



**Economic Forecast: December 2021**

	2021				2022				2023				2020	2021	2022	2023
	21.1	21.2	21.3	21.4	22.1	22.2	22.3	22.4	23.1	23.2	23.3	23.4				
<b>Percent Change: Quarterly SAAR, Annual Q4/Q4</b>																
Gross Domestic Product	6.3	6.7	2.1	6.9	3.9	3.6	2.8	2.6	2.5	2.4	2.0	1.9	-2.3	5.5	3.2	2.2
Personal Consumption Expenditures (PCE)	11.4	12.0	1.7	5.9	2.0	1.4	2.2	2.7	3.0	2.5	2.3	2.2	-2.4	7.7	2.1	2.5
Residential Fixed Investment	13.3	-11.7	-8.3	8.7	9.2	4.3	-0.6	-4.8	-5.0	-4.8	-3.7	-1.4	15.7	-0.1	1.9	-3.8
Business Fixed Investment	12.9	9.2	1.5	3.1	9.6	5.9	3.7	3.3	3.4	3.3	2.9	2.7	-3.8	6.6	5.6	3.1
Government Consumption & Investment	4.2	-2.0	0.9	-2.5	2.4	1.4	2.3	1.7	0.9	1.5	1.2	1.0	1.2	0.1	1.9	1.1
<b>Billions of Chained 2012\$</b>																
Net Exports	-1218	-1236	-1304	-1284	-1316	-1302	-1287	-1279	-1278	-1279	-1277	-1279	-935	-1261	-1296	-1279
Change in Business Inventories	-88	-169	-73	28	76	132	134	140	142	149	143	139	-42	-75	120	143
<b>Percent Change: Quarterly YoY, Annual Q4/Q4</b>																
Consumer Price Index	1.9	4.8	5.3	6.7	7.0	5.8	5.0	3.8	3.6	3.2	3.1	2.9	1.2	6.7	3.8	2.9
Core Consumer Price Index (ex. Food & Energy)	1.4	3.7	4.1	5.0	5.8	4.7	4.3	3.9	3.7	3.6	3.4	3.3	1.6	5.0	3.9	3.3
PCE Chain Price Index	1.8	3.9	4.3	5.5	5.4	4.6	4.1	3.4	3.2	3.0	2.9	2.7	1.2	5.5	3.4	2.7
Core PCE Chain Price Index (ex. Food & Energy)	1.7	3.4	3.6	4.5	4.8	4.2	4.0	3.6	3.5	3.3	3.2	3.0	1.4	4.5	3.6	3.0
<b>Change: Quarterly Avg Mo. Chg, Thous., Annual Mil.</b>																
Employment, Total Nonfarm	518	615	651	410	518	475	382	265	204	151	134	112	-9.4	6.6	4.9	1.8
<i>Percent Change: Q4/Q4</i>													-6.0	4.3	3.4	1.3
<b>Percent</b>																
Unemployment Rate	6.2	5.9	5.1	4.3	3.8	3.6	3.6	3.5	3.5	3.5	3.5	3.5	8.1	5.4	3.6	3.5
Federal Funds Rate	0.1	0.1	0.1	0.1	0.1	0.2	0.4	0.4	0.7	0.9	1.2	1.5	0.4	0.1	0.3	1.1
1-Year Treasury Note Yield	0.1	0.1	0.1	0.2	0.4	0.5	0.7	0.8	1.0	1.1	1.3	1.4	0.4	0.1	0.6	1.2
10-Year Treasury Note Yield	1.3	1.6	1.3	1.5	1.5	1.5	1.5	1.6	1.6	1.6	1.7	1.7	0.9	1.4	1.5	1.6

December 10, 2021

Note: Interest rate forecasts are based on rates from November 30, 2021.

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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