



SURVEY OF PROFESSIONAL FORECASTERS

Release Date: February 12, 2010

FIRST QUARTER 2010

Forecasters Expect Continued Growth

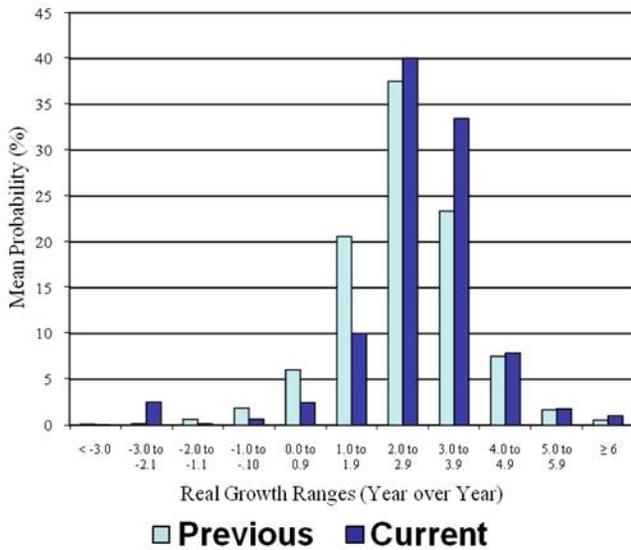
The U.S. economy will grow at an annual rate of 2.7 percent over each of the next five quarters, according to 42 forecasters surveyed by the Federal Reserve Bank of Philadelphia. The forecasters see stronger growth over the next three quarters than they projected in the survey of three months ago, but some of that upward revision will come at the expense of slower growth at year's end. On an annual-average over annual-average basis, forecasters see real GDP growing 3.0 percent in 2010, up from their prediction of 2.4 percent in the last survey. The forecasters predict real GDP will grow 2.9 percent in 2011, 3.4 percent in 2012, and 3.1 percent in 2013.

The labor market in the near term looks a bit stronger now than it did three months ago. Unemployment is now projected to be an annual average of 9.8 percent in 2010, before falling to 9.2 percent in 2011, 8.3 percent in 2012, and 7.3 percent in 2013. On the jobs front, upward revisions for the growth in jobs over the next two quarters of 2010 are to be followed by downward revisions over the second half of the year. The forecasters see nonfarm payroll employment growing at a rate of 600 jobs per month this quarter and 117,600 jobs per month next quarter. Both estimates mark upward revisions from the previous survey. Over the second half of 2010, jobs will grow at an average rate of 96,000 per month. The forecasters' projections for the annual average level of nonfarm payroll employment suggest job losses at a monthly rate of 59,000 in 2010. Job gains in 2011 are seen averaging 142,000 per month, as the table below shows. (These annual-average estimates are computed as the year-to-year change in the annual-average level of nonfarm payroll employment, converted to a monthly rate.)

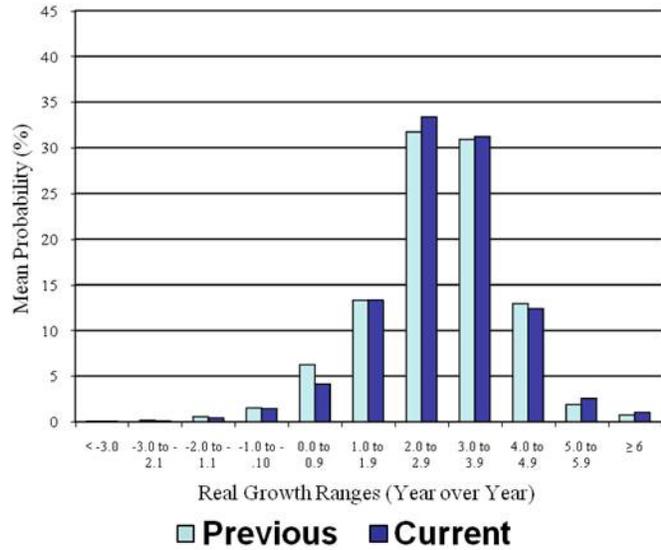
	Real GDP (%)		Unemployment Rate (%)		Payrolls (000s/month)	
	Previous	New	Previous	New	Previous	New
<i>Quarterly data:</i>						
2010: Q1	2.3	2.7	10.2	9.9	-35.0	0.6
Q2	2.4	2.7	10.1	9.9	57.6	117.6
Q3	2.6	2.7	10.0	9.8	158.6	69.3
Q4	2.9	2.7	9.8	9.7	142.2	122.2
2011: Q1	N.A.	2.7	N.A.	9.4	N.A.	143.4
<i>Annual average data:</i>						
2010	2.4	3.0	10.0	9.8	-69.8	-59.0
2011	3.1	2.9	9.2	9.2	N.A.	141.8
2012	3.3	3.4	8.3	8.3	N.A.	N.A.
2013	N.A.	3.1	N.A.	7.3	N.A.	N.A.

The charts below provide some insight into the degree of uncertainty the forecasters have about their projections for the rate of growth in the annual-average level of real GDP. Each chart presents the forecasters' previous and current estimates of the probability that growth will fall into each of 11 ranges. The forecasters have raised their estimate of the probability that growth will fall into the range of 2.0 percent and above in 2010, 2011, and 2012.

