

RESPONSES TO THE SURVEY OF MARKET EXPECTATIONS

Markets Group, Federal Reserve Bank of New York



MARCH 2026

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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 61 respondents, and 60 responded. Except where noted, all 60 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.
- Balyasny Asset Management L.P.
- 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
- Chanos & Co. (formerly Kynikos Associates)
- Citadel LLC
- Citigroup Global Markets Inc.
- Columbia Threadneedle Investments
- 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
- Lazard
- MetLife Investment Management
- Microsoft Corporation
- Millennium Management, LLC
- Mizuho Securities USA LLC
- Morgan Stanley & Co. LLC
- MUFG Securities Americas Inc.
- NatWest Markets Securities Inc.
- Nomura Securities International, Inc.
- PGIM
- PIMCO
- RBC Capital Markets, LLC
- Santander US Capital Markets LLC
- Schonfeld Strategic Advisors LLC
- Schroders
- 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

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

Current economic conditions:

(44 responses)

Some respondents indicated they expected little or no change. Some respondents expected an adjustment in language to reflect a weaker labor market. Some respondents anticipated a reference to geopolitical risks, with some respondents anticipating language on higher energy prices or inflation risks, and several respondents anticipating language on increased uncertainty in this context. Some respondents expected an adjustment in language to reflect weaker or moderate economic activity. Several respondents expected a continued reference to somewhat elevated inflation. Several respondents expected an adjustment in language to reflect stronger inflation. Several respondents expected a continued reference to job gains remaining low and several expected a continued reference to the stable unemployment rate.

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

(41 responses)

Some respondents indicated they expected little or no change. Some respondents anticipated a reference to geopolitical risks, with some respondents anticipating language on increased uncertainty and some respondents anticipating language noting that the conflict could place additional upward pressure on inflation and could weigh on economic activity. Several respondents expected a reference to increased uncertainty more broadly.

Communication on tools other than the target federal funds rate:

(12 responses)

Most respondents indicated they expected little or no change.

Other:

(16 responses)

Most respondents indicated they expected little or no change. Some respondents indicated they expected at least one dissent in favor of more easing. Several respondents anticipated a reference to geopolitical risks.

- 1b)** What are your expectations for the most likely levels of the medians of FOMC participants' projections in the March SEP?

Median Real GDP Growth Estimates in the SEP				
	Year-end 2026	Year-end 2027	Year-end 2028	Longer Run
25th Percentile	2.2%	2.0%	1.9%	1.8%
Median	2.3%	2.0%	1.9%	1.8%
75th Percentile	2.3%	2.0%	1.9%	1.8%
# of Respondents	56	56	55	55

Median Unemployment Rate Estimates in the SEP				
	Year-end 2026	Year-end 2027	Year-end 2028	Longer Run
25th Percentile	4.4%	4.2%	4.2%	4.2%
Median	4.4%	4.2%	4.2%	4.2%
75th Percentile	4.5%	4.3%	4.2%	4.2%
# of Respondents	57	56	55	55

Median Headline PCE Estimates in the SEP				
	Year-end 2026	Year-end 2027	Year-end 2028	Longer Run
25th Percentile	2.6%	2.1%	2.0%	2.0%
Median	2.6%	2.1%	2.0%	2.0%
75th Percentile	2.7%	2.2%	2.0%	2.0%
# of Respondents	56	56	55	55

Median Core PCE Estimates in the SEP			
	Year-end 2026	Year-end 2027	Year-end 2028
25th Percentile	2.5%	2.1%	2.0%
Median	2.6%	2.1%	2.0%
75th Percentile	2.6%	2.2%	2.0%
# of Respondents	56	56	55

Median Federal Funds Estimates in the SEP				
	Year-end 2026	Year-end 2027	Year-end 2028	Longer Run
25th Percentile	3.38%	3.13%	3.13%	3.00%
Median	3.38%	3.13%	3.13%	3.00%
75th Percentile	3.38%	3.13%	3.13%	3.00%
# of Respondents	56	56	55	55

1c) What are your expectations for the Chair's press conference?
(57 responses)

Some respondents indicated they expected the Chair to note that the policy rate is well positioned or appropriate, and some expected the Chair to note a patient or wait and see approach to rate policy. Several respondents expected the Chair to reiterate that the Committee is data dependent.

