



SURVEY OF PROFESSIONAL FORECASTERS

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SECOND QUARTER 2011

Forecasters Predict Slower Growth over the Next Four Years

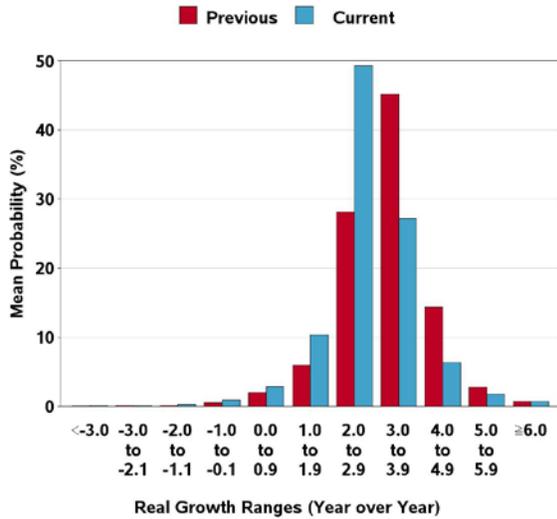
Growth in the U.S. economy looks a little slower now than it did three months ago, according to 44 forecasters surveyed by the Federal Reserve Bank of Philadelphia. Our panelists expect real GDP to grow at an annual rate of 3.2 percent this quarter, down from the previous estimate of 3.5 percent. On an annual-average over annual-average basis, the forecasters also predict slower real GDP growth over the next four years. The forecasters see real GDP growing 2.7 percent in 2011, down from their prediction of 3.2 percent in the last survey. The forecasters predict real GDP will grow 3.0 percent in 2012, 2.8 percent in 2013, and 3.3 percent in 2014, each somewhat lower than their respective predictions in the last survey.

The outlook for the labor market is mixed. The forecasters see a brighter picture for the unemployment rate over the next four years. Unemployment is projected to be an annual average of 8.7 percent in 2011, 8.1 percent in 2012, 7.5 percent in 2013, and 7.0 percent in 2014. On the jobs front, the forecasters see slower growth in jobs in 2011 and 2012 than they predicted in the last survey. The forecasters see nonfarm payroll employment growing at a rate of 191,100 jobs per month this quarter and 194,500 jobs per month next quarter. The forecasters' projections for the annual-average level of nonfarm payroll employment suggest job gains at a monthly rate of 130,400 in 2011 and 194,800 in 2012, 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.)

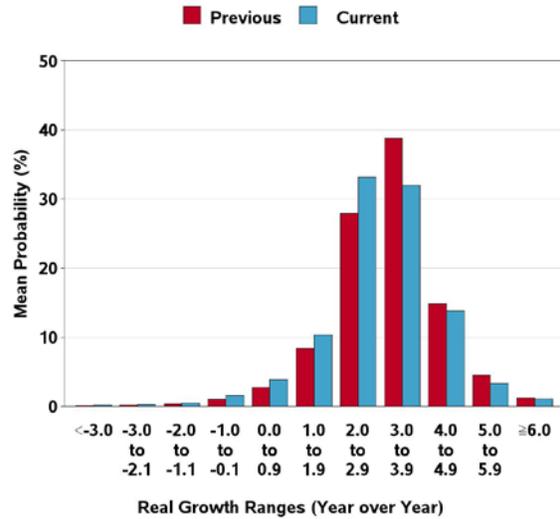
	<i>Real GDP (%)</i>		<i>Unemployment Rate (%)</i>		<i>Payrolls (000s/month)</i>	
	<i>Previous</i>	<i>New</i>	<i>Previous</i>	<i>New</i>	<i>Previous</i>	<i>New</i>
<i>Quarterly data:</i>						
2011:Q2	3.5	3.2	9.2	8.9	188.3	191.1
2011:Q3	3.1	3.4	9.0	8.7	201.1	194.5
2011:Q4	3.4	3.5	8.8	8.5	213.1	173.9
2012:Q1	3.1	2.9	8.7	8.4	201.4	219.4
2012:Q2	N.A.	2.5	N.A.	8.2	N.A.	182.0
<i>Annual data (projections are based on annual average levels):</i>						
2011	3.2	2.7	9.1	8.7	134.9	130.4
2012	3.1	3.0	8.5	8.1	226.1	194.8
2013	3.0	2.8	7.8	7.5	N.A.	N.A.
2014	3.4	3.3	7.3	7.0	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 revised downward their estimate of the probability that growth will fall into the range of 3.0 to 4.9 percent in 2011, 2012, 2013, and 2014.

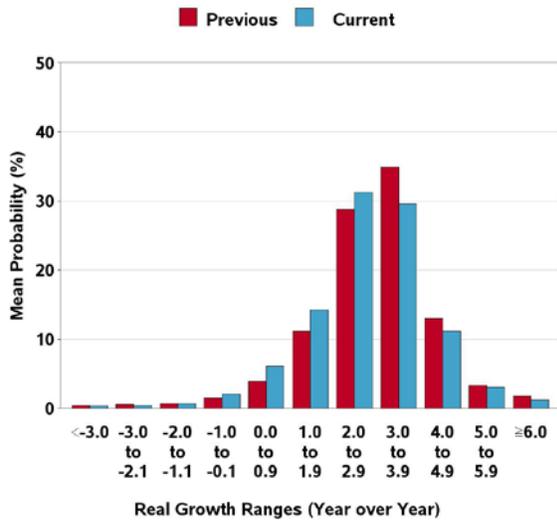
Mean Probabilities for Real GDP Growth in 2011



