

United States Forecast

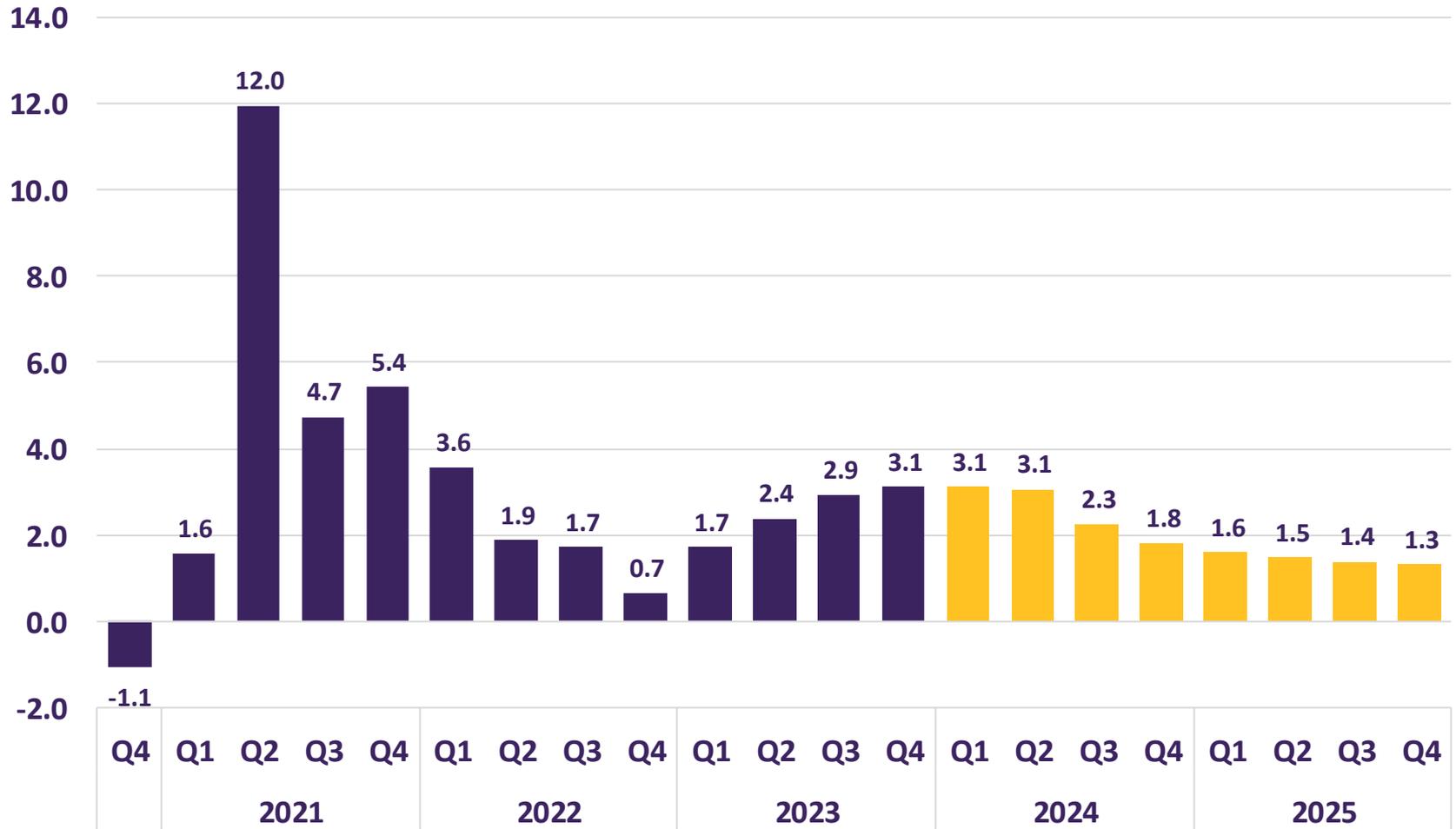
Headline Numbers, Comparisons to Surveys,
Fed Rate Assumption

February 12, 2024

California Lutheran University

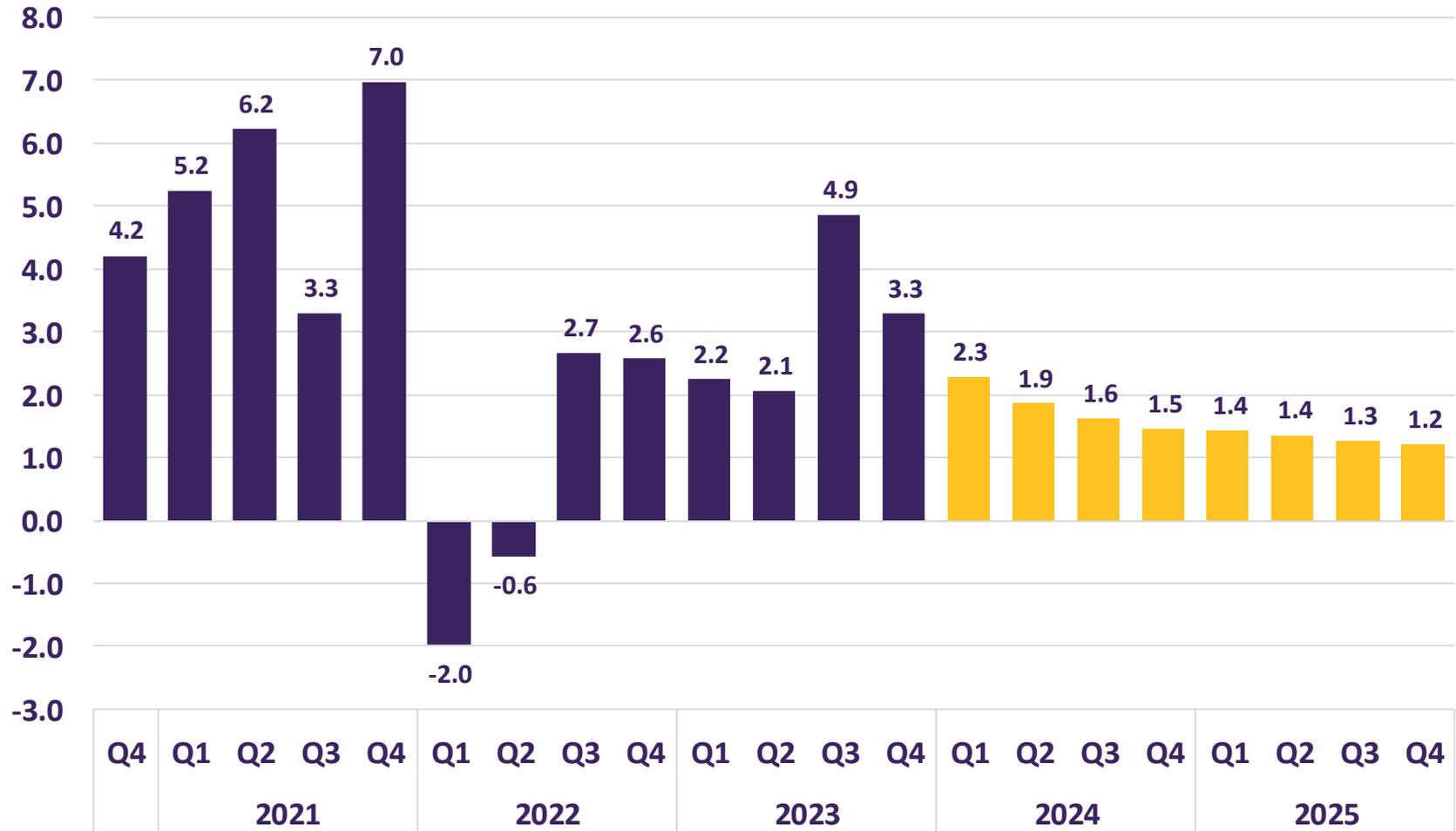
CENTER FOR ECONOMIC RESEARCH
& FORECASTING

