

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).

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

(average annual percentage changes)

	Date of release	GDP growth			HICP inflation		
		2009	2010	2011	2009	2010	2011
IMF	October 2009	-4.2	0.3	1.3	0.3	0.8	0.8
Survey of Professional Forecasters	October 2009	-3.9	1.0	1.6	0.3	1.2	1.6
European Commission	November 2009	-4.0	0.7	1.5	0.3	1.1	1.5
Consensus Economics Forecasts	November 2009	-3.8	1.2	1.5	0.3	1.1	1.5
OECD	November 2009	-4.0	0.9	1.7	0.2	0.9	0.7
Eurosystem staff projections	December 2009	-4.1 - -3.9	0.1 - 1.5	0.2 - 2.2	0.3 - 0.3	0.9 - 1.7	0.8 - 2.0

Sources: European Commission Economic Forecasts, Autumn 2009; IMF World Economic Outlook, October 2009; OECD preliminary Economic Outlook, November 2009; Consensus Economics Forecasts; and the ECB's Survey of Professional Forecasters.

Notes: 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.

In the forecasts currently available from other institutions, euro area real GDP is expected to fall by between 3.8% and 4.2% in 2009. GDP growth is expected thereafter to be positive, ranging between 0.3% and 1.2% in 2010 and between 1.3% and 1.7% in 2011. All these forecasts are broadly in line with the ranges of the Eurosystem staff projections.

As regards inflation, available forecasts from other institutions anticipate average annual HICP inflation to be between 0.2% and 0.3% in 2009, between 0.8% and 1.2% in 2010, and between 0.7% and 1.6% in 2011. These forecasts for inflation are broadly in line with the ranges of the Eurosystem staff projections.