

Policy Panel on “Expectations Surveys, Central Banks and the Economy”

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The views expressed here do not represent
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The Use of Surveys for Policy Research

*By F. THOMAS JUSTER**

1. Describe the structure of an alleged or potential policy problem.
2. Provide the data inputs needed for better estimation and specification of the behavioral models that are essential for accurate policy research
3. Contribute to policy issues in the measurement of preferences for different outcomes
4. Educate the public about the costs and benefits of alternative policies.
5. Monitoring so as to get an "early warning" of emerging problems

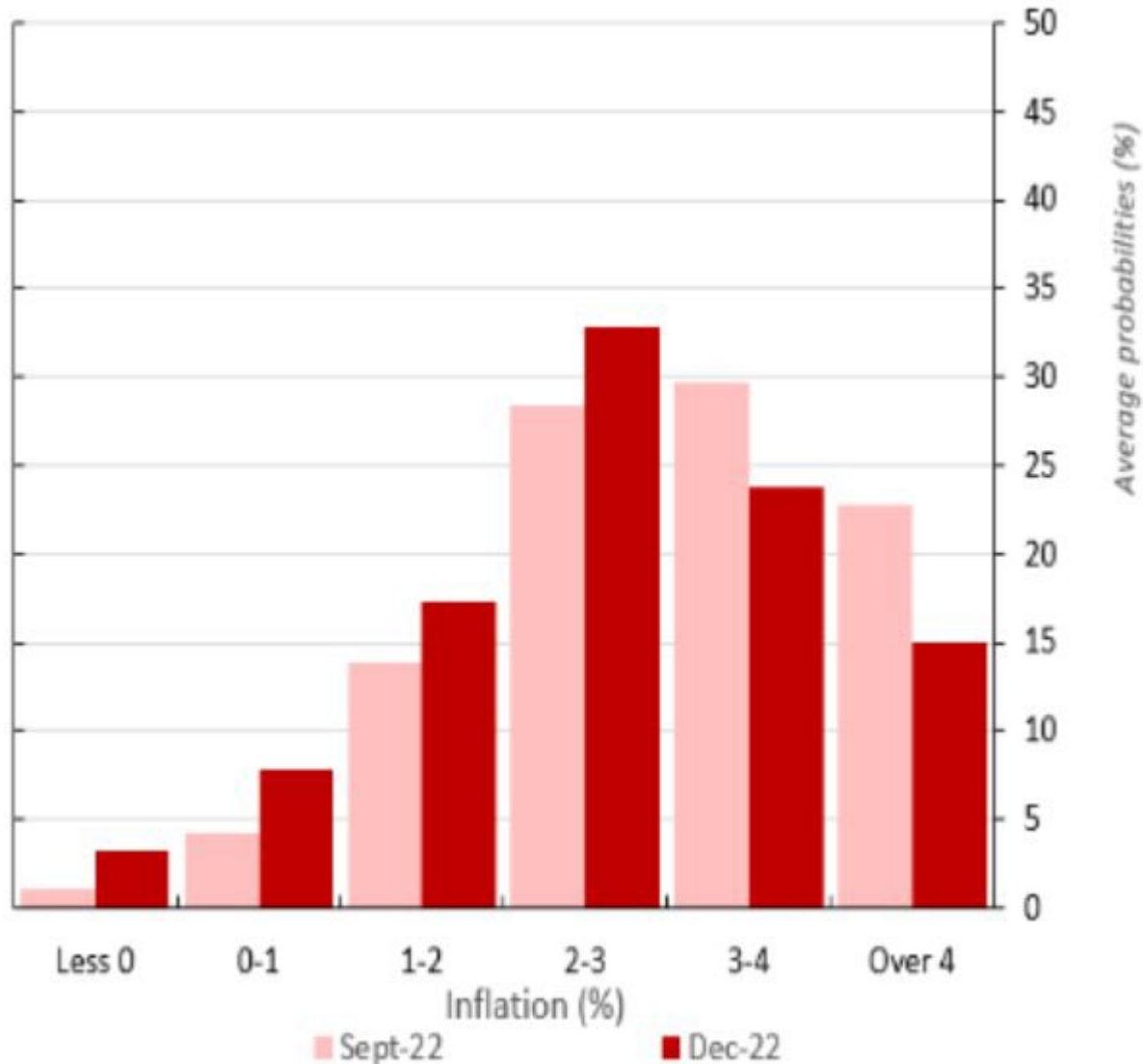
Vol. 64, No. 2, Papers and Proceedings of the Eighty-sixth Annual Meeting of the American Economic Association (May, 1974), pp. 355-364 (10 pages)

