

## Box 10

**FORECASTS BY OTHER INSTITUTIONS**

A number of forecasts for the euro area are available from both international organisations and private sector institutions. However, these forecasts are not strictly comparable with one another or with the Eurosystem staff macroeconomic projections, as they were finalised at different points in time. Additionally, they use different (partly unspecified) methods to derive assumptions for fiscal, financial and external variables, including oil and other commodity prices. Finally, there are differences in working-day adjustment methods across different forecasts (see the table below).

In the forecasts currently available from other institutions, euro area real GDP is expected to grow by between 1.0% and 1.2% in 2008, between -0.6% and 0.3% in 2009 and between 0.9% and 1.6% in 2010. Most available forecasts for growth are therefore broadly consistent with the ranges of the Eurosystem staff projections.

As regards inflation, available forecasts anticipate average annual HICP inflation to be between 3.4% and 3.5% in 2008, between 1.4% and 2.2% in 2009 and between 1.3% and 2.1% in 2010. A number of forecasts are outside the range of the Eurosystem staff projections in 2009, most likely because they were completed when oil prices were higher and therefore they used assumptions of stronger commodity prices.

#### Comparison of forecasts for euro area real GDP growth and HICP inflation

(average annual percentage changes)

	Date of release	GDP growth			HICP inflation		
		2008	2009	2010	2008	2009	2010
IMF	November 2008	1.2	-0.5	n.a.	3.5	1.9	n.a.
European Commission	October 2008	1.2	0.1	0.9	3.5	2.2	2.1
Survey of Professional Forecasters	October 2008	1.2	0.3	1.4	3.4	2.2	2.0
Consensus Economics Forecasts	November 2008	1.0	-0.2	1.6	3.4	1.8	2.0
OECD	November 2008	1.0	-0.6	1.2	3.4	1.4	1.3
Eurosystem staff projections	December 2008	0.8-1.2	-1.0-0.0	0.5-1.5	3.2-3.4	1.1-1.7	1.5-2.1

Sources: European Commission Economic Forecasts, Autumn 2008; IMF World Economic Outlook update, November 2008, for GDP and World Economic Outlook, October 2008, for the HICP; OECD Economic Outlook No 84, November 2008, preliminary edition; Consensus Economics Forecasts; and the ECB's Survey of Professional Forecasters.

Note: The Eurosystem staff macroeconomic projections and the OECD forecasts both report working-day-adjusted annual growth rates, whereas the European Commission and the IMF report annual growth rates that are not adjusted for the number of working days per annum. Other forecasts do not specify whether they report working-day-adjusted or non-working-day-adjusted data.