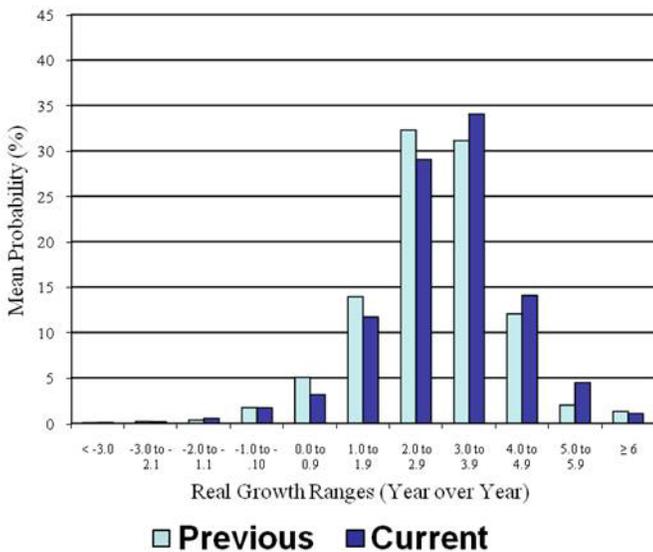
Mean Probabilities for Real GDP Growth in 2010



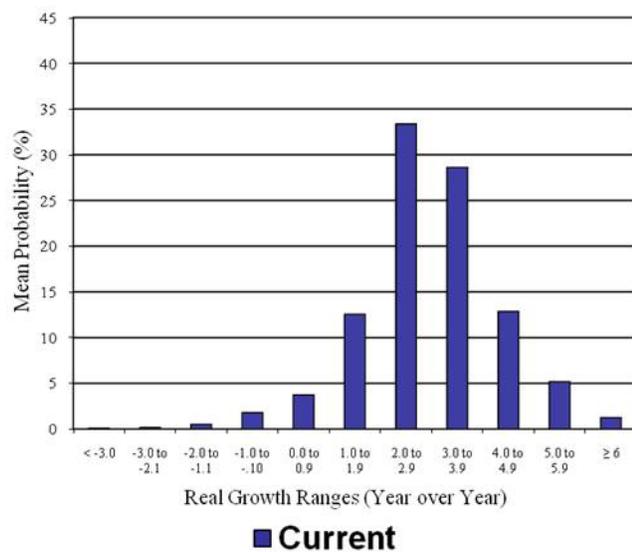
Mean Probabilities for Real GDP Growth in 2011



Mean Probabilities for Real GDP Growth in 2012

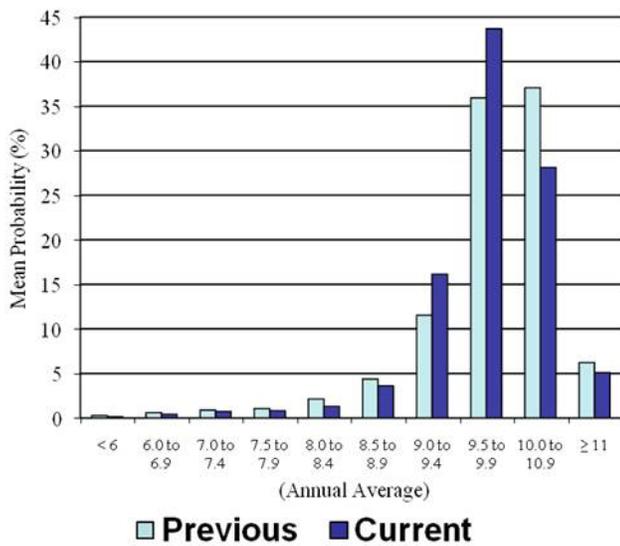


Mean Probabilities for Real GDP Growth in 2013

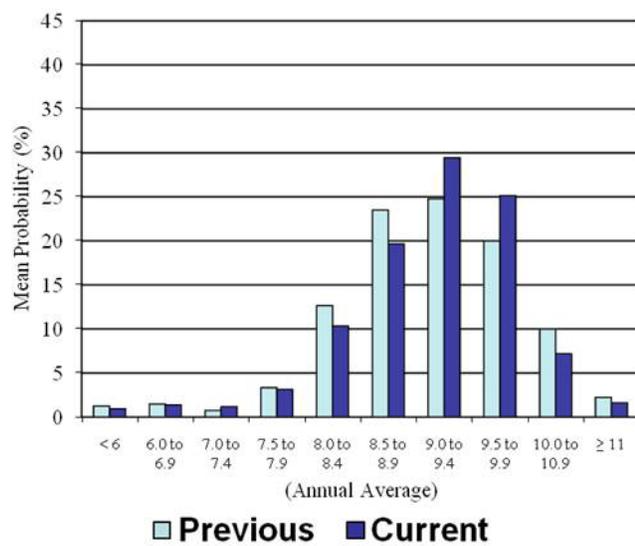


The forecasters' density projections, as shown in the charts below, shed light on the odds of a recovery in the labor market over the next four years. Each chart presents the forecasters' previous and current estimates of the probability that unemployment will fall into each of 10 ranges. The forecasters have raised the estimate of the probability that the annual average unemployment rate will be in the range of 9.0 percent to 9.4 percent in 2010, 2011, and 2012 compared with their previous estimates. The panelists have also raised their estimates of the probability that unemployment will be in the range of 9.5 percent to 9.9 percent in 2010 and 2011 compared with their previous estimates. For 2010 to 2012, the probability that unemployment will fall into the two highest ranges of outcomes is lower now than it was previously.

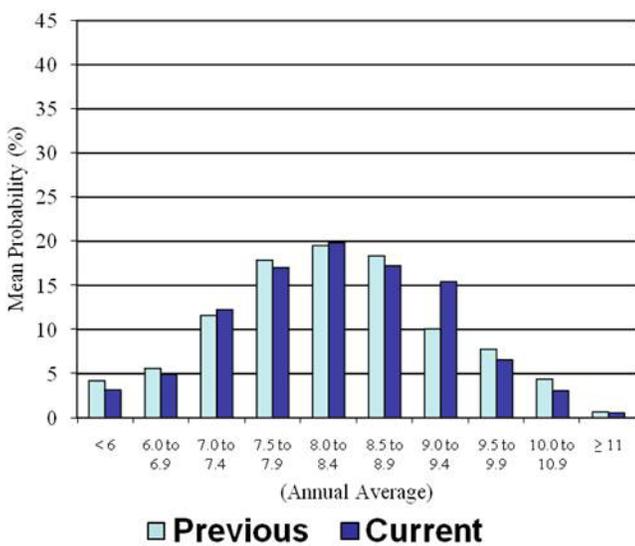
Mean Probabilities for Unemployment Rate in 2010



