

RESPONSES TO SURVEY OF PRIMARY DEALERS

Markets Group, Federal Reserve Bank of New York



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The **Survey of Primary Dealers** 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, median responses across dealers, along with the 25th and 75th percentiles, are reported. For questions that ask respondents to give a probability distribution, the average response across dealers for each potential outcome is reported.¹ Brief summaries of the comments received in free response form are also provided.

Responses were received from 24 primary dealers. Except where noted, all 24 dealers responded to each question. In some cases, dealers may not have provided complete responses (e.g. may not have provided forecasts extending 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.

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)	Treasury Rate Modal Expectations
Q-6)	Mortgage Rate Modal Expectations
Q-7)	Money Market Rate Spreads
Q-8)	U.S. Real GDP Growth 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 January FOMC statement. Please write N/A if you do not expect any changes.

Current economic conditions:

Many dealers indicated they expected little or no change. Several dealers indicated they expected or saw a possibility of an update to language on economic activity to reflect a solid pace of growth.

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

Some dealers indicated they expected little or no change. Some dealers indicated they expected or saw a possibility of an adjustment to language on the extent of any additional policy firming to reflect a more balanced policy outlook.

Communication on tools other than the target federal funds rate:

Most dealers indicated they expected little or no change.

Other:
(16 responses)

Dealers did not provide significant commentary in this section.

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

Some dealers indicated they expected the Chair to reiterate that adjustments in the target range for the federal funds rate would remain dependent on incoming economic data and its implications for the economic outlook. Some dealers indicated they expected the Chair to note progress on inflation. Some dealers indicated they expected the Chair to emphasize a more balanced stance between tightening and easing or to focus on maintaining a restrictive stance of policy. Several dealers indicated they expected the Chair to emphasize a careful approach to rate policy. Several dealers expected the Chair to reiterate that inflation remains elevated or that further evidence of a slowing in inflation is needed to provide confidence that inflation is clearly on a path to return to 2 percent. Several dealers indicated they expected or saw a possibility that the Chair would note the potential for rate cuts, depending on incoming data. Several dealers indicated they expected the Chair to push back on near-term market pricing for rate cuts. Several dealers indicated they expected a discussion of balance sheet runoff in the January press conference.

- 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	2
3	12
4	8
5 - Effective	2
# of Respondents	24

Please explain.
(23 responses)

With regard to communications viewed as being unclear or ineffective, many dealers highlighted disagreement across various Fed communications, and several dealers referenced communications on the monetary policy reaction function or expected path of policy. With regard to communications viewed as being clear, consistent, or effective, several dealers referenced communications on the expected path of policy, and several dealers referenced communications pushing back on the market pricing of near-term rate cuts.

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. 30-31	Mar. 19-20	Apr. 30- May 1	Jun. 11-12	Jul. 30-31	Sep. 17-18
25th Percentile	5.38%	5.31%	5.13%	4.88%	4.63%	4.38%
Median	5.38%	5.38%	5.38%	5.00%	4.88%	4.63%
75th Percentile	5.38%	5.38%	5.38%	5.13%	5.13%	4.88%
# of Respondents	24	24	24	24	24	24

	2024 Q4	2025 Q1	2025 Q2	2025 Q3	2025 Q4
25th Percentile	3.88%	3.56%	3.31%	3.06%	2.88%
Median	4.13%	3.88%	3.50%	3.38%	3.13%
75th Percentile	4.38%	4.13%	3.88%	3.63%	3.38%
# of Respondents	24	24	24	24	24

	2026 Q1	2026 Q2	2026 Q3	2026 Q4	2027	2028
25th Percentile	2.88%	2.69%	2.50%	2.50%	2.59%	2.59%
Median	3.00%	2.88%	2.88%	2.88%	2.88%	2.88%
75th Percentile	3.13%	3.13%	3.13%	3.13%	3.13%	3.13%
# of Respondents	18	18	18	18	18	18