Bank of Canada Surveys

Consumer	Business/Firms	Financial Institutions/Market Participants
Canadian Survey of Consumer Expectations	Business Outlook Survey Business Leader Pulse	Senior Loan Officer Survey
Methods-of-Payment Survey	Merchant Acceptance Survey	Market Participant Survey

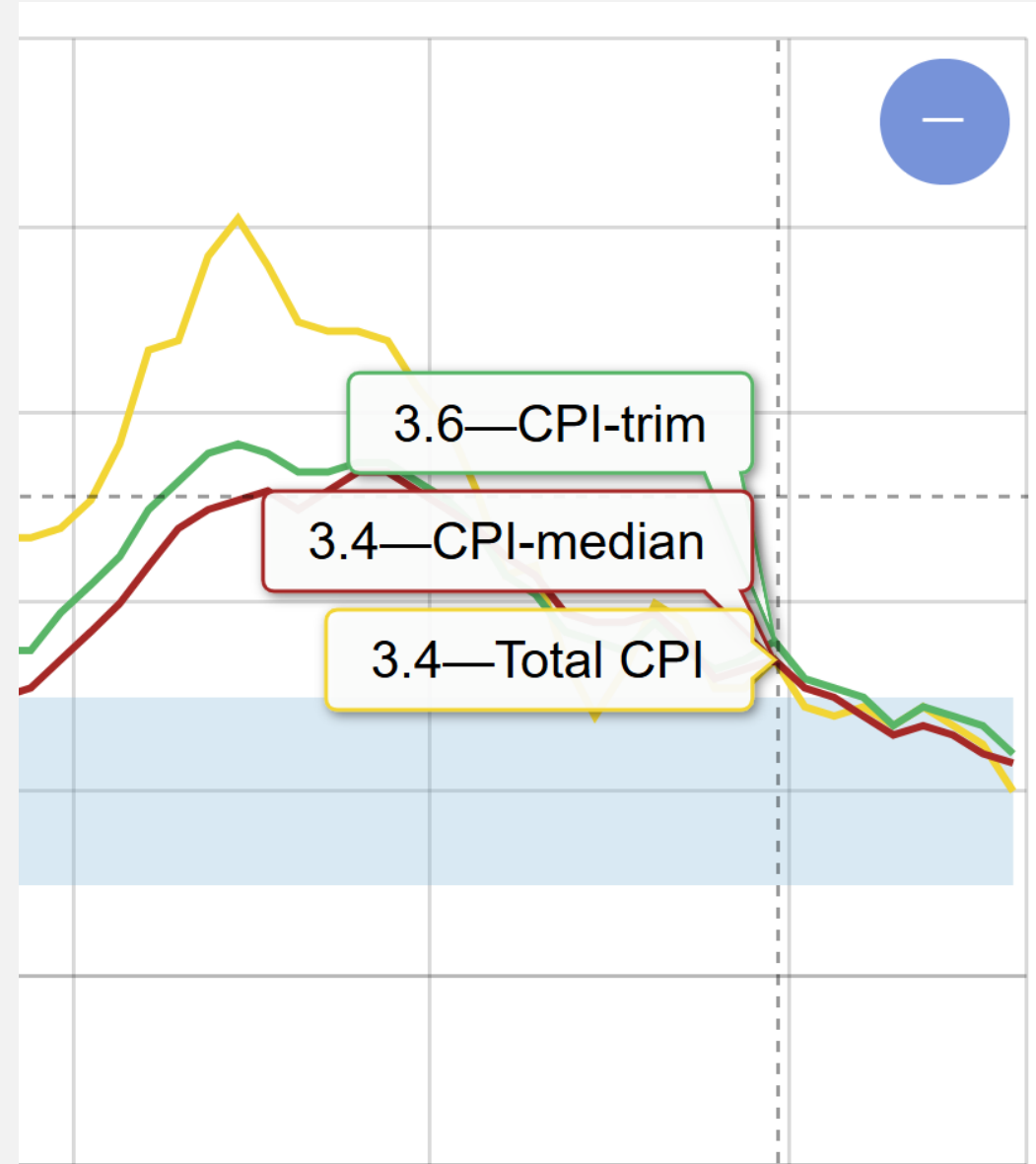
Market Participant Survey

Probability distribution for total CPI at the end of 2023



Source: Bank of Canada calculations

Last observations: MPS, December 2022 (24 responses)
MPS, September 2022 (25 responses)



