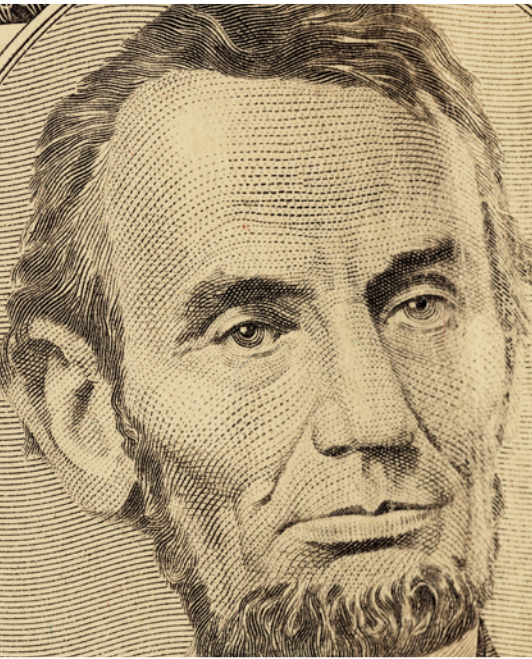


WINTER 2025

U.S. FORECAST



UCF

**Institute for
Economic Forecasting**

UNIVERSITY OF CENTRAL FLORIDA

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U.S. FORECAST 2025 - 2028

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IN THIS U.S. FORECAST

- Has the inertia of Washington, DC been changed?
- DOGE, like March, has come in like a lion, but without support from Congress for ongoing austerity, it may very well go out like a lamb.
- The national debt is still rising. The debt is over \$36.5 trillion, and the net interest payments on that debt have exceeded \$1 trillion annually. It took decades to accumulate this debt, and the problem cannot be fixed overnight.
- The labor market is cooling. Payroll job growth of 2.2% in 2023 is decelerating steadily, having fallen to 1.3% in 2024, to 1.1% in 2025, 0.2% in 2026 before turning slightly negative in 2027 and then slightly positive in 2028.
- Despite resistance to the effects of the Fed's tightening of policy, the headline unemployment rate (U-3) is expected to gradually rise to 4.7% in 2027 before declining slightly in 2028.
- After two years of erosion, consumer's purchasing power has been clawing its way back. Wage growth has surpassed inflation and is allowing households to begin repairing strained budgets.
- Real consumption spending eased to 2.5% in 2023 due to falling real wages. Spending ticked up to 2.8% in 2024 as real wage began to rise again it will continue to do so hitting 3.0% in 2025. Growth will slow to 2.2% in 2026, 2.3% in 2027 and 2.7% in 2028.
- Real GDP growth hit 2.9% in 2023, and 2.8% for 2024. Growth will slow over the next several years to 1.6% in 2027. From there, real GDP growth will pick up, hitting 1.8% in 2028.
- High prices combined with 7% plus mortgage rates eroded housing demand. However, low inventories will support the sector. Housing starts declined from 1.6 million in 2022 to 1.42 million in 2023 and will continue to ease reaching 1.30 million in 2027. However, as mortgage rates decline, starts will creep up reaching 1.33 million in 2028.
- Core consumer price inflation will continue its' slow decline. By the end of 2027, headline inflation will be close to the Fed's target level of 2%. The Fed prematurely started to cut interest rates. If progress continues to stall, then the Fed may have to pause planned rate cuts in 2025.

Is the Budget Inertia of Washington, DC Being Changed?

Isaac Newton's first law of motion states that, "an object at rest stays at rest and an object in motion stays in motion with the same velocity and in the same direction unless they are acted upon by an outside force." Stated another way, inertia is the resistance an object has to a change in its state of motion. It is also true that the tendency of an object to resist changes in its state of motion depends directly upon the mass of the object.

If you kick a golf ball that is sitting on the ground it will travel a good distance, but if you try to do the same to a bowling ball you are more likely to break some toes than to move the bowling ball any significant distance.

When the Department of Government Efficiency (DOGE) was announced, I was immediately skeptical that this initiative could make a dramatic change in the way the federal government handles the public purse. Washington, DC or as I like to call it, "Versailles on the Potomac," is an entrenched ecosystem of bureaucracy fueled entirely by American taxpayers.

As we wrote in the previous *U.S. Forecast*:

"Government Efficiency or DOGE. The primary goals of DOGE include:

- *Dismantling government bureaucracy*
- *Slashing excess regulations*
- *Cutting wasteful expenditures*
- *Restructuring federal agencies.*

DOGE will be led by Elon Musk and Vivek Ramaswamy and Trump has set a deadline for DOGE's work to conclude by July 4, 2026, aligning with the 250th anniversary of the signing of the U.S. Declaration of Independence.

This sounds like exactly what is needed to address

head-on the problem of the national debt and the rising burden of servicing that debt. However, the reality of implementing drastic changes to the federal government may prove to be a much greater challenge than forming the committee.

Making substantive changes to the federal government would require legislative action by the House and Senate. Can DOGE navigate the complexities of the legal, political, and bureaucratic landscape of Washington, DC?

As recommendations come out this committee, rest assured there will be push-back on these proposals. The bureaucracy will fight any big changes tooth and nail, scrambling and mustering all resources to prevent the changes from taking place. They will be aided and abetted by legislators working to prevent changes that could adversely impact their political supporters and constituencies, most of whom have an entrenched interest in the status quo.

I must admit I am quite skeptical of the committee's ability to usher in significant changes to the federal government. I suspect it will turn into a beltway version of dodge ball, with the bureaucracy and its supporters frantically running around trying to avoid getting hit by the DOGE ball. Like in any elementary school physical education class, I think there will be lots of shouting and chaotic movement as this committee proceeds over the next two years. Unlike the staple of gym class, at the end of this game there will not be just a single player standing and much of the system will remain intact.

Dramatic changes are necessary for the federal government in the face of mounting debt and the increasingly untenable interest rate burden that comes with it. I am not sure that the DOGE committee will be able to deliver the necessary changes needed to resolve our debt crisis.

I would, however, be delighted to be proven wrong."

I recall going to a conference in DC in the Spring of 2010. Florida's economy was in shambles; the unemployment rate was 12%, the housing market had collapsed and a wave of foreclosures, abandoned homes and prices that had plunged nearly 50% in many locales and new construction had ground to a halt.

When I got to Washington, it felt like I was in another country. The greater DC area was absolutely booming. Construction cranes and ongoing housing projects dotted the landscape, and it felt like the region was nearly immune to the recession that had wracked the rest of the country. It was surreal.

This was not a temporary phenomenon. Three of the five wealthiest counties in the United States are in the greater DC area¹. What is the source of all this wealth? It is, of course, the federal government, funded by tax dollars and debt.

My concern laid out above from our previous *U.S. Forecast* was essentially that DOGE would not have enough force to overcome the inertia that the federal bureaucracy has built up over decades.

I am still somewhat skeptical that a full reversal of this trajectory is possible eventually, but the revelations that have been made by DOGE analysis have brought to light the modus operandi of Washington in a way that had been greatly obscured historically. I think that this process will reduce the growth of government spending, but I am less confident that it will be a permanent change to the rudderless budget process in our nation's capital.

For now, the bowling ball is moving, how far it goes remains yet to be seen.

ANXIOUS INDEX

Recession Fear Remains Subdued

The most recent release (1st quarter of 2025) of the Survey of Professional Forecasters by the Federal Reserve Bank of Philadelphia states that the forecasters surveyed for the publication put a 15.37% chance that a decline in real GDP will occur in the

2nd quarter of 2025. This is the lowest reading of the anxious index in three years.

One section of the Survey of Professional Forecasters asked panelists to estimate the probability that real GDP will decline in the quarter in which the survey is taken, as well as the probabilities of a decline in each of the following four quarters. The anxious index is the estimated probability of a decline in real GDP in the quarter after a survey is taken. In the survey taken in January for the 1st quarter of 2025, the index stands at 15.37, meaning forecasters believe there is a 15.37% chance that real GDP will decline in the 2nd quarter of 2025. This is up from 14.95% in the survey taken in the 4th quarter of 2024.

The graph plots the historical values of the anxious index, where the gray bars indicate periods of recession in the U.S. economy. The current level of the anxious index is slightly more than 1.7 points higher than the average level during the 2009-2020 economic recovery (13.63).

GDP OUTLOOK

The negative growth we are projecting for federal government spending is going to have an impact on overall real GDP growth for the next several years. There is a high level of uncertainty in the economy with the frenetic pace of activity in the initial weeks of the Trump administration. Until the dust settles and markets can discern what the "new normal" might look like, the level of uncertainty will persist and so will the dampening effect that uncertainty always has on economic growth.

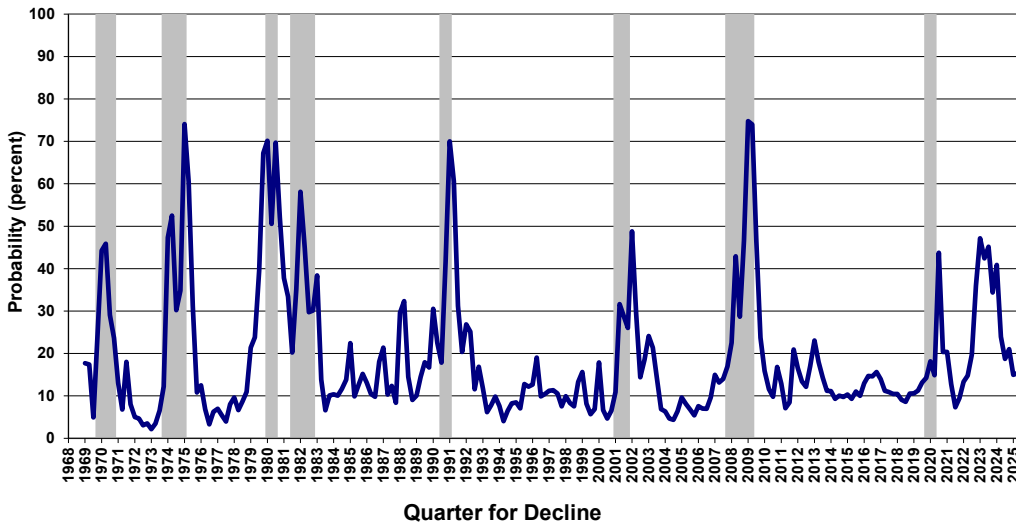
Many economic indicators suggested that we were headed for a recession in 2023, but this was not the case. Persistent large deficits at the federal level have continued to fuel economic growth through the end of 2024. It would appear that the size of these deficits is set to decline significantly (but not be completely eliminated), so the brute force of deficit spending that pushed the economy forward the past four years will no longer be a large driver of growth and the national debt.

The end of election uncertainty and business friendlier policies from DC should continue the

¹ <https://www.usnews.com/news/healthiest-communities/slideshows/richest-counties-in-america?onepage>

Figure 1.

The Anxious Index
One-Quarter-Ahead Probability of Decline in Real GDP
Quarterly, 1969:Q1 to 2025:Q2



The shading shows the period beginning with each NBER peak and ending with the corresponding trough.

Source: Survey of Professional Forecasters, Philadelphia Federal Reserve Bank

economic expansion through the end of our forecast horizon if the frenetic change and uncertainty accompanying DOGE don't knock the economy off its tracks.

While the labor market showed no signs of the 2022 recession, the slowing of growth in 2026 and beyond will impact the labor market. I think unemployment will gradually rise as 2026 progresses, continuing into 2027 before stabilizing at below 5%. Job growth will slow to a trickle and then will likely turn slightly negative but should not contract by any significant amount, at least outside of the federal government sector.

There will be another recession, they are as certain as death and taxes, and there is a chance that it could be borne of the chaotic changes happening in the nation's capital. However, at this point we are not predicting that it will come to pass in the next several years. In the meantime, we are anticipating a softening of real GDP growth slowing from 2.8% in 2024 to 2.2% in 2025 before drifting down to 1.6% in 2027 and then ticking up to 1.8% in 2028.

CONSUMER SPENDING

The Return of Real Wage Growth is Helping Households Heal

U.S. consumers were hit hard by high inflation for more than two years, and despite wage and salary growth, the rising cost of living eroded wiped away all those wage gains and even more purchasing power beyond that. Since the second quarter of 2021, real median weekly wage and salary growth had been negative. This means that even though workers had more dollars in their paychecks, the amount of goods and services that they could purchase with these dollars was declining for more than two years. This declining purchasing power set the stage for a slowing economy and the possibility of recession.

The holes in consumers' budgets were patched by savings from the COVID era and using credit card debt. These patches to consumers' budgets can only hold for so long.

Inflation hit middle- and lower-income households hard. Roughly 63% of consumer expenditures go to food, shelter, and transportation; all three categories saw outsized price increases over this two-year span.

Over the most recent two years, thanks to a still strong labor market and retreating inflation, growth in real wages has turned positive. This is enabling consumers to make more permanent repairs to damaged household budgets.

Credit card delinquency rates had been rising for more than two years as households struggled to make ends meet. In the second half of 2024, these delinquency rates have been declining thanks to rising real wages.

Consumer sentiment has been on an upward, but somewhat volatile, trend since hitting an all-time low at the height of the inflation crisis. Seeing paychecks

start to go further has played a role in the regaining of confidence in household financial status.

The public health policies aimed at slowing the spread of COVID-19 caused spending growth in 2020 to contract by 2.5%. Consumption spending growth slowed from 8.8% in 2021 to 3.0% in 2022 and then to 2.5% in 2023 before ticking up to 2.8% in 2024. During 2025-2028, real consumer spending growth is expected to average 2.6%. Consumer spending growth will be dampened by the economic slowdown in 2026 and 2027 after hitting 3.0% in 2025 before slowing in the next two years to 2.3% in 2027.

INVESTMENT

Higher interest rates and increasing levels of uncertainty have combined to slow investment spending in 2024, and it will likely continue to decelerate through 2027 before rising in the final year of our forecast.

