

Notes

Euro-Area Data: The euro area was enlarged to include Greece on January 1, 2001, Slovenia on January 1, 2007, Cyprus and Malta on January 1, 2008, Slovakia on January 1, 2009, and Estonia on January 1, 2011. Data series are break adjusted and include all euro area countries for the full sample, with the exception of interest rates that incorporate Greece starting in 2001, and Slovenia starting in 2007.

Euro-area interest rates prior to December 1998 are calculated on the basis of national government yields weighted by GDP. Starting in 1999, short-term rates are euro interbank offered rates. Long-term rates are calculated on the basis of national government bond yields weighted by the nominal outstanding amounts of government bonds in each maturity band.

The euro/dollar exchange rate used in the chart on page 22 is a synthetic rate prior to January 1999. This is constructed by calculating a weighted average of the exchange rates of the euro-area countries, excluding Greece and Luxembourg, and Slovenia against the dollar. The weights are based on 1997 GDP shares.

Consumer price index data are annual averages. The base year is 2005 for all countries with the following exceptions: United States (1982-84), Chile (2009), and China (base year not given). Data for Austria, the euro area, Finland, France, Germany, Greece, Ireland, Italy, Netherlands, and Spain are based on the harmonized index of consumer prices and use a 2005 base period.

Current account balance is the sum of merchandise and service exports and income receipts on domestic assets abroad minus the sum of merchandise and service imports and income payments from foreign assets in the domestic economy plus net unilateral transfers.

Exchange rates are annual averages. For all countries except the United States, the exchange rate is expressed as units of local currency per U.S. dollar. For the United States, the trade-weighted exchange rate is used. This is a weighted average of the exchange value of the U.S. dollar relative to the major international currencies—the euro, Canadian dollar, Japanese yen, British pound, Swiss franc, Australian dollar, and Swedish kronor. Prior to 1999, the currencies of the euro-area countries (with the exception of Greece) are used instead of the euro.

Foreign exchange reserve data are end of period. The dollar value of reserves may fluctuate as a result of changes in reserve holdings and/or changes in the value of the currencies held vis-à-vis the U.S. dollar.

Real gross domestic product and the **GDP deflator** use a chained (2000) base year for all countries with the following exceptions: Australia (chained 2007-08), Austria (chained 2005), Canada (chained 2002), Chile (2003), China (1990), India (2004-2005), Indonesia (2000), Ireland (chained 2007), Israel (chained 2005), Korea (chained 2005), Malaysia (2000), Mexico (chained 2003), New Zealand (chained 1995-96), Norway (chained 2008), Philippines (1985), Russia (chained 2003), Singapore (2005), Sweden (chained 2008), South Africa (2005), Thailand (1988), Turkey (chained 1998), United Kingdom (chained 2005), United States (chained 2005), and Venezuela (1997).

The **short-term interest rate** table on page 10 uses the relevant interest rate shown in the country pages. For most countries, this is a 3-month interest rate. Both short-term and **long-term interest rate** data are annual averages. Chile's long-term interest rate data prior to 2002 reflect yields on 10-year indexed promissory notes payable in coupons. Data from 2002 pertain to yields on 10-year Central Bank of Chile bonds indexed in accord with changes in the inflation-indexed accounting unit on promissory notes.

Monetary Aggregates

Data are end of period for all countries with the exception of the United States, for which period averages are used. Except as noted below the **narrow monetary aggregate** for each country consists of currency in circulation outside banks and demand deposits. The **broad monetary aggregate** consists of narrow money plus time, savings, and foreign currency deposits of resident sectors other than the central government.

Australia: M1 consists of currency in circulation and current deposits with banks. M3 consists of M1 plus other deposits with banks.

Canada: M1 consists of currency in circulation and chartered bank net demand deposits. M2 consists of M1 plus all checkable notice deposits and personal term deposits.

Chile: M1A consists of currency in circulation, checking accounts of the nonfinancial private sector net of float, demand deposits, and demand saving deposits. M2A consists of M1A plus private sector time deposits.

Denmark: M1 consists of currency in circulation and overnight deposits. M3 consists of M1 plus short-term deposits and marketable liabilities of monetary and financial institutions.

Euro area: M1 consists of currency in circulation and overnight deposits. M3 consists of M1 plus deposits with a maturity up to 2 years, deposits redeemable at notice up to 3 months, repurchase agreements, money market funds, and debt securities up to 2 years.

India: M1 consists of currency in circulation and demand deposits at monetary institutions. M3 consists of M1 plus post office savings, bank deposits and residents' deposits in foreign currency at deposit money bank, and other time deposits with banks.
(OECD Main Economic Indicators—Sources and Definitions,
<http://stats.oecd.org/mei/default.asp?lang=e&subject=14&country=IND>)

Japan: M2+CDs consists of M1 plus private deposits, public deposits less demand deposits, and certificates of deposit.

Korea: M2 consists of M1 plus time deposits, savings deposits, and residents' deposits in foreign currency at deposit money banks.

