

Economic Forecast: June 2010

	----- 2009 -----				----- 2010 -----				----- 2011 -----				2008	2009	2010	2011	
	09.1	09.2	09.3	09.4	10.1	10.2	10.3	10.4	11.1	11.2	11.3	11.4					
Percent Change: Quarterly SAAR, Annual Q4/Q4 (unless noted)																	
Real GDP	-6.4	-0.7	2.2	5.6	3.0	3.5	3.0	3.4	3.5	3.5	3.7	3.2	-1.9	0.1	3.2	3.5	
Personal Consumption	0.6	-0.9	2.8	1.6	3.5	3.1	2.9	2.7	2.9	2.4	2.9	2.6	-1.8	1.0	3.1	2.7	
Residential Investment	-38.2	-23.3	18.9	3.8	-10.7	13.7	6.4	13.4	15.2	27.2	31.6	26.5	-21.0	-12.5	5.2	25.0	
Business Fixed Investment	-39.2	-9.6	-5.9	5.3	3.1	5.6	6.7	9.4	10.8	11.5	10.3	10.8	-6.0	-14.1	6.2	10.8	
Net Exports (Bil. Chain 2000\$)	-386.5	-330.4	-357.4	-348.0	-368.3	-376.2	-381.2	-380.7	-378.5	-382.1	-380.6	-394.6	-494.3	-355.6	-376.6	-384.0	
Government Consumption & Investment	-2.6	6.7	2.6	-1.3	-1.9	2.9	-0.7	0.6	0.1	-0.5	-0.7	-0.2	3.0	1.3	0.2	-0.3	
Billions of Dollars																	
Change in Business Inventories	-113.9	-160.2	-139.2	-19.7	33.9	38.9	54.6	61.1	61.6	69.3	71.4	74.4	-25.9	-108.3	47.1	69.2	
Percent Change: Quarterly SAAR, Annual Q4/Q4 (unless noted)																	
GDP Price Index	1.9	0.0	0.4	0.5	1.0	-0.9	1.8	0.6	0.9	0.5	0.4	0.5	1.9	0.7	0.6	0.6	
Consumer Price Index	-2.2	1.9	3.7	2.6	1.5	0.1	1.7	0.9	0.9	1.1	1.0	1.0	1.6	1.5	1.1	1.0	
Consumer Price Index (Quarterly YOY % Change, Annual YOY % Change)	-0.2	-1.0	-1.6	1.5	2.4	2.0	1.5	1.1	0.9	1.1	1.0	1.0	3.8	-0.3	1.7	1.0	
Consumer Price Index excl. Food & Energy	1.6	2.3	1.5	1.5	0.0	0.8	1.1	1.3	0.9	1.0	0.9	0.9	2.0	1.7	0.8	0.9	
Consumer Price Index excl. Food & Energy (Quarterly YOY % Change, Annual YOY % Change)	1.7	1.8	1.5	1.7	1.3	0.9	0.8	0.8	1.0	1.1	1.0	0.9	2.3	1.7	1.0	1.0	
Industrial Production	-19.0	-10.4	6.4	6.8	7.5	5.2	5.5	5.7	6.8	5.5	4.5	3.0	-6.7	-4.7	6.0	4.9	
Percent																	
Unemployment Rate	8.2	9.3	9.7	10.0	9.7	9.8	9.7	9.5	9.2	9.0	8.8	8.6	5.8	9.3	9.7	8.9	
Percent Change: Quarterly SAAR, Annual Q4/Q4																	
Employment, Total Nonfarm Establishment Survey	-6.4	-5.0	-3.1	-1.3	0.2	2.0	0.5	2.2	2.3	2.2	2.4	1.9	-2.1	-4.0	1.2	2.2	
Interest Rates, Percent																	
Fed Funds Rate	0.2	0.2	0.2	0.1	0.1	0.2	0.2	0.2	0.2	0.3	0.7	0.8	1.9	0.2	0.2	0.5	
1-yr T-Note	0.6	0.5	0.4	0.3	0.4	0.4	0.5	0.7	0.9	1.2	1.5	1.8	1.8	0.5	0.5	1.3	
10-yr T-Note	2.7	3.3	3.5	3.5	3.7	3.5	3.4	3.5	3.6	3.7	3.8	3.8	3.7	3.3	3.5	3.7	
1-yr ARM rate	4.9	4.8	4.7	4.4	4.3	4.1	4.1	4.2	4.3	4.4	4.4	4.5	5.2	4.7	4.2	4.4	
30-yr Fixed-Rate	5.1	5.0	5.2	4.9	5.0	5.0	5.0	5.0	5.1	5.2	5.3	5.4	6.0	5.0	5.0	5.3	

June 10, 2010

Notes: Interest rate forecasts are based on rates from May 28, 2010.

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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