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	2.95%	2.50%
Median	3.11%	2.88%
75th Percentile	3.25%	3.03%
# of Respondents	24	24

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 January and March FOMC meetings and at the end of 2024 and 2025. If you expect a target range, please use the midpoint of that range in providing your response. (23 responses)

Federal Funds Rate or Range after the January 2024 FOMC Meeting										
	<= 4.25%	4.26 - 4.50%	4.51 - 4.75%	4.76 - 5.00%	5.01 - 5.25%	5.26 - 5.50%	5.51 - 5.75%	5.76 - 6.00%	6.01 - 6.25%	>= 6.26%
Average	0%	0%	0%	0%	3%	97%	0%	0%	0%	0%

Federal Funds Rate or Range after the March 2024 FOMC Meeting										
	<= 4.25%	4.26 - 4.50%	4.51 - 4.75%	4.76 - 5.00%	5.01 - 5.25%	5.26 - 5.50%	5.51 - 5.75%	5.76 - 6.00%	6.01 - 6.25%	>= 6.26%
Average	0%	0%	0%	2%	29%	67%	1%	0%	0%	0%

Federal Funds Rate or Range at the End of 2024										
	<= 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 - 5.00%	5.01 - 5.50%	>= 5.51%
Average	3%	2%	3%	7%	14%	18%	25%	15%	10%	3%

Federal Funds Rate or Range at the End of 2025										
	<= 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 - 5.00%	5.01 - 5.50%	>= 5.51%
Average	6%	5%	11%	19%	21%	17%	12%	4%	2%	2%

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

	<= 4.25%	4.26 - 4.50%	4.51 - 4.75%	4.76 - 5.00%	5.01 - 5.25%	5.26 - 5.50%	5.51 - 5.75%	5.76 - 6.00%	6.01 - 6.25%	>= 6.26%
Average	0%	0%	0%	0%	0%	89%	6%	3%	1%	1%

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. 2024	Feb. 2024	Mar. 2024	Apr. 2024	May 2024	Jun. 2024	
25th Percentile	4,742	4,682	4,622	4,562	4,502	4,442	
Median	4,742	4,682	4,622	4,562	4,509	4,465	
75th Percentile	4,742	4,682	4,622	4,580	4,536	4,506	
# of Respondents	24	24	24	24	24	24	

Expectations for the Average Level of MBS in the SOMA Portfolio (\$ billions)							
	Jan. 2024	Feb. 2024	Mar. 2024	Apr. 2024	May 2024	Jun. 2024	
25th Percentile	2,425	2,404	2,385	2,365	2,345	2,325	
Median	2,428	2,411	2,393	2,374	2,358	2,340	
75th Percentile	2,430	2,415	2,400	2,385	2,367	2,351	
# of Respondents	24	24	24	24	24	24	

Expectations for the Average Level of Total Assets on the Federal Reserve Balance Sheet (\$ billions)							
	Jan. 2024	Feb. 2024	Mar. 2024	Apr. 2024	May 2024	Jun. 2024	
25th Percentile	7,684	7,584	7,485	7,400	7,338	7,260	
Median	7,706	7,620	7,537	7,461	7,373	7,303	
75th Percentile	7,717	7,653	7,576	7,494	7,401	7,332	
# of Respondents	24	24	24	24	24	24	

Expectations for the Average Level of Treasury Holdings in the SOMA Portfolio (\$ billions)							
	2024 Q3	2024 Q4	2025 Q1	2025 Q2	2025 Q3	2025 Q4	2026 Q4
25th Percentile	4,350	4,285	4,213	4,159	4,193	4,253	4,479
Median	4,404	4,346	4,293	4,342	4,412	4,482	4,715
75th Percentile	4,447	4,430	4,462	4,490	4,546	4,617	4,938
# of Respondents	24	24	24	24	24	24	23