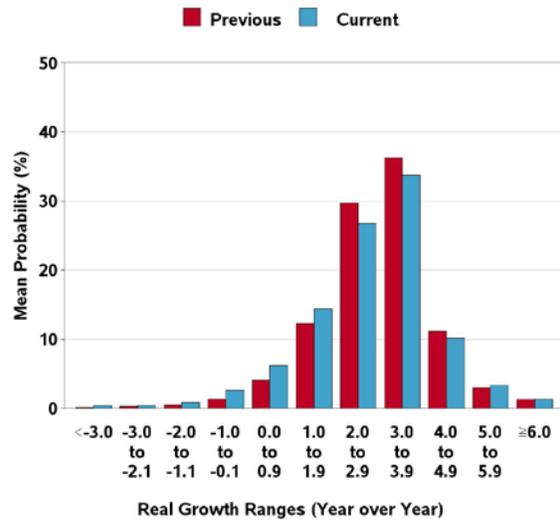
Mean Probabilities for Real GDP Growth in 2012



Mean Probabilities for Real GDP Growth in 2013

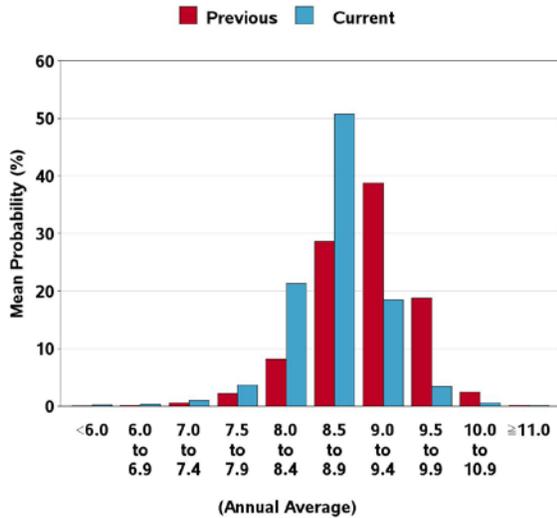


Mean Probabilities for Real GDP Growth in 2014

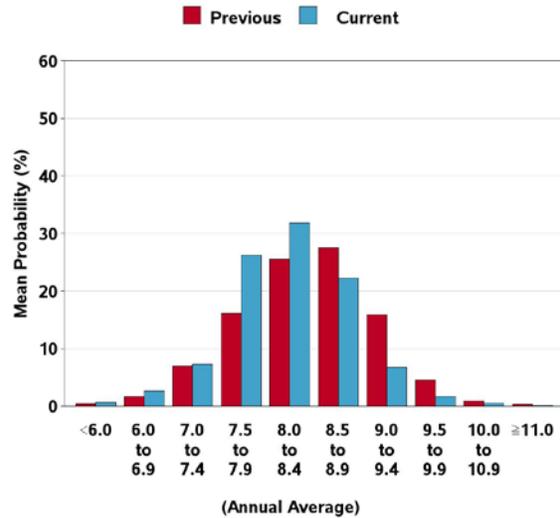


The forecasters' density projections, as shown in the charts below, shed light on the odds of a recovery in the labor market over the next four years. Each chart presents the forecasters' previous and current estimates of the probability that unemployment will fall into each of 10 ranges. The forecasters have reduced the estimate of the probability that the annual-average unemployment rate will be higher than 8.5 percent in 2012, 2013, and 2014 compared with their previous estimates.

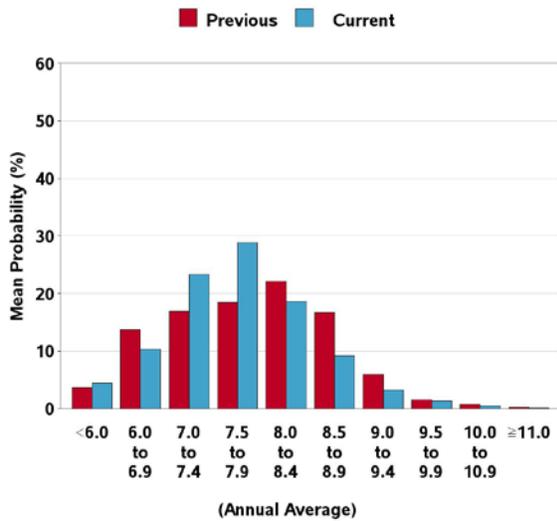
Mean Probabilities for Unemployment Rate in 2011



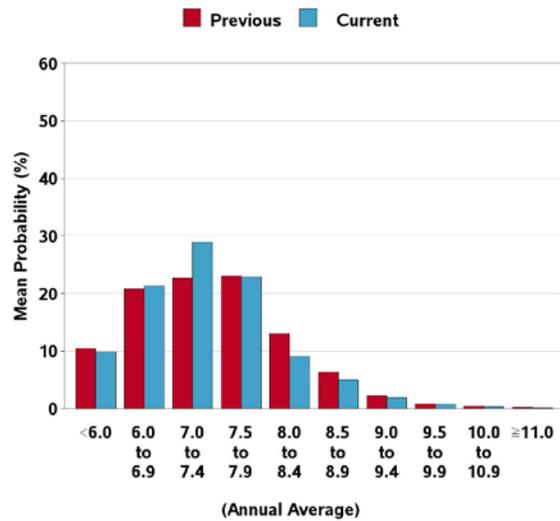
Mean Probabilities for Unemployment Rate in 2012



Mean Probabilities for Unemployment Rate in 2013



Mean Probabilities for Unemployment Rate in 2014



Upward Revisions to the Outlook for Inflation

The forecasters predict higher inflation, both in the short run and over the long run, for the survey's four measures of inflation. The forecasters expect current-quarter headline CPI inflation to average 3.5 percent, up from the last survey's estimate of 1.3 percent. The forecasters predict a higher current-quarter headline PCE inflation of 2.7 percent, up from the last survey's estimate of 1.3 percent.

