

## Economic Forecast: August 2014

	2013				2014				2015				2012	2013	2014	2015
	13.1	13.2	13.3	13.4	14.2	14.3	14.4	15.1	15.2	15.3	15.4					
<b>National Income and Product Accounts (Chained 2009\$)</b>																
<i>Percent Change: Quarterly SAAR, Annual Q4/Q4</i>																
Gross Domestic Product	2.7	1.8	4.5	3.5	-2.1	4.0	2.8	3.2	2.6	2.5	2.4	2.4	1.6	3.1	1.9	2.5
Personal Consumption Expenditures	3.6	1.8	2.0	3.7	1.2	2.5	2.6	2.8	2.8	2.9	2.7	2.6	2.0	2.8	2.2	2.7
Residential Fixed Investment	7.8	19.0	11.2	-8.5	-5.3	7.5	4.9	9.5	6.9	6.6	7.6	8.4	15.8	6.9	4.0	7.4
Business Fixed Investment	1.5	1.6	5.5	10.4	1.6	5.5	6.4	5.6	3.1	3.8	4.1	4.9	3.7	4.7	4.8	4.0
Government Consumption & Investment	-3.9	0.2	0.2	-3.8	-0.8	1.6	2.8	0.5	0.5	0.6	0.6	0.3	-1.7	-1.9	1.0	0.5
<i>Billions of Chained 2009\$</i>																
Net Exports	-422	-424	-420	-383	-441	-470	-460	-444	-459	-454	-450	-469	-431	-412	-454	-458
Change in Business Inventories	33	43	96	82	35	93	67	59	69	54	38	45	58	64	64	51
<b>Income (Billions of Nominal \$)</b>																
Disposable Personal Income	12,340	12,471	12,586	12,624	12,776	12,969	13,090	13,203	13,331	13,440	13,567	13,711	12,384	12,505	13,009	13,512
<i>Percent Change: Quarterly SAAR, Annual Q4/Q4</i>	-11.7	4.3	3.7	1.2	4.9	6.2	3.8	3.5	3.9	3.3	3.9	4.3	6.7	-0.8	4.6	3.8
<b>Price Indices</b>																
<i>Percent Change: Quarterly SAAR, Annual Q4/Q4</i>																
GDP Price Index	1.3	1.2	1.7	1.5	1.3	2.0	1.4	1.3	1.5	1.7	2.0	2.1	1.8	1.4	1.5	1.8
Consumer Price Index	1.2	0.4	2.2	1.1	1.9	3.0	2.8	1.8	1.1	1.5	1.8	1.8	1.9	1.2	2.4	1.5
Consumer Price Index excl. Food & Energy	2.0	1.4	1.8	1.6	1.6	2.5	2.1	1.9	1.8	1.9	2.0	2.1	1.9	1.7	2.0	1.9
<b>Employment</b>																
Unemployment Rate (Percent)	7.7	7.5	7.3	7.0	6.7	6.2	6.2	6.0	6.0	5.9	5.8	5.6	8.1	7.4	6.3	5.8
Employment, Total Nonfarm Establishment Survey (Percent Change: Quarterly SAAR, Annual Q4/Q4)	1.9	1.8	1.6	1.8	1.5	2.2	1.6	2.0	1.8	2.0	2.0	2.1	1.7	1.8	1.8	2.0
<b>Interest Rates (Percent)</b>																
Federal Funds Rate	0.1	0.1	0.1	0.1	0.1	0.1	0.2	0.2	0.2	0.2	0.4	0.6	0.1	0.1	0.1	0.4
1-Year Treasury Note Yield	0.2	0.1	0.1	0.1	0.1	0.1	0.1	0.3	0.4	0.6	0.8	1.0	0.2	0.1	0.2	0.7
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

August 11, 2014

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