

Economic Forecast: February 2015

	2014				2015				2016				2014	2015	2016
	14.1	14.2	14.3	14.4	15.1	15.2	15.3	15.4	16.1	16.2	16.3	16.4			
National Income and Product Accounts (Chained 2009\$)															
<i>Percent Change: Quarterly SAAR, Annual Q4/Q4</i>															
Gross Domestic Product	-2.1	4.6	5.0	2.6	2.6	3.1	3.0	2.8	2.4	2.4	2.5	2.7	2.5	2.9	2.5
Personal Consumption Expenditures	1.2	2.5	3.2	4.3	3.7	3.4	3.1	3.1	2.5	2.5	2.4	2.1	2.8	3.3	2.4
Residential Fixed Investment	-5.3	8.8	3.2	4.1	2.8	6.9	9.5	13.0	7.2	6.3	4.5	5.8	2.6	8.0	5.9
Business Fixed Investment	1.6	9.7	8.9	1.9	3.0	5.5	5.3	4.3	4.3	4.0	4.3	4.1	5.5	4.5	4.2
Government Consumption & Investment	-0.8	1.7	4.4	-2.2	0.9	0.0	0.3	0.4	0.1	0.6	0.6	0.7	0.8	0.4	0.5
<i>Billions of Chained 2009\$</i>															
Net Exports	-447	-460	-431	-472	-476	-473	-473	-480	-488	-477	-466	-452	-453	-476	-471
Change in Business Inventories	35	85	82	113	98	88	82	76	77	56	48	48	79	86	57
Income (Billions of Nominal \$)															
Disposable Personal Income	12,773	12,945	13,050	13,155	13,298	13,396	13,512	13,639	13,775	13,905	14,047	14,205	12,981	13,461	13,983
<i>Percent Change: Quarterly SAAR, Annual Q4/Q4</i>	4.8	5.5	3.3	3.3	4.4	3.0	3.5	3.8	4.1	3.8	4.2	4.6	4.2	3.7	4.2
Price Indices															
<i>Percent Change: Quarterly SAAR, Annual Q4/Q4</i>															
GDP Price Index	1.3	2.1	1.4	0.0	0.9	2.3	1.7	1.7	1.9	1.8	1.9	2.0	1.2	1.7	1.9
Consumer Price Index	1.9	3.0	1.1	-1.2	-1.3	2.4	2.0	1.7	1.7	1.9	1.6	1.8	1.2	1.2	1.8
Consumer Price Index excl. Food & Energy	1.6	2.5	1.3	1.4	1.3	1.1	1.5	1.6	1.9	1.7	1.7	1.8	1.7	1.4	1.8
Employment															
Unemployment Rate (Percent)	6.6	6.2	6.1	5.7	5.6	5.4	5.3	5.2	5.3	5.2	5.2	5.1	6.2	5.4	5.2
Employment, Total Nonfarm Establishment Survey (Percent Change: Quarterly SAAR, Annual Q4/Q4)	1.6	2.3	2.2	2.5	2.2	2.4	2.2	1.9	1.6	1.6	1.5	1.6	2.1	2.2	1.6
Interest Rates (Percent)															
Federal Funds Rate	0.1	0.1	0.1	0.1	0.2	0.2	0.4	0.6	0.8	1.0	1.2	1.4	0.1	0.4	1.1
1-Year Treasury Note Yield	0.1	0.1	0.1	0.1	0.4	0.5	0.7	1.0	1.3	1.7	2.1	2.2	0.1	0.6	1.8
10-Year Treasury Bond Yield	2.8	2.6	2.5	2.3	1.9	2.0	2.1	2.1	2.2	2.3	2.3	2.4	2.5	2.0	2.3

February 10, 2015

Note: Interest rate forecasts are based on rates from January 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 (ESR) group

Opinions, analyses, estimates, forecasts, and other views of Fannie Mae's 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 view of Fannie Mae or its management.