

MBA Economic Forecast

September 18, 2020

| | 2019 | | | | 2020 | | | | 2021 | | | | 2019 | 2020 | 2021 | 2022 |
|--|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | | | | |
| Percent Change, SAAR | | | | | | | | | | | | | | | | |
| Real Gross Domestic Product | 2.9 | 1.5 | 2.6 | 2.4 | -5.0 | -31.7 | 28.1 | 3.6 | 3.1 | 4.4 | 2.9 | 3.1 | 2.3 | -3.7 | 3.3 | 2.5 |
| Personal Consumption Expenditures | 1.8 | 3.7 | 2.7 | 1.6 | -6.9 | -34.1 | 36.2 | 3.5 | 2.0 | 5.1 | 2.8 | 3.2 | 2.5 | -3.5 | 3.3 | 2.1 |
| Business Fixed Investment | 4.2 | 0.0 | 1.9 | -0.3 | -6.7 | -26.0 | 9.0 | 2.1 | 0.8 | 4.0 | 2.6 | 2.9 | 1.4 | -6.4 | 2.6 | 2.8 |
| Residential Investment | -1.7 | -2.1 | 4.6 | 5.8 | 19.0 | -37.9 | 50.8 | 2.4 | 0.5 | -2.0 | 0.0 | 1.8 | 1.6 | 3.4 | 0.1 | 0.6 |
| Govt. Consumption & Investment | 2.5 | 5.0 | 2.1 | 2.4 | 1.3 | 2.8 | -2.1 | -4.4 | 0.0 | 0.6 | 0.7 | 0.1 | 3.0 | -0.7 | 0.4 | 0.4 |
| Net Exports (Bil. Chain 2012\$) | -754.6 | -793.9 | -792.8 | -714.3 | -650.7 | -636.3 | -747.5 | -704.7 | -687.0 | -725.4 | -737.8 | -735.6 | -763.9 | -684.8 | -721.4 | -661.8 |
| Inventory Investment (Bil. Chain 2012\$) | 86.5 | 42.0 | 37.5 | -0.9 | -68.8 | -243.5 | -94.7 | -61.4 | -10.9 | 37.2 | 69.8 | 85.9 | 41.3 | -117.1 | 45.5 | 92.4 |
| Consumer Prices (YOY) | 1.6 | 1.8 | 1.8 | 2.0 | 2.1 | 0.4 | 1.2 | 1.0 | 1.4 | 3.0 | 2.4 | 2.7 | 1.8 | 1.2 | 2.4 | 2.2 |
| Percent | | | | | | | | | | | | | | | | |
| Unemployment Rate | 3.9 | 3.6 | 3.6 | 3.5 | 3.8 | 13.0 | 9.0 | 7.7 | 7.3 | 6.8 | 6.5 | 6.2 | 3.7 | 8.4 | 6.7 | 5.5 |
| Federal Funds Rate | 2.375 | 2.375 | 1.875 | 1.625 | 0.125 | 0.125 | 0.125 | 0.125 | 0.125 | 0.125 | 0.125 | 0.125 | 1.625 | 0.125 | 0.125 | 0.125 |
| 10-Year Treasury Yield | 2.7 | 2.3 | 1.8 | 1.8 | 1.4 | 0.7 | 0.7 | 0.8 | 0.9 | 1.0 | 1.1 | 1.3 | 1.8 | 0.8 | 1.3 | 1.8 |

Notes:

The Fed Funds Rate forecast is shown as the mid point of the Fed Funds range at the end of the period.

All data except interest rates are seasonally adjusted

The 10-Year Treasury Yield is the average for the quarter, while the annual value is the Q4 value

Forecast produced with the assistance of the Macroeconomic Advisers' model

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