Most respondents indicated they expected the Chair to reference geopolitical risks, with some anticipating language on higher energy prices or inflation risks, some anticipating language on increased uncertainty, some anticipating language noting that the conflict could place additional upward pressure on inflation and could weigh on economic activity, and several anticipating the Chair to note that effects on core inflation would likely be limited. Some respondents indicated they expected the Chair to note that risks to both inflation and employment have increased, and some expected the Chair to reference risks to both sides of the dual mandate or balanced risks. Several expected the Chair to note the stability in the labor market, several expected him to note weakness in the labor market, several expected the Chair to reference elevated inflation, and several expected the Chair to reference inflation risks. In addition, several respondents indicated they expected Chair Powell to receive questions on the transition to the next Fed Chair.

2a) 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.

Federal Funds Target Rate or Range Modal Forecasts							
	Mar. 17-18	Apr. 28-29	Jun. 16-17	Jul. 28-29	Sep. 15-16	Oct. 27-28	Dec. 8-9
25th Percentile	3.63%	3.63%	3.38%	3.38%	3.13%	3.13%	3.13%
Median	3.63%	3.63%	3.63%	3.38%	3.38%	3.13%	3.13%
75th Percentile	3.63%	3.63%	3.63%	3.63%	3.38%	3.38%	3.38%
# of Respondents	59	59	59	59	59	59	59

Federal Funds Target Rate or Range Modal Forecasts										
	2027 Q1	2027 Q2	2027 Q3	2027 Q4	2028 Q1	2028 Q2	2028 Q3	2028 Q4	2029	2030
25th Percentile	2.88%	2.88%	2.88%	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%	3.13%	3.13%
75th Percentile	3.38%	3.13%	3.13%	3.38%	3.38%	3.38%	3.38%	3.38%	3.38%	3.38%
# of Respondents	58	58	58	57	51	51	51	51	52	52

2b) 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.

Federal Funds Target Rate or Range Modal Forecasts		
	10-yr Average	Longer Run
25th Percentile	3.00%	3.00%
Median	3.13%	3.13%
75th Percentile	3.39%	3.38%
# of Respondents	59	59

2c) 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 March and April FOMC meetings and at the end of 2026 and 2027. If you expect a target range, please use the midpoint of that range in providing your response. (57 responses)

Federal Funds Rate or Range after the March 2026 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%	6%	93%	0%	0%	0%	0%

Federal Funds Rate or Range after the April 2026 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%	2%	19%	76%	2%	0%	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	1%	1%	1%	3%	7%	21%	36%	25%	3%	2%

Federal Funds Rate or Range at the End of 2027										
	<= 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%	11%	23%	31%	18%	5%	3%

- 2d)** 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.
(58 responses)

Probability Distribution of the Lowest Federal Funds Rate or Range Before Next Increase										
	<= 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%	5%	14%	25%	30%	16%	0%	0%

- 2e)** 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.
(58 responses)

Probability Distribution of the Longer Run Federal Funds Rate or Range										
	<= 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	0%	1%	1%	2%	12%	31%	34%	15%	3%	1%

- 3a)** 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)							
	Mar. 2026	Apr. 2026	May 2026	Jun. 2026	Jul. 2026	Aug. 2026	Sep. 2026
25th Percentile	4,349	4,394	4,430	4,468	4,504	4,538	4,573
Median	4,350	4,404	4,442	4,481	4,518	4,555	4,593
75th Percentile	4,352	4,409	4,454	4,494	4,534	4,572	4,608
# of Respondents	48	48	48	48	48	48	48

Expectations for the Average Level of MBS in the SOMA Portfolio (\$ billions)							
	Mar. 2026	Apr. 2026	May 2026	Jun. 2026	Jul. 2026	Aug. 2026	Sep. 2026
25th Percentile	2,005	1,988	1,970	1,952	1,933	1,915	1,897
Median	2,007	1,990	1,975	1,959	1,943	1,927	1,911
75th Percentile	2,008	1,993	1,978	1,963	1,948	1,933	1,918
# of Respondents	48	48	48	48	48	48	48

