

**Economic Forecast: March 2010**

	----- 2009 -----				----- 2010 -----				----- 2011 -----				2008	2009	2010	2011
	09.1	09.2	09.3	09.4	10.1	10.2	10.3	10.4	11.1	11.2	11.3	11.4				
<b>Percent Change: Quarterly SAAR, Annual Q4/Q4 (unless noted)</b>																
Real GDP	-6.4	-0.7	2.2	5.9	2.7	3.2	3.0	3.3	3.7	4.2	4.4	4.0	-1.9	0.1	3.0	4.1
Personal Consumption	0.6	-0.9	2.8	1.7	2.6	2.5	3.0	2.8	2.8	3.1	3.3	3.2	-1.8	1.0	2.7	3.1
Residential Investment	-38.2	-23.3	18.9	5.0	-17.2	16.6	27.0	19.8	23.2	35.7	38.4	34.8	-21.0	-12.3	10.1	32.9
Business Fixed Investment	-39.2	-9.6	-5.9	6.5	0.6	4.8	7.3	9.3	11.3	12.7	13.2	12.4	-6.0	-13.8	5.4	12.4
Net Exports (Bil. Chain 2000\$)	-386.5	-330.4	-357.4	-347.1	-367.9	-377.4	-379.1	-386.0	-394.5	-401.4	-408.0	-410.0	-494.3	-355.4	-377.6	-403.5
Government Consumption & Investment	-2.6	6.7	2.6	-1.2	2.6	3.3	-0.4	0.6	0.0	-0.4	-0.7	-2.4	3.0	1.3	1.5	-0.9
<b>Billions of Dollars</b>																
Change in Business Inventories	-113.9	-160.2	-139.2	-16.9	28.8	37.9	28.5	30.7	41.9	48.0	54.1	60.1	-25.9	-107.5	31.5	51.0
<b>Percent Change: Quarterly SAAR, Annual Q4/Q4 (unless noted)</b>																
GDP Price Index	1.9	0.0	0.4	0.4	1.5	0.0	0.7	0.7	0.9	0.4	0.3	0.5	1.9	0.7	0.7	0.5
Consumer Price Index	-2.2	1.9	3.7	2.6	1.9	0.6	1.2	1.0	0.7	0.8	0.7	0.8	1.6	1.5	1.2	0.7
Consumer Price Index (Quarterly YOY % Change, Annual YOY % Change)	-0.2	-1.0	-1.6	1.5	2.5	2.2	1.6	1.2	0.9	0.9	0.8	0.7	3.8	-0.3	1.9	0.8
Consumer Price Index excl. Food & Energy	1.6	2.3	1.5	1.5	0.3	1.1	1.2	1.0	0.6	0.7	0.6	0.8	2.0	1.7	0.9	0.7
Consumer Price Index excl. Food & Energy (Quarterly YOY % Change, Annual YOY % Change)	1.7	1.8	1.5	1.7	1.4	1.1	1.0	0.9	1.0	0.9	0.7	0.7	2.3	1.7	1.1	0.8
Industrial Production	-19.0	-10.4	6.4	6.6	7.6	4.8	4.7	4.8	4.8	4.8	4.6	3.8	-6.7	-4.7	5.5	4.5
<b>Percent</b>																
Unemployment Rate	8.2	9.3	9.7	10.0	9.7	9.8	9.7	9.5	9.3	9.0	8.7	8.4	5.8	9.3	9.7	8.9
<b>Percent Change: Quarterly SAAR, Annual Q4/Q4</b>																
Employment, Total Nonfarm Establishment Survey	-6.4	-5.1	-3.1	-1.4	0.0	2.0	0.4	2.2	2.5	2.6	2.9	2.7	-2.1	-4.0	1.1	2.7
<b>Interest Rates, Percent</b>																
Fed Funds Rate	0.2	0.2	0.2	0.1	0.2	0.2	0.2	0.2	0.7	0.8	1.1	1.4	1.9	0.2	0.2	1.0
1-yr T-Note	0.6	0.5	0.4	0.3	0.3	0.5	0.8	1.1	1.4	1.8	2.1	2.4	1.8	0.5	0.7	1.9
10-yr T-Note	2.7	3.3	3.5	3.5	3.6	3.7	3.8	3.9	4.0	4.2	4.3	4.4	3.7	3.3	3.7	4.2
1-yr ARM rate	4.9	4.8	4.7	4.4	4.3	4.3	4.5	4.6	4.7	4.9	5.0	5.1	5.2	4.7	4.4	4.9
30-yr Fixed-Rate	5.1	5.0	5.2	4.9	5.0	5.1	5.3	5.4	5.6	5.7	5.7	5.8	6.0	5.0	5.2	5.7

March 10, 2010

Notes: Interest rate forecasts are based on rates from February 26, 2010.

Note: Unshaded areas denote actuals. Shaded areas denote forecasts.

Source: Actuals: Census, Bureau of Labor Statistics, Federal Reserve, Mortgage Bankers Association, National Association of REALTORS® FHFA; Forecasts: Fannie Mae Economics and Mortgage Market Analysis

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