



**Economic Forecast: January 2020**

	----- 2019 -----				----- 2020 -----				----- 2021 -----				2018	2019	2020	2021
	19.1	19.2	19.3	19.4	20.1	20.2	20.3	20.4	21.1	21.2	21.3	21.4				
<b>Percent Change: Quarterly SAAR, Annual Q4/Q4</b>																
Gross Domestic Product	3.1	2.0	2.1	2.3	2.3	2.0	2.1	2.1	1.9	2.0	2.0	2.0	2.5	2.4	2.1	2.0
Personal Consumption Expenditures (PCE)	1.1	4.6	3.2	2.3	2.5	2.4	2.2	2.3	2.1	2.0	2.1	2.1	2.6	2.8	2.4	2.1
Residential Fixed Investment	-1.0	-3.0	4.6	4.0	5.9	3.9	2.6	2.4	3.0	3.6	3.7	3.5	-4.4	1.1	3.7	3.4
Business Fixed Investment	4.4	-1.0	-2.3	0.0	2.0	4.0	2.9	2.7	2.0	2.2	2.1	2.3	5.9	0.3	2.9	2.1
Government Consumption & Investment	2.9	4.8	1.7	1.7	2.0	3.8	0.9	0.6	1.8	0.7	1.0	1.0	1.5	2.8	1.8	1.1
<b>Billions of Chained 2012\$</b>																
Net Exports	-944	-981	-990	-931	-945	-997	-1016	-1032	-1050	-1054	-1067	-1075	-920	-961	-997	-1062
Change in Business Inventories	116	69	69	29	29	20	31	42	45	48	56	57	48	71	31	52
<b>Percent Change: Quarterly YoY, Annual Q4/Q4</b>																
Consumer Price Index	1.6	1.8	1.8	2.0	2.2	1.8	1.8	1.7	1.9	1.9	1.9	1.8	2.2	2.0	1.7	1.8
Core Consumer Price Index (ex. Food & Energy)	2.1	2.1	2.3	2.3	2.3	2.4	2.2	2.2	2.2	2.2	2.2	2.1	2.2	2.3	2.2	2.1
PCE Chain Price Index	1.4	1.4	1.4	1.5	1.7	1.5	1.6	1.7	1.8	1.9	1.9	1.8	1.9	1.5	1.7	1.8
Core PCE Chain Price Index (ex. Food & Energy)	1.6	1.6	1.7	1.6	1.8	1.8	1.7	1.9	1.9	2.0	2.0	1.9	1.9	1.6	1.9	1.9
<b>Change: Quarterly Mo. Avg., Thous., Annual Mil.</b>																
Employment, Total Nonfarm	206	146	172	191	183	244	67	99	130	140	145	145	2.7	2.1	1.8	1.7
<i>Percent Change: Q4/Q4</i>													1.8	1.4	1.2	1.1
<b>Percent</b>																
Unemployment Rate	3.9	3.6	3.6	3.5	3.6	3.7	3.8	3.9	4.0	4.1	4.1	4.1	3.9	3.7	3.8	4.1
Federal Funds Rate	2.4	2.4	2.2	1.6	1.6	1.6	1.6	1.6	1.6	1.6	1.6	1.6	1.8	2.2	1.6	1.6
1-Year Treasury Note Yield	2.5	2.3	1.8	1.6	1.6	1.6	1.6	1.6	1.6	1.6	1.7	1.7	2.3	2.1	1.6	1.6
10-Year Treasury Note Yield	2.7	2.3	1.8	1.8	1.9	1.9	2.0	2.0	2.0	2.0	2.0	2.1	2.9	2.1	2.0	2.0

January 10, 2020

Note: Interest rate forecasts are based on rates from December 31, 2019.

Note: Unshaded areas denote actuals. Shaded areas denote forecasts.

Note: Nonfarm employment numbers include temporary hiring for the 2020 decennial Census.

Sources: Actuals: Bureau of Economic Analysis, Bureau of Labor Statistics, Federal Reserve Board. Forecasts: Fannie Mae Economic and Strategic Research

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