Real Gross Domestic Product



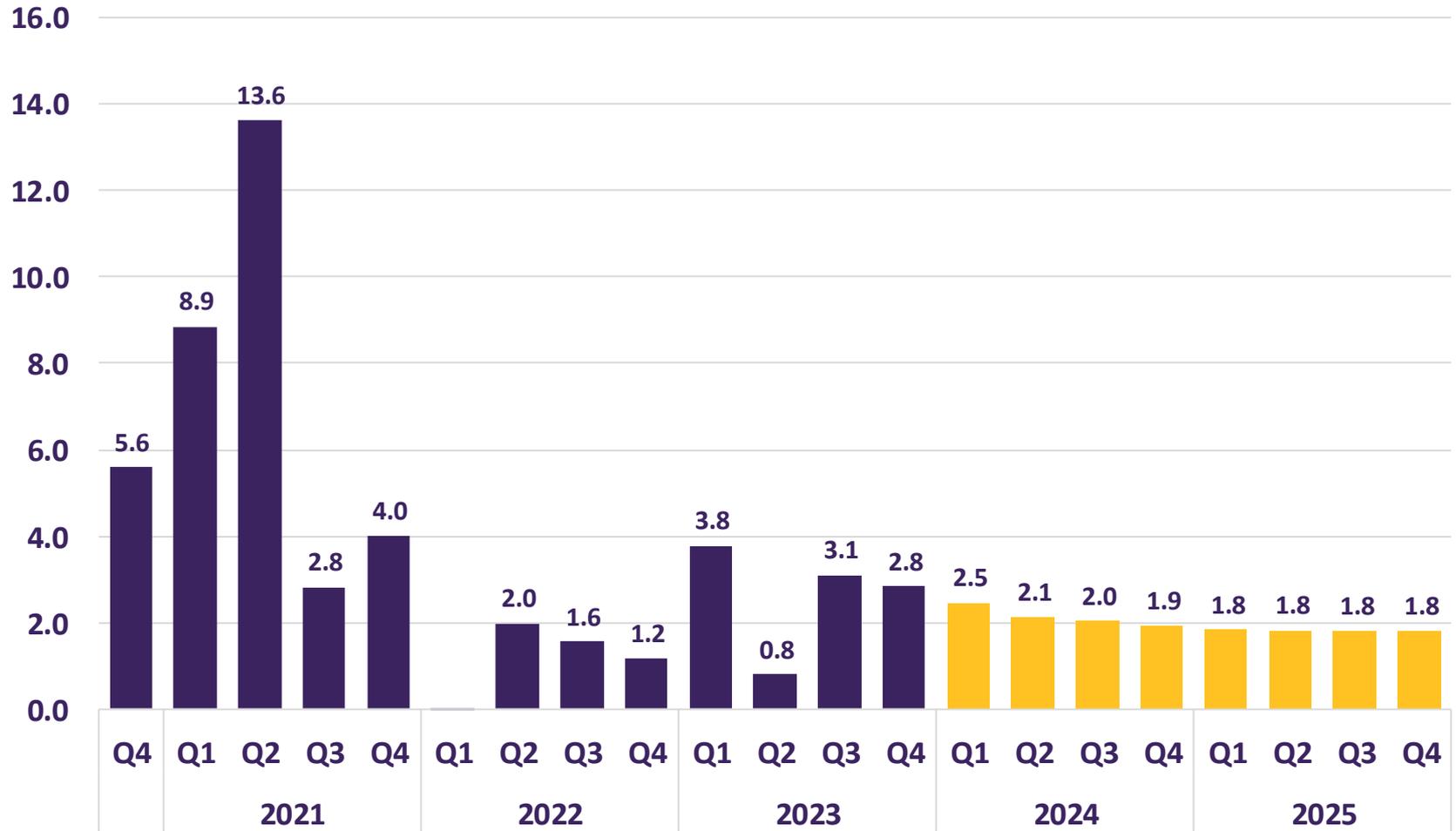
Center for Economic Research & Forecasting
 United States - (Year-on-year percent change)

Real Gross Domestic Product



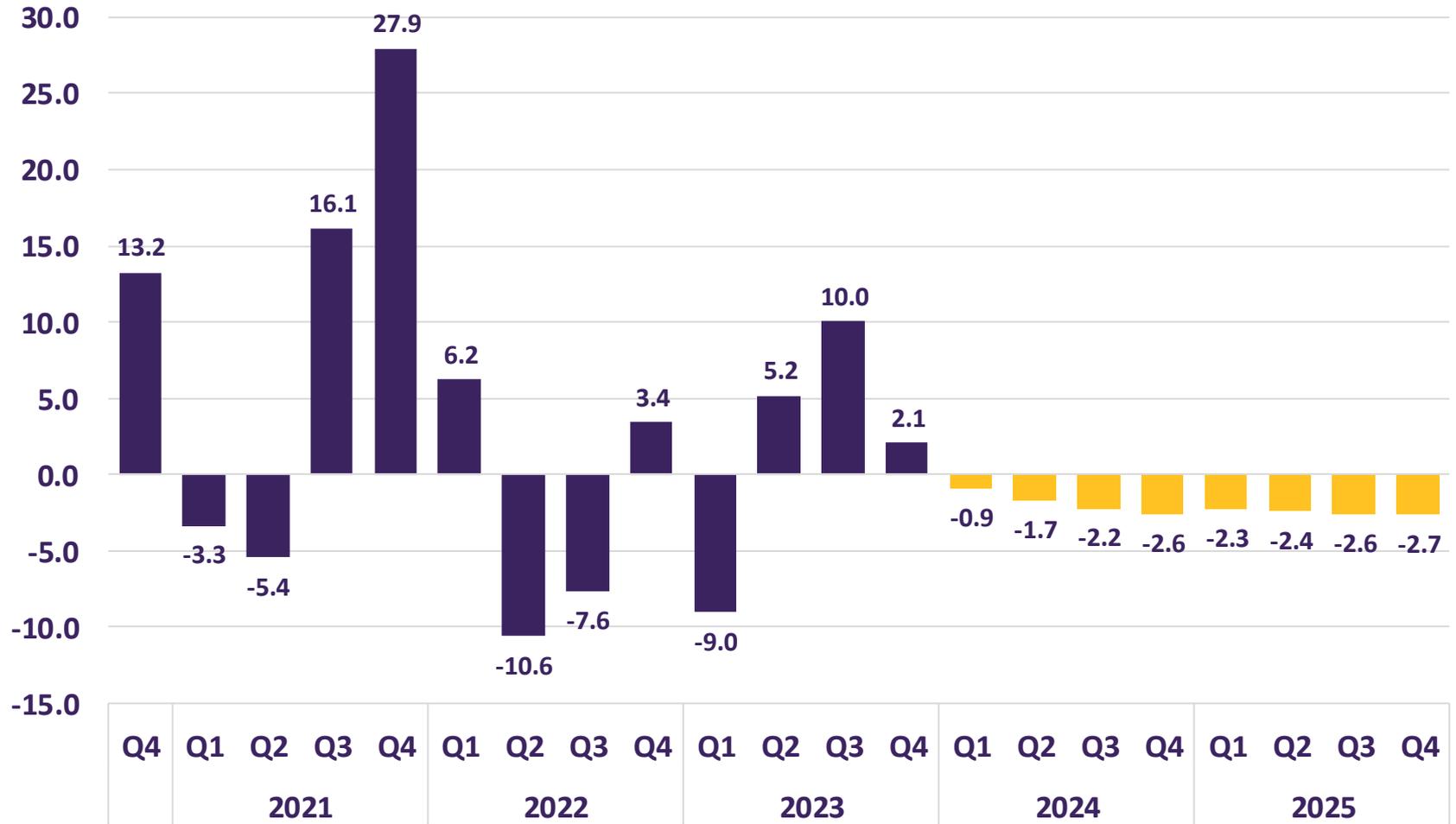
Center for Economic Research & Forecasting
United States - (SAAR q-o-q percent change)

