



15 May 2025

Charts of the Week: Sentiment Up, Forecasts Down

HAYER ANALYTICS

Link to online commentary: <https://haverproducts.com/charts-of-the-week/>
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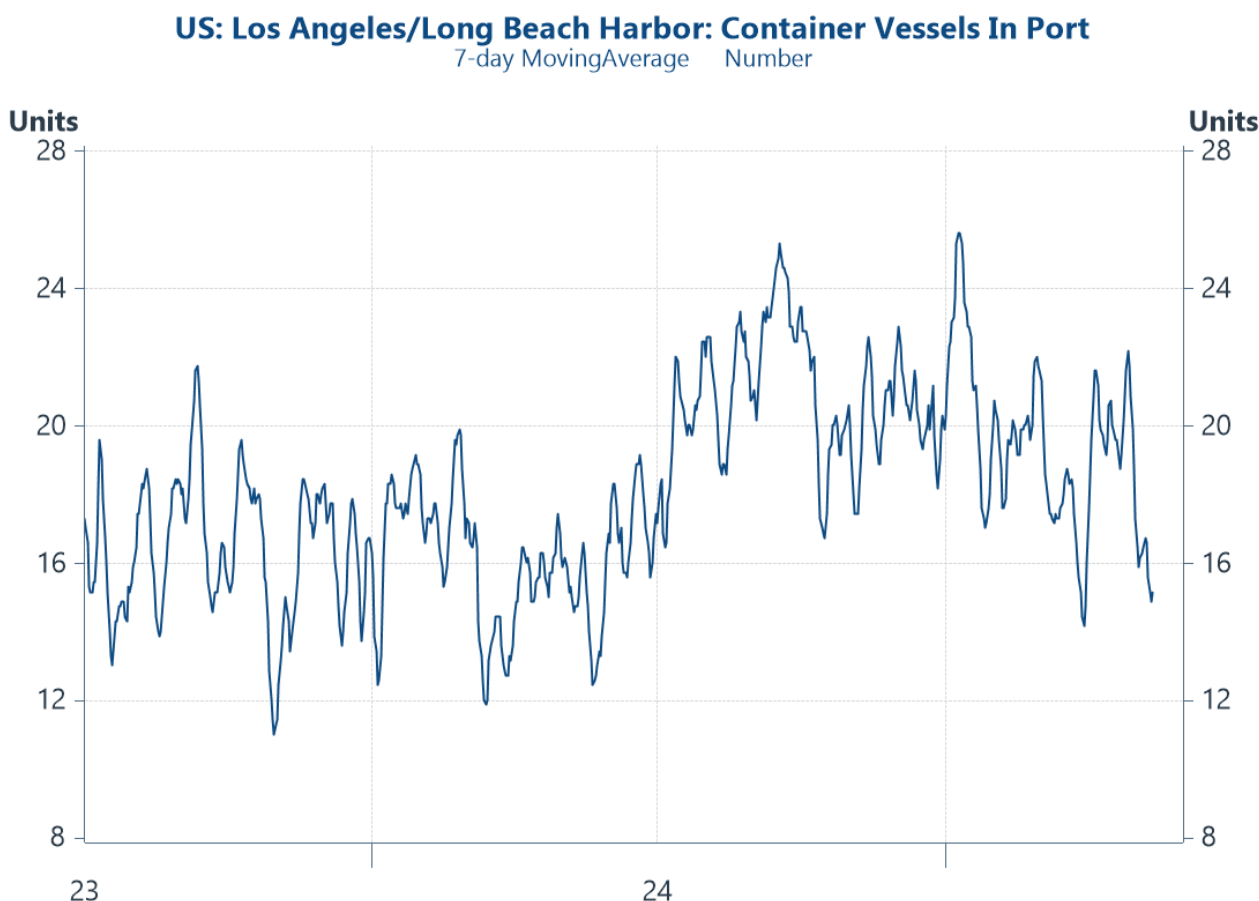
Financial market sentiment has improved notably in recent days, buoyed by an unexpected pause in the US-China tariff war and the May 12 announcement of significantly reduced bilateral tariff rates. This détente has eased investor fears of a deepening global trade shock and sparked a rebound in risk appetite. The shift follows several weeks of anxiety triggered by the Trump administration's April tariff actions, which led to sharp declines in high-frequency indicators of shipping activity (chart 1). More broadly, these developments have prompted substantial downgrades to consensus GDP and inflation forecasts for 2025 and 2026. Expectations for growth and inflation weakened across most major economies, while current account projections deteriorated markedly—underscoring the perceived economic toll of disrupted trade flows and supply chains (charts 2, 3, and 4). And, notwithstanding the more recent improvement in sentiment, underlying risks to the US outlook persist, not least via still-high uncertainty. This week's Fed Senior Loan Officer Survey additionally points to continued tight credit conditions and subdued loan demand, suggesting that monetary policy remains a drag on activity (chart 5). On a brighter note, lower oil prices have helped to anchor inflation expectations, with market-based measures—such as the US 5-year forward inflation rate—remaining relatively stable despite tariff-related volatility (chart 6).

US port activity in Los Angeles

Our first chart this week shows the number of container vessels in port at Los Angeles/Long Beach Harbor—America's largest gateway for trans-Pacific trade—based on a 7-day moving average. While volatility is typical, a notable recent drop in activity has coincided with the escalation of US-China trade tensions following the

tariff hikes imposed by the US in April 2025. The decline in vessel numbers reflects the early fallout from these measures, which have disrupted established trade flows and contributed to uncertainty across global supply chains.

