

Economic Forecast: July 2014

	----- 2013 -----				----- 2014 -----				----- 2015 -----				2012	2013	2014	2015
	13.1	13.2	13.3	13.4	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	1.1	2.5	4.1	2.6	-2.9	2.8	3.0	3.1	2.6	2.4	2.5	2.5	2.0	2.6	1.5	2.5
Personal Consumption Expenditures	2.3	1.8	2.0	3.3	1.0	1.5	2.5	2.8	2.8	2.7	2.6	2.9	2.0	2.3	2.0	2.7
Residential Fixed Investment	12.5	14.2	10.3	-7.9	-4.2	6.6	10.0	17.2	18.4	13.2	11.3	12.3	15.5	6.9	7.1	13.8
Business Fixed Investment	-4.6	4.7	4.8	5.7	-1.2	5.1	6.9	5.5	4.1	4.5	4.4	4.9	5.0	2.6	4.0	4.5
Government Consumption & Investment	-4.2	-0.4	0.4	-5.2	-0.8	2.4	1.1	0.4	0.5	0.6	0.5	0.3	-1.1	-2.4	0.8	0.5
<i>Billions of Chained 2009\$</i>																
Net Exports	-422	-424	-420	-383	-441	-452	-448	-441	-457	-467	-468	-498	-431	-412	-445	-472
Change in Business Inventories	42	57	116	112	46	74	67	58	56	43	31	36	58	82	61	42
Income (Billions of Nominal \$)																
Disposable Personal Income	12,297	12,417	12,568	12,623	12,712	12,876	12,996	13,110	13,239	13,352	13,482	13,625	12,246	12,476	12,923	13,424
<i>Percent Change: Quarterly SAAR, Annual Q4/Q4</i>	-7.0	4.0	4.9	1.8	2.9	5.3	3.8	3.6	4.0	3.4	3.9	4.3	5.3	0.8	3.9	3.9
Price Indices																
<i>Percent Change: Quarterly SAAR, Annual Q4/Q4</i>																
GDP Price Index	1.3	0.6	2.0	1.6	1.3	1.8	1.7	1.3	1.6	1.6	1.8	2.0	1.8	1.4	1.5	1.8
Consumer Price Index	1.2	0.4	2.2	1.1	1.9	3.1	2.8	0.8	1.4	1.3	1.6	1.7	1.9	1.2	2.1	1.5
Consumer Price Index excl. Food & Energy	2.0	1.4	1.8	1.6	1.6	2.6	2.1	1.8	1.8	1.9	1.9	2.0	1.9	1.7	2.0	1.9
Employment																
Unemployment Rate (Percent)	7.7	7.5	7.3	7.0	6.7	6.2	6.1	6.0	6.0	5.9	5.8	5.7	8.1	7.4	6.2	5.8
Employment, Total Nonfarm Establishment Survey (Percent Change: Quarterly SAAR, Annual Q4/Q4)	1.9	1.8	1.6	1.8	1.5	2.2	1.7	2.0	1.7	1.8	1.9	2.0	1.7	1.8	1.8	1.8
Interest Rates (Percent)																
Federal Funds Rate	0.1	0.1	0.1	0.1	0.1	0.2	0.2	0.2	0.2	0.2	0.4	0.6	0.1	0.1	0.2	0.3
1-Year Treasury Note Yield	0.2	0.1	0.1	0.1	0.1	0.1	0.1	0.2	0.3	0.5	0.6	0.8	0.2	0.1	0.1	0.5
10-Year Treasury Bond Yield	2.0	2.0	2.7	2.7	2.8	2.6	2.6	2.7	2.8	2.9	3.0	3.1	1.8	2.4	2.7	2.9

July 10, 2014

Note: Interest rate forecasts are based on rates from June 30, 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 and Strategic Research

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