Fannie Mae

Economic Forecast: May 2020

	2019				2020				2021						
	19.1	**19.2**	**19.3**	**19.4**	**20.1**	**20.2**	**20.3**	**20.4**	**21.1**	**21.2**	**21.3**	**21.4**	**2019**	**2020**	**2021**
Percent Change: Quarterly SAAR, Annual Q4/Q4															
Gross Domestic Product	3.1	2.0	2.1	2.1	-4.8	-36.6	18.4	12.6	8.7	5.2	3.5	3.4	2.3	-5.3	5.2
Personal Consumption Expenditures (PCE)	1.1	4.6	3.2	1.8	-7.6	-42.6	25.2	17.4	2.5	5.5	5.1	4.8	2.7	-6.0	4.5
Residential Fixed Investment	-1.0	-3.0	4.6	6.5	21.0	-56.4	5.1	9.9	14.0	15.4	9.0	6.7	1.7	-11.6	11.2
Business Fixed Investment	4.4	-1.0	-2.3	-2.4	-8.6	-31.7	-3.2	20.5	10.1	4.5	2.7	2.2	-0.4	-7.6	4.9
Government Consumption & Investment	2.9	4.8	1.7	2.5	0.7	-3.3	4.7	3.0	3.6	1.8	1.8	1.6	3.0	1.3	2.2
Billions of Chained 2012$															
Net Exports	-944	-981	-990	-901	-817	-666	-528	-649	-757	-802	-871	-925	-954	-665	-839
Change in Business Inventories	116	69	69	13	-16	-114	-168	-184	137	176	187	199	67	-120	175
Percent Change: Quarterly YoY, Annual Q4/Q4															
Consumer Price Index	1.6	1.8	1.8	2.0	2.1	0.5	0.5	0.5	0.9	2.3	2.3	2.1	2.0	0.5	2.1
Core Consumer Price Index (ex. Food & Energy)	2.1	2.1	2.3	2.3	2.2	2.0	1.6	1.4	1.3	1.4	1.4	1.5	2.3	1.4	1.5
PCE Chain Price Index	1.4	1.4	1.4	1.4	1.6	0.5	0.3	0.3	0.4	1.4	1.5	1.5	1.4	0.3	1.5
Core PCE Chain Price Index (ex. Food & Energy)	1.6	1.6	1.7	1.6	1.8	1.4	0.9	0.8	0.7	0.9	1.1	1.2	1.6	0.8	1.2
Change: Quarterly Mo. Avg., Thous., Annual Mil.															
Employment, Total Nonfarm	162	142	184	209	99	-9459	2057	1876	1500	1100	550	500	2.1	-16.3	11.0
Percent Change: Q4/Q4													*1.4*	*-10.7*	*8.1*
Percent															
Unemployment Rate	3.9	3.6	3.6	3.5	3.8	17.5	12.8	9.5	7.9	7.1	6.5	6.0	3.7	10.9	6.9
Federal Funds Rate	2.4	2.4	2.2	1.6	1.3	0.1	0.1	0.1	0.1	0.1	0.1	0.1	2.2	0.4	0.1
1-Year Treasury Note Yield	2.5	2.3	1.8	1.6	1.1	0.2	0.2	0.2	0.2	0.2	0.3	0.3	2.1	0.4	0.3
10-Year Treasury Note Yield	2.7	2.3	1.8	1.8	1.4	0.7	0.7	0.7	0.7	0.7	0.7	0.8	2.1	0.8	0.7

May 11, 2020

Note: Interest rate forecasts are based on rates from April 30, 2020.

Note: Unshaded areas denote actuals. Shaded areas denote forecasts.

Note: Nonfarm employment numbers include temporary hiring for the 2020 decennial Census.

Sources: Actuals: Bureau of Economic Analysis, Bureau of Labor Statistics, Federal Reserve Board. Forecasts: Fannie Mae Economic and Strategic Research