RESPONSES TO THE SURVEY OF MARKET EXPECTATIONS

Markets Group, Federal Reserve Bank of New York

JANUARY 2025

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The **Survey of Market Expectations** is formulated by the Trading Desk at the Federal Reserve Bank of New York to enhance policymakers' understanding of market expectations on a variety of topics related to the economy, monetary policy and financial markets. The questions involve only topics that are widely discussed in the public domain and never presume any particular policy action. FOMC respondents are not involved in the survey's design.

For most questions, the 25th, median, and 75th percentiles across respondents are reported. For questions that ask respondents to give a probability distribution, the average across respondents for each potential outcome is reported.[1] Brief summaries of the comments received in free response form are also provided.

The survey was sent to 55 respondents, and 55 responded. Except where noted, all 55 responded to each question. In some cases, respondents may not have provided complete forecasts (e.g. forecasts may not extend to the same time horizon as requested in the survey). In these instances, the number of respondents who answered all parts of the question is indicated.

[1] Answers may not sum to 100 percent due to rounding.

The survey was distributed to the following respondents:

- AGNC Investment Corp.
- Annaly Capital Management, Inc.
- Apollo Management
- Appaloosa Management L.P.
- ASL Capital Markets Inc.
- Bank of Montreal, Chicago Branch
- Bank of Nova Scotia, New York Agency
- Barclays Capital Inc.
- Bessemer Investment Management
- BlackRock
- BNP Paribas Securities Corp.
- BofA Securities, Inc.
- Cantor Fitzgerald & Co.
- Caxton Associates LP
- Citadel LLC
- Citigroup Global Markets Inc.
- D. E. Shaw & Co., L.P.
- Daiwa Capital Markets America Inc.
- Deutsche Bank Securities Inc.
- Dreyfus
- Eaton Vance
- Federated Investment Management Company
- Fidelity Management and Research
- Goldman Sachs & Co. LLC
- Guggenheim Partners
- HSBC Securities (USA) Inc.
- Invesco Ltd. (formerly Oppenheimer Funds)
- J.P. Morgan Asset Management
- J.P. Morgan Securities LLC
- Jefferies LLC
- Kynikos Associates
- Microsoft Corporation
- Millennium Management, LLC
- Mizuho Securities USA LLC
- Moore Capital Management LLC
- Morgan Stanley & Co. LLC
- NatWest Markets Securities Inc.
- Nomura Securities International, Inc.
- PIMCO
- RBC Capital Markets, LLC
- Santander US Capital Markets LLC
- Schonfeld Strategic Advisors LLC
- Societe Generale, New York Branch
- State Street Global Advisors Trust Company
- TD Securities (USA) LLC
- Teacher Retirement System of Texas
- The Carlyle Group
- The Travelers Companies, Inc.
- The University of Texas/Texas A&M Investment Management Company
- Tudor Investment Corporation
- UBS Asset Management (Americas) LLC
- UBS Securities LLC.
- Vanguard
- Wellington Management
- Wells Fargo Securities, LLC

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1a) Provide below your expectations for changes, if any, to the language referencing each of the following topics in the January FOMC statement. Please write N/A if you do not expect any changes.

Current economic conditions:
(53 responses)

Many respondents indicated they expected little or no change. Some respondents indicated they expected an adjustment in language to reflect labor market strength.

Economic outlook and communication on the expected path of the target federal funds rate:
(53 responses)

Most respondents indicated they expected little or no change, outside of a change in language to reflect no change in the target range.

Communication on tools other than the target federal funds rate:
(50 responses)

Most respondents indicated they expected little or no change.

Other:
(38 responses)

Respondents did not provide significant commentary in this section.

1b) What are your expectations for the Chair's press conference?
(52 responses)

Many respondents indicated they expected the Chair to suggest a slowing in the pace of cuts, such as by referencing a patient approach to cutting rates. Some respondents expected that the Chair would connect the slower pace of cuts to continued economic strength, several respondents expected him to connect the slower pace of cuts to the policy rate approaching the neutral rate, and several expected him to connect the slower pace of cuts to uncertainty. Some respondents indicated they expected the Chair to note that any future adjustments in the target range for the federal funds rate would remain dependent on incoming economic data. Some respondents expected the Chair to indicate that the policy rate is currently restrictive. Some respondents indicated they expected the Chair's communications to be similar to his December press conference. Some respondents expected the Chair to reference inflation progress. Several respondents expected the Chair to suggest a bias to further easing, if inflation progress continues. Several respondents expected the Chair to reference economic strength, several respondents expected he would note labor market strength, and several expected he would reiterate that risks are in balance. Several respondents expected the Chair to reiterate that the Committee would not preemptively respond to potential policies linked to the new Administration, and several respondents expected the Chair to cite uncertainty on the outlook given these potential new policies.

