

Economic Forecasts

1/10/2025

	Seasonally Adjusted at Annualized Rate								2023	2024	2025
	2024				2025						
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4			
Real GDP	1.6	3.0	3.1	<i>1.9</i>	<i>1.7</i>	<i>1.8</i>	<i>2.0</i>	<i>2.2</i>	3.2	<i>2.4</i>	<i>1.9</i>
Personal Consumption Expenditures	1.9	2.8	3.7	<i>2.9</i>	<i>1.8</i>	<i>1.5</i>	<i>1.6</i>	<i>1.8</i>	3.0	<i>2.8</i>	<i>1.7</i>
Nonresidential Investment	4.5	3.9	4.0	<i>-2.6</i>	<i>1.9</i>	<i>2.9</i>	<i>3.9</i>	<i>4.3</i>	5.0	<i>2.4</i>	<i>3.3</i>
Equipment and Software	0.3	9.8	10.8	<i>-8.5</i>	<i>1.0</i>	<i>1.0</i>	<i>2.5</i>	<i>3.0</i>	3.3	<i>3.1</i>	<i>1.9</i>
Structures	6.3	0.2	-5.0	<i>-1.9</i>	<i>0.0</i>	<i>2.0</i>	<i>3.0</i>	<i>3.0</i>	9.9	<i>-0.1</i>	<i>2.0</i>
Residential Investment	13.7	-2.8	-4.3	<i>1.5</i>	<i>0.0</i>	<i>2.0</i>	<i>3.0</i>	<i>3.0</i>	2.6	<i>2.0</i>	<i>2.0</i>
Chg in Business Inventories (\$ billions)	\$17.7	\$71.7	\$57.9	<i>63.0</i>	<i>70.0</i>	<i>70.0</i>	<i>70.0</i>	<i>70.0</i>	-90.6	<i>18.4</i>	<i>70.0</i>
Net Exports (\$ billions)	-\$977.0	-\$1,035.7	-\$1,069.2	<i>-1072.0</i>	<i>-1081.3</i>	<i>-1080.5</i>	<i>-1080.0</i>	<i>-1080.4</i>	-932.8	<i>-1038.5</i>	<i>-1080.6</i>
Government Spending	1.8	3.1	5.1	<i>1.3</i>	<i>1.1</i>	<i>1.0</i>	<i>0.9</i>	<i>0.9</i>	4.3	<i>2.8</i>	<i>1.0</i>
Real Final Sales (of Domestic Product)	2.1	1.9	3.3	<i>1.9</i>	<i>1.6</i>	<i>1.8</i>	<i>2.0</i>	<i>2.2</i>	3.6	<i>2.3</i>	<i>1.9</i>
Real Final Sales to Domestic Purchasers	2.7	2.8	3.7	<i>1.8</i>	<i>1.7</i>	<i>1.7</i>	<i>1.9</i>	<i>2.1</i>	3.5	<i>2.8</i>	<i>1.8</i>
Nominal GDP	4.7	5.6	5.0	<i>4.4</i>	<i>4.6</i>	<i>4.4</i>	<i>4.5</i>	<i>4.6</i>	5.9	<i>4.9</i>	<i>4.5</i>
GDP Chain-Weighted Price Index	3.0	2.5	1.9	<i>2.4</i>	<i>2.8</i>	<i>2.6</i>	<i>2.5</i>	<i>2.4</i>	2.6	<i>2.5</i>	<i>2.6</i>
Core PCE Deflator	3.7	2.8	2.2	<i>2.6</i>	<i>2.7</i>	<i>2.1</i>	<i>2.1</i>	<i>2.3</i>	3.2	<i>2.8</i>	<i>2.3</i>
Consumer Price Index	3.8	2.8	1.2	<i>3.1</i>	<i>3.6</i>	<i>2.5</i>	<i>2.4</i>	<i>2.6</i>	3.2	<i>2.7</i>	<i>2.8</i>
Core Consumer Price Index	4.2	3.2	2.2	<i>3.6</i>	<i>3.2</i>	<i>2.6</i>	<i>2.6</i>	<i>2.8</i>	4.0	<i>3.3</i>	<i>2.8</i>
Unemployment Rate (quarter average)	3.8	4.0	4.2	<i>4.1</i>	<i>4.2</i>	<i>4.3</i>	<i>4.4</i>	<i>4.4</i>	3.6	<i>4.0</i>	<i>4.3</i>
Fed Funds Target Rate (end of period)	5.25-5.50	5.25-5.50	4.75-5.00	<i>4.25-4.50</i>	<i>4.00-4.25</i>	<i>3.75-4.00</i>	<i>3.50-3.75</i>	<i>3.50-3.75</i>	5.25-5.50	<i>4.25-4.50</i>	<i>3.50-3.75</i>

*Annual figures for the change in business inventories represent the Q4/Q4 changes in the pace of inventory accumulation. Annual data shown for the unemployment rate and the fed funds rate are average and end-of-period figures, respectively.

Note: Forecasts shown in italics.