Expectations for the Average Level of MBS in the SOMA Portfolio (\$ billions)							
	2024 Q3	2024 Q4	2025 Q1	2025 Q2	2025 Q3	2025 Q4	2026 Q4
25th Percentile	2,270	2,222	2,162	2,103	2,041	1,981	1,751
Median	2,295	2,251	2,197	2,149	2,093	2,029	1,879
75th Percentile	2,318	2,271	2,240	2,182	2,131	2,087	1,912
# of Respondents	24	24	24	24	24	24	23

Expectations for the Average Level of Total Assets on the Federal Reserve Balance Sheet (\$ billions)							
	2024 Q3	2024 Q4	2025 Q1	2025 Q2	2025 Q3	2025 Q4	2026 Q4
25th Percentile	7,112	6,929	6,847	6,802	6,763	6,750	6,795
Median	7,186	7,052	6,999	6,955	6,974	6,974	7,050
75th Percentile	7,259	7,180	7,154	7,153	7,131	7,113	7,251
# of Respondents	24	24	24	24	24	24	23

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)									
	2024 Q1	2024 Q2	2024 Q3	2024 Q4	2025 Q1	2025 Q2	2025 Q3	2025 Q4	2026 Q4
25th Percentile	3,403	3,337	3,228	3,100	3,026	3,001	2,956	2,938	2,864
Median	3,481	3,402	3,347	3,227	3,160	3,103	3,063	3,034	3,030
75th Percentile	3,555	3,510	3,501	3,426	3,236	3,200	3,184	3,204	3,245
# of Respondents	24	24	24	24	24	24	24	24	22

Expectations for the Average Level of Currency in Circulation (\$ billions)									
	2024 Q1	2024 Q2	2024 Q3	2024 Q4	2025 Q1	2025 Q2	2025 Q3	2025 Q4	2026 Q4
25th Percentile	2,346	2,357	2,369	2,394	2,405	2,422	2,440	2,461	2,502
Median	2,350	2,374	2,396	2,424	2,441	2,464	2,486	2,506	2,611
75th Percentile	2,359	2,396	2,428	2,473	2,491	2,528	2,565	2,603	2,744
# of Respondents	24	24	24	24	24	24	24	24	22

Expectations for the Average Level of Overnight Reverse Repo Take-up (\$ billions)									
	2024 Q1	2024 Q2	2024 Q3	2024 Q4	2025 Q1	2025 Q2	2025 Q3	2025 Q4	2026 Q4
25th Percentile	515	314	181	53	15	15	15	0	0
Median	600	400	272	213	175	150	137	125	108
75th Percentile	677	507	372	327	337	313	301	263	275
# of Respondents	24	24	24	24	24	24	24	24	23

Expectations for the Average Level of the Treasury General Account Balance (\$ billions)									
	2024 Q1	2024 Q2	2024 Q3	2024 Q4	2025 Q1	2025 Q2	2025 Q3	2025 Q4	2026 Q4
25th Percentile	743	738	743	697	685	691	679	725	739
Median	750	750	750	750	750	750	750	750	750
75th Percentile	750	750	750	750	750	750	750	753	774
# of Respondents	24	24	24	24	24	24	24	24	22

4c) If you expect the decline in the SOMA portfolio to slow before it stops, as outlined in the May 2022 Plans for Reducing the Size of the Federal Reserve's Balance Sheet, please indicate the period in which you expect the decline to first slow. In addition, 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 facility, when the SOMA portfolio ceases to decline.