Chart 1: Los Angeles: Container vessels in port

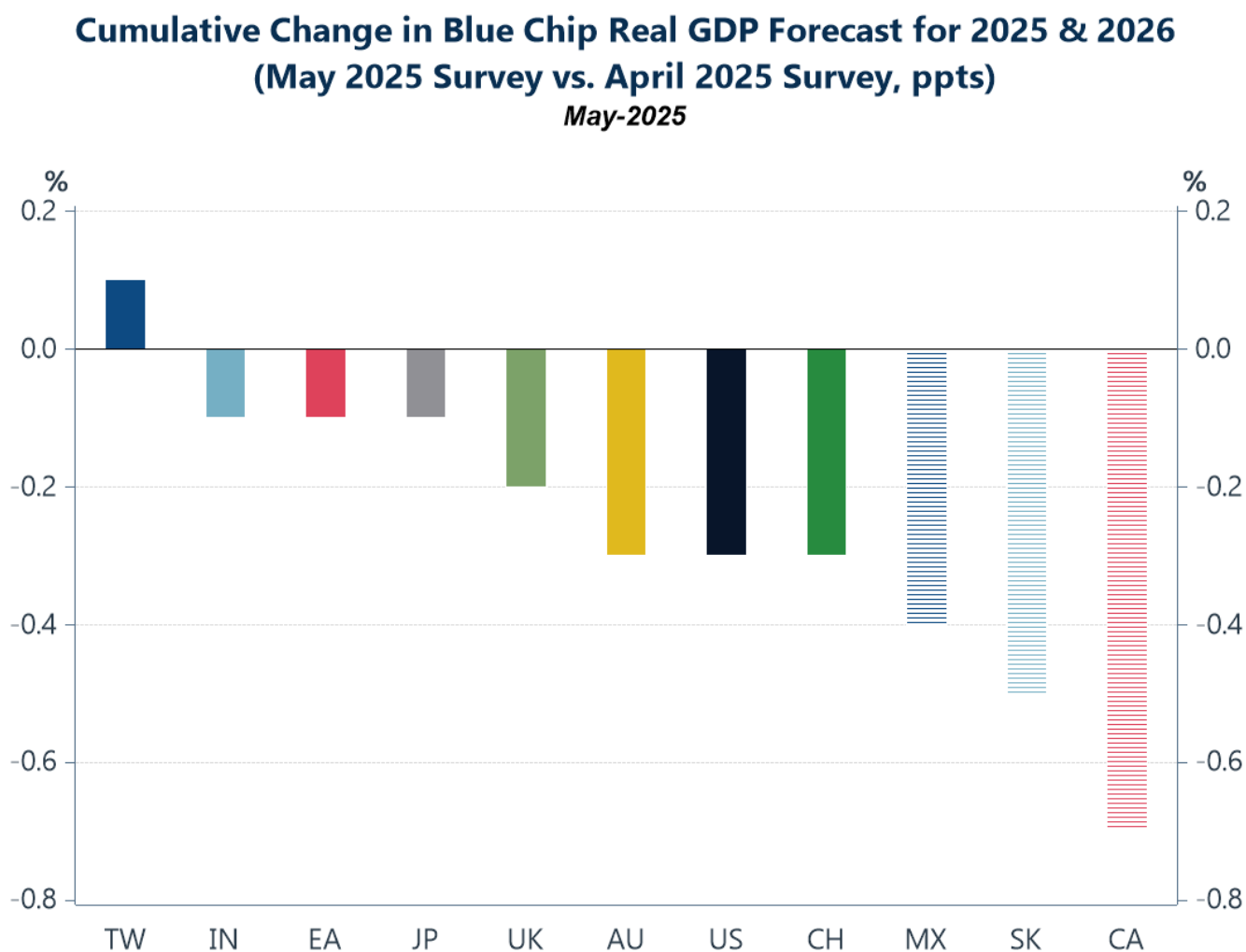


Source: The Marine Exchange of Southern California/Haver Analytics

The Blue Chip Growth Consensus

The May 2025 Blue Chip survey revealed a broadly-based downward revision to consensus GDP growth forecasts for 2025 and 2026, reflecting the global economic fallout from the Trump administration's sweeping trade measures announced in April. The downgrades spanned most major economies, with particularly sharp forecast cuts for Canada, South Korea, and Mexico—all closely integrated with US supply chains. The US and China also saw notable forecast reductions amid expectations of trade-related disruption and weaker investment sentiment. The sole upward revision was for Taiwan, where stronger-than-expected Q1 GDP data boosted short-term momentum. Importantly, these forecasts were finalised prior to the May 12 announcement of sharply reduced tariffs on US-China trade, suggesting a potential improvement in forecasters' sentiment ahead.

