

RESPONSES TO THE SURVEY OF MARKET EXPECTATIONS

Markets Group, Federal Reserve Bank of New York



MAY 2025

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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 56 respondents, and 56 responded. Except where noted, all 56 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.
- 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
- Citadel LLC
- Citigroup Global Markets Inc.
- D. E. Shaw & Co., L.P.
- Daiwa Capital Markets America Inc.
- Deutsche Bank Securities Inc.
- Dreyfus
- Eaton Vance
- 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
- Kynikos Associates
- Microsoft Corporation
- Millennium Management, LLC
- Mizuho Securities USA LLC
- Moore Capital Management LLC
- Morgan Stanley & Co. LLC
- NatWest Markets Securities Inc.
- Nomura Securities International, Inc.
- PIMCO
- RBC Capital Markets, LLC
- Santander US Capital Markets LLC
- Schonfeld Strategic Advisors LLC
- 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 May FOMC statement. Please write N/A if you do not expect any changes.

Current economic conditions:

(54 responses)

Many respondents indicated they expected an adjustment in language to reflect slower economic activity. Some respondents indicated they expected little or no change, and several respondents noted that statement language might be adjusted based on the outcome of the April Employment Situation Report. Several respondents indicated they expected a reference to increased or elevated uncertainty.

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

(51 responses)

Most respondents indicated they expected little or no change. Some respondents indicated they expected a reference to increased or elevated uncertainty, and several respondents expected an adjustment to language to suggest a further increase in uncertainty. Several expected a reference to tariffs in this context.

Communication on tools other than the target federal funds rate:

(52 responses)

Most respondents indicated they expected little or no change. Several respondents indicated they expected an adjustment to the statement to reflect recently announced plans for slowing in the pace of runoff of the Federal Reserve's balance sheet.

Other:

(43 responses)

Respondents did not provide significant commentary in this section.

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

(55 responses)

Some respondents indicated they expected the Chair to reference increased or elevated uncertainty, and some respondents expected a specific reference to tariffs in this context. Some respondents indicated they expected the Chair to reiterate that policy is well positioned, and some expected him to reiterate a patient or wait-and-see approach to policy. Some respondents expected the Chair to emphasize the importance of the inflation side of the mandate or inflation expectations. Some respondents indicated they expected the Chair to reiterate that the Committee will assess how far the economy is from each side of the dual mandate. Several respondents indicated they expected the Chair to reiterate that any future adjustments in the target range for the federal funds rate would remain dependent on incoming economic data. Several respondents expected the Chair to reference risks to both sides of the dual mandate. Several expected that the Chair would not pre-commit to any policy action. Several respondents indicated they expected the Chair to reiterate that tariffs were higher than expected and would pose a risk of lower growth and

higher inflation. Several respondents indicated they expected the Chair's communications to be similar to his recent speeches.

- 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	4
3	12
4	26
5 - Effective	12
# of Respondents	54

Please explain.
(55 responses)

With regard to communications viewed as being effective, some respondents referenced communications on the Committee's patient or wait-and-see approach to policy, and some respondents referenced communications on how the Committee would react to inflation data versus labor market data. Several respondents referenced communications regarding recent market volatility. With regard to communications viewed as being ineffective, some respondents referenced communications on how the Committee would react to inflation data versus labor market data, and several respondents referenced communications on the balance sheet.

- 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.

	May 6-7	Jun. 17-18	Jul. 29-30	Sep. 16-17	Oct. 28-29	Dec. 9-10	Jan. 27-28
25th Percentile	4.38%	4.13%	4.13%	3.88%	3.88%	3.63%	3.38%
Median	4.38%	4.38%	4.25%	4.13%	3.88%	3.75%	3.63%
75th Percentile	4.38%	4.38%	4.38%	4.13%	4.13%	3.88%	3.88%
# of Respondents	56	56	56	56	56	56	56

	2026 Q1	2026 Q2	2026 Q3	2026 Q4	2027 Q1	2027 Q2	2027 Q3	2027 Q4	2028	2029
25th Percentile	3.38%	3.13%	2.88%	2.88%	2.88%	2.88%	2.88%	2.88%	2.88%	2.88%
Median	3.63%	3.38%	3.13%	3.13%	3.13%	3.13%	3.13%	3.13%	3.13%	3.13%
75th Percentile	3.88%	3.63%	3.63%	3.44%	3.38%	3.63%	3.63%	3.63%	3.56%	3.63%
# of Respondents	56	56	56	56	49	49	49	49	51	51

