



Economic Forecast: March 2025

	2024				2025				2026				2024	2025	2026
	24.1	24.2	24.3	24.4	25.1	25.2	25.3	25.4	26.1	26.2	26.3	26.4			
Percent Change: Quarterly SAAR, Annual Q4/Q4															
Gross Domestic Product	1.6	3.0	3.1	2.3	1.6	1.3	1.8	2.2	2.3	2.2	2.0	2.0	2.5	1.7	2.1
Personal Consumption Expenditures (PCE)	1.9	2.8	3.7	4.2	2.1	2.5	2.3	2.2	2.1	2.0	2.3	2.3	3.1	2.3	2.2
Residential Fixed Investment	13.7	-2.8	-4.3	5.4	-1.9	-1.3	0.1	1.9	1.0	1.9	2.6	3.4	2.8	-0.3	2.2
Business Fixed Investment	4.5	3.9	4.0	-3.2	4.9	0.4	1.4	1.5	1.7	1.4	1.1	1.3	2.2	2.0	1.4
Government Consumption & Investment	1.8	3.1	5.1	2.9	0.8	-1.3	-0.6	0.3	0.4	0.5	0.6	0.6	3.2	-0.2	0.5
Billions of Chained 2017\$															
Net Exports	-977	-1036	-1069	-1061	-1147	-1164	-1150	-1143	-1137	-1133	-1138	-1145	-1036	-1151	-1138
Change in Business Inventories	18	72	58	10	52	55	48	63	89	112	120	124	39	55	111
Percent Change: Quarterly YoY, Annual Q4/Q4															
Consumer Price Index	3.2	3.2	2.7	2.7	2.8	2.8	3.3	3.2	3.0	2.8	2.5	2.3	2.7	3.2	2.3
Core Consumer Price Index (ex. Food & Energy)	3.8	3.4	3.3	3.3	3.2	3.3	3.5	3.3	3.0	2.6	2.4	2.2	3.3	3.3	2.2
PCE Chain Price Index	2.7	2.6	2.3	2.5	2.4	2.5	2.9	2.9	2.7	2.5	2.2	2.0	2.5	2.9	2.0
Core PCE Chain Price Index (ex. Food & Energy)	3.0	2.7	2.7	2.8	2.6	2.8	3.0	2.9	2.7	2.4	2.1	2.0	2.8	2.9	2.0
Change: Quarterly Avg Mo. Chg, Thous., Annual Mil.															
Employment, Total Nonfarm	196	133	133	209	106	128	113	97	86	83	78	77	2.0	1.3	1.0
<i>Percent Change: Q4/Q4</i>													1.2	1.0	0.6
Percent: Quarterly Avg, Annual Avg															
Unemployment Rate	3.8	4.0	4.2	4.1	4.1	4.2	4.3	4.3	4.4	4.4	4.4	4.4	4.0	4.2	4.4
Federal Funds Rate	5.3	5.3	5.3	4.7	4.3	4.3	4.3	4.1	4.0	3.9	3.8	3.6	5.1	4.3	3.8
10-Year Treasury Note Yield	4.2	4.4	3.9	4.3	4.4	4.2	4.3	4.3	4.3	4.3	4.3	4.4	4.2	4.3	4.3

March 12, 2025

Note: Interest rate forecasts are based on rates from February 28, 2025; all other forecasts are based on the date above.

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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