

Economic Forecast: January 2016

	----- 2015 -----				----- 2016 -----				----- 2017 -----				2014	2015	2016	2017
	15.1	15.2	15.3	15.4	16.1	16.2	16.3	16.4	17.1	17.2	17.3	17.4				
National Income and Product Accounts (Chained 2009\$)																
<i>Percent Change: Quarterly SAAR, Annual Q4/Q4</i>																
Gross Domestic Product	0.6	3.9	2.0	1.3	2.4	2.3	2.2	2.1	2.3	2.3	2.3	2.0	2.5	2.0	2.2	2.2
Personal Consumption Expenditures	1.8	3.6	3.0	2.2	2.7	2.6	2.4	2.3	2.3	2.2	2.2	2.1	3.2	2.6	2.5	2.2
Residential Fixed Investment	10.1	9.3	8.2	4.5	8.0	8.1	7.9	8.5	5.4	4.4	3.5	3.1	5.1	8.0	8.1	4.1
Business Fixed Investment	1.6	4.1	2.6	2.8	2.6	2.6	2.1	2.7	3.2	3.2	3.3	3.0	5.5	2.8	2.5	3.1
Government Consumption & Investment	-0.1	2.6	1.8	0.1	1.8	1.9	1.0	0.7	0.7	0.9	0.8	0.9	0.4	1.1	1.3	0.8
<i>Billions of Chained 2009\$</i>																
Net Exports	-541	-535	-546	-549	-556	-566	-580	-596	-599	-600	-602	-609	-443	-543	-575	-602
Change in Business Inventories	113	114	86	60	51	41	43	44	45	45	46	46	68	93	45	45
Price Indices																
<i>Percent Change: Quarterly SAAR, Annual Q4/Q4</i>																
GDP Price Index	0.1	2.1	1.3	1.3	1.6	2.1	1.7	1.7	1.9	1.8	1.9	1.9	1.3	1.2	1.8	1.9
Consumer Price Index	-3.1	3.0	1.6	0.4	1.5	2.3	2.1	2.0	2.5	2.0	2.2	2.3	1.2	0.5	1.9	2.2
Consumer Price Index (Quarterly YOY % Change, Annual YOY % Change)	-0.1	0.0	0.1	0.5	1.6	1.4	1.5	1.9	2.2	2.1	2.2	2.2	1.6	0.1	1.6	2.2
Consumer Price Index excl. Food & Energy	1.7	2.5	1.7	2.3	1.9	1.8	1.8	1.8	1.8	1.8	1.9	1.9	1.7	2.0	1.8	1.9
Consumer Price Index excl. Food & Energy (Quarterly YOY % Change, Annual YOY % Change)	1.7	1.8	1.8	2.0	2.1	1.9	2.0	1.8	1.8	1.8	1.8	1.9	1.7	1.8	1.9	1.8
Employment																
Unemployment Rate (Percent)	5.6	5.4	5.1	5.0	4.9	4.9	4.8	4.8	4.7	4.7	4.7	4.6	6.2	5.3	4.9	4.7
Employment, Total Nonfarm Establishment Survey (Percent Change: Quarterly SAAR, Annual Q4/Q4)	2.2	1.7	1.8	2.0	1.6	1.5	1.5	1.5	1.4	1.3	1.1	1.1	2.1	1.9	1.5	1.2
Interest Rates (Percent)																
Federal Funds Rate	0.1	0.1	0.1	0.2	0.3	0.5	0.5	0.8	1.0	1.3	1.3	1.5	0.1	0.1	0.5	1.3
1-Year Treasury Note Yield	0.2	0.3	0.3	0.5	0.8	0.9	1.1	1.4	1.6	1.8	1.9	1.8	0.1	0.3	1.0	1.8
10-Year Treasury Bond Yield	2.0	2.2	2.2	2.2	2.3	2.4	2.4	2.5	2.5	2.6	2.6	2.6	2.5	2.1	2.4	2.6

January 11, 2016

Note: Interest rate forecasts are based on rates from December 31, 2015.

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 & Strategic Research Group

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