SURVEY OF PRIMARY DEALERS



This survey 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.

Please respond by Monday , April 23rd at 2:00 pm to t greatly appreciated.	he questions below. Your time and input are
Type of Respondent: Primary Dealer Respon	ndent Name:
Provide below your expectations for changes, if any, to the lang the May FOMC statement.	guage referencing each of the following topics in
Current economic conditions:	
Economic outlook:	
Communication on the expected path of the target federal funds rate:	
Other:	
2) How would you grade the Federal Reserve System's communion the last policy survey? Please provide a rating between 1 and 5 effectiveness.	cation with the markets and with the public since i, with 1 indicating ineffectiveness and 5 indicating
Rating: Please Explain:	

				2018 FOM	C meetings			2019 meetings	
		May 1-2	Jun 12-13	Jul 31 - Aug 1	Sep 25-26	Nov 7-8	Dec 18-19	Jan 29-30	
Target rate /	midpoint of	Way 1 Z	0011 12 13	Aug	OCP 23 20	1407 7 0	Dec 10-19	Jan 29-30	
ta	rget range:								
				Qua	arters			Half Years	
	_	2019 Q1	2019 Q2	2019 Q3	2019 Q4	2020 Q1	2020 Q2	2020 H2	
Target rate /	midpoint of rget range:								
	got rango.								
3b) In addition, prefederal funds	rovide your es	stimate of th	ne longer run ars	target feder	al funds rate	and your exp	pectation for	the average	
rederal fullus	rate over the	TIEXT TO YES	ais.						
	Г				Expect	ation for ave	erage federa		
l	_onger run:						ext 10 years		
	_								
I	Next Cha Increase in T	arget Rate		in Target	No Change Rate or Ran the End	ge Through			
	or Rar	ige	Rate of	Range	the End	01 20 16]		
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,	Responses sh	ould add up i	to 100 percent	÷.					
,	*Responses sh	ould add up t	to 100 percent	·.					
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			· 		v and the end	of 2018 bei	ng an increa	se in the	
3d) Conditional or target federal	n the Commit	ttee's next p	oolicy action <u>l</u> ase indicate	between nov	chance* that y	ou attach to	the followin	g possible	
3d) Conditional or target federal outcomes for	n the Commit funds rate or the timing of	ttee's next pr range, plea	oolicy action I	petween now the percent out this con	chance* that y ditional proba	/ou attach to bility distribu	the followin ition if you as	g possible ssigned a	
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3d) Conditional or target federal outcomes for non-zero prob	n the Commit funds rate or the timing of pability to the	ttee's next pr r range, plea such a cha Committee'	policy action I ase indicate nge. Only fill s next policy	between now the percent out this con action between	chance* that y ditional proba reen now and Increase (ou attach to bility distribu the end of 2 Occurs at list FOMC	the followin ition if you as	g possible ssigned a	
3d) Conditional or target federal outcomes for non-zero prob	n the Commit funds rate or the timing of pability to the	ttee's next pr r range, plea such a cha Committee'	oolicy action I ase indicate nge. Only fill s next policy	between now the percent out this con action between	chance* that y ditional proba een now and Increase (July/Augu	ou attach to bility distribu the end of 2 Occurs at list FOMC	the followin ition if you as	g possible ssigned a	

3 <u>0</u> 1	Please indicate the percent chance* that you attach to the target federal funds rate or range falling in each of the
oc,	Please indicate the percent chance* that you attach to the target federal funds rate or range falling in each of the following ranges at the end of 2018, conditional on the following possible scenarios for the direction and timing of
	the Committee's next policy action between now and the end of 2018. Only fill out the conditional probability
	distributions for which you assigned a non-zero probability to the conditioning event occurring. If you expect a
	target range, please use the midpoint of that range in providing your response.

	≤ 1.00%	1.01 - 1.25%	1.26 - 1.50%	1.51 - 1.75%	1.76 - 2.00%	2.01 - 2.25%	2.26 - 2.50%	≥ 2.51%
Next change is an increase, occurs at Jun. FOMC meeting or earlier:								
Next change is an increase, occurs at Jul./Aug. FOMC meeting or later:								
	< 0.0%	0.00 - 0.25%	0.26 - 0.50%	0.51 - 0.75%	0.76 - 1.00%	1.01 - 1.25%	1.26 - 1.50%	≥ 1.51%
Next change is a decrease:								

^{*}Responses across each row should add up to 100 percent.

3f-i) Please indicate the percent chance* that you attach to the target federal funds rate or range falling in each of the following ranges at the end of 2019 and 2020, conditional on **not** moving to the zero lower bound (ZLB) at any point between now and the end of 2020. If you expect a target range, please use the midpoint of that range in providing your response.

