

Consensus Outlook for 2025



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THE VIEWS EXPRESSED IN THIS PRESENTATION ARE MY OWN AND DO NOT NECESSARILY REFLECT THOSE OF THE FEDERAL RESERVE BANK OF CHICAGO OR THE FEDERAL RESERVE SYSTEM.

FEDERAL RESERVE BANK *of* CHICAGO

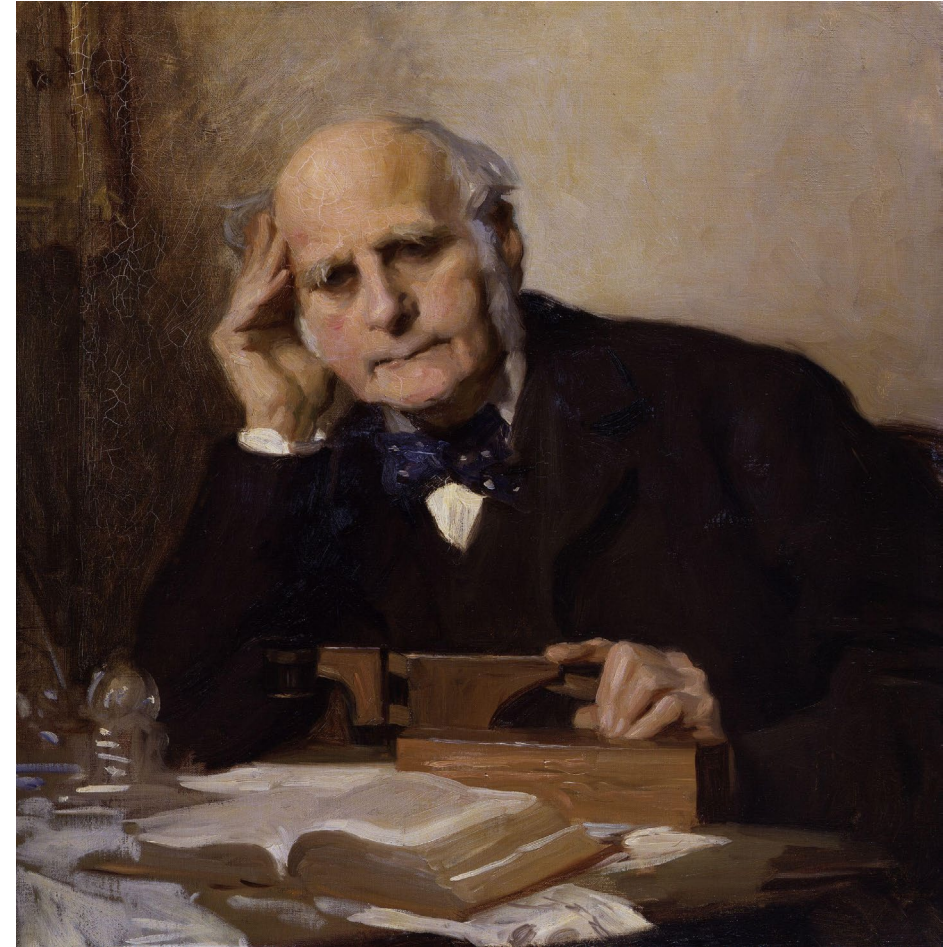
Results from the 2023 EOS forecast competition

Overall	Billy Chesbrough—Publicis Groupe
GDP, current dollars	Matt Kodis and Robin Anderson—IEDA and Iowa Dept. of Revenue
GDP price index, chain-type	Mark Zhang—International Motors
Real GDP, chained dollars	Billy Chesbrough—Publicis Groupe
Personal consumption expenditures	Billy Chesbrough—Publicis Groupe
Business fixed investment	Billy Chesbrough—Publicis Groupe
Residential investment	Matt Kodis and Robin Anderson—IEDA and Iowa Dept. of Revenue
Government consumption expenditures and gross investment	Peter Bernstein—RCF Economic and Financial Consulting
Industrial production	Louise Collis—RCF Economic and Financial Consulting
Car & light truck sales	Eric Hale—Trader Oasis
Housing starts	Louise Collis—RCF Economic and Financial Consulting, Tom Guthrie—FM Fincorp
Oil Price	Nick Janet—State Farm
Unemployment rate	Bryan Bezold—Ford
Inflation rate (CPI)	Rajeev Dhawan—Georgia State University
Treasury constant maturity one-year rate	Mark Zhang—Witte Econometrics
Treasury constant maturity ten-year rate	Matt Kodis and Robin Anderson—IEDA and Iowa Dept. of Revenue
J.P. Morgan broad nominal effective exchange rate	Matt Kodis and Robin Anderson—IEDA and Iowa Dept. of Revenue

