



**Economic Forecast: July 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	2.2	4.2	3.4	2.2	3.1	1.8	1.9	1.8	1.7	1.6	1.5	1.5	3.0	2.1	1.6
Personal Consumption Expenditures (PCE)	0.5	3.8	3.5	2.5	0.9	3.3	2.7	2.5	2.2	1.9	2.0	1.7	2.6	2.3	1.9
Residential Fixed Investment	-3.4	-1.3	-3.6	-4.7	-2.0	0.5	1.8	3.7	2.9	-0.4	-0.2	-0.4	-3.3	1.0	0.5
Business Fixed Investment	11.5	8.7	2.5	5.4	4.4	1.1	-0.3	2.2	3.0	1.1	1.6	-0.4	7.0	1.8	1.3
Government Consumption & Investment	1.5	2.5	2.6	-0.4	2.8	2.0	2.1	1.4	1.2	1.4	1.9	2.0	1.5	2.1	1.6
<b>Billions of Chained 2012\$</b>															
Net Exports	-902	-841	-950	-956	-905	-926	-927	-938	-948	-959	-975	-980	-912	-924	-966
Change in Business Inventories	30	-37	90	97	123	88	74	56	43	49	43	50	45	85	46
<b>Percent Change: Quarterly YoY, Annual Q4/Q4</b>															
Consumer Price Index	2.2	2.7	2.6	2.2	1.6	2.0	2.1	2.2	2.2	1.7	1.8	1.8	2.2	2.2	1.8
Core Consumer Price Index (ex. Food & Energy)	1.9	2.2	2.2	2.2	2.1	2.1	2.2	2.1	2.0	2.0	2.2	2.2	2.2	2.1	2.2
PCE Chain Price Index	1.9	2.2	2.2	1.9	1.4	1.7	1.8	2.1	2.3	1.9	2.0	1.8	1.9	2.1	1.8
Core PCE Chain Price Index (ex. Food & Energy)	1.7	1.9	2.0	1.9	1.7	1.7	1.8	1.9	2.0	1.9	1.9	1.9	1.9	1.9	1.9
<b>Change: Quarterly Mo. Avg., Thous., Annual Mil.</b>															
Employment, Total Nonfarm	214	232	222	216	206	153	154	154	131	121	111	104	2.7	2.0	1.4
Percent Change: Q4/Q4													1.8	1.3	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	4.0	4.1	4.3	3.9	3.7	4.0
Federal Funds Rate	1.4	1.7	1.9	2.2	2.4	2.4	2.2	2.1	1.9	1.9	1.9	1.9	1.8	2.3	1.9
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	1.6	1.6	2.3	2.1	1.6
10-Year Treasury Bond Yield	2.8	2.9	2.9	3.0	2.7	2.3	2.0	2.0	2.0	2.0	2.1	2.1	2.9	2.3	2.1

July 10, 2019

Note: Interest rate forecasts are based on rates from June 28, 2019.

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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