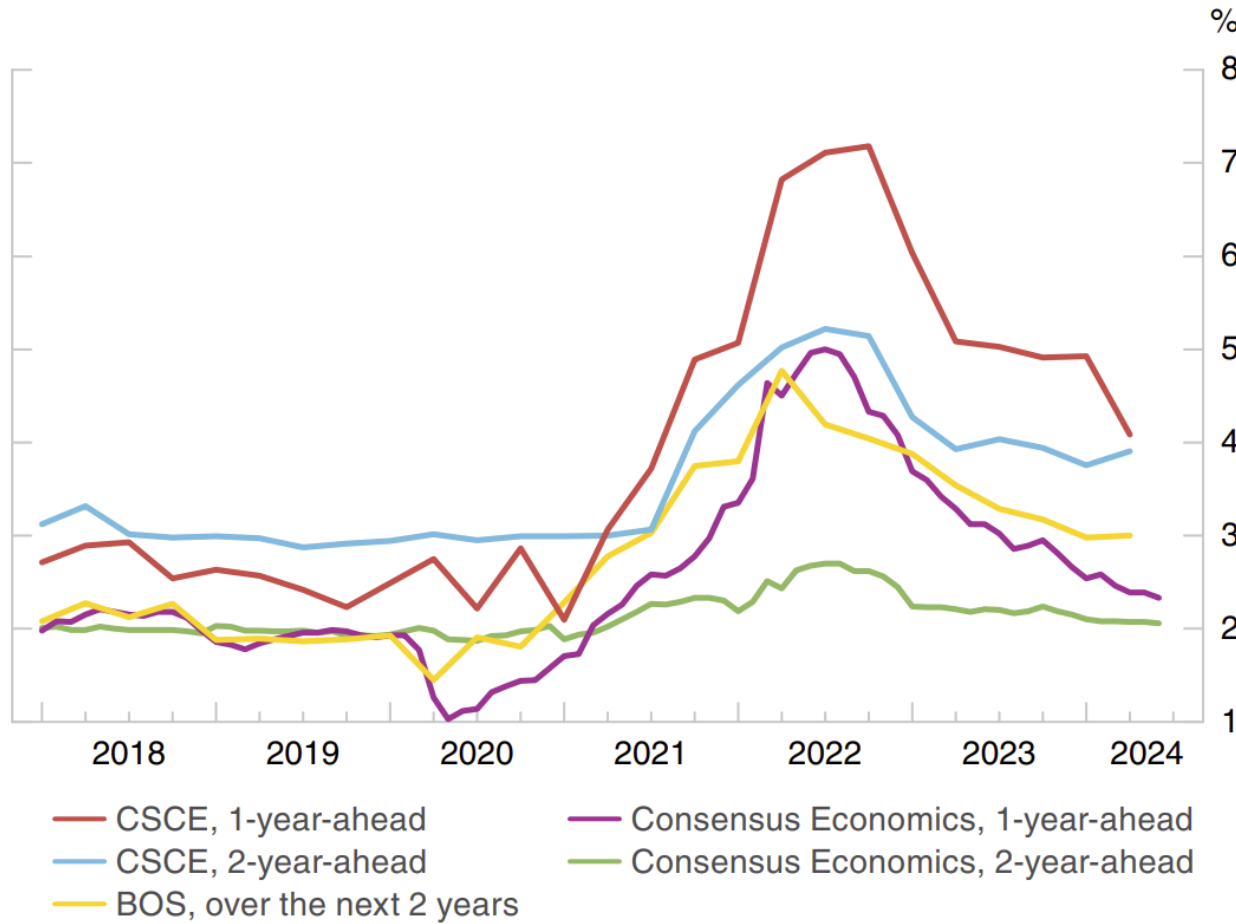
2022

2023

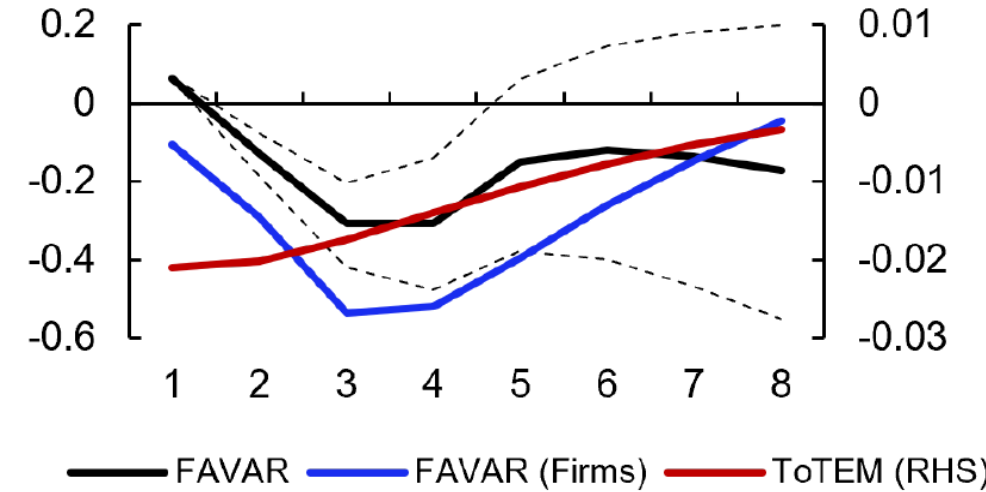
Dec 2023

Chart 10: Most measures of near-term inflation expectations have continued to come down

Quarterly and monthly data



CPI Inflation - All (Output Price Pressures, Balance)



Source: "Perceived Monetary Policy Transmission" by Asghar & Jain (2024)

Impulse response to 25bp increase in the policy rate

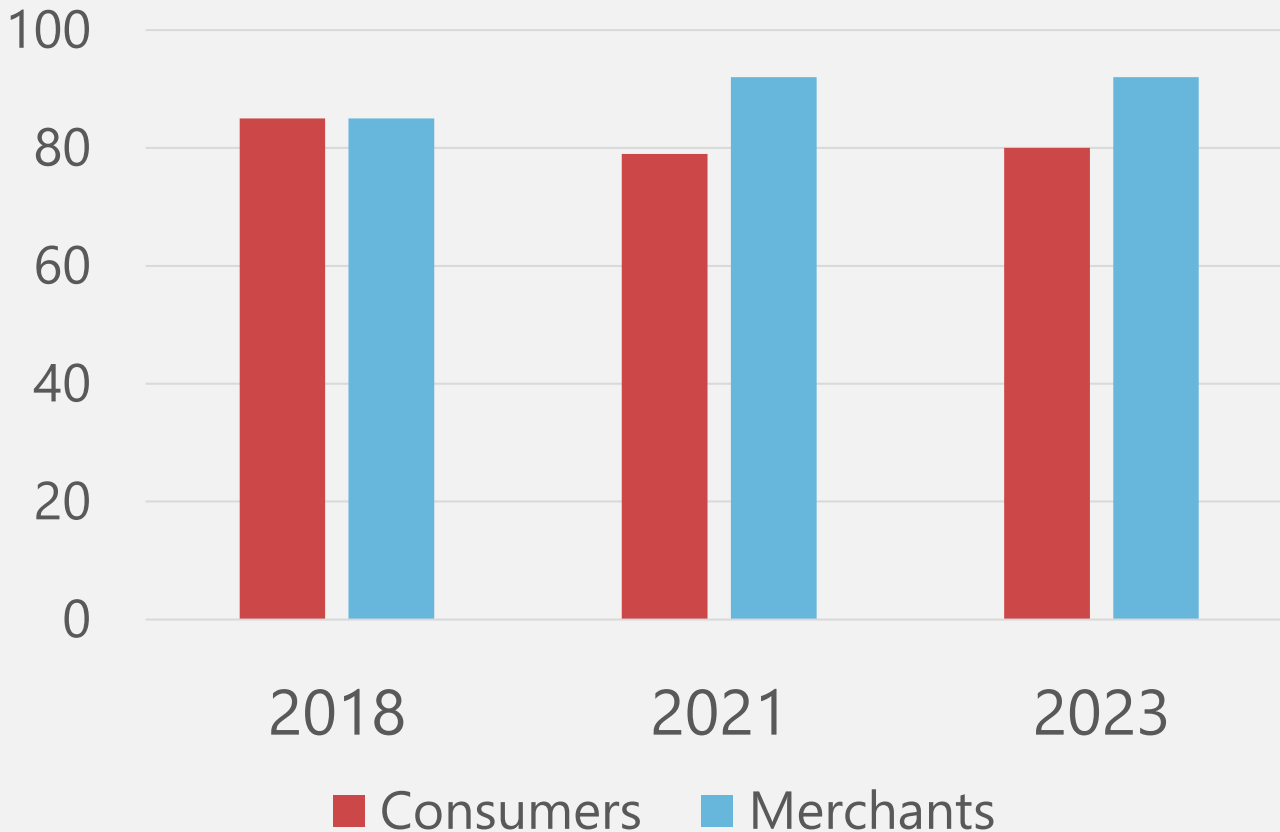
Note: CSCE is the Canadian Survey of Consumer Expectations; BOS is the Business Outlook Survey. Consensus Economics' forecasts for the next year (based on monthly data) and the next two years (based on a combination of monthly and quarterly data releases) are transformed into fixed-horizon forecasts by the weighted average of fixed-date forecasts. *1-year-ahead* refers to inflation expectations for the next 12 months. *2-year-ahead* refers to inflation expectations for the period 13 to 24 months from now.