Expectations for the Average Level of Total Assets on the Federal Reserve Balance Sheet (\$ billions)							
	Mar. 2026	Apr. 2026	May 2026	Jun. 2026	Jul. 2026	Aug. 2026	Sep. 2026
25th Percentile	6,697	6,726	6,754	6,770	6,785	6,805	6,815
Median	6,705	6,741	6,762	6,785	6,805	6,825	6,845
75th Percentile	6,705	6,745	6,770	6,795	6,820	6,845	6,870
# of Respondents	48	48	48	48	48	48	48

Expectations for the Average Level of Treasury Holdings in the SOMA Portfolio (\$ billions)						
	2026 Q4	2027 Q1	2027 Q2	2027 Q3	2027 Q4	2028 Q4
25th Percentile	4,639	4,724	4,802	4,880	4,946	5,215
Median	4,672	4,769	4,864	4,970	5,077	5,479
75th Percentile	4,701	4,807	4,924	5,039	5,154	5,605
# of Respondents	47	47	47	47	47	42

Expectations for the Average Level of MBS in the SOMA Portfolio (\$ billions)						
	2026 Q4	2027 Q1	2027 Q2	2027 Q3	2027 Q4	2028 Q4
25th Percentile	1,854	1,804	1,752	1,702	1,653	1,456
Median	1,873	1,828	1,780	1,735	1,687	1,510
75th Percentile	1,888	1,843	1,798	1,753	1,708	1,536
# of Respondents	47	47	47	47	47	42

Expectations for the Average Level of Total Assets on the Federal Reserve Balance Sheet (\$ billions)						
	2026 Q4	2027 Q1	2027 Q2	2027 Q3	2027 Q4	2028 Q4
25th Percentile	6,833	6,889	6,932	6,954	6,989	7,061
Median	6,885	6,945	7,001	7,055	7,115	7,350
75th Percentile	6,938	6,997	7,061	7,134	7,197	7,411
# of Respondents	47	47	47	47	47	42

3b) 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)									
	2026 Q1	2026 Q2	2026 Q3	2026 Q4	2027 Q1	2027 Q2	2027 Q3	2027 Q4	2028 Q4
25th Percentile	2,965	3,009	3,049	3,073	3,098	3,115	3,125	3,144	3,213
Median	2,986	3,041	3,085	3,111	3,150	3,189	3,223	3,247	3,377
75th Percentile	3,003	3,081	3,130	3,151	3,207	3,258	3,296	3,312	3,470
# of Respondents	42	42	42	42	42	42	42	42	37

Expectations for the Average Level of Currency in Circulation (\$ billions)									
	2026 Q1	2026 Q2	2026 Q3	2026 Q4	2027 Q1	2027 Q2	2027 Q3	2027 Q4	2028 Q4
25th Percentile	2,434	2,446	2,461	2,475	2,489	2,504	2,519	2,533	2,580
Median	2,436	2,454	2,468	2,487	2,506	2,526	2,541	2,563	2,632
75th Percentile	2,442	2,464	2,487	2,506	2,529	2,568	2,589	2,609	2,724
# of Respondents	42	42	42	42	42	42	42	42	37

Expectations for the Average Level of Overnight Reverse Repo Take-up (\$ billions)									
	2026 Q1	2026 Q2	2026 Q3	2026 Q4	2027 Q1	2027 Q2	2027 Q3	2027 Q4	2028 Q4
25th Percentile	1	0	0	0	0	0	0	0	0
Median	5	5	5	5	5	5	5	5	5
75th Percentile	7	10	10	10	10	10	10	10	10
# of Respondents	41	41	41	41	41	41	41	41	37

Expectations for the Average Level of the Treasury General Account Balance (\$ billions)									
	2026 Q1	2026 Q2	2026 Q3	2026 Q4	2027 Q1	2027 Q2	2027 Q3	2027 Q4	2028 Q4
25th Percentile	850	850	850	850	850	850	850	850	850
Median	861	868	861	872	875	875	876	887	892
75th Percentile	880	900	900	900	900	900	900	902	900
# of Respondents	42	42	42	42	42	42	42	42	38

- 3c) According to the implementation note issued January 28, 2026, the FOMC directed the Open Market Desk to "increase the System Open Market Account holdings of securities through purchases of Treasury bills and, if needed, other Treasury securities with remaining maturities of 3 years or less to maintain an ample level of reserves."

Please provide your expectation (\$ billions) for the amount of reserve management purchases of Treasury securities (in excess of MBS reinvestments) during the monthly purchase periods below.