2) How would you grade the Federal Reserve System's communication with the markets and with the public since the last policy survey? Please provide a rating between 1 and 5, with 1 indicating ineffectiveness and 5 indicating effectiveness.

	Number of Respondents
1 - Ineffective	**2**
2	**5**
3	**14**
4	**30**
5 - Effective	**4**
# of Respondents	**55**

Please explain.
(53 responses)

With regard to communications viewed as being clear or effective, several respondents referenced communications on the Committee's intention to pause easing at the January FOMC meeting and several respondents referenced the outlook for the policy rate more broadly. With regard to communications viewed as being unclear or ineffective, some respondents referenced communications related to the impacts of potential policies of the new Administration and some respondents referenced communications on the monetary policy reaction function.

3a) Provide your estimate of the most likely outcome (i.e., the mode) for the target federal funds rate or range, as applicable, immediately following the FOMC meetings and at the end of each of the following quarters and years below. For the time periods at which you expect a target range, please indicate the midpoint of that range in providing your response.

	Jan. 28-29	Mar. 18-19	May 6-7	Jun. 17-18	Jul. 29-30	Sep. 16-17	Oct. 28-29
25th Percentile	**4.38%**	**4.13%**	**4.13%**	**4.13%**	**3.88%**	**3.88%**	**3.88%**
Median	**4.38%**	**4.38%**	**4.38%**	**4.13%**	**4.13%**	**4.13%**	**3.88%**
75th Percentile	**4.38%**	**4.38%**	**4.38%**	**4.38%**	**4.38%**	**4.13%**	**4.13%**
# of Respondents	**55**	**55**	**55**	**55**	**55**	**55**	**55**

	2025 Q4	2026 Q1	2026 Q2	2026 Q3	2026 Q4	2027 Q1	2027 Q2	2027 Q3	2027 Q4	2028	2029
25th Percentile	**3.63%**	**3.63%**	**3.38%**	**3.38%**	**3.13%**	**3.13%**	**3.13%**	**3.13%**	**3.13%**	**2.88%**	**2.88%**
Median	**3.88%**	**3.88%**	**3.63%**	**3.63%**	**3.38%**	**3.25%**	**3.13%**	**3.13%**	**3.13%**	**3.13%**	**3.13%**
75th Percentile	**4.13%**	**3.88%**	**3.88%**	**3.88%**	**3.88%**	**3.63%**	**3.63%**	**3.63%**	**3.63%**	**3.63%**	**3.63%**
# of Respondents	**55**	**54**	**54**	**54**	**54**	**48**	**48**	**48**	**48**	**49**	**49**

3b) In addition, provide your estimate of the longer run target federal funds rate and your expectation for the average federal funds rate over the next 10 years.

	10-yr Average FF Rate	Longer Run
25th Percentile	**3.00%**	**2.88%**
Median	**3.25%**	**3.13%**
75th Percentile	**3.50%**	**3.45%**
# of Respondents	**55**	**55**

3c) Please indicate the percent chance that you attach to the target federal funds rate or range falling in each of the following ranges <u>immediately following the January and March FOMC meetings and at the end of 2025 and 2026</u>. If you expect a target range, please use the midpoint of that range in providing your response.