Measured on a fourth-quarter over fourth-quarter basis, headline CPI inflation is expected to average 3.1 percent in 2011, 2.2 percent in 2012, and 2.3 percent in 2013, higher than the forecasts of 1.7 percent, 2.0 percent, and 2.1 percent, respectively, in the last survey.

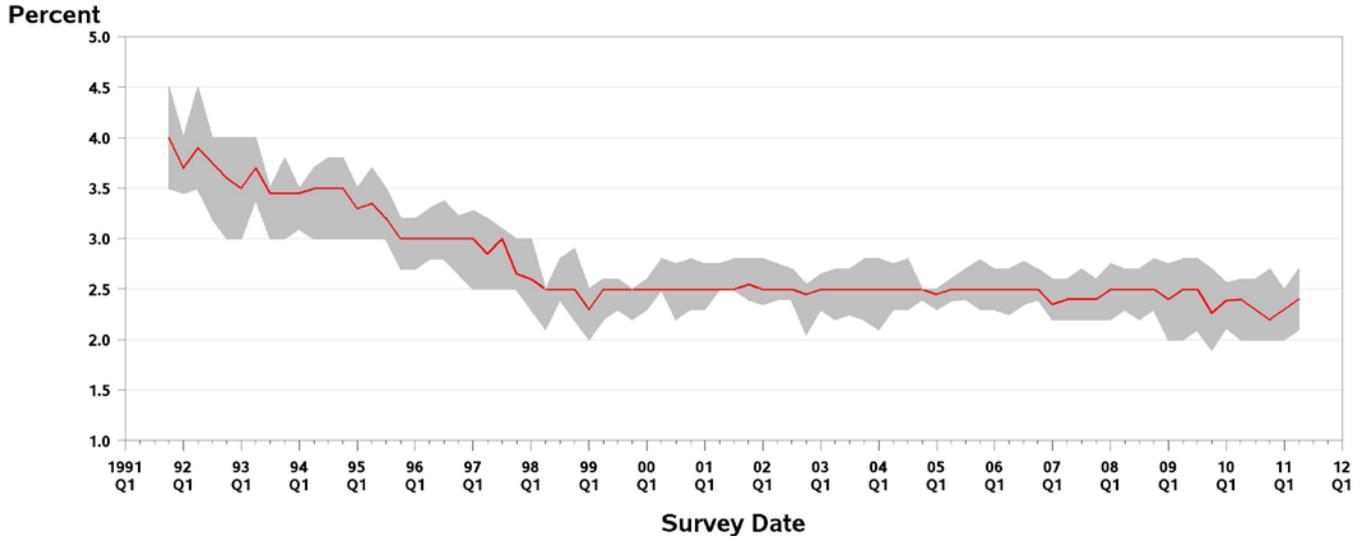
Over the next 10 years, 2011 to 2020, the forecasters expect headline CPI inflation to average 2.4 percent at an annual rate. This estimate is up slightly from 2.3 percent in the last survey.

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

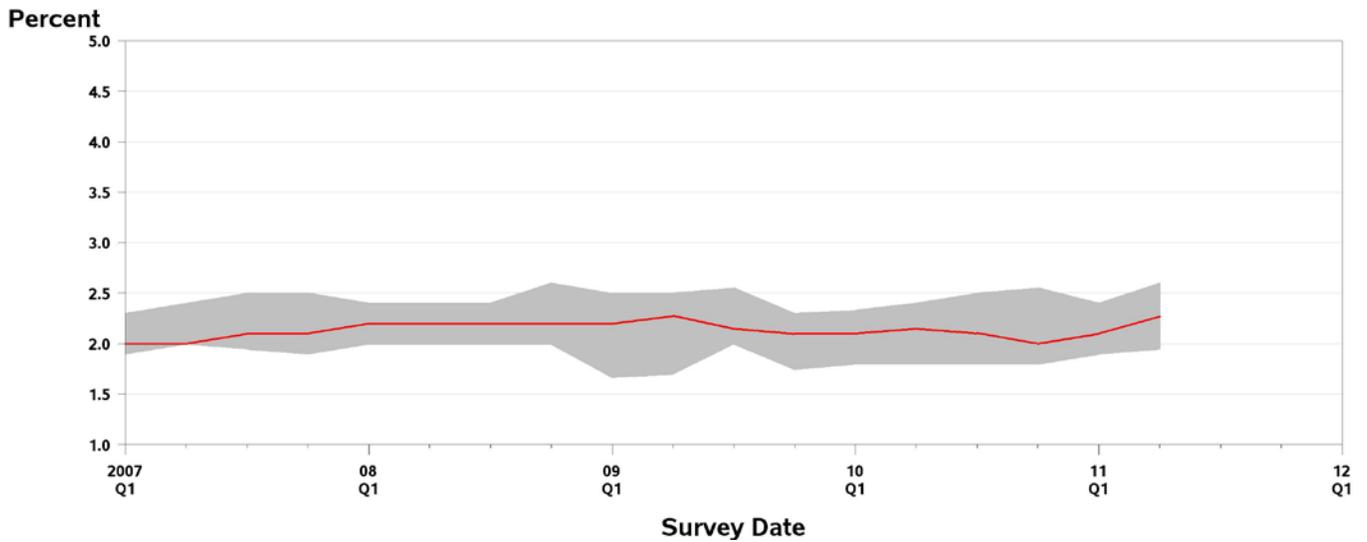
	Headline CPI		Core CPI		Headline PCE		Core PCE	
	Previous	Current	Previous	Current	Previous	Current	Previous	Current
<i>Quarterly</i>								
2011:Q2	1.3	3.5	1.2	1.7	1.3	2.7	1.3	1.5
2011:Q3	1.8	2.2	1.3	1.6	1.5	2.2	1.3	1.4
2011:Q4	1.8	2.0	1.4	1.6	1.5	1.8	1.4	1.5
2012:Q1	2.0	2.3	1.6	1.9	1.8	1.7	1.5	1.6
2012:Q2	N.A.	2.1	N.A.	1.9	N.A.	1.8	N.A.	1.6
<i>Q4/Q4 Annual Averages</i>								
2011	1.7	3.1	1.3	1.6	1.6	2.6	1.3	1.5
2012	2.0	2.2	1.7	1.9	1.8	1.9	1.6	1.6
2013	2.1	2.3	1.9	2.0	1.9	2.1	1.7	1.8
<i>Long-Term Annual Averages</i>								
2011-2015	2.10	2.35	N.A.	N.A.	1.91	2.20	N.A.	N.A.
2011-2020	2.30	2.40	N.A.	N.A.	2.10	2.27	N.A.	N.A.