Expectations for Reserve Management Purchases in U.S. Treasury Bills (\$ billions)							
	Mid-Mar. to mid-Apr. 2026	Mid-Apr. to mid-May 2026	Mid-May to mid-Jun. 2026	Mid-Jun. to mid-Jul. 2026	Mid-Jul. to mid-Aug. 2026	Mid-Aug. to mid-Sep. 2026	Mid-Sep. to mid-Oct. 2026
25th Percentile	40	20	17	15	15	15	15
Median	40	25	20	20	20	20	20
75th Percentile	40	40	25	25	25	25	25
# of Respondents	49	49	49	49	49	49	49

Expectations for Reserve Management Purchases in U.S. Treasury Notes & Bonds, Maturing in Under 3 Years (\$ billions)							
	Mid-Mar. to mid-Apr. 2026	Mid-Apr. to mid-May 2026	Mid-May to mid-Jun. 2026	Mid-Jun. to mid-Jul. 2026	Mid-Jul. to mid-Aug. 2026	Mid-Aug. to mid-Sep. 2026	Mid-Sep. to mid-Oct. 2026
25th Percentile	0	0	0	0	0	0	0
Median	0	0	0	0	0	0	0
75th Percentile	0	0	0	0	0	0	0
# of Respondents	46	46	46	46	46	46	46

- 3d) Please discuss factors behind your baseline expectation for reserve management purchases. Please also discuss the distribution of outcomes around your baseline.
(46 responses)

Some respondents emphasized their expectations for the pace of reserve management purchases (RMPs) to slow around or after the April tax date. In explaining the factors underlying respondents' expectations for the pace of RMPs beyond April, some cited estimates of growth in Federal Reserve liabilities. Some cited trend growth of GDP or estimates of reserves as a share of GDP. Several cited FOMC communications as guiding their estimates.

Several respondents expected the pace of RMPs to be flexible or evolve with seasonality in market conditions.

Some respondents indicated that risks were skewed towards a larger or longer pace of purchases relative to their baseline. Several with this view cited risks around future funding market stress. Some respondents indicated that risks were skewed toward a slower or shorter pace of purchases. Several with this view cited the possibility that bank regulations may be eased which could reduce reserve demand.

Some respondents expected the composition of RMPs to consist entirely of U.S. Treasury bills. Several respondents discussed the possibility that RMPs may also be composed of short-dated Treasury coupon securities at some point.

3e) Please indicate your expectations for the composition of the SOMA portfolio* over the longer run. (45 responses)

Expectations for the Longer Run Composition of the SOMA Portfolio						
	U.S. Treasury Bills	U.S. Treasury Notes & Bonds, Maturing in Under 3 Years	U.S. Treasury Notes & Bonds, Maturing in 3 to 10 Years	U.S. Treasury Notes & Bonds, Maturing in Over 10 Years	U.S. Treasury TIPS	Agency MBS
Average	24%	26%	23%	17%	6%	5%

*SOMA portfolio also includes FRNs, Federal Agency Securities, and Agency CMBS which are excluded from the question as holdings round to zero percent.

3f) Please discuss your distribution of outcomes around these estimates as well as your views on the Committee's likely timing and approach to reaching the longer run composition you expect. If you have views on the likely timing and approach for individual components of SOMA, please discuss those views as well. (45 responses)

Some respondents expected SOMA to target a Treasury-only portfolio which matches the maturity composition of Treasuries outstanding. Some respondents expected the weighted-average maturity of SOMA holdings to be less than the composition of Treasuries outstanding. Several expected a focus on matching the duration of SOMA assets and liabilities. Some respondents did not view active sales of MBS as likely. Several expected the target allocation to be accomplished via reinvestments of maturing securities into Treasury bills or short duration coupon securities.

In considering the timing of when respondents expect their estimated longer run composition to be achieved, some expected the process to be gradual over a long time horizon. Several expected the process to be completed within the next ten years. Several expected the achievement of the target allocation to MBS to take many years.

