inflation (Consumer prices)					
Canada	0.0	0.2	0.4	0.5	0.5
France	0.0	0.1	0.2	0.3	0.3
Germany	0.0	0.1	0.2	0.3	0.4
Italy	0.0	0.2	0.3	0.3	0.3
United Kingdom	0.0	0.2	0.3	0.3	0.3

Nominal exchange rates are fixed

Nominal interest rates are held at their baseline level for other countries.

Real government spending and investment are held at their baseline levels.

Table A10. Interest Rate Cut, United States, Floating Exchange Rate

(Drop in short term and long term interest rates of 1 percentage point)

Deviations from baseline, in percent

	Years after shock				
	1	2	3	4	5
United States					
GDP Level	0.6	0.8	0.4	0.2	0.1
Inflation (Consumer Prices)	0.6	0.3	0.8	0.9	0.8
Current account (% GDP)	-0.2	0.0	0.1	0.2	0.2
Govt net lending (% GDP)	0.3	0.4	0.2	0.1	0.0
Japan					
GDP Level	0.0	0.1	0.2	0.1	0.1
Inflation (Consumer Prices)	-0.1	0.1	0.1	0.1	0.1
Current account (% GDP)	0.2	0.1	0.1	0.2	0.2
Govt net lending (% GDP)	0.0	0.0	0.0	0.0	0.0
European Union					
GDP Level	-0.2	0.1	0.2	0.2	0.2
Inflation (Consumer Prices)	-0.4	-0.1	0.0	0.1	0.2
Current account (% GDP)	-0.1	0.0	0.1	0.1	0.1
Govt net lending (% GDP)	0.0	0.0	0.0	0.1	0.1
Euro Area					
GDP Level	-0.2	0.1	0.2	0.2	0.2
Inflation (Consumer Prices)	-0.3	0.0	0.0	0.1	0.2
Current account (% GDP)	0.0	0.1	0.2	0.2	0.2
Govt net lending (% GDP)	0.0	0.0	0.1	0.1	0.1
Total OECD					
GDP Level	0.2	0.4	0.3	0.2	0.2
Inflation (Consumer Prices)	0.0	0.1	0.3	0.4	0.4
Current account (% GDP)	0.0	0.0	0.1	0.1	0.2
Govt net lending (% GDP)	0.1	0.1	0.1	0.1	0.1
GDP Levels					
Canada	-0.5	0.1	0.0	0.1	0.3
France	-0.1	0.0	0.1	0.2	0.2
Germany	-0.2	0.2	0.3	0.2	0.2
Italy	-0.1	0.0	0.3	0.2	0.2
United Kingdom	-0.2	-0.1	0.1	0.1	0.1
Inflation (Consumer prices)					
Canada	-1.1	0.1	0.0	-0.1	-0.1
France	-0.1	-0.1	0.0	0.1	0.2
Germany	-0.2	0.1	0.0	0.1	0.2
Italy	-0.4	0.1	0.1	0.2	0.2
United Kingdom	-0.8	-0.4	-0.1	0.3	0.5

Nominal exchange rates are floating

Nominal interest rates are held at their baseline level for other countries.

Real government spending and investment are held at their baseline levels.