	Period in which SOMA portfolio decline first slows*:	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 facility (\$ billions)*****:
25th Percentile	Apr. '24	Sep. '24	6,250	3,063	125
Median	Jun. '24	Jan./Feb. '25	6,500	3,125	125
75th Percentile	Jul. '24	May. '25	6,750	3,375	375
# of Respondents	24	24	24	24	24

*Dropdown selections: Stops without slowing first, January 2024, February 2024, March 2024, April 2024, May 2024, June 2024, July 2024, August 2024, September 2024, October 2024, November 2024, December 2024, January 2025, February 2025, March 2025, April 2025, May 2025, June 2025, July 2025, August 2025, September 2025, October 2025, November 2025, December 2025, Q1 2026, Q2 2026, Q3 2026, Q4 2026, Q1 2027, Q2 2027, Q3 2027, Q4 2027, Q1 2028, Q2 2028, Q3 2028, Q4 2028, Q1 2029 or later.

**Dropdown selections: January 2024, February 2024, March 2024, April 2024, May 2024, June 2024, July 2024, August 2024, September 2024, October 2024, November 2024, December 2024, January 2025, February 2025, March 2025, April 2025, May 2025, June 2025, July 2025, August 2025, September 2025, October 2025, November 2025, December 2025, Q1 2026, Q2 2026, Q3 2026, Q4 2026, Q1 2027, Q2 2027, Q3 2027, Q4 2027, Q1 2028, Q2 2028, Q3 2028, Q4 2028, Q1 2029 or later.

***Dropdown selections: \$0-500bn, \$501-1000bn, \$1001-1500bn, \$1501-2000bn, \$2001-2500bn, \$2501-3000bn, \$3001-3500bn, \$3501-4000bn, \$4001-4500bn, \$4501-5000bn, \$5001-5500bn, \$5501-6000bn, \$6001-6500bn, \$6501-7000bn, \$7001-7500bn.

****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 10, 2024 was \$7,186 billion according to the most recent H.4.1 release.

	\$4000bn or smaller	\$4001-4500bn	\$4501-5000bn	\$5001-5500bn	\$5501-6000bn	\$6001-6500bn	\$6501-7000bn	\$7001-7500bn	\$7501bn or larger
Average	0%	1%	1%	3%	13%	32%	38%	12%	0%

4e) Please provide any additional information or factors behind your baseline expectations for assets on the Federal Reserve balance sheet and when the decline in the balance sheet will be slowed and then stopped. (21 responses)

Most dealers indicated they expected a slowing in balance sheet reduction. Several dealers indicated they expected an eventual reduction in the runoff cap for Treasury securities from \$60 billion to \$30 billion per month. In describing conditions around the start of a slowdown in balance sheet reduction, several dealers cited the reserve level or ON RRP take-up as considerations. Many dealers indicated they expected the end of balance sheet reduction to be determined by assessments of reserve levels or upward pressure on money market rates relative to administered rates. Some dealers indicated they expected that maturing MBS would be reinvested in Treasury

securities once the reduction in the size of the balance sheet had been completed or for MBS runoff to continue longer than the runoff of Treasury securities. Several dealers indicated they expected balance sheet reduction to end at the time of a recession or when the Federal Reserve starts reducing the level of the target range for the federal funds rate.

Please provide any additional information or factors behind the distribution of outcomes around your baseline for assets on the Federal Reserve balance sheet and when the decline in the balance sheet will be slowed and then stopped.

(19 responses)

Some dealers viewed the distribution of outcomes as skewed toward an earlier end to runoff and a larger SOMA portfolio versus their baseline expectations, citing potential pressures in money markets or potential market functioning issues. Some dealers viewed the distribution of outcomes as skewed toward a later end of runoff and a smaller SOMA portfolio versus their baseline expectations. Several dealers also noted the possibility that the end of balance sheet reduction could be determined by potential pressures in money markets or potential market functioning issues.

- 4f)** Please provide any additional information or factors behind your baseline expectations for liabilities on the Federal Reserve balance sheet and when the decline in the balance sheet will be slowed and then stopped.
(21 responses)

Some dealers indicated they expected Treasury to target a TGA level around \$750 billion in the near term. Some dealers indicated they expected ON RRP take-up to decline more than reserves, and several dealers indicated they expected ON RRP take-up to decline. Several dealers noted that Treasury bill supply would be a determining factor in ON RRP take-up.

