

Economic Forecast: January 2010

	-----2008-----				-----2009-----				-----2010-----				2007	2008	2009	2010	2011
	08.1	08.2	08.3	08.4	09.1	09.2	09.3	09.4	10.1	10.2	10.3	10.4					
Percent Change: Quarterly SAAR, Annual Q4/Q4 (unless noted)																	
Real GDP	-0.7	1.5	-2.7	-5.4	-6.4	-0.7	2.2	4.5	3.1	3.1	3.3	3.6	2.5	-1.9	-0.2	3.2	4.0
Personal Consumption	-0.6	0.1	-3.5	-3.1	0.6	-0.9	2.8	1.8	2.7	2.8	3.0	3.0	2.0	-1.8	1.1	2.9	3.0
Residential Investment	-28.2	-15.8	-15.9	-23.2	-38.2	-23.3	18.9	20.6	3.2	19.5	17.2	11.5	-20.5	-21.0	-9.2	12.7	31.2
Business Fixed Investment	1.9	1.4	-6.1	-19.5	-39.2	-9.6	-5.9	-5.6	0.8	3.6	6.7	9.1	7.9	-6.0	-16.4	5.0	11.9
Net Exports (Bil. Chain 2000\$)	-550.9	-476.0	-479.2	-470.9	-386.5	-330.4	-357.4	-355.5	-365.8	-378.6	-385.3	-393.7	-647.7	-494.3	-357.5	-380.8	-408.5
Government Consumption & Investment	2.6	3.6	4.8	1.2	-2.6	6.7	2.6	2.9	1.6	2.5	-0.9	0.3	2.5	3.0	2.4	0.8	-1.0
Billions of Dollars																	
Change in Business Inventories	0.6	-37.1	-29.7	-37.4	-113.9	-160.2	-139.2	-54.4	-23.1	-16.8	-1.1	16.6	19.5	-25.9	-116.9	-6.1	39.9
Percent Change: Quarterly SAAR, Annual Q4/Q4 (unless noted)																	
GDP Price Index	1.9	1.8	4.0	0.1	1.9	0.0	0.4	0.8	1.1	0.8	1.1	1.3	2.7	1.9	0.8	1.1	1.0
Consumer Price Index	4.5	4.5	6.2	-8.3	-2.4	1.3	3.6	3.4	1.7	1.1	1.1	1.8	4.0	1.5	1.5	1.4	1.2
Consumer Price Index (Quarterly YOY % Change, Annual YOY % Change)	4.2	4.3	5.2	1.5	-0.2	-0.9	-1.6	1.5	2.5	2.4	1.8	1.4	2.9	3.8	-0.3	2.1	1.4
Consumer Price Index excl. Food & Energy	2.5	2.0	2.8	0.6	1.5	2.4	1.5	1.5	1.2	1.0	1.2	1.9	2.3	2.0	1.7	1.3	1.2
Consumer Price Index excl. Food & Energy (Quarterly YOY % Change, Annual YOY % Change)	2.4	2.3	2.5	2.0	1.7	1.8	1.5	1.7	1.6	1.3	1.2	1.3	2.3	2.3	1.7	1.4	1.4
Industrial Production	0.2	-4.6	-9.0	-13.0	-19.0	-10.4	6.1	6.6	7.4	5.9	5.7	6.0	1.8	-6.7	-4.8	6.3	4.8
Percent																	
Unemployment Rate	4.9	5.4	6.0	6.9	8.1	9.2	9.6	10.0	10.3	10.1	10.0	9.8	4.6	5.8	9.2	10.0	9.3
Percent Change: Quarterly SAAR, Annual Q4/Q4																	
Employment, Total Nonfarm Establishment Survey	-0.2	-1.3	-1.5	-3.7	-5.9	-4.5	-2.6	-1.0	0.6	2.4	0.0	1.8	0.9	-1.6	-3.5	1.2	2.7
Interest Rates, Percent																	
Fed Funds Rate	3.2	2.1	1.9	0.5	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	5.0	1.9	0.2	0.2	1.0
1-yr T-Note	2.1	2.1	2.1	1.0	0.6	0.5	0.4	0.3	0.7	1.0	1.3	1.7	4.5	1.8	0.5	1.2	2.4
10-yr T-Note	3.7	3.9	3.9	3.3	2.7	3.3	3.5	3.5	3.9	4.1	4.2	4.3	4.6	3.7	3.3	4.1	4.6
1-yr ARM rate	5.1	5.2	5.2	5.2	4.9	4.8	4.7	4.4	4.6	4.8	5.0	5.2	5.6	5.2	4.7	4.9	5.4
30-yr Fixed-Rate	5.9	6.1	6.3	5.9	5.1	5.0	5.2	4.9	5.3	5.5	5.7	5.8	6.3	6.0	5.0	5.6	6.0

January 08, 2010

Notes: Interest rate forecasts are based on rates from December 31, 2009.

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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