

IMF WORKING PAPER

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WP/86/2

Subject: The Dynamics of a Two-Country Minmodel Under Rational Expectations

CORRIGENDUM

The left-hand columns of Charts 1 and 2 (pages 20a and 20b) were incompletely reproduced. Corrected charts are attached.

Att: (2)

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CHART 1
EFFECTS OF A PERMANENT INCREASE IN
THE U.S. MONEY SUPPLY OF ONE PERCENT

(Percentage deviations from baseline)

- Full model
- - - No J-curve
- Equilibrium demands for money
- · - · Lower U.S. price flexibility

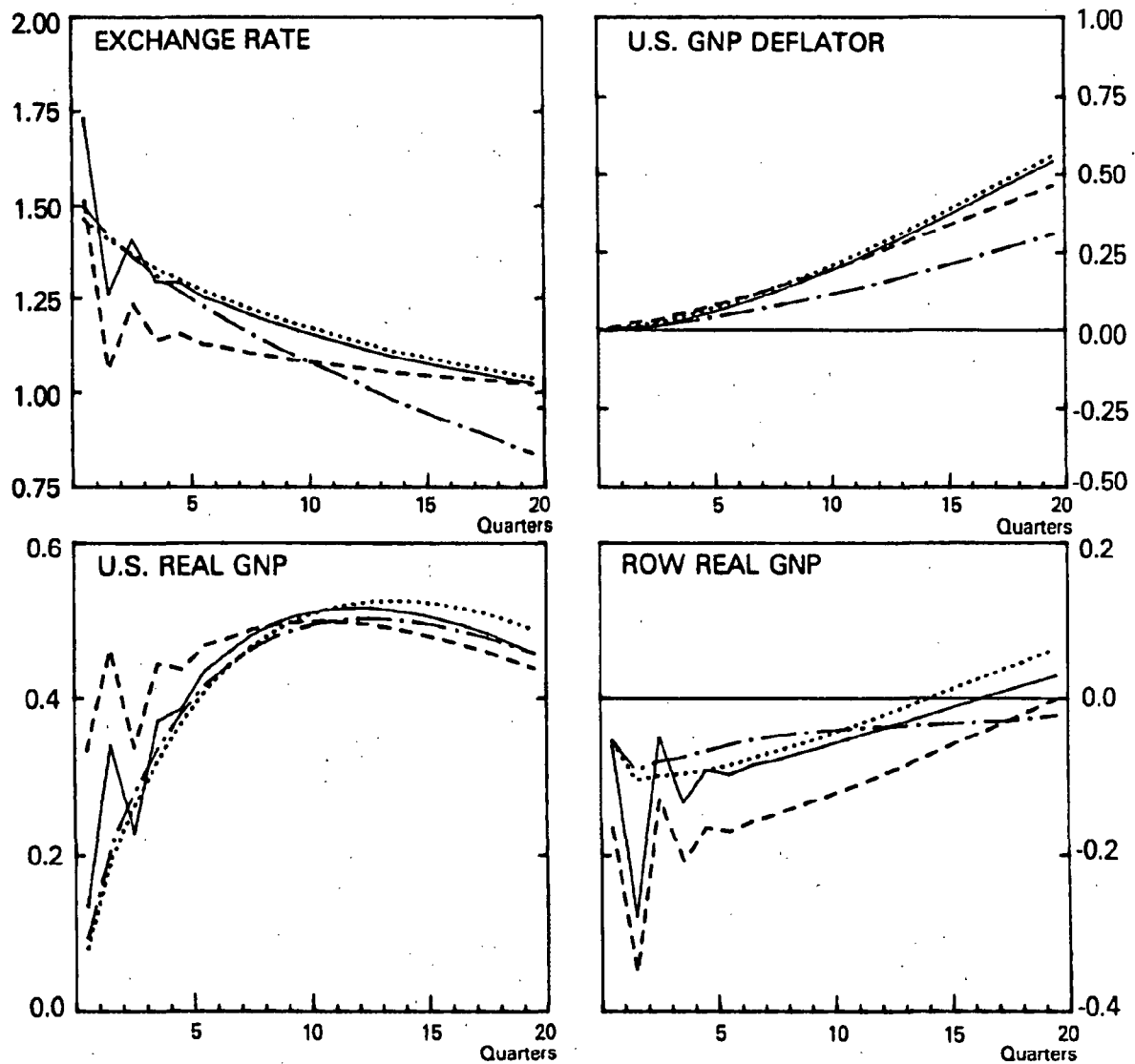


CHART 2

EFFECTS OF A PERMANENT INCREASE IN U.S. REAL GOVERNMENT SPENDING EQUAL TO ONE PERCENT OF GNP

(Percentage deviations from baseline)

- Full model
- No J-curve
- Equilibrium demands for money
- Lower U.S. price flexibility