Presidential elections are an intersection when it comes to economic policy that can shape the type and profitability of private investment spending. Not knowing what policy path the economy will be traveling down puts investment projects on the sideline as businesses await the outcome of the election. However, despite the outcome of the election being determined, the level of uncertainty has not gone down amidst the frenetic goings on in the first weeks of the new administration. Businesses will continue to try and divine what tariffs, spending cuts, regulatory changes are going to be implemented and importantly how long such changes might remain in place. The “intersection” feels more like a large roundabout, and it is unclear when we might exit it.

Nonresidential fixed investment spending eased in 2019 to 3.8% from 6.9% in 2018. In 2020, investment spending contracted by 4.6% then rebounded to 6.0% growth in 2021 and 7.0% growth in 2022 that eased to 6.0% in 2023. During 2025-2028 we expect average growth in nonresidential investment spending to be 1.3%, decelerating from 3.7% in 2024 to just 0.9% in 2027 before rebounding to 2.0% in 2028.

Spending on equipment and software turned negative in 2020 and contracted by 10.1%. In 2021, spending grew 6.7%—a 16.8 percentage point swing. Average growth in this type of investment spending is expected to be 2.8% over the 2025-2028 timeframe, after spending surged in 2024.

Investment in aircraft is highly volatile. A single aircraft order from a major airline can move this figure by tens of billions of dollars. The contraction in spending in 2021 reversed in 2022 as air travel continued to grow in the post-lockdown era. Aircraft purchases grew by 5.4% that year and 28.9% in 2023. Over the 2025-2028 period, spending on aircraft is expected to grow by an average of 2.6%. This deceleration of growth comes after a two-period growth that averaged 23.2% in 2023-2024.

The 2016 slowdown in overall investment spending also reflected the negative impact of oil prices falling by nearly two-thirds. Consumers enjoyed the low prices at the gasoline pump, but oil producers—shale and otherwise—cut back on investments as oil prices dropped below \$40 per barrel early in 2016. The rig count in the U.S. hit a seventy-year low of 404 in response to these plunging oil prices. In the middle of the COVID recession, an oil price war broke out and drove spot prices of oil below zero one day in March of that year. This price drop caused the U.S. rig count to further plummet to 282.

Lower oil prices over the past quarter and persistently unfriendly policy from the Biden administration have pushed the current rig count to 593 which is 36 rigs fewer than a year ago. Rig counts were over 1,000 as recently as 2019. A friendlier policy from the new administration should bolster that number in the next couple of years.

In 2018, investment in mining and petroleum equipment growth came in at 27.0% for 2018, before contracting by 0.3% in 2019 and plunging to -38.4% in 2020. Investment will average a 3.4% growth per year during 2025-2028 after contracting by 6.0% in 2024.

Business nonresidential structures investment growth contracted by 9.2% in 2020, by 2.6% in 2021 and then accelerated to 3.6% in 2022. Nonresidential structures spending will grow at an average rate of

-1.4% during 2025-2028, after growing at 10.8% in 2023 and 3.2% in 2024.

Interest rates plunged in response to the pandemic. The Federal Reserve cut short-term interest rates to near zero and kept them there for nearly two years. The interest rates on U.S. Treasury bonds fell to historic lows but have since risen significantly. Rising interest rates are not good for investment. The Fed has now switched gears to go into recession-fighting mode and beginning in September cut short-term interest rates; longer-term rates actually went up in response to these cuts. Higher borrowing costs and tighter credit conditions in the wake of the Silicon Valley Bank failure will be a persistent headwind for commercial real estate investment spending.

Business spending on industrial equipment will grow at an annual average rate of just 0.2% from 2025-2028. Investment spending growth on computers and peripherals will average 3.5% during 2025-2028. Spending on communications equipment should expand at an average annual rate of 5.4% during the same period, with spending in 2027 expanding at nearly a 10.0% rate.

Residential fixed investment growth hit 10.7% in 2021. Growth will average just 0.3% during 2025-2028, as higher prices combined with higher mortgage rates have eroded demand and caused investment spending to contract 8.6% in 2022 and 8.3% in 2023.

We expect housing to continue a slow deceleration that commenced in 2023 and continued through 2024. Starts will fall gradually over the following three years. After reaching 1.6 million in 2021, starts fell to 1.36 million in 2024. They will continue to drift lower for the next four years hitting a level slightly less than 1.33 million in 2028. High home prices and a slowing economy are headwinds, and the expected decline in mortgage rates as the Federal Reserve loosened monetary policy did not materialize as long-term interest rates moved in the opposite direction. The ongoing shortage of housing that is plaguing the sector in many parts of the country will help fight against these headwinds and provide an underpinning for home building.

GOVERNMENT SPENDING

DOGE, Like March, Has Come in Like a Lion

Government budget management devolved into a series of continuing resolutions, COVID-19 stimulus packages, and spending made under the umbrella of a pandemic emergency declaration. Federal government spending has been devoid of any policy discussions or debates about priorities, problems, objectives or any consideration of deficits and the national debt. Unsurprisingly, public finances have been adrift, and deficits climbed back to the \$1 trillion mark in 2019 even before the massive wave of deficit spending triggered by the pandemic.

The pandemic ended but the spending spree in Washington, DC continued unabated. The vote to suspend the debt ceiling in June of 2023 removed the last restraint on our elected prodigals and prior to DOGE \$1.0 trillion was being added to the national debt every 100 days. The interest payments on this national debt are now more than \$1 trillion every year.

Can the proposed Department of Government Efficiency (DOGE) curb this profligate and unchecked spending? I am still not convinced that it will be able to rein in a bureaucracy entrenched by decades of the same modus operandi. DOGE has been making cuts and according to the US debt clock website in the footnote below, there has been more than \$150 billion in cuts made via this process. That's a lot of money, but when deficits are near two trillion dollars, it also shows how much heavy lifting still must be done.

Federal government spending growth was 3.8% in 2019 before jumping to 6.3% in 2020. During the 2025-2028 period, federal government spending growth is going to contract, growing at an annual average pace of -0.6%. Over the same period, state and local governments will see spending growth at an average rate of 0.2%.

I am not yet convinced that congress will undertake the required cuts to the deficit; I would like to be proven wrong. Thus, we are still projecting deficits through 2028 that will consistently average nearly \$2.0 trillion. The amount that the projected

deficits will add to the national debt over the next four years will be \$7.9 trillion, pushing the total national debt to more than \$44 trillion and a debt-to-GDP ratio of approximately 130%. If higher interest rates return to the economy, the burden of servicing this debt will continue to rise as well. Slower-than-projected economic growth or a recession would also push projected deficits higher, though the possibility of faster-than-projected economic growth could help mitigate the growth of these deficits on the debt-to-GDP ratio.

Currently, the national debt is over \$36.5 trillion and rising. This represents a debt of more than \$323,000 per taxpayer and \$107,344 per citizen. The unfunded liabilities of the U.S. are even more troubling. These include Social Security, Medicare parts A, B, and D, and Federal debt held by the public and federal employee and veteran benefits, representing more than \$227.1 trillion in liabilities, boiling down to more than \$667,249 per citizen.²

NET EXPORTS

While DOGE is whipping up uncertainty about government spending, the threats and announcements of new tariffs to be levied against U.S. trading partners is shaking up the international sector of the U.S. economy.

A country's use of tariffs historically has been to protect a domestic industry from international competition. The Trump administration seems to be using tariffs as a lever to get other countries to make changes that are to the benefit of the United States.

Colombia initially refused to accept its citizens that were being deported from the U.S. back to Colombia. The administration threatened broad tariffs against Colombia and within a matter of hours their president capitulated. Similar tactics were employed to incentivize Mexico and Canada to assist with drug flows and border control with the U.S.

A longer run goal appears to be incentivizing U.S. firms to onshore production that had been moved overseas previously. It is not clear how successful

these efforts will ultimately be, particularly with the potential that these tariffs may not be in place in the longer term.

The globalization genie is not going back in the bottle, but the possibility of leveling the playing field in international trade could be a boost to U.S. companies trying to compete abroad.

A stronger dollar boosts imports and reduces exports by making our goods and services more expensive to foreigners while at the same time making imported goods and services less expensive to U.S. consumers. This results in a worsening of the trade deficit, which is the difference between the dollar value of exports and the dollar value of imports. The opposite is true when the dollar undergoes a depreciation.

However, the effects of currency changes take time to work on the actual quantity of trade flows, resulting in what is known as the J-curve effect on net exports. Because of this effect, an appreciation (depreciation) of the dollar initially decreases (increases) the trade deficit before eventually increasing (decreasing) it. Why? Importers and exporters do not enter contracts based on the total dollar value of the transaction, but rather on the actual quantity of goods to be shipped (automobiles, flat-screen televisions, etc.). As the exchange rate varies in the short run, the values of these shipments and, thus, net exports vary as well. Over time, however, the quantities do adjust in response to the exchange-rate fluctuations, and this is what gives rise to the J-curve effect.

With the Federal Reserve pausing the interest rate cuts it began in September, higher interest rates, this will lead to an appreciation of the dollar in 2025 before lower interest rates lead to a depreciation during 2026-2028.

Overall, real export growth has resumed, after a sharp contraction in 2020, and will continue through the end of our forecast horizon after accelerating sharply in 2021 and 2022. The appreciation of the dollar in 2022 caused a deceleration of this growth in 2023 and 2024. Real import growth also experienced a strong contraction in 2020, but growth recovered before contracting again in 2023. Import growth

2 National debt data from: <http://www.usdebtclock.org/>

will resume in 2024 and will continue through 2027. Emerging trade policy issues, a slowing economy, increasing geopolitical uncertainty notwithstanding, real export growth from 2025-2028 will average 2.4%, while real import growth will average 3.0% over the same period.

Real net exports will average over $-\$1.52$ trillion during 2025-2028, with the trade balance improving somewhat in 2026 in response to imposition of new tariffs this year before worsening over most of that period from $-\$1.39$ trillion in 2024 before reaching $-\$1.62$ trillion in 2028.

UNEMPLOYMENT

The national headline unemployment rate (U-3) in January 2025 stood at 4.0%: down 10.8 percentage points from the April 2020 reading of 14.8%, which was the highest level since the Great Depression era. The labor force participation rate ticked up after holding steady in the previous three months with the January 2025 rate at 62.6%. The labor force participation rate is still below pre-pandemic levels of 63.3%.

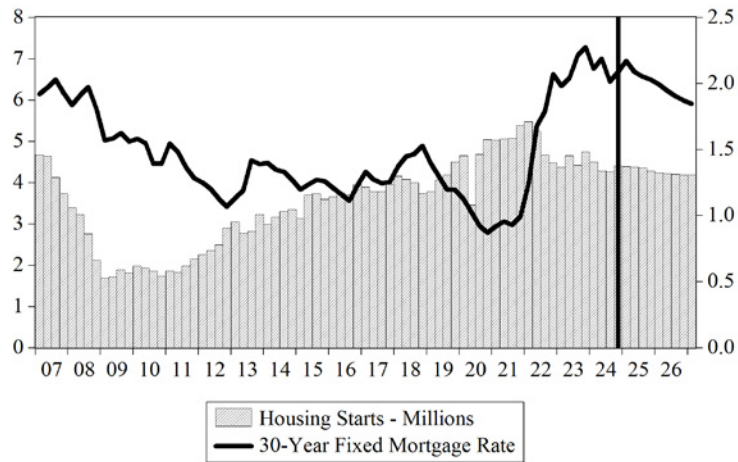
The Bureau of Labor Statistics (BLS) produces alternative measures of labor market weakness, including the broadest measure of unemployment (U-6). U-6 accounts for discouraged workers (currently 592,000 workers), underemployed workers—working part-time but not by choice—(currently 4.48 million workers), and workers who are marginally attached to the labor force—those who have looked for work in the past 12 months, but are not currently looking, yet indicate a willingness to work (1.59 million workers). None of these 6.6 million-plus workers are accounted for in the January headline unemployment rate of 4.0%.

U-6 stands at 7.5% as of January 2025, down 5.1 points from the September 2020 level, and up 0.8 percentage points from the start of 2023. The current level of U-6 is on par with its level in November 2021. U-6 was stuck in double digits for more than seven years. It had been in the single digits for fifty-one consecutive months, beginning in December 2015, before surging during the lockdowns in April and May of 2020.

The spread between U-6 and U-3 measures of unemployment sits at 3.5 percentage points and is 3.9 points below the peak spread of 7.4 points that took place in September 2011.

