

Economic Forecast: December 2014

	----- 2014 -----				----- 2015 -----				2012	2013	2014	2015
	14.1	14.2	14.3	14.4	15.1	15.2	15.3	15.4				
National Income and Product Accounts (Chained 2009\$)												
<i>Percent Change: Quarterly SAAR, Annual Q4/Q4</i>												
Gross Domestic Product	-2.1	4.6	3.9	2.3	2.6	2.7	2.8	2.6	1.6	3.1	2.1	2.7
Personal Consumption Expenditures	1.2	2.5	2.2	2.5	2.8	2.8	2.8	2.6	2.0	2.8	2.1	2.8
Residential Fixed Investment	-5.3	8.8	2.7	7.6	0.8	3.2	7.7	8.3	15.8	6.9	3.3	4.9
Business Fixed Investment	1.6	9.7	7.1	1.9	4.2	4.5	4.5	4.4	3.7	4.7	5.0	4.4
Government Consumption & Investment	-0.8	1.7	4.2	-1.8	0.5	0.2	0.3	0.3	-1.7	-1.9	0.8	0.3
<i>Billions of Chained 2009\$</i>												
Net Exports	-447	-460	-431	-419	-434	-409	-395	-403	-452	-420	-439	-410
Change in Business Inventories	35	85	79	83	98	77	61	67	58	64	71	76
Income (Billions of Nominal \$)												
Disposable Personal Income	12,773	12,945	13,061	13,142	13,265	13,370	13,497	13,639	12,384	12,505	12,980	13,443
<i>Percent Change: Quarterly SAAR, Annual Q4/Q4</i>	4.8	5.5	3.6	2.5	3.8	3.2	3.9	4.3	6.7	-0.8	4.1	3.8
Price Indices												
<i>Percent Change: Quarterly SAAR, Annual Q4/Q4</i>												
GDP Price Index	1.3	2.1	1.4	1.4	1.3	1.6	1.6	1.8	1.8	1.4	1.6	1.6
Consumer Price Index	1.9	3.0	1.1	-0.4	0.5	1.9	1.9	2.1	1.9	1.2	1.4	1.6
Consumer Price Index excl. Food & Energy	1.6	2.5	1.3	1.7	1.8	1.7	1.9	2.0	1.9	1.7	1.8	1.8
Employment												
Unemployment Rate (Percent)	6.7	6.2	6.1	5.8	5.7	5.6	5.5	5.4	8.1	7.4	6.2	5.5
Employment, Total Nonfarm Establishment Survey (Percent Change: Quarterly SAAR, Annual Q4/Q4)	1.5	2.2	2.1	2.2	2.2	2.2	2.1	1.9	1.7	1.8	2.0	2.1
Interest Rates (Percent)												
Federal Funds Rate	0.1	0.1	0.1	0.2	0.2	0.2	0.3	0.6	0.1	0.1	0.1	0.3
1-Year Treasury Note Yield	0.1	0.1	0.1	0.1	0.2	0.4	0.6	0.8	0.2	0.1	0.1	0.5
10-Year Treasury Bond Yield	2.8	2.6	2.5	2.3	2.3	2.3	2.4	2.5	1.8	2.4	2.5	2.4

December 10, 2014

Note: Interest rate forecasts are based on rates from November 28, 2014.

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

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

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