



SURVEY OF PROFESSIONAL FORECASTERS

Release Date: November 17, 2014

FOURTH QUARTER 2014

Steady Outlook for Growth with Improved Outlook for Labor Market

The outlook for growth in the U.S. economy over the next four years is little changed from the survey of three months ago, according to 42 forecasters surveyed by the Federal Reserve Bank of Philadelphia. The forecasters predict real GDP will grow at an annual rate of 2.7 percent this quarter and 2.8 percent next quarter. On an annual-average over annual-average basis, real GDP will grow 2.2 percent in 2014, up slightly from the previous estimate of 2.1 percent. The forecasters predict real GDP will grow 3.0 percent in 2015, 2.9 percent in 2016, and 2.7 percent in 2017.

An improved outlook for the unemployment rate accompanies the outlook for growth. The forecasters predict the unemployment rate will be an annual average of 6.2 percent in 2014, before falling to 5.6 percent in 2015, 5.4 percent in 2016, and 5.2 percent in 2017. The projections for 2014, 2015, and 2017 are a little below those of the last survey. The projection for 2016 remains unchanged.

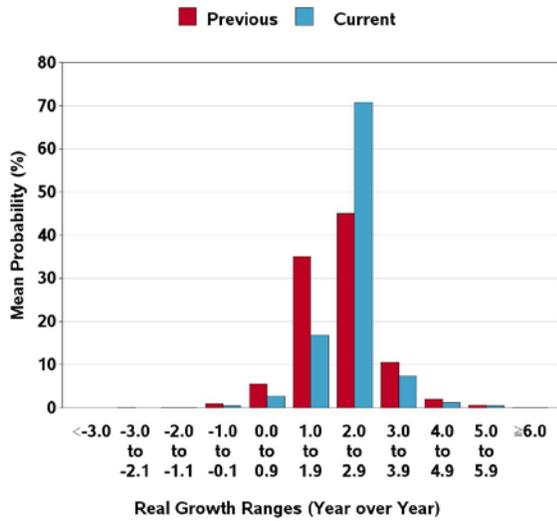
On the jobs front, the panelists have revised upward their estimates for job gains in the next two quarters. The forecasters see nonfarm payroll employment growing at a rate of 221,600 jobs per month this quarter and 211,200 jobs per month next quarter. The forecasters' projections for the annual-average level of nonfarm payroll employment suggest job gains at a monthly rate of 206,400 in 2014 and 212,300 in 2015, 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.)

Median Forecasts for Selected Variables in the Current and Previous Surveys

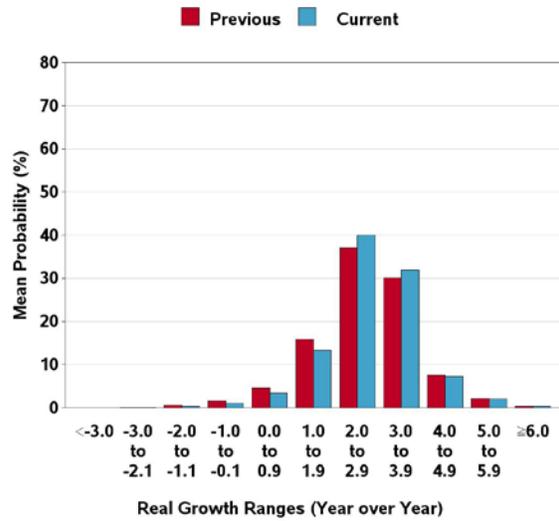
	Real GDP (%)		Unemployment Rate (%)		Payrolls (000s/month)	
	Previous	New	Previous	New	Previous	New
Quarterly data:						
2014:Q4	3.1	2.7	6.0	5.9	211.2	221.6
2015:Q1	3.1	2.8	5.8	5.8	208.3	211.2
2015:Q2	3.1	3.1	5.8	5.7	209.2	195.4
2015:Q3	3.0	2.8	5.6	5.6	200.7	208.0
2015:Q4	N.A.	3.0	N.A.	5.5	N.A.	201.3
Annual data (projections are based on annual-average levels):						
2014	2.1	2.2	6.3	6.2	204.8	206.4
2015	3.1	3.0	5.7	5.6	214.0	212.3
2016	2.9	2.9	5.4	5.4	N.A.	N.A.
2017	2.8	2.7	5.3	5.2	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 charts show that the estimates of uncertainty about growth in 2015, 2016, and 2017 are nearly the same as those of the previous survey.

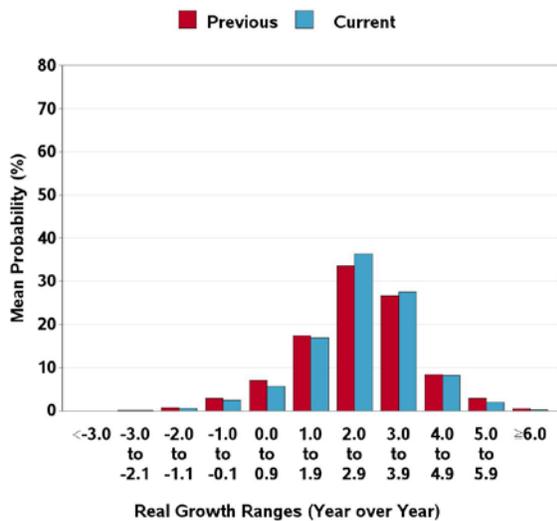
Mean Probabilities for Real GDP Growth in 2014



