



Fannie Mae™

Economic Forecast: September 2016

	2015				16.1	2016				2017				2015	2016	2017
	15.1	15.2	15.3	15.4		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	2.0	2.6	2.0	0.9	0.8	1.1	2.9	2.3	2.2	1.9	1.7	1.6	1.9	1.8	1.8	
Personal Consumption Expenditures	2.4	2.9	2.7	2.3	1.6	4.4	3.0	2.4	2.2	2.0	1.9	1.8	2.6	2.8	2.0	
Residential Fixed Investment	13.3	14.9	12.6	11.5	7.8	-7.7	-1.0	4.4	4.1	4.7	4.1	3.7	13.1	0.7	4.1	
Business Fixed Investment	1.3	1.6	3.9	-3.3	-3.4	-0.9	1.7	2.3	1.5	1.6	1.6	1.6	0.8	-0.1	1.6	
Government Consumption & Investment	2.6	3.2	1.9	1.0	1.6	-1.5	0.8	0.6	1.0	0.6	0.7	0.7	2.2	0.4	0.7	
<i>Billions of Chained 2009\$</i>																
Net Exports	-521	-525	-547	-567	-566	-562	-563	-580	-585	-594	-605	-615	-540	-568	-600	
Change in Business Inventories	114	94	71	57	41	-12	11	31	42	49	52	53	84	17	49	
Price Indices																
<i>Percent Change: Quarterly SAAR, Annual Q4/Q4</i>																
GDP Price Index	-0.1	2.3	1.3	0.8	0.5	2.3	1.3	1.4	2.0	2.0	2.1	2.2	1.1	1.4	2.1	
Consumer Price Index	-2.9	2.4	1.4	0.8	-0.3	2.5	1.5	3.8	2.3	2.2	2.2	2.3	0.4	1.9	2.3	
Consumer Price Index (Quarterly and Annual YOY % Change)	-0.1	0.0	0.1	0.4	1.1	1.1	1.1	1.9	2.5	2.5	2.6	2.3	0.1	1.3	2.5	
Consumer Price Index excl. Food & Energy	1.7	2.3	1.8	2.2	2.7	2.1	1.8	2.2	2.0	2.1	2.2	2.2	2.0	2.2	2.1	
Consumer Price Index excl. Food & Energy (Quarterly and Annual YOY % Change)	1.7	1.8	1.8	2.0	2.3	2.2	2.2	2.2	2.0	2.0	2.1	2.1	1.8	2.2	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	4.6	4.6	5.3	4.9	4.6	
Employment, Total Nonfarm (% Change: Quarterly SAAR, Annual Q4/Q4)	2.1	1.9	1.9	2.0	1.9	1.3	1.4	1.4	1.4	1.3	1.2	0.9	2.0	1.5	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	0.6	0.7	0.8	0.9	1.0	1.1	0.3	0.6	0.9	
10-Year Treasury Bond Yield	2.0	2.2	2.2	2.2	1.9	1.8	1.6	1.6	1.7	1.7	1.7	1.7	2.1	1.7	1.7	

September 9, 2016

Note: Interest rate forecasts are based on rates from August 31, 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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