

PRESS RELEASE

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Results of the Q4 2017 ECB Survey of Professional Forecasters

- HICP inflation expectations for 2017, 2018 and 2019 remained unchanged, while longer-term inflation expectations were revised upwards from 1.8% to 1.9%.
- Real GDP growth expectations were revised upwards for 2017, 2018 and 2019.
- Unemployment rate expectations were revised downwards at all horizons.

Respondents to the ECB Survey of Professional Forecasters (SPF) for the fourth quarter of 2017 reported point forecasts for annual HICP inflation averaging 1.5%, 1.4% and 1.6% for 2017, 2018 and 2019 respectively, unchanged from the previous survey. Average longer-term inflation expectations (which, like all other longer-term expectations in the SPF, referred to 2022) were revised upwards from 1.8% to 1.9%.

SPF respondents' expectations for real growth in euro area GDP averaged 2.2%, 1.9% and 1.7% for 2017, 2018 and 2019, respectively, representing upward revisions of 0.3, 0.1 and 0.1 percentage points, respectively. Average longer-term expectations remained unchanged at 1.6%.

Unemployment rate expectations were again revised downwards at all horizons, such that the downward-sloping trajectory steepened further, with point forecasts averaging 9.1%, 8.6% and 8.2% for 2017, 2018 and 2019, respectively. The average point forecast for the longer-term unemployment rate was revised downwards by 0.2 percentage points to 7.9%.

Table: Results of the ECB Survey of Professional Forecasters for Q4 2017

(annual percentage changes, unless otherwise indicated)

| | Survey horizon | 2017 | 2018 | 2019 | Longer term ⁽¹⁾ |
|---|----------------|------------|------------|------------|----------------------------|
| HICP inflation | | | | | |
| Q4 2017 SPF | | 1.5 | 1.4 | 1.6 | 1.9 |
| <i>Previous SPF (Q3 2017)</i> | | <i>1.5</i> | <i>1.4</i> | <i>1.6</i> | <i>1.8</i> |
| HICP inflation excluding food and energy | | | | | |
| Q4 2017 SPF | | 1.1 | 1.4 | 1.5 | 1.8 |
| <i>Previous SPF (Q3 2017)</i> | | <i>1.1</i> | <i>1.3</i> | <i>1.5</i> | <i>1.7</i> |
| Real GDP growth | | | | | |
| Q4 2017 SPF | | 2.2 | 1.9 | 1.7 | 1.6 |
| <i>Previous SPF (Q3 2017)</i> | | <i>1.9</i> | <i>1.8</i> | <i>1.6</i> | <i>1.6</i> |
| Unemployment rate⁽²⁾ | | | | | |
| Q4 2017 SPF | | 9.1 | 8.6 | 8.2 | 7.9 |
| <i>Previous SPF (Q3 2017)</i> | | <i>9.2</i> | <i>8.8</i> | <i>8.4</i> | <i>8.1</i> |

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 14 December 2017.
- 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 fourth quarter of 2017 was conducted between 2 and 6 October. The total number of responses was 58, which is in line 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](#).