

Results of the Q3 2020 ECB Survey of Professional Forecasters



PRESS RELEASE

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- Ongoing impact of coronavirus (COVID-19) pandemic reflected in the macroeconomic expectations reported in the latest ECB Survey of Professional Forecasters
- HICP inflation expectations revised down for 2021 and 2022, and also for longer term
- Real GDP growth expectations revised towards sharper downturn in 2020 and slightly steeper recovery in subsequent years
- Expectations for peak in unemployment rate pushed back to 2021, but expectations of unemployment rate in the longer term remain unchanged

Respondents to the ECB Survey of Professional Forecasters (SPF) for the third quarter of 2020 reported point forecasts for annual HICP inflation averaging 0.4%, 1.0% and 1.3% for 2020, 2021 and 2022, respectively. These results represent downward revisions of 0.2 and 0.1 percentage points for 2021 and 2022. Average longer-term inflation expectations (which, like all other longer-term expectations in this round of the SPF, refer to 2025) edged down to 1.6%, from 1.7% in the previous round (which referred to 2024).

The expectations of SPF respondents for euro area real GDP growth averaged -8.3%, 5.7% and 2.4% for 2020, 2021 and 2022, respectively. These represent revisions from the previous round of -2.8 percentage points for 2020 and +1.4 and +0.7 percentage points for 2021 and 2022. At 1.4%, average longer-term expectations for real GDP growth were unchanged.

Average unemployment rate expectations stand at 9.1%, 9.3% and 8.5% for 2020, 2021 and 2022, respectively. These represent revisions of -0.3, +0.4 and +0.1 percentage points. Expectations for the unemployment rate in the longer term were unchanged at 7.7%.

Table: Results of the ECB Survey of Professional Forecasters for the third quarter of 2020

(annual percentage changes, unless otherwise indicated)

Survey horizon	2020	2021	2022	Longer term (1)
HICP inflation				
Q3 2020 SPF	0.4	1.0	1.3	1.6
<i>Previous SPF (Q2 2020)</i>	0.4	1.2	1.4	1.7
HICP inflation excluding energy, food, alcohol and tobacco				
Q3 2020 SPF	0.8	0.9	1.1	1.5
<i>Previous SPF (Q2 2020)</i>	0.8	1.1	1.3	1.6
Real GDP growth				
Q3 2020 SPF	-8.3	5.7	2.4	1.4
<i>Previous SPF (Q2 2020)</i>	-5.5	4.3	1.7	1.4
Unemployment rate (2)				
Q3 2020 SPF	9.1	9.3	8.5	7.7
<i>Previous SPF (Q2 2020)</i>	9.4	8.9	8.4	7.7

1) Longer-term expectations refer to 2025.

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 10 September 2020.
- 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 30 June and 6 July 2020 with 59 responses received.
- The SPF report and data are available via the [SPF webpage](#) and via the ECB's [Statistical Data Warehouse](#).

Speaking engagements

[Media contacts](#)