

Economic Forecast: July 2013

| | ----- 2012 ----- | | | | ----- 2013 ----- | | | | ----- 2014 ----- | | | | 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 | 0.4 | 1.8 | 1.5 | 2.3 | 2.6 | 2.6 | 2.6 | 2.7 | 2.6 | 1.7 | 2.0 | 2.6 | |
| Personal Consumption Expenditures | 2.4 | 1.5 | 1.6 | 1.8 | 2.6 | 1.6 | 2.3 | 2.4 | 2.6 | 2.7 | 2.5 | 3.0 | 1.8 | 2.2 | 2.7 | |
| Residential Fixed Investment | 20.5 | 8.5 | 13.5 | 17.6 | 14.0 | 17.7 | 13.3 | 20.0 | 22.6 | 22.1 | 23.3 | 22.7 | 14.9 | 16.2 | 22.7 | |
| Business Fixed Investment | 7.5 | 3.6 | -1.8 | 13.2 | 0.4 | 1.8 | 5.3 | 4.2 | 2.1 | 1.6 | 2.8 | 3.5 | 5.5 | 2.9 | 2.5 | |
| Government Consumption & Investment | -3.0 | -0.7 | 3.9 | -7.0 | -4.8 | -3.0 | -2.3 | -0.7 | -0.7 | -0.4 | -0.3 | -0.3 | -1.8 | -2.7 | -0.4 | |
| <i>Billions of Chained 2005\$</i> | | | | | | | | | | | | | | | | |
| Net Exports | -416 | -407 | -395 | -385 | -388 | -382 | -361 | -366 | -368 | -365 | -360 | -377 | -401 | -374 | -367 | |
| Change in Business Inventories | 57 | 41 | 60 | 13 | 37 | 43 | 30 | 35 | 40 | 36 | 34 | 31 | 43 | 36 | 35 | |
| Income (Billions of Nominal \$) | | | | | | | | | | | | | | | | |
| Disposable Personal Income | 11,776 | 11,862 | 11,930 | 12,235 | 11,992 | 12,123 | 12,195 | 12,269 | 12,365 | 12,461 | 12,560 | 12,662 | 11,951 | 12,145 | 12,512 | |
| <i>Percent Change: Quarterly SAAR, Annual Q4/Q4</i> | 6.3 | 2.9 | 2.3 | 10.6 | -7.7 | 4.4 | 2.4 | 2.4 | 3.2 | 3.1 | 3.2 | 3.3 | 5.5 | 0.3 | 3.2 | |
| Price Indices | | | | | | | | | | | | | | | | |
| <i>Percent Change: Quarterly SAAR, Annual Q4/Q4</i> | | | | | | | | | | | | | | | | |
| GDP Price Index | 2.0 | 1.6 | 2.7 | 1.0 | 1.2 | 0.6 | 2.2 | 1.4 | 1.4 | 1.4 | 1.4 | 1.6 | 1.8 | 1.4 | 1.5 | |
| Consumer Price Index | 2.3 | 1.0 | 2.1 | 2.2 | 1.4 | -0.4 | 2.3 | 1.4 | 1.4 | 1.6 | 1.7 | 1.7 | 1.9 | 1.2 | 1.6 | |
| Consumer Price Index excl. Food & Energy | 2.1 | 2.4 | 1.6 | 1.7 | 2.1 | 1.6 | 1.7 | 1.3 | 1.6 | 1.7 | 1.7 | 1.9 | 1.9 | 1.7 | 1.7 | |
| Employment | | | | | | | | | | | | | | | | |
| Unemployment Rate (Percent) | 8.2 | 8.2 | 8.0 | 7.8 | 7.7 | 7.6 | 7.5 | 7.4 | 7.2 | 7.1 | 7.0 | 6.9 | 8.1 | 7.5 | 7.1 | |
| Employment, Total Nonfarm Establishment Survey (Percent Change: Quarterly SAAR, Annual Q4/Q4) | 2.4 | 1.4 | 1.2 | 1.6 | 1.9 | 1.8 | 1.5 | 1.5 | 1.7 | 1.7 | 1.8 | 2.0 | 1.6 | 1.7 | 1.8 | |
| Interest Rates (Percent) | | | | | | | | | | | | | | | | |
| Federal Funds Rate | 0.1 | 0.2 | 0.1 | 0.2 | 0.1 | 0.1 | 0.2 | 0.2 | 0.2 | 0.2 | 0.2 | 0.2 | 0.1 | 0.2 | 0.2 | |
| 1-Year Treasury Note Yield | 0.2 | 0.2 | 0.2 | 0.2 | 0.2 | 0.1 | 0.2 | 0.3 | 0.3 | 0.4 | 0.5 | 0.7 | 0.2 | 0.2 | 0.5 | |
| 10-Year Treasury Bond Yield | 2.0 | 1.8 | 1.6 | 1.7 | 2.0 | 2.0 | 2.6 | 2.7 | 2.8 | 2.9 | 3.0 | 3.1 | 1.8 | 2.3 | 3.0 | |

July 10, 2013

Note: Interest rate forecasts are based on rates from June 28, 2013.

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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