

Economic Forecast: June 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	-1.0	3.3	2.8	3.2	3.0	2.7	2.5	2.4	2.0	2.6	2.1	2.6
Personal Consumption Expenditures	2.3	1.8	2.0	3.3	3.1	3.3	2.9	3.2	3.2	2.9	3.0	2.9	2.0	2.3	3.1	3.0
Residential Fixed Investment	12.5	14.2	10.3	-7.9	-5.0	10.6	12.1	15.7	17.6	12.8	11.4	12.2	15.5	6.9	8.0	13.4
Business Fixed Investment	-4.6	4.7	4.8	5.7	-1.6	3.9	6.1	5.9	4.5	4.9	4.9	5.2	5.0	2.6	3.6	4.9
Government Consumption & Investment	-4.2	-0.4	0.4	-5.2	-0.8	2.4	1.3	0.5	0.2	0.6	0.5	0.3	-1.1	-2.4	0.8	0.4
<i>Billions of Chained 2009\$</i>																
Net Exports	-422	-424	-420	-383	-419	-424	-437	-451	-473	-489	-516	-552	-431	-412	-433	-508
Change in Business Inventories	42	57	116	112	49	46	40	42	49	46	46	55	58	82	44	49
Income (Billions of Nominal \$)																
Disposable Personal Income	12,297	12,417	12,568	12,623	12,719	12,855	12,979	13,093	13,223	13,339	13,475	13,624	12,246	12,476	12,912	13,415
<i>Percent Change: Quarterly SAAR, Annual Q4/Q4</i>	-7.0	4.0	4.9	1.8	3.1	4.4	3.9	3.6	4.0	3.6	4.2	4.5	5.3	0.8	3.7	4.1
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	1.9	1.2	1.6	1.6	1.8	2.0	1.8	1.4	1.6	1.7
Consumer Price Index	1.2	0.4	2.2	1.1	1.9	2.7	2.5	0.8	1.4	1.4	1.6	1.7	1.9	1.2	2.0	1.5
Consumer Price Index excl. Food & Energy	2.0	1.4	1.8	1.6	1.6	2.3	1.9	1.8	1.8	1.9	1.9	2.0	1.9	1.7	1.9	1.9
Employment																
Unemployment Rate (Percent)	7.7	7.5	7.3	7.0	6.7	6.3	6.2	6.2	6.2	6.1	5.9	5.9	8.1	7.4	6.4	6.0
Employment, Total Nonfarm Establishment Survey (Percent Change: Quarterly SAAR, Annual Q4/Q4)	1.9	1.8	1.6	1.8	1.5	2.0	1.9	2.1	1.8	2.1	2.1	2.1	1.7	1.8	1.9	2.1
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	0.4
1-Year Treasury Note Yield	0.2	0.1	0.1	0.1	0.1	0.1	0.1	0.2	0.3	0.4	0.6	0.7	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	3.0	1.8	2.4	2.7	2.9

June 10, 2014

Note: Interest rate forecasts are based on rates from May 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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