Chart 2: Cumulative changes to consensus growth forecasts between April and May

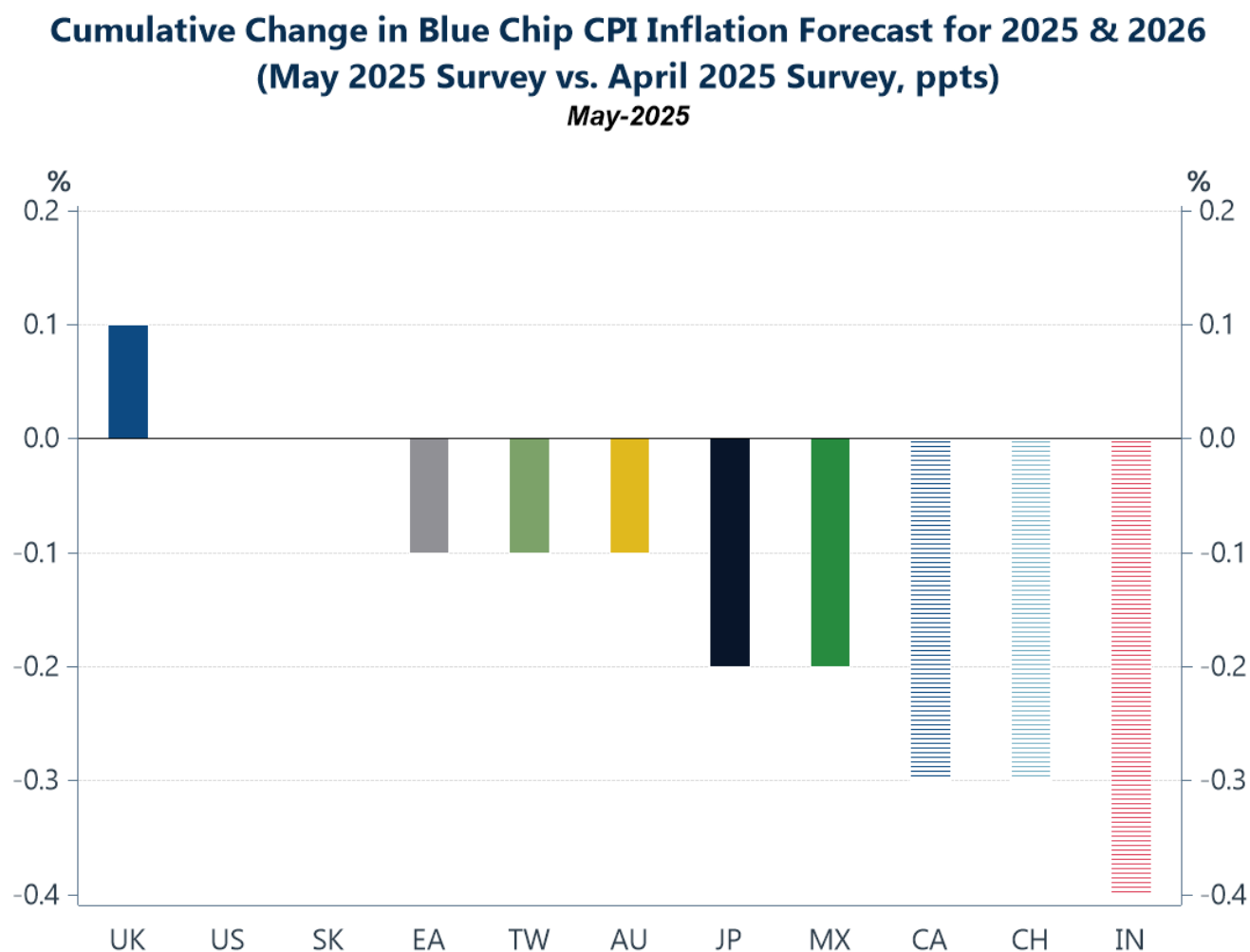


Source: Haver Analytics

The Blue Chip Inflation Consensus

The May 2025 Blue Chip survey also showed a broad-based downward revision to inflation forecasts for 2025 and 2026, reflecting softer growth prospects and the disinflationary impulse from tighter financial conditions following the Trump administration's April tariff measures. The largest downgrades were recorded for India, China, and Canada, suggesting a stronger-than-expected drag on domestic demand and import prices in those economies. Most others- including the euro area and Japan - also saw modest downward adjustments. The UK was the only exception, with a slight upward revision likely linked to localised price pressures.

Chart 3: Cumulative changes to consensus inflation forecasts between April and May