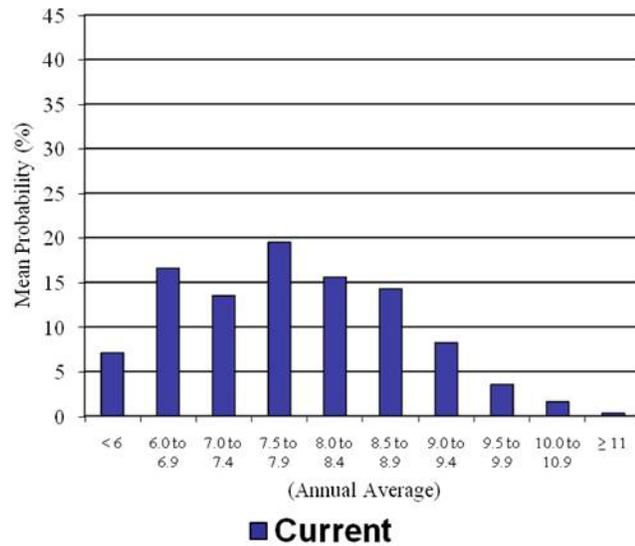
Mean Probabilities for Unemployment Rate in 2011



Mean Probabilities for Unemployment Rate in 2012



Mean Probabilities for Unemployment Rate in 2013



Upward Revision to the Outlook for Long-Term Headline CPI Inflation

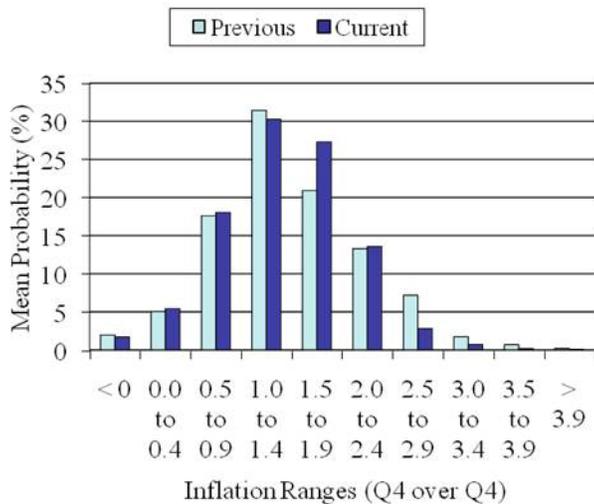
The current outlook for the headline and core measures of CPI and PCE inflation during the next two years is about the same as it was in the last survey. Over the next 10 years, 2010 to 2019, the forecasters expect headline CPI inflation to average 2.39 percent at an annual rate. This estimate is up from the last survey, when the forecasters thought headline CPI inflation over the 10-year period from 2009 to 2018 would average 2.26 percent. The 10-year outlook for PCE inflation is unchanged.

Short-Run and Long-Run Projections for Inflation (Annualized Percentage Points)

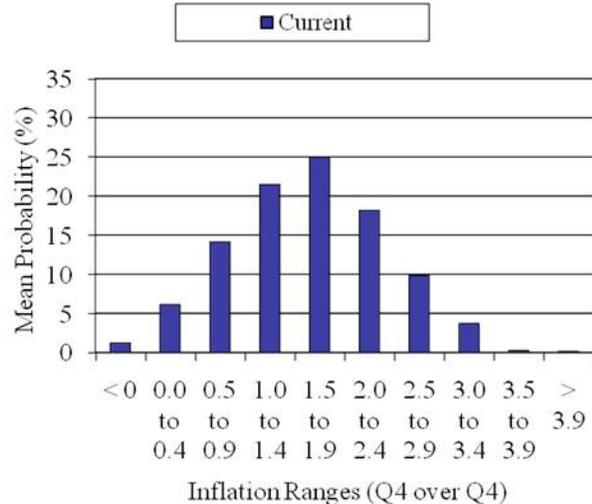
	Headline CPI		Core CPI		Headline PCE		Core PCE		
	Previous	Current	Previous	Current	Previous	Current	Previous	Current	
<i>Quarterly</i>									
2010: Q1	1.5	2.1	1.2	1.3	1.5	1.5	1.0	1.2	
Q2	1.5	1.4	1.4	1.4	1.2	1.2	1.2	1.3	
Q3	1.8	1.8	1.5	1.5	1.8	1.7	1.4	1.3	
Q4	1.8	1.9	1.5	1.5	1.8	1.8	1.4	1.4	
2011: Q1	N.A.	2.1	N.A.	1.6	N.A.	1.8	N.A.	1.5	
<i>Q4/Q4 Annual Averages</i>									
2010	1.7	1.7	1.4	1.4	1.3	1.4	1.3	1.3	
2011	2.1	2.1	1.8	1.7	1.8	1.8	1.5	1.5	
2012	N.A.	2.3	N.A.	2.0	N.A.	2.0	N.A.	1.9	
<i>Long-Term Annual Averages</i>									
2009-2013	1.89	N.A.	N.A.	N.A.	1.83	N.A.	N.A.	N.A.	
2010-2014	N.A.	2.20	N.A.	N.A.	N.A.	1.80	N.A.	N.A.	
2009-2018	2.26	N.A.	N.A.	N.A.	2.10	N.A.	N.A.	N.A.	
2010-2019	N.A.	2.39	N.A.	N.A.	N.A.	2.10	N.A.	N.A.	

The figures below show the probabilities that the forecasters are assigning to the possibility that fourth-quarter over fourth-quarter core PCE inflation in 2010 and 2011 will fall into each of 10 ranges. The forecasters see a higher chance than they previously assigned that core PCE inflation in 2010 will fall into the range of 1.5 percent to 2.4 percent and a lower chance that inflation will be 2.5 percent and above. For 2011, the forecasters are assigning a probability of 25 percent to inflation falling into the range of 1.5 percent to 1.9 percent.

