



Economic Forecast: July 2016

	----- 2015 -----				----- 2016 -----				----- 2017 -----				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	1.4	1.1	2.4	2.1	1.8	1.8	1.7	1.8	1.7	2.0	1.8	1.7
Personal Consumption Expenditures	1.8	3.6	3.0	2.4	1.5	4.2	2.4	2.2	2.2	2.0	1.9	1.8	2.7	2.6	2.0
Residential Fixed Investment	10.1	9.3	8.2	10.1	15.6	-4.8	2.2	5.1	5.2	4.0	3.7	3.5	9.4	4.3	4.1
Business Fixed Investment	1.6	4.1	2.6	-2.1	-4.5	0.5	3.0	2.2	0.5	0.5	1.1	1.3	1.5	0.2	0.9
Government Consumption & Investment	-0.1	2.6	1.8	0.1	1.3	0.7	1.4	0.7	1.2	0.8	0.8	0.8	1.1	1.1	0.9
<i>Billions of Chained 2009\$</i>															
Net Exports	-541	-535	-546	-552	-547	-549	-565	-579	-578	-578	-579	-584	-543	-560	-580
Change in Business Inventories	113	114	86	78	68	48	54	51	44	42	45	49	98	55	45
Price Indices															
<i>Percent Change: Quarterly SAAR, Annual Q4/Q4</i>															
GDP Price Index	0.1	2.1	1.3	0.9	0.4	1.2	1.7	1.4	2.0	2.0	2.0	2.0	1.1	1.2	2.0
Consumer Price Index	-2.9	2.4	1.4	0.8	-0.3	2.7	3.1	1.6	2.4	2.2	2.3	2.2	0.4	1.8	2.3
Consumer Price Index excl. Food & Energy	1.7	2.3	1.8	2.2	2.7	2.2	2.2	2.0	2.0	2.1	2.2	2.2	2.0	2.3	2.1
Employment															
Unemployment Rate (Percent)	5.5	5.4	5.1	5.0	4.9	4.9	4.8	4.8	4.7	4.7	4.7	4.6	5.3	4.9	4.7
Employment, Total Nonfarm (% Change: Quarterly SAAR, Annual Q4/Q4)	2.1	1.9	1.9	2.0	1.9	0.9	1.4	1.3	1.3	1.2	1.2	1.1	2.0	1.4	1.2
Interest Rates (Percent)															
Federal Funds Rate	0.1	0.1	0.1	0.2	0.4	0.4	0.4	0.4	0.4	0.4	0.6	0.6	0.1	0.4	0.5
1-Year Treasury Note Yield	0.2	0.3	0.3	0.5	0.6	0.6	0.5	0.6	0.6	0.7	0.8	0.8	0.3	0.6	0.7
10-Year Treasury Bond Yield	2.0	2.2	2.2	2.2	1.9	1.7	1.5	1.6	1.6	1.6	1.7	1.7	2.1	1.7	1.7

July 11, 2016

Note: Interest rate forecasts are based on rates from June 30, 2016.

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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