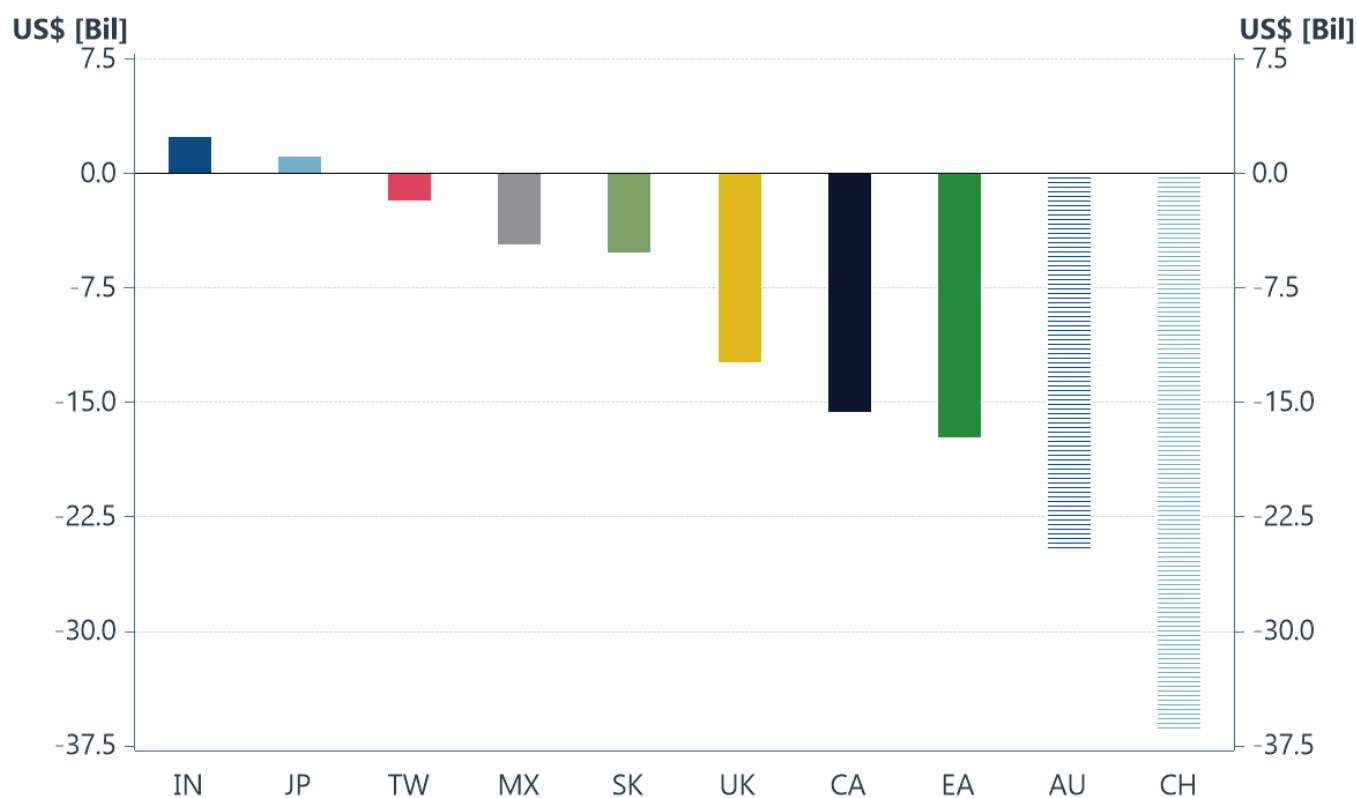
Source: Haver Analytics

The Blue Chip consensus toward global imbalances

In addition to this the May 2025 Blue Chip survey showed a widespread downward revision in current account balance forecasts for 2025 and 2026, with particularly steep deteriorations expected for China, Australia, the euro area, and Canada. These revisions clearly reflect the expected trade and income effects stemming from the Trump administration's new tariff measures introduced in April.

Chart 4: Cumulative changes to consensus current account forecasts between April and May

Cumulative Change in Blue Chip Curr. Acc. Bal. Forecast for 2025 & 2026
(May 2025 Survey vs. April 2025 Survey, ppts)
May-2025

