

RESPONSES TO SURVEY OF PRIMARY DEALERS

Markets Group, Federal Reserve Bank of New York



APRIL/MAY 2024

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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.

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- 1a)** Provide below your expectations for changes, if any, to the language referencing each of the following topics in the April/May 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 a reference to slowing progress on inflation or recent, elevated inflation data.

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

Most dealers indicated they expected little or no change.

Communication on tools other than the target federal funds rate:

Most dealers indicated they expected an announcement or indication of slowing in the pace of runoff. Some dealers indicated they expected the pace of Treasury runoff to be reduced from \$60 billion to \$30 billion, and several dealers explicitly indicated that they did not expect a change in the pace of Agency MBS runoff. Several dealers suggested that they expected a slowing to begin in May, and several dealers suggested that they expected a slowing to be announced in May to begin in June. Several dealers indicated they expected little or no change.

Other:

(13 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 would continue to suggest 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 and the balance of risks. Several dealers indicated they expected the Chair to note that policy could remain restrictive for some time. Several dealers indicated they expected the Chair's press conference to be similar to his recent communications. Several dealers indicated they expected the Chair to reiterate that greater confidence is needed that inflation is moving sustainably toward 2 percent, several expected the Chair to note that the Committee has not gained greater confidence that inflation is moving sustainably toward 2 percent, and several expected the Chair to note that it may take longer to gain such confidence. Several dealers indicated they expected the Chair to express some potential for policy rate easing this year, and several dealers expected the Chair to note that recent data releases point to a later start to policy rate easing or less policy rate easing. Several dealers indicated they expected the Chair to reference slowing progress on inflation or recent, elevated inflation releases. Several dealers indicated they expected the Chair to note that inflation is still expected to decline or to return to target over time.

- 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	5
4	14
5 - Effective	3
# of Respondents	24

Please explain.
(23 responses)

With regard to communications viewed as being clear or effective, some dealers referenced communications on inflation data and implications for the expected path of rate policy. Several dealers referenced communications on the monetary policy reaction function or the Summary of Economic Projections. Several dealers referenced communications suggesting that recent data releases may point to a later start to policy rate easing or less policy rate easing than previously expected. With regard to communications viewed as being unclear or ineffective, several dealers cited lack of information on what would constitute progress on inflation.

- 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.

	Apr. 30- May 1	Jun. 11-12	Jul. 30-31	Sep. 17-18	Nov. 6-7	Dec. 17-18
25th Percentile	5.38%	5.38%	5.13%	5.13%	4.88%	4.81%
Median	5.38%	5.38%	5.38%	5.13%	5.13%	4.88%
75th Percentile	5.38%	5.38%	5.38%	5.38%	5.19%	5.13%
# of Respondents	24	24	24	24	24	24

	2025 Q1	2025 Q2	2025 Q3	2025 Q4
25th Percentile	4.38%	4.06%	3.81%	3.63%
Median	4.63%	4.38%	4.13%	3.88%
75th Percentile	4.88%	4.63%	4.44%	4.19%
# of Respondents	24	24	24	24

	2026 Q1	2026 Q2	2026 Q3	2026 Q4	2027	2028
25th Percentile	3.38%	3.13%	3.13%	3.13%	3.13%	3.13%
Median	3.63%	3.38%	3.38%	3.38%	3.13%	3.13%
75th Percentile	4.00%	3.88%	3.63%	3.50%	3.44%	3.44%
# of Respondents	19	19	19	19	20	20

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%	2.75%
Median	3.36%	3.00%
75th Percentile	3.53%	3.16%
# 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 April/May and June 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.

Federal Funds Rate or Range after the April/May 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%	1%	99%	0%	0%	0%	0%

Federal Funds Rate or Range after the June 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%	1%	15%	83%	1%	0%	0%	0%

Federal Funds Rate or Range at the End of 2024										
	<= 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	2%	1%	1%	3%	6%	14%	23%	24%	21%	4%

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	4%	2%	4%	7%	15%	18%	20%	18%	7%	5%

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.

