

Box 8**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		
		2012	2013	2014	2012	2013	2014
IMF	October 2012	-0.4	0.2	1.2	2.3	1.6	1.4
Survey of Professional Forecasters	November 2012	-0.5	0.3	1.3	2.5	1.9	1.9
Consensus Economics Forecasts	November 2012	-0.5	0.0	1.2	2.5	1.9	1.7
Euro Zone Barometer	November 2012	-0.5	0.1	1.3	2.5	1.9	1.9
OECD	November 2012	-0.4	-0.1	1.3	2.4	1.6	1.2
European Commission	November 2012	-0.4	0.1	1.4	2.5	1.8	1.6
Eurosystem staff projections	December 2012	-0.6 – -0.4	-0.9 – 0.3	0.2 – 2.2	2.5 – 2.5	1.1 – 2.1	0.6 – 2.2

Sources: European Commission Economic Forecasts, Autumn 2012; IMF World Economic Outlook, October 2012; OECD Economic Outlook, November 2012; Consensus Economics Forecasts; MJEconomics; 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 decline by between 0.4% and 0.5% in 2012, which is within the range of the Eurosystem staff projections. In 2013, real GDP growth is projected to be between -0.1% and +0.3%, which is within the upper half of the range of the Eurosystem staff projections. For 2014, real GDP is projected to increase by between 1.2% and 1.4%, which is within the range of the Eurosystem staff projections.

As regards inflation, the forecasts from other institutions point to an average annual HICP inflation of between 2.3% and 2.5% in 2012, which is somewhat below the Eurosystem staff projections. In 2013 and 2014, HICP inflation is expected to average between 1.6% and 1.9% and between 1.2% and 1.9% respectively, which, for both years, is within the Eurosystem staff projection ranges.