4) 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)				
	Mar. 17-18	Apr. 28-29	Jun. 16-17	Jul. 28-29
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	44	44	44	44

EFFR minus IORB (in bps)				
	Mar. 17-18	Apr. 28-29	Jun. 16-17	Jul. 28-29
25th Percentile	-1.0	-1.0	-1.0	-1.0
Median	-1.0	-1.0	-1.0	-1.0
75th Percentile	-1.0	-1.0	-1.0	-1.0
# of Respondents	44	44	44	44

SOFR minus IORB (in bps)				
	Mar. 17-18	Apr. 28-29	Jun. 16-17	Jul. 28-29
25th Percentile	2.0	1.0	1.0	1.0
Median	2.0	2.0	2.0	2.0
75th Percentile	2.0	3.0	2.0	3.0
# of Respondents	44	44	44	44

Bottom of target range** minus ON RRP rate (in bps)				
	Mar. 17-18	Apr. 28-29	Jun. 16-17	Jul. 28-29
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	44	44	44	44

3m U.S. Treasury bill yield minus 3m OIS (in bps)				
	Mar. 17-18	Apr. 28-29	Jun. 16-17	Jul. 28-29
25th Percentile	3.0	1.0	2.0	2.0
Median	3.0	3.0	2.0	3.0
75th Percentile	3.0	3.0	3.0	3.3
# of Respondents	44	44	44	44

**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.*

5a, b) Please provide the 1st and 99th percentiles of your distribution of expectations for U.S. real GDP growth in 2026 (Q4/Q4) and 2027 (Q4/Q4).

U.S. Real GDP 1st and 99th Percentile Estimates (Q4/Q4)				
	2026		2027	
	1st percentile	99th percentile	1st percentile	99th percentile
25th Percentile	-2.03%	3.80%	-2.38%	3.63%
Median	-1.00%	4.20%	-1.00%	4.45%
75th Percentile	0.00%	5.40%	-0.03%	5.43%
# of Respondents	52	53	50	50

Please provide the percent chance you attach to the following outcomes for U.S. real GDP growth in 2026 (Q4/Q4) and 2027 (Q4/Q4).

(54 responses)

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%	3%	6%	11%	20%	26%	17%	8%	3%	2%

Probability Distribution of U.S. Real GDP Growth in 2027 (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%	4%	7%	15%	22%	24%	14%	6%	3%	3%

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

U.S. Real GDP Modal Point Estimates (Q4/Q4)		
	2026	2027
25th Percentile	2.00%	1.80%
Median	2.30%	2.00%
75th Percentile	2.50%	2.20%
# of Respondents	57	57

6a, b) Please provide the 1st and 99th percentiles of your distribution of expectations for the average unemployment rate in Q4 2026 and Q4 2027.

Average Unemployment 1st and 99th Percentile Estimates				
	Q4 2026		Q4 2027	
	1st percentile	99th percentile	1st percentile	99th percentile
25th Percentile	3.00%	6.00%	3.00%	6.00%
Median	3.50%	6.50%	3.30%	6.60%
75th Percentile	3.50%	7.50%	3.50%	8.10%
# of Respondents	51	51	49	49

Please provide the percent chance you attach to the following outcomes for the average unemployment rate in Q4 2026 and Q4 2027.

(53 responses)

Probability Distribution of Average Unemployment 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%	36%	28%	11%	5%	2%	2%

Probability Distribution of Average Unemployment in Q4 2027								
	<= 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%	14%	33%	27%	12%	6%	3%	3%

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

Average Unemployment Modal Point Estimates		
	Q4 2026	Q4 2027
25th Percentile	4.30%	4.20%
Median	4.45%	4.35%
75th Percentile	4.58%	4.50%
# of Respondents	58	56

- 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 2026 (saar)	Q2 2026 (saar)	Q3 2026 (saar)	Q4 2026 (saar)	Q1 2027 (saar)
25th Percentile	3.0%	2.7%	2.0%	2.1%	2.1%
Median	3.5%	2.9%	2.2%	2.3%	2.4%
75th Percentile	3.9%	3.3%	2.6%	2.6%	2.7%
# of Respondents	54	54	54	54	52

Core PCE Inflation Quarterly Modal Point Estimates					
	Q1 2026 (saar)	Q2 2026 (saar)	Q3 2026 (saar)	Q4 2026 (saar)	Q1 2027 (saar)
25th Percentile	3.0%	2.6%	2.2%	2.1%	2.1%
Median	3.4%	2.7%	2.4%	2.3%	2.4%
75th Percentile	3.8%	2.9%	2.6%	2.6%	2.7%
# of Respondents	55	55	55	55	53

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

8a, b) Please provide the 1st and 99th percentiles of your distribution of expectations for headline PCE inflation in 2026 (Q4/Q4) and 2027 (Q4/Q4).