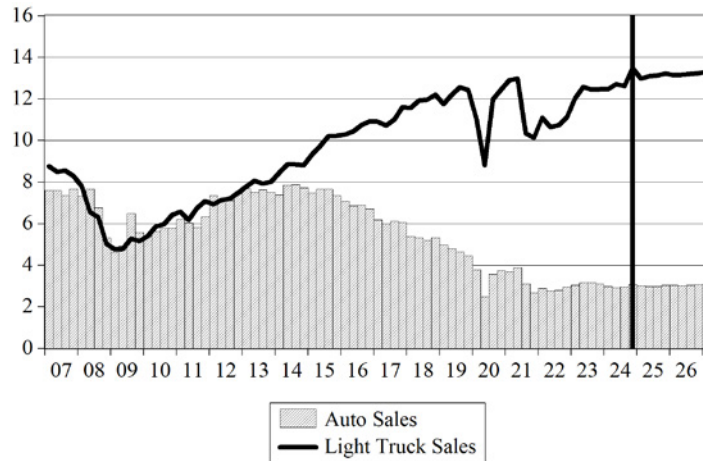
30-Year Mortgage Rates and Housing Starts

(Mortgage Rates - Left Axis, %)



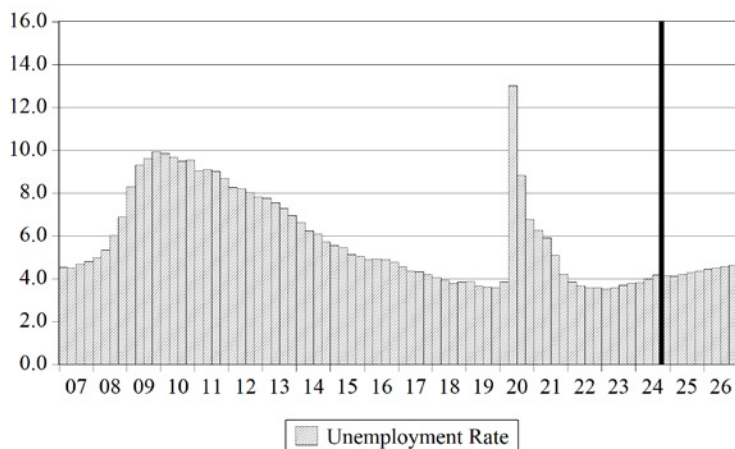
Automobile and Light Truck Sales

(Millions Vehicles)



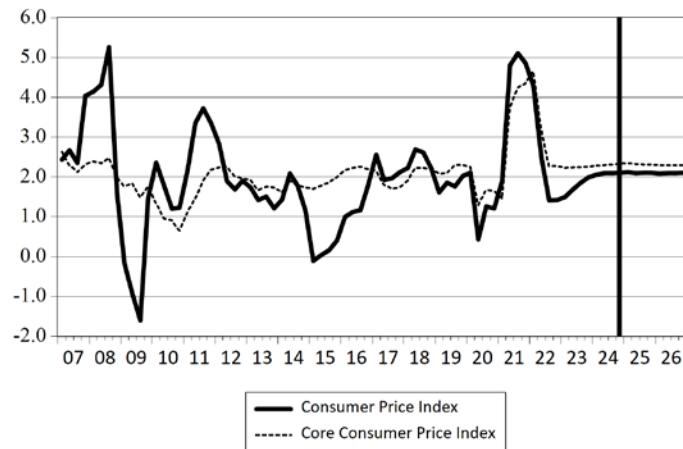
Civilian Unemployment Rate

(%)



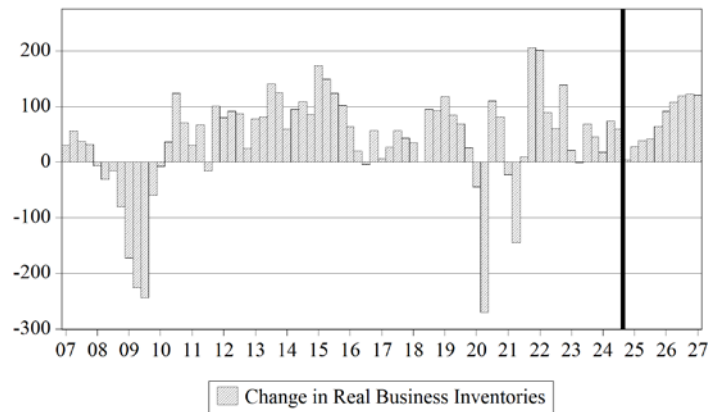
Consumer Prices

(% Change Year Ago)



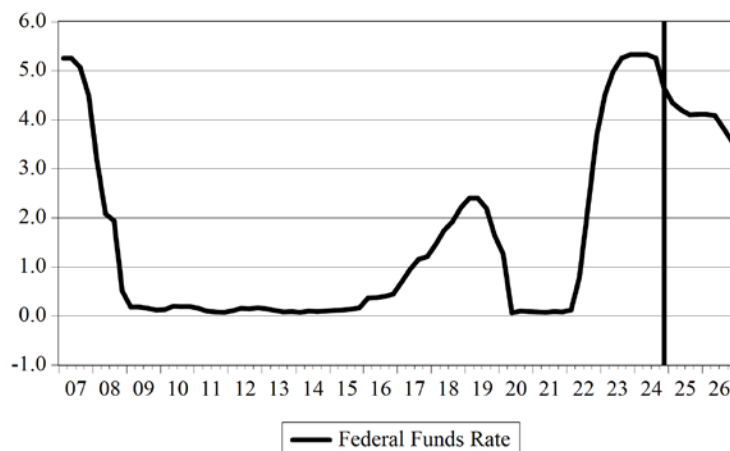
Change in Real Business Inventories

(Billions of 2012 Dollars)



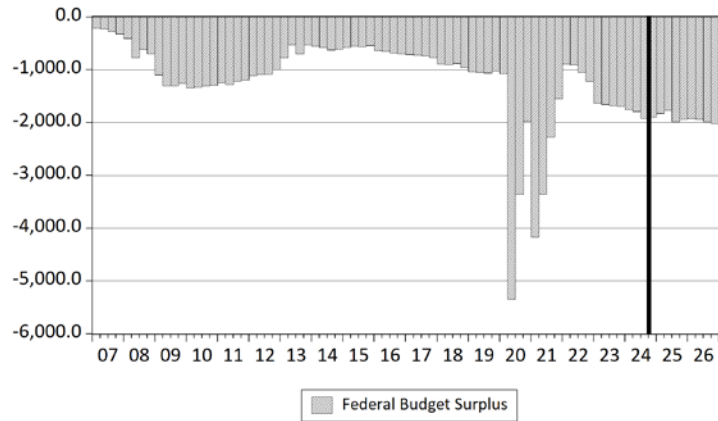
Federal Funds Rate

(%)



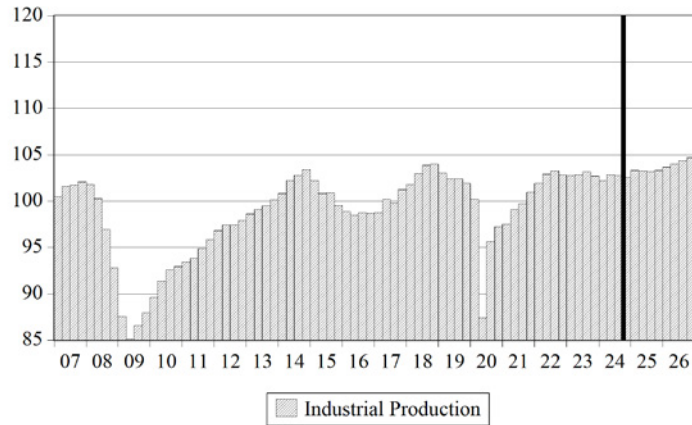
Federal Budget Surplus

(Billions of Dollars)



Industrial Production

(2012=100)

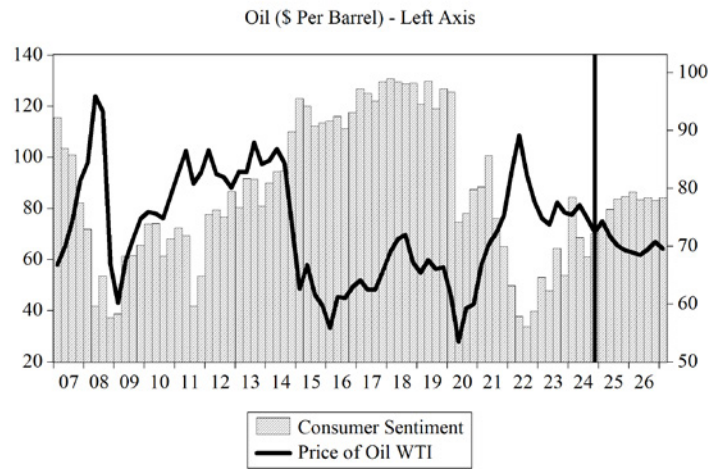


Manufacturing Employment

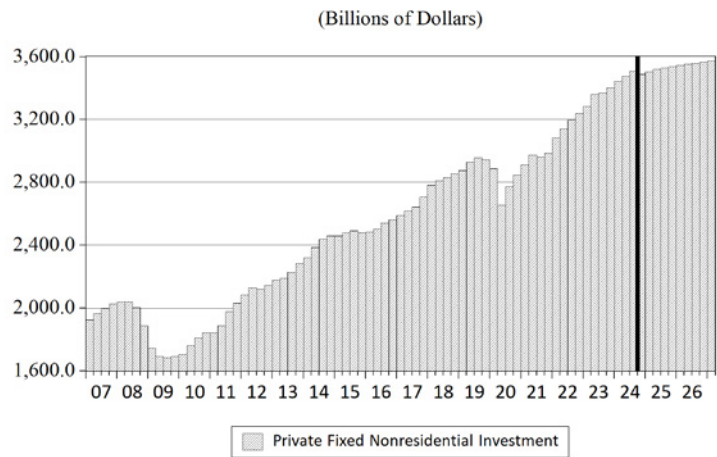
(Millions)



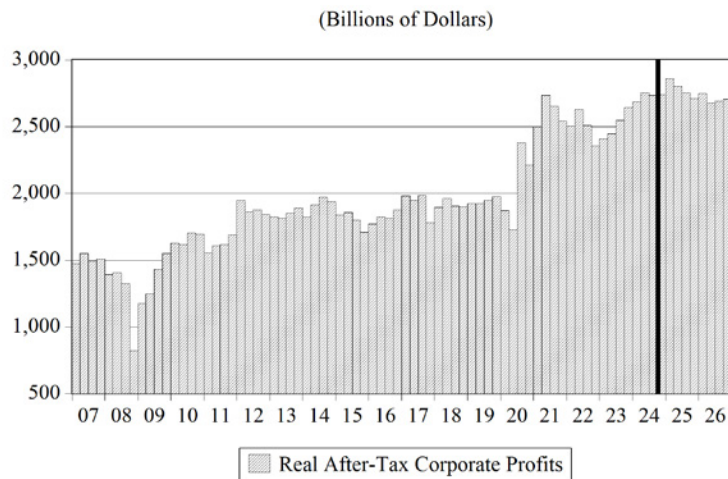
Oil and Consumer Confidence



Private Fixed Nonresidential Investment

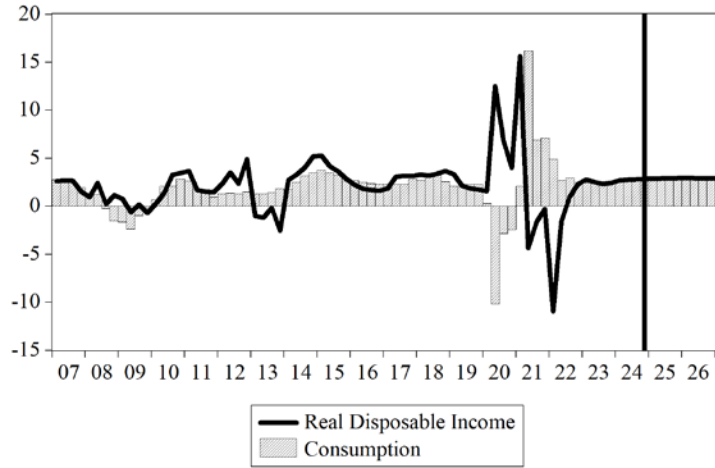


Real After-Tax Corporate Profits



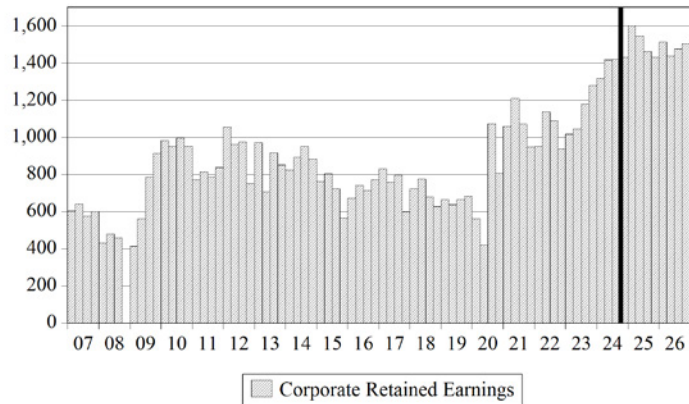
Real Disposable Income and Consumption

(% Change Year Ago)



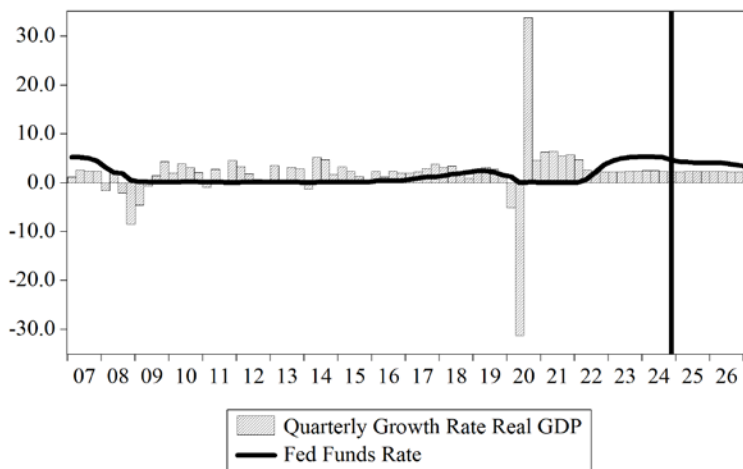
Corporate Retained Earnings

(Billions of Dollars)



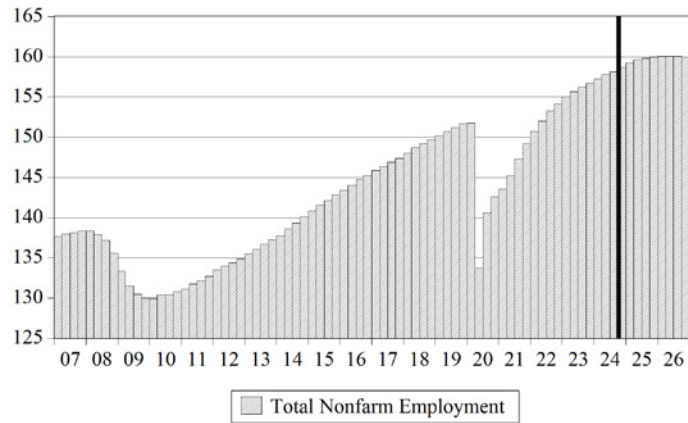
Real GDP Growth and Federal Funds Rate

(%)