Please provide any additional information or factors behind the distribution of outcomes around your baseline for liabilities on the Federal Reserve balance sheet and when the decline in the balance sheet will be slowed and then stopped.

(18 responses)

Several dealers viewed the distribution of outcomes as skewed toward smaller Fed liabilities versus their baseline expectations.

- 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 16 the yield was roughly 4.05 percent.

	2024 Q1	2024 Q2	2024 Q3	2024 Q4	H1 2025	H2 2025	H1 2026	H2 2026	Longer Run
25th Percentile	3.94%	3.75%	3.66%	3.60%	3.45%	3.50%	3.50%	3.53%	3.50%
Median	4.15%	4.00%	3.88%	3.90%	3.75%	3.75%	3.83%	3.95%	3.88%
75th Percentile	4.30%	4.26%	4.12%	4.01%	4.13%	4.00%	4.11%	4.07%	4.00%
# of Respondents	24	24	24	24	23	23	18	18	22

- 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 16 the rate was roughly 6.65 percent.

	2024 Q1	2024 Q2	2024 Q3	2024 Q4	H1 2025	H2 2025	H1 2026	H2 2026	Longer Run
25th Percentile	6.50%	6.25%	6.05%	5.75%	5.69%	5.48%	5.35%	5.43%	5.50%
Median	6.70%	6.50%	6.40%	6.30%	6.00%	5.88%	5.90%	5.95%	6.00%
75th Percentile	6.85%	6.80%	6.70%	6.50%	6.31%	6.35%	6.29%	6.29%	6.50%
# of Respondents	21	21	21	21	20	20	18	18	19

- 7) 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)				
	Jan. 30-31	Mar. 19-20	Apr. 30-May 1	Jun. 11-12
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	23	23	23	23

EFFR minus IORB (in bps)				
	Jan. 30-31	Mar. 19-20	Apr. 30-May 1	Jun. 11-12
25th Percentile	-7.0	-7.0	-7.0	-7.0
Median	-7.0	-7.0	-7.0	-7.0
75th Percentile	-7.0	-7.0	-6.0	-6.0
# of Respondents	23	23	23	23

SOFR minus IORB (in bps)				
	Jan. 30-31	Mar. 19-20	Apr. 30-May 1	Jun. 11-12
25th Percentile	-9.0	-8.5	-8.0	-8.0
Median	-9.0	-8.0	-7.0	-7.0
75th Percentile	-8.0	-7.0	-5.5	-4.5
# of Respondents	23	23	23	23

Bottom of target range** minus ON RRP rate (in bps)				
	Jan. 30-31	Mar. 19-20	Apr. 30-May 1	Jun. 11-12
25th Percentile	-5.0	-5.0	-5.0	-5.0
Median	-5.0	-5.0	-5.0	-5.0
75th Percentile	-5.0	-5.0	-5.0	-5.0
# of Respondents	23	23	23	23

3m U.S. Treasury bill yield minus 3m OIS (in bps):				
	Jan. 30-31	Mar. 19-20	Apr. 30-May 1	Jun. 11-12
25th Percentile	5.0	5.0	5.0	5.0
Median	6.0	6.0	6.0	6.0
75th Percentile	6.5	7.0	7.5	7.5
# of Respondents	23	23	23	23

*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.

8) Please provide the percent chance you attach to the following outcomes for U.S. real GDP growth in 2024 and 2025 (Q4/Q4).

