

RESPONSES TO THE SURVEY OF MARKET EXPECTATIONS

Markets Group, Federal Reserve Bank of New York



OCTOBER 2025

Distributed: 10/15/2025 – Received by: 10/20/2025

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 participants 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 53 responded. Except where noted, all 53 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
- 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
- SMBC Nikko Securities America, Inc.
- 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

Table of Contents

Q-1) FOMC Meeting Expectations

Q-2) Federal Reserve System Communication Grade

Q-3) Target Federal Funds Rate/Range

Q-4) Expectations for Balance Sheet Components

Q-5) Money Market Spreads

Q-6) Estimate of Money Market Spreads at Various Reserve Plus ON RRP Levels

Q-7) U.S. Real GDP Growth Probability Distributions

Q-8) Unemployment Probability Distributions

Q-9) Quarterly PCE Projections

Q-10) Inflation Probability Distributions

Q-11) U.S. and Global Recession Probabilities

Q-12) Estimates of Economic Indicators

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

Current economic conditions:

(52 responses)

Some respondents indicated they expected little or no change. Some respondents anticipated a reference to the lack of data caused by the government shutdown, and several respondents expected a reference to uncertainty in this context. Some respondents indicated they expected an adjustment in language to reflect improved economic activity, and several expected an adjustment in language to reflect a softer labor market. Several respondents explicitly expected a continued reference to job gains slowing, several expected a continued reference to elevated inflation, and several expected a continued reference to the unemployment rate moving up but remaining low.

Economic outlook and communication on the expected path of the target federal funds rate:

(51 responses)

Some respondents indicated they expected little or no change. Some respondents explicitly indicated they expected an update to reflect a reduction in the policy rate. Several respondents expected an update to language on downside risks to employment.

Communication on tools other than the target federal funds rate:

(50 responses)

Some respondents indicated they expected little or no change. Some respondents indicated they expected or saw risk of an announcement of the end of the runoff, with several of these respondents expecting an announcement for runoff to end in December. Several respondents expected a reference to runoff ending in the coming months or in the near term. Several respondents expected a reference to MBS runoff or MBS maturities being reinvested into Treasury bills.

Other:

(41 responses)

Most respondents indicated they expected little or no change. Several respondents indicated they expected at least one dissent in either direction. Several respondents expected a dissent in favor of additional easing, and several respondents expected a dissent in favor of no easing.

- 1b)** What are your expectations for the Chair's press conference?

(51 responses)

Some respondents indicated they expected the Chair to reference the lack of data caused by the government shutdown, and several respondents expected a reference to uncertainty in this context. Some respondents expected the Chair to suggest the potential for further easing. Some respondents indicated they expected the Chair to explain a rate cut as a response to the weakening labor market or risks to the labor market. Several respondents indicated they

expected the Chair to reiterate that any future adjustments in the target range for the federal funds rate would remain dependent on incoming economic data, and several expected the Chair to note that the policy path is not on a preset course.

Some respondents indicated they expected the Chair to reference downside risks to the labor market, and some expected the Chair to reference risks to both sides of the dual mandate. Some respondents indicated they expected the Chair to reference labor market weakness or the low fire and low hire environment. Several expected the Chair to reiterate that the labor market and inflation outlook are unchanged since the September meeting. Several respondents indicated they expected the Chair to note solid economic activity, and several expected the Chair to note that tariffs are contributing to elevated inflation.

Some respondents indicated they expected the Chair to reference the end of runoff in the coming months, some expected a reference to the balance sheet more broadly, and several expected a reference to an imminent end to runoff. Several respondents indicated they expected the Chair's communications to be similar to his speech at the NABE conference. Several respondents expected the Chair to reference uncertainty.