Real Consumption Growth



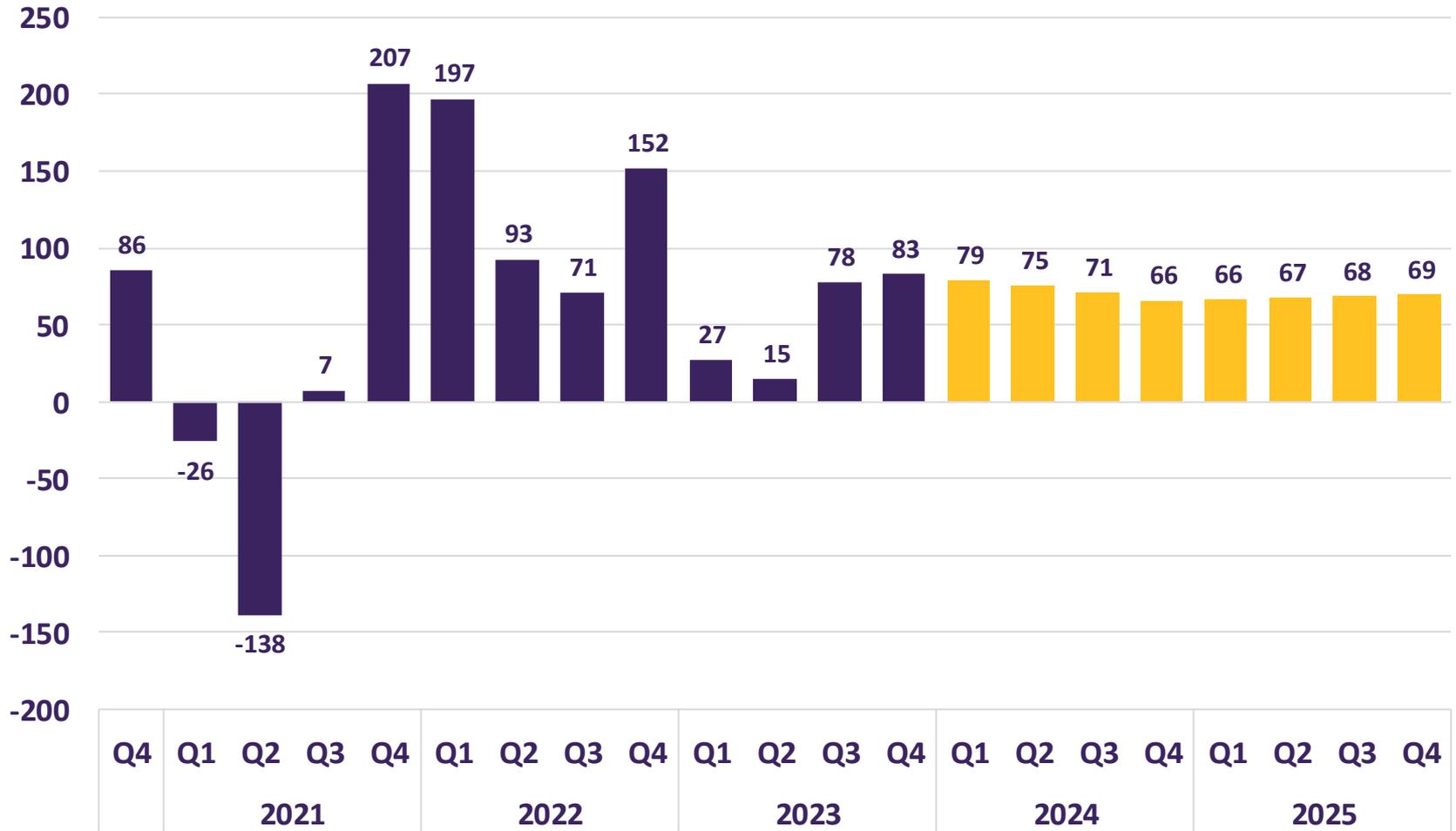
Center for Economic Research & Forecasting
 United States - (SAAR q-o-q percent change)

Real Investment Growth



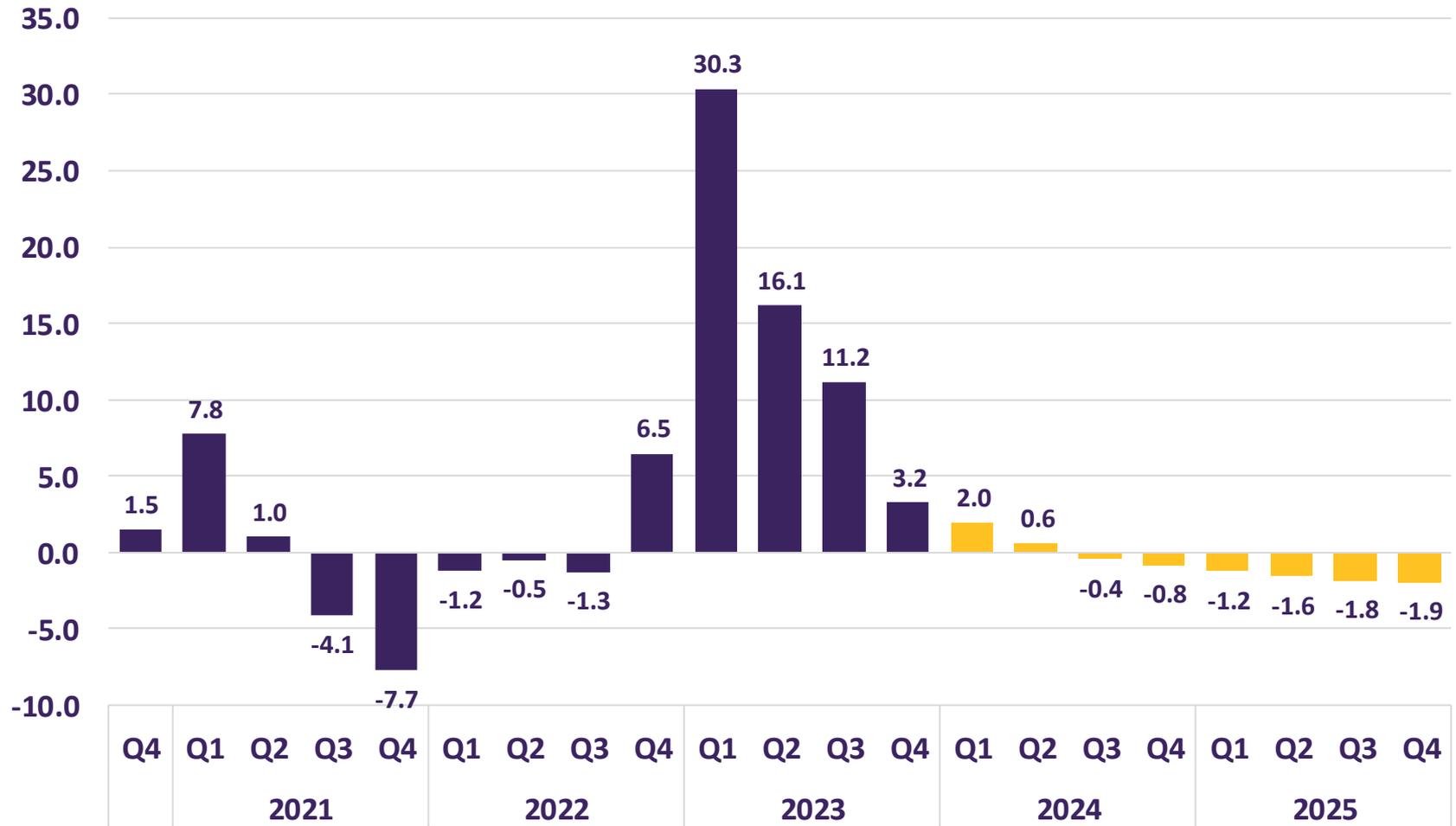
Center for Economic Research & Forecasting
 United States - (SAAR q-o-q percent change)

Real Inventory Investment



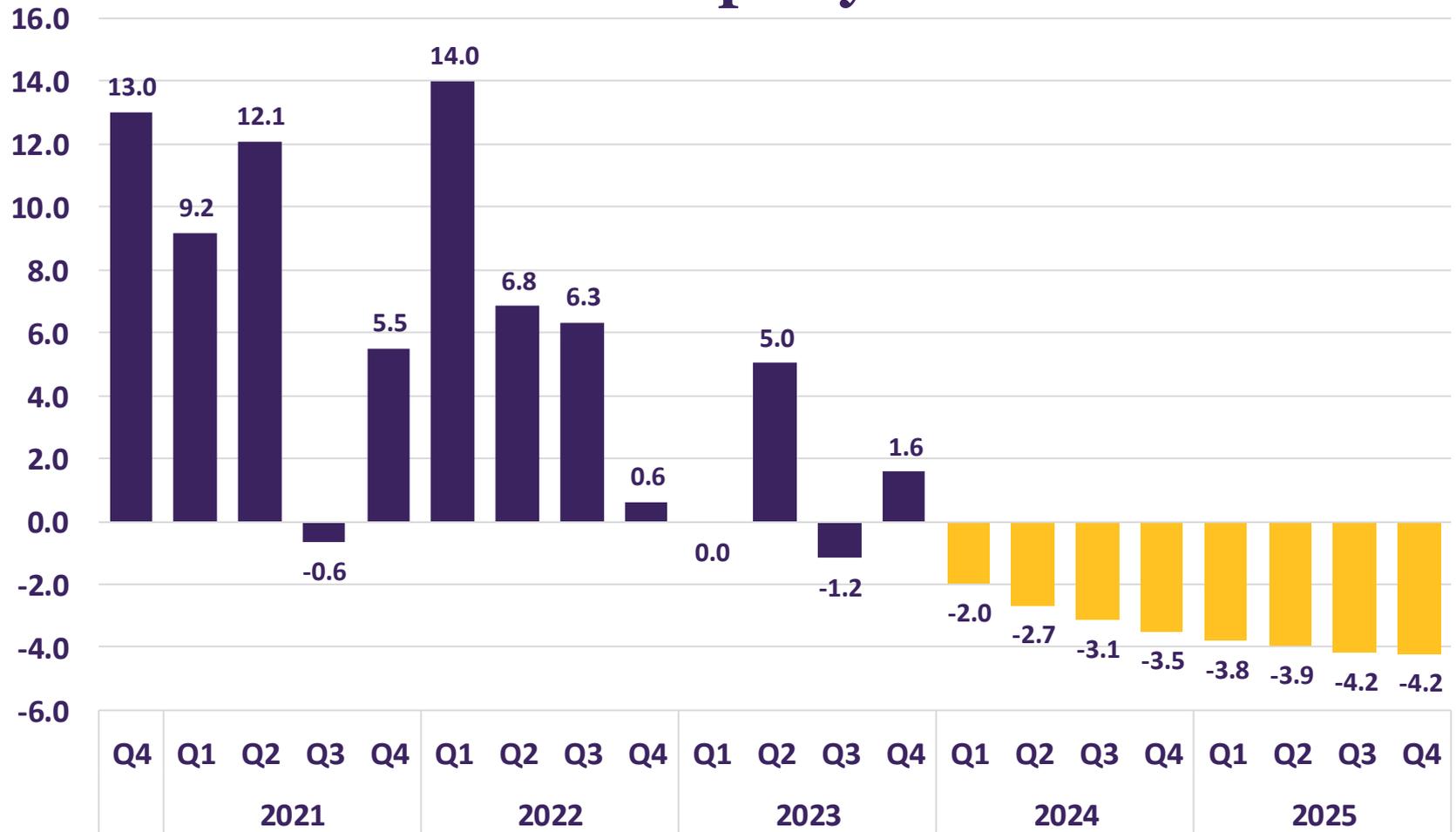
Center for Economic Research & Forecasting
 United States - (Billions of 2017 dollars)