	≤ 1.00%	1.01 - 1.50%	1.51 - 2.00%	2.01 - 2.50%	2.51 - 3.00%	3.01 - 3.50%	≥ 3.51%
Year-end 2019:							
Year-end 2020:							

^{*}Responses across each row should add up to 100 percent.

3f-ii) Please indicate the percent chance that you attach to moving to the ZLB at some point between <u>now and the end of 2020</u>.

Probability of moving to the ZLB at some point	
between now and the end of 2020:	

3f-iii) Please indicate the percent chance* that you attach to the target federal funds rate or range falling in each of the following ranges at the end of 2019 and 2020, conditional on moving to the ZLB at some point between now and the end of 2020. Only fill out these conditional probability distributions if you assigned a non-zero probability to moving to the ZLB at some point between now and the end of 2020. If you expect a target range, please use the midpoint of that range in providing your response.

	< 0.00%	0.00 - 0.25%	0.26 - 0.50%	0.51 - 1.00%	1.01 - 1.50%	1.51 - 2.00%	2.01 - 2.50%	≥ 2.51%
Year-end 2019:								
Year-end 2020:								

^{*}Responses across each row should add up to 100 percent.

3f-iv) What is your estimate of the target federal funds rate or range at the effective lower bound?						
Level of the target federal funds rate or range at the effective lower bound (in percent):						
3g) For parts a-f, please explain the factors behind any change to your expectations, where applicable, since the last policy survey.						

4)	Please indicate the percent chance* that you attach to the 10-year Treasury yield falling in each of the following	ng
٠,	ranges at the end of 2018 and 2019.	

	≤ 1.50%	1.51 - 2.00%	2.01 - 2.50%	2.51 - 3.00%	3.01 - 3.50%	3.51 - 4.00%	≥ 4.01%
Year-end 2018:							
Year-end 2019:							

^{*}Responses across each row should add up to 100 percent.

5a) Since the beginning of April, the spread between interest on excess reserves (IOER) and the effective federal funds rate (EFFR) has averaged +6 basis points, and the spread between the Tri-party General Collateral Rate (TGCR) and the overnight reverse repurchase (ON RRP) rate has averaged +21 basis points. Please provide your estimate for the IOER-EFFR and TGCR-ON RRP rate spreads on each of the following dates.

	Dec. 28, 2018*	Jun. 27, 2019*	Dec. 30, 2019*
IOER minus EFFR (in bps):			
TGCR minus ON RRP rate (in bps):			
•	*Note: These	dates are not	neriod-end

*Note: These dates are not period-end reporting dates.

5b) Please rate the importance of the following factors in influencing the change, if any, in the spread between IOER and EFFR between now and December 30, 2019. **(5=very important, 1=not important)**

Change in level of reserve balances:	
Reduction in FDIC fees:	
Change in regulatory constraints:	
Treasury securities supply dynamics:	
Change in amount of IOER arbitrage:	
Other (please explain):	

If "Other", please explain:	
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5c) Please provide your estimate of the most likely level of the spread between the level of interest on excess reserves (IOER) and the effective federal funds rate (EFFR) conditional on each of the following levels of reserve balances.

Current

Reserves (\$ billions):	2129	2000	1750	1500	1250	1000	750	500
IOER minus EFFR (in bps):	+6							

