

Economic Forecast: October 2014

	2014				2015				2012	2013	2014	2015
	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	-2.1	4.6	3.1	3.0	2.5	2.4	2.4	2.5	1.6	3.1	2.1	2.5
Personal Consumption Expenditures	1.2	2.5	2.1	2.8	2.8	2.9	2.8	2.6	2.0	2.8	2.1	2.8
Residential Fixed Investment	-5.3	8.8	9.6	4.8	4.0	7.0	7.2	7.6	15.8	6.9	4.3	6.4
Business Fixed Investment	1.6	9.7	8.7	4.9	3.6	4.4	4.5	4.9	3.7	4.7	6.2	4.3
Government Consumption & Investment	-0.8	1.7	1.4	1.0	0.5	0.6	0.5	0.2	-1.7	-1.9	0.8	0.5
<i>Billions of Chained 2009\$</i>												
Net Exports	-447	-460	-429	-427	-443	-446	-446	-462	-452	-420	-441	-449
Change in Business Inventories	35	85	54	57	72	55	40	44	58	64	58	53
Income (Billions of Nominal \$)												
Disposable Personal Income	12,773	12,985	13,133	13,236	13,353	13,453	13,573	13,709	12,384	12,505	13,032	13,522
<i>Percent Change: Quarterly SAAR, Annual Q4/Q4</i>	4.8	6.8	4.6	3.2	3.6	3.0	3.6	4.1	6.7	-0.8	4.9	3.6
Price Indices												
<i>Percent Change: Quarterly SAAR, Annual Q4/Q4</i>												
GDP Price Index	1.3	2.1	1.2	1.8	1.5	1.8	1.9	2.1	1.8	1.4	1.6	1.8
Consumer Price Index	1.9	3.0	1.3	0.9	0.8	1.7	1.9	2.0	1.9	1.2	1.8	1.6
Consumer Price Index excl. Food & Energy	1.6	2.5	1.3	1.6	1.7	1.9	2.0	2.1	1.9	1.7	1.8	1.9
Employment												
Unemployment Rate (Percent)	6.7	6.2	6.1	5.9	5.8	5.7	5.7	5.6	8.1	7.4	6.2	5.7
Employment, Total Nonfarm Establishment Survey (Percent Change: Quarterly SAAR, Annual Q4/Q4)	1.5	2.2	2.0	1.9	1.9	2.0	1.9	2.0	1.7	1.8	1.9	1.9
Interest Rates (Percent)												
Federal Funds Rate	0.1	0.1	0.1	0.2	0.2	0.2	0.4	0.6	0.1	0.1	0.1	0.4
1-Year Treasury Note Yield	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	2.8	2.6	2.5	2.6	2.7	2.8	2.8	2.9	1.8	2.4	2.6	2.8

October 10, 2014

Note: Interest rate forecasts are based on rates from September 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

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.