Table A13. Ten percent US Dollar Depreciation

	Deviations from baseline, in percent				
	Years after shock				
	1	2	3	4	5
United States					
GDP Level	0.2	0.7	0.4	0.0	-0.3
Inflation (Consumer Prices)	1.0	0.6	0.9	1.1	1.1
Current account (% GDP)	0.0	0.2	0.3	0.4	0.4
Govt net lending (% GDP)	-0.2	0.1	0.0	0.0	-0.1
Japan					
GDP Level	-0.2	-0.5	-0.4	-0.4	-0.5
Inflation (Consumer Prices)	-0.2	-0.3	-0.4	-0.3	-0.3
Current account (% GDP)	0.0	-0.1	-0.3	-0.4	-0.5
Govt net lending (% GDP)	0.0	0.0	0.0	0.0	0.0
European Union					
GDP Level	-0.3	-0.4	-0.2	-0.1	0.0
Inflation (Consumer Prices)	-0.5	-0.4	-0.5	-0.6	-0.6
Current account (% GDP)	-0.1	-0.2	-0.3	-0.3	-0.3
Govt net lending (% GDP)	0.1	0.0	0.0	0.0	0.0
Euro Area					
GDP Level	-0.3	-0.4	-0.3	-0.2	-0.1
Inflation (Consumer Prices)	-0.4	-0.3	-0.5	-0.6	-0.6
Current account (% GDP)	-0.1	-0.2	-0.3	-0.4	-0.4
Govt net lending (% GDP)	0.1	0.0	0.0	0.0	0.1
Total OECD					
GDP Level	-0.2	-0.1	-0.1	-0.2	-0.2
Inflation (Consumer Prices)	0.0	-0.1	0.0	0.0	0.0
Current account (% GDP)	0.1	0.0	0.0	0.0	0.0
Govt net lending (% GDP)	0.0	0.0	0.0	-0.1	-0.1
GDP Levels					
Canada	-1.2	-0.9	-1.0	-0.6	0.2
France	-0.2	-0.4	-0.3	-0.3	-0.2
Germany	-0.3	-0.4	-0.3	-0.2	-0.1
Italy	-0.2	-0.4	-0.2	-0.2	0.0
United Kingdom	-0.3	-0.2	0.1	0.2	0.2
Inflation (Consumer prices)					
Canada	-1.7	-1.0	-1.1	-1.3	-1.3
France	-0.2	-0.3	-0.5	-0.6	-0.7
Germany	-0.3	-0.1	-0.4	-0.5	-0.7
Italy	-0.6	-0.4	-0.5	-0.6	-0.6
United Kingdom	-1.1	-0.8	-0.7	-0.4	-0.2

Real interest rates are held at their baseline level.

Real government spending and investment are held at their baseline levels.

Table A14. Ten percent US Dollar Depreciation

(holding GDPV at baseline level using CGV as instrument)

Deviations from baseline, in percent

	Years after shock				
	1	2	3	4	5
United States					
GDP Level	0.0	0.0	0.0	0.0	0.0
Inflation (Consumer Prices)	0.9	0.3	0.2	0.3	0.3
Japan					
GDP Level	0.0	0.0	0.0	0.0	0.0
Inflation (Consumer Prices)	-0.2	0.1	0.0	0.0	0.0
European Union					
GDP Level	0.0	0.0	0.0	0.0	0.0
Inflation (Consumer Prices)	-0.5	-0.2	-0.3	-0.3	-0.3
Euro Area					
GDP Level	0.0	0.0	0.0	0.0	0.0
Inflation (Consumer Prices)	-0.4	-0.2	-0.2	-0.3	-0.3
Total OECD					
GDP Level	0.0	0.0	0.0	0.0	0.0
Inflation (Consumer Prices)	0.0	0.0	-0.1	-0.1	0.0
Inflation (Consumer prices)					
Canada	-1.8	-0.4	-0.5	-0.5	-0.4
France	-0.1	0.0	-0.1	-0.1	-0.2
Germany	-0.3	0.0	-0.1	-0.2	-0.2
Italy	-0.5	-0.1	-0.2	-0.2	-0.3
United Kingdom	-0.9	-0.4	-0.5	-0.4	-0.3

Real interest rates are held at their baseline level.

Real government spending and investment are held at their baseline levels.

