Federal Reserve Bank of Philadelphia

SURVEY OF
PROFESSIONAL FORECASTERS
FIRST QUARTER 2014

DEADLINE: February 7, 2014

E-mail to: phil.spf@phil.frb.org

DATE ON WHICH THIS
FORECAST WAS MADE ....

NAME ....

COMPANY ....

ADDRESS ....

....

....

PHONE ....

E-MAIL ....

INSTRUCTIONS

Please e-mail this survey to phil.spf@phil.frb.org no later than February 7, 2014. Questions about the survey should be directed to Tom Stark at (215) 574-6436 or John Chew at (215) 574-3814.

Recent data for the variables to be forecast are given on an attached sheet, with figures for the most recent quarter printed in the first column of the table on the next page (there are figures for the past year listed as well). If you use these figures in preparing your forecast, leave them as they are; otherwise, insert your own figures.

For monthly data, use quarterly averages.

For some variables, you may record your responses in growth rates or levels, but you must provide a level for 2013:Q4 for quarterly data and for 2013 annual data. These variables are denoted with a blank cell under the column header "L/G"; type "L" if you forecast in levels, or "G" if you forecast in growth rates. Please be consistent--if you forecast in growth rates for quarterly data, also forecast in growth rates for annual data.

See the information in the write-up "Data Sources and Descriptions" for details on all the variables.

SPF 2014:Q1

Forecaster:
Date:

Section 1. U.S. Business Indicators

	L / G	Quarterly Data						Annual Data [a]				
	L / G	2013:Q4	2014:Q1	2014:Q2	2014:Q3	2014:Q4	2015:Q1	2013	2014	2015	2016	2017
1. Nominal GDP		17102.5						16802.9				
2. GDP Price Index (Chain)		107.02						106.47				
3. Corporate Prof After Tax		.						.				
4. Civilian Unemp Rate	L	7.0						7.4				
5. Nonfarm Payroll Employment [b]		136747						135927				
6. Industrial Prod Index		101.2						99.6				
7. Housing Starts		1.002						0.928				
8. T-Bill Rate, 3-month	L	0.06						0.06				
9. AAA Corp Bond Yield	L	4.59						4.24				
10. BAA Corp Bond Yield	L	5.36						5.10				
11. Treasury Bond Rate, 10-year	L	2.75						2.35				

[a] If you provide your forecasts in growth rates, your annual forecasts in Sections 1 and 2 should be computed as the growth in annual-average level.

[b] Please provide your forecasts for nonfarm payroll employment either in levels (thousands of jobs, seasonally adjusted) or annualized growth rates.

Do your forecasts for Nonfarm Payrolls include the February 7, 2014 benchmark revision?

Did you use (check one):   **Unrevised Data?**   **Revised Data?**

Section 2. Real GDP and Its Components

Chain-weighted (2009$)	L / G	Quarterly Data						Annual Data [a]				
	L / G	2013:Q4	2014:Q1	2014:Q2	2014:Q3	2014:Q4	2015:Q1	2013	2014	2015	2016	2017
12. Real GDP		15965.6						15767.1				
13. Real Personal Cons Expenditures		10832.8						10728.2				
14. Real Nonres Fixed Investment		2013.5						1982.1				
15. Real Res Fixed Investment		486.5						486.0				
16. Real Fed Government C & GI		1125.2						1157.5				
17. Real State & Local Govt C & GI		1745.4						1739.7				
18. Real Change in Private Inventories	L	127.2						85.4				
19. Real Net Exports of Goods & Services	L	-370.1						-409.1				

Section 3. CPI and PCE Inflation

	Quarterly Data (Q/Q)						Annual Data (Q4/Q4) [c]			
	2013:Q4	2014:Q1	2014:Q2	2014:Q3	2014:Q4	2015:Q1	2013	2014	2015	2016
20. CPI Inflation Rate	0.9						1.2			
21. Core CPI Inflation Rate	1.6						1.7			
22. PCE Inflation Rate	0.7						0.9			
23. Core PCE Inflation Rate	1.1						1.1			

[c] Annual growth rate forecasts in Section 3 should be computed as a fourth-quarter over fourth-quarter percent change.

Forecaster:

Section 4A. Probabilities of Changes in Real GDP (Y/Y)

Please indicate what probabilities you would attach to the various possible percentage changes (annual-average over annual-average) in chain-weighted real GDP. The probabilities of these alternative forecasts should add up to 100. For the last two years, please provide answers only if you normally forecast out that far.

	Probability of indicated percent change in real (chain-weighted) GDP			
	2013-2014	2014-2015	2015-2016	2016-2017
+6 percent or more				
+5.0 to +5.9 percent				
+4.0 to +4.9 percent				
+3.0 to +3.9 percent				
+2.0 to +2.9 percent				
+1.0 to +1.9 percent				
+0.0 to +0.9 percent				
-1.0 to -0.1 percent				
-2.0 to -1.1 percent				
-3.0 to -2.1 percent				
Decline more than 3 percent				
TOTAL	0	0	0	0

Section 4B. Probabilities of Changes in the GDP Price Index (Y/Y)

Please indicate what probabilities you would attach to the various possible percentage changes (annual-average over annual-average) in the chain-weighted GDP price index. The probabilities of these alternative forecasts should add up to 100.