Mean Probabilities for Core PCE Inflation in 2010



Mean Probabilities for Core PCE Inflation in 2011



Forecasters State Their Views on House Prices

In this survey, a special question asked panelists to provide their forecasts for fourth-quarter over fourth-quarter growth in house prices, as measured by a number of alternative indices. The panelists were allowed to choose from a provided list of indices or to write in their own index. For each index of their choosing, the panelists provided forecasts of growth in 2010 and 2011.

Twenty panelists answered the special question. Some panelists provided projections for more than one index. The table below provides a summary of the forecasters' responses. For some indices, the number of responses (N) is very small. The median estimates for the seven house-price indices listed on the table below range from -1.9 percent to 3.0 percent in 2010 and 1.6 percent to 3.4 percent in 2011.

*Projections for the Growth in Various Indices of House Prices
Q4/Q4, Percentage Points*

Index	2010 (Q4/Q4 Percent Change)			2011 (Q4/Q4 Percent Change)		
	N	Mean	Median	N	Mean	Median
S&P/Case-Shiller: U.S. National	3	-3.9	-1.9	3	3.9	3.0
S&P/Case-Shiller: Composite 10	4	3.3	2.6	4	2.4	3.0
S&P/Case-Shiller: Composite 20	7	-0.5	1.3	6	2.9	3.0
FHFA: U.S. Total	8	-1.1	1.2	8	2.3	2.2
FHFA: Purchase Only	10	0.6	1.1	10	1.6	1.6
LoanPerformance: National, incl Distressed Sales (Single Family Combined)	3	3.2	3.0	3	2.3	3.0
NAR Median: Total Existing	4	-1.7	1.6	4	3.7	3.4

Forecasters See a Lower Risk of a Downturn

The forecasters are reducing the chance of a contraction in real GDP in any of the next three quarters. They have cut their estimate of the risk of a downturn this quarter to 9.9 percent compared with 15.9 percent previously. As the table below shows, the panelists have also made downward revisions to their forecasts for the following two quarters, although the Q2 and Q3 revisions are smaller than those for Q1.

Risk of a Negative Quarter (%)

	<i>Previous</i>	<i>New</i>
<i>Quarterly data:</i>		
2010: Q1	15.9	9.9
Q2	14.0	11.6
Q3	13.8	13.2
Q4	13.4	14.0
2011: Q1	N.A.	14.8

Upward Revisions to Long-Term Output and Productivity Growth and Returns to Financial Assets

In first-quarter surveys, the forecasters provide their long-run projections for an expanded set of variables, including growth in output and productivity, as well as returns on financial assets. As the table below shows, the forecasters have increased their long-run estimates for the annual-average rate of growth in real GDP and productivity. Currently, the forecasters expect real GDP to grow 2.70 percent per year over the next 10 years, up from 2.56 percent in the survey of 2009 Q1. Similarly, productivity growth is now expected to average 2.0 percent, up from 1.9 percent. Upward revisions to the return on financial assets, with the exception of three-month Treasury bills, accompany the current outlook. The forecasters see the S&P 500 returning 7.00 percent per year, up from 6.50 percent, and 10-year Treasuries returning 4.95 percent, up from 4.85 percent. The forecasters continue to expect that three-month Treasury bills will return 3.0 percent per year over the next 10 years.

Long-Term (10-year) Forecasts (%)

	<i>First Quarter 2009</i>	<i>Current Survey</i>
<i>Real GDP Growth</i>	2.56	2.70
<i>Productivity Growth</i>	1.90	2.00
<i>Stock Returns (S&P 500)</i>	6.50	7.00
<i>Bond Returns (10-year)</i>	4.85	4.95
<i>Bill Returns (3-month)</i>	3.00	3.00

The Federal Reserve Bank of Philadelphia thanks the following forecasters for their participation in recent surveys:

Robert J. Barbera, ITG Inc.; **Jay Brinkmann**, Mortgage Bankers Association; **Joseph Carson**, Alliance Capital Management; **Christine Chmura, Ph.D.** and **Xiaobing Shuai, Ph.D.**, Chmura Economics & Analytics; **Gary Ciminero, CFA**, GLC Financial Economics; **David Crowe**, National Association of Home Builders; **Rajeev Dhawan**, Georgia State University; **Shawn Dubravac**, Consumer Electronics Association; **Michael R. Englund**, Action Economics, LLC; **Gerard F. Fuda**, Independent Economist; **Stephen Gallagher**, Societe Generale; **Timothy Gill**, NEMA; **James Glassman**, JP Morgan Chase & Co.; **Ethan Harris**, Bank of America Merrill Lynch; **William B. Hummer**, Wayne Hummer Investments; **IHS Global Insight**; **Peter Jaquette**, PIRA Energy Group; **Fred Joutz**, Benchmark Forecasts and Research Program on Forecasting, George Washington University; **Kurt Karl**, Swiss Re; **N. Karp**, BBVA Compass; **Walter Kemmsies** and **Daniel Solomon**, Moffatt & Nichol; **Jack Kleinhenz**, Kleinhenz & Associates, Inc.; **Thomas Lam**, OSK Group/DMG & Partners; **L. Douglas Lee**, Economics from Washington; **Allan R. Leslie**, Economic Consultant; **John Lonski**, Moody's Investors Service; **Macroeconomic Advisers, LLC**; **Dean Maki**, Barclays Capital; **Edward F. McKelvey**, Goldman Sachs; **Jim Meil**, Eaton Corporation; **Anthony Metz**, Pareto Optimal Economics; **Ardavan Mobasheri** and **Danielle Ferry**, American International Group; **Michael Moran**, Daiwa Securities America; **Joel L. Naroff**, Naroff Economic Advisors; **Herbert E. Neil**, Financial and Economic Strategies Corp.; **Mark Nielson, Ph.D.**, MacroEcon Global Advisors; **Michael P. Niemira**, International Council of Shopping Centers; **Luca Noto**, Prima Sgr; **Martin A. Regalia**, U.S. Chamber of Commerce; **David Resler**, Nomura Securities International, Inc.; **Merrill Lynch**; **John Silvia**, Wells Fargo; **Allen Sinai**, Decision Economics, Inc; **Sean M. Snaith, Ph.D.**, University of Central Florida; **Constantine G. Soras, Ph.D.**, CGS Economic Consulting; **Neal Soss**, Credit Suisse; **Stephen Stanley**, RBS; **Susan M. Sterne**, Economic Analysis Associates, Inc.; **Thomas Kevin Swift**, American Chemistry Council; **Lea Tyler**, Oxford Economics USA, Inc.; **Albert M. Wojnilower**; **Jay N. Woodworth**, Woodworth Holdings, Ltd.; **Richard Yamarone**, Argus Research Group; **Mark Zandi**, Economy.com; **Ellen Beeson Zentner**, Bank of Tokyo-Mitsubishi UFJ, Ltd.