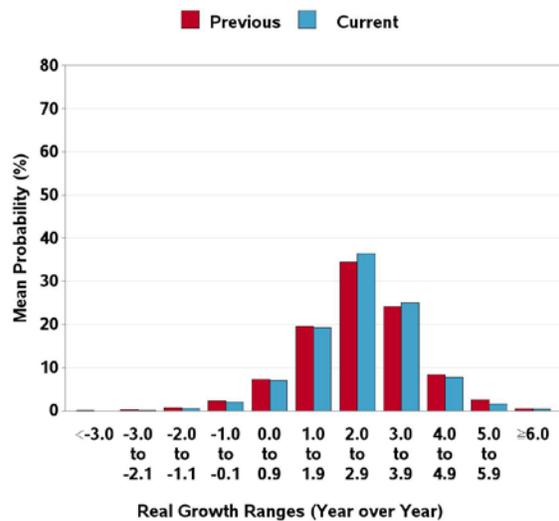
Mean Probabilities for Real GDP Growth in 2015



Mean Probabilities for Real GDP Growth in 2016

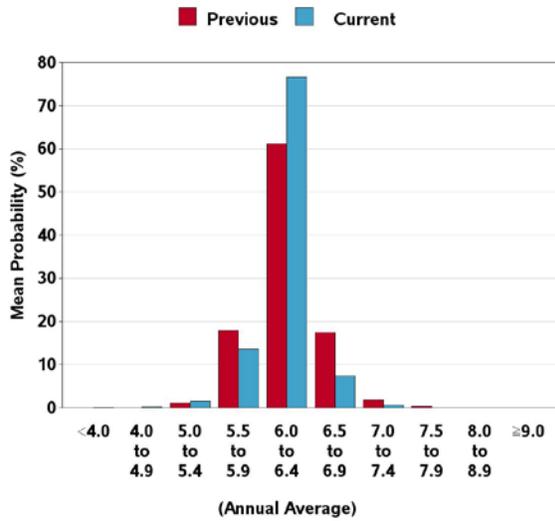


Mean Probabilities for Real GDP Growth in 2017

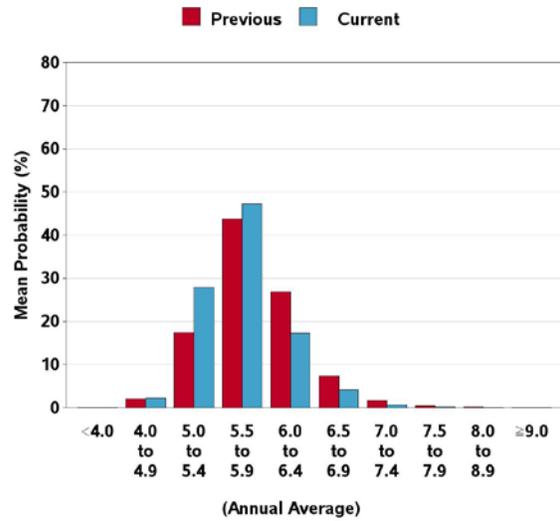


The forecasters' density projections for unemployment, shown below, shed light on uncertainty about the labor market over the next four years. Each chart for unemployment presents the forecasters' current estimates of the probability that unemployment will fall into each of the 10 ranges. The charts show the forecasters have revised upward their estimates of the probability that the annual-average unemployment rate will fall into the lower levels of unemployment outcomes in 2015, 2016, and 2017.

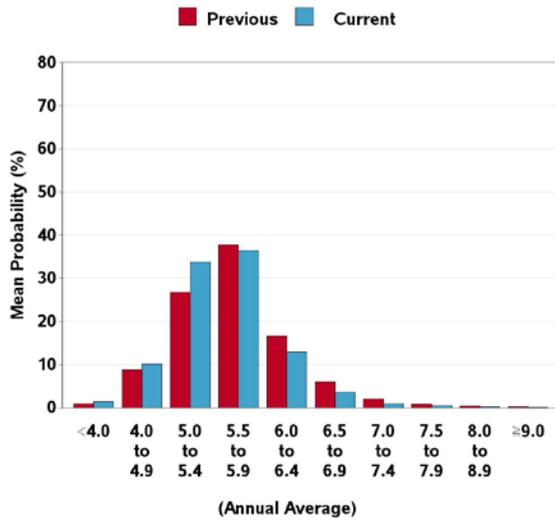
Mean Probabilities for Unemployment Rate in 2014



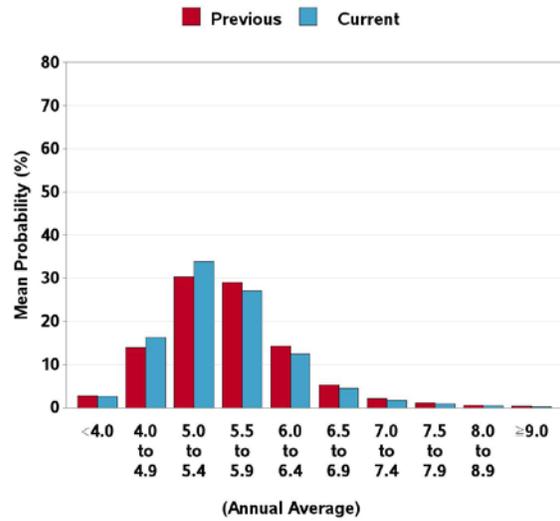
Mean Probabilities for Unemployment Rate in 2015



Mean Probabilities for Unemployment Rate in 2016



Mean Probabilities for Unemployment Rate in 2017



Forecasters Project Lower Inflation

The current forecasts for the headline and core measures of CPI and PCE inflation during the next three years are lower now than they were in the previous survey.