Malaysia: M2 consists of M1 plus fixed and savings deposits, negotiable CDs, and Central Bank certificates.

Mexico: M1 consists of currency in circulation plus checking accounts held by residents, in domestic or foreign currency, and domestic currency interest accounts. M4 consists of M1, plus residents' holdings of other bank deposits, securities issued by private entities and retirement saving funds, bank deposits held by non-residents, Federal Government securities held by residents or non-residents and the gains of the Mexican banks through their foreign branch offices.

New Zealand: M1 consists of currency in circulation plus transaction accounts. M3 consists of M1 plus call and term funding.

Norway: M1 consists of currency in circulation plus transaction deposit accounts in domestic and foreign currency held by the domestic sector. M2 consists of M1 plus other bank deposits in domestic and foreign currency, except restricted deposits (bank saving with tax credit, etc.), including certificates of deposit.

Russia: M1 consists of the amount of money outside the banks together with demand deposits in the banking system (without deposits of government). M2 consists of M1 plus "Quasimoney", which includes time deposits national currency and all deposits in foreign currency.
(OECD Main Economic Indicators - Sources and Definitions,
<http://stats.oecd.org/mei/default.asp?lang=e&subject=14&country=RUS>)

Singapore: M2 consists of M1 plus fixed deposits, negotiable CDs in domestic currency, savings deposits, and other deposits.

South Africa: M2 consists of M1 plus short- and medium-term deposits of the domestic private sector with the monetary institutions.

Sweden: Reserve money consists of currency in circulation, deposits of the deposit money banks, and demand deposits of other residents apart from the central government with the monetary authorities. M3 consists of reserve money plus sight, term, and savings deposits at commercial, savings, and cooperative banks. Data also include bank certificates and deposits at post and credit banks.

Switzerland: M1 consists of currency in circulation, sight deposits, and transaction accounts held in banks in domestic currency by residents. M3 consists of M1 plus savings and time deposits in domestic currency held in banks by residents.

Turkey: M1 consists of currency in circulation and demand deposits held at deposit money banks and at the Central Bank.

United Kingdom: M2 consists of currency in circulation and sterling retail deposits with U.K. banks and building societies. From December 1992, M2 includes retail deposits and cash of M4. Care should be exercised when making comparisons around this date. M4 consists of M2 plus wholesale deposits with U.K. banks and building societies.

United States: MZM consists of currency in circulation, travelers checks and demand and other checkable deposits held by the public minus cash items in the process of collection and Federal Reserve float, savings deposits, shares in retail money funds (funds with initial investments of less than \$50,000), net of retirement accounts and institutional money funds. M2 consists of MZM plus small denomination (less than \$100,000) time deposits less institutional money funds.

Venezuela: M1 consists of currency in circulation and sight deposits. M2 consists of M1 plus savings and term deposits and debentures.

Sources

Abbreviations

Board of Governors of the Federal Reserve System (BOG)

International Monetary Fund,

International Financial Statistics (IMF)

World Economic Outlook (WEO)

Organization for Economic Cooperation and Development,

Economic Outlook (OECD1)

Main Economic Indicators (OECD2)

Australia

BOG: exchange rate.

IMF: foreign exchange reserves.

OECD1: government budget balance.

OECD2: consumer price index, current account balance, GDP, interest rates, and monetary aggregates.

Austria

Eurostat: consumer price index.

OECD1: current account balance, GDP, and government budget balance.

Canada

BOG: exchange rate.

IMF: foreign exchange reserves.

OECD1: government budget balance.

OECD2: consumer price index, current account balance, GDP, interest rates, and monetary aggregates.

Chile

Banco Central de Chile: current account balance, government budget balance, long-term interest rate, monetary aggregates, and GDP.

IMF: consumer price index, exchange rate, foreign exchange reserves, and short-term interest rate.

China

BOG: exchange rate.

IMF: foreign exchange reserves, monetary aggregates, and short-term interest rate.

People's Bank of China: current account balance.

State Statistical Bureau (China): government budget balance and nominal GDP.

WEO: consumer price index and real GDP.

Denmark

BOG: exchange rate.

IMF: foreign exchange reserves.

National Bank of Denmark: monetary aggregates.

OECD1: current account balance, government budget balance, GDP, and interest rates.

OECD2: consumer price index.

Euro area

Eurostat: consumer price index and GDP.

Haver Analytics: exchange rate.

OECD2: interest rates and monetary aggregates.

Finland

Eurostat: consumer price index.

OECD1: government budget balance.

OECD2: current account balance and GDP.

France

Eurostat: consumer price index.

OECD1: government budget balance.

OECD2: current account balance and GDP.

Germany

Eurostat: consumer price index.

OECD1: current account balance, GDP, and government budget balance.

Greece

Eurostat: consumer price index.

OECD1: current account balance, GDP, and government budget balance.

India

BOG: exchange rate.

IMF: consumer price index, current account balance, foreign exchange reserves, government budget balance, and short-term interest rate.

