

Economic Forecast: March 2015

	----- 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	2014	2015	2016
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	2.2	2.0	3.2	3.1	2.9	2.5	2.3	2.5	2.6	2.4	2.8	2.5
Personal Consumption Expenditures	1.2	2.5	3.2	4.2	2.7	3.4	3.2	3.1	2.6	2.6	2.4	2.2	2.8	3.1	2.4
Residential Fixed Investment	-5.3	8.8	3.2	3.4	1.8	7.0	9.6	12.9	6.7	5.7	3.7	5.5	2.4	7.8	5.4
Business Fixed Investment	1.6	9.7	8.9	4.8	3.1	5.3	5.1	4.6	3.9	4.0	4.2	4.2	6.2	4.5	4.1
Government Consumption & Investment	-0.8	1.7	4.4	-1.8	0.4	0.0	0.3	0.4	0.1	0.6	0.6	0.7	0.9	0.3	0.5
<i>Billions of Chained 2009\$</i>															
Net Exports	-447	-460	-431	-476	-494	-492	-492	-496	-503	-491	-479	-471	-454	-494	-486
Change in Business Inventories	35	85	82	88	96	88	80	74	79	56	48	48	73	85	58
Income (Billions of Nominal \$)															
Disposable Personal Income	12,773	12,945	13,061	13,168	13,308	13,445	13,565	13,702	13,855	14,004	14,163	14,351	12,987	13,505	14,093
<i>Percent Change: Quarterly SAAR, Annual Q4/Q4</i>	4.8	5.5	3.6	3.3	4.3	4.2	3.6	4.1	4.5	4.4	4.6	5.4	4.3	4.1	4.7
Price Indices															
<i>Percent Change: Quarterly SAAR, Annual Q4/Q4</i>															
GDP Price Index	1.3	2.1	1.4	0.1	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	2.1	2.4	1.2	-0.9	-2.9	2.3	2.0	2.1	2.1	2.0	2.1	2.0	1.2	0.9	2.0
Consumer Price Index excl. Food & Energy	1.8	2.2	1.4	1.5	1.2	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	5.5	5.4	5.3	5.2	5.2	5.1	5.1	5.1	6.2	5.4	5.1
Employment, Total Nonfarm Establishment Survey (Percent Change: Quarterly SAAR, Annual Q4/Q4)	1.6	2.3	2.2	2.5	2.5	2.1	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	0.3	0.4	0.5	0.7	0.9	1.1	0.1	0.3	0.8
1-Year Treasury Note Yield	0.1	0.1	0.1	0.1	0.2	0.4	0.6	0.8	1.0	1.3	1.5	1.6	0.1	0.5	1.4
10-Year Treasury Bond Yield	2.8	2.6	2.5	2.3	2.0	2.1	2.1	2.2	2.2	2.3	2.3	2.4	2.5	2.1	2.3

March 10, 2015

Note: Interest rate forecasts are based on rates from February 27, 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 and Strategic Research

Opinions, analyses, estimates, forecasts, and other views of Fannie Mae's Economic & Strategic Research (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 views

of Fannie Mae or its management.