Real Investment: Business Structures



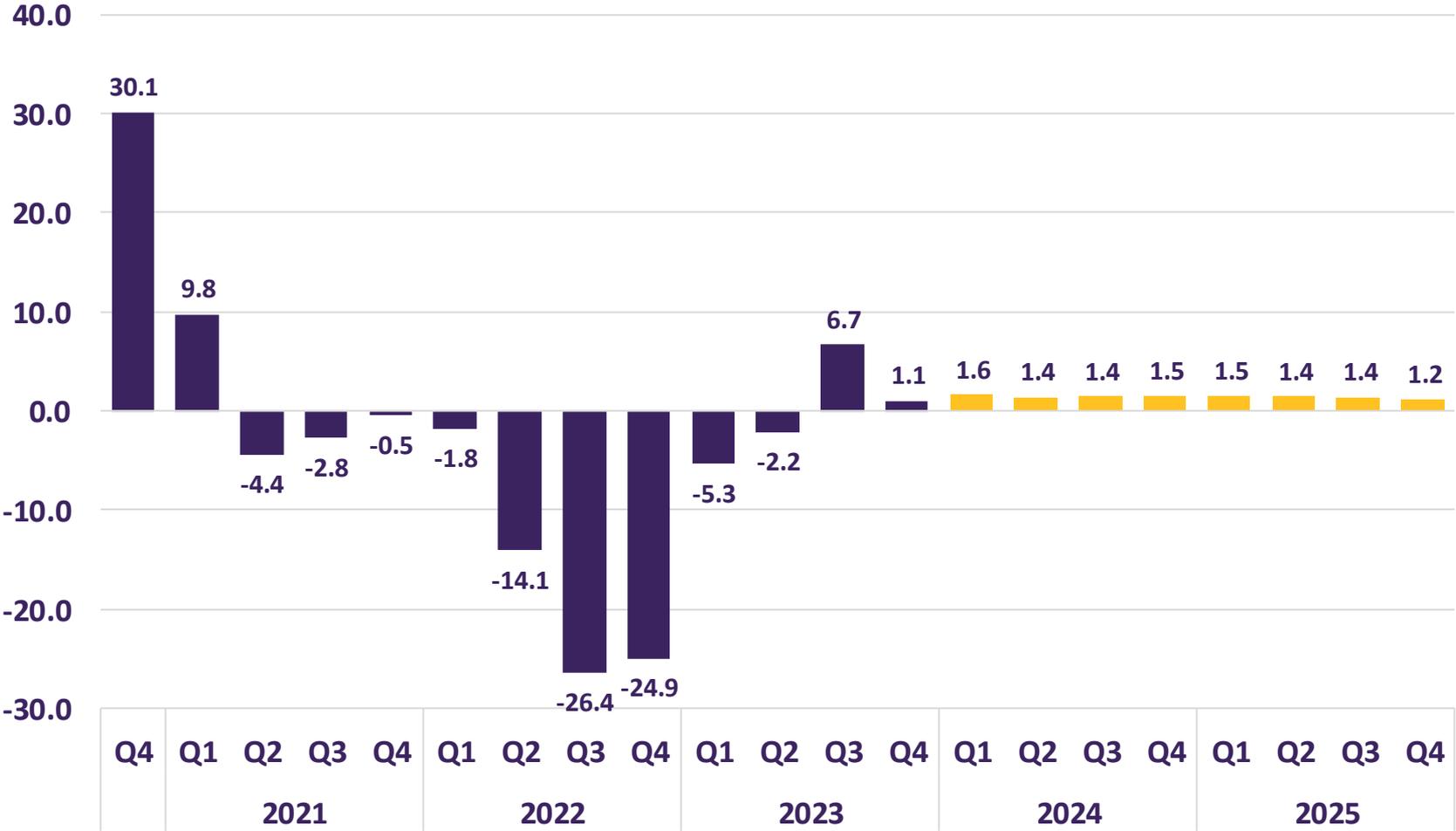
Center for Economic Research & Forecasting
 United States - (SAAR q-o-q percent change)

Real Investment: Equipment & Intellectual Property



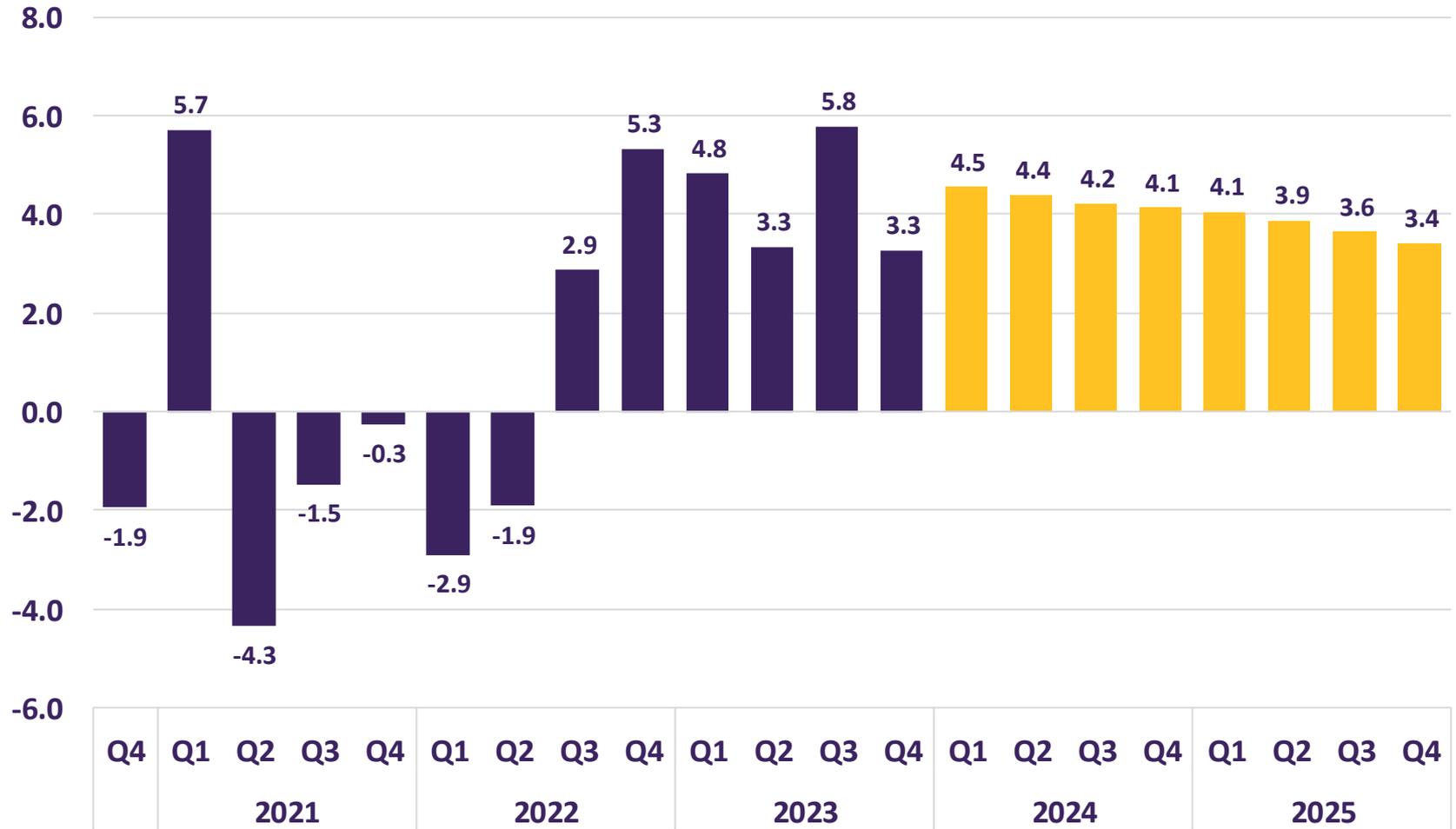
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United States - (SAAR q-o-q percent change)