OECD2: monetary aggregates.

WEO: GDP.

Indonesia

Bank Indonesia: current account balance.

Central Bureau of Statistics (Indonesia): GDP.

IMF: consumer price index, exchange rate, foreign exchange reserves, monetary aggregates, and short-term interest rate.

Ministry of Finance (Indonesia): government budget balance.

Ireland

Eurostat: consumer price index.

OECD1: current account balance, GDP, and government budget balance.

Israel

Central Bureau of Statistics (Israel): monetary aggregates.

IMF: consumer price index, current account balance, exchange rate, foreign exchange reserves, GDP, and short-term interest rate.

WEO: government budget balance.

Italy

Eurostat: consumer price index.

OECD1: government budget balance.

OECD2: current account balance and GDP.

Japan

Bank of Japan: long-term interest rate.

BOG: exchange rate.

IMF: foreign exchange reserves.

OECD1: government budget balance.

OECD2: consumer price index, current account balance, GDP, monetary aggregates, and short-term interest rate.

Korea

BOG: exchange rate.

IMF: consumer price index, foreign exchange reserves, and short-term interest rate.

OECD1: government budget balance and long-term interest rate.

OECD2: current account balance, GDP, and monetary aggregates.

Malaysia

Bank Negara Malaysia: current account balance, GDP, and government budget balance.

BOG: exchange rate.

IMF: consumer price index, foreign exchange reserves, monetary aggregates, and short-term interest rate.

Mexico

IMF: exchange rate and foreign exchange reserves.

Ministry of Finance: government budget balance.

OECD1: current account balance and GDP.

OECD2: consumer price index, short-term interest rate, and monetary aggregates.

Netherlands

Eurostat: consumer price index.
 OECD1: government budget balance.
 OECD2: current account balance and GDP.

New Zealand

BOG: exchange rate.
 IMF: foreign exchange reserves.
 OECD1: current account balance and government budget balance.
 OECD2: consumer price index, GDP, interest rates, and monetary aggregates.

Norway

BOG: exchange rate.
 IMF: foreign exchange reserves.
 OECD1: current account balance and government budget balance.
 OECD2: consumer price index, GDP, interest rates, and monetary aggregates.

Philippines

Central Bank of Philippines: current account balance and monetary aggregates.
 IMF: consumer price index, exchange rate, foreign exchange reserves, GDP, government budget balance, and short-term interest rate.

Russia

IMF: foreign exchange reserves.
 OECD2: consumer price index, exchange rate, GDP, interest rate, and monetary aggregates.
 WEO: current account balance and government budget balance.

Singapore

BOG: exchange rate.
 IMF: consumer price index, foreign exchange reserves, government budget balance, monetary aggregates, and short-term interest rate.
 Singapore Department of Statistics: GDP.
 Singapore Ministry of Trade and Industry: current account balance.

South Africa

BOG: exchange rate.
 IMF: current account balance, foreign exchange reserves, GDP, government budget balance, and interest rates.
 South African Reserve Bank: consumer price index and monetary aggregates.

Spain

Eurostat: consumer price index.
 OECD1: current account balance, GDP, and government budget balance.

Sweden

BOG: exchange rate.
 IMF: foreign exchange reserves and reserve money.
 OECD1: current account balance, GDP, government budget balance, and long-term interest rate.
 OECD2: broad money, consumer price index, and short-term interest rate.

Switzerland

BOG: exchange rate.
 IMF: foreign exchange reserves and government budget balance.
 OECD2: consumer price index, current account balance, GDP, interest rates, and monetary aggregates.

Thailand

Bank of Thailand: monetary aggregates, government budget balance, and short-term interest rate.
 BOG: exchange rate.
 IMF: consumer price index, current account balance, and foreign exchange reserves.
 Office of the National Economic and Social Development Board: GDP.

Turkey

Central Bank of the Republic of Turkey: broad money.
 IMF: exchange rate and foreign exchange reserves.
 OECD1: current account balance, GDP, and interest rates.
 OECD2: consumer price index and M1.
 Undersecretariat of Treasury and Foreign Trade: government budget balance.

United Kingdom

BOG: exchange rate.
 IMF: foreign exchange reserves.
 OECD1: government budget balance.
 OECD2: consumer price index, current account balance, GDP, interest rates, and monetary aggregates.

United States

BOG: trade-weighted exchange rate, short-term interest rate, and M2.
 Bureau of Economic Analysis, U.S. Department of Commerce: current account balance and GDP.
 Bureau of Labor Statistics, U.S. Department of Labor: consumer price index.
 Federal Reserve Bank of St. Louis: MZM.
 IMF: foreign exchange reserves.
 OECD1: government budget balance.
 U.S. Treasury: long-term interest rate.

Venezuela

Banco Central de Venezuela: current account balance, GDP, government budget balance, and monetary aggregates.
 IMF: consumer price index, exchange rate, foreign exchange reserves, and short-term interest rate.