- 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	0
2	3
3	9
4	37
5 - Effective	4
# of Respondents	53

Please explain.
(49 responses)

Some respondents highlighted a perceived divergence among policy members in their communications over the intermeeting period. Some respondents viewed this divergence as reflecting a diversity of viewpoints against the backdrop of a particularly challenging policy environment; several respondents viewed this disagreement as unclear or ineffective for communicating the policy stance. With regard to communications viewed as being clear or effective, some respondents referenced communications on downside risks to the labor market. With regard to communications viewed as being unclear or ineffective, several respondents referenced the timing of balance sheet communications or a lack of detail regarding the outlook for the balance sheet.

- 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.

	Oct. 28-29	Dec. 9-10	Jan. 27-28	Mar. 17-18	Apr. 28-29	Jun. 16-17	Jul. 28-29
25th Percentile	3.88%	3.63%	3.38%	3.38%	3.38%	3.13%	3.13%
Median	3.88%	3.63%	3.63%	3.38%	3.38%	3.38%	3.13%
75th Percentile	3.88%	3.63%	3.63%	3.63%	3.63%	3.38%	3.38%
# of Respondents	53	53	53	53	53	53	53

	2026 Q3	2026 Q4	2027 Q1	2027 Q2	2027 Q3	2027 Q4	2028	2029
25th Percentile	3.13%	2.88%	2.88%	2.88%	2.88%	2.88%	2.88%	2.88%
Median	3.13%	3.13%	3.13%	3.13%	3.13%	3.13%	3.13%	3.13%
75th Percentile	3.38%	3.38%	3.38%	3.38%	3.38%	3.38%	3.38%	3.38%
# of Respondents	53	53	49	49	49	49	48	48

- 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	3.13%	3.13%
75th Percentile	3.40%	3.38%
# of Respondents	53	53

- 3c)** Please indicate the percent chance that you attach to the target federal funds rate or range falling in each of the following ranges immediately following the October FOMC meeting and at the end of 2025 and 2026. If you expect a target range, please use the midpoint of that range in providing your response.

Federal Funds Rate or Range after the October 2025 FOMC Meeting										
	<= 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	0%	0%	0%	0%	0%	4%	86%	9%	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	0%	0%	0%	1%	9%	58%	28%	2%	0%	0%

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	2%	1%	2%	4%	9%	25%	30%	21%	4%	3%

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

	<= 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	4%	2%	3%	8%	13%	26%	26%	16%	2%	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)						
	Oct. 2025	Nov. 2025	Dec. 2025	Jan. 2026	Feb. 2026	Mar. 2026
25th Percentile	4,196	4,191	4,186	4,191	4,197	4,217
Median	4,196	4,191	4,187	4,203	4,220	4,237
75th Percentile	4,196	4,194	4,209	4,227	4,245	4,270
# of Respondents	45	45	45	45	45	45

Expectations for the Average Level of MBS in the SOMA Portfolio (\$ billions)						
	Oct. 2025	Nov. 2025	Dec. 2025	Jan. 2026	Feb. 2026	Mar. 2026
25th Percentile	2,079	2,063	2,045	2,027	2,009	1,992
Median	2,082	2,066	2,050	2,033	2,015	1,999
75th Percentile	2,084	2,069	2,054	2,039	2,024	2,009
# of Respondents	46	46	46	46	46	46

Expectations for the Average Level of Total Assets on the Federal Reserve Balance Sheet (\$ billions)						
	Oct. 2025	Nov. 2025	Dec. 2025	Jan. 2026	Feb. 2026	Mar. 2026
25th Percentile	6,625	6,603	6,580	6,571	6,561	6,574
Median	6,632	6,612	6,594	6,588	6,586	6,588
75th Percentile	6,635	6,620	6,613	6,613	6,613	6,613
# of Respondents	46	46	46	46	46	46

Expectations for the Average Level of Treasury Holdings in the SOMA Portfolio (\$ billions)				
	2026 Q2	2026 Q3	2026 Q4	2027 Q4
25th Percentile	4,255	4,313	4,379	4,598
Median	4,292	4,363	4,426	4,747
75th Percentile	4,321	4,404	4,506	4,895
# of Respondents	43	43	43	42

