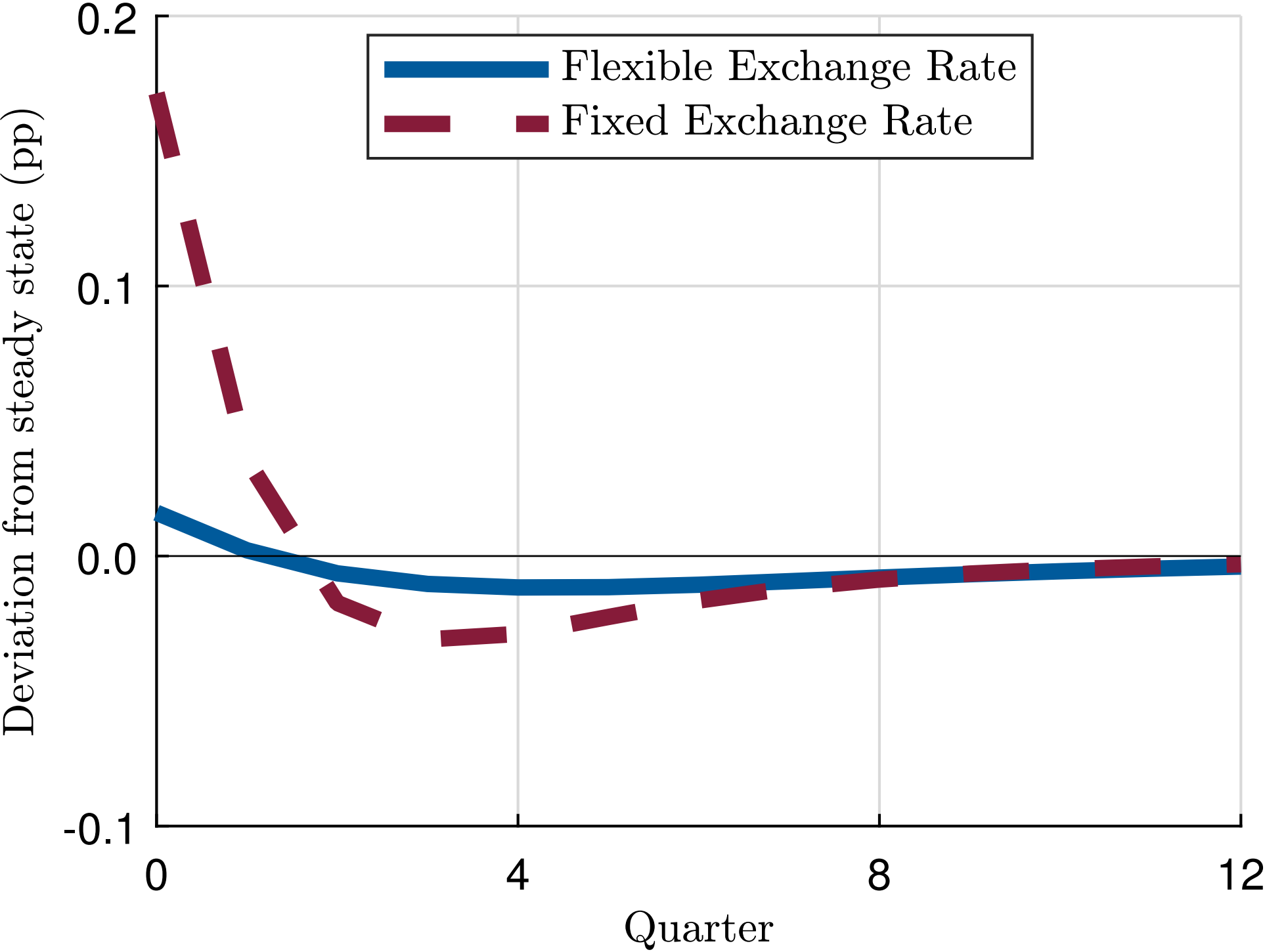
Flexible Exchange Rate
Fixed Exchange Rate
Deviation from steady state (pp)
0.2
0.1
0.0
-0.1
0
4
8
12
Quarter