Table A15. Ten percent Yen Depreciation

	Deviations from baseline, in percent				
	Years after shock				
	1	2	3	4	5
United States					
GDP Level	0.0	-0.1	-0.1	0.0	0.0
Inflation (Consumer Prices)	-0.2	-0.1	-0.1	-0.2	-0.2
Current account (% GDP)	0.0	0.0	0.0	-0.1	-0.1
Govt net lending (% GDP)	0.1	0.0	0.0	0.0	0.0
Japan					
GDP Level	0.6	1.3	1.1	0.8	0.8
Inflation (Consumer Prices)	0.4	0.7	1.0	0.6	0.5
Current account (% GDP)	0.0	0.4	0.8	1.0	1.2
Govt net lending (% GDP)	-0.1	-0.1	-0.2	-0.2	-0.3
European Union					
GDP Level	0.0	0.0	-0.1	-0.1	-0.1
Inflation (Consumer Prices)	-0.1	-0.1	-0.1	-0.2	-0.2
Current account (% GDP)	0.0	0.0	-0.1	-0.1	-0.2
Govt net lending (% GDP)	0.0	0.0	0.0	0.0	0.0
Euro Area					
GDP Level	0.0	0.0	-0.1	-0.1	-0.1
Inflation (Consumer Prices)	-0.1	-0.1	-0.1	-0.2	-0.2
Current account (% GDP)	0.0	0.0	-0.1	-0.1	-0.2
Govt net lending (% GDP)	0.0	0.0	0.0	0.0	0.0
Total OECD					
GDP Level	0.1	0.1	0.1	0.0	0.0
Inflation (Consumer Prices)	-0.1	0.0	0.0	-0.1	-0.1
Current account (% GDP)	-0.1	0.0	0.0	0.0	0.0
Govt net lending (% GDP)	0.0	0.0	0.0	0.0	0.0
GDP Levels					
Canada	0.0	-0.1	-0.2	-0.3	-0.2
France	0.0	0.0	-0.1	-0.1	-0.1
Germany	0.0	0.0	-0.2	-0.2	-0.2
Italy	0.0	0.0	-0.1	-0.1	-0.1
United Kingdom	0.0	0.0	0.0	0.0	0.0
Inflation (Consumer prices)					
Canada	-0.1	0.0	-0.1	-0.2	-0.3
France	-0.1	0.0	-0.1	-0.1	-0.2
Germany	-0.1	0.0	0.0	-0.1	-0.2
Italy	-0.1	-0.1	-0.1	-0.2	-0.3
United Kingdom	-0.3	-0.2	-0.2	-0.2	-0.2

Real interest rates are held at their baseline level.

Real government spending and investment are held at their baseline levels.

Table A17. Ten percent Euro Depreciation

(includes Denmark)

Deviations from baseline, in percent

	Years after shock				
	1	2	3	4	5
United States					
GDP Level	-0.1	-0.3	-0.2	-0.1	0.1
Inflation (Consumer Prices)	-0.3	-0.3	-0.4	-0.5	-0.5
Current account (% GDP)	-0.1	-0.1	-0.2	-0.2	-0.2
Govt net lending (% GDP)	0.1	0.0	0.0	0.0	0.0
Japan					
GDP Level	-0.2	-0.4	-0.5	-0.3	-0.3
Inflation (Consumer Prices)	-0.1	-0.3	-0.4	-0.3	-0.2
Current account (% GDP)	0.0	-0.2	-0.3	-0.4	-0.5
Govt net lending (% GDP)	0.0	0.0	0.1	0.1	0.1
European Union					
GDP Level	0.6	0.6	0.4	0.2	0.0
Inflation (Consumer Prices)	0.4	0.4	0.7	0.9	1.0
Current account (% GDP)	0.1	0.3	0.4	0.5	0.5
Govt net lending (% GDP)	0.0	0.1	0.0	-0.1	-0.2
Euro Area					
GDP Level	0.8	0.9	0.5	0.2	-0.1
Inflation (Consumer Prices)	0.7	0.8	1.0	1.2	1.3
Current account (% GDP)	0.4	0.6	0.7	0.7	0.7
Govt net lending (% GDP)	-0.1	0.1	0.0	-0.1	-0.2
Total OECD					
GDP Level	0.0	0.0	-0.1	0.0	0.0
Inflation (Consumer Prices)	-0.1	-0.1	-0.1	0.0	0.0
Current account (% GDP)	0.0	0.0	-0.1	-0.1	-0.1
Govt net lending (% GDP)	0.0	0.0	0.0	-0.1	-0.1
GDP Levels					
Canada	-0.3	-0.5	-0.6	-0.4	-0.2
France	0.6	0.8	0.6	0.4	0.2
Germany	1.1	0.9	0.4	0.0	-0.3
Italy	0.5	0.9	0.5	0.1	-0.2
United Kingdom	-0.7	-0.5	0.1	0.5	0.6
Inflation (Consumer prices)					
Canada	-0.1	-0.1	-0.4	-0.6	-0.7
France	0.3	0.6	0.9	1.2	1.3
Germany	0.6	0.3	0.8	1.2	1.4
Italy	0.9	1.1	1.1	1.2	1.2
United Kingdom	-1.5	-1.7	-1.2	-0.4	0.1

Real interest rates are held at their baseline level.