The charts below show the median projections (the red line) and the associated interquartile ranges (the gray area around the red line) for 10-year annual-average CPI and PCE inflation. Both median projections have risen in the current survey.

Projections for the 10-Year Annual-Average Rate of CPI Inflation (Median and Interquartile Range)

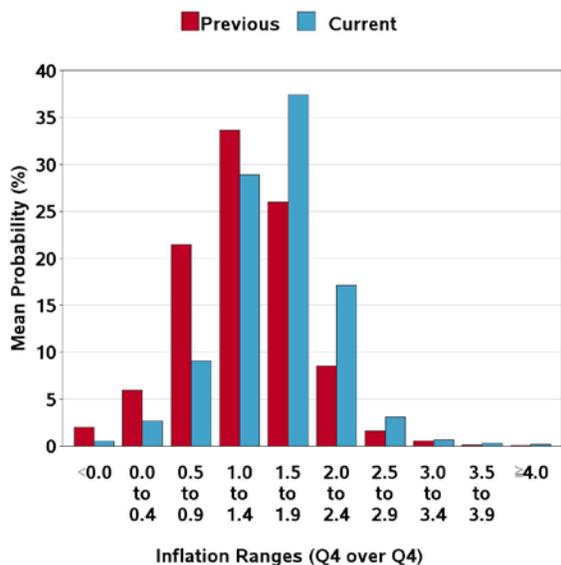


Projections for the 10-Year Annual-Average Rate of PCE Inflation (Median and Interquartile Range)

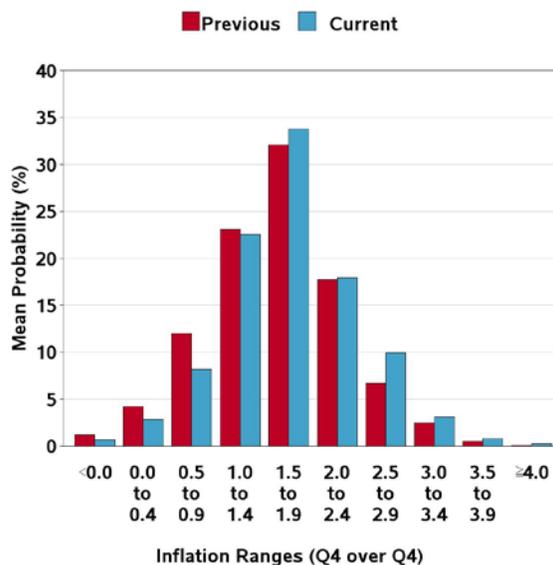


The figures below show the probabilities that the forecasters are assigning to the possibility that fourth-quarter over fourth-quarter core PCE inflation in 2011 and 2012 will fall into each of 10 ranges. For both years, the forecasters assign a higher chance than previously that core PCE inflation will be more than 1.5 percent.

Mean Probabilities for Core PCE Inflation in 2011



Mean Probabilities for Core PCE Inflation in 2012



The Risk of a Negative Quarter Remains Low

The forecasters continue to see a small chance of a contraction in real GDP in any of the next four quarters. For the current quarter, they predict a 7.0 percent chance of negative growth, little changed from the survey of three months ago.