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%	2.88%
Median	3.18%	3.13%
75th Percentile	3.50%	3.38%
# of Respondents	55	56

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 May and June FOMC meetings and at the end of 2025 and 2026. If you expect a target range, please use the midpoint of that range in providing your response. (54 responses)

Federal Funds Rate or Range after the May 2025 FOMC Meeting										
<= 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	0%	0%	0%	7%	91%	2%	0%	0%	0%	0%

Federal Funds Rate or Range after the June 2025 FOMC Meeting										
<= 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	0%	0%	5%	34%	58%	3%	0%	0%	0%	0%

Federal Funds Rate or Range at the End of 2025										
<= 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	5%	3%	4%	8%	11%	21%	19%	14%	13%	3%

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	3%	2%	3%	5%	10%	20%	22%	18%	10%	5%

3d) 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. (55 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 - 4.00%	4.01 - 4.50%	>= 4.51%
Average	5%	2%	4%	8%	15%	21%	20%	15%	10%	0%

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)							
	Apr. 2025	May 2025	Jun. 2025	Jul. 2025	Aug. 2025	Sep. 2025	
25th Percentile	4,232	4,228	4,223	4,218	4,213	4,208	
Median	4,233	4,228	4,223	4,218	4,213	4,208	
75th Percentile	4,233	4,228	4,223	4,218	4,213	4,210	
# of Respondents	46	46	46	46	46	46	

Expectations for the Average Level of MBS in the SOMA Portfolio (\$ billions)							
	Apr. 2025	May 2025	Jun. 2025	Jul. 2025	Aug. 2025	Sep. 2025	
25th Percentile	2,181	2,161	2,141	2,122	2,102	2,086	
Median	2,183	2,166	2,151	2,133	2,115	2,100	
75th Percentile	2,185	2,169	2,154	2,139	2,124	2,109	
# of Respondents	46	46	46	46	46	46	

Expectations for the Average Level of Total Assets on the Federal Reserve Balance Sheet (\$ billions)							
	Apr. 2025	May 2025	Jun. 2025	Jul. 2025	Aug. 2025	Sep. 2025	
25th Percentile	6,772	6,745	6,720	6,698	6,675	6,649	
Median	6,779	6,756	6,735	6,714	6,693	6,673	
75th Percentile	6,783	6,763	6,743	6,723	6,703	6,683	
# of Respondents	46	46	46	46	46	46	

Expectations for the Average Level of Treasury Holdings in the SOMA Portfolio (\$ billions)							
	2025 Q4	2026 Q1	2026 Q2	2026 Q3	2026 Q4	2027 Q4	
25th Percentile	4,193	4,187	4,212	4,259	4,330	4,507	
Median	4,198	4,223	4,283	4,350	4,400	4,698	
75th Percentile	4,223	4,286	4,352	4,402	4,488	4,847	
# of Respondents	45	43	43	43	43	40	

Expectations for the Average Level of MBS in the SOMA Portfolio (\$ billions)							
	2025 Q4	2026 Q1	2026 Q2	2026 Q3	2026 Q4	2027 Q4	
25th Percentile	2,040	1,987	1,932	1,875	1,825	1,645	
Median	2,064	2,019	1,974	1,920	1,872	1,703	
75th Percentile	2,074	2,031	1,989	1,944	1,899	1,734	
# of Respondents	45	43	43	43	43	40	

Expectations for the Average Level of Total Assets on the Federal Reserve Balance Sheet (\$ billions)						
	2025 Q4	2026 Q1	2026 Q2	2026 Q3	2026 Q4	2027 Q4
25th Percentile	6,595	6,558	6,527	6,539	6,551	6,614
Median	6,630	6,603	6,603	6,610	6,628	6,708
75th Percentile	6,653	6,661	6,677	6,687	6,715	6,864
# of Respondents	45	43	43	43	43	40

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)								
	2025 Q2	2025 Q3	2025 Q4	2026 Q1	2026 Q2	2026 Q3	2026 Q4	2027 Q4
25th Percentile	3,244	3,050	2,936	2,885	2,864	2,840	2,835	2,794
Median	3,355	3,209	3,005	2,956	2,934	2,935	2,909	2,933
75th Percentile	3,416	3,360	3,115	3,054	3,052	3,049	3,043	3,100
# of Respondents	37	37	37	36	36	36	36	33