Federal Funds Rate or Range after the January 2025 FOMC Meeting										
	<= 3.50%	3.51 - 3.75%	3.76 - 4.00%	4.01 - 4.25%	4.26 - 4.50%	4.51 - 4.75%	4.76 - 5.00%	5.01 - 5.25%	5.26 - 5.50%	>= 5.51%
Average	**0%**	**0%**	**0%**	**6%**	**94%**	**0%**	**0%**	**0%**	**0%**	**0%**

Federal Funds Rate or Range after the March 2025 FOMC Meeting										
	<= 3.50%	3.51 - 3.75%	3.76 - 4.00%	4.01 - 4.25%	4.26 - 4.50%	4.51 - 4.75%	4.76 - 5.00%	5.01 - 5.25%	5.26 - 5.50%	>= 5.51%
Average	**0%**	**0%**	**2%**	**32%**	**64%**	**1%**	**0%**	**0%**	**0%**	**0%**

Federal Funds Rate or Range at the End of 2025										
	<= 2.50%	2.51 - 2.75%	2.76 - 3.00%	3.01 - 3.25%	3.26 - 3.50%	3.51 - 3.75%	3.76 - 4.00%	4.01 - 4.25%	4.26 - 4.50%	>= 4.51%
Average	**4%**	**2%**	**3%**	**5%**	**10%**	**17%**	**24%**	**16%**	**14%**	**6%**

Federal Funds Rate or Range at the End of 2026										
	<= 0.50%	0.51 - 1.00%	1.01 - 1.50%	1.51 - 2.00%	2.01 - 2.50%	2.51 - 3.00%	3.01 - 3.50%	3.51 - 4.00%	4.01 - 4.50%	>= 4.51%
Average	**3%**	**1%**	**2%**	**4%**	**8%**	**15%**	**22%**	**23%**	**13%**	**8%**

3d) Please indicate the percent chance that you attach to the <u>lowest</u> level of the target range for the federal funds rate before the target range is next <u>increased</u> falling in each of the following ranges.
(54 responses)

	<= 0.50%	0.51 - 1.00%	1.01 - 1.50%	1.51 - 2.00%	2.01 - 2.50%	2.51 - 3.00%	3.01 - 3.50%	3.51 - 4.00%	4.01 - 4.50%	>= 4.51%
Average	**5%**	**2%**	**3%**	**5%**	**11%**	**18%**	**21%**	**20%**	**15%**	**0%**

4a) Please provide your modal expectation for the average level of specified assets over each of the periods below. Average level amounts referenced below are in $ billions.

Expectations for the Average Level of Treasury Holdings in the SOMA Portfolio ($ billions)						
	Jan. 2025	Feb. 2025	Mar. 2025	Apr. 2025	May 2025	Jun. 2025
25th Percentile	4,287	4,262	4,237	4,212	4,187	4,162
Median	4,287	4,262	4,237	4,212	4,187	4,162
75th Percentile	4,287	4,262	4,238	4,237	4,237	4,242
# of Respondents	47	47	47	47	47	47

Expectations for the Average Level of MBS in the SOMA Portfolio ($ billions)						
	Jan. 2025	Feb. 2025	Mar. 2025	Apr. 2025	May 2025	Jun. 2025
25th Percentile	2,225	2,205	2,185	2,165	2,145	2,125
Median	2,228	2,211	2,194	2,177	2,160	2,143
75th Percentile	2,231	2,216	2,201	2,185	2,170	2,155
# of Respondents	47	47	47	47	47	47

Expectations for the Average Level of Total Assets on the Federal Reserve Balance Sheet ($ billions)						
	Jan. 2025	Feb. 2025	Mar. 2025	Apr. 2025	May 2025	Jun. 2025
25th Percentile	6,883	6,839	6,790	6,750	6,700	6,664
Median	6,894	6,849	6,805	6,770	6,730	6,689
75th Percentile	6,900	6,859	6,820	6,784	6,758	6,759
# of Respondents	46	46	46	46	46	46

Expectations for the Average Level of Treasury Holdings in the SOMA Portfolio ($ billions)							
	2025 Q3	2025 Q4	2026 Q1	2026 Q2	2026 Q3	2026 Q4	2027 Q4
25th Percentile	4,147	4,135	4,162	4,195	4,235	4,264	4,410
Median	4,204	4,258	4,310	4,360	4,405	4,493	4,742
75th Percentile	4,283	4,339	4,405	4,461	4,512	4,605	5,093
# of Respondents	46	46	45	45	44	44	38

Expectations for the Average Level of MBS in the SOMA Portfolio ($ billions)							
	2025 Q3	2025 Q4	2026 Q1	2026 Q2	2026 Q3	2026 Q4	2027 Q4
25th Percentile	2,085	2,029	1,972	1,912	1,845	1,796	1,573
Median	2,103	2,052	2,006	1,956	1,903	1,853	1,669
75th Percentile	2,113	2,070	2,035	1,991	1,954	1,923	1,775
# of Respondents	46	46	45	45	44	44	38