Expectations for the Average Level of MBS in the SOMA Portfolio (\$ billions)				
	2026 Q2	2026 Q3	2026 Q4	2027 Q4
25th Percentile	1,946	1,892	1,839	1,630
Median	1,963	1,912	1,862	1,668
75th Percentile	1,979	1,934	1,887	1,710
# of Respondents	45	45	45	43

Expectations for the Average Level of Total Assets on the Federal Reserve Balance Sheet (\$ billions)				
	2026 Q2	2026 Q3	2026 Q4	2027 Q4
25th Percentile	6,579	6,582	6,584	6,653
Median	6,600	6,618	6,639	6,770
75th Percentile	6,638	6,663	6,700	6,892
# of Respondents	45	45	45	43

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 Q4	2026 Q1	2026 Q2	2026 Q3	2026 Q4	2027 Q4
25th Percentile	2,902	2,876	2,860	2,855	2,843	2,868
Median	2,935	2,901	2,893	2,893	2,894	2,960
75th Percentile	2,976	2,963	2,943	2,931	2,966	3,046
# of Respondents	40	40	40	40	40	38

Expectations for the Average Level of Currency in Circulation (\$ billions)						
	2025 Q4	2026 Q1	2026 Q2	2026 Q3	2026 Q4	2027 Q4
25th Percentile	2,417	2,429	2,440	2,453	2,466	2,516
Median	2,420	2,435	2,450	2,466	2,484	2,548
75th Percentile	2,425	2,445	2,466	2,485	2,507	2,590
# of Respondents	40	40	40	40	40	38

Expectations for the Average Level of Overnight Reverse Repo Take-up (\$ billions)						
	2025 Q4	2026 Q1	2026 Q2	2026 Q3	2026 Q4	2027 Q4
25th Percentile	0	0	0	0	0	0
Median	10	7	5	5	10	5
75th Percentile	40	25	25	29	29	30
# of Respondents	41	41	41	41	41	39

Expectations for the Average Level of the Treasury General Account Balance (\$ billions)						
	2025 Q4	2026 Q1	2026 Q2	2026 Q3	2026 Q4	2027 Q4
25th Percentile	824	813	805	823	819	837
Median	850	850	850	850	850	850
75th Percentile	850	850	851	853	862	900
# of Respondents	40	40	40	40	40	38

- 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. Conditional on SOMA next increasing in order to maintain ample reserves over time, as outlined in the May 2022 Plans for Reducing the Size of the Federal Reserve's Balance Sheet, please also indicate the period and the level of reserves when you expect SOMA to increase through reserve management purchases.

	Period in which SOMA portfolio ceases to decline*	Size of SOMA portfolio when it ceases to decline (\$ billions)**	Size of reserves when SOMA ceases to decline (\$ billions)***	Take-up at the overnight reverse repurchase agreement facility when SOMA ceases to decline (\$ billions)****
25th Percentile	Dec. '25	6,188	2,876	63
Median	Dec. '25	6,188	2,938	63
75th Percentile	Jan. '26	6,313	2,938	63
# of Respondents	47	46	47	47

	Period in which you expect reserve management purchases to begin*†	Level of reserves when reserve management purchases begin (\$ billions)***†
25th Percentile	Mar. '26	2,813
Median	Jul. '26	2,938
75th Percentile	Feb. '27	2,938
# of Respondents	43	45

*Dropdown selections: 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: \$0-125bn, \$126-250bn, \$251-375bn, \$376-500bn, \$501-625bn, \$626-750bn, \$751-875bn, \$876-1000bn, \$1001-1125bn, \$1126-1250bn, \$1251-1375bn, \$1376-1500bn, \$1501-1625bn, \$1626-1750bn, \$1751-1875bn, \$1876-2000bn, \$2001-2125bn, \$2126-2250bn, \$2251-2375bn, \$2376-2500bn, \$2501-2625bn, \$2626-2750bn, \$2751-2875bn, \$2876-3000bn, \$3001-3125bn, \$3126-3250bn, \$3251-3375bn, \$3376-3500bn, \$3501-3625bn, \$3626-3750bn, \$3751-3875bn, \$3876-4000bn, \$4001-4125bn, \$4126-4250bn, \$4251-4375bn, \$4376-4500bn, \$4501-4625bn, \$4626-4750bn, \$4751-4875bn, \$4876-5000bn, \$5001-5125bn, \$5126-5250bn, \$5251-5375bn, \$5376-5500bn, \$5501-5625bn, \$5626-5750bn, \$5751-5875bn, \$5876-6000bn, \$6001-6125bn, \$6126-6250bn, \$6251-6375bn.