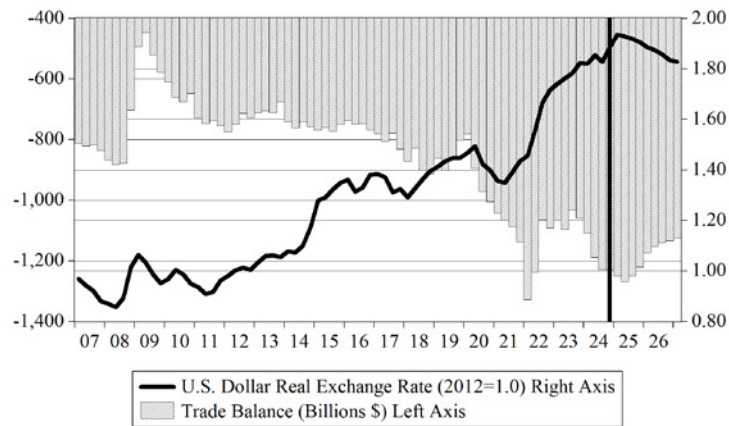


Total Nonfarm Payroll Employment

(Millions)

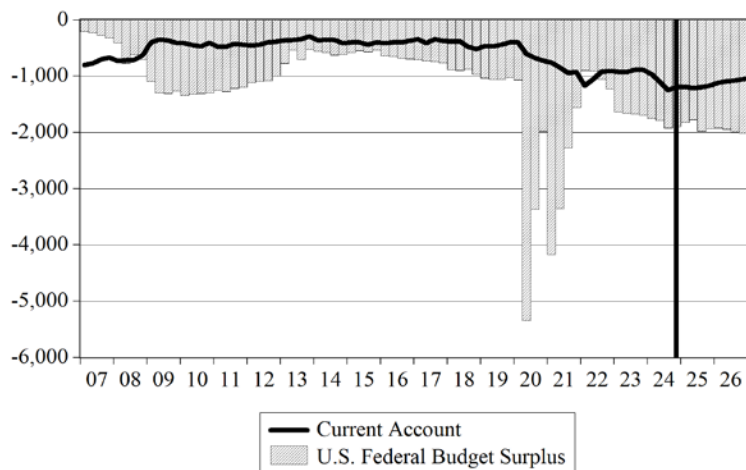


Trade Balance and Real Exchange Rate



Twin Deficits

(Billions of Dollars)



Yield Curve

(%)

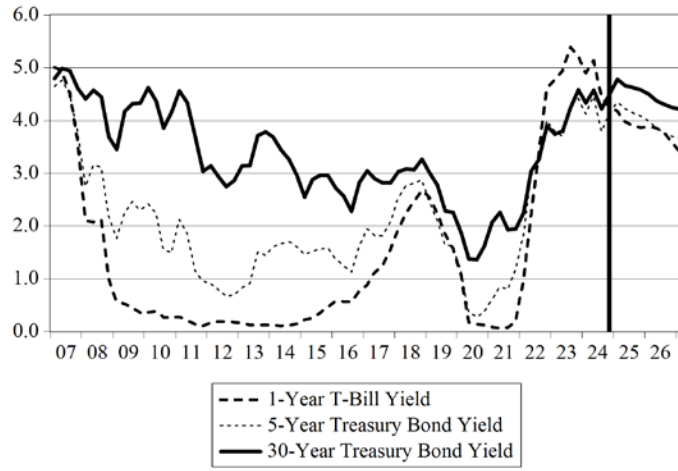


Table 1. Summary of the Long-Term Forecast of the U.S.

	2019	2020	History				Forecast			
			2021	2022	2023	2024	2025	2026	2027	2028
Composition of Real GDP, Percent Change										
Gross Domestic Product	2.6	-2.2	6.1	2.5	2.9	2.8	2.2	1.8	1.6	1.8
Final Sales of Domestic Product	2.5	-1.7	5.8	1.9	3.3	2.7	2.2	1.5	1.5	1.9
Total Consumption	2.1	-2.5	8.8	3.0	2.5	2.8	3.0	2.2	2.3	2.7
Durables	3.3	7.1	16.6	-1.9	3.9	3.3	5.7	5.2	6.5	6.7
Nondurables	3.0	3.4	8.6	0.1	0.8	1.9	2.9	1.4	1.3	1.7
Services	1.7	-5.8	7.5	5.0	2.9	2.9	2.7	2.0	1.9	2.4
Nonresidential Fixed Investment	3.8	-4.6	6.0	7.0	6.0	3.7	1.2	1.0	0.9	2.0
Equipment & Software	1.0	-10.1	6.7	4.4	3.5	3.4	2.0	3.1	2.7	3.3
Information Processing Equipment	2.9	0.8	10.7	7.3	-4.3	5.1	1.8	2.4	3.6	3.7
Computers & Peripherals	1.2	8.6	14.6	6.1	-7.1	17.7	3.4	3.2	3.4	4.0
Communications Equipment	3.1	-0.3	11.5	12.5	-3.7	-1.5	0.8	3.1	9.7	8.3
Industrial Equipment	1.8	-8.9	6.7	3.1	0.8	1.9	-3.6	-3.4	4.0	3.6
Transportation Equipment	-3.4	-28.2	-3.0	7.1	39.9	8.7	4.0	4.9	-1.2	3.3
Aircraft	-49.0	41.3	-12.4	5.4	28.9	17.5	-4.3	9.6	2.8	2.4
Other Equipment	3.2	-28.9	14.0	11.7	5.3	-7.5	2.6	-2.8	-4.7	-2.5
Structures	2.3	-9.2	-2.6	3.6	10.8	3.2	-2.0	-3.1	-1.9	1.5
Commercial & Health Care	1.5	3.2	-3.6	-2.9	-0.1	-5.6	0.4	5.1	1.1	7.2
Manufacturing	5.6	-9.5	3.3	24.2	45.0	20.2	-7.0	-21.8	-15.6	-7.0
Power & Communication	8.0	-1.4	-4.7	-6.9	3.6	6.7	-1.7	-12.3	1.2	10.4
Mining & Petroleum	-0.3	-38.4	18.2	21.6	4.9	-6.0	3.7	25.5	1.3	-16.9
Other	-0.8	-10.7	-11.9	2.4	11.9	1.2	-2.4	-1.2	2.1	4.4
Residential Fixed Investment	-0.9	7.7	10.9	-8.6	-8.3	4.2	0.4	-1.2	0.3	1.7
Exports	0.5	-13.1	6.5	7.5	2.8	3.2	2.4	1.6	2.6	3.1
Imports	1.2	-9.0	14.7	8.6	-1.2	5.4	4.0	0.9	2.7	4.6
Federal Government	3.8	6.3	1.8	-3.2	2.9	2.5	0.8	-1.2	-1.0	-0.8
State & Local Government	3.9	1.7	-1.6	0.2	4.4	3.9	1.4	-0.2	-0.3	-0.2
Billions of Dollars										
Real GDP	19302.0	18884.5	20028.0	20531.2	21124.0	21712.0	22187.0	22585.6	22939.0	23360.2
Nominal GDP	21540.0	21354.1	23681.2	26006.9	27720.7	29179.1	30687.0	32175.3	33395.0	34728.7
Prices & Wages, Percent Change, Annual Rate										
GDP Deflator	1.7	1.3	4.5	7.1	3.6	2.4	2.9	3.0	2.2	2.1
Consumer Prices	1.8	1.2	4.7	8.0	4.1	3.0	2.9	3.0	2.3	1.9
Excl. Food & Energy	2.2	1.7	3.6	6.2	4.8	3.4	3.2	3.0	2.3	2.2
Producer Prices, Finished Goods	0.8	-1.3	8.9	13.4	1.5	1.2	2.8	1.5	1.2	1.7
Employment Cost Index - Total Comp.	2.7	2.6	3.6	5.1	4.4	3.8	4.0	5.3	3.9	3.7
Other Measures										
Oil - WTI (\$ per barrel)	57.0	39.2	68.0	94.8	77.6	76.5	68.3	63.9	65.3	68.5
Productivity (%change)	2.1	5.3	2.0	-1.5	1.9	2.5	1.5	2.0	2.1	2.0
Industrial Production (%change)	-0.7	-7.1	4.4	3.4	0.2	-0.3	0.7	0.9	1.0	1.2
Factory Operating Rate	77.2	72.7	77.2	79.4	78.2	76.8	76.0	75.8	75.5	75.3
Nonfarm Inven. Chg. (Bil. of 2012 \$)	89.3	-19.2	14.0	131.6	36.5	37.4	41.0	107.4	113.8	109.5
Consumer Sentiment Index	96.0	81.5	77.6	59.0	65.4	72.5	76.6	78.4	78.8	78.6
Light Vehicle Sales (Million units)	17.0	14.5	14.9	13.8	15.5	15.8	16.1	16.2	16.5	16.6
Housing Starts (Million units)	1.3	1.4	1.6	1.6	1.4	1.4	1.4	1.3	1.3	1.3
Existing House Sales (Million units)	4.7	5.1	5.4	4.5	3.7	3.7	3.8	4.4	4.6	4.6
Unemployment Rate (%)	3.7	8.1	5.4	3.6	3.6	4.0	4.2	4.5	4.7	4.6
Payroll Employment (%change)	1.4	-5.8	2.9	4.3	2.2	1.3	1.1	0.2	-0.1	0.1
Federal Surplus (Unified, FY, bil. \$)	-1043.8	-2940.8	-2838.8	-1020.3	-1666.4	-1838.1	-1878.6	-1966.9	-2152.1	-2244.2
Current Account Balance (Bil. \$)	-441.8	-601.2	-868.0	-1012.1	-905.4	-1126.0	-1190.8	-1084.0	-998.7	-972.5
Financial Markets, NSA										
Federal Funds Rate (%)	2.2	0.4	0.1	1.7	5.0	5.1	4.2	3.9	3.2	3.1
3-Month Treasury Bill Rate (%)	2.1	0.4	0.0	2.0	5.1	5.0	4.0	3.6	2.9	2.8
1-Year Treasury Note Yield (%)	2.1	0.4	0.1	2.8	5.1	4.7	4.0	3.8	3.3	3.2
5-Year Treasury Note Yield (%)	2.0	0.5	0.9	3.0	4.1	4.1	4.2	3.8	3.6	3.6
10-Year Treasury Note Yield (%)	2.1	0.9	1.4	3.0	4.0	4.2	4.4	4.1	3.9	3.8
25-Year Treasury Note Yield (%)	2.6	1.6	2.1	3.1	4.1	4.4	4.7	4.4	4.2	4.1
30-Year Fixed Mortgage Rate (%)	4.1	3.2	3.0	5.4	6.8	6.7	6.7	6.2	5.8	5.7
S&P 500 Stock Index	2912.5	3218.5	4266.8	4100.7	4284.2	5426.7	5838.0	5353.8	5042.0	4921.7
(Percent change)	6.1	10.5	32.6	-3.9	4.5	26.7	7.6	-8.3	-5.8	-2.4
Exchange Rate, Major Trading Partners	1.3	1.2	1.2	1.3	1.3	1.3	1.4	1.3	1.3	1.3
(Percent change (negative = depreciation))	3.5	-1.1	-4.1	10.1	0.3	0.9	2.9	-3.4	-2.8	-2.0
Incomes										
Personal Income (Bil. of \$)	18363.2	19620.1	21419.5	22088.9	23402.5	24692.3	25924.5	27343.9	28689.5	30055.2
(Percent change)	4.8	6.8	9.2	3.1	5.9	5.5	5.0	5.5	4.9	4.8
Disposable Income (Bil. of \$)	16164.5	17374.8	18714.4	18844.0	20546.8	21660.5	22843.4	24237.0	25475.1	26699.7
(Percent change)	4.6	7.5	7.7	0.7	9.0	5.4	5.5	6.1	5.1	4.8
Real Disposable Income (Bil. Of 2012 \$)	14762.7	15697.6	16244.8	15340.4	16119.7	16580.7	17032.3	17590.1	18115.9	18647.8
(Percent change)	3.1	6.3	3.5	-5.6	5.1	2.9	2.7	3.3	3.0	2.9
Saving Rate (%)	7.3	15.2	11.1	3.0	4.7	4.7	4.5	5.6	6.3	6.5
After-Tax Profits (Billions of \$)	2078.3	2211.7	2888.1	2950.6	3068.8	3389.2	3544.6	3535.2	3596.1	3640.6
(Percent change)	2.9	6.4	30.6	2.2	4.0	10.4	4.6	-0.3	1.7	1.2

