

Economic Forecast: January 2013

	----- 2012 -----				----- 2013 -----				----- 2014 -----				2011	2012	2013	2014
	12.1	12.2	12.3	12.4	13.1	13.2	13.3	13.4	14.1	14.2	14.3	14.4				
National Income and Product Accounts (Chained 2005\$)																
<i>Percent Change: Quarterly SAAR, Annual Q4/Q4</i>																
Gross Domestic Product	2.0	1.3	3.1	1.5	1.5	1.7	2.3	2.5	2.5	2.5	2.7	2.7	2.0	1.9	2.0	2.6
Personal Consumption Expenditures	2.4	1.5	1.6	2.0	1.1	1.8	2.3	2.6	2.4	2.6	2.8	2.7	1.9	1.9	1.9	2.6
Residential Fixed Investment	20.5	8.5	13.5	20.0	13.7	15.1	14.4	13.9	16.5	20.8	24.0	17.7	3.9	15.5	14.3	19.7
Business Fixed Investment	7.5	3.6	-1.8	8.2	3.5	2.9	4.5	5.0	4.4	3.6	4.2	4.6	10.2	4.3	4.0	4.2
Government Consumption & Investment	-3.0	-0.7	3.9	-2.8	-1.1	-1.0	-0.9	-0.7	-0.2	0.0	0.0	0.1	-3.3	-0.7	-0.9	0.0
<i>Billions of Chained 2005\$</i>																
Net Exports	-416	-407	-395	-386	-392	-394	-390	-398	-399	-406	-418	-424	-408	-401	-394	-412
Change in Business Inventories	57	41	60	29	43	46	44	50	48	46	45	44	31	47	46	46
Income (Billions of Nominal \$)																
Disposable Personal Income	11,776	11,862	11,925	11,992	11,919	12,025	12,139	12,255	12,371	12,495	12,622	12,750	11,549	11,889	12,084	12,560
<i>Percent Change: Quarterly SAAR, Annual Q4/Q4</i>	6.3	2.9	2.1	2.3	-2.4	3.6	3.8	3.9	3.9	4.1	4.1	4.1	2.9	3.4	2.2	4.0
Price Indices																
<i>Percent Change: Quarterly SAAR, Annual Q4/Q4</i>																
GDP Price Index	2.0	1.6	2.7	1.0	1.5	1.4	1.6	1.7	2.2	1.8	1.8	1.8	2.0	1.8	1.6	1.9
Consumer Price Index	2.5	0.8	2.3	2.1	1.2	1.3	1.8	1.9	2.0	2.1	2.1	2.1	3.3	1.9	1.5	2.1
Consumer Price Index excl. Food & Energy	2.1	2.6	1.5	1.7	2.1	1.8	1.9	2.0	2.1	2.2	2.2	2.2	2.2	2.0	1.9	2.2
Employment																
Unemployment Rate (Percent)	8.3	8.2	8.0	7.8	7.8	7.7	7.7	7.6	7.5	7.4	7.3	7.2	8.9	8.1	7.7	7.4
Employment, Total Nonfarm Establishment Survey (Percent Change: Quarterly SAAR, Annual Q4/Q4)	2.1	1.0	1.2	1.2	0.7	0.8	0.9	1.0	1.0	1.1	1.1	1.2	1.4	1.4	0.9	1.1
Interest Rates (Percent)																
Federal Funds Rate	0.1	0.2	0.1	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.1	0.1	0.2	0.2
1-Year Treasury Note Yield	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2
10-Year Treasury Bond Yield	2.0	1.8	1.6	1.7	1.8	1.8	1.9	2.0	2.0	2.1	2.2	2.3	2.8	1.8	1.9	2.2

January 10, 2013

Note: Interest rate forecasts are based on rates from December 31, 2012.

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 and Strategic Research

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