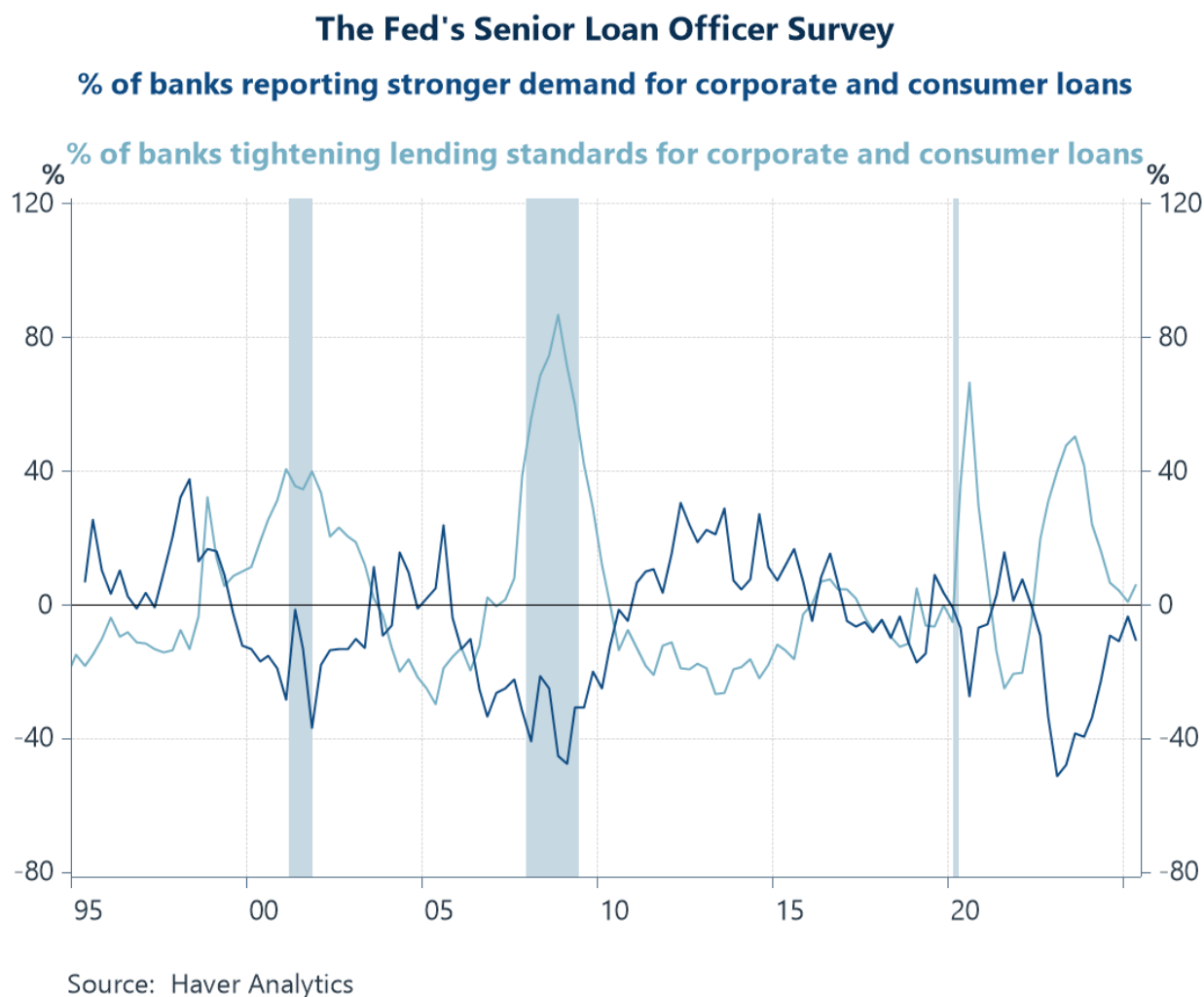


Source: Haver Analytics

US Bank Lending Standards

This week's Senior Loan Officer Survey from the US Federal Reserve showed a modest further tightening in overall lending standards for both consumers and businesses, alongside a continued decline in loan demand. During 2022 and into 2023, the rapid rise in policy rates prompted a sharp tightening in credit conditions, as banks responded to higher funding costs and growing macroeconomic uncertainty. At the same time, demand for loans from households and firms fell significantly—mirroring past cycles in which Fed tightening curbed credit appetite and heightened risk aversion. Although there had been tentative signs of easing more recently, the latest data suggest a renewed drift toward tighter credit conditions. Taken together, the persistence of subdued loan demand and cautious bank lending points to a US monetary policy stance that remains restrictive.

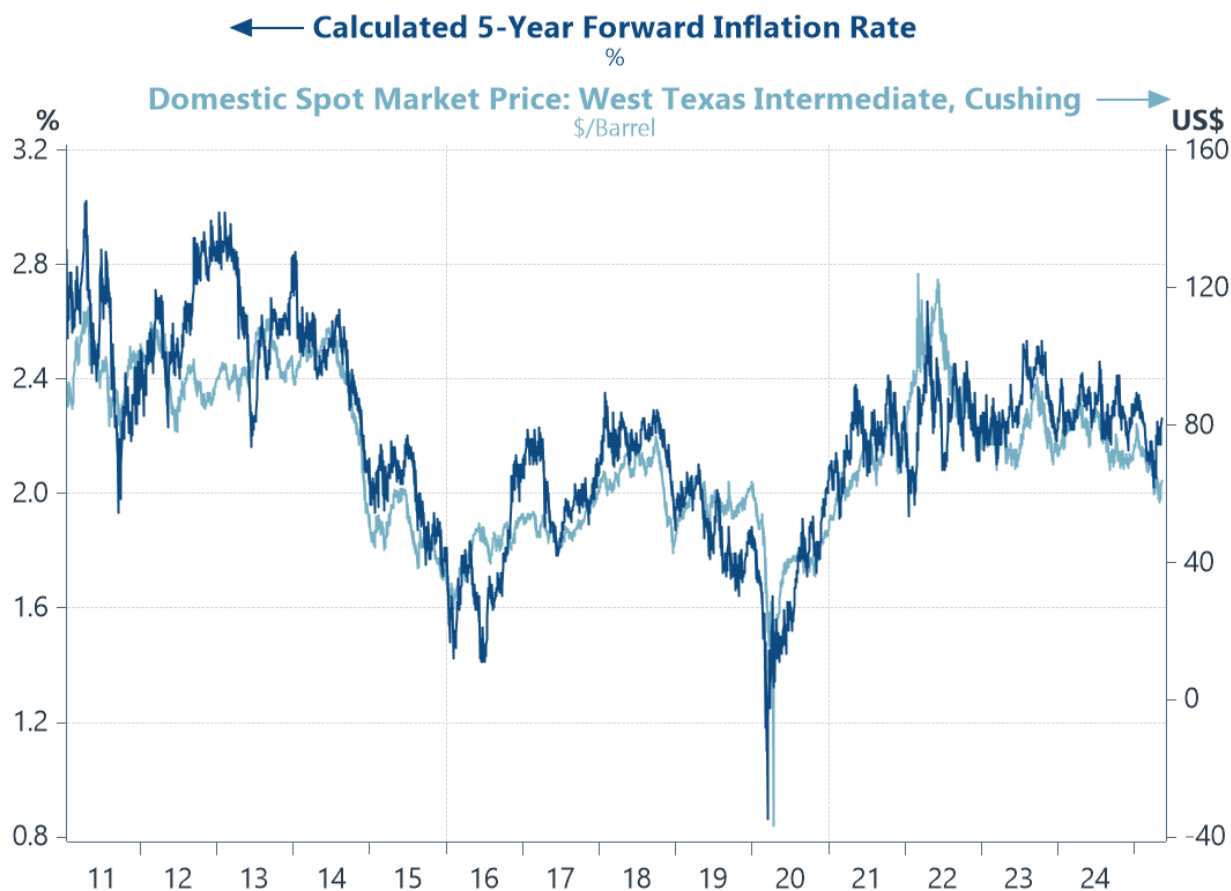
Chart 5: The US Fed's Senior Loan Officer Survey: Demand and Supply conditions



Oil prices and inflation expectations

Despite renewed tariff tensions following the Trump administration's trade actions in April 2025, market-based inflation expectations remain well anchored, with the 5-year forward inflation rate holding close to 2%. This resilience reflects, in part, declining oil prices, which have softened from their 2022 peaks amid concerns about global demand. The correlation in the chart suggests that the disinflationary impact of energy markets is acting as a counterweight to tariff-related cost pressures, helping to keep medium-term inflation expectations stable.