(23 responses)

	<= 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%	87%	6%	4%	2%	1%

3e) Please indicate the percent chance that you attach to the longer run target federal funds rate — the level the target federal funds rate would be expected to converge to under appropriate monetary policy and in the absence of further shocks to the economy — falling in each of the following ranges.

(23 responses)

	<= 1.50%	1.51 - 2.00%	2.01 - 2.50%	2.51 - 3.00%	3.01 - 3.50%	>= 3.51%
Average	2%	4%	13%	34%	31%	17%

4) The following matrix lays out hypothetical scenarios in which the realized levels of the 2024 unemployment rate (Q4 average level) and 2024 core PCE inflation (Q4/Q4 growth) are either 50 basis points above, below, or equal to the medians of FOMC participants' projections for these indicators in the current (March 2024) Summary of Economic Projections (SEP). For example, the upper left box represents a scenario in which the unemployment rate and core PCE inflation are both 50 basis points below the current SEP medians.

For each of the following scenarios, please indicate the level of the target federal funds rate or range that you expect would prevail at the end of Q4 2024. If you expect a target range, please indicate the midpoint of that range in providing your response.

25th Percentile Responses		2024 Unemployment Rate (Q4 average level)		
		-50 bps	4.0%	+50 bps
2024 Core PCE Inflation (Q4/Q4 growth)	-50 bps	4.38%	4.31%	3.56%
	2.6%	4.88%	4.63%	4.13%
	+50 bps	5.38%	5.38%	4.81%

Median Responses		2024 Unemployment Rate (Q4 average level)		
		-50 bps	4.0%	+50 bps
2024 Core PCE Inflation (Q4/Q4 growth)	-50 bps	4.63%	4.50%	4.13%
	2.6%	5.00%	4.88%	4.38%
	+50 bps	5.63%	5.38%	5.13%

75th Percentile Responses		2024 Unemployment Rate (Q4 average level)		
		-50 bps	4.0%	+50 bps
2024 Core PCE Inflation (Q4/Q4 growth)	-50 bps	4.94%	4.69%	4.38%
	2.6%	5.38%	4.88%	4.69%
	+50 bps	5.63%	5.38%	5.38%

5a) 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)						
	Apr. 2024	May 2024	Jun. 2024	Jul. 2024	Aug. 2024	Sep. 2024
25th Percentile	4,563	4,505	4,445	4,415	4,385	4,355
Median	4,565	4,505	4,475	4,445	4,415	4,385
75th Percentile	4,565	4,509	4,480	4,450	4,420	4,400
# of Respondents	24	24	24	24	24	24

Expectations for the Average Level of MBS in the SOMA Portfolio (\$ billions)						
	Apr. 2024	May 2024	Jun. 2024	Jul. 2024	Aug. 2024	Sep. 2024
25th Percentile	2,381	2,363	2,343	2,325	2,306	2,287
Median	2,384	2,367	2,351	2,334	2,317	2,301
75th Percentile	2,386	2,371	2,356	2,340	2,325	2,311
# of Respondents	24	24	24	24	24	24

Expectations for the Average Level of Total Assets on the Federal Reserve Balance Sheet (\$ billions)						
	Apr. 2024	May 2024	Jun. 2024	Jul. 2024	Aug. 2024	Sep. 2024
25th Percentile	7,454	7,366	7,285	7,229	7,169	7,117
Median	7,485	7,401	7,336	7,276	7,213	7,155
75th Percentile	7,499	7,427	7,369	7,321	7,269	7,227
# of Respondents	24	24	24	24	24	24

Expectations for the Average Level of Treasury Holdings in the SOMA Portfolio (\$ billions)						
	2024 Q4	2025 Q1	2025 Q2	2025 Q3	2025 Q4	2026 Q4
25th Percentile	4,293	4,235	4,199	4,200	4,233	4,431
Median	4,325	4,273	4,282	4,318	4,405	4,594
75th Percentile	4,342	4,326	4,371	4,430	4,513	4,788
# of Respondents	24	24	24	24	24	22