Risk of a Negative Quarter (%)

<i>Quarterly data:</i>	<i>Previous</i>	<i>New</i>
2011: Q2	7.1	7.0
2011: Q3	9.3	8.5
2011: Q4	10.7	10.2
2012: Q1	11.4	12.2
2012: Q2	N.A.	12.1

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

Robert J. Barbera, Mount Lucas 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; **Robert C. Fry, Jr.**, DuPont; **Stephen Gallagher**, Societe Generale; **Timothy Gill**, NEMA; **James Glassman**, JPMorgan Chase & Co.; **Ethan Harris**, Bank of America-Merrill Lynch; **Keith Hembre**, Nuveen Asset Management; **Peter Hooper**, Deutsche Bank Securities, Inc.; **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**, 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 Capital Markets Group; **Macroeconomic Advisers, LLC**; **Dean Maki**, Barclays Capital; **Jim Meil**, Eaton Corporation; **Anthony Metz**, Pareto Optimal Economics; **Ardavan Mobasheri**, AIG Global Economic Research; **Michael Moran**, Daiwa Capital Markets America; **Joel L. Naroff**, Naroff Economic Advisors; **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.; **Philip Rothman**, East Carolina University; **John Silvia**, Wells Fargo; **Allen Sinai**, Decision Economics, Inc; **Tara M. Sinclair**, Research Program on Forecasting, George Washington University; **Sean M. Snaith, Ph.D.**, University of Central Florida; **Constantine G. Soras, Ph.D.**, CGS Economic Consulting; **Neal Soss**, Credit Suisse; **Stephen Stanley**, Pierpont Securities; **Charles Steindel**, New Jersey Department of the Treasury; **Susan M. Sterne**, Economic Analysis Associates, Inc.; **Thomas Kevin Swift**, American Chemistry Council; **Andrew Tilton** and **Edward F. McKelvey**, Goldman Sachs; **Jay N. Woodworth**, Woodworth Holdings, Ltd.; **Mark Zandi**, Moody's Analytics; **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

	2011 Q2	2011 Q3	2011 Q4	2012 Q1	2012 Q2	2011	2012 (YEAR-OVER-YEAR)	2013	2014
PERCENT GROWTH AT ANNUAL RATES									
1. REAL GDP (BILLIONS, CHAIN WEIGHTED)	3.2	3.4	3.5	2.9	2.5	2.7	3.0	2.8	3.3
2. GDP PRICE INDEX (PERCENT CHANGE)	2.1	1.9	1.4	1.9	1.9	1.7	1.7	N.A.	N.A.
3. NOMINAL GDP (\$ BILLIONS)	5.3	5.2	5.2	4.7	4.9	4.4	5.0	N.A.	N.A.
4. NONFARM PAYROLL EMPLOYMENT (PERCENT CHANGE) (AVG MONTHLY CHANGE)	1.8 191.1	1.8 194.5	1.6 173.9	2.0 219.4	1.7 182.0	1.2 130.4	1.8 194.8	N.A. N.A.	N.A. N.A.
VARIABLES IN LEVELS									
5. UNEMPLOYMENT RATE (PERCENT)	8.9	8.7	8.5	8.4	8.2	8.7	8.1	7.5	7.0
6. 3-MONTH TREASURY BILL (PERCENT)	0.1	0.2	0.2	0.5	0.8	0.2	1.1	2.3	3.0
7. 10-YEAR TREASURY BOND (PERCENT)	3.4	3.7	3.8	4.0	4.1	3.6	4.2	4.5	5.1
	2011 Q2	2011 Q3	2011 Q4	2012 Q1	2012 Q2	2011	2012 (Q4-OVER-Q4)	2013	
INFLATION INDICATORS									
8. CPI (ANNUAL RATE)	3.5	2.2	2.0	2.3	2.1	3.1	2.2	2.3	
9. CORE CPI (ANNUAL RATE)	1.7	1.6	1.6	1.9	1.9	1.6	1.9	2.0	
10. PCE (ANNUAL RATE)	2.7	2.2	1.8	1.7	1.8	2.6	1.9	2.1	
11. CORE PCE (ANNUAL RATE)	1.5	1.4	1.5	1.6	1.6	1.5	1.6	1.8	

THE FIGURES ON EACH LINE ARE MEDIANS OF 44 INDIVIDUAL FORECASTERS.

SOURCE: RESEARCH DEPARTMENT, FEDERAL RESERVE BANK OF PHILADELPHIA.
SURVEY OF PROFESSIONAL FORECASTERS, SECOND QUARTER 2011.

SURVEY OF PROFESSIONAL FORECASTERS

Second Quarter 2011

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 April 28; the tables do not reflect subsequent revisions to the data. All forecasts were received on or before May 10, 2011.