Chart 6: Market-based US inflation expectations versus oil prices



Sources: FRB/H, EIA/CME/Haver

About the author



Haver Analytics is pleased to bring [Andy Cates's](#) commentaries on the state of the global economy to its clients. Andy has more than 25 years of experience forecasting the global economic outlook and in assessing the implications for policy settings and financial markets. He has held various senior positions in London in a number of Investment Banks including as Head of Developed Markets Economics at Nomura and as Chief Eurozone Economist at RBS. These followed a spell of 21 years as Senior International Economist at UBS, 5 of which were spent in Singapore. Prior to his time in financial services Andy was a UK economist at HM Treasury in London holding positions in the domestic forecasting and macroeconomic modelling units. He has a BA in Economics from the University of York and an MSc in Economics and Econometrics from the University of Southampton.

Series info:

Chart 1: Los Angeles: Container vessels in port

Series 1: $\text{movv}(\text{USCLNPO@TRANSPRT}, 7)$

USCLNPO@TRANSPRT [US: Los Angeles/Long Beach Harbor: Container Vessels In Port (Number)]

Chart 2: Cumulative changes to consensus growth forecasts between April and May

Series 1: $(\text{diff}(\text{ATWD26@BLUECHIP}) + \text{diff}(\text{ATWD25@BLUECHIP}))$

ATWD26@BLUECHIP [BCEI: Change in Real GDP: Taiwan: Consensus: 2026 Forecast (%)]

ATWD25@BLUECHIP [BCEI: Change in Real GDP: Taiwan: Consensus: 2025 Forecast (%)]

Series 2: $(\text{diff}(\text{AIND26@BLUECHIP}) + \text{diff}(\text{AIND25@BLUECHIP}))$

AIND26@BLUECHIP [BCEI: Change in Real GDP: India: Consensus: 2026 Forecast (%)]

AIND25@BLUECHIP [BCEI: Change in Real GDP: India: Consensus: 2025 Forecast (%)]

Series 3: $(\text{diff}(\text{AEZD26@BLUECHIP}) + \text{diff}(\text{AEZD25@BLUECHIP}))$

AEZD26@BLUECHIP [BCEI: Change in Real GDP: Euro area: Consensus: 2026 Forecast (%)]

AEZD25@BLUECHIP [BCEI: Change in Real GDP: Euro area: Consensus: 2025 Forecast (%)]

Series 4: $(\text{diff}(\text{AJPD26@BLUECHIP}) + \text{diff}(\text{AJPD25@BLUECHIP}))$

AJPD26@BLUECHIP [BCEI: Change in Real GDP: Japan: Consensus: 2026 Forecast (%)]

AJPD25@BLUECHIP [BCEI: Change in Real GDP: Japan: Consensus: 2025 Forecast (%)]

Series 5: $(\text{diff}(\text{AGBD26@BLUECHIP}) + \text{diff}(\text{AGBD25@BLUECHIP}))$

AGBD26@BLUECHIP [BCEI: Change in Real GDP: United Kingdom: Consensus: 2026 Forecast (%)]

AGBD25@BLUECHIP [BCEI: Change in Real GDP: United Kingdom: Consensus: 2025 Forecast (%)]

Series 6: $(\text{diff}(\text{AAUD26@BLUECHIP}) + \text{diff}(\text{AAUD25@BLUECHIP}))$

AAUD26@BLUECHIP [BCEI: Change in Real GDP: Australia: Consensus: 2026 Forecast (%)]

AAUD25@BLUECHIP [BCEI: Change in Real GDP: Australia: Consensus: 2025 Forecast (%)]

Series 7: $(\text{diff}(\text{AAAD26@BLUECHIP}) + \text{diff}(\text{AAAD25@BLUECHIP}))$

AAAD26@BLUECHIP [BCEI: US Real GDP: 2026 Forecasts: Consensus (Y/Y % Chg)]

AAAD25@BLUECHIP [BCEI: US Real GDP: 2025 Forecasts: Consensus (Y/Y % Chg)]

Series 8: $(\text{diff}(\text{ACND26@BLUECHIP}) + \text{diff}(\text{ACND25@BLUECHIP}))$

ACND26@BLUECHIP [BCEI: Change in Real GDP: China: Consensus: 2026 Forecast (%)]

ACND25@BLUECHIP [BCEI: Change in Real GDP: China: Consensus: 2025 Forecast (%)]

Series 9: $(\text{diff}(\text{AMXD26@BLUECHIP}) + \text{diff}(\text{AMXD25@BLUECHIP}))$

AMXD26@BLUECHIP [BCEI: Change in Real GDP: Mexico: Consensus: 2026 Forecast (%)]

AMXD25@BLUECHIP [BCEI: Change in Real GDP: Mexico: Consensus: 2025 Forecast (%)]