Real government spending and investment are held at their baseline levels.

Table A19. Ten percent Nominal Effective Depreciation

		Deviations from baseline, in percent				
		Years after shock				
		1	2	3	4	5
Australia						
	GDP Level	0.7	0.7	0.1	-0.4	-0.8
	Inflation (Consumer Prices)	1.8	2.7	3.4	3.2	2.6
Canada						
	GDP Level	1.7	1.9	2.1	1.4	0.2
	Inflation (Consumer Prices)	1.7	1.2	2.0	2.7	2.7
Czech Republic						
	GDP Level	2.4	3.3	3.3	2.8	2.0
	Inflation (Consumer Prices)	2.3	0.9	0.9	1.4	1.7
Hungary						
	GDP Level	2.1	3.3	3.4	3.0	2.3
	Inflation (Consumer Prices)	1.1	0.6	0.9	1.3	1.7
Iceland						
	GDP Level	2.3	1.5	1.5	1.5	1.6
	Inflation (Consumer Prices)	2.3	2.7	0.8	0.4	0.3
Korea						
	GDP Level	0.3	1.8	2.1	1.9	1.5
	Inflation (Consumer Prices)	3.4	0.6	0.7	1.1	1.4
Mexico						
	GDP Level	1.6	1.8	1.8	1.5	1.0
	Inflation (Consumer Prices)	1.7	1.7	0.9	0.7	0.4
New Zealand						
	GDP Level	0.8	0.1	-0.8	-1.5	-1.8
	Inflation (Consumer Prices)	2.5	3.5	3.7	3.3	1.8
Norway						
	GDP Level	0.8	0.4	-0.4	-0.9	-1.3
	Inflation (Consumer Prices)	2.0	2.8	2.6	1.8	1.0
Poland						
	GDP Level	1.1	2.3	2.5	2.3	1.9
	Inflation (Consumer Prices)	0.9	0.3	0.6	1.0	1.3
Sweden						
	GDP Level	1.2	1.6	0.9	0.0	-0.7
	Inflation (Consumer Prices)	2.7	2.0	2.9	2.7	2.0
Switzerland						
	GDP Level	1.9	1.5	-0.1	-1.4	-2.5
	Inflation (Consumer Prices)	2.4	2.9	3.7	3.4	2.6
Turkey						
	GDP Level	2.2	2.6	2.0	0.8	-0.7
	Inflation (Consumer Prices)	2.0	2.4	2.1	2.2	1.7
United Kingdom						
	GDP Level	1.3	0.9	-0.3	-0.9	-1.1
	Inflation (Consumer Prices)	2.9	3.4	2.6	1.3	0.4

Real interest rates are held at their baseline level.

Real government spending and investment are held at their baseline levels.

Table A20. Oil price increase

(50 per cent rise)

