



**Economic Forecast: October 2020**

	2019				2020				2021				2019	2020	2021
	19.1	19.2	19.3	19.4	20.1	20.2	20.3	20.4	21.1	21.2	21.3	21.4			
<b>Percent Change: Quarterly SAAR, Annual Q4/Q4</b>															
Gross Domestic Product	2.9	1.5	2.6	2.4	-5.0	-31.4	31.6	4.9	3.5	3.1	3.6	3.7	2.3	-2.6	3.5
Personal Consumption Expenditures (PCE)	1.8	3.7	2.7	1.6	-6.9	-33.2	37.7	5.2	2.6	2.8	3.3	3.8	2.5	-2.6	3.1
Residential Fixed Investment	-1.7	-2.1	4.6	5.8	19.0	-35.6	58.0	13.3	3.6	0.9	2.2	3.1	1.6	8.2	2.5
Business Fixed Investment	4.2	0.0	1.9	-0.3	-6.7	-27.2	21.7	2.1	1.9	2.2	3.7	5.3	1.4	-4.1	3.3
Government Consumption & Investment	2.5	5.0	2.1	2.4	1.3	2.5	-1.5	-3.3	0.1	0.2	0.6	0.9	3.0	-0.3	0.4
<b>Billions of Chained 2012\$</b>															
Net Exports	-907	-951	-950	-861	-788	-775	-968	-983	-958	-938	-916	-915	-918	-878	-932
Change in Business Inventories	102	49	44	-1	-81	-287	-49	21	60	86	98	107	49	-99	88
<b>Percent Change: Quarterly YoY, Annual Q4/Q4</b>															
Consumer Price Index	1.6	1.8	1.8	2.0	2.1	0.4	1.3	1.2	1.7	3.3	2.7	2.8	2.0	1.2	2.8
Core Consumer Price Index (ex. Food & Energy)	2.1	2.1	2.3	2.3	2.2	1.3	1.7	1.9	1.8	2.7	2.1	2.0	2.3	1.9	2.0
PCE Chain Price Index	1.4	1.5	1.5	1.5	1.7	0.6	1.3	1.4	1.6	2.5	2.0	2.1	1.5	1.4	2.1
Core PCE Chain Price Index (ex. Food & Energy)	1.7	1.7	1.8	1.6	1.8	1.0	1.6	1.7	1.7	2.3	1.7	1.7	1.6	1.7	1.7
<b>Change: Quarterly Mo. Avg., Thous., Annual Mil.</b>															
Employment, Total Nonfarm	162	142	184	209	44	-6069	2357	927	850	650	540	425	2.1	-8.2	7.4
<i>Percent Change: Q4/Q4</i>													1.4	-5.4	5.2
<b>Percent</b>															
Unemployment Rate	3.9	3.6	3.6	3.5	3.8	13.0	8.8	7.2	6.7	6.5	6.1	5.8	3.7	8.2	6.3
Federal Funds Rate	2.4	2.4	2.2	1.6	1.3	0.1	0.1	0.1	0.1	0.1	0.1	0.1	2.2	0.4	0.1
1-Year Treasury Note Yield	2.5	2.3	1.8	1.6	1.1	0.2	0.1	0.1	0.1	0.1	0.1	0.1	2.1	0.4	0.1
10-Year Treasury Note Yield	2.7	2.3	1.8	1.8	1.4	0.7	0.6	0.7	0.7	0.8	0.8	0.8	2.1	0.9	0.8

October 12, 2020

Note: Interest rate forecasts are based on rates from September 30, 2020.

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

Note: Nonfarm employment numbers include temporary hiring for the 2020 decennial Census.

Sources: Actuals: Bureau of Economic Analysis, Bureau of Labor Statistics, Federal Reserve Board. Forecasts: Fannie Mae Economic and Strategic Research

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