



## Economic Forecast: October 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			
<b>Percent Change: Quarterly SAAR, Annual Q4/Q4</b>															
Gross Domestic Product	0.8	3.6	3.3	1.9	-0.6	3.8	3.1	1.3	1.9	2.3	2.5	2.4	2.4	1.9	2.3
Personal Consumption Expenditures (PCE)	1.7	3.9	4.0	3.9	0.6	2.5	3.2	1.7	2.1	2.5	2.5	2.4	3.4	2.0	2.3
Residential Fixed Investment	8.2	-2.0	-4.8	4.3	-1.0	-5.1	-7.1	-5.5	2.8	3.6	3.5	2.8	1.3	-4.7	3.2
Business Fixed Investment	1.5	2.5	3.5	-3.7	9.5	7.3	2.6	-3.4	-0.4	2.3	2.7	2.8	0.9	3.9	1.8
Government Consumption & Investment	2.3	3.3	5.4	3.3	-1.0	-0.1	0.8	0.1	3.0	1.4	0.9	0.6	3.6	0.0	1.5
<b>Billions of Chained 2017\$</b>															
Net Exports	-964	-1032	-1065	-1069	-1381	-1058	-1007	-1003	-1005	-1008	-1022	-1040	-1033	-1112	-1018
Change in Business Inventories	12	75	69	17	172	-18	-20	25	18	13	32	56	43	40	30
<b>Percent Change: Quarterly YoY, Annual Q4/Q4</b>															
Consumer Price Index	3.2	3.2	2.7	2.7	2.7	2.5	2.7	2.9	2.9	3.0	3.0	2.7	2.7	2.9	2.7
Core Consumer Price Index (ex. Food & Energy)	3.8	3.4	3.3	3.3	3.1	2.8	3.1	3.1	3.2	3.2	2.9	2.6	3.3	3.1	2.6
PCE Chain Price Index	2.8	2.7	2.4	2.6	2.6	2.4	2.7	2.9	2.9	3.0	2.9	2.6	2.6	2.9	2.6
Core PCE Chain Price Index (ex. Food & Energy)	3.1	2.8	2.8	3.0	2.8	2.7	2.9	3.1	3.1	3.1	2.9	2.6	3.0	3.1	2.6
<b>Change: Quarterly Avg Mo. Chg, Thous., Annual Mil.</b>															
Employment, Total Nonfarm	196	133	133	209	111	55	44	55	58	63	67	74	2.0	0.8	0.8
Percent Change: Q4/Q4													1.2	0.7	0.5
<b>Percent: Quarterly Avg, Annual Avg</b>															
Unemployment Rate	3.8	4.0	4.2	4.1	4.1	4.2	4.3	4.4	4.4	4.5	4.5	4.4	4.0	4.2	4.5
Federal Funds Rate	5.3	5.3	5.3	4.7	4.3	4.3	4.3	3.8	3.6	3.4	3.4	3.1	5.1	4.2	3.4
10-Year Treasury Note Yield	4.2	4.4	3.9	4.3	4.5	4.4	4.3	4.2	4.2	4.2	4.3	4.3	4.2	4.3	4.3

October 13, 2025

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