The forecasters expect current-quarter headline CPI inflation to average 1.0 percent, lower than the last survey's estimate of 2.0 percent. The forecasters predict current-quarter headline PCE inflation of 1.2 percent, lower than the prediction of 1.9 percent in the survey of three months ago.

The forecasters also see lower headline and core measures of CPI and PCE inflation in 2015 and 2016. Measured on a fourth-quarter over fourth-quarter basis, headline CPI inflation is expected to average 1.9 percent in 2015, down from 2.2 percent in the last survey, and 2.1 percent in 2016, down 0.2 percentage point from the previous estimate. Forecasters expect fourth-quarter over fourth-quarter headline PCE inflation to average 1.8 percent in 2015, down from 2.0 percent in the last survey, and 1.9 percent in 2016, down 0.1 percentage point from the previous estimate.

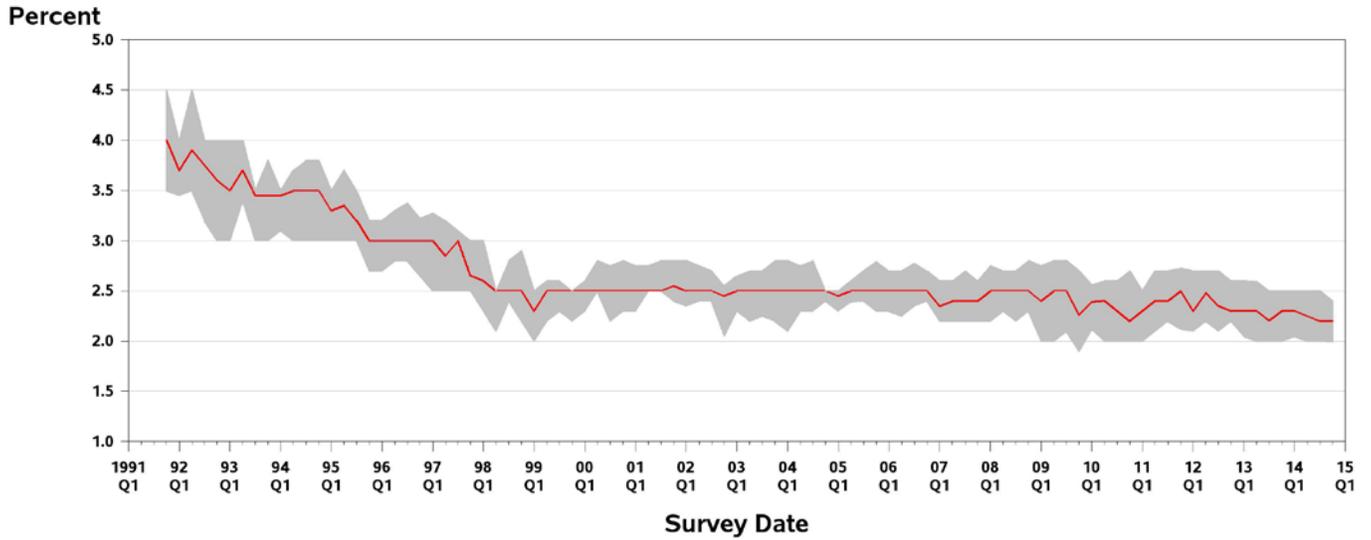
Ten-year annual-average CPI and PCE inflation are projected to be 2.20 percent and 2.00 percent, respectively, the same rates the forecasters predicted in the last survey.

