



**Economic Forecast: October 2019**

	----- 2018 -----				----- 2019 -----				----- 2020 -----				2018	2019	2020
	18.1	18.2	18.3	18.4	19.1	19.2	19.3	19.4	20.1	20.2	20.3	20.4			
<b>Percent Change: Quarterly SAAR, Annual Q4/Q4</b>															
Gross Domestic Product	2.5	3.5	2.9	1.1	3.1	2.0	1.7	2.1	1.8	1.9	1.6	1.6	2.5	2.2	1.7
Personal Consumption Expenditures (PCE)	1.7	4.0	3.5	1.4	1.1	4.6	3.1	2.4	2.1	2.0	1.9	2.0	2.6	2.8	2.0
Residential Fixed Investment	-5.3	-3.7	-4.0	-4.7	-1.0	-3.0	4.2	3.0	1.2	-0.5	-1.5	-2.0	-4.4	0.8	-0.7
Business Fixed Investment	8.8	7.9	2.1	4.8	4.4	-1.0	-1.0	1.0	1.3	2.0	1.6	0.5	5.9	0.8	1.4
Government Consumption & Investment	1.9	2.6	2.1	-0.4	2.9	4.8	1.2	1.3	3.0	2.8	1.0	1.0	1.5	2.5	2.0
<b>Billions of Chained 2012\$</b>															
Net Exports	-884	-850	-962	-983	-944	-981	-992	-1003	-1005	-1009	-1011	-1010	-920	-980	-1009
Change in Business Inventories	40	-28	87	93	116	69	49	60	40	28	27	25	48	74	30
<b>Percent Change: Quarterly YoY, Annual Q4/Q4</b>															
Consumer Price Index	2.2	2.7	2.6	2.2	1.6	1.8	1.7	1.9	2.1	2.1	2.2	2.3	2.2	1.9	2.3
Core Consumer Price Index (ex. Food & Energy)	1.9	2.2	2.2	2.2	2.1	2.1	2.3	2.4	2.4	2.4	2.2	2.0	2.2	2.4	2.0
PCE Chain Price Index	1.9	2.3	2.2	1.9	1.4	1.4	1.4	1.7	1.9	1.9	2.0	2.1	1.9	1.7	2.1
Core PCE Chain Price Index (ex. Food & Energy)	1.8	2.0	2.0	1.9	1.6	1.6	1.7	1.9	2.1	2.2	2.1	2.0	1.9	1.9	2.0
<b>Change: Quarterly Mo. Avg., Thous., Annual Mil.</b>															
Employment, Total Nonfarm	214	232	222	216	206	146	154	116	137	207	12	95	2.7	1.9	1.4
<i>Percent Change: Q4/Q4</i>													1.8	1.2	0.9
<b>Percent</b>															
Unemployment Rate	4.1	3.9	3.8	3.8	3.9	3.6	3.6	3.7	3.8	3.9	4.0	4.1	3.9	3.7	4.0
Federal Funds Rate	1.4	1.7	1.9	2.2	2.4	2.4	2.2	1.7	1.5	1.4	1.4	1.4	1.8	2.2	1.4
1-Year Treasury Note Yield	1.9	2.3	2.5	2.7	2.5	2.3	1.8	1.7	1.6	1.6	1.5	1.5	2.3	2.1	1.6
10-Year Treasury Note Yield	2.8	2.9	2.9	3.0	2.7	2.3	1.8	1.7	1.7	1.7	1.7	1.7	2.9	2.1	1.7

October 10, 2019

Note: Interest rate forecasts are based on rates from September 30, 2019.

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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