This is a partial list of participants. We also thank those who wish to remain anonymous.

SUMMARY TABLE
SURVEY OF PROFESSIONAL FORECASTERS
MAJOR MACROECONOMIC INDICATORS

	2010 Q1	2010 Q2	2010 Q3	2010 Q4	2011 Q1	2010	2011	2012	2013
						(YEAR-OVER-YEAR)			
PERCENT GROWTH AT ANNUAL RATES									
1. REAL GDP (BILLIONS, CHAIN WEIGHTED)	2.7	2.7	2.7	2.7	2.7	3.0	2.9	3.4	3.1
2. GDP PRICE INDEX (PERCENT CHANGE)	1.5	1.2	1.5	1.6	1.9	1.1	1.6	N.A.	N.A.
3. NOMINAL GDP (\$ BILLIONS)	4.4	3.8	4.5	4.6	5.2	4.1	4.7	N.A.	N.A.
4. NONFARM PAYROLL EMPLOYMENT (PERCENT CHANGE)	0.0	1.1	0.6	1.1	1.3	-0.5	1.3	N.A.	N.A.
(AVG MONTHLY CHANGE)	0.6	117.6	69.3	122.2	143.4	-59.0	141.8	N.A.	N.A.
VARIABLES IN LEVELS									
5. UNEMPLOYMENT RATE (PERCENT)	9.9	9.9	9.8	9.7	9.4	9.8	9.2	8.3	7.3
6. 3-MONTH TREASURY BILL (PERCENT)	0.1	0.2	0.3	0.7	1.1	0.4	1.7	3.1	3.6
7. 10-YEAR TREASURY BOND (PERCENT)	3.7	3.8	4.0	4.1	4.3	3.9	4.5	4.8	5.0
	2010 Q1	2010 Q2	2010 Q3	2010 Q4	2011 Q1	2010	2011	2012	
						(Q4-OVER-Q4)			
INFLATION INDICATORS									
8. CPI (ANNUAL RATE)	2.1	1.4	1.8	1.9	2.1	1.7	2.1	2.3	
9. CORE CPI (ANNUAL RATE)	1.3	1.4	1.5	1.5	1.6	1.4	1.7	2.0	
10. PCE (ANNUAL RATE)	1.5	1.2	1.7	1.8	1.8	1.4	1.8	2.0	
11. CORE PCE (ANNUAL RATE)	1.2	1.3	1.3	1.4	1.5	1.3	1.5	1.9	

THE FIGURES ON EACH LINE ARE MEDIANS OF 42 INDIVIDUAL FORECASTERS.

SOURCE: RESEARCH DEPARTMENT, FEDERAL RESERVE BANK OF PHILADELPHIA.
SURVEY OF PROFESSIONAL FORECASTERS, FIRST QUARTER 2010.

SURVEY OF PROFESSIONAL FORECASTERS

First Quarter 2010

Tables

Note: Data in these tables listed as "actual" are the data that were available to the forecasters when they were sent the survey questionnaire on January 29; the tables do not reflect subsequent revisions to the data. All forecasts were received on or before February 9, 2010.

