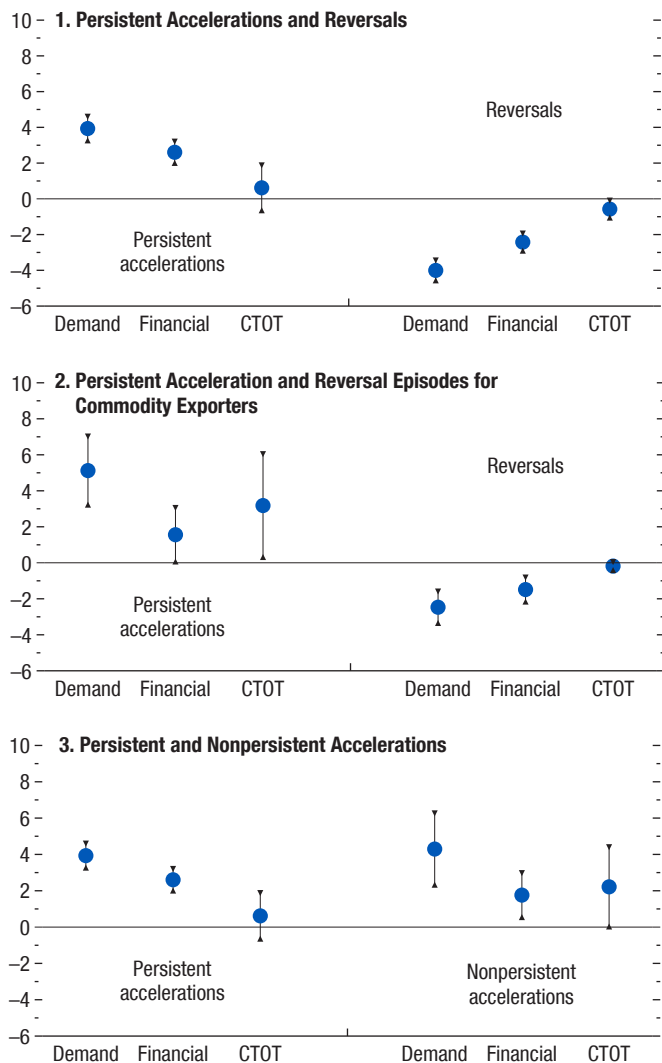


Figure 2.17. Change in the Probability of Occurrence of Growth Episodes, 1970–2015
(Percentage points)

External conditions influence the growth process in EMDEs by significantly affecting the probability of persistent acceleration and reversal episodes.



Source: IMF staff calculations.

Note: Estimates are from a logistic regression with a dummy for the identified episodes as dependent variable and including country fixed effects and the three external conditions variables. No additional controls are included in the estimates (see Annex 2.5). The vertical lines denote 90 percent confidence intervals. EMDEs = emerging market and developing economies. CTOT = commodity terms of trade.