

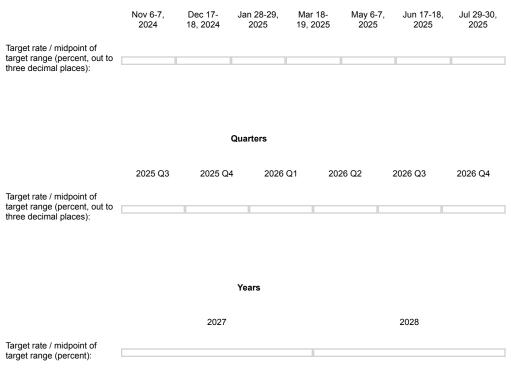
# **SURVEY OF PRIMARY DEALERS NOVEMBER 2024**

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, October 28th 2:00pm Eastern Time to the questions below. Your time and input are greatly

appreciated.		4	
	ons for <u>changes</u> , if any, to the langua A if you do not expect any changes.	ge referencing each of the follow	ing topics in the November
Current economic conditions:			
Economic outlook and communication on the expected path of the target federal funds rate:			
Communication on tools other than the target federal funds rate:			
Other:			
<b>1b)</b> What are your expectations fo	or the Chair's press conference?		
	eral Reserve System's communication etween 1 and 5, with 1 indicating ine		
Rating:			~
Please explain:			

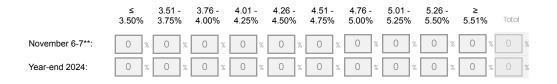
3a) Provide your estimate of the most likely outcome (i.e., the mode) for the target federal funds rate or range, as applicable,
immediately following the FOMC meetings and at the end of each of the following quarters and years below. For the time periods at
which you expect a target range, please indicate the midpoint of that range in providing your response (e.g. for 1.00-1.25 percent
enter 1.125, not 0.0125).
FOMC Meetings

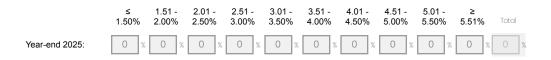


**3b)** In addition, provide your estimate of the longer run target federal funds rate and your expectation for the average federal funds rate over the next 10 years. Please provide your responses out to at least one decimal place (e.g. for one percent enter 1.0, not 0.01).

Longer run (percent):	
Expectation for average federal funds rate over next 10 years (percent):	

**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 November FOMC meeting 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.





Responses	across	each	row	should	add	un	to	100	nercer

\*\*Bins were chosen with consideration to responses to questions 2a and 2c in the September 2024 SPD and SMP.

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

**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.

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.

Average level over each period (\$ billions)

Note: U.S. Treasuries and Agency MBS do not need to sum to Total Assets\*

	September 2024 (Actual**)	October 2024	November 2024	December 2024	January 2025	February 2025	March 2025
U.S. Treasuries:	4386						
Agency MBS:	2295						
Total Assets*:	7153						

<sup>\*</sup>Responses should add up to 100 percent. Bins were chosen with consideration to responses to question 2a in the September 2024 SPD and SMP.

<sup>\*</sup>Responses should add up to 100 percent.

### Note: U.S. Treasuries and Agency MBS do not need to sum to Total Assets\*

	2025 Q2	2025 Q3	2025 Q4	2026 Q4
U.S. Treasuries:				
Agency MBS:			1	
Total Assets*:				

and Capital

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.

The displayed level for total liabilities and capital is computed from total assets in part 4a. For 2024 Q4 through 2025 Q1, monthly averages from part 4a are averaged to reflect quarterly horizons.

## Average level over each period (\$ billions)

	2024 Q3 (Actual*)	2024 Q4	2025 Q1	2025 Q2	2025 Q3	2025 Q4	2026 Q4
Total Liabilities and Capital	7209						

Note: line items below do not need to sum to Total Liabilities and Capital

	2024 Q3 (Actual*)	2024 Q4	2025 Q1	2025 Q2	2025 Q3	2025 Q4	2026 Q4
Reserves:	3283						
Currency in Circulation:	2351						
Overnight Reverse Repurchase Facility:	371						
Treasury General Account:	766						

<sup>\*</sup>Average of H.4.1 weekly averages of daily figures.

<sup>\*</sup>Refers to total factors supplying reserve funds in H.4.1.