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

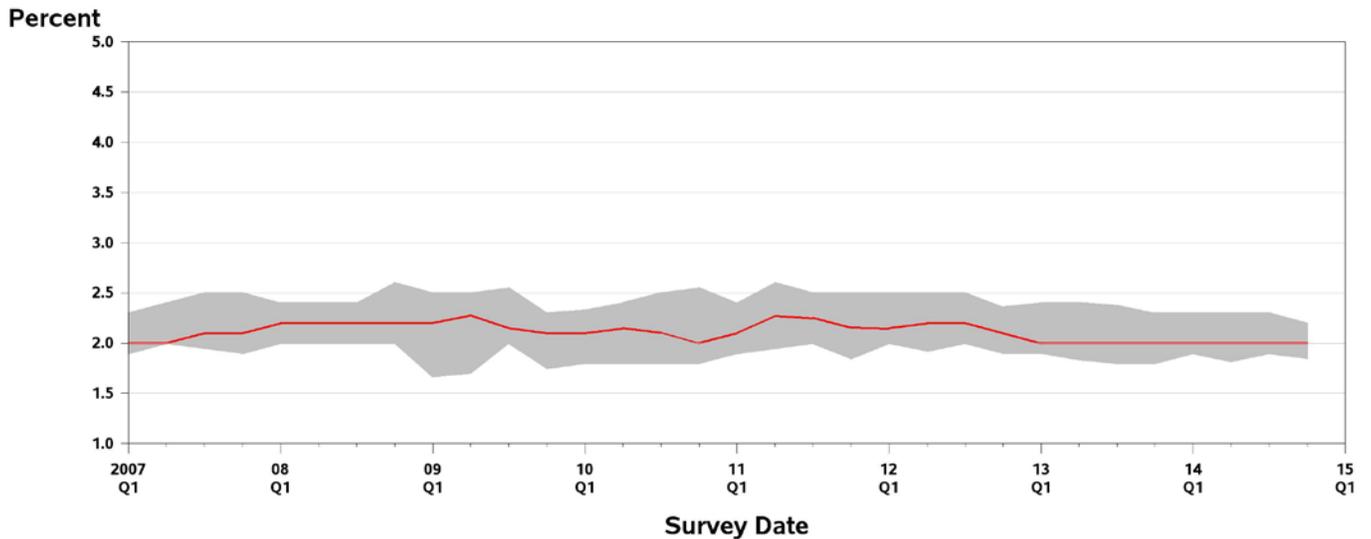
	Headline CPI		Core CPI		Headline PCE		Core PCE	
	Previous	Current	Previous	Current	Previous	Current	Previous	Current
Quarterly								
2014:Q4	2.0	1.0	2.1	1.7	1.9	1.2	1.9	1.6
2015:Q1	2.1	1.8	2.1	1.9	2.0	1.7	1.9	1.7
2015:Q2	2.2	1.9	2.2	1.9	2.0	1.8	2.0	1.7
2015:Q3	2.1	2.0	2.1	1.9	2.0	1.8	1.9	1.8
2015:Q4	N.A.	2.0	N.A.	2.0	N.A.	1.9	N.A.	1.8
Q4/Q4 Annual Averages								
2014	2.3	1.8	2.1	1.8	1.8	1.5	1.7	1.5
2015	2.2	1.9	2.1	2.0	2.0	1.8	1.9	1.8
2016	2.3	2.1	2.2	2.0	2.0	1.9	1.9	1.8
Long-Term Annual Averages								
2014-2018	2.20	2.09	N.A.	N.A.	2.00	1.90	N.A.	N.A.
2014-2023	2.20	2.20	N.A.	N.A.	2.00	2.00	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 the projections for 10-year annual-average CPI and PCE inflation. The top and bottom panels highlight the unchanged 10-year forecast for CPI and PCE inflation, at 2.2 and 2.0 percent, respectively.

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

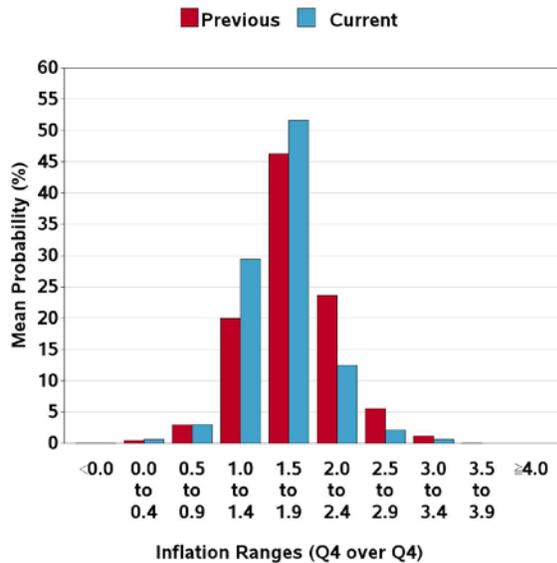


Projections for the 10-Year Annual-Average Rate of PCE Inflation (Median and Interquartile Range)

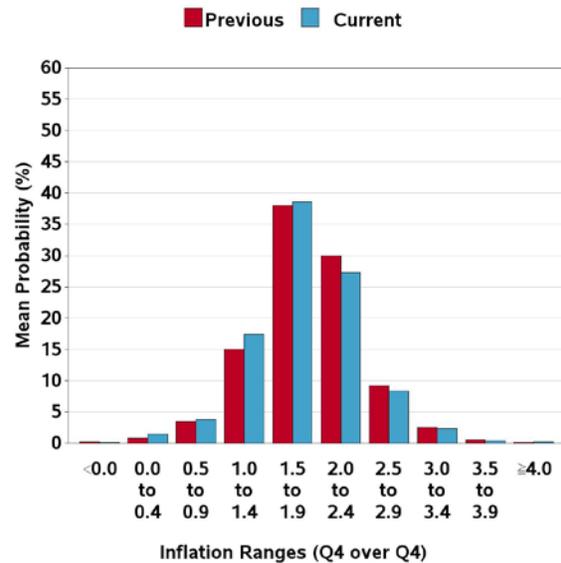


The figures below show the probabilities that the forecasters are assigning to the possibility that fourth-quarter over fourth-quarter core PCE inflation in 2014 and 2015 will fall into each of 10 ranges. For both 2014 and 2015, the forecasters assign a higher chance than previously that core PCE inflation will fall in the lower levels of inflation outcomes.

Mean Probabilities for Core PCE Inflation in 2014



Mean Probabilities for Core PCE Inflation in 2015



Lower Risk of a Negative Quarter

The forecasters see only a small chance of a contraction in real GDP in any of the next five quarters. For the current quarter, they predict an 8.1 percent chance of negative growth, down from 9.7 percent in the previous survey.