Expectations for the Average Level of Total Assets on the Federal Reserve Balance Sheet ($ billions)							
	2025 Q3	2025 Q4	2026 Q1	2026 Q2	2026 Q3	2026 Q4	2027 Q4
25th Percentile	6,602	6,580	6,576	6,580	6,580	6,593	6,628
Median	6,670	6,670	6,670	6,671	6,687	6,684	6,800
75th Percentile	6,757	6,753	6,770	6,811	6,830	6,839	6,995
# of Respondents	45	45	44	44	44	44	39

4b) Please provide your modal expectation for the average level of specified liabilities over each of the periods below. Average level amounts referenced below are in $ billions.

Expectations for the Average Level of Reserves ($ billions)									
	2025 Q1	2025 Q2	2025 Q3	2025 Q4	2026 Q1	2026 Q2	2026 Q3	2026 Q4	2027 Q4
25th Percentile	3,208	3,129	3,031	2,931	2,924	2,900	2,894	2,866	2,891
Median	3,238	3,200	3,101	3,015	3,000	3,022	3,002	2,998	3,024
75th Percentile	3,316	3,300	3,160	3,095	3,104	3,118	3,118	3,131	3,155
# of Respondents	37	37	37	37	36	36	36	36	32

Expectations for the Average Level of Currency in Circulation ($ billions)									
	2025 Q1	2025 Q2	2025 Q3	2025 Q4	2026 Q1	2026 Q2	2026 Q3	2026 Q4	2027 Q4
25th Percentile	2,367	2,375	2,388	2,399	2,411	2,423	2,432	2,443	2,487
Median	2,375	2,390	2,403	2,420	2,435	2,450	2,465	2,479	2,540
75th Percentile	2,382	2,404	2,420	2,439	2,468	2,493	2,513	2,536	2,641
# of Respondents	36	36	36	36	35	35	35	35	31

Expectations for the Average Level of Overnight Reverse Repo Take-up ($ billions)									
	2025 Q1	2025 Q2	2025 Q3	2025 Q4	2026 Q1	2026 Q2	2026 Q3	2026 Q4	2027 Q4
25th Percentile	120	100	8	0	0	0	0	0	0
Median	161	150	92	50	38	45	33	39	25
75th Percentile	215	250	150	110	131	103	103	103	108
# of Respondents	37	37	37	37	36	36	36	36	32

Expectations for the Average Level of the Treasury General Account Balance ($ billions)									
	2025 Q1	2025 Q2	2025 Q3	2025 Q4	2026 Q1	2026 Q2	2026 Q3	2026 Q4	2027 Q4
25th Percentile	500	347	600	745	750	750	750	750	755
Median	571	533	750	762	800	800	800	800	813
75th Percentile	720	750	793	800	811	800	809	825	850
# of Respondents	36	36	36	36	35	35	35	35	31

4c) Please indicate the period in which you expect the SOMA portfolio to cease to decline, and the size of the SOMA portfolio when it ceases to decline. Please also indicate the size of specified liabilities, reserves and take-up at the overnight reverse repurchase agreement facility, when the SOMA portfolio ceases to decline.

	Period in which SOMA portfolio ceases to decline*	Size of SOMA portfolio when it ceases to decline ($ billions)**	Size of reserves ($ billions)***	Take-up at the overnight reverse repurchase agreement facility ($ billions)****
25th Percentile	Jun. '25	6,125	2,875	125
Median	Jun./Jul. '25	6,375	3,125	125
75th Percentile	Oct. '25	6,375	3,125	125
# of Respondents	48	48	48	48

**Dropdown selections: January 2025, February 2025, March 2025, April 2025, May 2025, June 2025, July 2025, August 2025, September 2025, October 2025, November 2025, December 2025, January 2026, February 2026, March 2026, April 2026, May 2026, June 2026, July 2026, August 2026, September 2026, October*