<sup>\*\*</sup>Average of H.4.1 weekly averages of daily figures.

A summary of assets and liabilities responses is below. Please review and return to the question to make any edits before proceeding.

Other Assets is calculated as the difference between Total Assets\* and the sum of U.S. Treasuries and Agency MBS. For assets in 2024 Q4 through 2025 Q1, monthly averages are averaged to reflect quarterly horizons. Other Liabilities and Capital is calculated as the difference between Total Liabilities and Capital and the sum of Reserves, Currency in Circulation, Overnight Reverse Repurchase Facility, and Treasury General Account.

## Average level over each period (\$ billions)

#### Assets:

	2024 Q3	2024 Q4	2025 Q1	2025 Q2	2025 Q3	2025 Q4	2026 Q4
U.S. Treasuries	4409						
Agency MBS	2314						
Other Assets	486						
Total Assets*	7209						

# Average level over each period (\$ billions)

### Liabilities:

	2024 Q3	2024 Q4	2025 Q1	2025 Q2	2025 Q3	2025 Q4	2026 Q4
Reserves	3283						
Currency in Circulation	2351						
Overnight Reverse Repurchase Facility	371						
Treasury General Account	766						
Other Liabilities and Capital	438						
Total Liabilities and Capital	7209						

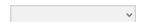
*Refers to total factors supplying reserve funds in H.4.1.	*Refers to	total	factors	supplying	reserve	funds	in	H.4.	1.
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**4c)** Please indicate the period in which you expect the SOMA portfolio to <u>cease to decline</u>, and the size of the SOMA portfolio 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 <u>ceases to decline</u>.

Period in which SOMA portfolio ceases to decline*:	
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Size of SOMA portfolio when it ceases to decline (\$ billions)\*\*:

Current value: \$6,642bn\*\*\*



Size of reserves (\$ billions)\*\*\*\*:

Current value: \$3,229bn\*\*\*

Current value: \$272bn\*\*\*

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

**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 16, 2024 was \$6,642 billion according to the most recent H.4.1 release.

\$5000bn or smaller	\$5001- 5250bn	\$5251- 5500bn	\$5501- 5750bn	\$5751- 6000bn	\$6001- 6250bn	\$6251- 6500bn	\$6501- 6750bn	\$6751bn or larger	Total
0 %	0 %	0 %	0 %	0 %	0 %	0 %	0 %	0 %	0 %

<sup>\*</sup>Responses should add up to 100 percent.

**4e**) Please discuss factors behind your <u>baseline expectation</u> for when the SOMA portfolio will cease to decline. Please also discuss the <u>distribution of outcomes</u> around your baseline.

5) The table below lists the average spreads of selected money market rates\* over the past week. Please provide your expectation for each of these rate spreads for the day after each of the FOMC meetings. Please ensure your signs are correct and please do not include decimal places.

# **FOMC Meetings**

	Average over past week	Nov 6-7	Dec 17-18	Jan 28-29	Mar 18-19
Top of target range** minus IORB (in bps):	10				
EFFR minus IORB (in bps):	-7				
SOFR minus IORB (in bps):	-5				
Bottom of target range** minus ON RRP (in bps):	-5				
3m U.S. Treasury bill yield minus 3m fed funds OIS (in bps):	3				

<sup>\*\*\*</sup>Most recent H.4.1, as of October 16, 2024.

<sup>\*\*\*\*</sup>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.

<sup>\*\*\*\*\*</sup>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.

*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 and interest on reserve take-up at the overnight	balances (IORB) c	onditional on eac	h of the follow						
	Reserv	ves Plus Overnig	ht Reverse R	epurchase	es (\$ billio	ns):			
	4000	Curre 3750 350		3000	2750	2500	2250	2000	1750
EFFR minus IORB (ibps):	n	-7							
*Most recent H.4.1, as of Oc	otober 16 2024								
Wost recent 11.4.1, as of Oc	10, 2024.								
Please discuss factors b	pehind your expect	ations.							
7) Please provide the pe	ercent chance* you	attach to the follo	owing outcom	es for U.S.	real GDP	growth in	2024 and	2025 (Q4/	/Q4).
		-0.50							
	≤ -1.00 -1.01% -0.519	0.	01 - 0.51 - 50% 1.00%		1.51 - 2.00%	2.01 - 2.50%	2.51 - 3.00%	3.01%	Total
2024 (Q4/Q4):	0 % 0	% 0 % 0	% 0	% 0 %	6 0 %	0 9	6 0 %	0 9	% 0 %
2025 (Q4/Q4):	≤ 0.01 0.00% 0.50%		01 - 1.51 - 50% 2.00%		2.51 - 3.00%	3.01 - 3.50%	3.51 - 4.00%	≥ 4.01%	Total
*Responses across each rou	w should add up to 10	0 percent.							
Please also provide you not 0.01).	r point estimate for	r the most likely o	utcome out to	at least on	e decimal	place (e.g	. for one p	ercent en	ter 1.0,