Risk of a Negative Quarter (%)
Survey Means

Quarterly data:	Previous	New
2014:Q4	9.7	8.1
2015:Q1	11.3	10.3
2015:Q2	11.9	11.4
2015:Q3	13.5	12.6
2015:Q4	N.A.	13.5

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

Lewis Alexander, Nomura Securities; **Scott Anderson**, Bank of the West (BNP Paribas Group); **Robert J. Barbera**, Johns Hopkins University Center for Financial Economics; **Peter Bernstein**, RCF Economic and Financial Consulting, Inc.; **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; **Nathaniel Curtis**, Navigant Consulting; **Gregory Daco**, Oxford Economics USA, Inc.; **Rajeev Dhawan**, Georgia State University; **Michael R. Englund**, Action Economics, LLC; **Matthew Hall** and **Daniil Manaenkov**, RSQE, University of Michigan; **James Glassman**, JPMorgan Chase & Co.; **Jan Hatzius**, Goldman Sachs; **Keith Hembre**, Nuveen Asset Management; **Peter Hooper**, Deutsche Bank Securities, Inc.; **IHS Global Insight**; **Fred Joutz**, Benchmark Forecasts and Research Program on Forecasting, George Washington University; **Sam Kahan**, Kahan Consulting Ltd. (ACT Research LLC); **N. Karp**, BBVA Compass; **Walter Kemmsies**, Moffatt & Nichol; **Jack Kleinhenz**, Kleinhenz & Associates, Inc.; **Thomas Lam**, OSK-DMG/RHB; **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; **R. Anthony Metz**, Pareto Optimal Economics; **Michael Moran**, Daiwa Capital Markets America; **Joel L. Naroff**, Naroff Economic Advisors; **Luca Noto**, Anima Sgr; **Brendon Ogmundson**, BC Real Estate Association; **Tom Porcelli**, RBC Capital Markets; **Arun Raha**, Eaton Corporation; **Martin A. Regalia**, U.S. Chamber of Commerce; **Vincent Reinhart**, Morgan Stanley; **Philip Rothman**, East Carolina University; **Chris Rupkey**, Bank of Tokyo-Mitsubishi UFJ; **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; **Neal Soss**, Credit Suisse; **Stephen Stanley**, Amherst Pierpont Securities; **Charles Steindel**, Ramapo College of New Jersey; **Susan M. Sterne**, Economic Analysis Associates, Inc.; **Thomas Kevin Swift**, American Chemistry Council; **Gary A. Wagner** and **Larry Filer**, Old Dominion University; **Richard Yamarone**, Bloomberg, LP; **Mark Zandi**, Moody's Analytics.

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

	2014 Q4	2015 Q1	2015 Q2	2015 Q3	2015 Q4	2014	2015 (YEAR-OVER-YEAR)	2016	2017
PERCENT GROWTH AT ANNUAL RATES									
1. REAL GDP (BILLIONS, CHAIN WEIGHTED)	2.7	2.8	3.1	2.8	3.0	2.2	3.0	2.9	2.7
2. GDP PRICE INDEX (PERCENT CHANGE)	1.6	1.7	2.1	1.8	1.8	1.6	1.8	N.A.	N.A.
3. NOMINAL GDP (\$ BILLIONS)	4.3	4.6	4.7	4.8	4.8	3.8	4.8	N.A.	N.A.
4. NONFARM PAYROLL EMPLOYMENT (PERCENT CHANGE) (AVG MONTHLY CHANGE)	1.9 221.6	1.8 211.2	1.7 195.4	1.8 208.0	1.7 201.3	1.8 206.4	1.8 212.3	N.A. N.A.	N.A. N.A.
VARIABLES IN LEVELS									
5. UNEMPLOYMENT RATE (PERCENT)	5.9	5.8	5.7	5.6	5.5	6.2	5.6	5.4	5.2
6. 3-MONTH TREASURY BILL (PERCENT)	0.0	0.1	0.1	0.3	0.6	0.0	0.3	1.6	2.6
7. 10-YEAR TREASURY BOND (PERCENT)	2.4	2.6	2.8	3.0	3.2	2.6	2.9	3.4	3.9
	2014 Q4	2015 Q1	2015 Q2	2015 Q3	2015 Q4	2014	2015 (Q4-OVER-Q4)	2016	
INFLATION INDICATORS									
8. CPI (ANNUAL RATE)	1.0	1.8	1.9	2.0	2.0	1.8	1.9	2.1	
9. CORE CPI (ANNUAL RATE)	1.7	1.9	1.9	1.9	2.0	1.8	2.0	2.0	
10. PCE (ANNUAL RATE)	1.2	1.7	1.8	1.8	1.9	1.5	1.8	1.9	
11. CORE PCE (ANNUAL RATE)	1.6	1.7	1.7	1.8	1.8	1.5	1.8	1.8	

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

SOURCE: RESEARCH DEPARTMENT, FEDERAL RESERVE BANK OF PHILADELPHIA.
SURVEY OF PROFESSIONAL FORECASTERS, FOURTH QUARTER 2014.

SURVEY OF PROFESSIONAL FORECASTERS

Fourth Quarter 2014

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 October 30; the tables do not reflect subsequent revisions to the data. All forecasts were received on or before November 10, 2014.

