

**Table 1.27**  
**Comparison of main macroeconomic variables in a stress test<sup>a</sup>, Israel and selected economies**  
 (percent)

	Israel		US			Europe		UK	
	Starting point	Stress scenario	Starting point	Stress scenario	Severe stress scenario	Starting point	Stress scenario	Starting point	Stress scenario
<b>Main macroeconomic variables</b>									
<b>GDP</b> - Maximum contraction in the stress scenario		<b>4.6</b>		<b>0.5</b>	<b>4.6</b>		<b>2.1</b>		<b>3.9</b>
<b>Unemployment rate</b> - Maximum level in the stress scenario	6.3	<b>12.4</b>	6.1	<b>8.0</b>	<b>10.1</b>	10.7	<b>13.5</b>	7.2	<b>11.8</b>
<b>Monetary interest rate<sup>b</sup></b> - Maximum level in the stress scenario	0.5	<b>0.0</b>	0.0	<b>5.3</b>	<b>0.1</b>	-	-	0.5	<b>4.2</b>
<b>Inflation</b> - Maximum/minimum quarterly level in the stress scenario (in annual terms)	0.6	<b>3.0</b>	1.1	<b>4.0</b>	<b>2.0</b>			2.1	<b>6.6</b>
<b>Depreciation of the currency<sup>c</sup></b>		<b>24</b>		<b>-4</b>	<b>-13</b>				<b>29</b>
<b>Long-term yields</b> - Maximum/minimum level in the stress scenario	2.6	<b>4.6</b>	2.5	<b>5.8</b>	<b>0.9</b>			2.9	<b>5.8</b>
<b>Stock index</b> - Maximum change of the leading index in each country		<b>-44</b>		<b>-28</b>	<b>-58</b>		<b>-20</b>		<b>-28</b>
<b>Home prices</b> - Maximum change during the stress scenario		<b>-25</b>		<b>-14</b>	<b>-26</b>		<b>-12</b>		<b>-35</b>

<sup>a</sup> Duration of the scenario: Israel - 13 quarters; US - 9 quarters; UK and Europe - 3 years.

<sup>b</sup> Data regarding the ECB's monetary interest rate were not published in the stress scenario carried out in Europe.

<sup>c</sup> In Israel - the nominal effective exchange rate, including the yen, pound sterling, US dollar and euro (the currencies of Israel's main trading partners); In the US - the dollar/euro exchange rate; In the UK - the effective exchange rate vis-à-vis a basket of currencies. Depreciation (+), Appreciation (-).

SOURCE: Israel - Bank of Israel; US - Federal Reserve; UK - Bank of England; Europe - European Banking Authority.