

Table 1: Volatility Ratio in a Cross-Section of OECD Countries<sup>a</sup>

Country	Detrending method	
	HP-1600	Linear <sup>b</sup>
Belgium	0.57	0.50
Canada	1.27	0.64
Switzerland	0.71	1.16
France	0.54	0.73
Germany	0.90	1.16
Italy	0.69	0.46
Japan	0.60	0.43
Netherlands	0.44	0.72
US <sup>c</sup>	1.23	1.02
Australia	0.94	0.93
Sweden	0.95	0.95
UK	0.65	0.61
Denmark	1.45	2.08
Finland	1.33	0.97
Spain	0.65	0.60
Portugal	1.37	1.39
MEDIAN	0.81	0.83

<sup>a</sup>Based on quarterly series, 1980:1-2000:1. Volatility ratio is the standard deviation of the *product mix ratio* divided by to the standard deviation of the *price ratio*. *Product mix ratio* is country's imports (IM) divided by the domestic absorption (C+I+G-IM) measured in constant prices. *Price ratio* is the deflator price of domestic absorption divided by the deflator price of imports. Data sources listed in the Appendix.

<sup>b</sup>Linear trend subtracted from the logged series.

<sup>c</sup>For the entire post-war period (1959:3-2004:2) this ratio in US is 0.88.