TABLE ONE
MAJOR MACROECONOMIC INDICATORS
MEDIANS OF FORECASTER PREDICTIONS

	NUMBER OF FORECASTERS	ACTUAL		FORECAST				ACTUAL		FORECAST		
		2014 Q3	2014 Q4	2015 Q1	2015 Q2	2015 Q3	2015 Q4	2013 ANNUAL	2014 ANNUAL	2015 ANNUAL	2016 ANNUAL	2017 ANNUAL
1. GROSS DOMESTIC PRODUCT (GDP) (\$ BILLIONS)	40	17535	17722	17922	18130	18341	18557	16768	17407	18238	N.A.	N.A.
2. GDP PRICE INDEX (2009=100)	41	108.61	109.05	109.51	110.07	110.57	111.08	106.74	108.40	110.30	N.A.	N.A.
3. CORPORATE PROFITS AFTER TAXES (\$ BILLIONS)	20	N.A.	1567.9	1600.8	1628.7	1672.8	1693.3	1632.6	1495.1	1648.3	N.A.	N.A.
4. UNEMPLOYMENT RATE (PERCENT)	42	6.1	5.9	5.8	5.7	5.6	5.5	7.4	6.2	5.6	5.4	5.2
5. NONFARM PAYROLL EMPLOYMENT (THOUSANDS)	38	139210	139875	140508	141095	141719	142323	136363	138840	141388	N.A.	N.A.
6. INDUSTRIAL PRODUCTION (2007=100)	35	104.4	105.5	106.3	107.2	108.1	108.9	99.9	103.9	107.6	N.A.	N.A.
7. NEW PRIVATE HOUSING STARTS (ANNUAL RATE, MILLIONS)	38	1.02	1.05	1.10	1.14	1.18	1.23	0.93	1.00	1.16	N.A.	N.A.
8. 3-MONTH TREASURY BILL RATE (PERCENT)	39	0.03	0.04	0.05	0.11	0.31	0.61	0.06	0.04	0.28	1.60	2.60
9. AAA CORPORATE BOND YIELD (PERCENT)	31	4.12	4.10	4.20	4.35	4.45	4.60	4.24	4.20	4.40	N.A.	N.A.
10. BAA CORPORATE BOND YIELD (PERCENT)	31	4.74	4.80	4.90	5.05	5.20	5.30	5.10	4.86	5.11	N.A.	N.A.
11. 10-YEAR TREASURY BOND YIELD (PERCENT)	40	2.50	2.41	2.60	2.79	3.00	3.15	2.35	2.58	2.86	3.43	3.94
12. REAL GDP (BILLIONS, CHAIN WEIGHTED)	40	16151	16259	16370	16495	16609	16732	15710	16062	16551	17026	17483
13. TOTAL CONSUMPTION EXPENDITURE (BILLIONS, CHAIN WEIGHTED)	37	10960.9	11031.5	11106.3	11174.6	11244.3	11319.6	10699.7	10937.2	11209.9	N.A.	N.A.
14. NONRESIDENTIAL FIXED INVESTMENT (BILLIONS, CHAIN WEIGHTED)	36	2127.7	2158.9	2190.4	2223.0	2253.2	2284.4	1990.6	2109.8	2237.6	N.A.	N.A.
15. RESIDENTIAL FIXED INVESTMENT (BILLIONS, CHAIN WEIGHTED)	36	497.9	506.1	516.3	527.7	538.5	548.9	488.4	496.3	532.8	N.A.	N.A.
16. FEDERAL GOVERNMENT C & I (BILLIONS, CHAIN WEIGHTED)	36	1141.6	1139.2	1138.7	1142.7	1143.0	1144.0	1145.3	1127.7	1140.6	N.A.	N.A.
17. STATE AND LOCAL GOVT C & I (BILLIONS, CHAIN WEIGHTED)	36	1770.6	1776.0	1780.1	1784.0	1789.0	1794.3	1748.5	1765.3	1786.1	N.A.	N.A.
18. CHANGE IN PRIVATE INVENTORIES (BILLIONS, CHAIN WEIGHTED)	36	62.8	62.4	59.9	55.0	56.8	56.0	63.6	61.4	55.3	N.A.	N.A.
19. NET EXPORTS (BILLIONS, CHAIN WEIGHTED)	36	-409.9	-417.1	-425.0	-435.7	-442.1	-445.5	-420.5	-433.7	-438.9	N.A.	N.A.

SOURCE: RESEARCH DEPARTMENT, FEDERAL RESERVE BANK OF PHILADELPHIA. SURVEY OF PROFESSIONAL FORECASTERS, FOURTH QUARTER 2014.

