

**On the external validity of experimental  
inflation forecasts:  
*A comparison with five categories  
of field expectations***

Camille Cornand

Paul Hubert

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### ABSTRACT

Establishing the external validity of laboratory experiments in terms of inflation forecasts is crucial for policy initiatives to be valid outside the laboratory. Our contribution is to document whether different measures of inflation expectations based on various categories of agents (participants to experiments, households, industry forecasters, professional forecasters, financial market participants and central bankers) share common patterns by analyzing: the forecasting performances of these different categories of data; the information rigidities to which they are subject; the determination of expectations. Overall, the different categories of forecasts exhibit common features: forecast errors are comparably large and autocorrelated, forecast errors and forecast revisions are predictable from past information, which suggests the presence of information frictions. Finally, the standard lagged inflation determinant of inflation expectations is robust to the data sets. There is nevertheless some heterogeneity among the six different sets. If experimental forecasts are relatively comparable to survey and financial market data, central bank forecasts seem to be superior.

### KEY WORDS

Inflation expectations, experimental forecasts, survey forecasts, market-based forecasts, central bank forecasts

### JEL

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