	Probability of indicated percent change in chain-weighted GDP price index	
	2013-2014	2014-2015
4 percent or more		
3.5 to 3.9 percent		
3.0 to 3.4 percent		
2.5 to 2.9 percent		
2.0 to 2.4 percent		
1.5 to 1.9 percent		
1.0 to 1.4 percent		
0.5 to 0.9 percent		
0.0 to 0.4 percent		
Will decline		
TOTAL	0	0

Section 4C. Probabilities of Civilian Unemployment Rates (Annual Average)

Please indicate what probabilities you would attach to the various possible civilian unemployment rates (annual average). The probabilities of these alternative forecasts should add up to 100. For the last two years, please provide answers only if you normally forecast out that far.

	Probability of indicated civilian unemployment rate			
	2014	2015	2016	2017
9.0 percent or more				
8.0 to 8.9 percent				
7.5 to 7.9 percent				
7.0 to 7.4 percent				
6.5 to 6.9 percent				
6.0 to 6.4 percent				
5.5 to 5.9 percent				
5.0 to 5.4 percent				
4.0 to 4.9 percent				
Less than 4.0 percent				
TOTAL	0	0	0	0

SPF 2014:Q1

Forecaster:

Section 5. Probabilities of Core CPI and Core PCE Inflation (Q4/Q4)

Please indicate what probabilities you would attach to the various possible percentage changes (fourth-quarter over fourth-quarter) this year and the next in the core CPI and the core PCE price index. The probabilities of these alternative forecasts should add up to 100.

	Probability of indicated percent change in core CPI			Probability of indicated percent change in core PCE	
	13Q4-14Q4	14Q4-15Q4		13Q4-14Q4	14Q4-15Q4
4 percent or more			4 percent or more		
3.5 to 3.9 percent			3.5 to 3.9 percent		
3.0 to 3.4 percent			3.0 to 3.4 percent		
2.5 to 2.9 percent			2.5 to 2.9 percent		
2.0 to 2.4 percent			2.0 to 2.4 percent		
1.5 to 1.9 percent			1.5 to 1.9 percent		
1.0 to 1.4 percent			1.0 to 1.4 percent		
0.5 to 0.9 percent			0.5 to 0.9 percent		
0.0 to 0.4 percent			0.0 to 0.4 percent		
Will decline			Will decline		
TOTAL	0	0	TOTAL	0	0

Section 6. Probability of Decline in Real GDP (chain-weighted)

Indicate the probability you would attach to a decline in the level of real GDP (chain-weighted basis, seasonally adjusted) in the next five quarters. Write in a figure that may range from 0 to 100 in each of the cells (100 means a decline in the given quarter is certain, i.e., 100 percent; 0 means there is no chance at all, i.e., 0 percent).

	Probability (out of 100) of decline in real GDP:
Q4 2013 to Q1 2014	
Q1 2014 to Q2 2014	
Q2 2014 to Q3 2014	
Q3 2014 to Q4 2014	
Q4 2014 to Q1 2015	

Section 7. Long-Term Forecasts

Next 5 Years: 2014 to 2018 [Please be consistent with your annual projections in Section 3]

What do you expect to be the annual average over the next 5 years -- 2014-2018:

a. The CPI inflation rate?	
b. The PCE inflation rate?	

Next 10 Years: 2014 to 2023 [Please be consistent with your 5-year inflation projections above]

What do you expect to be the annual average over the next 10 years -- 2014-2023:

c. The CPI inflation rate?	
d. The PCE inflation rate?	
e. Real GDP growth rate (chain-weighted basis)?	
f. Productivity growth (output per hour, chained-weighted)?	
g. Stock return (S&P 500)?	
h. Yield on 10-year constant maturity Treasury bonds (*)?	
i. Bill returns (3-month T-bills)?	

* This should be the average of your annual forecasts for the current and following nine years. Please be consistent with the annual forecasts you reported for the 10-year Treasury rate in Section 1 (variable #11).

Your Implied Forward Inflation Projections

**Based on your annual projections in Section 3 and the five-year projections in Section 7,
your implied annual-average inflation projections over the two-year period, 2017-2018, are shown below.**

Two-Year Annual-Average Inflation Projections in Years 2017-2018

The CPI inflation rate	Not Available
The PCE inflation rate	Not Available

**Based on your five-year and 10-year projections in Section 7,
your implied annual-average inflation projections over the 5-year period, 2019-2023, are shown below.**

Five-Year Annual-Average Inflation Projections in Years 2019-2023

The CPI inflation rate	Not Available
The PCE inflation rate	Not Available

SPF 2014:Q1

Forecaster:

Section 8. Special Question on House Prices

If you normally forecast house prices, please tell us your projections for the average growth in 2014 and 2015 on a fourth-quarter over fourth-quarter basis (annualized percentage points).

Please provide a projection (for one or more indexes) only if you normally forecast the index and indicate your primary measure of house prices.

	Please indicate your primary measure with an "X"	2013 Q4 to 2014 Q4 (pct points)	2014 Q4 to 2015 Q4 (pct points)
S&P/Case-Shiller: U.S. National			
S&P/Case-Shiller: Composite 10			
S&P/Case-Shiller: Composite 20			
FHFA: U.S. Total			
FHFA: Purchase Only			
CoreLogic: National HPI, incl Distressed Sales (Single Family Combined)			
NAR Median: Total Existing			
Other (list index name in this cell)			