TABLE TWO
MAJOR MACROECONOMIC INDICATORS
PERCENTAGE CHANGES AT ANNUAL RATES

	NUMBER OF FORECASTERS	Q3 2014	Q4 2014	Q1 2015	Q2 2015	Q3 2015	2013	2014	2015	2016
		TO Q4 2014	TO Q1 2015	TO Q2 2015	TO Q3 2015	TO Q4 2015	TO 2014	TO 2015	TO 2016	TO 2017
1. GROSS DOMESTIC PRODUCT (GDP) (\$ BILLIONS)	40	4.3	4.6	4.7	4.8	4.8	3.8	4.8	N.A.	N.A.
2. GDP PRICE INDEX (2009=100)	41	1.6	1.7	2.1	1.8	1.8	1.6	1.8	N.A.	N.A.
3. CORPORATE PROFITS AFTER TAXES (\$ BILLIONS)	20	11.8	8.7	7.2	11.3	5.0	-8.4	10.2	N.A.	N.A.
4. UNEMPLOYMENT RATE (PERCENT)	42	-0.2	-0.1	-0.1	-0.1	-0.1	-1.2	-0.6	-0.2	-0.2
5. NONFARM PAYROLL EMPLOYMENT (PERCENT CHANGE)	38	1.9	1.8	1.7	1.8	1.7	1.8	1.8	N.A.	N.A.
(AVG MONTHLY CHANGE)	38	221.6	211.2	195.4	208.0	201.3	206.4	212.3	N.A.	N.A.
6. INDUSTRIAL PRODUCTION (2007=100)	35	4.1	3.2	3.5	3.2	3.2	4.0	3.6	N.A.	N.A.
7. NEW PRIVATE HOUSING STARTS (ANNUAL RATE, MILLIONS)	38	8.9	21.0	15.4	16.6	16.6	7.1	16.6	N.A.	N.A.
8. 3-MONTH TREASURY BILL RATE (PERCENT)	39	0.01	0.01	0.06	0.20	0.31	-0.02	0.24	1.32	1.00
9. AAA CORPORATE BOND YIELD (PERCENT)	31	-0.02	0.10	0.15	0.10	0.15	-0.04	0.20	N.A.	N.A.
10. BAA CORPORATE BOND YIELD (PERCENT)	31	0.06	0.10	0.15	0.15	0.10	-0.24	0.25	N.A.	N.A.
11. 10-YEAR TREASURY BOND YIELD (PERCENT)	40	-0.09	0.19	0.19	0.21	0.15	0.23	0.28	0.57	0.51
12. REAL GDP (BILLIONS, CHAIN WEIGHTED)	40	2.7	2.8	3.1	2.8	3.0	2.2	3.0	2.9	2.7
13. TOTAL CONSUMPTION EXPENDITURE (BILLIONS, CHAIN WEIGHTED)	37	2.6	2.7	2.5	2.5	2.7	2.2	2.5	N.A.	N.A.
14. NONRESIDENTIAL FIXED INVESTMENT (BILLIONS, CHAIN WEIGHTED)	36	6.0	6.0	6.1	5.5	5.6	6.0	6.1	N.A.	N.A.
15. RESIDENTIAL FIXED INVESTMENT (BILLIONS, CHAIN WEIGHTED)	36	6.7	8.4	9.1	8.5	7.9	1.6	7.4	N.A.	N.A.
16. FEDERAL GOVERNMENT C & I (BILLIONS, CHAIN WEIGHTED)	36	-0.8	-0.2	1.4	0.1	0.4	-1.5	1.1	N.A.	N.A.
17. STATE AND LOCAL GOVT C & I (BILLIONS, CHAIN WEIGHTED)	36	1.2	0.9	0.9	1.1	1.2	1.0	1.2	N.A.	N.A.
18. CHANGE IN PRIVATE INVENTORIES (BILLIONS, CHAIN WEIGHTED)	36	-0.4	-2.5	-4.9	1.8	-0.8	-2.1	-6.1	N.A.	N.A.
19. NET EXPORTS (BILLIONS, CHAIN WEIGHTED)	36	-7.2	-7.9	-10.7	-6.4	-3.4	-13.2	-5.3	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, FOURTH QUARTER 2014.

TABLE THREE
 MAJOR PRICE INDICATORS
 MEDIANS OF FORECASTER PREDICTIONS

	NUMBER OF FORECASTERS	ACTUAL	FORECAST(Q/Q)					ACTUAL	FORECAST(Q4/Q4)		
		2014 Q3	2014 Q4	2015 Q1	2015 Q2	2015 Q3	2015 Q4	2013 ANNUAL	2014 ANNUAL	2015 ANNUAL	2016 ANNUAL
1. CONSUMER PRICE INDEX (ANNUAL RATE)	40	1.1	1.0	1.8	1.9	2.0	2.0	1.2	1.8	1.9	2.1
2. CORE CONSUMER PRICE INDEX (ANNUAL RATE)	38	1.3	1.7	1.9	1.9	1.9	2.0	1.7	1.8	2.0	2.0
3. PCE PRICE INDEX (ANNUAL RATE)	36	1.2	1.2	1.7	1.8	1.8	1.9	1.0	1.5	1.8	1.9
4. CORE PCE PRICE INDEX (ANNUAL RATE)	35	1.4	1.6	1.7	1.7	1.8	1.8	1.3	1.5	1.8	1.8

SOURCE: RESEARCH DEPARTMENT, FEDERAL RESERVE BANK OF PHILADELPHIA. SURVEY OF PROFESSIONAL FORECASTERS, FOURTH QUARTER 2014.

TABLE FOUR
ESTIMATED PROBABILITY OF DECLINE IN REAL GDP

ESTIMATED PROBABILITY (CHANCES IN 100)	Q3 2014	Q4 2014	Q1 2015	Q2 2015	Q3 2015
	TO Q4 2014	TO Q1 2015	TO Q2 2015	TO Q3 2015	TO Q4 2015
NUMBER OF FORECASTERS					
10 OR LESS	30	28	23	20	18
11 TO 20	6	6	9	10	12
21 TO 30	1	3	5	5	5
31 TO 40	0	0	0	1	1
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	5	5	5	6	6
MEAN AND MEDIAN					
MEDIAN PROBABILITY	7.60	10.00	10.00	10.00	11.00
MEAN PROBABILITY	8.12	10.32	11.39	12.59	13.51

NOTE: TOTAL NUMBER OF FORECASTERS REPORTING IS 37.
SOURCE: RESEARCH DEPARTMENT, FEDERAL RESERVE BANK OF PHILADELPHIA.
SURVEY OF PROFESSIONAL FORECASTERS, FOURTH QUARTER 2014.