Real Investment: Residential Structures



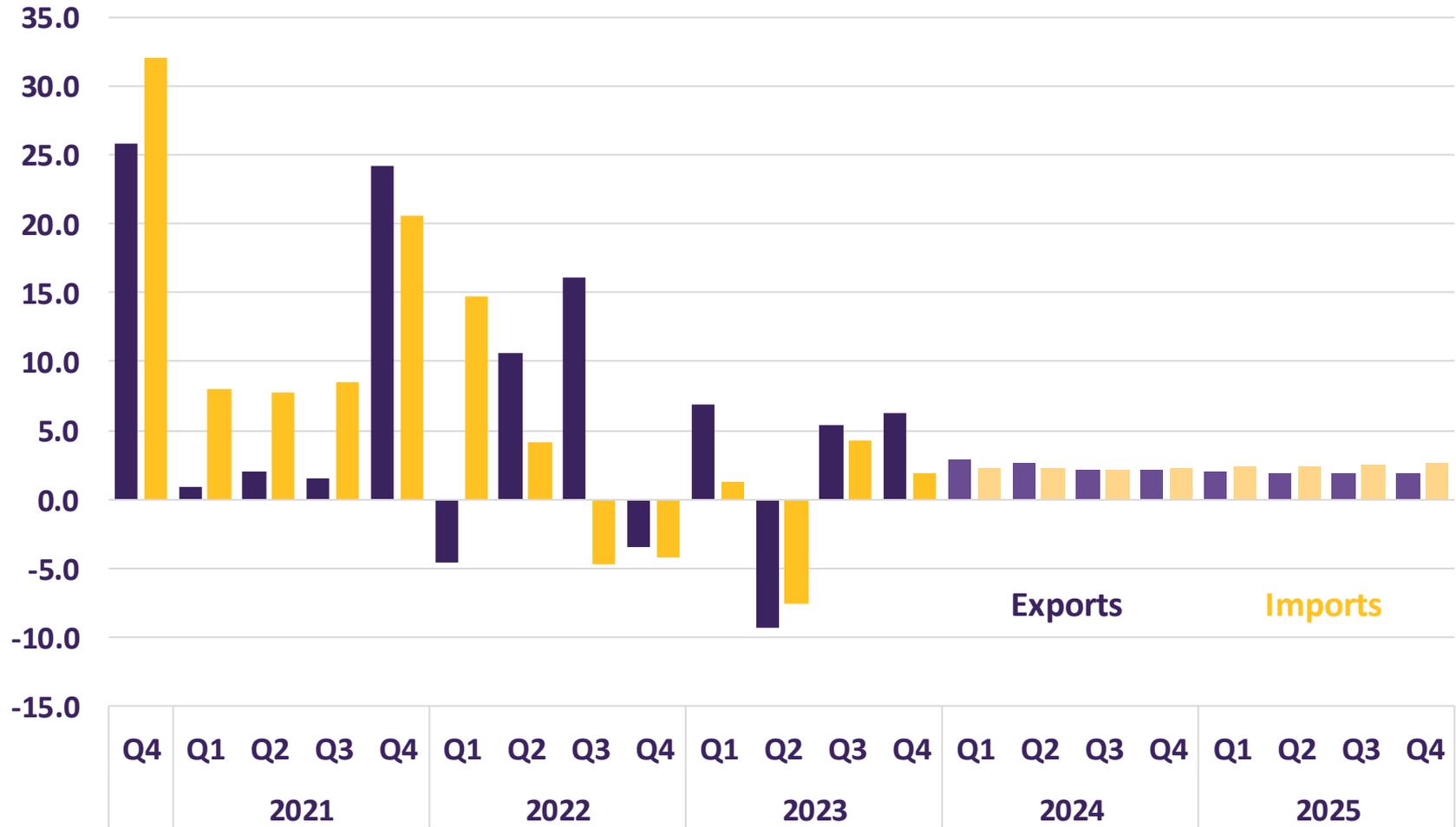
Center for Economic Research & Forecasting
 United States - (SAAR q-o-q percent change)

Real Government Expenditures



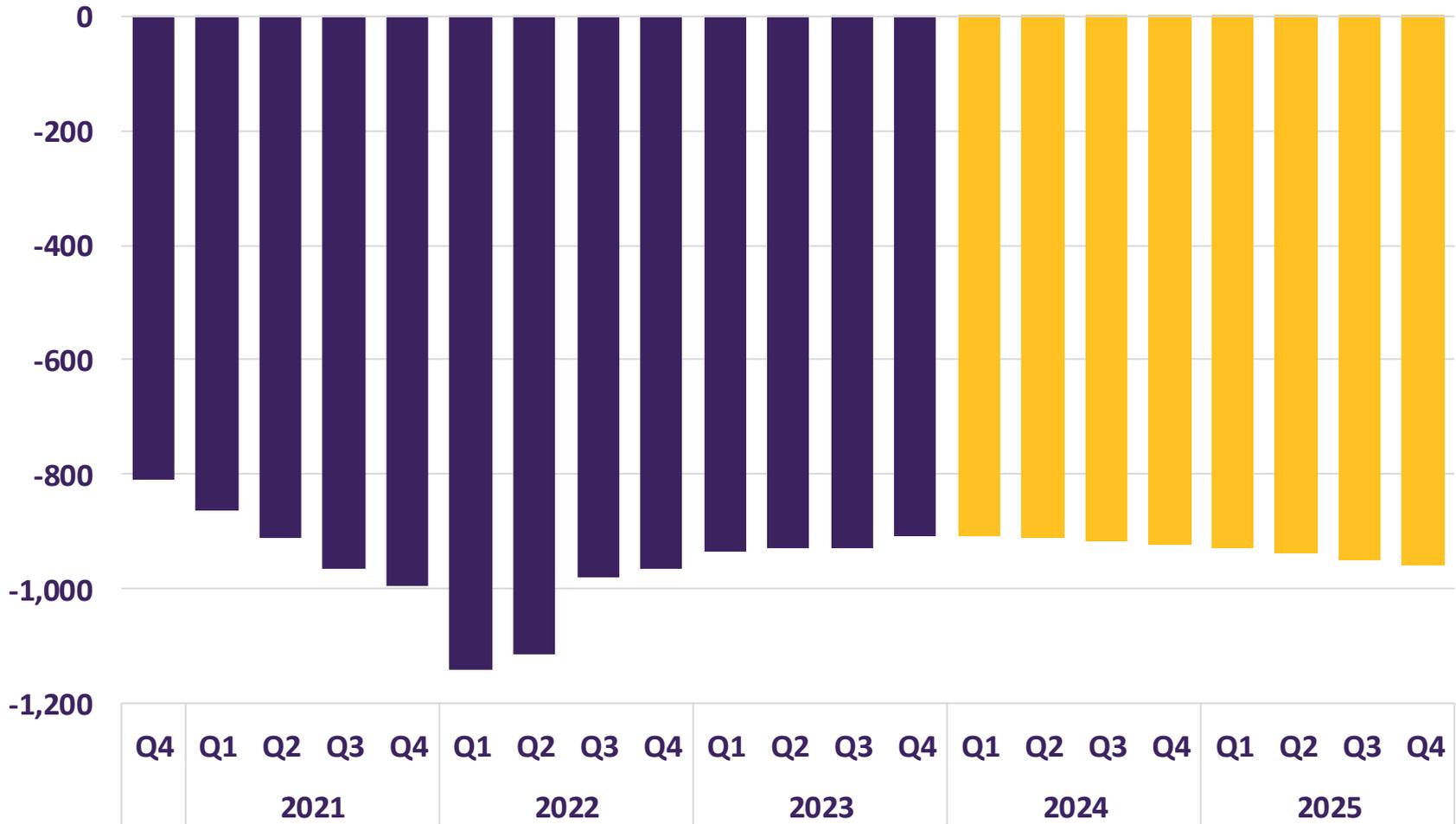
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 United States - (SAAR q-o-q percent change)

