Fannie Mae

Economic Forecast: April 2019

	---- 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**	**2018**	**2019**	**2020**
National Income and Product Accounts (Chained 2012$)															
Percent Change: Quarterly SAAR, Annual Q4/Q4															
Gross Domestic Product	2.2	4.2	3.4	2.2	1.8	2.1	2.4	2.3	1.7	1.8	1.5	1.4	3.0	2.2	1.6
Personal Consumption Expenditures (PCE)	0.5	3.8	3.5	2.5	1.0	2.4	2.7	2.5	1.9	1.8	1.9	1.8	2.6	2.2	1.9
Residential Fixed Investment	-3.4	-1.3	-3.6	-4.7	1.0	3.9	4.1	2.7	2.1	1.7	1.6	1.4	-3.3	2.9	1.7
Business Fixed Investment	11.5	8.7	2.5	5.4	3.8	2.4	3.6	3.4	3.1	2.8	2.6	2.4	7.0	3.3	2.8
Government Consumption & Investment	1.5	2.5	2.6	-0.4	3.3	2.5	1.1	0.9	1.0	1.7	-0.1	0.2	1.5	2.0	0.7
Billions of Chained 2012$															
Net Exports	-902	-841	-950	-956	-964	-978	-995	-1001	-1015	-1029	-1041	-1057	-912	-984	-1036
Change in Business Inventories	30	-37	90	97	104	90	84	80	72	70	69	67	45	89	69
Price Indices															
Percent Change: Quarterly YoY % Change, Annual Q4/Q4															
GDP Price Index	2.0	2.4	2.3	2.1	2.2	2.2	2.1	2.2	2.1	2.0	2.1	2.1	2.1	2.2	2.1
Consumer Price Index	2.2	2.7	2.6	2.2	1.6	1.9	2.0	2.2	2.3	2.1	2.1	2.1	2.2	2.2	2.1
Consumer Price Index excl. Food & Energy	1.9	2.2	2.2	2.2	2.1	1.9	2.0	2.1	2.2	2.2	2.1	2.0	2.2	2.1	2.0
PCE Chain Price Index	1.9	2.2	2.2	1.9	1.7	1.8	2.0	2.1	2.2	2.1	2.1	2.0	1.9	2.1	2.0
PCE Chain Price Index excl. Food & Energy	1.7	1.9	2.0	1.9	1.8	1.9	2.0	2.1	2.2	2.1	2.0	2.0	1.9	2.1	2.0
Employment															
Unemployment Rate (Percent)	4.1	3.9	3.8	3.8	3.9	3.7	3.6	3.5	3.5	3.5	3.6	3.7	3.9	3.7	3.6
Employment, Total Nonfarm (% Change: Quarterly SAAR, Annual Q4/Q4)	1.8	1.9	1.8	1.7	1.7	1.4	1.2	1.0	0.9	0.8	0.7	0.6	1.8	1.3	0.8
Interest Rates (Percent)															
Federal Funds Rate	1.4	1.7	1.9	2.2	2.4	2.4	2.4	2.4	2.6	2.6	2.6	2.6	1.8	2.4	2.6
1-Year Treasury Note Yield	1.9	2.3	2.5	2.7	2.5	2.4	2.3	2.2	2.2	2.1	2.1	2.1	2.3	2.4	2.1
10-Year Treasury Bond Yield	2.8	2.9	2.9	3.0	2.7	2.4	2.4	2.4	2.4	2.5	2.5	2.5	2.9	2.5	2.5

April 10, 2019

Note: Interest rate forecasts are based on rates from March 29, 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