TABLE ONE
MAJOR MACROECONOMIC INDICATORS
MEDIANS OF FORECASTER PREDICTIONS

	NUMBER OF FORECASTERS	ACTUAL		FORECAST				ACTUAL		FORECAST		
		2009 Q4	2010 Q1	2010 Q2	2010 Q3	2010 Q4	2011 Q1	2009 ANNUAL	2010 ANNUAL	2011 ANNUAL	2012 ANNUAL	2013 ANNUAL
1. GROSS DOMESTIC PRODUCT (GDP) (\$ BILLIONS)	40	14463	14621	14759	14923	15092	15285	14259	14843	15540	N.A.	N.A.
2. GDP PRICE INDEX (2005=100)	40	109.93	110.34	110.67	111.07	111.51	112.03	109.75	110.91	112.70	N.A.	N.A.
3. CORPORATE PROFITS AFTER TAXES (\$ BILLIONS)	21	N.A.	1134.9	1142.5	1178.2	1196.0	1216.9	N.A.	1165.4	1253.9	N.A.	N.A.
4. UNEMPLOYMENT RATE (PERCENT)	41	10.0	9.9	9.9	9.8	9.7	9.4	9.3	9.8	9.2	8.3	7.3
5. NONFARM PAYROLL EMPLOYMENT (THOUSANDS)	36	130965	130967	131320	131527	131894	132324	132003	131295	132997	N.A.	N.A.
6. INDUSTRIAL PRODUCTION (2002=100)	38	99.7	101.0	102.3	103.6	104.9	105.6	98.3	103.0	107.5	N.A.	N.A.
7. NEW PRIVATE HOUSING STARTS (ANNUAL RATE, MILLIONS)	37	0.55	0.61	0.67	0.75	0.82	0.90	0.55	0.72	0.99	N.A.	N.A.
8. 3-MONTH TREASURY BILL RATE (PERCENT)	41	0.06	0.10	0.20	0.34	0.70	1.10	0.15	0.35	1.70	3.10	3.62
9. AAA CORPORATE BOND YIELD (PERCENT)	33	5.20	5.29	5.33	5.45	5.51	5.69	5.31	5.40	5.96	N.A.	N.A.
10. BAA CORPORATE BOND YIELD (PERCENT)	26	6.33	6.37	6.48	6.52	6.68	6.77	7.30	6.51	6.85	N.A.	N.A.
11. 10-YEAR TREASURY BOND YIELD (PERCENT)	42	3.46	3.70	3.78	4.00	4.10	4.28	3.26	3.90	4.47	4.78	4.95
12. REAL GDP (BILLIONS, CHAIN WEIGHTED)	42	13155	13243	13332	13422	13512	13602	12989	13375	13757	14219	14666
13. TOTAL CONSUMPTION EXPENDITURE (BILLIONS, CHAIN WEIGHTED)	42	9298.5	9342.0	9391.0	9445.1	9501.2	9540.6	9237.3	9421.0	9628.4	N.A.	N.A.
14. NONRESIDENTIAL FIXED INVESTMENT (BILLIONS, CHAIN WEIGHTED)	39	1278.1	1281.3	1292.8	1310.2	1333.6	1352.5	1289.2	1306.9	1388.5	N.A.	N.A.
15. RESIDENTIAL FIXED INVESTMENT (BILLIONS, CHAIN WEIGHTED)	39	364.6	368.2	376.2	384.0	395.2	409.3	359.1	380.7	431.2	N.A.	N.A.
16. FEDERAL GOVERNMENT C & I (BILLIONS, CHAIN WEIGHTED)	37	1043.5	1056.3	1066.1	1075.1	1077.4	1081.9	1026.7	1068.2	1085.0	N.A.	N.A.
17. STATE AND LOCAL GOVT C & I (BILLIONS, CHAIN WEIGHTED)	37	1544.3	1545.9	1548.1	1547.8	1550.3	1552.2	1542.8	1549.8	1559.8	N.A.	N.A.
18. CHANGE IN PRIVATE INVENTORIES (BILLIONS, CHAIN WEIGHTED)	39	-33.5	0.0	17.0	28.5	30.9	35.1	-111.7	20.0	37.1	N.A.	N.A.
19. NET EXPORTS (BILLIONS, CHAIN WEIGHTED)	39	-341.1	-347.4	-350.9	-356.7	-358.7	-364.6	-353.9	-353.6	-359.2	N.A.	N.A.

SOURCE: RESEARCH DEPARTMENT, FEDERAL RESERVE BANK OF PHILADELPHIA. SURVEY OF PROFESSIONAL FORECASTERS, FIRST QUARTER 2010.

TABLE TWO
MAJOR MACROECONOMIC INDICATORS
PERCENTAGE CHANGES AT ANNUAL RATES

	NUMBER OF FORECASTERS	Q4 2009	Q1 2010	Q2 2010	Q3 2010	Q4 2010	2009	2010	2011	2012
		TO Q1 2010	TO Q2 2010	TO Q3 2010	TO Q4 2010	TO Q1 2011	TO 2010	TO 2011	TO 2012	TO 2013
1. GROSS DOMESTIC PRODUCT (GDP) (\$ BILLIONS)	40	4.4	3.8	4.5	4.6	5.2	4.1	4.7	N.A.	N.A.
2. GDP PRICE INDEX (2005=100)	40	1.5	1.2	1.5	1.6	1.9	1.1	1.6	N.A.	N.A.
3. CORPORATE PROFITS AFTER TAXES (\$ BILLIONS)	21	16.6	2.7	13.1	6.2	7.2	17.6	7.6	N.A.	N.A.
4. UNEMPLOYMENT RATE (PERCENT)	41	-0.1	0.0	-0.1	-0.2	-0.3	0.5	-0.7	-0.9	-0.9
5. NONFARM PAYROLL EMPLOYMENT (PERCENT CHANGE) (AVG MONTHLY CHANGE)	36 36	0.0 0.6	1.1 117.6	0.6 69.3	1.1 122.2	1.3 143.4	-0.5 -59.0	1.3 141.8	N.A. N.A.	N.A. N.A.
6. INDUSTRIAL PRODUCTION (2002=100)	38	5.4	5.1	5.1	5.1	3.0	4.8	4.4	N.A.	N.A.
7. NEW PRIVATE HOUSING STARTS (ANNUAL RATE, MILLIONS)	37	45.7	50.4	53.3	42.9	45.1	29.7	38.3	N.A.	N.A.
8. 3-MONTH TREASURY BILL RATE (PERCENT)	41	0.04	0.10	0.14	0.36	0.40	0.20	1.35	1.40	0.52
9. AAA CORPORATE BOND YIELD (PERCENT)	33	0.09	0.04	0.12	0.06	0.18	0.09	0.56	N.A.	N.A.
10. BAA CORPORATE BOND YIELD (PERCENT)	26	0.04	0.11	0.04	0.16	0.09	-0.79	0.34	N.A.	N.A.
11. 10-YEAR TREASURY BOND YIELD (PERCENT)	42	0.24	0.08	0.22	0.10	0.18	0.64	0.56	0.31	0.17
12. REAL GDP (BILLIONS, CHAIN WEIGHTED)	42	2.7	2.7	2.7	2.7	2.7	3.0	2.9	3.4	3.1
13. TOTAL CONSUMPTION EXPENDITURE (BILLIONS, CHAIN WEIGHTED)	42	1.9	2.1	2.3	2.4	1.7	2.0	2.2	N.A.	N.A.
14. NONRESIDENTIAL FIXED INVESTMENT (BILLIONS, CHAIN WEIGHTED)	39	1.0	3.6	5.5	7.3	5.8	1.4	6.2	N.A.	N.A.
15. RESIDENTIAL FIXED INVESTMENT (BILLIONS, CHAIN WEIGHTED)	39	4.0	8.9	8.6	12.2	15.1	6.0	13.3	N.A.	N.A.
16. FEDERAL GOVERNMENT C & I (BILLIONS, CHAIN WEIGHTED)	37	5.0	3.8	3.4	0.8	1.7	4.0	1.6	N.A.	N.A.
17. STATE AND LOCAL GOVT C & I (BILLIONS, CHAIN WEIGHTED)	37	0.4	0.6	-0.1	0.6	0.5	0.5	0.6	N.A.	N.A.
18. CHANGE IN PRIVATE INVENTORIES (BILLIONS, CHAIN WEIGHTED)	39	33.5	17.0	11.5	2.4	4.2	131.7	17.1	N.A.	N.A.
19. NET EXPORTS (BILLIONS, CHAIN WEIGHTED)	39	-6.3	-3.5	-5.9	-2.0	-5.9	0.3	-5.6	N.A.	N.A.

