

Accessible Version

Advance release of table 1 of the Summary of Economic Projections to be released with the FOMC minutes

Percent

Variable	Median ¹				Central tendency ²				Range ³			
	2016	2017	2018	Longer run	2016	2017	2018	Longer run	2016	2017	2018	Longer run
Change in real GDP	2.2	2.1	2.0	2.0	2.1 - 2.3	2.0 - 2.3	1.8 - 2.1	1.8 - 2.1	1.9 - 2.5	1.7 - 2.3	1.8 - 2.3	1.8 - 2.4
December projection	2.4	2.2	2.0	2.0	2.3 - 2.5	2.0 - 2.3	1.8 - 2.2	1.8 - 2.2	2.0 - 2.7	1.8 - 2.5	1.7 - 2.4	1.8 - 2.3
Unemployment rate	4.7	4.6	4.5	4.8	4.6 - 4.8	4.5 - 4.7	4.5 - 5.0	4.7 - 5.0	4.5 - 4.9	4.3 - 4.9	4.3 - 5.0	4.7 - 5.8
December projection	4.7	4.7	4.7	4.9	4.6 - 4.8	4.6 - 4.8	4.6 - 5.0	4.8 - 5.0	4.3 - 4.9	4.5 - 5.0	4.5 - 5.3	4.7 - 5.8
PCE inflation	1.2	1.9	2.0	2.0	1.0 - 1.6	1.7 - 2.0	1.9 - 2.0	2.0	1.0 - 1.6	1.6 - 2.0	1.8 - 2.0	2.0
December projection	1.6	1.9	2.0	2.0	1.2 - 1.7	1.8 - 2.0	1.9 - 2.0	2.0	1.2 - 2.1	1.7 - 2.0	1.7 - 2.1	2.0
Core PCE inflation ⁴	1.6	1.8	2.0		1.4 - 1.7	1.7 - 2.0	1.9 - 2.0		1.4 - 2.1	1.6 - 2.0	1.8 - 2.0	
December projection	1.6	1.9	2.0		1.5 - 1.7	1.7 - 2.0	1.9 - 2.0		1.4 - 2.1	1.6 - 2.0	1.7 - 2.1	
Memo: Projected appropriate policy path												
Federal funds rate	0.9	1.9	3.0	3.3	0.9 - 1.4	1.6 - 2.4	2.5 - 3.3	3.0 - 3.5	0.6 - 1.4	1.6 - 2.8	2.1 - 3.9	3.0 - 4.0
December projection	1.4	2.4	3.3	3.5	0.9 - 1.4	1.9 - 3.0	2.9 - 3.5	3.3 - 3.5	0.9 - 2.1	1.9 - 3.4	2.1 - 3.9	3.0 - 4.0

Note: Projections of change in real gross domestic product (GDP) and projections for both measures of inflation are percent changes from the fourth quarter of the previous year to the fourth quarter of the year indicated. PCE inflation and core PCE inflation are the percentage rates of change in, respectively, the price index for personal consumption expenditures (PCE) and the price index for PCE excluding food and energy. Projections for the unemployment rate are for the average civilian unemployment rate in the fourth quarter of the year indicated. Each participant's projections are based on his or her assessment of appropriate monetary policy. Longer-run projections represent each participant's assessment of the rate to which each variable would be expected to converge under appropriate monetary policy and in the absence of further shocks to the economy. The projections for the federal funds rate are the value of the midpoint of the projected appropriate target range for the federal funds rate or the projected appropriate target level for the federal funds rate at the end of the specified calendar year or over the longer run. The

December projections were made in conjunction with the meeting of the Federal Open Market Committee on December 15-16, 2015.

1. For each period, the median is the middle projection when the projections are arranged from lowest to highest. When the number of projections is even, the median is the average of the two middle projections. [Return to table](#)
2. The central tendency excludes the three highest and three lowest projections for each variable in each year. [Return to table](#)
3. The range for a variable in a given year includes all participants' projections, from lowest to highest, for that variable in that year. [Return to table](#)
4. Longer-run projections for core PCE inflation are not collected. [Return to table](#)

Figure 1. Medians, central tendencies, and ranges of economic projections, 2016-18 and over the longer run

Medians, central tendencies, and ranges of economic projections for years 2016 through 2018 and over the longer run. Actual values for years 2011 through 2015.

Change in real GDP Percent

	2011	2012	2013	2014	2015	2016	2017	2018	Longer run
Actual	1.7	1.3	2.5	2.5	1.9	-	-	-	-
Upper End of Range	-	-	-	-	-	2.5	2.3	2.3	2.4
Upper End of Central Tendency	-	-	-	-	-	2.3	2.3	2.1	2.1
Median	-	-	-	-	-	2.2	2.1	2.0	2.0
Lower End of Central Tendency	-	-	-	-	-	2.1	2.0	1.8	1.8
Lower End of Range	-	-	-	-	-	1.9	1.7	1.8	1.8

Unemployment rate Percent

	2011	2012	2013	2014	2015	2016	2017	2018	Longer run
Actual	8.7	7.8	7.0	5.7	5.0	-	-	-	-
Upper End of Range	-	-	-	-	-	4.9	4.9	5.0	5.8
Upper End of Central Tendency	-	-	-	-	-	4.8	4.7	5.0	5.0
Median	-	-	-	-	-	4.7	4.6	4.5	4.8
Lower End of Central Tendency	-	-	-	-	-	4.6	4.5	4.5	4.7
Lower End of Range	-	-	-	-	-	4.5	4.3	4.3	4.7

PCE inflation Percent

	2011	2012	2013	2014	2015	2016	2017	2018	Longer run
Actual	2.7	1.8	1.2	1.1	0.5	-	-	-	-
Upper End of Range	-	-	-	-	-	1.6	2.0	2.0	2.0
Upper End of Central Tendency	-	-	-	-	-	1.6	2.0	2.0	2.0

	2011	2012	2013	2014	2015	2016	2017	2018	Longer run
Median	-	-	-	-	-	1.2	1.9	2.0	2.0
Lower End of Central Tendency	-	-	-	-	-	1.0	1.7	1.9	2.0
Lower End of Range	-	-	-	-	-	1.0	1.6	1.8	2.0

Note: Definitions of variables are in the general note to the projections table. The data for the actual values of the variables are annual.

Figure 2. FOMC participants' assessments of appropriate monetary policy: Midpoint of target range or target level for the federal funds rate

Number of participants with projected midpoint of target range or target level

Midpoint of target range or target level (Percent)	2016	2017	2018	Longer run
0.125				
0.250				
0.375				
0.500				
0.625	1			
0.750				
0.875	9			
1.000				
1.125	3			
1.250				
1.375	4			
1.500				
1.625		4		
1.750				
1.875		5		
2.000				
2.125		3	1	
2.250				
2.375		3	2	
2.500			1	
2.625		1	1	
2.750		1		
2.875			3	
3.000			1	5
3.125			3	
3.250			2	7
3.375			2	
3.500				2
3.625				

Midpoint of target range or target level (Percent)	2016	2017	2018	Longer run
3.750			2	
3.875		1		
4.000			1	

Note: Each shaded circle indicates the value (rounded to the nearest 1/8 percentage point) of an individual participant's judgment of the midpoint of the appropriate target range for the federal funds rate or the appropriate target level for the federal funds rate at the end of the specified calendar year or over the longer run.