Sources: Consensus Economics, Bank of Canada and Bank of Canada calculations

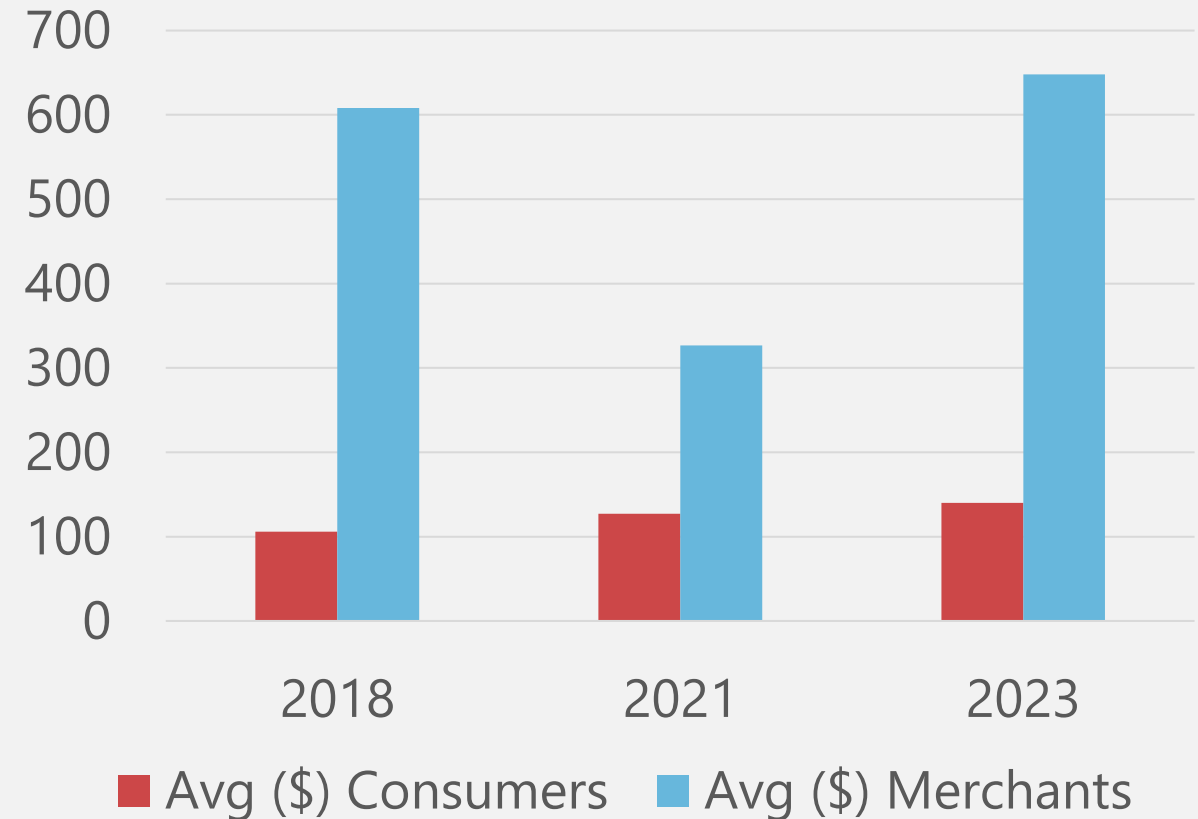
Last observations: Consensus Economics, June 2024; CSCE and BOS, 2024Q2