The wisdom of the crowd

- Study in 1907 journal of Nature by Sir Francis Galton
 - Contest at county fair in Plymouth, England: guess the weight of a slaughtered and dressed ox
 - Median guess: 1207 pounds
 - Actual weight: 1198 pounds

Sir Francis Galton



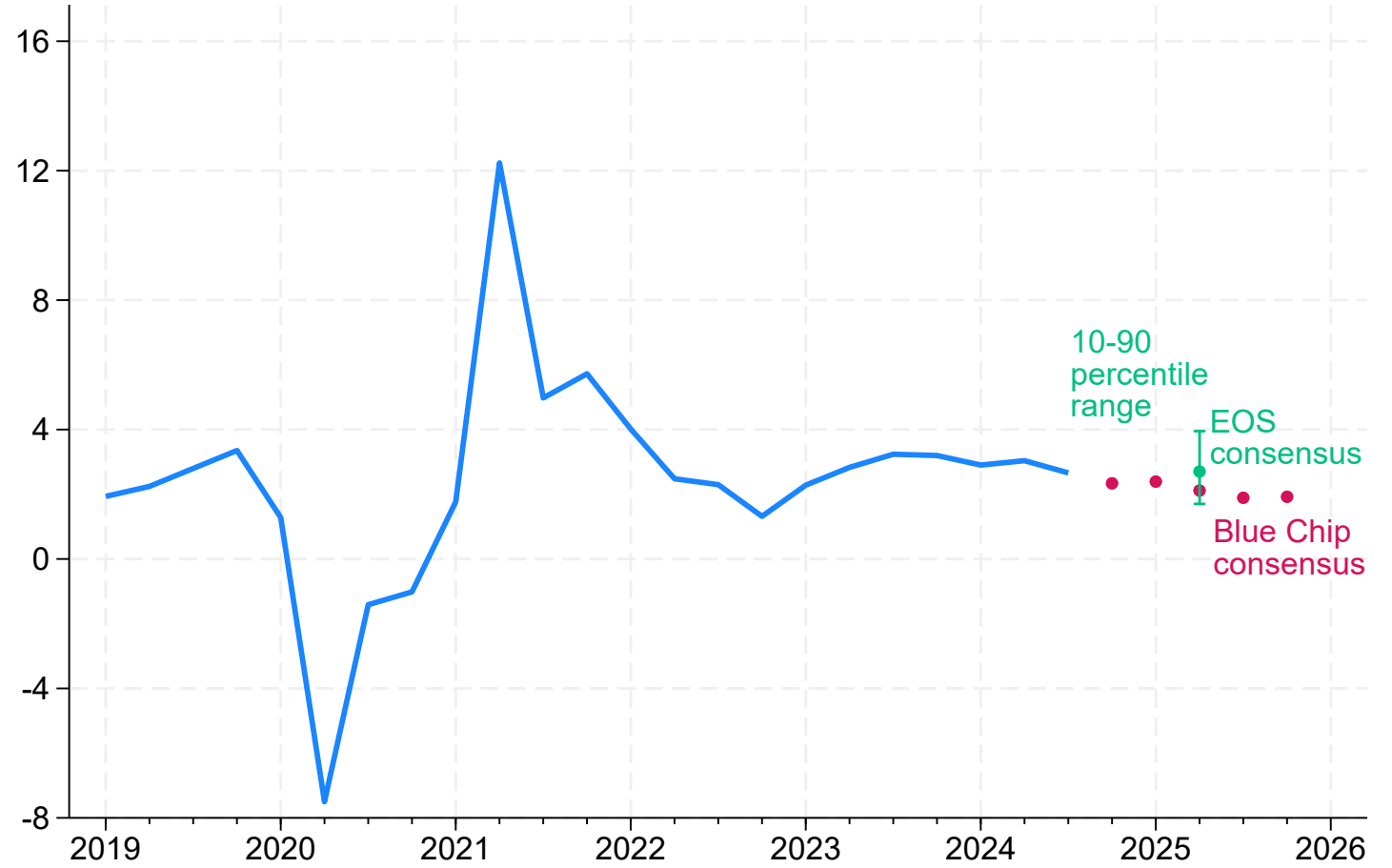
Source: Wikipedia

Growth to slow to near trend

- Median for Q2-2024 to Q2-2025
 - EOS: 2.7%
 - Blue Chip: 2.1%
 - FOMC SEP longer run: 1.8%

