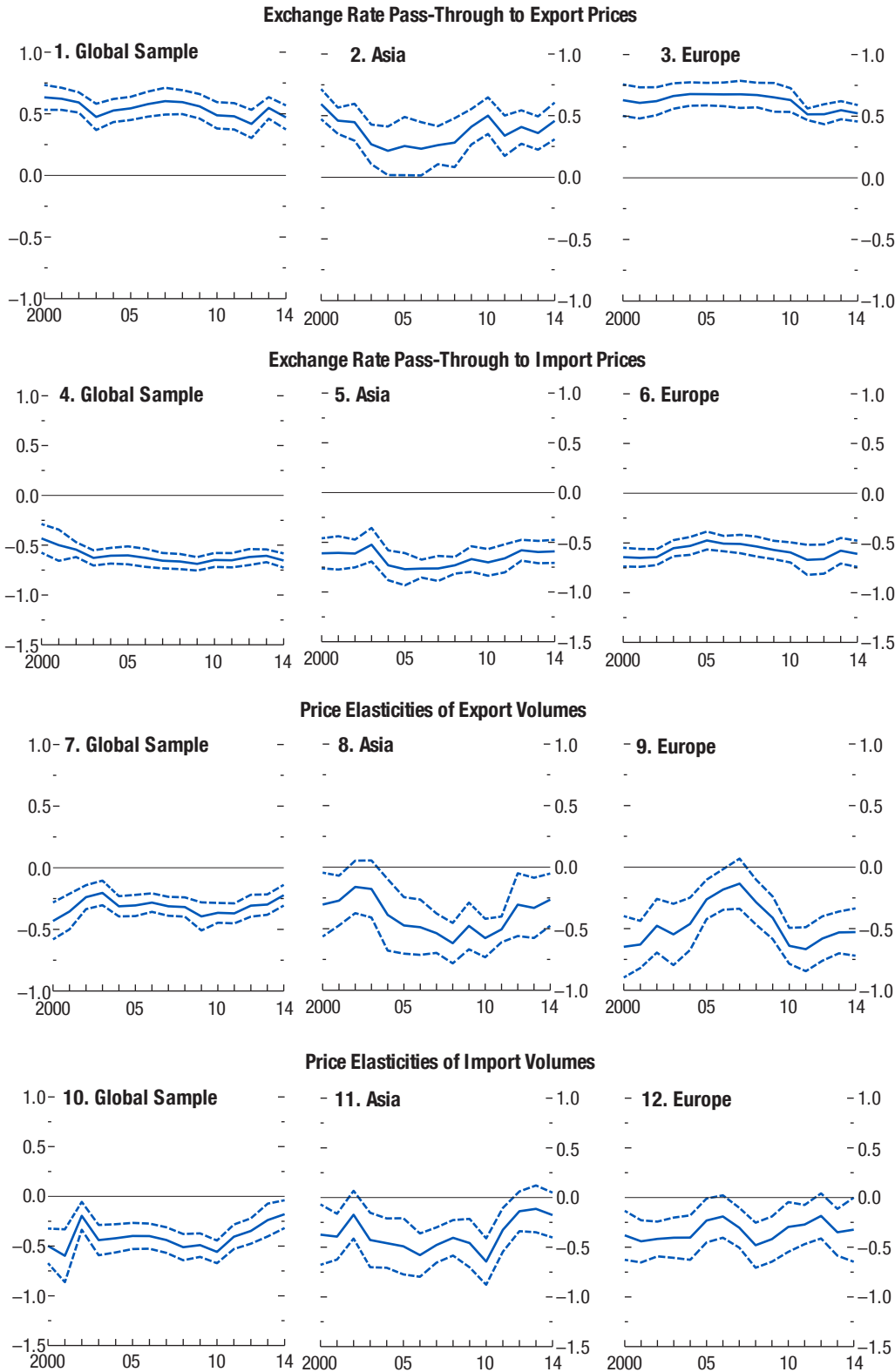


Figure 3.8. Trade Elasticities over Time in Different Regions
(10-year rolling windows ending in year t)

There is little evidence of a general trend toward disconnect between exchange rates, trade prices, and total trade volumes.



Source: IMF staff estimates.

Note: Figure is based on panel estimates using producer price index-based real effective exchange rate and export and import prices relative to foreign and domestic producer prices, respectively. Full sample spans 88 advanced and emerging market and developing economies from 1990 to 2014. Dashed lines denote 90 percent confidence intervals.