Consumer and Merchants see a Future for Cash

"No plans to stop using cash" in %



Consumer and Merchant Cash Holdings in \$



Handle with care!

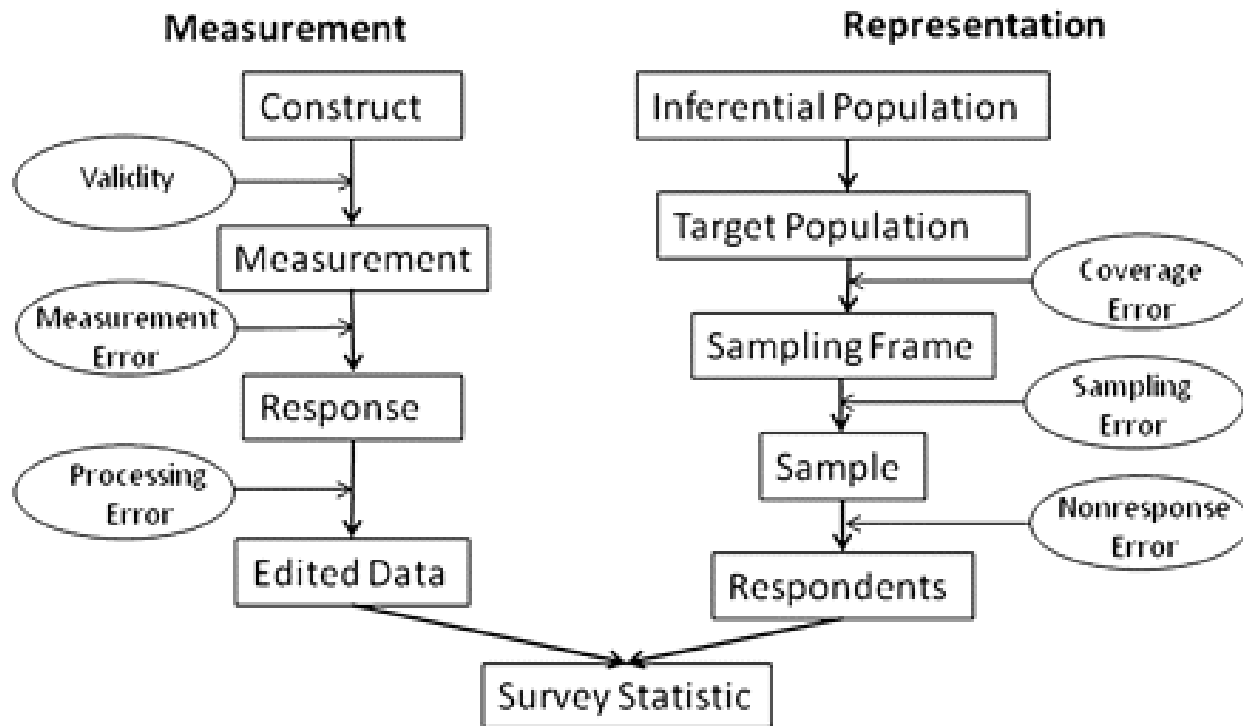


Figure 3. Total Survey Error Components Linked to Steps in the Measurement and Representational Inference Process ...



Source: Meta AI with Llama 3.2

Public Opinion Quarterly, Volume 74, Issue 5, 2010, Pages 849–879,
<https://doi.org/10.1093/poq/nfq065>

Thanks/Merci/Danke!

Category/Catégorie: Non-Sensitive/Non-Délicat