Real GDP Growth

4-quarter percent change

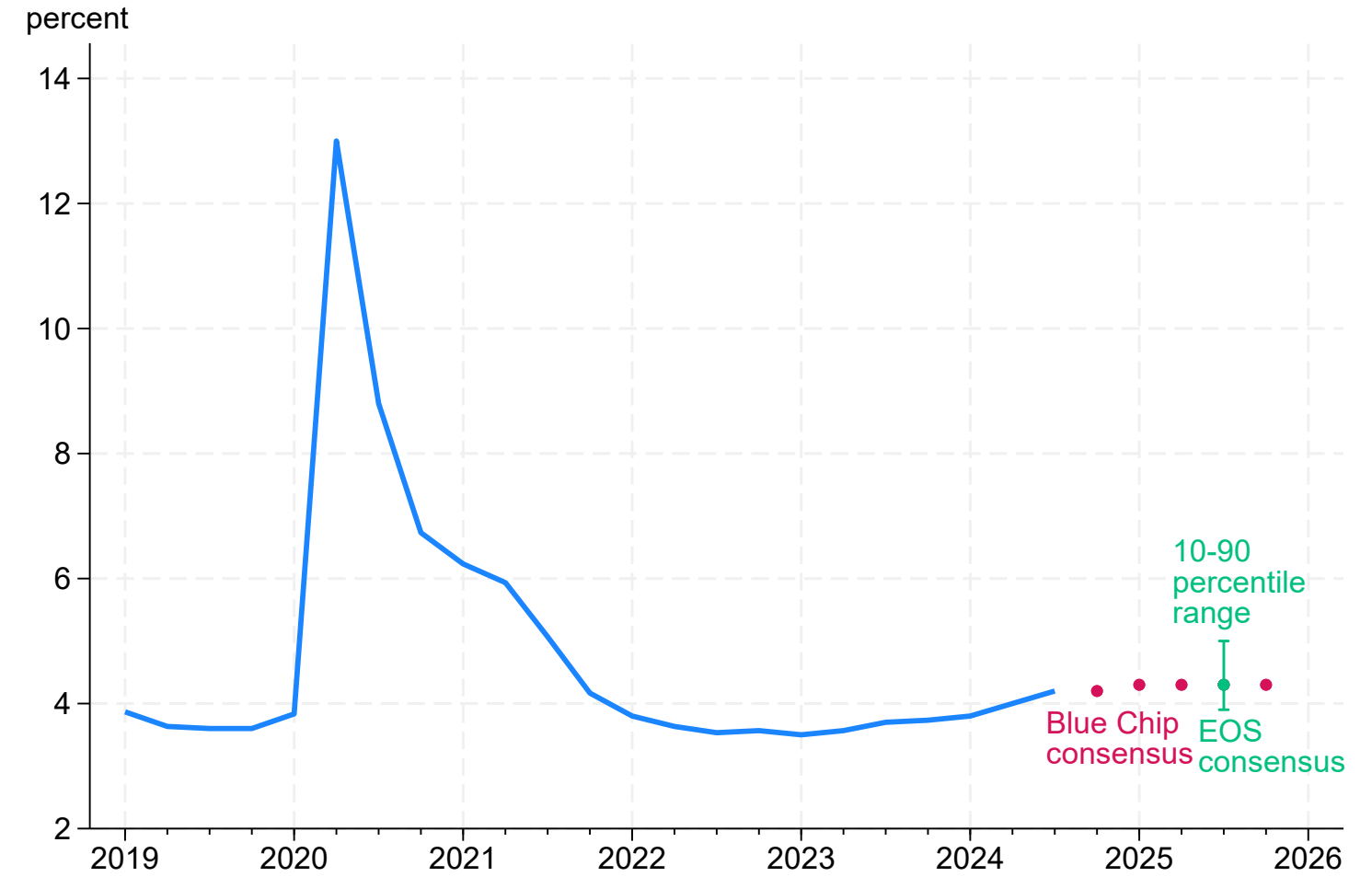


Source: Bureau of Economic Analysis, Wolters Kluwer, and Federal Reserve Bank of Chicago