Real Exports & Imports Growth



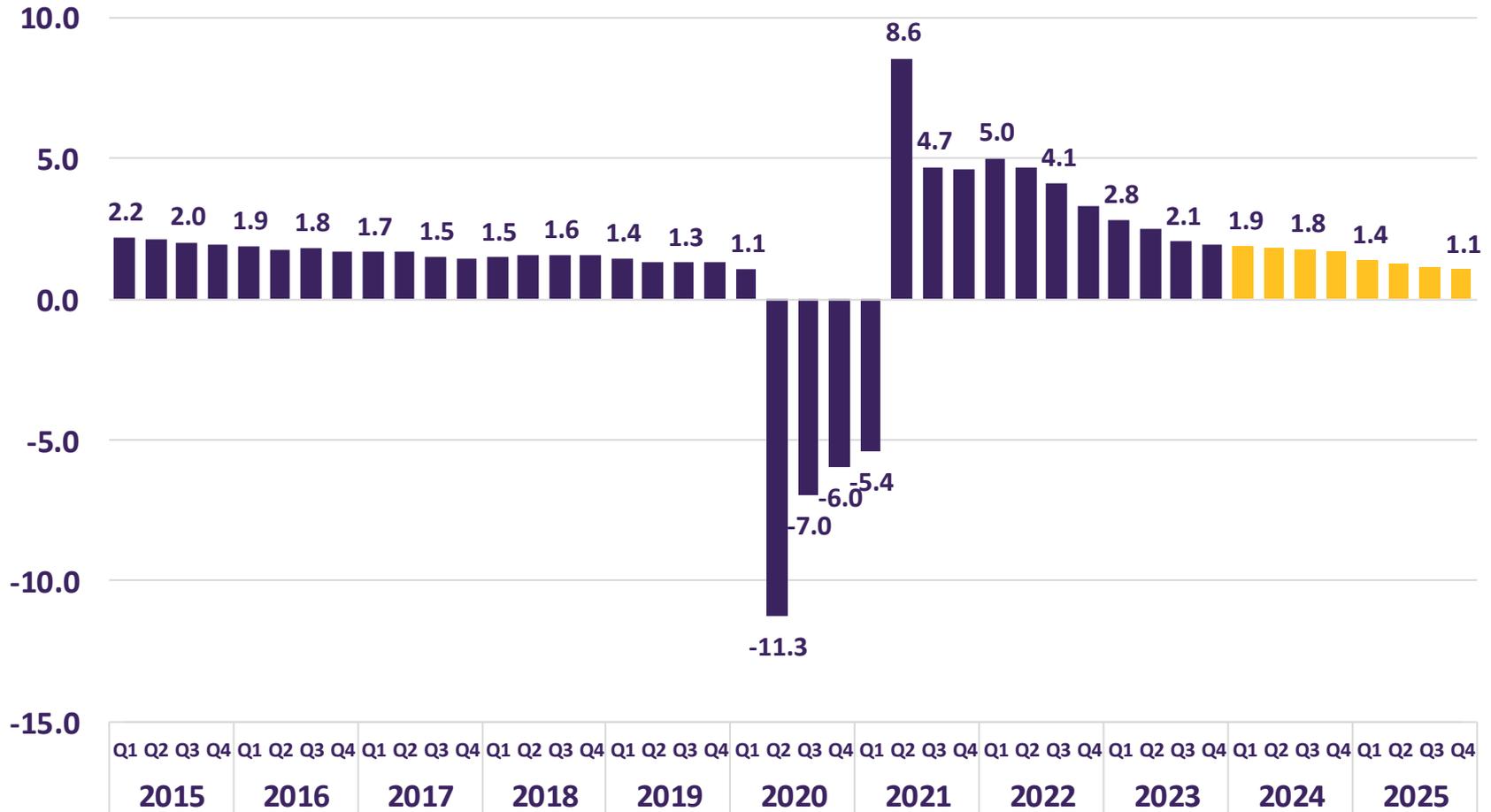
Center for Economic Research & Forecasting
United States - (SAAR q-o-q percent change)

Real Net Exports



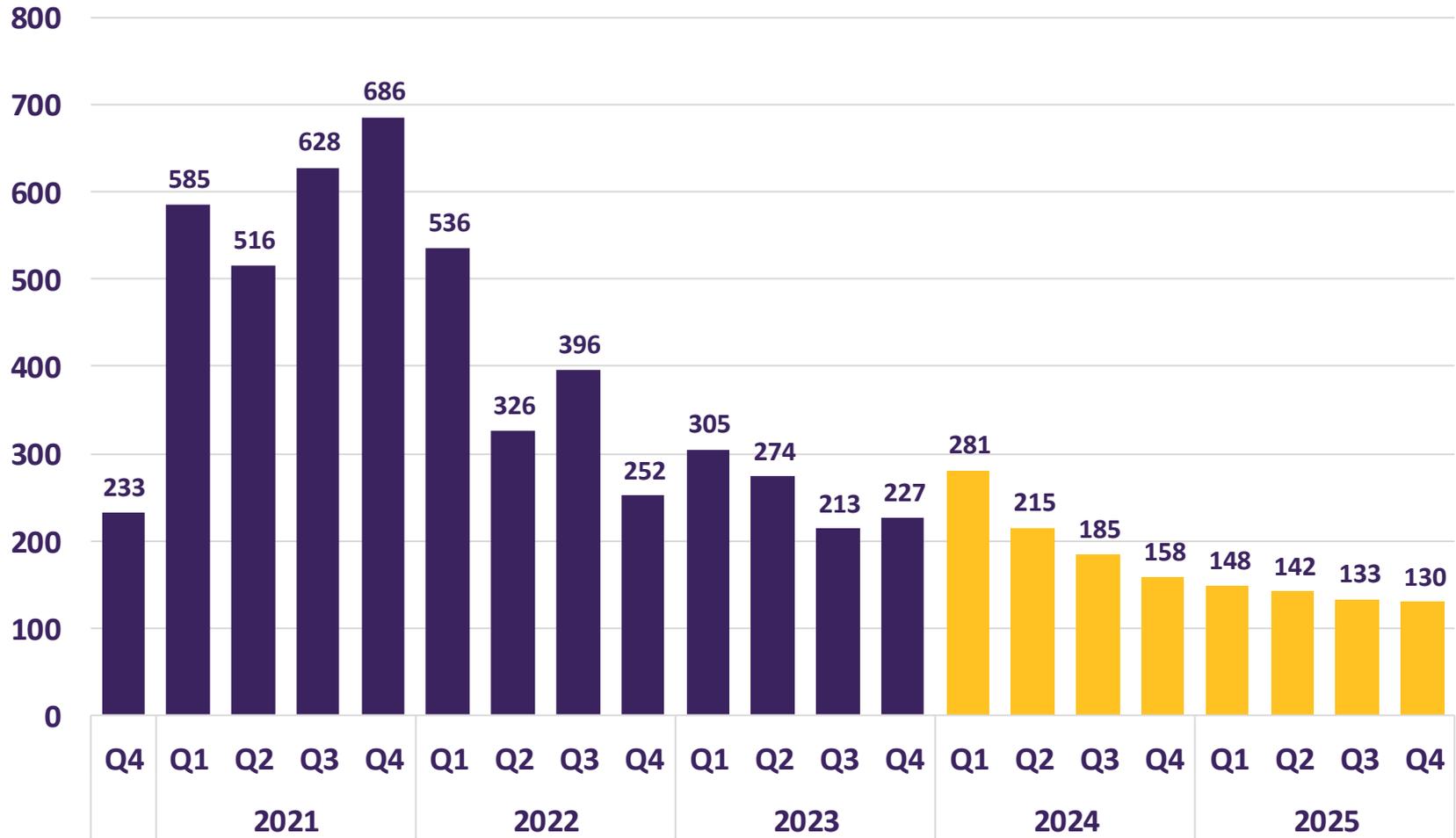
Center for Economic Research & Forecasting
United States - (Billions of 2017 dollars)

