

Economic Forecast: May 2011

	2009				2010				2011				2012				2009	2010	2011	2012	2013
	09.1	09.2	09.3	09.4	10.1	10.2	10.3	10.4	11.1	11.2	11.3	11.4	12.1	12.2	12.3	12.4					
Percent Change: Quarterly SAAR, Annual Q4/Q4 (unless noted)																					
Real GDP	-4.9	-0.7	1.6	5.0	3.7	1.7	2.6	3.1	1.8	3.3	3.2	3.4	3.4	3.2	3.2	3.3	0.2	2.8	2.9	3.3	3.6
Personal Consumption	-0.5	-1.6	2.0	0.9	1.9	2.2	2.4	4.0	2.7	2.6	2.9	2.7	2.4	2.4	2.5	2.8	0.2	2.6	2.7	2.5	2.9
Residential Investment	-36.2	-19.7	10.6	-0.8	-12.3	25.7	-27.3	3.3	-4.1	3.3	9.7	21.7	27.8	16.5	13.7	16.5	-13.4	-4.6	7.2	18.5	19.8
Business Fixed Investment	-35.2	-7.5	-1.7	-1.4	7.8	17.2	10.0	7.7	1.8	11.4	9.4	9.0	9.1	7.8	7.4	7.3	-12.7	10.6	7.8	7.9	7.6
Net Exports (Bil. Chain 2000\$)	-389.2	-342.0	-390.8	-330.1	-338.4	-449.0	-505.0	-397.7	-399.7	-374.8	-372.5	-377.9	-381.0	-369.5	-350.0	-339.0	-363.0	-422.5	-381.2	-359.8	-318.3
Government Consumption & Investment	-3.0	6.1	1.6	-1.4	-1.6	3.9	3.9	-1.7	-5.2	-1.6	-0.4	0.6	-0.1	-0.1	-0.9	-0.6	0.8	1.1	-1.7	-0.4	0.1
Billions of Dollars																					
Change in Business Inventories	-125.8	-161.8	-128.2	-36.7	44.1	68.8	121.4	16.2	43.8	38.9	41.8	49.5	60.3	60.4	58.6	57.8	-113.1	62.6	43.5	59.3	61.6
Percent Change: Quarterly SAAR, Annual Q4/Q4 (unless noted)																					
GDP Price Index	1.1	0.3	0.7	-0.2	1.0	1.9	2.1	0.4	1.9	1.5	1.8	1.4	1.6	1.6	1.6	1.6	0.5	1.3	1.7	1.6	1.6
Consumer Price Index	-2.4	1.9	3.7	2.7	1.3	-0.5	1.4	2.6	5.2	4.3	3.1	2.0	2.0	2.3	2.5	2.5	1.5	1.2	3.7	2.3	2.4
Consumer Price Index (Quarterly YOY % Change, Annual YOY % Change)	-0.2	-1.0	-1.6	1.5	2.4	1.8	1.2	1.2	2.2	3.4	3.8	3.7	2.9	2.4	2.2	2.3	-0.3	1.6	3.3	2.4	2.4
Consumer Price Index excl. Food & Energy	1.6	2.2	1.4	1.7	0.0	0.8	1.1	0.6	1.7	1.7	1.8	2.0	2.2	2.5	2.7	2.7	1.7	0.6	1.8	2.5	2.4
Consumer Price Index excl. Food & Energy (Quarterly YOY % Change, Annual YOY % Change)	1.7	1.8	1.5	1.7	1.3	1.0	0.9	0.6	1.1	1.3	1.5	1.8	1.9	2.1	2.4	2.5	1.7	1.0	1.4	2.2	2.6
Industrial Production	-18.9	-11.5	5.3	5.6	8.1	7.1	6.7	3.2	6.0	6.5	5.1	4.7	3.4	3.2	3.2	2.9	-5.5	6.3	5.6	3.2	2.6
Percent																					
Unemployment Rate	8.2	9.3	9.7	10.0	9.7	9.6	9.6	9.6	8.9	8.8	8.7	8.5	8.4	8.2	8.1	8.0	9.3	9.6	8.7	8.2	7.5
Percent Change: Quarterly SAAR, Annual Q4/Q4																					
Employment, Total Nonfarm Establishment Survey	-6.5	-5.5	-3.0	-1.6	-0.3	2.0	-0.2	0.8	1.2	1.7	1.7	1.8	1.9	1.8	1.6	1.7	-4.2	0.5	1.6	1.8	2.6
Interest Rates, Percent																					
Fed Funds Rate	0.2	0.2	0.2	0.1	0.1	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.4	0.9	1.2	1.4	0.2	0.2	0.2	1.0	2.0
1-yr T-Note	0.6	0.5	0.4	0.3	0.4	0.4	0.3	0.3	0.3	0.3	0.4	0.5	0.7	0.9	1.1	1.3	0.5	0.3	0.4	1.0	1.9
10-yr T-Note	2.7	3.3	3.5	3.5	3.7	3.5	2.8	2.9	3.5	3.3	3.4	3.5	3.6	3.8	3.9	4.0	3.3	3.2	3.4	3.8	4.2
1-yr ARM rate	4.9	4.8	4.7	4.4	4.3	4.0	3.6	3.3	3.3	3.3	3.5	3.6	3.7	3.9	4.0	4.2	4.7	3.8	3.4	3.9	4.4
30-yr Fixed-Rate	5.1	5.0	5.2	4.9	5.0	4.9	4.4	4.4	4.8	4.9	5.1	5.2	5.3	5.4	5.5	5.5	5.0	4.7	5.0	5.4	5.7

May 10, 2011

Notes: Interest rate forecasts are based on rates from April 29, 2011.

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

Source: Actuals: Census, Bureau of Labor Statistics, Federal Reserve, Mortgage Bankers Association, National Association of REALTORS®, FHFA; Forecasts: Fannie Mae Economics and Mortgage Market Analysis

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