Soft landing on track

- Median for Q3-2025
 - EOS: 4.3%
 - Blue Chip: 4.3%
 - FOMC SEP longer run: 4.2%

Unemployment rate

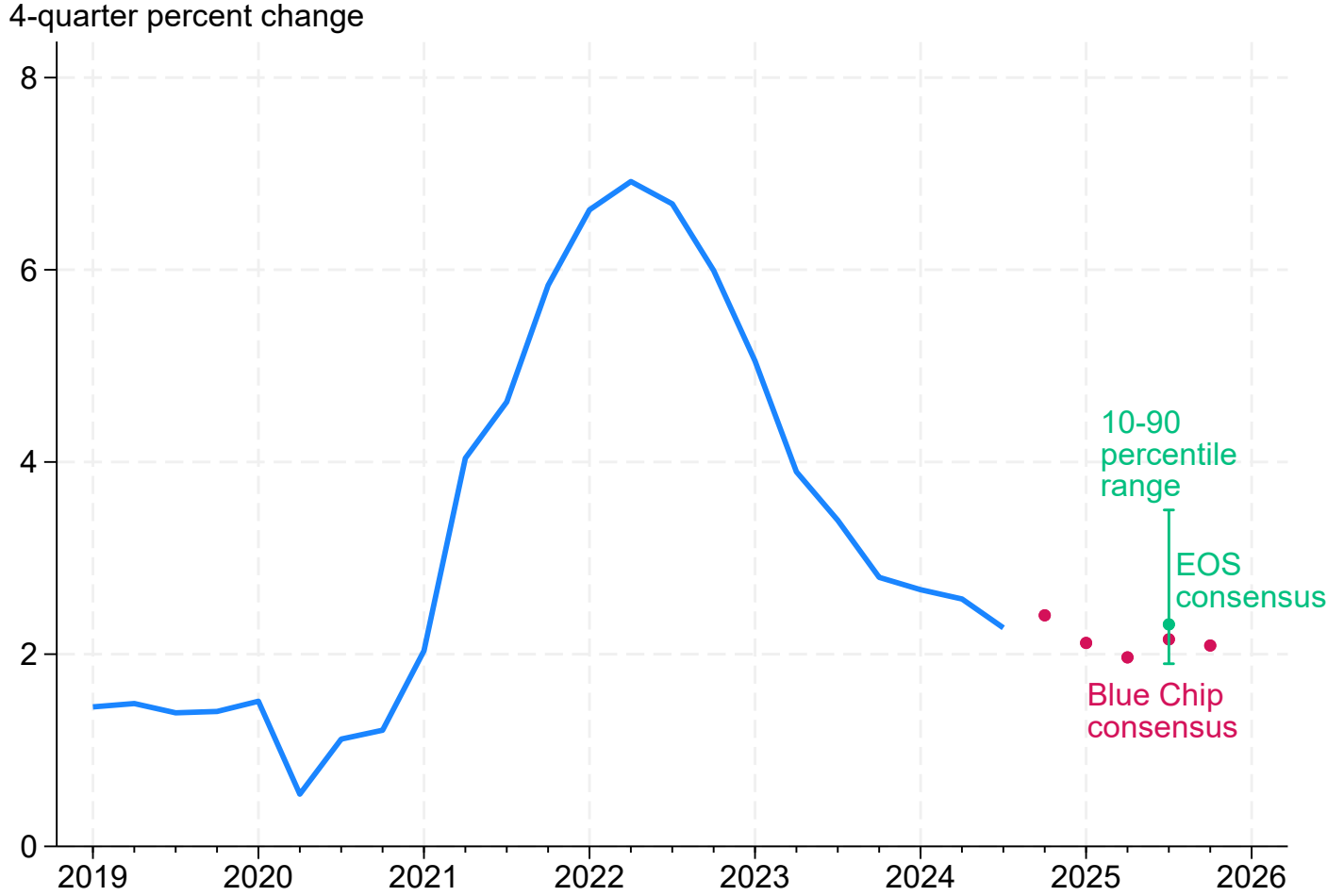


Source: Bureau of Labor Statistics, Wolters Kluwer, and Federal Reserve Bank of Chicago

Inflation to approach target

- Median for Q3-2025
 - EOS: 2.3%
 - Blue Chip: 2.2% (PCE)
 - FOMC SEP longer run: 2.0%