Expectations for the Average Level of Currency in Circulation (\$ billions)								
	2025 Q2	2025 Q3	2025 Q4	2026 Q1	2026 Q2	2026 Q3	2026 Q4	2027 Q4
25th Percentile	2,371	2,383	2,391	2,400	2,417	2,420	2,429	2,459
Median	2,377	2,390	2,405	2,419	2,430	2,443	2,457	2,514
75th Percentile	2,383	2,397	2,413	2,427	2,444	2,463	2,481	2,557
# of Respondents	37	37	37	36	36	36	36	33

Expectations for the Average Level of Overnight Reverse Repo Take-up (\$ billions)								
	2025 Q2	2025 Q3	2025 Q4	2026 Q1	2026 Q2	2026 Q3	2026 Q4	2027 Q4
25th Percentile	143	82	20	0	0	0	0	0
Median	196	100	50	48	33	26	25	25
75th Percentile	246	167	100	81	85	93	100	75
# of Respondents	37	37	37	36	36	36	36	33

Expectations for the Average Level of the Treasury General Account Balance (\$ billions)								
	2025 Q2	2025 Q3	2025 Q4	2026 Q1	2026 Q2	2026 Q3	2026 Q4	2027 Q4
25th Percentile	337	350	700	700	700	700	700	700
Median	400	490	750	788	800	800	800	800
75th Percentile	500	700	800	820	822	836	836	850
# of Respondents	37	37	37	36	36	36	36	33

4c) 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 agreement facility, when the SOMA portfolio ceases to decline. Conditional on SOMA next increasing in order to maintain ample reserves over time, as outlined in the May 2022 Plans for Reducing the Size of the Federal Reserve's Balance Sheet, please also indicate the period and the level of reserves when you expect SOMA to increase through reserve management purchases.

	Period in which SOMA portfolio ceases to decline*	Size of SOMA portfolio when it ceases to decline (\$ billions)**	Size of reserves when SOMA ceases to decline (\$ billions)***	Take-up at the overnight reverse repurchase agreement facility when SOMA ceases to decline (\$ billions)****
25th Percentile	Oct. '25	6,125	2,875	125
Median	Jan. '26	6,125	2,875	125
75th Percentile	Mar. '26	6,375	3,125	125
# of Respondents	48	47	47	47

	Period in which you expect reserve management purchases to begin*†	Level of reserves when reserve management purchases begin (\$ billions)***†
25th Percentile	Feb. '26	2,875
Median	Jul. '26	2,875
75th Percentile	Jun. '27	3,125
# of Respondents	40	41

*Dropdown selections: April 2025, May 2025, June 2025, July 2025, August 2025, September 2025, October 2025, November 2025, December 2025, January 2026, February 2026, March 2026, April 2026, May 2026, June 2026, July 2026, August 2026, September 2026, October 2026, November 2026, December 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.

***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.

† Conditional on SOMA next increasing in order to maintain ample reserves over time.

- 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 April 16, 2025 was \$6,408 billion according to the most recent H.4.1 release.
(45 responses)

	\$500bn or smaller	\$5001-5250bn	\$5251-5500bn	\$5501-5750bn	\$5751-6000bn	\$6001-6250bn	\$6251-6500bn	\$6501-6750bn	\$6751bn or larger
Average	1%	1%	1%	4%	14%	43%	36%	0%	0%

- 4e)** Please discuss factors behind your baseline expectation for when the SOMA portfolio will cease to decline. Please also discuss the distribution of outcomes around your baseline.
(41 responses)

Some respondents indicated they expected the end of balance sheet runoff to be determined by liability management considerations. In determining the expected timing of the end of runoff, some respondents emphasized assessments of reserve levels, ON RRP take-up, or upward pressure on money market rates relative to administered rates. Some respondents indicated they expected that MBS runoff would continue longer than the runoff of Treasury securities. Some expected maturing MBS would be reinvested in

Treasury securities once the reduction in the size of the balance sheet has been completed. Several respondents viewed the distribution of outcomes as skewed toward an earlier end to runoff or a larger SOMA portfolio versus their baseline expectations. Several respondents viewed the distribution of outcomes as skewed toward a later end of runoff or a smaller SOMA portfolio versus their baseline expectations. Several indicated that demand for reserves or the lowest comfortable level of reserves in the banking system may be lower than previously estimated.

