

Economic Growth	2024.I	2024.II	2024.III	2024.IV	2025.I	2025.II	2025.III	2025.IV	2023	2024	2025
	Seasonally Adjusted Annualized Growth Rate from Prior Quarter								Q4/Q4		
GDP in Current Dollars	4.4%	3.9%	3.6%	3.7%	4.0%	4.0%	4.1%	4.1%	5.8%	3.9%	4.1%
Real GDP, chain-weighted	2.0%	1.5%	1.5%	1.6%	1.7%	1.8%	1.8%	1.9%	3.1%	1.7%	1.8%
Personal Consumption	2.4%	1.8%	1.5%	1.7%	1.7%	1.8%	1.9%	1.9%	2.7%	1.8%	1.9%
Nonresidential Fixed Investment	1.6%	1.9%	2.2%	2.5%	2.5%	2.6%	2.7%	3.0%	4.2%	2.4%	2.7%
Residential Investment	3.7%	2.0%	2.3%	3.2%	3.8%	3.8%	4.1%	4.1%	0.4%	2.8%	3.3%
Change In Bus. Inventories (\$bn)	\$63.0	\$57.0	\$55.1	\$50.0	\$50.0	\$60.0	\$60.8	\$62.1	\$46.6	\$66.8	\$65.2
Imports	3.6%	2.5%	2.5%	3.0%	3.0%	3.0%	3.1%	3.1%	0.0%	2.6%	3.0%
Exports	3.0%	2.0%	2.0%	2.3%	2.7%	3.0%	3.0%	3.0%	2.1%	2.4%	2.7%
Government Purchases	1.8%	1.1%	1.0%	1.0%	0.6%	0.6%	0.6%	0.6%	4.5%	1.6%	0.7%

Inflation	Year / Year Percent Change								Q4/Q4		
	Consumer Price Index Inflation	3.2%	3.1%	2.8%	2.7%	2.4%	2.3%	2.3%	2.3%	3.7%	2.7%
P.C.E. Inflation	2.4%	2.4%	2.2%	2.3%	2.1%	2.1%	2.0%	2.0%	3.4%	2.3%	2.0%
Core P.C.E. Inflation	2.7%	2.4%	2.3%	2.3%	2.1%	2.1%	2.1%	2.0%	3.9%	2.4%	2.1%

Other Business Indicators	Quarterly Average (unless noted otherwise)								Annual Average		
	West Texas Intermediate Crude Oil	\$76	\$80	\$81	\$78	\$76	\$78	\$80	\$77	\$78	\$79
Unemployment Rate	3.8%	3.9%	4.0%	4.1%	4.1%	4.1%	4.1%	4.0%	3.6%	3.9%	4.1%
Nonfarm Payrolls (avg. mo. Δ, 000's)	228	150	118	119	114	110	120	116	251	139	117
Labor Force Participation Rate	62.5%	62.6%	62.7%	62.7%	62.7%	62.7%	62.7%	62.7%	62.6%	62.7%	62.7%
Private Avg Hourly Earnings (y/y %Δ)	4.3%	3.9%	3.6%	3.5%	3.4%	3.3%	3.3%	3.3%	4.5%	3.8%	3.3%
Real Disposable Pers. Inc. (y/y %Δ)	2.1%	1.9%	2.4%	2.4%	2.2%	2.2%	2.4%	2.7%	4.2%	2.4%	2.3%
Nonfarm Bus. Productivity (Q/Q ann.)	1.2%	1.0%	1.3%	1.4%	1.5%	1.5%	1.5%	1.5%	2.6%	1.9%	1.5%
Industrial Production (y/y %Δ)	0.2%	0.1%	0.1%	0.9%	1.1%	1.3%	1.2%	1.2%	0.2%	0.2%	1.3%
New Home Sales (000's)	672	683	693	698	701	706	712	719	666	685	710
Housing Starts (000's)	1,415	1,419	1,417	1,422	1,441	1,466	1,490	1,510	1,423	1,417	1,478
House Prices (S&P/CS 20-City, y/y %Δ)	5.5%	5.0%	2.6%	1.1%	1.3%	1.6%	2.2%	2.3%	1.7%	3.8%	2.0%
Total Auto & Lt. Truck Sales (mm)	15.5	15.8	16.1	16.2	16.3	16.4	16.4	16.5	15.6	15.9	16.2

Interest Rates and the Dollar	Quarterly Average								Annual Average		
	Effective federal funds rate	5.37%	5.29%	5.04%	4.63%	4.27%	3.91%	3.41%	3.07%	5.03%	5.08%
3-M Treas. Bills	5.43%	5.23%	4.88%	4.48%	4.15%	3.74%	3.43%	3.11%	5.07%	4.97%	3.52%
Two-Year U.S. Treasury Notes	4.47%	4.38%	4.12%	3.88%	3.78%	3.65%	3.45%	3.20%	4.58%	4.21%	3.55%
Ten-Year U.S. Treasury Notes	4.16%	4.17%	4.09%	4.03%	4.09%	3.86%	3.85%	3.84%	3.96%	4.06%	3.71%
30-year Fixed-Rate Mortgages	6.77%	6.74%	6.57%	6.41%	6.29%	6.22%	6.19%	6.17%	6.81%	6.59%	6.25%
Trade-Weighted Dollar	115.8	116.0	115.8	115.6	115.5	114.7	114.4	114.2	115.4	115.9	114.5



Economic Advisory Committee of the American Bankers Association

Median of Individual Forecasts as of March 26, 2024

Bank Credit and Quality (annual avg.)	2024	2025
Bank Consumer Cr. Delinquency Rate	2.8%	2.9%
Bank Consumer Cr. Charge-Off Rate	3.0%	3.0%
Consumer Credit (annual %Δ)	2.9%	3.6%
Bank C&I Loan Delinquency Rate	1.1%	1.2%
Bank C&I Loan Charge-Off Rate	0.6%	0.5%
Bank C&I (annual %Δ)	1.0%	3.1%

Current Issues	
When will the Federal Reserve taper quantitative tightening (M/Y)?	Jun-24
When will the Federal Reserve end quantitative tightening (M/Y)?	Dec-24
What will be the size of the Federal Reserve's balance sheet at the end of 2024 (\$ trillions)	\$6.9
What will be the size of the Federal Reserve's balance sheet at the end of 2025 (\$ trillions)	\$6.7
What will be the peak unemployment rate this cycle (%)?	4.2%
What will the peak-to-bottom decline be in housing prices? (Case-Shiller index, %)	0.4%

Over the next 6 months, changes in:	Deteriorate	Same	Improve
Consumer Credit Quality	12	2	0
Consumer Credit Availability	5	7	2
Business Credit Quality	11	3	0
Business Credit Availability	3	8	3

Federal Budget	
FY Unified Surplus/(Deficit) \$Billions	
2022	(\$1,376)
2023	(\$1,694)
2024	(\$1,633)
2025	(\$1,702)

Probability of Recession	
2024	30%
2025	30%

If my 2023 forecast is wrong:	Lower	Same	Higher
Real GDP growth	6	1	6
Personal Consumption	6	1	6
Business Investment	6	3	4
Core Inflation	0	1	12
Long-term interest rates	1	1	11