Series 10: $(\text{diff}(\text{AKRD26@BLUECHIP}) + \text{diff}(\text{AKRD25@BLUECHIP}))$

AKRD26@BLUECHIP [BCEI: Change in Real GDP: South Korea: Consensus: 2026 Forecast (%)]

AKRD25@BLUECHIP [BCEI: Change in Real GDP: South Korea: Consensus: 2025 Forecast (%)]

Series 11: $(\text{diff}(\text{ACAD26@BLUECHIP}) + \text{diff}(\text{ACAD25@BLUECHIP}))$

ACAD26@BLUECHIP [BCEI: Change in Real GDP: Canada: Consensus: 2026 Forecast (%)]

ACAD25@BLUECHIP [BCEI: Change in Real GDP: Canada: Consensus: 2025 Forecast (%)]

Chart 3: Cumulative changes to consensus inflation forecasts between April and May

Series 1: $(\text{diff}(\text{DGBD26@BLUECHIP}) + \text{diff}(\text{DGBD25@BLUECHIP}))$

DGBD26@BLUECHIP [BCEI: Change in Consumer Price Index: UK: Consensus: 2026 Forecast (%)]

DGBD25@BLUECHIP [BCEI: Change in Consumer Price Index: UK: Consensus: 2025 Forecast (%)]

Series 2: $(\text{diff}(\text{DAAD26@BLUECHIP}) + \text{diff}(\text{DAAD25@BLUECHIP}))$

DAAD26@BLUECHIP [BCEI: US Consumer Price Index: 2026 Forecasts: Consensus (Y/Y % Chg)]

DAAD25@BLUECHIP [BCEI: US Consumer Price Index: 2025 Forecasts: Consensus (Y/Y % Chg)]

Series 3: $(\text{diff}(\text{DKRD26@BLUECHIP}) + \text{diff}(\text{DKRD25@BLUECHIP}))$

DKRD26@BLUECHIP [BCEI: Change in Consumer Price Index: South Korea: Consensus: 2026 Forecast (%)]

DKRD25@BLUECHIP [BCEI: Change in Consumer Price Index: South Korea: Consensus: 2025 Forecast (%)]

Series 4: $(\text{diff}(\text{DEZD26@BLUECHIP}) + \text{diff}(\text{DEZD25@BLUECHIP}))$

DEZD26@BLUECHIP [BCEI: Change in Consumer Price Index: Euro area: Consensus: 2026 Forecast (%)]

DEZD25@BLUECHIP [BCEI: Change in Consumer Price Index: Euro area: Consensus: 2025 Forecast (%)]

Series 5: $(\text{diff}(\text{DTWD26@BLUECHIP}) + \text{diff}(\text{DTWD25@BLUECHIP}))$

DTWD26@BLUECHIP [BCEI: Change in Consumer Price Index: Taiwan: Consensus: 2026 Forecast (%)]

DTWD25@BLUECHIP [BCEI: Change in Consumer Price Index: Taiwan: Consensus: 2025 Forecast (%)]

Series 6: (diff(DAUD26@BLUECHIP) + diff(DAUD25@BLUECHIP))

DAUD26@BLUECHIP [BCEI: Change in Consumer Price Index: Australia: Consensus: 2026 Forecast (%)]

DAUD25@BLUECHIP [BCEI: Change in Consumer Price Index: Australia: Consensus: 2025 Forecast (%)]

Series 7: (diff(DJPD26@BLUECHIP) + diff(DJPD25@BLUECHIP))

DJPD26@BLUECHIP [BCEI: Change in Consumer Price Index: Japan: Consensus: 2026 Forecast (%)]

DJPD25@BLUECHIP [BCEI: Change in Consumer Price Index: Japan: Consensus: 2025 Forecast (%)]

Series 8: (diff(DMXD26@BLUECHIP) + diff(DMXD25@BLUECHIP))

DMXD26@BLUECHIP [BCEI: Change in Consumer Price Index: Mexico: Consensus: 2026 Forecast (%)]

DMXD25@BLUECHIP [BCEI: Change in Consumer Price Index: Mexico: Consensus: 2025 Forecast (%)]

Series 9: (diff(DCAD26@BLUECHIP) + diff(DCAD25@BLUECHIP))

DCAD26@BLUECHIP [BCEI: Change in Consumer Price Index: Canada: Consensus: 2026 Forecast (%)]

DCAD25@BLUECHIP [BCEI: Change in Consumer Price Index: Canada: Consensus: 2025 Forecast (%)]

Series 10: (diff(DCND26@BLUECHIP) + diff(DCND25@BLUECHIP))

DCND26@BLUECHIP [BCEI: Change in Consumer Price Index: China: Consensus: 2026 Forecast (%)]

DCND25@BLUECHIP [BCEI: Change in Consumer Price Index: China: Consensus: 2025 Forecast (%)]

Series 11: (diff(DIND26@BLUECHIP) + diff(DIND25@BLUECHIP))

DIND26@BLUECHIP [BCEI: Change in Consumer Price Index: India: Consensus: 2026 Forecast (%)]

DIND25@BLUECHIP [BCEI: Change in Consumer Price Index: India: Consensus: 2025 Forecast (%)]

Chart 4: Cumulative changes to consensus current account forecasts between April and May

Series 1: diff((SIND26@BLUECHIP + SIND25@BLUECHIP))