Non-Farm Jobs-SA



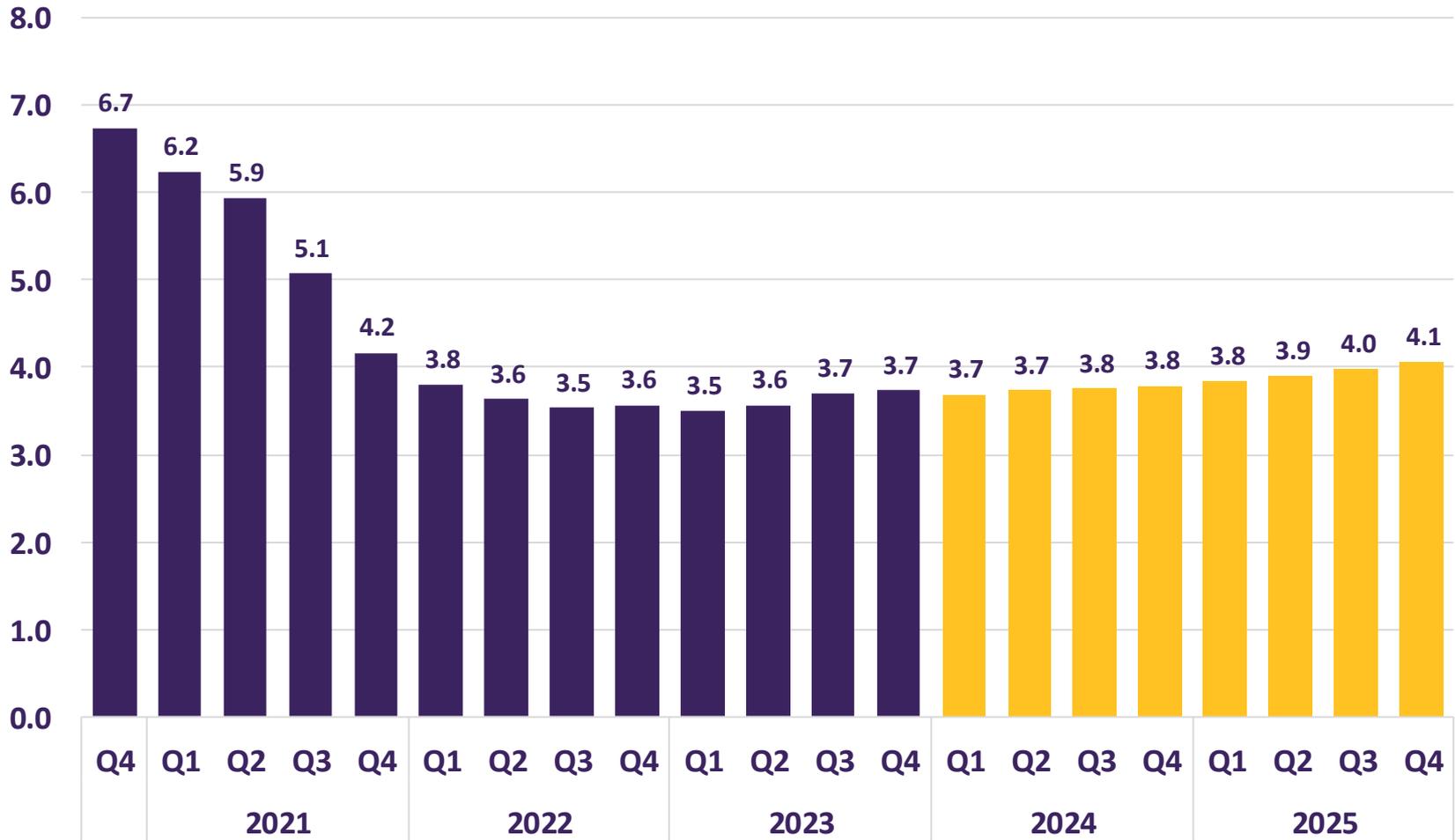
Center for Economic Research & Forecasting
United States - (Year on year Percent change)

Average Quarterly Non-Farm Job Change



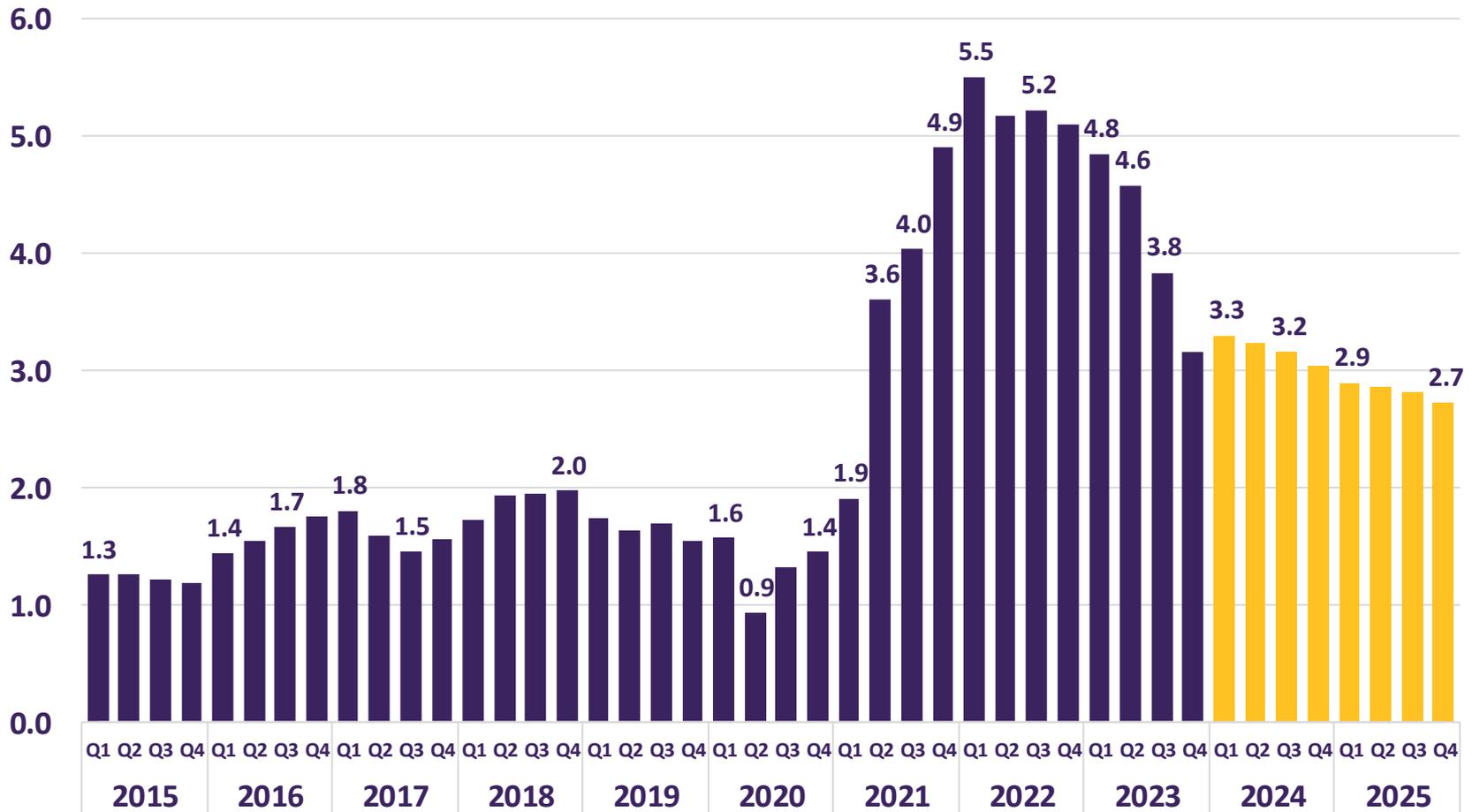
Center for Economic Research & Forecasting
United States - (Thousands of Jobs)

Unemployment Rate - SA



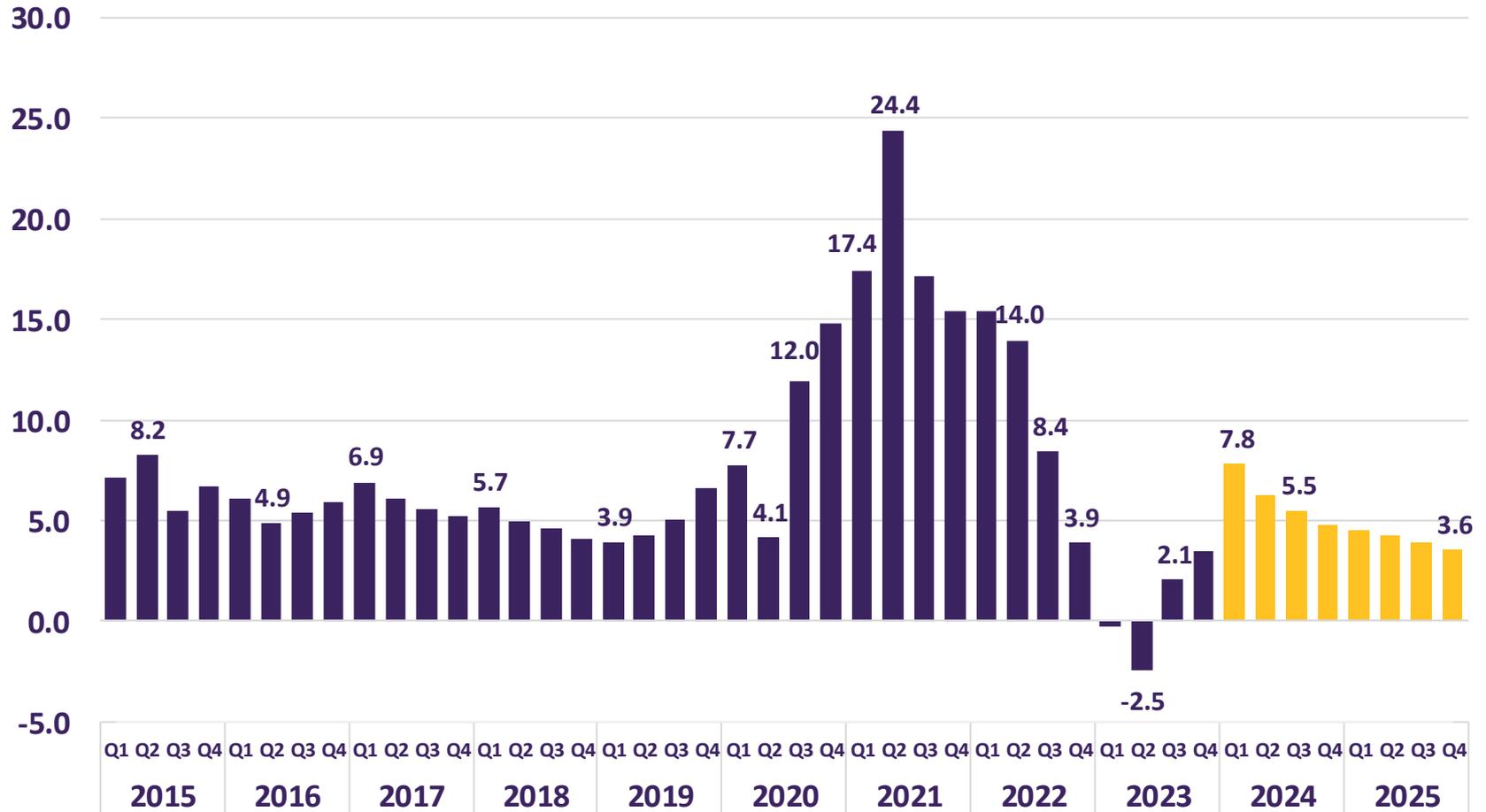
Center for Economic Research & Forecasting
United States - (Percent of Labor Force)