Personal Consumption Expenditures price index

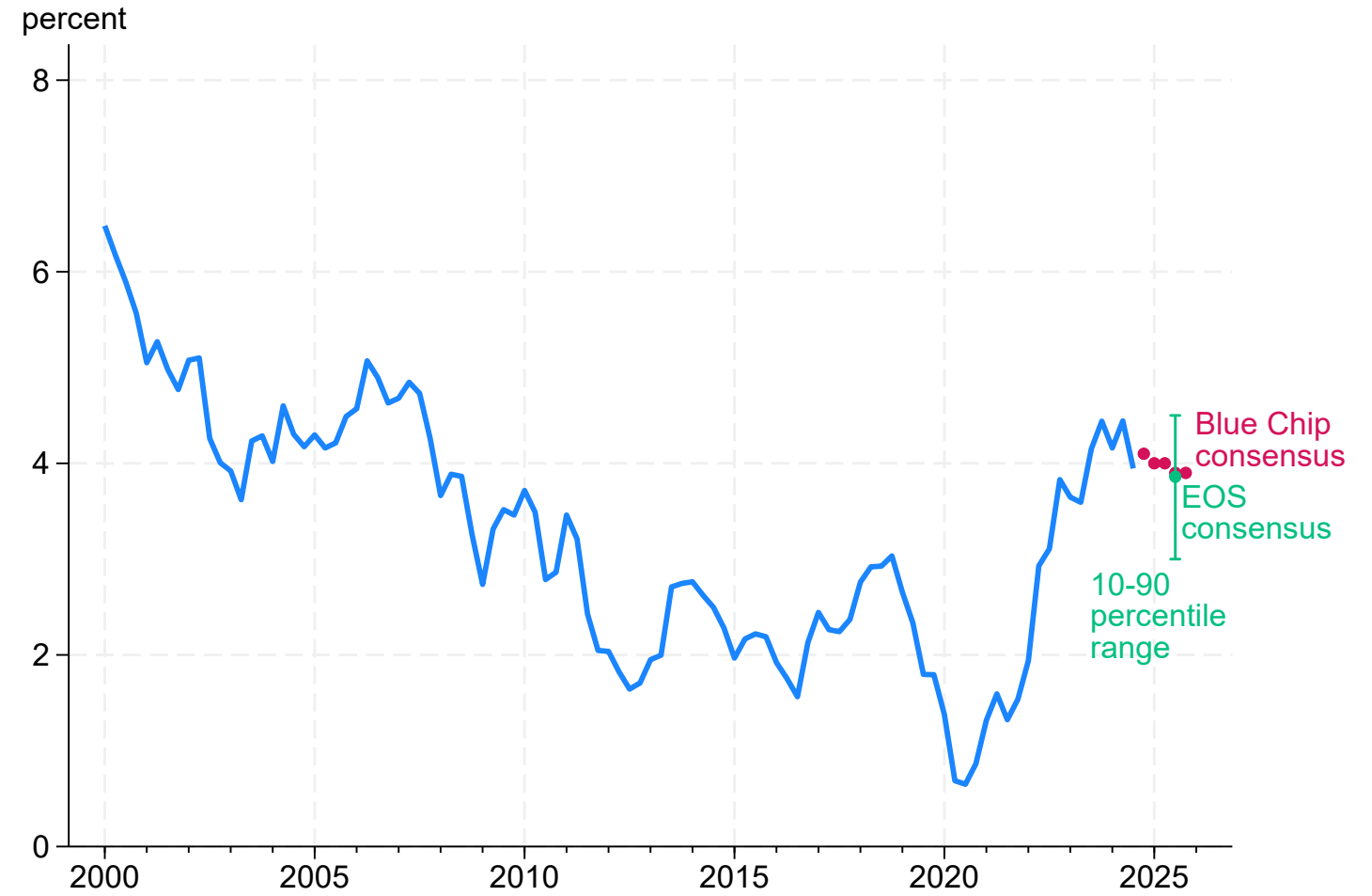


Source: Bureau of Labor Statistics, Wolters Kluwer, and Federal Reserve bank of Chicago

Long run rates to come down just a bit

- Median for Q3-2025
 - EOS: 3.9%
 - Blue Chip: 3.9%
 - Blue Chip longer run: 3.25%

Yield on 10-year Treasury note



Source: Federal Reserve Board, Wolters Kluwer, and Federal Reserve bank of Chicago

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- Results are shared with the Chicago Fed's president and help inform monetary policy.
- Responses are kept confidential, but aggregate results are made public.

