

Economic Forecast: May 2014

	----- 2013 -----				----- 2014 -----				----- 2015 -----				2012	2013	2014	2015
	13.1	13.2	13.3	13.4	14.1	14.2	14.3	14.4	15.1	15.2	15.3	15.4				
National Income and Product Accounts (Chained 2009\$)																
<i>Percent Change: Quarterly SAAR, Annual Q4/Q4</i>																
Gross Domestic Product	1.1	2.5	4.1	2.6	0.1	3.3	2.8	3.3	2.9	2.7	2.4	2.4	2.0	2.6	2.4	2.6
Personal Consumption Expenditures	2.3	1.8	2.0	3.3	3.0	3.3	3.0	3.2	3.1	3.0	3.0	3.0	2.0	2.3	3.1	3.0
Residential Fixed Investment	12.5	14.2	10.3	-7.9	-5.7	8.1	11.1	17.7	18.2	13.1	11.4	12.3	15.5	6.9	7.4	13.7
Business Fixed Investment	-4.6	4.7	4.8	5.7	-2.1	4.3	5.9	6.1	4.4	4.7	4.6	5.1	5.0	2.6	3.5	4.7
Government Consumption & Investment	-4.2	-0.4	0.4	-5.2	-0.5	2.6	0.2	0.5	0.6	1.0	0.9	0.7	-1.1	-2.4	0.7	0.8
<i>Billions of Chained 2009\$</i>																
Net Exports	-422	-424	-420	-383	-414	-414	-421	-424	-423	-442	-473	-506	-431	-412	-418	-461
Change in Business Inventories	42	57	116	112	87	80	72	62	44	42	37	39	58	82	75	41
Income (Billions of Nominal \$)																
Disposable Personal Income	12,297	12,417	12,568	12,625	12,728	12,838	12,933	13,019	13,142	13,254	13,381	13,521	12,246	12,477	12,880	13,325
<i>Percent Change: Quarterly SAAR, Annual Q4/Q4</i>	-7.0	4.0	4.9	1.8	3.3	3.5	3.0	2.7	3.8	3.5	3.9	4.2	5.3	0.8	3.1	3.9
Price Indices																
<i>Percent Change: Quarterly SAAR, Annual Q4/Q4</i>																
GDP Price Index	1.3	0.6	2.0	1.6	1.3	2.1	2.0	1.3	1.6	1.6	1.8	2.0	1.8	1.4	1.7	1.8
Consumer Price Index	1.2	0.4	2.2	1.1	1.9	3.0	2.6	0.7	1.3	1.3	1.6	1.7	1.9	1.2	2.0	1.5
Consumer Price Index excl. Food & Energy	2.0	1.4	1.8	1.6	1.6	1.9	1.9	1.7	1.7	1.8	1.9	2.0	1.9	1.7	1.8	1.8
Employment																
Unemployment Rate (Percent)	7.7	7.5	7.3	7.0	6.7	6.4	6.2	6.1	6.1	6.0	5.9	5.9	8.1	7.4	6.3	6.0
Employment, Total Nonfarm Establishment Survey (Percent Change: Quarterly SAAR, Annual Q4/Q4)	1.9	1.8	1.6	1.8	1.5	2.0	1.9	2.2	2.0	2.1	2.1	2.2	1.7	1.8	1.9	2.1
Interest Rates (Percent)																
Federal Funds Rate	0.1	0.1	0.1	0.1	0.1	0.2	0.2	0.2	0.2	0.2	0.4	0.6	0.1	0.1	0.2	0.4
1-Year Treasury Note Yield	0.2	0.1	0.1	0.1	0.1	0.1	0.2	0.2	0.4	0.5	0.8	0.9	0.2	0.1	0.2	0.6
10-Year Treasury Bond Yield	2.0	2.0	2.7	2.7	2.8	2.7	2.7	2.8	2.9	3.0	3.1	3.2	1.8	2.4	2.8	3.1

May 12, 2014

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