NOTE: FIGURES FOR UNEMPLOYMENT RATE, TREASURY BILL RATE, AAA CORPORATE BOND YIELD, BAA CORPORATE BOND YIELD, AND 10-YEAR TREASURY BOND YIELD ARE CHANGES IN THESE RATES, IN PERCENTAGE POINTS. FIGURES FOR CHANGE IN PRIVATE INVENTORIES AND NET EXPORTS ARE CHANGES IN BILLIONS OF CHAIN-WEIGHTED DOLLARS. ALL OTHERS ARE PERCENTAGE CHANGES AT ANNUAL RATES.

SOURCE: RESEARCH DEPARTMENT, FEDERAL RESERVE BANK OF PHILADELPHIA. SURVEY OF PROFESSIONAL FORECASTERS, FIRST QUARTER 2010.

TABLE THREE
 MAJOR PRICE INDICATORS
 MEDIANS OF FORECASTER PREDICTIONS

	NUMBER OF FORECASTERS	ACTUAL	FORECAST (Q/Q)					ACTUAL	FORECAST (Q4/Q4)		
		2009 Q4	2010 Q1	2010 Q2	2010 Q3	2010 Q4	2011 Q1	2009 ANNUAL	2010 ANNUAL	2011 ANNUAL	2012 ANNUAL
1. CONSUMER PRICE INDEX (ANNUAL RATE)	41	3.4	2.1	1.4	1.8	1.9	2.1	1.5	1.7	2.1	2.3
2. CORE CONSUMER PRICE INDEX (ANNUAL RATE)	39	1.5	1.3	1.4	1.5	1.5	1.6	1.7	1.4	1.7	2.0
3. PCE PRICE INDEX (ANNUAL RATE)	34	2.7	1.5	1.2	1.7	1.8	1.8	1.3	1.4	1.8	2.0
4. CORE PCE PRICE INDEX (ANNUAL RATE)	35	1.4	1.2	1.3	1.3	1.4	1.5	1.4	1.3	1.5	1.9

SOURCE: RESEARCH DEPARTMENT, FEDERAL RESERVE BANK OF PHILADELPHIA. SURVEY OF PROFESSIONAL FORECASTERS, FIRST QUARTER 2010.

TABLE FOUR
ESTIMATED PROBABILITY OF DECLINE IN REAL GDP

ESTIMATED PROBABILITY (CHANGES IN 100)	Q4 2009	Q1 2010	Q2 2010	Q3 2010	Q4 2010
	TO Q1 2010	TO Q2 2010	TO Q3 2010	TO Q4 2010	TO Q1 2011
NUMBER OF FORECASTERS					
10 OR LESS	28	28	22	19	17
11 TO 20	7	5	12	15	14
21 TO 30	2	5	3	3	3
31 TO 40	2	1	2	2	4
41 TO 50	0	0	0	0	0
51 TO 60	0	0	0	0	0
61 TO 70	0	0	0	0	0
71 TO 80	0	0	0	0	0
81 TO 90	0	0	0	0	0
91 AND OVER	0	0	0	0	0
NOT REPORTING	3	3	3	3	4
MEAN AND MEDIAN					
MEDIAN PROBABILITY	5.00	10.00	10.00	12.00	15.00
MEAN PROBABILITY	9.85	11.62	13.18	14.03	14.82

NOTE: TOTAL NUMBER OF FORECASTERS REPORTING IS 39.
SOURCE: RESEARCH DEPARTMENT, FEDERAL RESERVE BANK OF PHILADELPHIA.
SURVEY OF PROFESSIONAL FORECASTERS, FIRST QUARTER 2010.

TABLE FIVE
MEAN PROBABILITIES

MEAN PROBABILITY ATTACHED TO POSSIBLE
CIVILIAN UNEMPLOYMENT RATE:

	2010	2011	2012	2013
11.0 PERCENT OR MORE	5.08	1.62	0.56	0.30
10.0 TO 10.9 PERCENT	28.11	7.19	3.06	1.58
9.5 TO 9.9 PERCENT	43.68	25.13	6.57	3.52
9.0 TO 9.4 PERCENT	16.13	29.44	15.41	8.20
8.5 TO 8.9 PERCENT	3.61	19.67	17.22	14.24
8.0 TO 8.4 PERCENT	1.30	10.33	19.83	15.56
7.5 TO 7.9 PERCENT	0.82	3.13	17.00	19.48
7.0 TO 7.4 PERCENT	0.72	1.18	12.24	13.48
6.0 TO 6.9 PERCENT	0.41	1.38	4.96	16.56
LESS THAN 6.0 PERCENT	0.14	0.94	3.15	7.08

MEAN PROBABILITY ATTACHED TO POSSIBLE
PERCENT CHANGES IN REAL GDP:

	2009-2010	2010-2011	2011-2012	2012-2013
6.0 OR MORE	1.03	1.03	1.07	1.23
5.0 TO 5.9	1.77	2.55	4.46	5.17
4.0 TO 4.9	7.87	12.39	14.07	12.85
3.0 TO 3.9	33.46	31.21	34.04	28.60
2.0 TO 2.9	40.05	33.37	29.04	33.35
1.0 TO 1.9	10.00	13.32	11.70	12.54
0.0 TO 0.9	2.46	4.13	3.15	3.73
-1.0 TO -0.1	0.64	1.45	1.70	1.79
-2.0 TO -1.1	0.15	0.42	0.52	0.50
-3.0 TO -2.1	2.51	0.08	0.17	0.17
LESS THAN -3.0	0.05	0.05	0.07	0.08