- 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 April 22 the yield was roughly 4.40 percent.

	2025 Q2	2025 Q3	2025 Q4	H1 2026	H2 2026	H1 2027	H2 2027	Longer Run
25th Percentile	4.08%	3.95%	3.85%	3.81%	3.85%	4.00%	4.00%	3.90%
Median	4.25%	4.15%	4.05%	4.08%	4.15%	4.20%	4.20%	4.13%
75th Percentile	4.39%	4.35%	4.30%	4.30%	4.40%	4.50%	4.50%	4.50%
# of Respondents	51	51	51	50	49	45	45	49

- 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 April 22 the rate was roughly 6.85 percent.

	2025 Q2	2025 Q3	2025 Q4	H1 2026	H2 2026	H1 2027	H2 2027	Longer Run
25th Percentile	6.50%	6.25%	6.12%	6.00%	5.99%	6.01%	6.00%	5.95%
Median	6.73%	6.50%	6.50%	6.40%	6.40%	6.50%	6.50%	6.25%
75th Percentile	6.85%	6.80%	6.71%	6.66%	6.65%	6.70%	6.70%	6.50%
# of Respondents	44	44	44	44	44	42	42	43

- 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)				
	May 6-7	Jun. 17-18	Jul. 29-30	Sep. 16-17
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	43	43	43	43

EFFR minus IORB (in bps)				
	May 6-7	Jun. 17-18	Jul. 29-30	Sep. 16-17
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	-7.0	-7.0
# of Respondents	43	43	43	43

SOFR minus IORB (in bps)				
	May 6-7	Jun. 17-18	Jul. 29-30	Sep. 16-17
25th Percentile	-7.0	-7.0	-7.5	-7.0
Median	-7.0	-7.0	-7.0	-6.0
75th Percentile	-7.0	-6.0	-6.0	-4.5
# of Respondents	43	43	43	43

Bottom of target range** minus ON RRP rate (in bps)				
	May 6-7	Jun. 17-18	Jul. 29-30	Sep. 16-17
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	43	43	43	43

3m U.S. Treasury bill yield minus 3m OIS (in bps)				
	May 6-7	Jun. 17-18	Jul. 29-30	Sep. 16-17
25th Percentile	3.0	2.0	2.0	3.0
Median	4.0	4.0	4.0	4.0
75th Percentile	4.0	4.0	5.0	6.0
# of Respondents	41	41	41	41

**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 your estimates of the most likely level of the spread between the level of the effective federal funds rate (EFFR) and interest on reserve balances (IORB), as well as the level of the spread between the secured overnight financing rate (SOFR) and IORB, conditional on each of the following hypothetical levels of combined reserve balances and take-up at the overnight reverse repurchase agreement facility.

Estimates of the EFFR-IORB Spread Conditional on Different Reserve Plus ON RRP Levels										
	4000	3750	3500	3250	3000	2750	2500	2250	2000	1750
25th Percentile	-8.0	-7.0	-7.0	-7.0	-7.0	-6.0	-5.0	-3.3	-1.3	1.8
Median	-7.0	-7.0	-7.0	-7.0	-6.0	-5.0	-1.3	0.0	3.0	5.5
75th Percentile	-7.0	-7.0	-7.0	-6.0	-5.0	-3.0	0.0	4.0	8.0	12.0
# of Respondents	39	39	39	40	40	40	40	40	40	40

Estimates of the SOFR-IORB Spread Conditional on Different Reserve Plus ON RRP Levels										
	4000	3750	3500	3250	3000	2750	2500	2250	2000	1750
25th Percentile	-12.0	-10.0	-9.0	-8.3	-7.0	-5.0	-3.3	-2.0	1.5	5.3
Median	-9.0	-9.0	-9.0	-7.0	-5.0	-2.0	0.0	3.0	7.0	10.0
75th Percentile	-8.0	-7.0	-7.0	-6.0	-4.0	-0.8	2.3	8.3	15.0	20.3
# of Respondents	39	39	39	40	40	40	40	40	40	40

