

PRESS RELEASE

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Results of the Q1 2018 ECB Survey of Professional Forecasters

- HICP inflation expectations for 2018 and 2019 revised slightly upwards, while longer-term inflation expectations remained stable at 1.9%.
- Real GDP growth expectations were also revised upwards for 2018 and 2019.
- Unemployment rate expectations were revised downwards at all horizons, and especially so for the longer term.

Respondents to the ECB Survey of Professional Forecasters (SPF) for the first quarter of 2018 reported point forecasts for annual HICP inflation averaging 1.5%, 1.7% and 1.8% for 2018, 2019 and 2020, respectively. This represents upward revisions of 0.1 percentage points for both 2018 and 2019, compared to the previous survey. Average longer-term inflation expectations (which, like all other longer-term expectations in the SPF, referred to 2022) remained stable at 1.9%.

SPF respondents' expectations for real growth in euro area GDP averaged 2.3%, 1.9% and 1.7% for 2018, 2019 and 2020, respectively. This represents upward revisions of 0.4 and 0.2 percentage points for 2018 and 2019, respectively, compared to the previous survey. Average longer-term expectations for real growth in euro area GDP remained unchanged at 1.6%.

Unemployment rate expectations were revised downwards at all horizons, to stand at 8.4%, 7.9% and 7.6% for 2017, 2018 and 2019, respectively, and 7.5% for the longer-term. Downward revisions were larger for the more distant forecast horizons.

Table: Results of the ECB Survey of Professional Forecasters for Q1 2018

(annual percentage changes, unless otherwise indicated)

	Survey horizon	2018	2019	2020	Longer term (1)
HICP inflation					
	SPF Q1 2018	1.5	1.7	1.8	1.9
	<i>Previous SPF (Q4 2017)</i>	1.4	1.6	-	1.9
HICP inflation excluding food and energy					
	SPF Q1 2018	1.2	1.5	1.7	1.8
	<i>Previous SPF (Q4 2017)</i>	1.4	1.5	-	1.8
Real GDP growth					
	SPF Q1 2018	2.3	1.9	1.7	1.6
	<i>Previous SPF (Q4 2017)</i>	1.9	1.7	-	1.6
Unemployment rate (2)					
	SPF Q1 2018	8.4	7.9	7.6	7.5
	<i>Previous SPF (Q4 2017)</i>	8.6	8.2	-	7.9

1) Longer-term expectations refer to 2022.

2) As a percentage of the labour force.

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Notes:

- The SPF is conducted on a quarterly basis and gathers expectations for the rates of inflation, real GDP growth and unemployment in the euro area for several horizons, together with a quantitative assessment of the uncertainty surrounding them. The participants in the survey are experts affiliated with financial or non-financial institutions based within the European Union. The survey results do not represent the views of the ECB's decision-making bodies or its staff. The next Eurosystem staff macroeconomic projections will be published on 8 March 2018.
- Since 2015 the results of the SPF have been published on the ECB's website. For surveys prior to the first quarter of 2015, see the ECB's Monthly Bulletin (2002-14: Q1 – February, Q2 – May, Q3 – August, Q4 – November).
- The SPF for the first quarter of 2018 was conducted between 5 and 11 January. The total number of responses was 56, which is comparable with the average number of responses to surveys in the fourth quarter of a year (59).
- The SPF report and data are available via the [SPF webpage](#) and via the ECB's [Statistical Data Warehouse](#).

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