

## Economic Forecast: September 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				
<b>National Income and Product Accounts (Chained 2009\$)</b>																
<i>Percent Change: Quarterly SAAR, Annual Q4/Q4</i>																
Gross Domestic Product	2.7	1.8	4.5	3.5	-2.1	4.2	3.0	3.1	2.5	2.5	2.5	2.4	1.6	3.1	2.0	2.5
Personal Consumption Expenditures	3.6	1.8	2.0	3.7	1.2	2.5	1.6	2.8	2.8	2.9	2.7	2.6	2.0	2.8	2.0	2.8
Residential Fixed Investment	7.8	19.0	11.2	-8.5	-5.3	7.2	11.4	8.6	3.4	7.3	7.9	8.0	15.8	6.9	5.3	6.7
Business Fixed Investment	1.5	1.6	5.5	10.4	1.6	8.4	8.1	4.7	3.6	4.5	4.6	5.0	3.7	4.7	5.7	4.4
Government Consumption & Investment	-3.9	0.2	0.2	-3.8	-0.8	1.4	1.6	0.6	0.5	0.5	0.5	0.3	-1.7	-1.9	0.7	0.4
<i>Billions of Chained 2009\$</i>																
Net Exports	-427	-446	-425	-384	-447	-464	-439	-423	-428	-429	-431	-457	-452	-420	-443	-436
Change in Business Inventories	33	43	96	82	35	84	69	61	68	54	43	52	58	64	62	54
<b>Income (Billions of Nominal \$)</b>																
Disposable Personal Income	12,340	12,471	12,586	12,624	12,773	12,980	13,126	13,243	13,368	13,477	13,605	13,746	12,384	12,505	13,030	13,549
<i>Percent Change: Quarterly SAAR, Annual Q4/Q4</i>	-11.7	4.3	3.7	1.2	4.8	6.6	4.6	3.6	3.8	3.3	3.9	4.2	6.7	-0.8	4.9	3.8
<b>Price Indices</b>																
<i>Percent Change: Quarterly SAAR, Annual Q4/Q4</i>																
GDP Price Index	1.3	1.2	1.7	1.5	1.3	2.1	1.3	1.4	1.8	1.8	2.0	2.1	1.8	1.4	1.5	1.9
Consumer Price Index	1.2	0.4	2.2	1.1	1.9	3.0	1.9	1.6	1.8	1.7	1.9	1.9	1.9	1.2	2.1	1.8
Consumer Price Index excl. Food & Energy	2.0	1.4	1.8	1.6	1.6	2.5	1.8	2.0	2.0	2.0	2.0	2.1	1.9	1.7	2.0	2.0
<b>Employment</b>																
Unemployment Rate (Percent)	7.7	7.5	7.3	7.0	6.7	6.2	6.1	6.0	5.9	5.8	5.7	5.6	8.1	7.4	6.2	5.8
Employment, Total Nonfarm Establishment Survey (Percent Change: Quarterly SAAR, Annual Q4/Q4)	1.9	1.8	1.6	1.8	1.5	2.2	1.4	1.9	1.7	2.1	2.2	2.2	1.7	1.8	1.8	2.1
<b>Interest Rates (Percent)</b>																
Federal Funds Rate	0.1	0.1	0.1	0.1	0.1	0.1	0.2	0.2	0.2	0.2	0.4	0.6	0.1	0.1	0.1	0.4
1-Year Treasury Note Yield	0.2	0.1	0.1	0.1	0.1	0.1	0.1	0.2	0.3	0.5	0.7	0.9	0.2	0.1	0.1	0.6
10-Year Treasury Bond Yield	2.0	2.0	2.7	2.7	2.8	2.6	2.5	2.5	2.6	2.7	2.7	2.8	1.8	2.4	2.6	2.7

September 10, 2014

Note: Interest rate forecasts are based on rates from August 29, 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

Opinions, analyses, estimates, forecasts, and other views of Fannie Mae's Economic & Strategic Research (ESR) group included in these materials should not be construed as indicating

Fannie Mae's business prospects or expected results, are based on a number of assumptions, and are subject to change without notice. How this information affects Fannie Mae will depend

on many factors. Although the ESR group bases its opinions, analyses, estimates, forecasts, and other views on information it considers reliable, it does not guarantee that the information provided

in these materials is accurate, current or suitable for any particular purpose. Changes in the assumptions or the information underlying these views could produce materially different results.

The analyses, opinions, estimates, forecasts, and other views published by the ESR group represent the views of that group as of the date indicated and do not necessarily represent the views

of Fannie Mae or its management.