TABLE ONE
MAJOR MACROECONOMIC INDICATORS
MEDIAN OF FORECASTER PREDICTIONS

	NUMBER OF FORECASTERS	ACTUAL		FORECAST				ACTUAL		FORECAST			
		2011 Q1	2011 Q2	2011 Q3	2011 Q4	2012 Q1	2012 Q2	2010 ANNUAL	2011 ANNUAL	2012 ANNUAL	2013 ANNUAL	2014 ANNUAL	
1. GROSS DOMESTIC PRODUCT (GDP) (\$ BILLIONS)	42	15006	15201	15396	15592	15771	15961	14660	15302	16065	N.A.	N.A.	
2. GDP PRICE INDEX (2005=100)	42	111.69	112.26	112.80	113.20	113.72	114.25	110.67	112.53	114.46	N.A.	N.A.	
3. CORPORATE PROFITS AFTER TAXES (\$ BILLIONS)	26	N.A.	1290.8	1313.1	1335.7	1352.1	1383.0	1208.2	1299.0	1394.7	N.A.	N.A.	
4. UNEMPLOYMENT RATE (PERCENT)	43	8.9	8.9	8.7	8.5	8.4	8.2	9.6	8.7	8.1	7.5	7.0	
5. NONFARM PAYROLL EMPLOYMENT (THOUSANDS)	39	130529	131102	131686	132208	132866	133412	129822	131387	133725	N.A.	N.A.	
6. INDUSTRIAL PRODUCTION (2007=100)	39	93.1	94.1	95.1	96.2	97.2	98.0	90.1	94.6	98.3	N.A.	N.A.	
7. NEW PRIVATE HOUSING STARTS (ANNUAL RATE, MILLIONS)	39	0.56	0.58	0.62	0.66	0.69	0.74	0.59	0.61	0.77	N.A.	N.A.	
8. 3-MONTH TREASURY BILL RATE (PERCENT)	40	0.13	0.12	0.15	0.23	0.51	0.84	0.14	0.17	1.09	2.30	3.02	
9. AAA CORPORATE BOND YIELD (PERCENT)	37	5.13	5.14	5.30	5.40	5.50	5.65	4.94	5.25	5.69	N.A.	N.A.	
10. BAA CORPORATE BOND YIELD (PERCENT)	31	6.09	6.10	6.29	6.32	6.40	6.60	6.04	6.20	6.63	N.A.	N.A.	
11. 10-YEAR TREASURY BOND YIELD (PERCENT)	41	3.46	3.44	3.65	3.75	3.97	4.08	3.21	3.60	4.19	4.50	5.08	
12. REAL GDP (BILLIONS, CHAIN WEIGHTED)	44	13439	13546	13662	13778	13877	13962	13248	13607	14016	14405	14873	
13. TOTAL CONSUMPTION EXPENDITURE (BILLIONS, CHAIN WEIGHTED)	44	9486.4	9550.9	9620.2	9683.3	9745.1	9808.7	9313.6	9587.4	9842.4	N.A.	N.A.	
14. NONRESIDENTIAL FIXED INVESTMENT (BILLIONS, CHAIN WEIGHTED)	42	1420.2	1454.8	1491.1	1528.8	1558.9	1586.3	1364.9	1473.3	1597.7	N.A.	N.A.	
15. RESIDENTIAL FIXED INVESTMENT (BILLIONS, CHAIN WEIGHTED)	42	322.5	324.9	328.9	335.4	341.5	350.8	332.5	328.0	358.0	N.A.	N.A.	
16. FEDERAL GOVERNMENT C & I (BILLIONS, CHAIN WEIGHTED)	40	1071.1	1076.0	1079.3	1079.1	1080.3	1082.9	1076.9	1076.2	1082.2	N.A.	N.A.	
17. STATE AND LOCAL GOVT C & I (BILLIONS, CHAIN WEIGHTED)	40	1479.3	1477.4	1471.8	1472.4	1476.3	1478.0	1497.4	1474.1	1480.0	N.A.	N.A.	
18. CHANGE IN PRIVATE INVENTORIES (BILLIONS, CHAIN WEIGHTED)	42	43.8	46.3	52.8	51.3	52.7	52.4	62.6	49.9	51.3	N.A.	N.A.	
19. NET EXPORTS (BILLIONS, CHAIN WEIGHTED)	42	-399.7	-397.2	-400.1	-402.3	-399.2	-402.5	-422.5	-399.9	-403.2	N.A.	N.A.	

SOURCE: RESEARCH DEPARTMENT, FEDERAL RESERVE BANK OF PHILADELPHIA. SURVEY OF PROFESSIONAL FORECASTERS, SECOND QUARTER 2011.