Table 2. Real Gross Domestic Product

	<i>History</i>						<i>Forecast</i>			
	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Real GDP Billions 2012 \$										
Gross Domestic Product	19302.0	18884.5	20028.0	20531.2	21124.0	21712.0	22187.0	22585.6	22939.0	23360.2
Final Sales of Domestic Product	19212.6	18887.5	19981.0	20364.9	21040.3	21617.2	22085.2	22421.6	22769.0	23193.5
Total Consumption	13185.7	12851.6	13979.0	14403.4	14767.8	15176.8	15639.6	15981.1	16350.5	16792.9
Durables	1740.6	1863.6	2173.2	2131.3	2214.3	2286.9	2416.8	2541.4	2705.7	2887.4
Nondurables	3038.2	3141.8	3411.1	3415.1	3441.9	3508.8	3610.6	3660.1	3708.6	3769.9
Services	8459.4	7971.1	8568.5	8993.2	9250.5	9522.9	9777.9	9969.1	10163.2	10405.0
Nonresidential Fixed Investment	2926.5	2791.0	2959.2	3165.1	3355.1	3477.7	3520.9	3555.7	3588.7	3662.2
Equipment & Software	1279.5	1150.1	1227.0	1280.5	1324.9	1370.2	1397.8	1440.7	1479.9	1528.8
Information Processing Equipment	518.4	522.8	578.6	620.7	594.1	624.6	635.7	651.0	674.7	699.8
Computers & Peripherals	123.9	134.6	154.3	163.6	152.1	178.9	185.1	191.0	197.4	205.3
Communications Equipment	240.1	239.4	266.8	300.1	289.1	284.9	287.1	295.9	324.5	351.4
Industrial Equipment	250.5	228.3	243.5	251.1	253.3	258.1	248.7	240.3	250.0	258.9
Transportation Equipment	308.4	221.3	214.7	229.9	321.7	349.7	363.7	381.7	377.2	389.6
Aircraft	25.9	36.7	32.1	33.8	43.6	51.3	49.1	53.7	55.2	56.6
Other Equipment	75.3	53.5	61.0	68.1	71.7	66.4	68.1	66.2	63.1	61.5
Structures	580.9	527.7	513.8	532.5	590.2	609.2	597.1	578.5	567.4	575.7
Commercial & Health	168.7	174.1	167.9	163.0	162.9	153.7	154.3	162.1	163.9	175.7
Manufacturing	65.5	59.3	61.2	76.0	110.2	132.4	123.2	96.4	81.4	75.7
Power & Communication	129.5	127.8	121.7	113.3	117.4	125.2	123.1	108.0	109.3	120.6
Mining & Petroleum	111.1	68.4	80.9	98.3	103.2	97.0	100.5	126.1	127.8	106.2
Other	112.1	100.1	88.2	90.3	101.1	102.3	99.8	98.7	100.7	105.1
Residential Fixed Investment	617.0	664.3	736.6	673.6	617.8	643.8	646.1	638.1	640.2	651.4
Exports	2575.7	2237.5	2382.5	2561.5	2632.3	2717.3	2781.7	2826.3	2898.9	2987.4
Imports	3467.2	3155.9	3618.9	3929.9	3883.8	4092.7	4255.6	4294.9	4408.9	4610.6
Federal Government	1289.3	1370.1	1395.2	1350.0	1389.6	1424.6	1435.8	1418.2	1403.3	1392.4
State & Local Government	2073.9	2108.2	2075.5	2079.1	2171.1	2255.4	2287.2	2282.2	2274.5	2269.0

Table 4. Quarterly Gross Domestic Product

	2024Q4	2025Q1	2025Q2	2025Q3	2025Q4	2026Q1	2026Q2	2026Q3	2026Q4	2027Q1	2027Q2	2027Q3	2027Q4	2028Q1	2028Q2
Real GDP Billions 2012 \$															
Gross Domestic Product	21925.2	22050.4	22149.7	22223.8	22324.1	22438.2	22542.2	22637.8	22724.4	22802.1	22885.1	22980.4	23088.3	23197.8	23306.3
Final Sales of Domestic Product	21860.0	21963.1	22051.8	22123.1	22202.5	22291.4	22379.9	22465.9	22549.1	22628.1	22714.1	22812.5	22921.3	23030.1	23138.1
Total Consumption	15390.3	15506.8	15596.7	15685.8	15769.1	15851.5	15937.5	16024.6	16110.7	16197.5	16293.9	16399.7	16510.8	16624.5	16740.6
Durables	2364.9	2381.8	2403.2	2427.9	2454.2	2482.6	2519.4	2561.6	2601.8	2641.2	2682.6	2726.2	2772.6	2818.3	2865.2
Nondurables	3556.6	3585.4	3605.5	3619.6	3631.9	3642.7	3655.6	3665.9	3676.0	3687.8	3700.5	3715.3	3730.6	3746.3	3762.8
Services	9627.8	9699.9	9751.8	9805.5	9854.5	9902.5	9946.9	9991.0	10036.0	10080.8	10132.5	10189.7	10249.9	10312.7	10376.5
Nonresidential Fixed Investment	3488.4	3501.1	3518.8	3527.6	3536.0	3546.4	3553.2	3558.3	3565.1	3572.2	3580.2	3592.4	3610.2	3630.7	3651.3
Equipment & Software	1374.7	1380.2	1393.7	1403.7	1413.6	1425.9	1436.1	1445.2	1455.4	1464.9	1473.9	1484.1	1496.6	1509.9	1522.8
Information Processing Equipment	628.7	632.1	635.2	636.7	638.9	642.7	648.1	653.6	659.5	666.4	671.6	677.3	683.6	690.1	696.3
Computers & Peripherals	179.1	183.1	184.7	185.6	186.9	189.3	190.2	191.4	193.0	195.3	196.6	197.8	199.8	202.2	204.2
Communications Equipment	286.2	287.1	287.6	287.1	286.6	286.6	292.6	298.5	305.8	313.3	320.6	328.5	335.8	342.2	348.3
Industrial Equipment	259.7	254.8	250.7	246.9	242.2	237.3	238.9	241.3	243.4	245.8	249.3	251.6	253.1	256.4	257.7
Transportation Equipment	355.9	345.7	357.5	371.6	380.1	385.4	382.8	379.7	379.0	377.4	376.0	376.3	379.2	382.5	386.7
Aircraft	54.6	47.6	47.4	49.6	51.7	53.6	53.6	53.7	54.1	54.6	55.0	55.5	55.8	56.0	56.3
Other Equipment	63.1	69.2	66.3	68.2	68.7	67.5	66.6	65.6	64.9	64.1	63.3	62.7	62.1	61.6	61.4
Structures	604.2	602.9	599.8	595.4	590.6	585.7	580.6	575.9	571.9	568.7	566.7	566.4	567.9	570.7	573.9
Commercial & Health	149.8	149.1	154.8	156.4	157.0	160.5	160.7	162.5	164.8	166.3	160.5	161.7	167.1	171.6	173.3
Manufacturing	133.6	133.2	126.0	119.9	113.7	106.1	98.1	92.9	88.6	85.2	81.3	80.2	78.9	78.0	76.3
Power & Communication	126.4	126.3	125.5	122.3	118.1	113.5	107.6	104.8	106.1	107.7	107.3	108.5	113.6	116.5	118.7
Mining & Petroleum	94.3	95.8	95.9	101.5	109.0	114.4	130.3	133.4	126.4	120.4	136.7	133.8	120.2	109.5	111.6
Other	101.3	100.4	99.8	99.5	99.6	99.6	98.0	97.7	99.3	100.7	100.1	100.6	101.5	103.9	104.0
Residential Fixed Investment	645.3	649.3	647.7	643.8	643.7	640.0	637.7	636.9	637.9	639.3	638.2	639.7	643.5	646.8	647.1
Exports	2746.2	2763.7	2785.8	2787.7	2789.8	2800.6	2818.0	2835.6	2851.2	2864.8	2887.6	2909.9	2933.5	2955.2	2977.0
Imports	4157.2	4214.3	4257.1	4273.3	4277.9	4274.7	4283.2	4300.6	4320.9	4346.8	4383.2	4427.7	4477.8	4531.8	4585.2
Federal Government	1452.2	1443.4	1438.9	1433.0	1427.8	1423.5	1419.2	1417.1	1412.9	1408.5	1403.9	1401.6	1399.2	1396.5	1393.8
State & Local Government	2275.3	2284.3	2289.5	2288.3	2286.7	2285.0	2283.4	2281.3	2279.3	2277.4	2275.4	2273.5	2271.8	2270.3	2269.2

Table 5. Annual Employment

	2019	2020	History				Forecast			
			2021	2022	2023	2024	2025	2026	2027	2028
Millions										
Total Nonfarm Employment	150.9	142.2	146.3	152.5	155.9	158.0	159.6	160.0	159.8	160.1
Private Nonfarm	128.3	120.2	124.3	130.3	133.1	134.6	136.0	136.3	136.1	136.3
Mining	0.7	0.6	0.5	0.6	0.6	0.6	0.6	0.6	0.6	0.6
Construction	7.5	7.3	7.4	7.8	8.0	8.2	8.3	8.4	8.4	8.5
Manufacturing	12.8	12.1	12.3	12.8	12.9	12.8	12.8	12.5	12.2	12.0
Trade, Transportation and Utilities	27.7	26.6	27.7	28.6	28.8	28.9	29.0	28.9	28.9	28.7
Transportation & Warehousing	5.7	5.6	6.1	6.6	6.6	6.7	6.7	6.8	6.8	6.8
Financial Activities	8.8	8.7	8.8	9.1	9.2	9.2	9.3	9.4	9.4	9.3
Education & Health	24.2	23.3	23.6	24.3	25.4	26.5	27.4	27.9	28.3	28.6
Professional & Business Services	21.4	20.4	21.4	22.6	22.8	22.6	22.4	22.0	21.5	21.7
Information	2.9	2.7	2.9	3.1	3.0	2.9	2.9	3.0	2.9	2.8
Leisure & Hospitality	16.6	13.1	14.1	15.8	16.6	16.8	17.1	17.3	17.5	17.7
Government	22.6	22.0	22.0	22.2	22.8	23.4	23.7	23.7	23.7	23.7
Federal	2.8	2.9	2.9	2.9	2.9	3.0	3.0	3.0	3.0	3.0
State & Local	19.8	19.1	19.1	19.3	19.9	20.4	20.6	20.7	20.7	20.7
Growth Rates										
Total Nonfarm Employment	1.4	-5.8	2.9	4.3	2.2	1.3	1.1	0.2	-0.1	0.1
Private Nonfarm	1.5	-6.3	3.4	4.9	2.1	1.1	1.0	0.2	-0.1	0.2
Mining	0.1	-18.5	-7.1	9.2	5.8	-1.2	-2.3	3.3	1.9	-5.6
Construction	2.8	-3.2	2.5	4.4	3.1	2.5	1.4	0.4	0.2	1.0
Manufacturing	1.0	-5.1	1.5	3.7	0.8	-0.4	-0.4	-2.1	-2.3	-1.8
Trade, Transportation and Utilities	0.4	-3.7	3.9	3.6	0.6	0.4	0.4	-0.4	0.0	-0.8
Transportation & Warehousing	4.4	-0.5	9.0	7.6	-0.3	1.0	1.1	1.1	0.6	-0.5
Financial Activities	1.9	-0.6	1.2	2.9	1.2	0.0	1.1	1.2	0.2	-0.8
Education & Health	2.2	-3.7	1.6	2.9	4.3	4.3	3.3	2.1	1.3	0.9
Professional & Business Services	1.6	-4.5	5.0	5.4	0.8	-0.7	-0.8	-1.8	-2.3	0.7
Information	0.9	-5.0	5.0	7.2	-1.8	-2.1	0.1	0.6	-2.9	-2.0
Leisure & Hospitality	1.8	-20.8	7.6	11.9	4.7	1.5	1.7	1.2	1.0	1.1
Government	0.7	-2.8	-0.1	1.0	2.7	2.6	1.3	0.3	0.0	0.0
Federal	1.1	3.6	-1.6	-0.6	2.0	2.5	1.4	-0.2	-0.7	-0.8
State & Local	0.6	-3.7	0.2	1.3	2.8	2.6	1.3	0.3	0.1	0.1

Table 6. Quarterly Employment

	2024Q4	2025Q1	2025Q2	2025Q3	2025Q4	2026Q1	2026Q2	2026Q3	2026Q4	2027Q1	2027Q2	2027Q3	2027Q4	2028Q1	2028Q2
Employment (Millions)															
Total Nonfarm Employment	158.6	159.2	159.6	159.8	159.9	160.0	160.0	160.0	160.0	159.9	159.8	159.8	159.8	159.9	160.0
Private Nonfarm	135.1	135.6	135.9	136.1	136.2	136.3	136.3	136.3	136.2	136.2	136.1	136.1	136.1	136.1	136.2
Mining	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6
Construction	8.3	8.3	8.3	8.3	8.4	8.4	8.4	8.4	8.4	8.4	8.4	8.4	8.4	8.4	8.4
Manufacturing	12.8	12.8	12.8	12.8	12.7	12.6	12.5	12.5	12.4	12.3	12.2	12.2	12.1	12.1	12.0
Trade, Transportation and Utilities	29.0	29.1	29.1	29.0	29.0	28.9	28.9	29.0	29.0	29.0	29.0	29.0	28.9	28.8	28.7
Transportation & Warehousing	6.7	6.7	6.7	6.7	6.7	6.8	6.8	6.8	6.8	6.8	6.8	6.8	6.8	6.8	6.8
Financial Activities	9.2	9.2	9.3	9.3	9.3	9.4	9.4	9.4	9.4	9.4	9.4	9.4	9.4	9.4	9.3
Education & Health	26.9	27.1	27.3	27.5	27.6	27.8	27.9	28.0	28.1	28.2	28.3	28.3	28.4	28.5	28.5
Professional & Business Services	22.6	22.6	22.5	22.4	22.3	22.3	22.2	21.9	21.8	21.7	21.6	21.5	21.5	21.5	21.6
Information	2.9	2.9	2.9	2.9	3.0	3.0	3.0	3.0	2.9	2.9	2.9	2.9	2.8	2.8	2.8
Leisure & Hospitality	16.9	17.0	17.1	17.1	17.2	17.2	17.3	17.4	17.4	17.4	17.5	17.5	17.6	17.6	17.7
Government	23.5	23.6	23.7	23.7	23.7	23.7	23.7	23.7	23.7	23.7	23.7	23.7	23.7	23.7	23.7
Federal	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
State & Local	20.5	20.6	20.6	20.6	20.7	20.7	20.7	20.7	20.7	20.7	20.7	20.7	20.7	20.7	20.7
Growth Rates															
Total Nonfarm Employment	1.3	1.4	1.1	0.5	0.3	0.2	0.1	0.0	-0.1	-0.2	-0.2	-0.1	0.0	0.2	0.3
Private Nonfarm	1.2	1.4	1.0	0.5	0.3	0.2	0.0	0.0	-0.2	-0.2	-0.2	-0.1	0.0	0.2	0.3
Mining	0.3	-7.2	-1.7	0.7	1.6	2.8	6.7	7.1	2.6	-1.9	2.4	3.1	-3.1	-9.1	-8.6
Construction	1.8	1.1	0.7	1.4	1.0	0.0	0.0	-0.1	0.0	0.1	0.0	0.7	1.0	1.0	0.9
Manufacturing	-1.7	0.0	0.1	1.0	-1.9	-3.1	-3.1	-2.5	-2.5	-2.0	-2.3	-2.5	-2.0	-1.6	-1.8
Trade, Transportation and Utilities	0.6	1.5	0.4	-0.9	-0.8	-1.0	0.2	1.0	-0.3	-0.2	0.2	-0.3	-0.8	-1.1	-0.9
Transportation & Warehousing	1.3	1.7	0.4	0.5	-0.1	1.4	1.4	2.3	1.2	0.7	-0.4	-0.4	-0.6	-0.2	-0.8
Financial Activities	1.1	1.5	1.3	1.5	1.1	2.1	0.5	0.8	-0.2	0.8	0.0	-0.4	-1.1	-0.1	-1.4
Education & Health	3.8	3.2	3.7	2.3	1.8	2.5	1.8	1.8	1.0	1.7	1.1	1.0	0.9	1.2	0.8
Professional & Business Services	-0.4	-0.2	-1.3	-1.4	-1.9	-0.4	-2.0	-4.6	-2.0	-2.1	-2.3	-1.7	0.1	1.3	1.6
Information	-0.1	2.7	-1.9	0.2	4.0	2.4	-0.7	-2.7	-2.8	-2.2	-3.9	-4.2	-3.3	-1.0	-1.1
Leisure & Hospitality	2.5	1.6	2.1	0.9	2.5	-0.3	0.9	2.2	2.1	-0.8	1.0	1.5	1.5	0.0	1.7
Government	1.7	1.4	1.1	0.3	0.3	0.2	0.2	0.1	0.0	0.0	-0.1	-0.1	-0.1	0.0	0.1
Federal	0.9	2.5	2.4	0.1	-0.4	-0.4	-0.4	-0.4	-0.8	-0.8	-0.8	-0.8	-0.8	-0.8	-0.8
State & Local	1.9	1.3	1.0	0.3	0.4	0.3	0.3	0.2	0.1	0.1	0.0	0.0	0.0	0.1	0.2

