

# Description fan charts

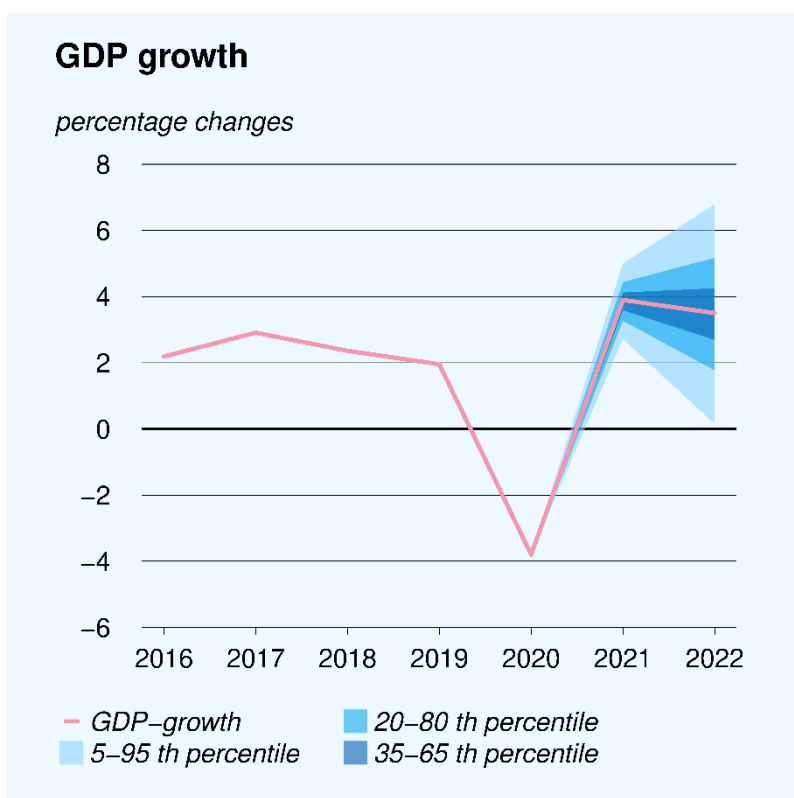
The figures present fan charts around the MEV 2022 point forecasts for GDP growth, HICP inflation, unemployment and general government financial balance.

The solid line represents data realizations (2016-2020) and the MEV 2022 point forecasts for 2021 and 2022. Around the central path the figures present a fan of confidence intervals<sup>1</sup>:

- 30% confidence interval from the 35<sup>th</sup> to 65<sup>th</sup> percentile, dark blue area
- 60% confidence interval from the 20<sup>th</sup> to 80<sup>th</sup> percentile, dark blue + blue area
- 90% confidence interval from the 5<sup>th</sup> to 95<sup>th</sup> percentile, dark blue + blue + light blue area

The probability is thus 30% that the outcome will fall in the dark blue area and the probability is 10% that the outcome will fall outside the fan. In other words, the fan is a graphical representation of the likelihood of the various outcomes. The solid line represents the most likely outcome and outcomes are more likely when they are closer to the solid line.

Figure 1



<sup>1</sup> These fan charts were created based on past forecasting errors, including the year 2020. Due to the pandemic, 2020 was an exceptional year with greater forecasting errors. That makes these fan charts slightly wider than in previous estimates.

Figure 2

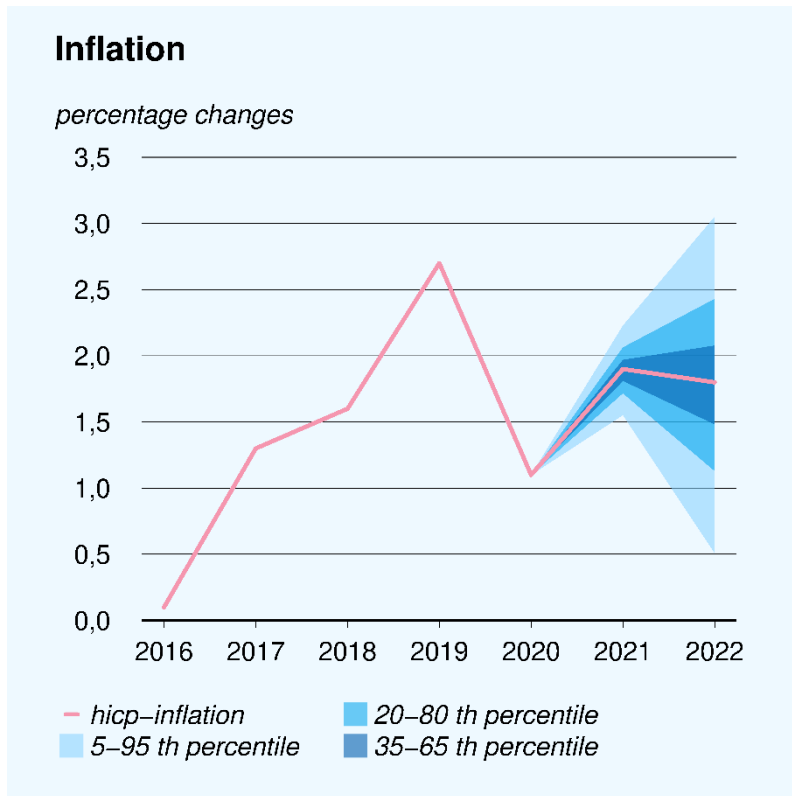


Figure 3

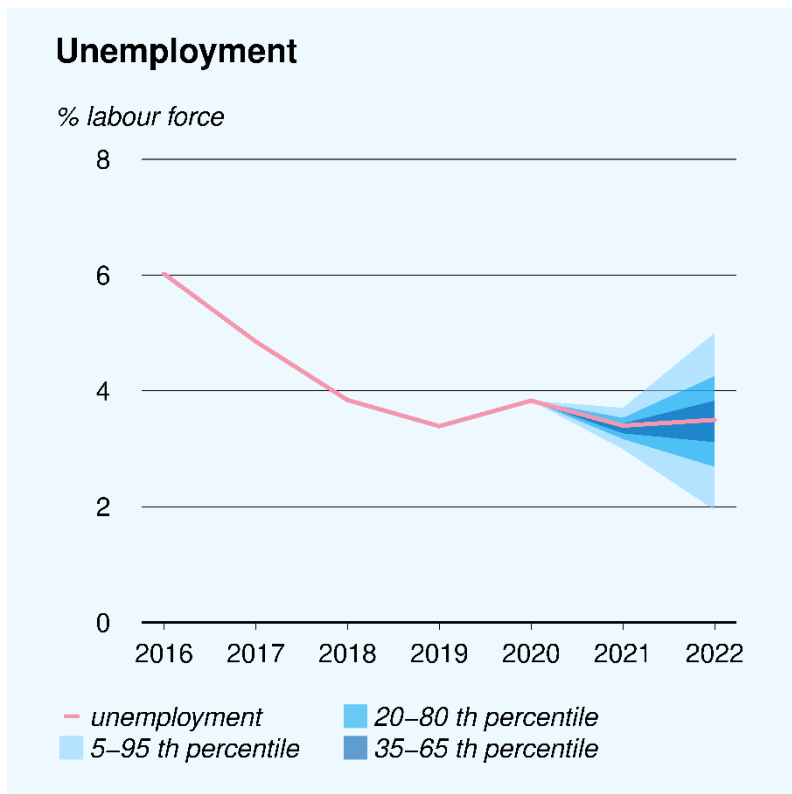


Figure 4