TABLE TWO
MAJOR MACROECONOMIC INDICATORS
PERCENTAGE CHANGES AT ANNUAL RATES

	NUMBER OF FORECASTERS	Q1 2011	Q2 2011	Q3 2011	Q4 2011	Q1 2012	2010	2011	2012	2013
		TO Q2 2011	TO Q3 2011	TO Q4 2011	TO Q1 2012	TO Q2 2012	TO 2011	TO 2012	TO 2013	TO 2014
1. GROSS DOMESTIC PRODUCT (GDP) (\$ BILLIONS)	42	5.3	5.2	5.2	4.7	4.9	4.4	5.0	N.A.	N.A.
2. GDP PRICE INDEX (2005=100)	42	2.1	1.9	1.4	1.9	1.9	1.7	1.7	N.A.	N.A.
3. CORPORATE PROFITS AFTER TAXES (\$ BILLIONS)	26	10.2	7.1	7.1	5.0	9.5	7.5	7.4	N.A.	N.A.
4. UNEMPLOYMENT RATE (PERCENT)	43	-0.0	-0.2	-0.2	-0.1	-0.2	-0.9	-0.6	-0.6	-0.5
5. NONFARM PAYROLL EMPLOYMENT (PERCENT CHANGE)	39	1.8	1.8	1.6	2.0	1.7	1.2	1.8	N.A.	N.A.
(AVG MONTHLY CHANGE)	39	191.1	194.5	173.9	219.4	182.0	130.4	194.8	N.A.	N.A.
6. INDUSTRIAL PRODUCTION (2007=100)	39	4.4	4.5	4.5	4.1	3.6	5.0	3.9	N.A.	N.A.
7. NEW PRIVATE HOUSING STARTS (ANNUAL RATE, MILLIONS)	39	16.1	30.7	27.8	16.4	29.4	3.7	26.7	N.A.	N.A.
8. 3-MONTH TREASURY BILL RATE (PERCENT)	40	-0.01	0.03	0.08	0.28	0.33	0.03	0.92	1.21	0.72
9. AAA CORPORATE BOND YIELD (PERCENT)	37	0.01	0.16	0.10	0.10	0.15	0.31	0.44	N.A.	N.A.
10. BAA CORPORATE BOND YIELD (PERCENT)	31	0.01	0.19	0.02	0.09	0.20	0.16	0.43	N.A.	N.A.
11. 10-YEAR TREASURY BOND YIELD (PERCENT)	41	-0.02	0.21	0.10	0.22	0.11	0.39	0.59	0.31	0.58
12. REAL GDP (BILLIONS, CHAIN WEIGHTED)	44	3.2	3.4	3.5	2.9	2.5	2.7	3.0	2.8	3.3
13. TOTAL CONSUMPTION EXPENDITURE (BILLIONS, CHAIN WEIGHTED)	44	2.7	2.9	2.7	2.6	2.6	2.9	2.7	N.A.	N.A.
14. NONRESIDENTIAL FIXED INVESTMENT (BILLIONS, CHAIN WEIGHTED)	42	10.1	10.4	10.5	8.1	7.2	7.9	8.4	N.A.	N.A.
15. RESIDENTIAL FIXED INVESTMENT (BILLIONS, CHAIN WEIGHTED)	42	2.9	5.1	8.1	7.5	11.2	-1.4	9.1	N.A.	N.A.
16. FEDERAL GOVERNMENT C & I (BILLIONS, CHAIN WEIGHTED)	40	1.8	1.3	-0.1	0.4	1.0	-0.1	0.6	N.A.	N.A.
17. STATE AND LOCAL GOVT C & I (BILLIONS, CHAIN WEIGHTED)	40	-0.5	-1.5	0.2	1.1	0.5	-1.6	0.4	N.A.	N.A.
18. CHANGE IN PRIVATE INVENTORIES (BILLIONS, CHAIN WEIGHTED)	42	2.5	6.6	-1.5	1.4	-0.4	-12.8	1.4	N.A.	N.A.
19. NET EXPORTS (BILLIONS, CHAIN WEIGHTED)	42	2.5	-2.9	-2.2	3.1	-3.3	22.6	-3.3	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, SECOND QUARTER 2011.

TABLE THREE
 MAJOR PRICE INDICATORS
 MEDIANS OF FORECASTER PREDICTIONS

	NUMBER OF FORECASTERS	ACTUAL	FORECAST(Q/Q)				ACTUAL	FORECAST(Q4/Q4)			
		2011 Q1	2011 Q2	2011 Q3	2011 Q4	2012 Q1	2012 Q2	2010 ANNUAL	2011 ANNUAL	2012 ANNUAL	2013 ANNUAL
1. CONSUMER PRICE INDEX (ANNUAL RATE)	43	5.2	3.5	2.2	2.0	2.3	2.1	1.2	3.1	2.2	2.3
2. CORE CONSUMER PRICE INDEX (ANNUAL RATE)	41	1.7	1.7	1.6	1.6	1.9	1.9	0.6	1.6	1.9	2.0
3. PCE PRICE INDEX (ANNUAL RATE)	37	3.8	2.7	2.2	1.8	1.7	1.8	1.1	2.6	1.9	2.1
4. CORE PCE PRICE INDEX (ANNUAL RATE)	36	1.5	1.5	1.4	1.5	1.6	1.6	0.8	1.5	1.6	1.8

SOURCE: RESEARCH DEPARTMENT, FEDERAL RESERVE BANK OF PHILADELPHIA. SURVEY OF PROFESSIONAL FORECASTERS, SECOND QUARTER 2011.

TABLE FOUR
ESTIMATED PROBABILITY OF DECLINE IN REAL GDP

ESTIMATED PROBABILITY (CHANCES IN 100)	Q1 2011	Q2 2011	Q3 2011	Q4 2011	Q1 2012
	TO Q2 2011	TO Q3 2011	TO Q4 2011	TO Q1 2012	TO Q2 2012
NUMBER OF FORECASTERS					
10 OR LESS	34	32	27	24	24
11 TO 20	5	9	11	11	10
21 TO 30	2	0	3	6	7
31 TO 40	0	0	0	0	0
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	3
MEAN AND MEDIAN					
MEDIAN PROBABILITY	5.00	8.00	10.00	10.00	10.00
MEAN PROBABILITY	6.96	8.47	10.17	12.16	12.08

NOTE: TOTAL NUMBER OF FORECASTERS REPORTING IS 41.
SOURCE: RESEARCH DEPARTMENT, FEDERAL RESERVE BANK OF PHILADELPHIA.
SURVEY OF PROFESSIONAL FORECASTERS, SECOND QUARTER 2011.

