

Economic Forecast: May 2012

	----- 2011 -----				----- 2012 -----				----- 2013 -----				2011	2012	2013
	11.1	11.2	11.3	11.4	12.1	12.2	12.3	12.4	13.1	13.2	13.3	13.4			
National Income and Product Accounts (Chained 2005\$)															
<i>Percent Change: Quarterly SAAR, Annual Q4/Q4</i>															
Gross Domestic Product	0.4	1.3	1.8	3.0	2.2	2.3	2.4	2.4	2.3	2.2	2.4	2.6	1.6	2.3	2.4
Personal Consumption Expenditures	2.1	0.7	1.7	2.1	2.9	2.5	2.7	2.3	1.9	2.1	2.5	2.6	1.6	2.6	2.3
Residential Fixed Investment	-2.4	4.2	1.3	11.6	19.1	8.2	6.5	8.5	6.9	9.3	15.6	20.6	3.5	10.5	13.0
Business Fixed Investment	2.1	10.3	15.7	5.2	-2.1	7.7	7.1	7.0	7.0	5.3	5.9	6.5	8.2	4.8	6.2
Government Consumption & Investment	-5.9	-0.9	-0.1	-4.2	-3.0	-0.5	-1.2	-1.4	-1.0	-0.7	-0.5	-0.6	-2.8	-1.5	-0.7
<i>Billions of Chained 2005\$</i>															
Net Exports	-424	-416	-403	-411	-410	-402	-404	-403	-390	-389	-386	-393	-414	-405	-389
Change in Business Inventories	49	39	-2	52	70	51	50	55	50	52	43	41	35	56	47
Price Indices															
<i>Percent Change: Quarterly SAAR, Annual Q4/Q4</i>															
GDP Price Index	2.5	2.5	2.6	0.9	1.5	1.0	1.6	1.6	1.7	1.6	1.9	2.2	2.1	1.4	1.8
Consumer Price Index	4.5	4.4	3.1	1.3	2.5	2.1	2.5	2.2	2.1	1.9	2.1	2.0	3.3	2.3	2.0
Consumer Price Index excl. Food & Energy	1.8	2.4	2.5	1.9	2.1	1.9	2.0	1.9	2.1	2.1	2.2	2.2	2.2	2.0	2.1
Employment															
Unemployment Rate (Percent)	9.0	9.1	9.1	8.7	8.2	8.1	8.1	7.9	7.9	7.8	7.7	7.5	8.9	8.1	7.7
Employment, Total Nonfarm Establishment Survey (Percent Change: Quarterly SAAR, Annual Q4/Q4)	1.4	1.7	0.9	1.4	2.1	1.3	1.5	1.8	1.8	1.8	2.1	2.1	1.4	1.7	1.9
Interest Rates (Percent)															
Federal Funds Rate	0.2	0.1	0.1	0.1	0.1	0.1	0.1	0.2	0.2	0.2	0.2	0.2	0.1	0.1	0.2
1-Year Treasury Note Yield	0.3	0.2	0.1	0.1	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.3	0.2	0.2	0.2
10-Year Treasury Bond Yield	3.5	3.2	2.4	2.0	2.0	2.0	2.1	2.1	2.2	2.3	2.4	2.4	2.8	2.1	2.3

May 10, 2012

Note: Interest rate forecasts are based on rates from April 30, 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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