Table 7. Quarterly Implicit Price Deflators (2012=100)

	2024Q4	2025Q1	2025Q2	2025Q3	2025Q4	2026Q1	2026Q2	2026Q3	2026Q4	2027Q1	2027Q2	2027Q3	2027Q4	2028Q1	2028Q2
GDP	135.5	136.6	137.7	138.9	140.1	141.3	142.0	142.8	143.6	144.5	145.2	145.9	146.7	147.5	148.3
Consumption	131.6	132.7	133.6	134.6	135.5	136.6	137.4	138.2	139.0	139.8	140.3	140.9	141.5	142.2	142.8
Durables	94.4	94.8	95.2	95.6	95.9	96.1	95.8	95.3	94.8	94.4	93.8	93.3	92.9	92.4	92.0
Motor Vehicles	124.9	126.5	127.5	128.5	129.3	129.9	130.1	130.0	130.0	130.0	129.9	129.9	129.9	129.9	130.0
Furniture	96.5	96.5	96.8	96.7	96.8	97.2	97.0	96.5	96.1	95.5	94.9	94.2	93.7	93.2	92.8
Other Durables	86.6	87.1	87.4	87.7	88.2	88.7	88.6	88.5	88.2	87.9	87.7	87.5	87.2	86.9	86.5
Nondurables	116.0	117.1	117.6	118.2	118.8	119.8	119.9	120.4	121.0	121.2	121.5	121.8	122.2	122.8	123.2
Food	131.4	132.3	133.2	134.3	135.3	136.6	136.9	137.4	138.1	138.7	139.4	139.8	140.5	141.3	142.0
Clothing & Shoes	103.1	103.8	104.7	105.6	106.4	106.9	107.2	107.5	107.5	107.9	107.8	108.0	108.1	108.2	108.2
Gasoline & Oil	92.2	95.9	93.9	90.9	89.5	89.2	87.6	89.0	91.2	89.4	89.7	90.0	90.8	91.8	92.8
Fuel	93.8	97.0	95.0	92.8	92.0	92.3	91.3	92.0	93.4	92.3	92.5	92.5	92.8	93.4	94.0
Services	144.4	145.5	146.8	148.0	149.2	150.4	151.8	153.0	154.2	155.5	156.4	157.4	158.3	159.3	160.3
Housing	159.2	160.8	162.3	163.7	165.0	166.2	167.4	168.6	169.7	170.9	172.0	173.2	174.4	175.6	176.8
Electricity	142.9	143.4	143.8	142.7	141.3	140.3	146.8	152.2	157.2	162.9	159.1	157.0	156.4	153.6	152.2
Natural Gas	138.8	148.3	154.0	158.8	164.5	192.4	211.7	210.2	214.3	249.3	229.1	211.6	204.2	199.5	194.4
Water & Sewer	162.3	163.8	165.4	167.7	169.9	172.1	174.4	177.1	179.9	182.8	185.6	188.3	190.9	193.4	195.7
Telephone	62.3	62.4	62.9	62.4	61.8	61.2	60.6	60.1	59.7	59.1	58.4	57.9	57.4	56.9	56.6
Transportation	140.4	142.7	143.8	145.1	146.2	146.9	147.7	148.1	148.7	149.4	150.3	151.1	151.8	152.6	153.3
Other Services	141.1	141.9	143.0	143.7	144.8	146.0	147.8	149.8	151.6	152.6	153.8	155.1	156.2	157.2	158.3

Table 8. Percent Change in Implicit Price Deflators

	2024Q4	2025Q1	2025Q2	2025Q3	2025Q4	2026Q1	2026Q2	2026Q3	2026Q4	2027Q1	2027Q2	2027Q3	2027Q4	2028Q1	2028Q2
GDP	2.2	3.4	3.1	3.6	3.4	3.7	2.0	2.2	2.4	2.3	2.1	2.0	2.1	2.3	2.0
Consumption	2.3	3.1	3.0	3.0	2.8	3.0	2.6	2.2	2.3	2.3	1.6	1.6	1.8	1.8	1.8
Durables	0.3	1.6	1.9	1.7	1.0	1.0	-1.2	-2.1	-2.0	-1.9	-2.2	-2.1	-2.0	-1.8	-1.9
Motor Vehicles	6.6	5.3	3.2	3.0	2.6	1.9	0.6	-0.2	-0.1	0.0	-0.2	-0.2	0.0	0.2	0.1
Furniture	0.0	-0.2	1.3	-0.4	0.7	1.6	-1.0	-1.8	-1.7	-2.4	-2.8	-2.7	-2.2	-2.0	-1.8
Other Durables	0.6	2.4	1.2	1.2	2.3	2.3	-0.2	-0.7	-1.5	-1.0	-1.0	-1.2	-1.3	-1.5	-1.5
Nondurables	-0.9	3.7	2.0	1.9	2.2	3.2	0.4	1.7	2.1	0.5	1.2	0.9	1.4	1.8	1.5
Food	2.1	2.8	2.7	3.4	3.0	4.1	0.6	1.7	1.9	1.9	2.0	1.2	2.0	2.3	1.8
Clothing & Shoes	-2.5	2.8	3.6	3.6	2.8	2.1	1.2	0.9	0.0	1.5	-0.4	0.8	0.4	0.4	0.2
Gasoline & Oil	-7.7	16.7	-8.1	-12.1	-6.0	-1.3	-7.1	6.6	10.5	-7.8	1.6	1.2	3.4	4.6	4.3
Fuel	-22.2	14.5	-8.1	-8.9	-3.5	1.7	-4.4	3.2	6.1	-4.8	0.9	0.0	1.5	2.7	2.4
Services	3.5	3.2	3.4	3.5	3.2	3.3	3.8	3.1	3.1	3.5	2.4	2.4	2.5	2.4	2.6
Housing	4.1	3.9	3.9	3.5	3.1	3.0	2.9	2.8	2.7	2.8	2.7	2.8	2.8	2.7	2.7
Electricity	5.0	1.2	1.1	-2.9	-4.1	-2.7	20.0	15.4	13.7	15.5	-9.0	-5.2	-1.7	-6.9	-3.6
Natural Gas	7.1	30.0	16.5	12.9	15.1	87.2	46.5	-2.8	8.1	83.3	-28.7	-27.3	-13.3	-8.8	-9.8
Water & Sewer	6.1	3.9	3.9	5.6	5.4	5.3	5.5	6.3	6.4	6.8	6.2	6.0	5.7	5.3	4.9

Table 9. Annual Implicit Price Deflators (2012=100)

	2019	2020	<i>History</i>				<i>Forecast</i>			
			2021	2022	2023	2024	2025	2026	2027	2028
GDP	111.6	113.1	118.2	126.7	131.2	134.4	138.3	142.5	145.6	148.7
Consumption	109.5	110.7	115.3	122.8	127.5	130.6	134.1	137.8	140.6	143.2
Durables	87.5	86.8	91.6	97.5	96.8	94.8	95.4	95.5	93.6	91.8
Motor Vehicles	100.1	101.8	113.4	126.7	126.9	124.4	128.0	130.0	129.9	130.0
Furniture	87.2	88.0	92.5	101.0	100.2	97.1	96.7	96.7	94.6	92.6
Other Durables	85.1	82.7	83.1	84.7	86.7	86.1	87.6	88.5	87.6	86.4
Nondurables	99.0	98.3	102.9	113.1	115.7	116.2	117.9	120.3	121.7	123.5
Food	104.5	107.9	111.3	122.8	129.0	130.6	133.8	137.2	139.6	142.3
Clothing & Shoes	98.0	93.1	95.0	99.9	102.5	103.2	105.1	107.3	107.9	108.3
Gasoline & Oil	75.4	64.3	85.9	112.3	101.2	95.9	92.5	89.2	90.0	93.2
Fuel	77.7	62.1	80.9	126.3	108.3	100.1	94.2	92.3	92.5	94.2
Services	117.1	119.4	123.9	130.7	137.3	142.6	147.4	152.4	156.9	160.9
Housing	123.9	127.4	130.6	138.3	148.7	156.7	162.9	168.0	172.6	177.4
Electricity	108.5	109.1	113.9	128.7	136.2	141.9	142.8	149.1	158.9	154.1
Natural Gas	102.8	103.0	120.2	151.2	140.2	138.0	156.4	207.1	223.6	199.9
Water & Sewer	128.8	132.9	137.7	143.9	151.8	159.4	166.7	175.9	186.9	196.9
Telephone	72.2	70.7	69.1	66.8	64.8	63.1	62.3	60.4	58.2	56.5
Transportation	109.0	107.7	112.7	125.2	134.2	138.0	144.4	147.8	150.7	153.6
Other Services	117.1	120.0	123.2	128.8	135.4	140.0	143.4	148.8	154.4	158.9

Table 10. Percent Change in Implicit Price Deflators

	2019	2020	<i>History</i>				<i>Forecast</i>			
			2021	2022	2023	2024	2025	2026	2027	2028
GDP	1.7	1.3	4.5	7.1	3.6	2.4	2.9	3.0	2.2	2.1
Consumption	1.4	1.1	4.1	6.6	3.8	2.5	2.7	2.7	2.1	1.8
Durables	-1.0	-0.9	5.6	6.5	-0.8	-2.0	0.6	0.1	-2.0	-2.0
Motor Vehicles	0.8	1.6	11.4	11.7	0.2	-1.9	2.8	1.6	-0.1	0.0
Furniture	0.7	0.9	5.1	9.2	-0.8	-3.1	-0.4	0.0	-2.2	-2.1
Other Durables	-2.3	-2.8	0.5	1.9	2.3	-0.6	1.7	1.0	-1.0	-1.4
Nondurables	-0.1	-0.7	4.6	9.9	2.3	0.5	1.5	2.0	1.2	1.5
Food	1.0	3.3	3.1	10.3	5.0	1.3	2.4	2.6	1.7	1.9
Clothing & Shoes	-1.3	-5.1	2.1	5.2	2.5	0.7	1.9	2.0	0.6	0.3
Gasoline & Oil	-3.4	-14.7	33.5	30.8	-9.9	-5.2	-3.6	-3.6	0.8	3.6
Fuel	-4.4	-20.1	30.2	56.2	-14.2	-7.6	-6.0	-2.0	0.2	1.8
Services	2.3	2.0	3.7	5.5	5.1	3.9	3.3	3.4	3.0	2.5
Housing	3.4	2.9	2.5	5.9	7.6	5.4	4.0	3.1	2.8	2.7
Electricity	0.2	0.6	4.3	13.0	5.8	4.2	0.6	4.4	6.5	-3.0
Natural Gas	-1.5	0.2	16.7	25.8	-7.3	-1.6	13.3	32.4	7.9	-10.6
Water & Sewer	3.2	3.2	3.6	4.5	5.5	5.0	4.6	5.5	6.3	5.3
Telephone	-5.0	-2.1	-2.3	-3.3	-3.0	-2.6	-1.2	-3.1	-3.7	-2.8
Transportation	2.0	-1.2	4.7	11.1	7.2	2.8	4.7	2.4	1.9	1.9
Other Services	2.2	2.5	2.7	4.6	5.1	3.5	2.4	3.8	3.8	2.9