TABLE FIVE
MEAN PROBABILITIES

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

	2014	2015	2016	2017
9.0 PERCENT OR MORE	0.00	0.11	0.13	0.26
8.0 TO 8.9 PERCENT	0.00	0.13	0.19	0.44
7.5 TO 7.9 PERCENT	0.00	0.18	0.42	0.89
7.0 TO 7.4 PERCENT	0.54	0.67	0.96	1.67
6.5 TO 6.9 PERCENT	7.43	4.13	3.62	4.51
6.0 TO 6.4 PERCENT	76.71	17.35	12.85	12.40
5.5 TO 5.9 PERCENT	13.59	47.23	36.49	27.10
5.0 TO 5.4 PERCENT	1.50	27.85	33.82	33.90
4.0 TO 4.9 PERCENT	0.18	2.27	10.16	16.20
LESS THAN 4.0 PERCENT	0.05	0.08	1.37	2.61

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

	2013-2014	2014-2015	2015-2016	2016-2017
6.0 OR MORE	0.06	0.38	0.25	0.39
5.0 TO 5.9	0.42	2.06	2.00	1.55
4.0 TO 4.9	1.29	7.26	8.18	7.68
3.0 TO 3.9	7.36	31.96	27.61	24.98
2.0 TO 2.9	70.77	40.04	36.26	36.42
1.0 TO 1.9	16.85	13.33	16.96	19.20
0.0 TO 0.9	2.69	3.47	5.60	7.05
-1.0 TO -0.1	0.42	1.01	2.46	2.04
-2.0 TO -1.1	0.10	0.34	0.60	0.61
-3.0 TO -2.1	0.04	0.14	0.07	0.08
LESS THAN -3.0	0.00	0.00	0.01	0.01

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

	2013-2014	2014-2015
4.0 OR MORE	0.02	0.11
3.5 TO 3.9	0.05	0.53
3.0 TO 3.4	0.40	1.48
2.5 TO 2.9	2.13	6.80
2.0 TO 2.4	11.47	28.13
1.5 TO 1.9	61.56	39.70
1.0 TO 1.4	19.98	16.50
0.5 TO 0.9	3.22	5.04
0.0 TO 0.4	0.94	1.45
WILL DECLINE	0.22	0.27

SOURCE: RESEARCH DEPARTMENT, FEDERAL RESERVE BANK OF PHILADELPHIA.
SURVEY OF PROFESSIONAL FORECASTERS, FOURTH QUARTER 2014.

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

MEAN PROBABILITY ATTACHED TO CORE CPI INFLATION:

	13Q4 TO 14Q4	14Q4 TO 15Q4
4 PERCENT OR MORE	0.09	0.40
3.5 TO 3.9 PERCENT	0.27	0.67
3.0 TO 3.4 PERCENT	0.86	3.21
2.5 TO 2.9 PERCENT	3.29	13.82
2.0 TO 2.4 PERCENT	19.82	32.81
1.5 TO 1.9 PERCENT	60.21	33.80
1.0 TO 1.4 PERCENT	12.74	10.89
0.5 TO 0.9 PERCENT	1.91	2.76
0.0 TO 0.4 PERCENT	0.53	1.10
WILL DECLINE	0.28	0.52

MEAN PROBABILITY ATTACHED TO CORE PCE INFLATION:

	13Q4 TO 14Q4	14Q4 TO 15Q4
4 PERCENT OR MORE	0.00	0.19
3.5 TO 3.9 PERCENT	0.01	0.41
3.0 TO 3.4 PERCENT	0.62	2.35
2.5 TO 2.9 PERCENT	2.15	8.36
2.0 TO 2.4 PERCENT	12.46	27.23
1.5 TO 1.9 PERCENT	51.63	38.58
1.0 TO 1.4 PERCENT	29.45	17.44
0.5 TO 0.9 PERCENT	2.98	3.81
0.0 TO 0.4 PERCENT	0.63	1.52
WILL DECLINE	0.07	0.11

SOURCE: RESEARCH DEPARTMENT, FEDERAL RESERVE BANK OF PHILADELPHIA.
 SURVEY OF PROFESSIONAL FORECASTERS, FOURTH QUARTER 2014.

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

ANNUAL AVERAGE OVER THE NEXT 5 YEARS: 2014-2018

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CPI INFLATION RATE		PCE INFLATION RATE	
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MINIMUM	1.10	MINIMUM	0.90
LOWER QUARTILE	1.80	LOWER QUARTILE	1.80
MEDIAN	2.09	MEDIAN	1.90
UPPER QUARTILE	2.30	UPPER QUARTILE	2.10
MAXIMUM	2.70	MAXIMUM	2.50
MEAN	2.08	MEAN	1.90
STD. DEVIATION	0.34	STD. DEVIATION	0.31
N	36	N	33
MISSING	6	MISSING	9

ANNUAL AVERAGE OVER THE NEXT 10 YEARS: 2014-2023

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CPI INFLATION RATE		PCE INFLATION RATE	
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MINIMUM	1.50	MINIMUM	1.30
LOWER QUARTILE	2.00	LOWER QUARTILE	1.85
MEDIAN	2.20	MEDIAN	2.00
UPPER QUARTILE	2.40	UPPER QUARTILE	2.20
MAXIMUM	2.90	MAXIMUM	2.50
MEAN	2.19	MEAN	2.01
STD. DEVIATION	0.31	STD. DEVIATION	0.28
N	36	N	33
MISSING	6	MISSING	9

SOURCE: RESEARCH DEPARTMENT, FEDERAL RESERVE BANK OF PHILADELPHIA.
SURVEY OF PROFESSIONAL FORECASTERS, FOURTH QUARTER 2014.