***Dropdown selections: \$1000bn or smaller, \$1001-1125bn, \$1126-1250bn, \$1251-1375bn, \$1376-1500bn, \$1501-1625bn, \$1626-1750bn, \$1751-1875bn, \$1876-2000bn, \$2001-2125bn, \$2126-2250bn, \$2251-2375bn, \$2376-2500bn, \$2501-2625bn, \$2626-2750bn, \$2751-2875bn, \$2876-3000bn, \$3001-3125bn, \$3126-3250bn, \$3251-3375bn, \$3376-3500bn, \$3501-3625bn, \$3626-3750bn, \$3751-3875bn, \$3876-4000bn, \$4001bn or larger.

****Dropdown selections: \$0-125bn, \$126-250bn, \$251-375bn, \$376-500bn, \$501-625bn, \$626-750bn, \$751-875bn, \$876-1000bn, \$1001-1125bn, \$1126-1250bn, \$1251-1375bn, \$1376-1500bn, \$1501-1625bn, \$1626-1750bn, \$1751-1875bn, \$1876-2000bn, \$2001-2125bn, \$2126-2250bn, \$2251-2375bn, \$2376-2500bn, \$2501bn or larger.

† Conditional on SOMA next increasing in order to maintain ample reserves over time.

- 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 October 8, 2025 was \$6,285 billion according to the most recent H.4.1 release.
(45 responses)

	\$5500bn or smaller	\$5501- 5625bn	\$5626- 5750bn	\$5751- 5875bn	\$5876- 6000bn	\$6001- 6125bn	\$6126- 6250bn	\$6251- 6375bn	\$6376- 6500bn	\$6501bn or larger
Average	0%	0%	0%	1%	5%	16%	42%	35%	0%	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.
(42 responses)

Most respondents indicated they expected the end of balance sheet runoff to be determined by liability management considerations; many respondents emphasized funding market indicators as the primary factor influencing their estimates for the end of runoff and several cited the level of reserves. Many respondents cited recent FOMC communications as influencing their estimates for the end of runoff.

Some respondents viewed the distribution of outcomes as skewed toward an earlier end to runoff or a larger SOMA portfolio versus their baseline expectations. In explaining these risks of an earlier end to runoff, several cited funding market dynamics. Several respondents viewed the distribution of outcomes for the end of runoff as skewed toward a later end of runoff or a smaller SOMA portfolio versus their baseline expectations.

Some respondents expected maturing MBS would be reinvested in Treasury securities once the reduction in the size of the balance sheet has been completed; several expected the proceeds from maturing MBS to be reinvested in primarily shorter-dated Treasury securities. Several respondents discussed expectations for reserve management purchases; several expected those purchases to be primarily comprised of U.S. Treasury bills.

- 5)** Please provide your expectation for each of the selected money market rate spreads* for the day after each of the FOMC meetings.

