

Economic Forecast: December 2015

	----- 2015 -----				----- 2016 -----				----- 2017 -----				2014	2015	2016	2017
	15.1	15.2	15.3	15.4	16.1	16.2	16.3	16.4	17.1	17.2	17.3	17.4				
National Income and Product Accounts (Chained 2009\$)																
<i>Percent Change: Quarterly SAAR, Annual Q4/Q4</i>																
Gross Domestic Product	0.6	3.9	2.1	2.1	2.4	2.4	2.4	2.4	2.1	2.2	2.3	2.4	2.5	2.2	2.4	2.3
Personal Consumption Expenditures	1.8	3.6	3.0	2.4	2.7	2.7	2.6	2.5	2.4	2.4	2.3	2.3	3.2	2.7	2.7	2.3
Residential Fixed Investment	10.1	9.3	7.3	7.7	7.0	8.1	8.1	9.1	4.4	4.5	4.2	3.2	5.1	8.6	8.1	4.0
Business Fixed Investment	1.6	4.1	2.4	1.5	3.1	2.8	2.7	2.8	2.7	3.2	3.6	4.0	5.5	2.4	2.9	3.4
Government Consumption & Investment	-0.1	2.6	1.7	2.2	0.4	0.7	0.9	1.0	1.1	1.1	1.2	1.2	0.4	1.6	0.8	1.2
<i>Billions of Chained 2009\$</i>																
Net Exports	-541	-535	-544	-542	-556	-558	-562	-578	-582	-596	-602	-606	-443	-540	-564	-596
Change in Business Inventories	113	114	90	71	78	70	61	66	58	60	62	62	68	97	69	60
Price Indices																
<i>Percent Change: Quarterly SAAR, Annual Q4/Q4</i>																
GDP Price Index	0.1	2.1	1.3	1.4	1.6	1.8	1.8	1.7	1.9	1.8	1.9	1.9	1.3	1.2	1.7	1.9
Consumer Price Index	-3.1	3.0	1.6	0.6	1.9	2.1	2.1	1.9	2.0	2.1	2.1	2.2	1.2	0.5	2.0	2.1
Consumer Price Index (Quarterly YOY % Change, Annual YOY % Change)	-0.1	0.0	0.1	0.5	1.8	1.5	1.7	2.0	2.0	2.0	2.0	2.1	1.6	0.1	1.7	2.1
Consumer Price Index excl. Food & Energy	1.7	2.5	1.7	2.2	2.0	2.0	1.9	1.9	1.9	1.9	1.9	1.9	1.7	2.0	1.9	1.9
Consumer Price Index excl. Food & Energy (Quarterly YOY % Change, Annual YOY % Change)	1.7	1.8	1.8	2.0	2.1	2.0	2.0	1.9	1.9	1.9	1.9	1.9	1.7	1.8	2.0	1.9
Employment																
Unemployment Rate (Percent)	5.6	5.4	5.2	5.0	4.9	4.9	4.8	4.8	4.7	4.7	4.6	4.6	6.2	5.3	4.8	4.6
Employment, Total Nonfarm Establishment Survey (Percent Change: Quarterly SAAR, Annual Q4/Q4)	2.2	1.7	1.8	1.5	1.6	1.5	1.5	1.5	1.4	1.3	1.1	1.1	2.1	1.8	1.5	1.2
Interest Rates (Percent)																
Federal Funds Rate	0.1	0.1	0.1	0.1	0.3	0.5	0.5	0.8	1.0	1.3	1.3	1.5	0.1	0.1	0.5	1.3
1-Year Treasury Note Yield	0.2	0.3	0.3	0.4	0.7	0.8	1.1	1.4	1.6	1.8	1.8	1.9	0.1	0.3	1.0	1.8
10-Year Treasury Bond Yield	2.0	2.2	2.2	2.2	2.3	2.3	2.4	2.5	2.5	2.5	2.6	2.6	2.5	2.1	2.4	2.6

December 10, 2015

Note: Interest rate forecasts are based on rates from November 30, 2015.

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 & Strategic Research Group

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