Table 11. Personal Income and its Components

	2019	2020	History				Forecast			
			2021	2022	2023	2024	2025	2026	2027	2028
Personal Income Billions Current Dollars										
Personal Income	18363.2	19620.1	21419.5	22088.9	23402.5	24692.3	25924.5	27343.9	28689.5	30055.2
Wages & Salaries	11446.6	11596.4	12557.0	13436.7	14190.2	15041.9	15842.5	16739.5	17376.2	18086.8
Other Labor Income	1470.8	1472.1	1534.7	1548.3	1643.9	1762.3	1868.9	1985.8	2073.6	2161.2
Nonfarm Income	1522.0	1547.7	1739.7	1777.6	1877.7	1959.6	2013.5	2084.4	2216.0	2322.0
Farm Income	33.8	46.3	75.5	95.9	71.3	44.2	60.1	76.7	83.0	81.2
Rental Income	688.4	738.1	772.3	870.3	989.1	1057.3	1120.8	1185.7	1229.7	1267.2
Dividends	1346.5	1403.5	1700.5	1839.2	1930.9	1981.9	2025.7	2044.8	2070.9	2101.5
Interest Income	1603.5	1509.0	1480.3	1634.9	1892.0	1966.4	2048.2	2238.4	2524.0	2807.5
Transfer Payments	3147.1	4228.8	4653.7	4139.2	4268.0	4542.5	4793.4	5045.8	5313.3	5592.5
Personal Social Insurance Tax	774.1	791.0	852.8	939.5	995.6	1043.5	1073.9	1122.4	1150.7	1194.1
Percent Change, Annual Rate										
Personal Income	4.8	6.8	9.2	3.1	5.9	5.5	5.0	5.5	4.9	4.8
Wages & Salaries	4.5	1.3	8.3	7.0	5.6	6.0	5.3	5.7	3.8	4.1
Other Labor Income	2.7	0.1	4.3	0.9	6.2	7.2	6.1	6.3	4.4	4.2
Nonfarm Income	4.0	1.7	12.4	2.2	5.6	4.4	2.8	3.5	6.3	4.8
Farm Income	5.1	37.2	63.0	27.0	-25.7	-38.0	35.9	27.7	8.2	-2.2
Rental Income	2.5	7.2	4.6	12.7	13.7	6.9	6.0	5.8	3.7	3.1
Dividends	9.0	4.2	21.2	8.2	5.0	2.6	2.2	0.9	1.3	1.5
Interest Income	3.2	-5.9	-1.9	10.4	15.7	3.9	4.2	9.3	12.8	11.2
Transfer Payments	5.7	34.4	10.0	-11.1	3.1	6.4	5.5	5.3	5.3	5.3
Personal Social Insurance Tax	5.1	2.2	7.8	10.2	6.0	4.8	2.9	4.5	2.5	3.8

Table 12. Personal Consumption Expenditures (Current Dollars)

2024Q4 2025Q1 2025Q2 2025Q3 2025Q4 2026Q1 2026Q2 2026Q3 2026Q4 2027Q1 2027Q2 2027Q3 2027Q4 2028Q1 2028Q2

Consumer Expenditures by Type Billions Current Dollars

Consumer spending on...

all goods & services	20258.4	20570.3	20841.4	21114.4	21372.1	21645.5	21900.7	22143.0	22389.9	22636.5	22863.6	23104.7	23365.1	23632.3	23906.2
durable goods	2232.9	2257.8	2288.8	2322.0	2353.1	2386.3	2414.3	2441.8	2467.5	2492.6	2517.5	2544.8	2574.8	2605.0	2635.5
furniture and appliances	496.9	506.1	515.1	524.9	533.5	542.0	548.1	553.8	558.7	564.3	567.0	568.7	571.9	576.4	582.3
information processing equipment	320.8	324.3	328.0	331.3	329.9	328.2	327.2	327.3	326.2	326.0	325.8	326.2	325.6	325.0	324.7
motor vehicles and parts	759.1	757.9	764.5	773.5	782.9	793.8	803.8	815.1	824.3	832.8	842.2	852.9	865.0	876.6	887.9
other durable goods	197.7	201.2	204.8	207.2	210.0	213.2	215.6	217.2	218.7	219.8	221.0	222.7	224.3	226.3	228.5
nondurables	4125.5	4196.7	4241.1	4278.3	4316.0	4363.3	4383.3	4414.4	4449.3	4469.0	4497.4	4526.0	4560.5	4599.9	4637.4
clothing & shoes	529.6	539.3	547.7	554.6	554.6	556.9	560.1	568.1	570.1	574.4	581.4	591.5	595.7	601.4	610.0
fuel oil & coal	25.4	25.3	24.4	23.7	23.4	23.2	22.8	22.8	23.1	22.7	22.8	22.8	22.9	23.0	23.1
gasoline & motor oil	399.7	418.6	411.5	398.5	391.6	388.9	380.9	384.7	391.7	383.0	382.7	382.5	384.0	386.7	389.1
food	1504.3	1521.6	1538.5	1555.9	1571.4	1590.6	1597.8	1607.6	1618.1	1628.9	1640.6	1650.1	1662.6	1676.6	1689.1
other nondurable goods	1666.6	1692.0	1719.0	1745.7	1775.0	1803.8	1821.7	1831.1	1846.4	1859.9	1869.9	1879.1	1895.3	1912.2	1926.2

Consumer Expenditures by Type Billions 2012 Dollars

Consumer spending on...

all goods & services	15390.3	15506.8	15596.7	15685.8	15769.1	15851.5	15937.5	16024.6	16110.7	16197.5	16293.9	16399.7	16510.8	16624.5	16740.6
durable goods	2364.9	2381.8	2403.2	2427.9	2454.2	2482.6	2519.4	2561.6	2601.8	2641.2	2682.6	2726.2	2772.6	2818.3	2865.2
furniture and appliances	514.8	524.6	532.3	543.1	550.9	557.4	565.2	573.7	581.2	590.7	597.6	603.6	610.4	618.3	627.3
information processing equipment	590.0	602.5	607.4	604.2	603.9	601.7	606.7	617.0	621.7	630.2	638.2	646.9	653.1	658.2	665.4
motor vehicles and parts	607.6	599.0	599.4	602.0	605.4	611.0	617.9	627.0	634.2	640.7	648.2	656.7	666.1	674.8	683.3
other durable goods	259.5	262.4	266.2	269.2	272.0	275.4	279.4	282.5	286.2	288.7	291.5	295.2	298.8	303.2	307.8
nondurables	3556.6	3585.4	3605.5	3619.6	3631.9	3642.7	3655.6	3665.9	3676.0	3687.8	3700.5	3715.3	3730.6	3746.3	3762.8
clothing & shoes	513.9	519.7	523.1	525.0	521.4	520.9	522.3	528.7	530.5	532.6	539.5	547.9	551.2	555.9	563.6
fuel oil & coal	27.1	26.1	25.7	25.6	25.4	25.1	25.0	24.8	24.7	24.6	24.6	24.6	24.6	24.6	24.6
gasoline & motor oil	433.4	436.7	438.4	438.4	437.5	436.0	435.0	432.4	429.4	428.4	426.5	424.9	423.0	421.1	419.3
food	1145.1	1150.0	1155.2	1158.6	1161.6	1164.1	1167.5	1169.8	1172.0	1174.2	1176.7	1179.9	1183.1	1186.3	1189.9
other nondurable goods	1402.0	1417.9	1427.7	1436.3	1448.9	1458.3	1466.6	1470.5	1478.5	1486.5	1491.3	1496.1	1505.9	1514.9	1521.8

Real Consumer Expenditures Annual Growth Rate

Consumer spending on...

all goods & services	4.2	3.1	2.3	2.3	2.1	2.1	2.2	2.2	2.2	2.2	2.4	2.6	2.7	2.8	2.8
durable goods	12.1	2.9	3.6	4.2	4.4	4.7	6.1	6.9	6.4	6.2	6.4	6.7	7.0	6.8	6.8
furniture and appliances	6.4	7.9	6.0	8.3	5.9	4.8	5.7	6.2	5.3	6.7	4.8	4.0	4.6	5.3	6.0
information processing equipment	20.7	8.7	3.3	-2.1	-0.2	-1.5	3.4	6.9	3.1	5.6	5.1	5.6	3.9	3.2	4.5
motor vehicles and parts	13.9	-5.6	0.3	1.8	2.3	3.8	4.5	6.0	4.7	4.2	4.8	5.4	5.8	5.3	5.1
other durable goods	7.4	4.5	5.9	4.6	4.3	5.2	5.8	4.6	5.3	3.6	3.9	5.1	5.0	5.9	6.2
nondurables	3.8	3.3	2.3	1.6	1.4	1.2	1.4	1.1	1.1	1.3	1.4	1.6	1.7	1.7	1.8
clothing & shoes	7.5	4.6	2.7	1.4	-2.7	-0.4	1.0	5.0	1.4	1.6	5.4	6.3	2.4	3.5	5.6
fuel oil & coal	28.7	-13.4	-5.9	-2.3	-2.0	-4.5	-2.4	-3.2	-1.7	-0.6	0.0	-0.2	0.1	-0.5	-0.1
gasoline & motor oil	-3.4	3.1	1.6	0.0	-0.8	-1.4	-0.8	-2.4	-2.8	-0.9	-1.8	-1.5	-1.7	-1.8	-1.7
food	2.5	1.7	1.8	1.2	1.0	0.9	1.2	0.8	0.8	0.7	0.9	1.1	1.1	1.1	1.2
other nondurable goods	5.2	4.6	2.8	2.4	3.6	2.6	2.3	1.1	2.2	2.2	1.3	1.3	2.7	2.4	1.8

Table 13. Personal Consumption Expenditures

	History						Forecast			
	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Consumer Expenditures by Type Billions Current Dollars										
<i>Consumer spending on...</i>										
all goods & services	14437.5	14225.7	16113.9	17690.8	18822.8	19826.1	20974.5	22019.8	22992.5	24044.0
durable goods	1523.6	1616.9	1990.3	2078.0	2142.6	2167.6	2305.5	2427.5	2532.4	2649.3
furniture and appliances	346.7	379.3	450.8	475.5	480.4	486.2	519.9	550.7	568.0	586.5
information processing equipment	180.8	213.5	254.2	266.8	290.3	311.7	328.4	327.2	325.9	324.0
motor vehicles and parts	545.0	546.7	697.3	726.4	750.0	727.5	769.7	809.2	848.2	892.4
other durable goods	135.8	130.5	172.2	182.0	185.6	193.5	205.8	216.2	222.0	229.4
nondurables	3009.2	3089.8	3510.1	3861.0	3981.3	4076.6	4258.0	4402.6	4513.2	4654.6
clothing & shoes	414.1	368.0	470.6	492.8	510.1	522.9	549.0	563.8	585.7	613.6
fuel oil & coal	23.8	20.0	24.7	32.9	27.9	25.7	24.2	23.0	22.8	23.2
gasoline & motor oil	328.7	238.4	361.1	481.7	439.3	414.5	405.0	386.6	383.0	389.9
food	1083.2	1198.9	1291.9	1395.8	1444.0	1482.0	1546.8	1603.5	1645.6	1694.4
other nondurable goods	1159.3	1264.5	1361.9	1457.8	1560.0	1631.5	1732.9	1825.7	1876.1	1933.5
Consumer Expenditures by Type Billions 2012 Dollars										
<i>Consumer spending on...</i>										
all goods & services	13185.7	12851.6	13979.0	14403.4	14767.8	15176.8	15639.6	15981.1	16350.5	16792.9
durable goods	1740.6	1863.6	2173.2	2131.3	2214.3	2286.9	2416.8	2541.4	2705.7	2887.4
furniture and appliances	397.8	431.1	487.3	470.8	479.5	500.8	537.7	569.4	600.6	633.4
information processing equipment	265.6	342.8	413.8	441.0	509.0	562.5	604.5	611.8	642.1	668.4
motor vehicles and parts	544.2	537.2	615.0	573.5	591.2	584.5	601.5	622.5	652.9	686.6
other durable goods	175.0	174.7	227.5	237.8	239.8	255.2	267.4	280.9	293.6	309.8
nondurables	3038.2	3141.8	3411.1	3415.1	3441.9	3508.8	3610.6	3660.1	3708.6	3769.9
clothing & shoes	422.5	395.5	495.3	493.1	497.8	506.8	522.3	525.6	542.8	566.7
fuel oil & coal	30.6	32.2	30.5	26.1	25.7	25.7	25.7	24.9	24.6	24.6
gasoline & motor oil	435.8	370.5	420.4	428.9	434.2	432.2	437.7	433.2	425.7	418.3
food	1036.9	1110.8	1160.8	1136.8	1119.7	1134.4	1156.4	1168.3	1178.5	1191.0
other nondurable goods	1098.1	1186.7	1267.1	1295.1	1331.8	1375.3	1432.7	1468.5	1495.0	1525.4
Real Consumer Expenditures Annual Growth Rate										
<i>Consumer spending on...</i>										
all goods & services	2.1	-2.5	8.8	3.0	2.5	2.8	3.0	2.2	2.3	2.7
durable goods	3.3	7.1	16.6	-1.9	3.9	3.3	5.7	5.2	6.5	6.7
furniture and appliances	2.5	8.4	13.0	-3.4	1.9	4.4	7.4	5.9	5.5	5.5
information processing equipment	18.0	29.1	20.7	6.6	15.4	10.5	7.5	1.2	5.0	4.1
motor vehicles and parts	-1.7	-1.3	14.5	-6.8	3.1	-1.1	2.9	3.5	4.9	5.2
other durable goods	5.3	-0.2	30.2	4.6	0.8	6.4	4.8	5.0	4.5	5.5
nondurables	3.0	3.4	8.6	0.1	0.8	1.9	2.9	1.4	1.3	1.7
clothing & shoes	2.5	-6.4	25.2	-0.4	1.0	1.8	3.1	0.6	3.3	4.4
fuel oil & coal	-0.3	5.2	-5.3	-14.6	-1.3	0.1	-0.1	-3.1	-1.0	-0.1
gasoline & motor oil	-0.4	-15.0	13.5	2.0	1.2	-0.5	1.3	-1.0	-1.7	-1.7
food	2.7	7.1	4.5	-2.1	-1.5	1.3	1.9	1.0	0.9	1.1
other nondurable goods	4.5	8.1	6.8	2.2	2.8	3.3	4.2	2.5	1.8	2.0