	Top of target range** minus IORB (in bps)			
	Oct. 28-29	Dec. 9-10	Jan. 27-28	Mar. 17-18
25th Percentile	10.0	10.0	10.0	10.0
Median	10.0	10.0	10.0	10.0
75th Percentile	10.0	10.0	10.0	10.0
# of Respondents	40	40	40	40

EFFR minus IORB (in bps)				
	Oct. 28-29	Dec. 9-10	Jan. 27-28	Mar. 17-18
25th Percentile	-5.0	-5.0	-5.0	-5.0
Median	-4.0	-4.0	-4.0	-3.0
75th Percentile	-4.0	-3.0	-3.0	-3.0
# of Respondents	40	40	40	40

SOFR minus IORB (in bps)				
	Oct. 28-29	Dec. 9-10	Jan. 27-28	Mar. 17-18
25th Percentile	-2.0	-1.0	-2.0	-2.0
Median	0.0	0.0	0.0	0.0
75th Percentile	3.0	3.0	3.0	3.0
# of Respondents	39	39	39	39

Bottom of target range** minus ON RRP rate (in bps)				
	Oct. 28-29	Dec. 9-10	Jan. 27-28	Mar. 17-18
25th Percentile	0.0	0.0	0.0	0.0
Median	0.0	0.0	0.0	0.0
75th Percentile	0.0	0.0	0.0	0.0
# of Respondents	40	40	40	40

3m U.S. Treasury bill yield minus 3m OIS (in bps)				
	Oct. 28-29	Dec. 9-10	Jan. 27-28	Mar. 17-18
25th Percentile	7.0	5.0	5.0	5.0
Median	9.0	8.0	7.0	7.0
75th Percentile	9.5	9.5	9.0	9.0
# of Respondents	39	39	39	39

**Listed rates include the interest on reserve balances (IORB) rate, effective federal funds rate (EFFR), Secured Overnight Financing Rate (SOFR), overnight reverse repurchase agreement (ON RRP) rate, and 3-month fed funds overnight index swap rate (3m OIS).*

***Target range for the federal funds rate.*

- 6) Please provide your estimates of the most likely level of the spread between the level of the effective federal funds rate (EFFR) and interest on reserve balances (IORB), as well as the level of the spread between the secured overnight financing rate (SOFR) and IORB, conditional on each of the following hypothetical levels of combined reserve balances and take-up at the overnight reverse repurchase agreement facility.

Estimates of the EFFR-IORB Spread Conditional on Different Reserve Plus ON RRP Levels										
	4000	3750	3500	3250	3000	2750	2500	2250	2000	1750
25th Percentile	-8.0	-7.0	-7.0	-7.0	-5.0	-4.0	-2.0	0.0	1.0	3.0
Median	-7.0	-7.0	-7.0	-7.0	-4.0	-2.0	0.0	2.0	5.5	10.0
75th Percentile	-7.0	-7.0	-6.0	-6.0	-4.0	0.0	3.8	9.5	10.0	15.0
# of Respondents	38	38	38	38	38	38	38	38	38	38

Estimates of the SOFR-IORB Spread Conditional on Different Reserve Plus ON RRP Levels										
	4000	3750	3500	3250	3000	2750	2500	2250	2000	1750
25th Percentile	-10.8	-10.0	-8.0	-5.0	-3.0	-0.8	0.3	3.3	5.0	6.3
Median	-9.0	-7.0	-6.5	-5.0	0.0	3.0	6.0	10.0	15.0	17.0
75th Percentile	-7.0	-6.0	-5.0	-4.0	2.0	6.0	14.3	15.0	20.0	30.0
# of Respondents	38	38	38	38	38	38	38	38	38	38

- 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)										
	<= -1.01%	-1.00 - -0.51%	-0.50 - 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%
Average	0%	1%	2%	4%	8%	24%	36%	19%	4%	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%	5%	10%	17%	25%	20%	10%	4%	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	1.50%	1.60%
Median	1.80%	1.80%
75th Percentile	1.90%	2.15%
# of Respondents	51	51

- 8) Please provide the percent chance you attach to the following outcomes for the average unemployment rate in Q4 2025 and Q4 2026.
(50 responses)

Probability Distribution of Average Unemployment Rate in Q4 2025								
	<= 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	1%	14%	44%	27%	8%	2%	1%	1%

Probability Distribution of Average Unemployment Rate in Q4 2026								
	<= 3.50%	3.51 - 4.00%	4.01 - 4.50%	4.51 - 5.00%	5.01 - 5.50%	5.51 - 6.00%	6.01 - 6.50%	>= 6.51%
Average	3%	13%	38%	28%	11%	4%	2%	1%

