

Federal Reserve Bank of Philadelphia

SURVEY OF PROFESSIONAL FORECASTERS FIRST QUARTER 2007

DEADLINE: February 7, 2007
E-mail to: phil.spf@phil.frb.org

DATE ON WHICH THIS
FORECAST WAS MADE

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NAME

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COMPANY

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ADDRESS

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PHONE

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E-MAIL

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INSTRUCTIONS

Please email this survey to phil.spf@phil.frb.org no later than February 7, 2007. Questions about the survey should be directed to Tom Stark at (215) 574-6436.

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 2006:Q4 for quarterly data and for 2006 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 2007:Q1

Forecaster:

Section 1 U.S. Business Indicators

Date:

	L / G	Quarterly Data						Annual Data ^a		
		2006:Q4	2007:Q1	2007:Q2	2007:Q3	2007:Q4	2008:Q1	2006	2007	2008
1. Nominal GDP		13487.2						13253.9		
2. GDP Price Index (Chain)		116.89						116.05		
3. Corporate Prof After Tax										
4. Civilian Unemp Rate	L	4.5						4.6		
5. Nonfarm Payroll Employment ^b		136051						135374		
6. Industrial Prod Index		112.2						111.3		
7. Housing Starts		1,564						1,819		
8. T-Bill Rate, 3-month	L	4.90						4.73		
9. AAA Corp Bond Yield	L	5.39						5.59		
10. Treasury Bond Rate, 10-year	L	4.63						4.79		

^a If you provide your forecasts in growth rates, your annual forecasts in Section 1 and 2 should be computed with the year-over-year formula.

^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 2, 2007 benchmark revision?

Did you use (check one):

Unrevised Data?

Revised Data?

Section 2 Real GDP and Its Components

Chain-weighted (2000\$)	L / G	Quarterly Data						Annual Data ^a		
		2006:Q4	2007:Q1	2007:Q2	2007:Q3	2007:Q4	2008:Q1	2006	2007	2008
11. Real GDP		11541.6						11422.4		
12. Real Personal Cons Expenditures		8199.2						8092.3		
13. Real Nonres Fixed Investment		1332.8						1314.7		
14. Real Res Fixed Investment		540.7						582.5		
15. Real Fed Government C & GI		747.1						741.9		
16. Real State & Local Govt C & GI		1270.5						1256.8		
17. Real Change in Private Inventories	L	35.3						46.4		
18. Real Net Exports of Goods & Sevc.	L	-581.4						-617.8		

Section 3 CPI and PCE Inflation

	Quarterly Data (Q/Q)						Annual Data (Q4/Q4) ^c			
	2006:Q4	2007:Q1	2007:Q2	2007:Q3	2007:Q4	2008:Q1	2006	2007	2008	2009
19. CPI Inflation Rate	-2.2						2.0			
20. Core CPI Inflation Rate	1.8						2.7			
21. PCE Inflation Rate	-0.8						1.9			
22. Core PCE Inflation Rate	2.1						2.3			

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

Section 4 Probabilities of Changes in Real GDP and the GDP Price Index (Y/Y)

Please indicate what probabilities you would attach to the various possible percentage changes (annual-average over annual-average) this year and the next in chain-weighted real GDP and the chain-weighted GDP price index. The probabilities of these alternative forecasts should, of course, add up to 100, as indicated.

	Probability of indicated percent change in real (chain-weighted) GDP			Probability of indicated percent change in chain-weighted GDP price index	
	2006-2007	2007-2008		2006-2007	2007-2008
+6 percent or more			+8 percent or more		
+5.0 to +5.9 percent			+7.0 to +7.9 percent		
+4.0 to +4.9 percent			+6.0 to +6.9 percent		
+3.0 to +3.9 percent			+5.0 to +5.9 percent		
+2.0 to +2.9 percent			+4.0 to +4.9 percent		
+1.0 to +1.9 percent			+3.0 to +3.9 percent		
+0.0 to +0.9 percent			+2.0 to +2.9 percent		
-1.0 to -0.1 percent			+1.0 to +1.9 percent		
-2.0 to -1.1 percent			+0.0 to +0.9 percent		
Decline more than 2%			Will decline		
TOTAL			TOTAL		

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, of course, add up to 100, as indicated.

	Probability of indicated percent change in core CPI			Probability of indicated percent change in core PCE	
	06Q4-07Q4	07Q4-08Q4		06Q4-07Q4	07Q4-08Q4
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			TOTAL		

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

Indicate the probability you would attach to a decline in 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 2006 to Q1 2007	
Q1 2007 to Q2 2007	
Q2 2007 to Q3 2007	
Q3 2007 to Q4 2007	
Q4 2007 to Q1 2008	

Section 7 Long-Term Forecasts

Next 5 Years: 2007 to 2011

What do you expect to be the annual average over the next 5 years of 2007-2011:

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

Next 10 Years: 2007 to 2016

What do you expect to be the annual average over the next 10 years of 2007-2016:

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. Bond return (10-year Treasuries)?	
i. Bill returns (3-month T-bills)?	