

## Press release

3 February 2023

# Results of the ECB Survey of Professional Forecasters for the first quarter of 2023

- HICP inflation expectations revised up for 2023 and 2024, but down for longer term
- Real GDP growth expectations largely unchanged
- Unemployment rate expectations revised down

In the European Central Bank's (ECB) Survey of Professional Forecasters (SPF) for the first quarter of 2023, respondents revised up their inflation expectations for 2023 and 2024. These now stand at 5.9% and 2.7% respectively; 0.1 and 0.3 percentage points higher compared with the previous survey round. The upward revisions reflect corresponding changes to expectations for inflation excluding energy, food, alcohol and tobacco (HICPX). According to respondents, these changes mainly reflect a combination of recent data outturns, ongoing stronger and broader than expected indirect effects of energy price developments as well as higher forecast wage growth. Expectations for 2025, which were not surveyed in the previous round, stand at 2.1%. Longer-term inflation expectations (for 2027) were revised down by 0.1 percentage points to 2.1% on average.

GDP growth expectations were largely unchanged with positive "carry-over" from stronger than expected economic activity in the second half of 2022 affecting 2023, but being offset by slightly weaker expectations for 2024 than previously reported. Longer-term GDP growth expectations remained unchanged at 1.4%.

Unemployment rate expectations were revised down for all horizons by between 0.1 and 0.2 percentage points. Following an expected increase to 7.0% in 2023 (the unemployment rate stood at 6.5% in November 2022) the unemployment rate is expected to decline gradually to 6.4% by 2027.

**Table: Results of the ECB Survey of Professional Forecasters for the first quarter of 2023***(annual percentage changes, unless otherwise indicated)*

Survey horizon	2023	2024	2025	Longer term <sup>(1)</sup>
<b>HICP inflation</b>				
Q1 2023 SPF	5.9	2.7	2.1	2.1
<i>Previous SPF (Q4 2022)</i>	5.8	2.4	-	2.2
<b>HICP inflation excluding energy, food, alcohol and tobacco</b>				
Q1 2023 SPF	4.4	2.8	2.3	2.0
<i>Previous SPF (Q4 2022)</i>	3.9	2.6	-	2.1
<b>Real GDP growth</b>				
Q1 2023 SPF	0.2	1.4	1.7	1.4
<i>Previous SPF (Q4 2022)</i>	0.1	1.6	-	1.4
<b>Unemployment rate<sup>(2)</sup></b>				
Q1 2023 SPF	7.0	6.9	6.7	6.4
<i>Previous SPF (Q4 2022)</i>	7.1	7.0	-	6.6

1) Longer-term expectations refer to 2027.

2) As a percentage of the labour force.

**For media enquiries, please contact** Silvia Margiocco, **tel.: +49 69 1344 6619.****Notes**

- The SPF survey for the first quarter of 2023 was conducted between 6 and 12 January 2023, with 58 responses received. 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 survey participants are experts affiliated with financial or non-financial institutions based within Europe. The survey results do not represent the views of the ECB's decision-making bodies or its staff. The next ECB staff macroeconomic projections will be published on 16 March 2023.
- 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 SPF report and data are available via the [SPF webpage](#) and the ECB's [Statistical Data Warehouse](#).

**European Central Bank**

Directorate General Communications

Sonnemannstrasse 20, 60314 Frankfurt am Main, Germany

Tel.: +49 69 1344 7455, e-mail: [media@ecb.europa.eu](mailto:media@ecb.europa.eu), website: [www.ecb.europa.eu](http://www.ecb.europa.eu)

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