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

Headline PCE Inflation Quarterly Modal Point Estimates					
	Q3 2025 (saar)	Q4 2025 (saar)	Q1 2026 (saar)	Q2 2026 (saar)	Q3 2026 (saar)
25th Percentile	2.8%	2.9%	2.6%	2.2%	2.1%
Median	2.8%	3.1%	2.9%	2.5%	2.2%
75th Percentile	2.9%	3.4%	3.1%	2.7%	2.5%
# of Respondents	49	49	49	49	49

Core PCE Inflation Quarterly Modal Point Estimates					
	Q3 2025 (saar)	Q4 2025 (saar)	Q1 2026 (saar)	Q2 2026 (saar)	Q3 2026 (saar)
25th Percentile	2.9%	3.0%	2.8%	2.4%	2.2%
Median	3.0%	3.3%	3.1%	2.6%	2.4%
75th Percentile	3.1%	3.4%	3.3%	2.8%	2.6%
# of Respondents	50	50	50	50	50

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

- 10a) Please provide the percent chance you attach to the following outcomes for headline PCE inflation in 2025 and 2026 (Q4/Q4).
(50 responses)

Probability Distribution of Headline PCE Inflation in 2025 (Q4/Q4)										
	<= 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 - 3.75%	3.76 - 4.00%	>= 4.01%
Average	1%	1%	5%	17%	33%	28%	10%	3%	1%	1%

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	2%	3%	8%	15%	22%	19%	16%	9%	4%	2%

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

Headline PCE Inflation Modal Point Estimates (Q4/Q4)		
	2025	2026
25th Percentile	2.85%	2.30%
Median	2.90%	2.50%
75th Percentile	3.00%	2.70%
# of Respondents	50	50

- 10b)** For the outcomes below, provide the percent chance you attach to the annual average CPI inflation rate from October 1, 2025 – September 30, 2030 falling in each of the following ranges.
(25 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%	4%	14%	29%	31%	15%	5%

	Most Likely Outcome
25th Percentile	2.45%
Median	2.50%
75th Percentile	2.65%
# of Respondents	49

- 10c)** For the outcomes below, provide the percent chance you attach to the annual average CPI inflation rate from October 1, 2030 – September 30, 2035 falling in each of the following ranges.
(49 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%	19%	38%	23%	8%	3%

	Most Likely Outcome
25th Percentile	2.30%
Median	2.30%
75th Percentile	2.45%
# of Respondents	49

- 11) 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	5%	20%	20%
Median	10%	25%	25%
75th Percentile	15%	30%	35%
# of Respondents	52	52	52

*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.

- 12) Provide your estimate of the most likely outcome for output, inflation, and unemployment.
(40 responses)

		2025	2026	2027	2028	Longer Run
Real GDP (Q4/Q4 Growth)	25th Percentile	1.50%	1.60%	1.80%	1.80%	1.80%
	Median	1.80%	1.80%	1.90%	2.00%	1.90%
	75th Percentile	1.90%	2.15%	2.10%	2.10%	2.00%
Core PCE Inflation (Q4/Q4)	25th Percentile	3.00%	2.40%	2.10%	2.00%	-
	Median	3.06%	2.60%	2.20%	2.10%	-
	75th Percentile	3.10%	2.70%	2.40%	2.33%	-
Headline PCE Inflation (Q4/Q4)	25th Percentile	2.85%	2.30%	2.08%	2.00%	2.00%
	Median	2.90%	2.50%	2.20%	2.03%	2.00%
	75th Percentile	3.00%	2.70%	2.33%	2.20%	2.10%
Unemployment Rate (Q4 Average Level)	25th Percentile	4.40%	4.30%	4.20%	4.10%	4.00%
	Median	4.50%	4.40%	4.30%	4.20%	4.20%
	75th Percentile	4.50%	4.50%	4.30%	4.30%	4.20%