Probability Distribution of U.S. Real GDP Growth in 2024 (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	2%	4%	9%	16%	18%	21%	15%	10%	3%	2%

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	5%	5%	8%	15%	23%	23%	13%	5%	3%	1%

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

U.S. Real GDP Modal Point Estimates (Q4/Q4)		
	2024	2025
25th Percentile	0.38%	1.70%
Median	1.00%	1.90%
75th Percentile	1.33%	2.16%
# of Respondents	24	24

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					
	Q4 2023 (saar)	Q1 2024 (saar)	Q2 2024 (saar)	Q3 2024 (saar)	Q4 2024 (saar)
25th Percentile	1.7%	1.8%	1.9%	1.8%	2.0%
Median	1.7%	2.0%	2.2%	2.3%	2.1%
75th Percentile	1.7%	2.5%	2.5%	2.4%	2.4%
# of Respondents	24	24	24	24	24

Core PCE Inflation Quarterly Modal Point Estimates					
	Q4 2023 (saar)	Q1 2024 (saar)	Q2 2024 (saar)	Q3 2024 (saar)	Q4 2024 (saar)
25th Percentile	2.0%	2.4%	2.4%	2.0%	2.0%
Median	2.0%	2.6%	2.5%	2.3%	2.2%
75th Percentile	2.1%	2.7%	2.7%	2.5%	2.4%
# of Respondents	24	24	24	24	24

*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 2024 and 2025 (Q4/Q4).

Probability Distribution of Headline PCE Inflation in 2024 (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	6%	9%	20%	22%	17%	13%	7%	3%	1%	2%

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	6%	11%	21%	26%	17%	9%	4%	2%	1%	2%

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

Headline PCE Inflation Modal Point Estimates (Q4/Q4)		
	2024	2025
25th Percentile	1.90%	2.00%
Median	2.10%	2.10%
75th Percentile	2.30%	2.20%
# of Respondents	24	24

10b) For the outcomes below, provide the percent chance you attach to the annual average CPI inflation rate from January 1, 2024 – December 31, 2028 falling in each of the following ranges. Please also provide your point estimate for the most likely outcome.

(23 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%	5%	16%	33%	26%	12%	4%

	Most Likely Outcome
25th Percentile	2.30%
Median	2.45%
75th Percentile	2.50%
# of Respondents	23

10c) For the outcomes below, provide the percent chance you attach to the annual average CPI inflation rate from January 1, 2029 – December 31, 2033 falling in each of the following ranges. Please also provide your point estimate for the most likely outcome.

(23 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%	7%	18%	39%	22%	8%	3%

	Most Likely Outcome
25th Percentile	2.28%
Median	2.35%
75th Percentile	2.50%
# of Respondents	23

11a) 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	1%	20%	25%
Median	5%	25%	35%
75th Percentile	10%	43%	50%
# of Respondents	24	24	23

*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.

11b) What percent chance do you attach to the U.S. economy first entering a recession* in each of the following periods?

	H2 2023**	H1 2024	H2 2024	H1 2025	H2 2025	No recession by end H2 2025
Average	2%	25%	19%	9%	7%	38%

*NBER-defined recession

**Percent chance that the economy first entered an NBER-defined recession in H2 2023.

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

		2024	2025	2026	Longer Run
Real GDP (Q4/Q4 Growth)	25th Percentile	0.38%	1.70%	1.83%	1.80%
	Median	1.00%	1.90%	2.00%	1.90%
	75th Percentile	1.33%	2.16%	2.10%	2.00%
Core PCE Inflation (Q4/Q4)	25th Percentile	2.20%	2.08%	2.00%	-
	Median	2.40%	2.15%	2.05%	-
	75th Percentile	2.50%	2.20%	2.18%	-
Headline PCE Inflation (Q4/Q4)	25th Percentile	1.90%	2.00%	2.00%	2.00%
	Median	2.10%	2.10%	2.00%	2.00%
	75th Percentile	2.30%	2.20%	2.10%	2.00%
Unemployment Rate (Q4 Average Level)	25th Percentile	4.10%	4.10%	4.00%	4.00%
	Median	4.25%	4.20%	4.10%	4.05%
	75th Percentile	4.50%	4.43%	4.20%	4.21%