Expectations for the Average Level of MBS in the SOMA Portfolio (\$ billions)						
	2024 Q4	2025 Q1	2025 Q2	2025 Q3	2025 Q4	2026 Q4
25th Percentile	2,242	2,190	2,141	2,082	2,024	1,798
Median	2,266	2,220	2,171	2,129	2,083	1,904
75th Percentile	2,280	2,235	2,190	2,145	2,100	1,921
# of Respondents	24	24	24	24	24	22

Expectations for the Average Level of Total Assets on the Federal Reserve Balance Sheet (\$ billions)						
	2024 Q4	2025 Q1	2025 Q2	2025 Q3	2025 Q4	2026 Q4
25th Percentile	6,976	6,844	6,801	6,758	6,766	6,821
Median	7,026	6,924	6,865	6,835	6,858	6,977
75th Percentile	7,108	7,011	6,996	6,995	7,000	7,065
# of Respondents	24	24	24	24	24	22

5b) 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 Q2	2024 Q3	2024 Q4	2025 Q1	2025 Q2	2025 Q3	2025 Q4	2026 Q4
25th Percentile	3,362	3,301	3,198	3,100	3,041	2,999	2,969	2,916
Median	3,409	3,355	3,288	3,200	3,162	3,135	3,065	3,062
75th Percentile	3,470	3,462	3,360	3,305	3,255	3,228	3,188	3,231
# of Respondents	24	24	24	24	24	24	24	22

Expectations for the Average Level of Currency in Circulation (\$ billions)								
	2024 Q2	2024 Q3	2024 Q4	2025 Q1	2025 Q2	2025 Q3	2025 Q4	2026 Q4
25th Percentile	2,347	2,358	2,371	2,384	2,398	2,415	2,436	2,501
Median	2,360	2,379	2,399	2,421	2,443	2,465	2,487	2,584
75th Percentile	2,362	2,395	2,424	2,470	2,506	2,540	2,572	2,678
# of Respondents	24	24	24	24	24	24	24	22

Expectations for the Average Level of Overnight Reverse Repo Take-up (\$ billions)								
	2024 Q2	2024 Q3	2024 Q4	2025 Q1	2025 Q2	2025 Q3	2025 Q4	2026 Q4
25th Percentile	308	150	88	32	0	0	0	0
Median	398	274	150	133	121	105	90	63
75th Percentile	463	339	297	208	172	160	150	148
# of Respondents	24	24	24	24	24	24	24	22

Expectations for the Average Level of the Treasury General Account Balance (\$ billions)								
	2024 Q2	2024 Q3	2024 Q4	2025 Q1	2025 Q2	2025 Q3	2025 Q4	2026 Q4
25th Percentile	750	750	750	673	679	673	717	750
Median	750	750	750	750	750	750	750	750
75th Percentile	788	778	773	756	756	756	778	797
# of Respondents	24	24	24	24	24	24	24	22

5c) 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	Jun. '24	Jan. '25	6,250	3,125	125
Median	Jun. '24	Apr. '25	6,250	3,125	125
75th Percentile	Jul. '24	Jul. '25	6,375	3,125	125
# of Respondents	24	24	24	24	24

*Dropdown selections: Stops without slowing first, 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: 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.

****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.

- 5d) 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 April 10, 2024 was \$6,967 billion according to the most recent H.4.1 release.
(23 responses)

	\$4000bn or smaller	\$4001-4500bn	\$4501-5000bn	\$5001-5500bn	\$5501-6000bn	\$6001-6500bn	\$6501-7000bn	\$7001-7500bn	\$7501bn or larger
Average	0%	1%	1%	5%	21%	42%	30%	0%	0%

- 5e) 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.
(19 responses)

Many dealers indicated they expected a slowing in the pace of balance sheet reduction. Many dealers 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. Several dealers specifically indicated an expected change in caps on U.S. Treasury runoff from \$60 billion per month to \$30 billion per month or possibly lower, and several dealers explicitly indicated that they did not expect a change in the pace of MBS runoff. Several dealers indicated they expected an announcement of a slowing in the pace of runoff in May for implementation in June. Several 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.

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.

(18 responses)

Several 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 viewed the distribution of outcomes as skewed toward an earlier end to runoff and a larger SOMA portfolio versus their baseline expectations.