2026, November 2026, December 2026, Q1 2027, Q2 2027, Q3 2027, Q4 2027, Q1 2028, Q2 2028, Q3 2028, Q4 2028, Q1 2029 or later.
***Dropdown selections: $0-250bn, $251-500bn, $501-750bn, $751-1000bn, $1001-1250bn, $1251-1500bn, $1501-1750bn, $1751-2000bn, $2001-2250bn, $2251-2500bn, $2501-2750bn, $2751-3000bn, $3001-3250bn, $3251-3500bn, $3501-3750bn, $3751-4000bn, $4001-4250bn, $4251-4500bn, $4501-4750bn, $4751-5000bn, $5001-5250bn, $5251-5500bn, $5501-5750bn, $5751-6000bn, $6001-6250bn, $6251-6500bn, $6501-6750bn.*
****Dropdown selections: $1000bn or smaller, $1001-1250bn, $1251-1500bn, $1501-1750bn, $1751-2000bn, $2001-2250bn, $2251-2500bn, $2501-2750bn, $2751-3000bn, $3001-3250bn, $3251-3500bn, $3501-3750bn, $3751-4000bn, $4001bn or larger.*
*****Dropdown selections: $0-250bn, $251-500bn, $501-750bn, $751-1000bn, $1001-1250bn, $1251-1500bn, $1501-1750bn, $1751-2000bn, $2001-2250bn, $2251-2500bn, $2501bn or larger.*

4d) Please indicate the percent chance that you attach to the size of the SOMA portfolio falling in each of the following ranges when it ceases to decline. For reference, Securities Held Outright in the SOMA portfolio on January 8, 2025 was $6,527 billion according to the most recent H.4.1 release.
(48 responses)

	$5000bn or smaller	$5001-5250bn	$5251-5500bn	$5501-5750bn	$5751-6000bn	$6001-6250bn	$6251-6500bn	$6501-6750bn	$6751bn or larger
Average	**1%**	**1%**	**1%**	**4%**	**12%**	**31%**	**41%**	**8%**	**0%**

4e) Please discuss factors behind your baseline expectation for when the SOMA portfolio will cease to decline. Please also discuss the distribution of outcomes around your baseline.
(45 responses)

Many respondents indicated they expected the end of balance sheet reduction to be determined by assessments of reserve levels, ON RRP take-up, or upward pressure on money market rates relative to administered rates. Some respondents cited uncertainty around the effects of the reinstatement of the debt limit in January and associated movements in the Treasury General Account as the primary factor influencing their expected end of balance sheet runoff. Some viewed the reinstatement of the debt limit as a factor that poses a risk to their base case expectation. Some respondents viewed the distribution of outcomes as skewed toward an earlier end to runoff or a larger SOMA portfolio versus their baseline expectations, citing debt limit considerations. Several respondents viewed the distribution of outcomes as skewed toward a later end of runoff or a smaller SOMA portfolio versus their baseline expectations, citing reserve level and money market considerations. Some respondents indicated they expected that MBS runoff would continue longer than the runoff of Treasury securities. Several expected maturing MBS would be reinvested in Treasury securities once the reduction in the size of the balance sheet has been completed.

5) Provide your estimate of the most likely outcome for the 10-year Treasury yield at the end of each period below. In addition, provide your estimate of the longer-run level of the 10-year Treasury yield. For reference, as of January 14 the yield was roughly 4.80 percent.

	2025 Q1	2025 Q2	2025 Q3	2025 Q4	H1 2026	H2 2026	H1 2027	H2 2027	Longer Run
25th Percentile	**4.30%**	**4.25%**	**4.25%**	**4.25%**	**4.03%**	**4.08%**	**4.00%**	**4.00%**	**4.00%**
Median	**4.50%**	**4.50%**	**4.39%**	**4.40%**	**4.30%**	**4.25%**	**4.24%**	**4.25%**	**4.20%**
75th Percentile	**4.60%**	**4.60%**	**4.65%**	**4.65%**	**4.50%**	**4.50%**	**4.50%**	**4.50%**	**4.50%**
# of Respondents	**49**	**48**	**48**	**49**	**46**	**47**	**44**	**45**	**48**

6) Provide your estimate of the most likely outcome for the 30-year fixed primary mortgage rate at the end of each period below. In addition, provide your estimate of the longer-run level of the 30-year fixed primary mortgage rate. For reference, as of January 14 the rate was roughly 6.95 percent.