- 9) Please provide the percent chance you attach to the following outcomes for U.S. real GDP growth in 2025 and 2026 (Q4/Q4).
(27 responses)

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	18%	19%	20%	19%	14%	6%	2%	1%	0%	0%

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	5%	7%	13%	22%	21%	15%	9%	4%	2%	1%

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

U.S. Real GDP Modal Point Estimates (Q4/Q4)		
	2025	2026
25th Percentile	0.21%	1.50%
Median	0.60%	1.60%
75th Percentile	1.25%	1.88%
# of Respondents	54	54

10) 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 2025 (saar)	Q2 2025 (saar)	Q3 2025 (saar)	Q4 2025 (saar)	Q1 2026 (saar)
25th Percentile	2.9%	2.2%	2.7%	2.5%	2.2%
Median	3.2%	2.8%	3.6%	3.0%	2.6%
75th Percentile	3.3%	3.1%	4.3%	3.3%	3.0%
# of Respondents	49	49	49	49	48

Core PCE Inflation Quarterly Modal Point Estimates					
	Q1 2025 (saar)	Q2 2025 (saar)	Q3 2025 (saar)	Q4 2025 (saar)	Q1 2026 (saar)
25th Percentile	2.9%	2.7%	2.9%	2.6%	2.4%
Median	3.0%	3.1%	3.8%	3.1%	2.7%
75th Percentile	3.2%	3.5%	4.5%	3.4%	2.9%
# of Respondents	49	49	49	49	48

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

11a) Please provide the percent chance you attach to the following outcomes for headline PCE inflation in 2025 and 2026 (Q4/Q4).
(49 responses)

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	1%	1%	3%	5%	8%	11%	18%	15%	18%	19%

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	3%	5%	11%	18%	21%	17%	11%	7%	4%	3%

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

Headline PCE Inflation Modal Point Estimates (Q4/Q4)		
	2025	2026
25th Percentile	2.80%	2.20%
Median	3.30%	2.30%
75th Percentile	3.50%	2.50%
# of Respondents	51	51

11b) For the outcomes below, provide the percent chance you attach to the annual average CPI inflation rate from April 1, 2025 – March 31, 2030 falling in each of the following ranges.
(26 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	0%	1%	4%	15%	30%	32%	14%	5%

	Most Likely Outcome
25th Percentile	2.50%
Median	2.50%
75th Percentile	2.70%
# of Respondents	49

11c) For the outcomes below, provide the percent chance you attach to the annual average CPI inflation rate from April 1, 2030 – March 31, 2035 falling in each of the following ranges.
(49 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%	18%	39%	23%	8%	4%

	Most Likely Outcome
25th Percentile	2.25%
Median	2.30%
75th Percentile	2.45%
# of Respondents	49

12a) 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	5%	30%	30%
Median	15%	40%	40%
75th Percentile	20%	50%	40%
# of Respondents	55	55	53

**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.*

12b) What percent chance do you attach to the U.S. economy first entering a recession* in each of the following periods?

(54 responses)

	H2 2024**	H1 2025	H2 2025	H1 2026	H2 2026	No recession by end H2 2026
Average	1%	20%	28%	13%	7%	32%

**NBER-defined recession*

***Percent chance that the economy first entered an NBER-defined recession in H2 2024.*

13) Provide your estimate of the most likely outcome for output, inflation, and unemployment.

(40 responses)

		2025	2026	2027	Longer Run
Real GDP (Q4/Q4 Growth)	25th Percentile	0.21%	1.50%	1.80%	1.80%
	Median	0.60%	1.60%	2.00%	2.00%
	75th Percentile	1.25%	1.88%	2.10%	2.00%
Core PCE Inflation (Q4/Q4)	25th Percentile	2.90%	2.30%	2.00%	-
	Median	3.40%	2.40%	2.10%	-
	75th Percentile	3.63%	2.60%	2.30%	-
Headline PCE Inflation (Q4/Q4)	25th Percentile	2.80%	2.20%	2.00%	2.00%
	Median	3.30%	2.30%	2.10%	2.00%
	75th Percentile	3.50%	2.50%	2.30%	2.00%
Unemployment Rate (Q4 Average Level)	25th Percentile	4.50%	4.40%	4.20%	4.00%
	Median	4.60%	4.50%	4.30%	4.20%
	75th Percentile	4.73%	4.85%	4.43%	4.20%