



**Economic Forecast: July 2021**

	2020				2021				2022				2020	2021	2022
	20.1	20.2	20.3	20.4	21.1	21.2	21.3	21.4	22.1	22.2	22.3	22.4			
<b>Percent Change: Quarterly SAAR, Annual Q4/Q4</b>															
Gross Domestic Product	-5.0	-31.4	33.4	4.3	6.4	8.1	7.1	6.6	3.6	3.0	2.4	2.1	-2.4	7.0	2.8
Personal Consumption Expenditures (PCE)	-6.9	-33.2	41.0	2.3	11.4	10.4	2.2	3.8	3.7	3.6	3.5	3.3	-2.7	6.9	3.5
Residential Fixed Investment	19.0	-35.6	63.0	36.6	13.1	-7.9	6.9	2.4	-3.4	-5.3	-1.5	-1.3	14.3	3.3	-2.9
Business Fixed Investment	-6.7	-27.2	22.9	13.1	11.7	4.8	5.7	6.0	4.8	4.1	3.4	3.4	-1.4	7.0	3.9
Government Consumption & Investment	1.3	2.5	-4.8	-0.8	5.7	3.8	4.0	2.5	0.3	0.0	-0.7	-0.1	-0.5	4.0	-0.1
<b>Billions of Chained 2012\$</b>															
Net Exports	-788	-775	-1019	-1122	-1212	-1203	-1213	-1162	-1153	-1153	-1158	-1166	-926	-1197	-1157
Change in Business Inventories	-81	-287	-4	62	-87	-96	100	191	208	221	207	182	-77	27	204
<b>Percent Change: Quarterly YoY, Annual Q4/Q4</b>															
Consumer Price Index	2.1	0.4	1.3	1.2	1.9	4.7	4.7	5.1	5.0	3.8	3.3	2.9	1.2	5.1	2.9
Core Consumer Price Index (ex. Food & Energy)	2.2	1.3	1.7	1.6	1.4	3.5	3.7	4.3	4.9	4.0	3.6	3.4	1.6	4.3	3.4
PCE Chain Price Index	1.7	0.6	1.2	1.2	1.8	3.8	3.8	4.3	4.2	3.3	2.9	2.7	1.2	4.3	2.7
Core PCE Chain Price Index (ex. Food & Energy)	1.8	1.0	1.4	1.4	1.6	3.3	3.4	4.0	4.2	3.5	3.2	3.0	1.4	4.0	3.0
<b>Change: Quarterly Avg Mo. Chg, Thous., Annual Mil.</b>															
Employment, Total Nonfarm	-360	-4,333	1,342	213	518	567	775	650	475	400	250	220	-9.4	7.5	4.0
<i>Percent Change: Q4/Q4</i>													-6.0	4.8	3.0
<b>Percent</b>															
Unemployment Rate	3.8	13.0	8.8	6.8	6.2	5.9	5.4	4.8	4.6	4.4	4.2	4.0	8.1	5.6	4.3
Federal Funds Rate	1.3	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.4	0.1	0.1
1-Year Treasury Note Yield	1.1	0.2	0.1	0.1	0.1	0.1	0.1	0.2	0.3	0.4	0.5	0.6	0.4	0.1	0.5
10-Year Treasury Note Yield	1.4	0.7	0.7	0.9	1.3	1.6	1.5	1.5	1.6	1.6	1.7	1.8	0.9	1.5	1.7

July 12, 2021

Note: Interest rate forecasts are based on rates from June 30, 2021.

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.*