TABLE FIVE
MEAN PROBABILITIES

MEAN PROBABILITY ATTACHED TO POSSIBLE
CIVILIAN UNEMPLOYMENT RATES:
(ANNUAL AVERAGE)

	2011	2012	2013	2014
11.0 PERCENT OR MORE	0.19	0.13	0.15	0.13
10.0 TO 10.9 PERCENT	0.56	0.48	0.49	0.32
9.5 TO 9.9 PERCENT	3.44	1.69	1.35	0.73
9.0 TO 9.4 PERCENT	18.48	6.74	3.29	1.88
8.5 TO 8.9 PERCENT	50.74	22.24	9.21	5.00
8.0 TO 8.4 PERCENT	21.33	31.85	18.59	9.05
7.5 TO 7.9 PERCENT	3.65	26.27	28.82	22.84
7.0 TO 7.4 PERCENT	1.01	7.33	23.31	28.90
6.0 TO 6.9 PERCENT	0.34	2.65	10.32	21.34
LESS THAN 6.0 PERCENT	0.25	0.63	4.48	9.80

MEAN PROBABILITY ATTACHED TO POSSIBLE
PERCENT CHANGES IN REAL GDP:
(ANNUAL-AVERAGE OVER ANNUAL-AVERAGE)

	2010-2011	2011-2012	2012-2013	2013-2014
6.0 OR MORE	0.72	1.03	1.23	1.32
5.0 TO 5.9	1.79	3.31	3.08	3.30
4.0 TO 4.9	6.31	13.78	11.11	10.11
3.0 TO 3.9	27.22	32.02	29.55	33.77
2.0 TO 2.9	49.27	33.19	31.24	26.78
1.0 TO 1.9	10.38	10.31	14.20	14.35
0.0 TO 0.9	2.84	3.87	6.09	6.17
-1.0 TO -0.1	0.91	1.56	2.05	2.60
-2.0 TO -1.1	0.28	0.51	0.69	0.82
-3.0 TO -2.1	0.16	0.25	0.41	0.42
LESS THAN -3.0	0.12	0.17	0.34	0.38

MEAN PROBABILITY ATTACHED TO POSSIBLE
PERCENT CHANGES IN GDP PRICE INDEX:
(ANNUAL-AVERAGE OVER ANNUAL-AVERAGE)

	2010-2011	2011-2012
8.0 OR MORE	0.11	0.19
7.0 TO 7.9	0.13	0.26
6.0 TO 6.9	0.22	0.42
5.0 TO 5.9	0.55	0.86
4.0 TO 4.9	1.26	2.50
3.0 TO 3.9	4.80	11.12
2.0 TO 2.9	25.02	30.10
1.0 TO 1.9	53.01	37.07
0.0 TO 0.9	13.63	14.21
WILL DECLINE	1.26	3.27

SOURCE: RESEARCH DEPARTMENT, FEDERAL RESERVE BANK OF PHILADELPHIA.
SURVEY OF PROFESSIONAL FORECASTERS, SECOND QUARTER 2011.

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

MEAN PROBABILITY ATTACHED TO CORE CPI INFLATION:

	10Q4 TO 11Q4	11Q4 TO 12Q4
4 PERCENT OR MORE	0.45	1.47
3.5 TO 3.9 PERCENT	0.82	1.08
3.0 TO 3.4 PERCENT	2.58	4.74
2.5 TO 2.9 PERCENT	7.45	12.05
2.0 TO 2.4 PERCENT	18.55	21.42
1.5 TO 1.9 PERCENT	34.18	30.41
1.0 TO 1.4 PERCENT	25.98	17.79
0.5 TO 0.9 PERCENT	7.45	7.83
0.0 TO 0.4 PERCENT	2.09	2.02
WILL DECLINE	0.45	1.18

MEAN PROBABILITY ATTACHED TO CORE PCE INFLATION:

	10Q4 TO 11Q4	11Q4 TO 12Q4
4 PERCENT OR MORE	0.19	0.27
3.5 TO 3.9 PERCENT	0.28	0.76
3.0 TO 3.4 PERCENT	0.66	3.12
2.5 TO 2.9 PERCENT	3.10	9.94
2.0 TO 2.4 PERCENT	17.14	17.94
1.5 TO 1.9 PERCENT	37.41	33.76
1.0 TO 1.4 PERCENT	28.92	22.54
0.5 TO 0.9 PERCENT	9.10	8.21
0.0 TO 0.4 PERCENT	2.70	2.82
WILL DECLINE	0.51	0.64

SOURCE: RESEARCH DEPARTMENT, FEDERAL RESERVE BANK OF PHILADELPHIA.
 SURVEY OF PROFESSIONAL FORECASTERS, SECOND QUARTER 2011.

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

ANNUAL AVERAGE OVER THE NEXT 5 YEARS: 2011-2015

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CPI INFLATION RATE		PCE INFLATION RATE	
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MINIMUM	0.86	MINIMUM	0.40
LOWER QUARTILE	2.10	LOWER QUARTILE	1.88
MEDIAN	2.35	MEDIAN	2.20
UPPER QUARTILE	2.70	UPPER QUARTILE	2.50
MAXIMUM	4.20	MAXIMUM	3.90
MEAN	2.45	MEAN	2.20
STD. DEVIATION	0.67	STD. DEVIATION	0.66
N	39	N	35
MISSING	5	MISSING	9

ANNUAL AVERAGE OVER THE NEXT 10 YEARS: 2011-2020

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CPI INFLATION RATE		PCE INFLATION RATE	
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MINIMUM	0.72	MINIMUM	0.66
LOWER QUARTILE	2.10	LOWER QUARTILE	1.95
MEDIAN	2.40	MEDIAN	2.27
UPPER QUARTILE	2.70	UPPER QUARTILE	2.60
MAXIMUM	5.80	MAXIMUM	5.60
MEAN	2.57	MEAN	2.40
STD. DEVIATION	0.84	STD. DEVIATION	0.82
N	35	N	31
MISSING	9	MISSING	13

SOURCE: RESEARCH DEPARTMENT, FEDERAL RESERVE BANK OF PHILADELPHIA.
SURVEY OF PROFESSIONAL FORECASTERS, SECOND QUARTER 2011.