Table 14. Business Fixed Investment

	2019	2020	History				Forecast			
			2021	2022	2023	2024	2025	2026	2027	2028
Billions Current Dollars										
Business Fixed Investment	2993.7	2870.5	3079.1	3492.8	3831.6	4036.7	4211.7	4336.8	4390.7	4511.0
Producers Dur. Equipment	1240.9	1109.5	1188.6	1317.7	1425.8	1506.2	1598.5	1690.4	1727.3	1781.2
Nonresidential Structures	677.9	624.7	628.3	756.1	884.1	911.2	903.3	894.7	896.1	932.0
Non-Farm Buildings	372.3	365.4	365.8	460.7	560.2	582.1	575.5	561.6	555.5	594.3
Commercial	174.6	185.4	191.8	233.4	250.5	231.7	237.4	259.9	269.4	302.4
Industrial	80.5	75.1	81.6	124.5	193.1	231.2	217.0	173.7	149.7	142.8
Other Buildings	117.2	105.0	92.3	102.9	116.6	119.3	121.1	127.9	136.4	149.0
Utilities	144.6	145.8	144.3	147.7	159.5	168.3	165.6	149.0	154.8	174.7
Mines & Wells	117.4	68.3	70.3	93.7	103.5	97.2	101.1	126.0	127.4	102.0
Billions 2012 Dollars										
Business Fixed Investment	2926.5	2791.0	2959.2	3165.1	3355.1	3477.7	3520.9	3555.7	3588.7	3662.2
Producers Dur. Equipment	1279.5	1150.1	1227.0	1280.5	1324.9	1370.2	1397.8	1440.7	1479.9	1528.8
Nonresidential Structures	580.9	527.7	513.8	532.5	590.2	609.2	597.1	578.5	567.4	575.7
Non-Farm Buildings	297.1	283.9	266.6	276.8	315.4	327.3	318.4	301.2	290.3	299.5
Commercial	141.4	147.0	142.1	139.5	139.8	129.5	129.7	136.4	137.2	147.0
Industrial	65.5	59.3	61.2	76.0	110.2	132.4	123.2	96.4	81.4	75.7
Other Buildings	90.0	77.9	64.3	62.8	67.5	67.8	67.7	69.6	72.6	77.2
Utilities	139.9	137.3	130.7	122.9	128.5	136.3	134.2	119.1	120.8	132.4
Mines & Wells	111.1	68.4	80.9	98.3	103.2	97.0	100.5	126.1	127.8	106.2
Annual Growth Rate										
Business Fixed Investment	3.8	-4.6	6.0	7.0	6.0	3.7	1.2	1.0	0.9	2.0
Producers Dur. Equipment	1.0	-10.1	6.7	4.4	3.5	3.4	2.0	3.1	2.7	3.3
Nonresidential Structures	2.3	-9.2	-2.6	3.6	10.8	3.2	-2.0	-3.1	-1.9	1.5
Non-Farm Buildings	1.3	-4.4	-6.1	3.8	14.0	3.8	-2.7	-5.4	-3.6	3.2
Commercial	1.6	3.9	-3.3	-1.8	0.2	-7.4	0.1	5.2	0.6	7.1
Industrial	5.6	-9.5	3.3	24.2	45.0	20.2	-7.0	-21.8	-15.6	-7.0
Other Buildings	-1.8	-13.5	-17.5	-2.4	7.6	0.4	-0.1	2.7	4.3	6.4
Utilities	6.1	-1.9	-4.8	-6.0	4.6	6.1	-1.5	-11.2	1.5	9.6
Mines & Wells	-0.3	-38.4	18.2	21.6	4.9	-6.0	3.7	25.5	1.3	-16.9

Table 15. Government Receipts and Expenditures

	2019	2020	History				Forecast			
			2021	2022	2023	2024	2025	2026	2027	2028
Federal Government Receipts and Expenditures										
Receipts	3704.3	3767.3	4423.8	5120.8	4834.0	5111.0	5346.5	5576.6	5741.3	6012.7
Personal Tax and Nontax Receipts	1701.1	1740.9	2124.9	2606.4	2261.4	2392.0	2396.3	2389.1	2477.2	2589.6
Corp. Profits Tax Accruals	210.5	225.2	334.1	401.5	445.1	484.2	481.9	463.8	471.6	477.2
Indirect Business Tax and Nontax Accruals	174.9	155.3	180.6	201.6	174.2	178.4	344.1	499.6	508.8	522.4
Contributions for Social Insurance	1409.5	1435.0	1543.0	1688.0	1801.3	1881.0	1957.7	2048.8	2100.2	2179.3
Expenditures	4748.1	6708.0	7262.6	6141.1	6500.4	6949.1	7225.1	7543.5	7893.4	8256.9
Purchases Goods & Services	1419.5	1523.0	1603.2	1641.0	1762.6	1867.0	1928.5	1944.4	1958.9	1982.0
National Defense	849.5	885.0	908.7	930.0	1002.1	1069.7	1094.0	1089.8	1099.4	1119.9
Other	570.0	638.1	694.5	711.0	760.5	797.2	834.6	854.6	859.5	862.1
Transfer Payments	3011.4	4331.8	4859.0	4056.1	4138.2	4348.9	4503.0	4713.0	4968.1	5225.3
To Persons	2328.0	3365.4	3653.3	2985.5	3065.3	3264.5	3461.4	3679.4	3904.7	4122.9
To Foreigners	43.4	50.6	58.9	87.8	83.7	86.9	57.4	56.4	57.0	57.3
Grants in Aid to State & Local Gov't	608.9	878.7	1110.1	948.3	950.7	963.2	945.2	938.7	967.0	1003.6
Net Interest	539.3	494.8	552.5	703.7	907.8	1054.3	1133.0	1227.4	1304.8	1383.1
Subsidies less Surplus of Gov't Entities	71.0	692.0	599.6	122.5	105.0	102.2	99.2	96.6	95.5	95.3
Surplus (+) or Deficit (-)	-1043.8	-2940.8	-2838.8	-1020.3	-1666.4	-1838.1	-1878.6	-1966.9	-2152.1	-2244.2
State and Local Government Receipts and Expenditures										
Receipts	2788.5	3081.1	3586.5	3690.1	3700.8	3853.0	3969.0	4102.4	4241.9	4408.4
Personal Tax/Nontax Receipts	1929.5	1944.0	2215.7	2449.5	2476.6	2594.7	2717.2	2827.1	2922.9	3038.7
Corporate Profits	497.5	504.4	580.2	638.5	594.3	639.8	684.8	717.8	737.1	765.9
Indirect Business Tax and Nontax Accruals	73.3	73.7	116.1	162.4	163.5	164.6	162.6	160.3	162.9	165.0
Contributions for Social Insurance	20.7	20.0	22.3	22.8	21.3	26.7	28.5	29.6	30.6	31.8
Federal Grants-In-Aid	608.9	878.7	1110.1	948.3	950.7	963.2	945.2	938.7	967.0	1003.6
Expenditures	2994.3	3132.3	3341.2	3601.8	3762.3	3921.2	4082.8	4207.6	4335.6	4488.1
Purchases Goods & Services	2366.5	2476.6	2600.3	2812.7	2947.9	3121.9	3258.7	3362.6	3460.9	3567.9
Transfer Payments	755.3	1030.4	1274.5	1136.9	1135.0	1166.5	1143.0	1144.5	1181.1	1226.6
Interest Received	227.7	214.7	206.1	169.7	204.4	192.7	190.3	197.8	205.6	213.8
Net Subsidies	14.1	8.9	21.3	13.4	30.6	32.8	19.5	2.5	0.8	0.8
Dividends Received	6.5	6.2	6.3	6.6	6.9	6.8	6.9	7.2	7.5	7.8
Surplus (+) or Deficit (-)	-205.8	-51.2	245.4	88.3	-61.6	-68.3	-113.9	-105.2	-93.7	-79.7

Table 16. U.S. Exports and Imports of Goods and Services

	History						Forecast			
	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Billions of Dollars										
Net Exports Goods & Services	-577.3	-626.2	-860.0	-958.9	-797.3	-908.8	-964.2	-867.2	-827.9	-849.3
Current Account	-441.8	-601.2	-868.0	-1012.1	-905.4	-1126.0	-1190.8	-1084.0	-998.7	-972.5
Exports -Goods & Services	2539.4	2151.1	2555.4	3017.4	3052.5	3178.9	3309.9	3394.1	3511.1	3671.6
Merchandise Balance	-857.3	-912.9	-1083.2	-1179.9	-1063.3	-1188.7	-1246.8	-1150.1	-1123.2	-1163.4
Food, Feed & Beverage	131.0	139.3	164.5	179.9	161.9	165.1	168.2	169.5	169.9	177.0
Industrial Supplies Excl Petroleum	526.4	451.1	617.6	810.9	719.6	715.0	741.2	729.0	756.9	808.4
Motor Vehicles & Parts	163.1	129.4	146.4	163.0	180.0	172.2	166.5	168.5	174.6	180.7
Capital Goods, Excl. MVP	550.7	463.4	521.5	573.2	602.6	645.6	697.6	767.8	797.8	809.5
Computer Equipment	46.9	41.2	46.7	49.9	49.0	69.4	57.7	51.1	51.7	53.9
Other	377.8	350.1	394.8	428.8	439.8	451.2	496.1	573.7	606.8	615.6
Consumer Goods, Excl. MVP	205.0	174.2	221.8	244.4	259.0	258.7	229.0	218.4	226.0	249.9
Other Consumer	68.5	64.4	75.4	93.7	98.8	101.8	110.6	113.7	117.5	122.8
Services	894.6	729.5	808.2	952.3	1030.5	1120.4	1196.8	1227.2	1268.4	1323.2
Billions of Dollars										
Imports -Goods & Services	3116.7	2777.3	3415.5	3976.3	3849.8	4087.7	4274.1	4261.3	4339.0	4520.9
Merchandise	2516.7	2305.1	2839.6	3257.0	3096.1	3263.4	3374.1	3333.6	3383.5	3528.5
Food, Feed & Beverage	151.6	155.4	183.3	209.5	201.5	217.1	214.1	210.5	211.6	217.4
Petroleum & Products	207.4	125.2	216.2	309.0	259.6	251.9	247.0	229.5	234.9	256.0
Industrial Supplies Excl Petroleum	311.5	298.4	420.0	494.8	405.6	401.4	418.0	408.4	400.5	416.2
Motor Vehicles & Parts	375.3	309.9	346.3	399.0	459.4	475.4	471.4	477.6	495.1	511.3
Capital Goods, Excl. MVP	679.1	647.1	763.6	870.1	865.0	968.0	989.2	1011.5	1025.1	1066.7
Computer Equipment	130.8	145.8	169.5	179.8	155.6	215.7	209.5	200.4	207.5	217.9
Other	485.5	456.4	552.6	642.6	654.1	690.1	714.6	744.2	750.8	781.6
Consumer Goods, Excl. MVP	655.3	640.7	768.1	839.1	757.5	803.6	890.1	856.4	877.7	916.8
Other Consumer	136.5	128.4	142.1	135.5	147.5	146.0	144.3	139.5	138.7	144.1
Services	600.0	472.2	575.9	719.3	753.7	824.4	900.0	927.8	955.5	992.4
Billions 2012 Dollars										
Net Exports Goods & Services	-891.6	-918.4	-1236.4	-1368.4	-1251.6	-1375.4	-1473.9	-1468.5	-1509.9	-1623.2
Exports G & S	2575.7	2237.5	2382.5	2561.5	2632.3	2717.3	2781.7	2826.3	2898.9	2987.4
Imports G & S	3467.2	3155.9	3618.9	3929.9	3883.8	4092.7	4255.6	4294.9	4408.9	4610.6
Exports & Imports % Change										
Exports G & S	0.1	-15.3	18.8	18.1	1.2	4.1	4.1	2.5	3.4	4.6
Imports G & S	-0.5	-10.9	23.0	16.4	-3.2	6.2	4.6	-0.3	1.8	4.2
Real Exports G & S	0.5	-13.1	6.5	7.5	2.8	3.2	2.4	1.6	2.6	3.1
Real Imports G & S	1.2	-9.0	14.7	8.6	-1.2	5.4	4.0	0.9	2.7	4.6

Sean Snaith, Ph.D., is the director of the University of Central Florida's Institute for Economic Forecasting and a nationally recognized economist in the field of business and economic forecasting.

Snaith is the recipient of multiple awards for the accuracy of his forecasts, his research and his teaching. He has served as a consultant for local governments and multinational corporations such as Compaq, Dell and IBM. Before joining UCF's College of Business, he held teaching positions at Pennsylvania State University, American University in Cairo, the University of North Dakota and the University of the Pacific.

Snaith is frequently interviewed in international, national and regional media. He has been quoted in *The Wall Street Journal*, *USA Today*, *The New York Times*, *The Economist* and *The Guardian* and has appeared on CNBC, Fox Business Network, The Nightly News with Brian Williams, Al Jazeera, the BBC and CBC, China Central TV, Sky News, Nippon TV and the Business News Network, based in Toronto.

Snaith is a sought-after speaker known for his engaging and humorous presentations. He has built a national reputation for his unique ability to explain complex subject matter in a digestible manner. He earned praise from one business editor for having "an uncanny knack of making economics not only understandable but interesting."

Snaith is a member of several economic organizations and national economic forecasting panels, including *The Wall Street Journal's* Economic Forecasting Survey, the Associated Press' Economy Survey, CNNMoney.com's Survey of Leading Economists, *USA Today's* Survey of Top Economists, Federal Reserve Bank of Philadelphia's Survey of Professional Forecasters, Bloomberg and Reuters.

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