- 5f) 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.
(18 responses)

Several dealers indicated they expected ON RRP take-up to decline more than reserves in the near term, 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 the magnitude of ON RRP take-up. Several dealers

indicated they expected ON RRP take-up to reach zero or a level close to zero. Several dealers indicated they expected ON RRP take-up will not reach zero.

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.

(16 responses)

Several dealers indicated uncertainty or risks around their expectations for reserves.

6) 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	1%	1%	2%	4%	8%	16%	26%	27%	11%	4%

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	4%	4%	7%	13%	22%	25%	15%	6%	2%	2%

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

U.S. Real GDP Modal Point Estimates (Q4/Q4)		
	2024	2025
25th Percentile	1.58%	1.70%
Median	1.95%	1.95%
75th Percentile	2.10%	2.13%
# of Respondents	24	24

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

Headline PCE Inflation Quarterly Modal Point Estimates					
	Q1 2024 (saar)	Q2 2024 (saar)	Q3 2024 (saar)	Q4 2024 (saar)	Q1 2025 (saar)
25th Percentile	3.1%	2.9%	2.0%	1.9%	2.2%
Median	3.2%	3.1%	2.2%	2.3%	2.3%
75th Percentile	3.2%	3.4%	2.4%	2.4%	2.5%
# of Respondents	24	24	24	24	24

Core PCE Inflation Quarterly Modal Point Estimates					
	Q1 2024 (saar)	Q2 2024 (saar)	Q3 2024 (saar)	Q4 2024 (saar)	Q1 2025 (saar)
25th Percentile	3.4%	2.8%	2.2%	2.1%	2.3%
Median	3.5%	3.0%	2.4%	2.3%	2.4%
75th Percentile	3.5%	3.1%	2.5%	2.5%	2.5%
# 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.*

- 8a) Please provide the percent chance you attach to the following outcomes for headline PCE inflation in 2024 and 2025 (Q4/Q4).
(23 responses)

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	2%	2%	3%	8%	18%	30%	20%	10%	4%	3%

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	5%	7%	17%	25%	21%	13%	6%	3%	2%	3%

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

Headline PCE Inflation Modal Point Estimates (Q4/Q4)		
	2024	2025
25th Percentile	2.54%	2.05%
Median	2.67%	2.10%
75th Percentile	2.73%	2.23%
# of Respondents	24	24

- 8b) For the outcomes below, provide the percent chance you attach to the annual average CPI inflation rate from April 1, 2024 – March 31, 2029 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%	4%	12%	34%	29%	13%	5%

	Most Likely Outcome
25th Percentile	2.43%
Median	2.50%
75th Percentile	2.62%
# of Respondents	23

8c) For the outcomes below, provide the percent chance you attach to the annual average CPI inflation rate from April 1, 2029 – March 31, 2034 falling in each of the following ranges. Please also provide your point estimate for the most likely outcome.

(22 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%	17%	40%	24%	7%	3%

	Most Likely Outcome
25th Percentile	2.30%
Median	2.33%
75th Percentile	2.48%
# of Respondents	22

9a) 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	4%	15%	20%
75th Percentile	5%	20%	32%
# 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.

9b) 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	1%	8%	16%	13%	12%	51%

*NBER-defined recession

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

- 10)** 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	1.58%	1.70%	1.80%	1.80%
	Median	1.95%	1.95%	1.95%	1.90%
	75th Percentile	2.10%	2.13%	2.18%	2.00%
Core PCE Inflation (Q4/Q4)	25th Percentile	2.60%	2.10%	2.00%	-
	Median	2.77%	2.30%	2.05%	-
	75th Percentile	2.90%	2.30%	2.18%	-
Headline PCE Inflation (Q4/Q4)	25th Percentile	2.54%	2.05%	2.00%	2.00%
	Median	2.67%	2.10%	2.00%	2.00%
	75th Percentile	2.73%	2.23%	2.10%	2.00%
Unemployment Rate (Q4 Average Level)	25th Percentile	3.90%	3.98%	3.93%	4.00%
	Median	4.00%	4.00%	4.00%	4.00%
	75th Percentile	4.12%	4.23%	4.18%	4.20%