Deviations from baseline, in percent

	Years after shock				
	1	2	3	4	5
United States					
GDP Level	-0.3	-0.2	0.0	0.0	0.0
Inflation (Consumer Prices)	0.5	0.2	0.1	0.1	0.1
Current account (% GDP)	-0.2	-0.2	-0.2	-0.1	-0.1
Govt net lending (% GDP)	-0.2	-0.2	-0.1	-0.1	-0.1
Japan					
GDP Level	-0.4	-0.3	0.1	0.3	0.1
Inflation (Consumer Prices)	0.4	0.0	0.0	0.1	0.1
Current account (% GDP)	-0.3	-0.3	-0.4	-0.4	-0.3
Govt net lending (% GDP)	-0.3	-0.2	-0.2	-0.1	-0.2
European Union					
GDP Level	-0.3	-0.1	0.2	0.2	0.1
Inflation (Consumer Prices)	0.6	0.2	0.2	0.3	0.3
Current account (% GDP)	-0.2	-0.1	0.0	0.1	0.1
Govt net lending (% GDP)	-0.3	-0.2	-0.2	-0.1	-0.1
Euro Area					
GDP Level	-0.4	-0.2	0.2	0.2	0.1
Inflation (Consumer Prices)	0.6	0.2	0.1	0.2	0.3
Current account (% GDP)	-0.3	-0.1	0.0	0.0	0.0
Govt net lending (% GDP)	-0.3	-0.3	-0.2	-0.1	-0.1
Total OECD					
GDP Level	-0.3	-0.2	0.1	0.2	0.1
Inflation (Consumer Prices)	0.6	0.2	0.1	0.2	0.2
Current account (% GDP)	-0.1	-0.1	-0.1	0.0	0.0
Govt net lending (% GDP)	-0.2	-0.2	-0.1	-0.1	-0.1
GDP Levels					
Canada	0.0	0.3	0.5	0.4	0.2
France	-0.2	-0.1	0.2	0.2	0.2
Germany	-0.6	0.0	0.7	0.6	0.4
Italy	-0.3	-0.4	0.1	0.2	0.2
United Kingdom	-0.1	0.0	0.1	0.1	-0.1
Inflation (Consumer prices)					
Canada	0.1	-0.1	0.2	0.5	0.6
France	0.6	0.1	0.1	0.2	0.3
Germany	0.4	-0.1	-0.2	0.0	0.2
Italy	1.0	0.2	0.0	0.1	0.1
United Kingdom	0.4	0.3	0.4	0.6	0.5

Taking into account a gradual increase in imports in Africa and Middle-East, Central and Eastern Europe.

Nominal exchange rates are fixed.

Real interest rates are held at their baseline level.

Real government spending and investment are held at their baseline levels.

Table A21. Commodity price increase

(20 percent rise in non-oil commodity prices)

Deviations from baseline, in percent

	Years after shock				
	1	2	3	4	5
United States					
GDP Level	-0.2	-0.1	0.0	0.1	0.1
Inflation (Consumer Prices)	0.2	0.0	0.0	0.0	0.0
Current account (% GDP)	0.0	-0.1	0.0	0.0	0.0
Govt net lending (% GDP)	-0.1	-0.1	0.0	0.0	0.0
Japan					
GDP Level	-0.3	-0.2	0.0	0.1	0.0
Inflation (Consumer Prices)	0.2	-0.2	0.0	0.1	0.0
Current account (% GDP)	-0.2	-0.3	-0.3	-0.4	-0.4
Govt net lending (% GDP)	-0.1	-0.1	-0.1	-0.1	-0.1
European Union					
GDP Level	-0.2	-0.2	-0.1	-0.1	-0.1
Inflation (Consumer Prices)	0.3	0.2	0.2	0.2	0.2
Current account (% GDP)	0.1	0.0	0.1	0.1	0.1
Govt net lending (% GDP)	-0.1	-0.1	-0.1	-0.1	-0.1
Euro Area					
GDP Level	-0.2	-0.2	-0.1	-0.1	-0.1
Inflation (Consumer Prices)	0.3	0.2	0.1	0.1	0.2
Current account (% GDP)	0.0	0.0	0.1	0.1	0.1
Govt net lending (% GDP)	-0.1	-0.1	-0.1	-0.1	-0.1
Total OECD					
GDP Level	-0.2	-0.2	0.0	0.0	0.0
Inflation (Consumer Prices)	0.3	0.1	0.1	0.1	0.1
Current account (% GDP)	0.0	0.0	0.0	0.0	0.0
Govt net lending (% GDP)	-0.1	-0.1	-0.1	0.0	0.0
GDP Levels					
Canada	0.0	0.1	0.2	0.3	0.2
France	-0.1	-0.1	0.0	0.1	0.2
Germany	-0.3	-0.2	0.1	0.1	0.1
Italy	-0.2	-0.3	-0.2	-0.2	-0.2
United Kingdom	-0.1	-0.2	-0.2	-0.2	-0.2
Inflation (Consumer prices)					
Canada	0.2	0.1	0.1	0.2	0.2
France	0.1	-0.1	-0.1	-0.1	0.0
Germany	0.1	0.0	-0.1	0.0	0.1
Italy	0.4	0.3	0.1	0.1	0.1
United Kingdom	0.3	0.3	0.2	0.2	0.2

Nominal exchange rates are fixed.

Real interest rates are held at their baseline level.

Real government spending and investment are held at their baseline levels.