asis points, respectively. Ple od, if any, is attributable to c	ase provide your estimat hanges in expectations fo	or net Treasury issuance to	ge in yields	over this	
			2-year	10-year	
ange in yields since Septem		•			
l change in yields <u>by year-er</u>		pected Treasury issuance			
ted change in yields over ca	llendar year 2019 attribut				
				_	
				rment Rate	
(Q4/Q4 Growth)	(Q4/Q4 Growth)	(Q4/Q4 Growth)			
18:					
19:					
20:					
ın:					
	J				
rour estimate of the most like 18, 2019 and 2020. timate for U.S. federal fiscal deficit:	FY 2018 FY 2019	FY 2020	ercent of GE	DP) for fiscal	
cplain changes to your estim	nates in parts a and b sind	ce the last policy survey, w	here applica	ıble.	
	od, if any, is attributable to degimpacts from changes in the gimpacts and over calendar angle in yields since Septement angle in yields by year-ented change in yields over calendar angle in	and, if any, is attributable to changes in expectations for gimpacts from changes in the Federal Reserve's ball in, please provide your estimate of the amount of futured 2018 and over calendar year 2019, if any, that are large in yields since September 2017 FOMC meeting issue at change in yields by year-end 2018 attributable to extend change in yields over calendar year 2019 attributable our estimate of the most likely outcome for output, in [Real GDP (Q4/Q4 Growth)] Real GDP (Q4/Q4 Growth) Real GDP (Q4/Q4 Growth)	and, if any, is attributable to changes in expectations for net Treasury issuance to gimpacts from changes in the Federal Reserve's balance sheet). In, please provide your estimate of the amount of future changes in 2-year and 1 and 2018 and over calendar year 2019, if any, that are attributable to expected Treasury issuance expectations (in bps): It change in yields by year-end 2018 attributable to expected Treasury issuance (in bps): It change in yields over calendar year 2019 attributable to expected Treasury issuance (in bps): Our estimate of the most likely outcome for output, inflation, and unemployment Real GDP (Q4/Q4 Growth) (Q4/Q4 Growth) (Q4/Q4 Growth) The adding PCE Inflation (Q4/Q4 Growth) (Q4/Q4 Growth) (Q4/Q4 Growth) The adding PCE Inflation (Q4/Q4 Growth) (Q4/Q4 Growth) (Q4/Q4 Growth) (Q4/Q4 Growth)	and, if any, is attributable to changes in expectations for net Treasury issuance to the private g impacts from changes in the Federal Reserve's balance sheet). n, please provide your estimate of the amount of future changes in 2-year and 10-year Treation and 2018 and over calendar year 2019, if any, that are attributable to expected Treasury issuance ange in yields since September 2017 FOMC meeting attributable to changes in issuance expectations (in bps): It change in yields by year-end 2018 attributable to expected Treasury issuance (in bps): It change in yields over calendar year 2019 attributable to expected Treasury issuance (in bps): It change in yields over calendar year 2019 attributable to expected Treasury issuance (in bps): It change in yields over calendar year 2019 attributable to expected Treasury issuance (in bps): It change in yields over calendar year 2019 attributable to expected Treasury issuance (in bps): It change in yields over calendar year 2019 attributable to expected Treasury issuance (in bps): It change in yields over calendar year 2019 attributable to expected Treasury issuance (in bps): It change in yields over calendar year 2019 attributable to expected Treasury issuance (in bps): It change in yields over calendar year 2019 attributable to expected Treasury issuance (in bps): It change in yields over calendar year 2019 attributable to expected Treasury issuance (in bps): It change in yields since September 2017 FOMC meeting attributable to expected Treasury issuance (in bps): It change in yields since September 2017 FOMC meeting attributable to expected Treasury issuance (in bps): It change in yields since September 2017 FOMC meeting attributable to expected Treasury issuance (in bps): It change in yields over calendar year 2019 attributable to expected Treasury issuance (in bps): It change in yields over calendar year 2019 attributable to expected Treasury issuance (in bps): It change in yields over calendar year 2019 attributable to expected Treasury issuance (i	n, please provide your estimate of the amount of future changes in 2-year and 10-year Treasury yields and 2018 and over calendar year 2019, if any, that are attributable to expected Treasury issuance. 2-year 10-year ange in yields since September 2017 FOMC meeting attributable to changes in issuance expectations (in bps): It change in yields by year-end 2018 attributable to expected Treasury issuance (in bps): It ded change in yields over calendar year 2019 attributable to expected Treasury issuance (in bps): It ded change in yields over calendar year 2019 attributable to expected Treasury issuance (in bps): Our estimate of the most likely outcome for output, inflation, and unemployment. Real GDP (Q4/Q4 Growth) (Q4/Q4 Growth) (Q4/Q4 Growth) (Q4 Average Level) Itilia. Itilia.

	the most like	ly outcome.			3	9	also provide your point estimate for
	≤ 1.00%	1.01 - 1.50%	1.51 - 2.00%	2.01 - 2.50%	2.51 - 3.00%	≥ 3.01%	
							Point estimate for most likely outcome:
	*Responses s	hould add up	to 100 percent	t.			
-	For the outco April 1, 2023 the most like	- March 31,	provide the 2028 falling	percent chan in each of th	nce* you atta e following ra	ch to the annu anges. Please	nal average <u>CPI inflation</u> rate from also provide your point estimate for
	≤ 1.00%	1.01 - 1.50%	1.51 - 2.00%	2.01 - 2.50%	2.51 - 3.00%	≥ 3.01%	
	1.00%	1.50 /6	2.0076	2.5076	3.0070	2 3.01 /0	Point estimate for most
]	*Responses s	hould add up	to 100 percent	t.			likely outcome:
	7.0000000	rroura ada ap	10 700 porcorn	•			
9b)	What percer		on currently:		conomy being	g in a recessio	n* in 6 months ?
		Recession	in 6 months:				
9c)	What percer	nt chance do	you attach to	o the global e	economy bei	ng in a recess	ion** in 6 months?
	Globa	al recession	in 6 months:				
9d)	Please expla	in the factor	s behind any	change to y	our expectat	ions in parts a	r-c since the last policy survey.
	*NBER-define	d recession					
	D*********************************	C 040ff	00 0110000-1-11	that a "=1-1-1		bo ob	ed as a period during which there is a decline in annual