SIND26@BLUECHIP [BCEI: Current Account: India: Consensus: 2026 Forecast (Bil.\$)]

SIND25@BLUECHIP [BCEI: Current Account: India: Consensus: 2025 Forecast (Bil.\$)]

Series 2: diff((SJPD26@BLUECHIP + SJPD25@BLUECHIP))

SJPD26@BLUECHIP [BCEI: Current Account: Japan: Consensus: 2026 Forecast (Bil.\$)]

SJPD25@BLUECHIP [BCEI: Current Account: Japan: Consensus: 2025 Forecast (Bil.\$)]

Series 3: diff((STWD26@BLUECHIP + STWD25@BLUECHIP))

STWD26@BLUECHIP [BCEI: Current Account: Taiwan: Consensus: 2026 Forecast (Bil.\$)]

STWD25@BLUECHIP [BCEI: Current Account: Taiwan: Consensus: 2025 Forecast (Bil.\$)]

Series 4: diff((SMXD26@BLUECHIP + SMXD25@BLUECHIP))

SMXD26@BLUECHIP [BCEI: Current Account: Mexico: Consensus: 2026 Forecast (Bil.\$)]

SMXD25@BLUECHIP [BCEI: Current Account: Mexico: Consensus: 2025 Forecast (Bil.\$)]

Series 5: diff((SKRD26@BLUECHIP + SKRD25@BLUECHIP))

SKRD26@BLUECHIP [BCEI: Current Account: South Korea: Consensus: 2026 Forecast (Bil.\$)]

SKRD25@BLUECHIP [BCEI: Current Account: South Korea: Consensus: 2025 Forecast (Bil.\$)]

Series 6: diff((SGBD26@BLUECHIP + SGBD25@BLUECHIP))

SGBD26@BLUECHIP [BCEI: Current Account: United Kingdom: Consensus: 2026 Forecast (Bil.\$)]

SGBD25@BLUECHIP [BCEI: Current Account: United Kingdom: Consensus: 2025 Forecast (Bil.\$)]

Series 7: diff((SCAD26@BLUECHIP + SCAD25@BLUECHIP))

SCAD26@BLUECHIP [BCEI: Current Account: Canada: Consensus: 2026 Forecast (Bil.\$)]

SCAD25@BLUECHIP [BCEI: Current Account: Canada: Consensus: 2025 Forecast (Bil.\$)]

Series 8: diff((SEZD26@BLUECHIP + SEZD25@BLUECHIP))

SEZD26@BLUECHIP [BCEI: Current Account: Euro area: Consensus: 2026 Forecast (Bil.\$)]

SEZD25@BLUECHIP [BCEI: Current Account: Euro area: Consensus: 2025 Forecast (Bil.\$)]

Series 9: diff((SAUD26@BLUECHIP + SAUD25@BLUECHIP))

SAUD26@BLUECHIP [BCEI: Current Account: Australia: Consensus: 2026 Forecast (Bil.\$)]

SAUD25@BLUECHIP [BCEI: Current Account: Australia: Consensus: 2025 Forecast (Bil.\$)]

Series 10: diff((SCND26@BLUECHIP + SCND25@BLUECHIP))

SCND26@BLUECHIP [BCEI: Current Account: China: Consensus: 2026 Forecast (Bil.\$)]

SCND25@BLUECHIP [BCEI: Current Account: China: Consensus: 2025 Forecast (Bil.\$)]

Chart 5: The US Fed's Senior Loan Office Survey: Demand and Supply conditions

Series 1: (((FDCNT@SURVEYS + FDCNRH@SURVEYS) + FDCREH@SURVEYS) + FDCIL@SURVEYS) / 4)

FDCNT@SURVEYS [FRB Sr Off Survey: Banks Reporting Stronger Demand for Consumer Loans (%)]

FDCNRH@SURVEYS [FRB Sr Loan Survey: Res Mortgages: Net Share, Banks w/ More Demand(Haver Est, %)]

FDCREH@SURVEYS [FRB Sr Loan Survey: CRE Loans: Net Share, Banks w/ More Demand (Haver Est, %)]
FDCIL@SURVEYS [FRB Sr Off Survey: Banks Rptg Stronger Demand for C&I Loans/Lg Firms (%)]

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Series 2: $(((((\text{FTCREH@SURVEYS} + \text{FSCIL@SURVEYS}) + \text{FTCIL@SURVEYS}) + \text{FTCNMH@SURVEYS}) / 4)$

FTCREH@SURVEYS [FRB Sr Loan Survey: CRE Loans: Net Share, Banks Tightening (Haver Est, %)]

FSCIL@SURVEYS [FRB Sr Off Survey: Banks Incr Spreads of Loan Rates to Large Firms (%)]

FTCIL@SURVEYS [FRB Sr Officers Survey: Banks Tightening C&I Loans to Large Firms (%)]

FTCNMH@SURVEYS [FRB Sr Loan Survey: Res Mortgages: Net Share, Banks Tightening (Haver Est, %)]

4

Chart 6: Market-based US inflation expectations versus oil prices

Series 1: FINF@DAILY

FINF@DAILY [Calculated 5-Year Forward Inflation Rate (%)]

Series 2: PZTEXA@CMDTY

PZTEXA@CMDTY [Domestic Spot Market Price: West Texas Intermediate, Cushing (\$/Barrel)]

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Email sales@haver.com and someone from our team will connect with you to discuss your data needs.