Headline PCE Inflation 1st and 99th Percentile Estimates (Q4/Q4)				
	2026		2027	
	1st percentile	99th percentile	1st percentile	99th percentile
25th Percentile	0.90%	3.50%	-0.13%	3.50%
Median	1.50%	4.00%	1.00%	3.80%
75th Percentile	1.76%	5.20%	1.50%	5.50%
# of Respondents	49	49	48	48

Please provide the percent chance you attach to the following outcomes for headline PCE inflation in 2026 and 2027 (Q4/Q4).
(52 responses)

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%	2%	4%	9%	17%	20%	20%	13%	8%	5%

Probability Distribution of Headline PCE Inflation in 2027 (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	3%	6%	12%	22%	23%	14%	8%	5%	4%	3%

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

Headline PCE Inflation Modal Point Estimates (Q4/Q4)		
	2026	2027
25th Percentile	2.60%	2.10%
Median	2.73%	2.20%
75th Percentile	2.86%	2.48%
# of Respondents	56	54

8c) Please provide the 1st and 99th percentiles of your distribution of expectations for the annual average CPI inflation rate from March 1, 2026 – February 28, 2031.

5Y CPI Inflation 1st and 99th Percentile Estimates		
	1st percentile	99th percentile
25th Percentile	0.50%	3.50%
Median	1.00%	4.00%
75th Percentile	1.30%	5.00%
# of Respondents	49	49

Please provide the percent chance you attach to the annual average CPI inflation rate from March 1, 2026 – February 28, 2031 falling in each of the following ranges.

(53 responses)

Probability Distribution of 5Y CPI Inflation							
	<= 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	2%	4%	15%	32%	29%	12%	5%

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

5Y CPI Inflation Modal Point Estimates	
	Most Likely Outcome
25th Percentile	2.40%
Median	2.50%
75th Percentile	2.60%
# of Respondents	53

8d) Please provide the 1st and 99th percentiles of your distribution of expectations for the annual average CPI inflation rate from March 1, 2031 – February 29, 2036.

5Y5Y CPI Inflation 1st and 99th Percentile Estimates		
	1st percentile	99th percentile
25th Percentile	0.50%	3.50%
Median	1.00%	3.78%
75th Percentile	1.21%	4.63%
# of Respondents	48	48

Please provide the percent chance you attach to the annual average CPI inflation rate from March 1, 2031 – February 29, 2036 falling in each of the following ranges.

(52 responses)

Probability Distribution of 5Y5Y CPI Inflation							
	<= 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	2%	6%	19%	37%	23%	9%	4%

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

5Y5Y CPI Inflation Modal Point Estimates	
	Most Likely Outcome
25th Percentile	2.20%
Median	2.30%
75th Percentile	2.41%
# of Respondents	52

- 9) 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?

Probabilities of Global and U.S. Recessions			
	Currently in U.S. Recession	U.S. Recession in 6 Months	Global Recession in 6 Months
25th Percentile	5%	16%	20%
Median	8%	25%	25%
75th Percentile	10%	30%	35%
# of Respondents	59	59	58

*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.

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

Economic Forecasts					
		2026	2027	2028	Longer Run
Real GDP (Q4/Q4 Growth)	25th Percentile	2.00%	1.80%	1.80%	1.80%
	Median	2.30%	2.00%	2.00%	2.00%
	75th Percentile	2.50%	2.20%	2.10%	2.10%
Core PCE Inflation (Q4/Q4)	25th Percentile	2.60%	2.12%	2.00%	-
	Median	2.70%	2.30%	2.00%	-
	75th Percentile	2.80%	2.48%	2.20%	-
Headline PCE Inflation (Q4/Q4)	25th Percentile	2.60%	2.10%	2.00%	2.00%
	Median	2.73%	2.20%	2.00%	2.00%
	75th Percentile	2.86%	2.48%	2.20%	2.00%
Unemployment Rate (Q4 Average Level)	25th Percentile	4.30%	4.20%	4.13%	4.00%
	Median	4.45%	4.35%	4.20%	4.20%
	75th Percentile	4.58%	4.50%	4.40%	4.30%