MEAN PROBABILITY ATTACHED TO POSSIBLE
PERCENT CHANGES IN GDP PRICE INDEX:

	2009-2010	2010-2011
8.0 OR MORE	0.00	0.00
7.0 TO 7.9	0.00	0.00
6.0 TO 6.9	0.03	0.14
5.0 TO 5.9	0.21	0.43
4.0 TO 4.9	0.87	1.49
3.0 TO 3.9	3.45	7.11
2.0 TO 2.9	18.05	26.27
1.0 TO 1.9	46.53	43.22
0.0 TO 0.9	25.58	16.54
WILL DECLINE	5.29	4.81

NOTE: TOTAL NUMBER OF FORECASTERS REPORTING IS 39.
SOURCE: RESEARCH DEPARTMENT, FEDERAL RESERVE BANK OF PHILADELPHIA.
SURVEY OF PROFESSIONAL FORECASTERS, FIRST QUARTER 2010.

TABLE SIX
 MEAN PROBABILITY OF CORE CPI AND CORE PCE INFLATION (Q4/Q4)

MEAN PROBABILITY ATTACHED TO CORE CPI INFLATION:

	09Q4 TO 10Q4	10Q4 TO 11Q4
4 PERCENT OR MORE	0.08	0.21
3.5 TO 3.9 PERCENT	0.28	0.58
3.0 TO 3.4 PERCENT	1.56	5.00
2.5 TO 2.9 PERCENT	6.83	12.66
2.0 TO 2.4 PERCENT	17.90	22.18
1.5 TO 1.9 PERCENT	31.05	28.37
1.0 TO 1.4 PERCENT	25.50	16.79
0.5 TO 0.9 PERCENT	11.22	7.50
0.0 TO 0.4 PERCENT	2.86	3.89
WILL DECLINE	2.72	2.82

MEAN PROBABILITY ATTACHED TO CORE PCE INFLATION:

	09Q4 TO 10Q4	10Q4 TO 11Q4
4 PERCENT OR MORE	0.09	0.15
3.5 TO 3.9 PERCENT	0.16	0.26
3.0 TO 3.4 PERCENT	0.69	3.70
2.5 TO 2.9 PERCENT	2.79	9.85
2.0 TO 2.4 PERCENT	13.56	18.17
1.5 TO 1.9 PERCENT	27.29	24.97
1.0 TO 1.4 PERCENT	30.26	21.45
0.5 TO 0.9 PERCENT	18.03	14.12
0.0 TO 0.4 PERCENT	5.41	6.14
WILL DECLINE	1.71	1.20

NOTE: TOTAL NUMBER OF FORECASTERS REPORTING IS 39.
 SOURCE: RESEARCH DEPARTMENT, FEDERAL RESERVE BANK OF PHILADELPHIA.
 SURVEY OF PROFESSIONAL FORECASTERS, FIRST QUARTER 2010.

TABLE SEVEN
LONG-TERM (5-YEAR AND 10-YEAR) FORECASTS

ANNUAL AVERAGE OVER THE NEXT 5 YEARS: 2010-2014
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CPI INFLATION RATE		PCE INFLATION RATE	
-----		-----	
MINIMUM	-0.10	MINIMUM	0.75
LOWER QUARTILE	1.90	LOWER QUARTILE	1.60
MEDIAN	2.20	MEDIAN	1.80
UPPER QUARTILE	2.40	UPPER QUARTILE	2.20
MAXIMUM	3.50	MAXIMUM	3.40
MEAN	2.12	MEAN	1.90
STD. DEVIATION	0.70	STD. DEVIATION	0.56
N	38	N	32
MISSING	4	MISSING	10

ANNUAL AVERAGE OVER THE NEXT 10 YEARS: 2010-2019
=====

CPI INFLATION RATE		PCE INFLATION RATE	
-----		-----	
MINIMUM	1.00	MINIMUM	1.00
LOWER QUARTILE	2.12	LOWER QUARTILE	1.80
MEDIAN	2.39	MEDIAN	2.10
UPPER QUARTILE	2.56	UPPER QUARTILE	2.33
MAXIMUM	4.50	MAXIMUM	3.40
MEAN	2.39	MEAN	2.12
STD. DEVIATION	0.60	STD. DEVIATION	0.54
N	36	N	31
MISSING	6	MISSING	11

REAL GDP GROWTH RATE		PRODUCTIVITY GROWTH RATE	
-----		-----	
MINIMUM	2.20	MINIMUM	1.30
LOWER QUARTILE	2.50	LOWER QUARTILE	1.70
MEDIAN	2.70	MEDIAN	2.00
UPPER QUARTILE	2.90	UPPER QUARTILE	2.10
MAXIMUM	3.80	MAXIMUM	3.50
MEAN	2.72	MEAN	1.99
STD. DEVIATION	0.37	STD. DEVIATION	0.46
N	34	N	33
MISSING	8	MISSING	9

STOCK RETURNS (S&P 500)		BOND RETURNS (10-YEAR)		BILL RETURNS (3-MONTH)	
-----		-----		-----	
MINIMUM	5.00	MINIMUM	0.00	MINIMUM	0.00
LOWER QUARTILE	6.43	LOWER QUARTILE	4.00	LOWER QUARTILE	2.53
MEDIAN	7.00	MEDIAN	4.95	MEDIAN	3.00
UPPER QUARTILE	8.00	UPPER QUARTILE	5.20	UPPER QUARTILE	3.70
MAXIMUM	15.00	MAXIMUM	6.00	MAXIMUM	5.25
MEAN	7.27	MEAN	4.52	MEAN	3.09
STD. DEVIATION	1.96	STD. DEVIATION	1.18	STD. DEVIATION	1.06
N	25	N	30	N	30
MISSING	17	MISSING	12	MISSING	12

SOURCE: RESEARCH DEPARTMENT, FEDERAL RESERVE BANK OF PHILADELPHIA.
SURVEY OF PROFESSIONAL FORECASTERS, FIRST QUARTER 2010.