2024 (Q4/Q4, percent):
2025 (Q4/Q4, percent):

8) Please indicate your modal projections for headline and core PCE inflation for each of the following quarters.\* Please provide your responses out to at least one decimal place (e.g. for one percent enter 1.0, not 0.01).

	Q3 2024 (saar)	Q4 2024 (saar)	Q1 2025 (saar)	Q2 2025 (saar)	Q3 2025 (saar)
Headline PCE inflation					
(percent): Q2 2024 (saar): 2.5% **					
Core PCE inflation					
(percent): Q2 2024 (saar): 2.8% **					

9a) Please provide the percent chance\* you attach to the following outcomes for headline PCE inflation in 2024 and 2025 (Q4/Q4).

Please also provide your point estimate for the most likely outcome out to at least one decimal place (e.g. for one percent enter 1.0, not 0.01).

**9b)** For the outcomes below, provide the percent chance\* you attach to the annual average <u>CPI inflation</u> rate from October 1, 2024 - September 30, 2029 falling in each of the following ranges.

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

<sup>\*\*</sup>Third estimate by the Bureau of Economic Analysis.

<sup>\*</sup>Responses across each row should add up to 100 percent.

<sup>\*</sup>Responses across each row should add up to 100 percent.

Percent:						
<b>9c)</b> For the outcomes below, p September 30, 2034 falling in			attach to the a	nnual average <u>(</u>	CPI inflation rate fro	om October 1, 2029 -
		51 - 1.01 - 00% 1.50%			2.51 - 3.01 - 3.50% 0 % 0 9	≥ 3.51% Total % 0 %
*Responses across each row shou	ld add up to 100 pe	rcent.				
Please also provide your poin not 0.01).	t estimate for the	e most likely oute	come out to at	east one decim	al place (e.g. for or	ne percent enter 1.0,
Percent:						
10a) What percent chance do	you attach to:					
the U.S. economy currentl being in a recession* (percent)?	у					
the U.S. economy being in a recession* in 6 months (percent)?						
the global economy being a recession** in 6 months (percent)?	in					
*NBER-defined recession.  **Previous IMF staff work has sugg global GDP, backed up by a decline oil consumption and unemploymen	e or worsening in or			-		
10b) What percent chance* d	o you attach to tl	ne U.S. econom	y first entering	a recession** in	each of the followi	ng periods?
	H1 2024***	H2 2024	H1 2025	H2 2025	H1 2026	No recession by end H1 2026 Total
	0 %	0 %	0 %	0 %	0 %	0 % 0 %

Please also provide your point estimate for the most likely outcome out to at least one decimal place (e.g. for one percent enter 1.0,

not 0.01).

*Responses	should	add	ир	to	100	perce
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11) Provide your estimate of the most likely outcome for output, inflation, and unemployment. Please provide your responses out to at least one decimal place (e.g. for one percent enter 1.0, not 0.01).

	Real GDP (Q4/Q4 Growth)*	Core PCE Inflation (Q4/Q4)	Headline PCE Inflation (Q4/Q4)**	Unemployment Rate (Q4 Average Level)
2024 (percent):				
2025 (percent):				
2026 (percent):				
2027 (percent):				
Longer run (percent):		NA		

<sup>\*</sup>Responses for real GDP growth in 2024 and 2025 are pulled directly from point estimate values provided in question 7.

<sup>\*\*</sup>NBER-defined recession.

<sup>\*\*\*</sup>Percent chance that the economy first entered an NBER-defined recession in H1 2024.

<sup>\*\*</sup>Responses for headline PCE inflation in 2024 and 2025 are pulled directly from point estimate values provided in question 9a.