

Press release

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Results of the ECB Survey of Professional Forecasters for the fourth quarter of 2021

- HICP inflation expectations revised up for all horizons
- Real GDP growth expectations largely unchanged
- Unemployment rate expectations revised down for all horizons

In the ECB Survey of Professional Forecasters (SPF) for the fourth quarter of 2021, HICP inflation expectations stood at 2.3%, 1.9% and 1.7% for 2021, 2022 and 2023, respectively. Compared with the previous round for the third quarter of 2021, these were revised upward by 0.4 percentage points for 2021 and 2022 and by 0.2 percentage points for 2023. Respondents attributed the upward revisions mainly to higher energy prices and the impact of supply chain tensions. Regarding the near-term outlook, many respondents reported that they expected a further increase in the inflation rate in the final months of 2021 but continue to expect a sharp fall in inflation to below 2% during the course of 2022. Regarding the broader factors influencing the inflation outlook, respondents, on average, believed that underlying inflation pressure would gradually rise in line with the recovery in economic activity. Longer-term inflation expectations for 2026 stood at 1.9%, revised up from 1.8% in the previous round.

Regarding GDP growth, SPF respondents' expectations were largely unchanged for 2021-2023. The apparent upward revision for 2021 mainly reflects the actual growth outcome in the second quarter, which was stronger than previously expected. Overall, the growth expectations continue to imply that economic activity will surpass its pre-pandemic level (fourth quarter of 2019) in the fourth quarter of 2021. Average longer-term expectations for real GDP growth were revised up slightly to 1.5% from 1.4% in the previous round.

The profile of unemployment has been revised down by between 0.2 and 0.3 percentage points for all horizons. SPF respondents expect the unemployment rate to decline from 7.8% in 2021 to 7.0% by 2026.

European Central Bank

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Table: Results of the ECB Survey of Professional Forecasters for the fourth quarter of 2021

(annual percentage changes, unless otherwise indicated)

Survey horizon	2021	2022	2023	Longer term ⁽¹⁾
HICP inflation				
Q4 2021 SPF	2.3	1.9	1.7	1.9
<i>Previous SPF (Q3 2021)</i>	1.9	1.5	1.5	1.8
HICP inflation excluding energy, food, alcohol and tobacco				
Q4 2021 SPF	1.4	1.5	1.6	1.8
<i>Previous SPF (Q3 2021)</i>	1.2	1.3	1.5	1.7
Real GDP growth				
Q4 2021 SPF	5.1	4.5	2.2	1.5
<i>Previous SPF (Q3 2021)</i>	4.7	4.6	2.1	1.4
Unemployment rate ⁽²⁾				
Q4 2021 SPF	7.8	7.4	7.2	7.0
<i>Previous SPF (Q3 2021)</i>	8.1	7.8	7.5	7.2

1) Longer-term expectations refer to 2026.

2) As a percentage of the labour force.

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- 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 16 December 2021.
- 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 (2002-2014: Q1 – February, Q2 – May, Q3 – August, Q4 – November).
- The survey was conducted between 1 and 11 October 2021 with 58 responses received.
- The SPF report and data are available via the [SPF webpage](#) and via the ECB's [Statistical Data Warehouse](#).

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