	2025 Q1	2025 Q2	2025 Q3	2025 Q4	H1 2026	H2 2026	H1 2027	H2 2027	Longer Run
25th Percentile	**6.70%**	**6.50%**	**6.40%**	**6.32%**	**6.16%**	**6.11%**	**6.06%**	**6.02%**	**5.97%**
Median	**6.90%**	**6.75%**	**6.60%**	**6.50%**	**6.50%**	**6.50%**	**6.50%**	**6.50%**	**6.30%**
75th Percentile	**7.00%**	**7.00%**	**7.00%**	**7.00%**	**6.75%**	**6.75%**	**6.70%**	**6.50%**	**6.50%**
# of Respondents	**42**	**41**	**41**	**42**	**41**	**42**	**39**	**40**	**43**

7) Please provide the percent chance you attach to the following outcomes for U.S. real GDP growth in 2025 and 2026 (Q4/Q4).
(25 responses)

Probability Distribution of U.S. Real GDP Growth in 2025 (Q4/Q4)										
	<= 0.00%	0.01 - 0.50%	0.51 - 1.00%	1.01 - 1.50%	1.51 - 2.00%	2.01 - 2.50%	2.51 - 3.00%	3.01 - 3.50%	3.51 - 4.00%	>= 4.01%
Average	**3%**	**3%**	**6%**	**12%**	**21%**	**28%**	**16%**	**7%**	**2%**	**1%**

Probability Distribution of U.S. Real GDP Growth in 2026 (Q4/Q4)										
	<= 0.00%	0.01 - 0.50%	0.51 - 1.00%	1.01 - 1.50%	1.51 - 2.00%	2.01 - 2.50%	2.51 - 3.00%	3.01 - 3.50%	3.51 - 4.00%	>= 4.01%
Average	**3%**	**4%**	**9%**	**14%**	**23%**	**22%**	**14%**	**7%**	**2%**	**2%**

Please also provide your point estimate for the most likely outcome.

U.S. Real GDP Modal Point Estimates (Q4/Q4)		
	2025	2026
25th Percentile	**1.80%**	**1.78%**
Median	**2.10%**	**2.00%**
75th Percentile	**2.40%**	**2.16%**
# of Respondents	**53**	**52**

8) Please indicate your modal projections for headline and core PCE inflation for each of the following quarters.*

Headline PCE Inflation Quarterly Modal Point Estimates					
	Q4 2024 (saar)	Q1 2025 (saar)	Q2 2025 (saar)	Q3 2025 (saar)	Q4 2025 (saar)
25th Percentile	**2.3%**	**2.4%**	**2.1%**	**2.1%**	**2.1%**
Median	**2.3%**	**2.6%**	**2.3%**	**2.3%**	**2.3%**
75th Percentile	**2.4%**	**2.9%**	**2.5%**	**2.4%**	**2.5%**
# of Respondents	**51**	**51**	**51**	**51**	**51**

Core PCE Inflation Quarterly Modal Point Estimates					
	Q4 2024 (saar)	Q1 2025 (saar)	Q2 2025 (saar)	Q3 2025 (saar)	Q4 2025 (saar)
25th Percentile	**2.5%**	**2.4%**	**2.3%**	**2.2%**	**2.2%**
Median	**2.5%**	**2.6%**	**2.4%**	**2.4%**	**2.4%**
75th Percentile	**2.6%**	**2.7%**	**2.6%**	**2.6%**	**2.7%**
# of Respondents	**51**	**51**	**51**	**51**	**51**

**Percent change from the previous quarter at an annualized rate, based on the average of monthly levels (seasonally adjusted) in each quarter.*

9a) Please provide the percent chance you attach to the following outcomes for <u>headline PCE inflation</u> in 2025 and 2026 (Q4/Q4).
(51 responses)

Probability Distribution of Headline PCE Inflation in 2025 (Q4/Q4)										
	<= 1.50%	1.51 - 1.75%	1.76 - 2.00%	2.01 - 2.25%	2.26 - 2.50%	2.51 - 2.75%	2.76 - 3.00%	3.01 - 3.25%	3.26 - 3.50%	>= 3.51%
Average	**3%**	**4%**	**10%**	**18%**	**28%**	**18%**	**9%**	**5%**	**3%**	**2%**

Probability Distribution of Headline PCE Inflation in 2026 (Q4/Q4)										
	<= 1.50%	1.51 - 1.75%	1.76 - 2.00%	2.01 - 2.25%	2.26 - 2.50%	2.51 - 2.75%	2.76 - 3.00%	3.01 - 3.25%	3.26 - 3.50%	>= 3.51%
Average	**4%**	**6%**	**15%**	**24%**	**20%**	**13%**	**8%**	**4%**	**3%**	**2%**

Please also provide your point estimate for the most likely outcome.

