



Economic Forecast: January 2025

	2024				2025				2026				2023	2024	2025	2026
	24.1	24.2	24.3	24.4	25.1	25.2	25.3	25.4	26.1	26.2	26.3	26.4				
Percent Change: Quarterly SAAR, Annual Q4/Q4																
Gross Domestic Product	1.6	3.0	3.1	2.4	2.2	2.2	2.2	2.1	2.2	2.1	2.0	1.9	3.2	2.5	2.2	2.0
Personal Consumption Expenditures (PCE)	1.9	2.8	3.7	3.3	2.9	2.7	2.7	2.5	2.3	2.4	2.4	2.4	3.0	2.9	2.7	2.4
Residential Fixed Investment	13.7	-2.8	-4.3	5.9	-3.0	-3.3	2.4	3.8	4.5	5.3	5.9	4.3	2.5	2.9	0.0	5.0
Business Fixed Investment	4.5	3.9	4.0	0.2	2.5	3.2	3.0	2.5	2.4	2.1	1.8	1.8	5.0	3.1	2.8	2.0
Government Consumption & Investment	1.8	3.1	5.1	1.7	1.0	0.4	0.6	0.6	0.6	0.6	0.6	0.5	4.3	2.9	0.7	0.6
Billions of Chained 2017\$																
Net Exports	-977	-1036	-1069	-1069	-1098	-1127	-1156	-1178	-1186	-1204	-1225	-1246	-933	-1038	-1140	-1215
Change in Business Inventories	18	72	58	33	49	76	89	96	102	104	109	111	33	45	78	107
Percent Change: Quarterly YoY, Annual Q4/Q4																
Consumer Price Index	3.2	3.2	2.6	2.7	2.5	2.5	2.7	2.5	2.4	2.4	2.4	2.5	3.2	2.7	2.5	2.5
Core Consumer Price Index (ex. Food & Energy)	3.8	3.4	3.2	3.3	2.8	2.7	2.8	2.5	2.5	2.4	2.3	2.2	4.0	3.3	2.5	2.2
PCE Chain Price Index	2.7	2.6	2.3	2.4	2.1	2.1	2.3	2.2	2.2	2.2	2.1	2.1	2.8	2.4	2.2	2.1
Core PCE Chain Price Index (ex. Food & Energy)	3.0	2.7	2.7	2.8	2.4	2.3	2.3	2.3	2.2	2.2	2.1	2.0	3.2	2.8	2.3	2.0
Change: Quarterly Avg Mo. Chg, Thous., Annual Mil.																
Employment, Total Nonfarm	267	147	159	170	140	119	113	101	77	81	79	79	3.0	2.2	1.4	0.9
<i>Percent Change: Q4/Q4</i>													1.9	1.4	1.0	0.6
Percent: Quarterly Avg, Annual Avg																
Unemployment Rate	3.8	4.0	4.2	4.1	4.2	4.3	4.3	4.3	4.3	4.2	4.2	4.2	3.6	4.0	4.3	4.2
Federal Funds Rate	5.3	5.3	5.3	4.7	4.4	4.3	4.0	3.9	3.9	3.9	3.9	3.9	5.0	5.1	4.1	3.9
10-Year Treasury Note Yield	4.2	4.4	3.9	4.3	4.6	4.6	4.6	4.7	4.7	4.7	4.7	4.7	4.0	4.2	4.6	4.7

January 10, 2025

Note: Interest rate forecasts are based on rates from December 31, 2024; all other forecasts are based on the date above.

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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