

Box 11

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).

In the forecasts currently available from other institutions, euro area real GDP is expected to grow by between 1.6% and 2.0% in 2011 and between 1.7% and 2.0% in 2012. All the forecasts are within the ranges of the Eurosystem staff projections.

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

(average annual percentage changes)

	Date of release	GDP growth		HICP inflation	
		2011	2012	2011	2012
IMF	April 2011	1.6	1.8	2.3	1.7
Survey of Professional Forecasters	May 2011	1.7	1.7	2.5	1.9
Consensus Economics Forecasts	May 2011	1.7	1.7	2.5	1.9
OECD	May 2011	2.0	2.0	2.6	1.6
European Commission	May 2011	1.6	1.8	2.6	1.8
Eurosysteem staff projections	June 2011	1.5 – 2.3	0.6 – 2.8	2.5 – 2.7	1.1 – 2.3

Sources: European Commission Economic Forecasts, Spring 2011; IMF World Economic Outlook, April 2011; OECD Economic Outlook, May 2011; Consensus Economics Forecasts; and the ECB's Survey of Professional Forecasters.

Notes: The Eurosysteem 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.

As regards inflation, the forecasts from other institutions point to average annual HICP inflation of between 2.3% and 2.6% in 2011 and between 1.6% and 1.9% in 2012. With the exception of the IMF projection for HICP inflation in 2011, which is based on different commodity price assumptions, all the forecasts fall within the range of the Eurosysteem staff projections.