Headline PCE Inflation Modal Point Estimates (Q4/Q4)		
	2025	2026
25th Percentile	**2.28%**	**2.00%**
Median	**2.40%**	**2.23%**
75th Percentile	**2.50%**	**2.40%**
# of Respondents	**52**	**52**

9b) For the outcomes below, provide the percent chance you attach to the annual average CPI inflation rate from January 1, 2025 – December 31, 2029 falling in each of the following ranges.
(26 responses)

	<= 0.50%	0.51 - 1.00%	1.01 - 1.50%	1.51 - 2.00%	2.01 - 2.50%	2.51 - 3.00%	3.01 - 3.50%	>= 3.51%
Average	**0%**	**1%**	**5%**	**16%**	**37%**	**27%**	**11%**	**3%**

	Most Likely Outcome
25th Percentile	**2.33%**
Median	**2.50%**
75th Percentile	**2.50%**
# of Respondents	**51**

9c) For the outcomes below, provide the percent chance you attach to the annual average CPI inflation rate from January 1, 2030 – December 31, 2034 falling in each of the following ranges.
(51 responses)

	<= 0.50%	0.51 - 1.00%	1.01 - 1.50%	1.51 - 2.00%	2.01 - 2.50%	2.51 - 3.00%	3.01 - 3.50%	>= 3.51%
Average	**1%**	**2%**	**6%**	**20%**	**39%**	**23%**	**6%**	**3%**

	Most Likely Outcome
25th Percentile	**2.20%**
Median	**2.30%**
75th Percentile	**2.50%**
# of Respondents	**52**

10a) What percent chance do you attach to:
the U.S. economy currently being in a recession*?
the U.S. economy being in a recession* in 6 months?
the global economy being in a recession** in 6 months?

	Currently in U.S. Recession	U.S. Recession in 6 Months	Global Recession in 6 Months
25th Percentile	**0%**	**10%**	**15%**
Median	**3%**	**15%**	**20%**
75th Percentile	**5%**	**20%**	**30%**
# of Respondents	**53**	**53**	**51**

**NBER-defined recession*
***Previous IMF staff work has suggested that a "global recession" can be characterized as a period during which there is a decline in annual per-capita real global GDP, backed up by a decline or worsening in one or more of the following global macroeconomic indicators: industrial production, trade, capital flows, oil consumption and unemployment.*

10b) What percent chance do you attach to the U.S. economy first entering a recession* in each of the following periods?
(53 responses)

	H2 2024**	H1 2025	H2 2025	H1 2026	H2 2026	No recession by end H2 2026
Average	**1%**	**9%**	**14%**	**14%**	**13%**	**49%**

**NBER-defined recession*
***Percent chance that the economy first entered an NBER-defined recession in H2 2024.*

11) Provide your estimate of the most likely outcome for output, inflation, and unemployment.
(43 responses)

		2025	2026	2027	Longer Run
Real GDP (Q4/Q4 Growth)	25th Percentile	**1.80%**	**1.78%**	**1.80%**	**1.88%**
	Median	**2.15%**	**2.00%**	**2.00%**	**2.00%**
	75th Percentile	**2.40%**	**2.16%**	**2.15%**	**2.05%**
Core PCE Inflation (Q4/Q4)	25th Percentile	**2.30%**	**2.10%**	**2.00%**	**-**
	Median	**2.40%**	**2.30%**	**2.09%**	**-**
	75th Percentile	**2.60%**	**2.50%**	**2.30%**	**-**
Headline PCE Inflation (Q4/Q4)	25th Percentile	**2.24%**	**2.00%**	**2.00%**	**2.00%**
	Median	**2.40%**	**2.20%**	**2.00%**	**2.00%**
	75th Percentile	**2.50%**	**2.40%**	**2.20%**	**2.00%**
Unemployment Rate (Q4 Average Level)	25th Percentile	**4.20%**	**4.10%**	**4.00%**	**4.00%**
	Median	**4.30%**	**4.20%**	**4.20%**	**4.20%**
	75th Percentile	**4.40%**	**4.48%**	**4.40%**	**4.40%**