Consumption: Price Deflator - Core



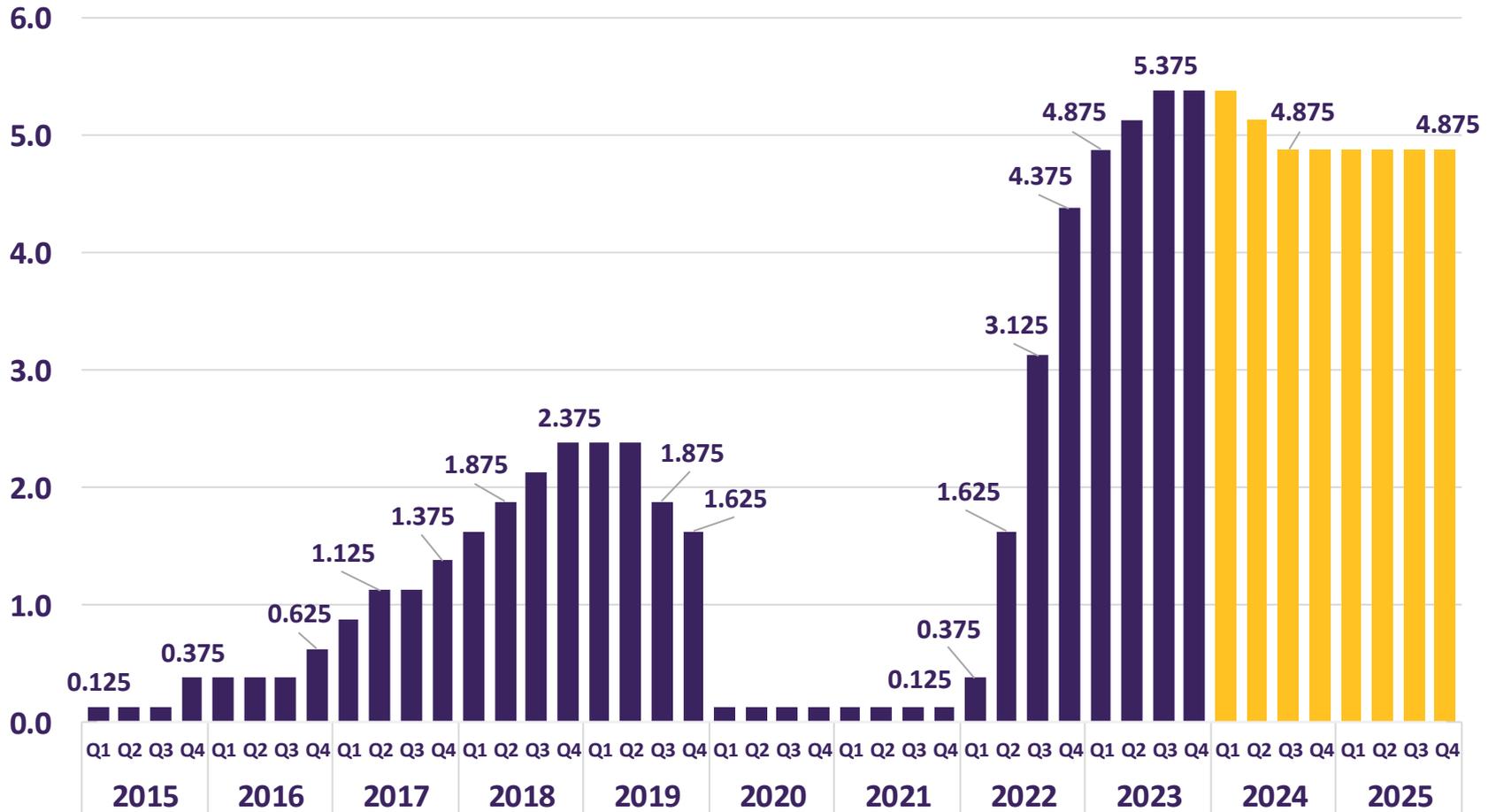
Center for Economic Research & Forecasting
 United States - (Year on year Percent change)

Median Price Existing Single-family Homes



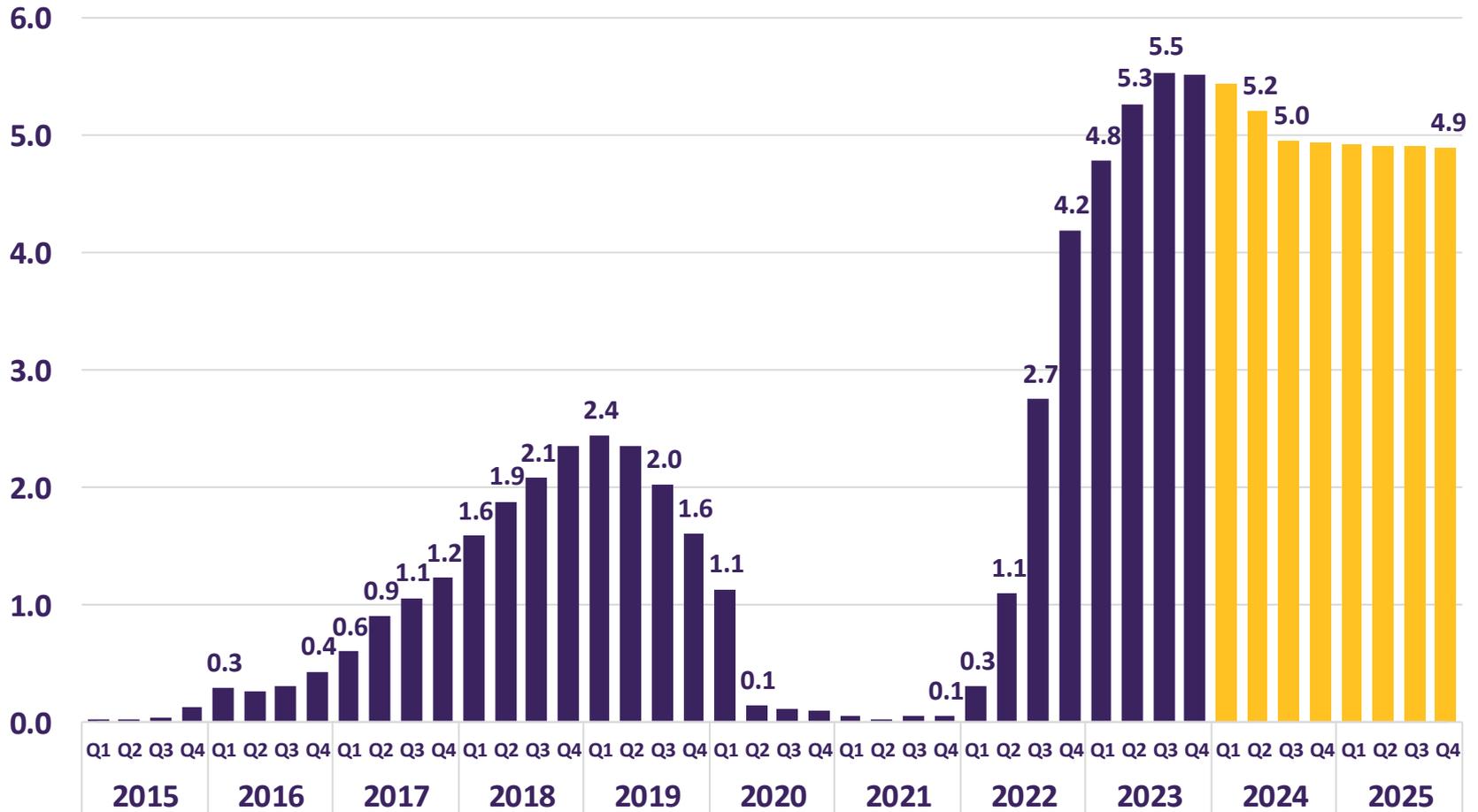
Center for Economic Research & Forecasting
 United States - (Year on year Percent change)

Federal Funds Target Rate (Midpoint)



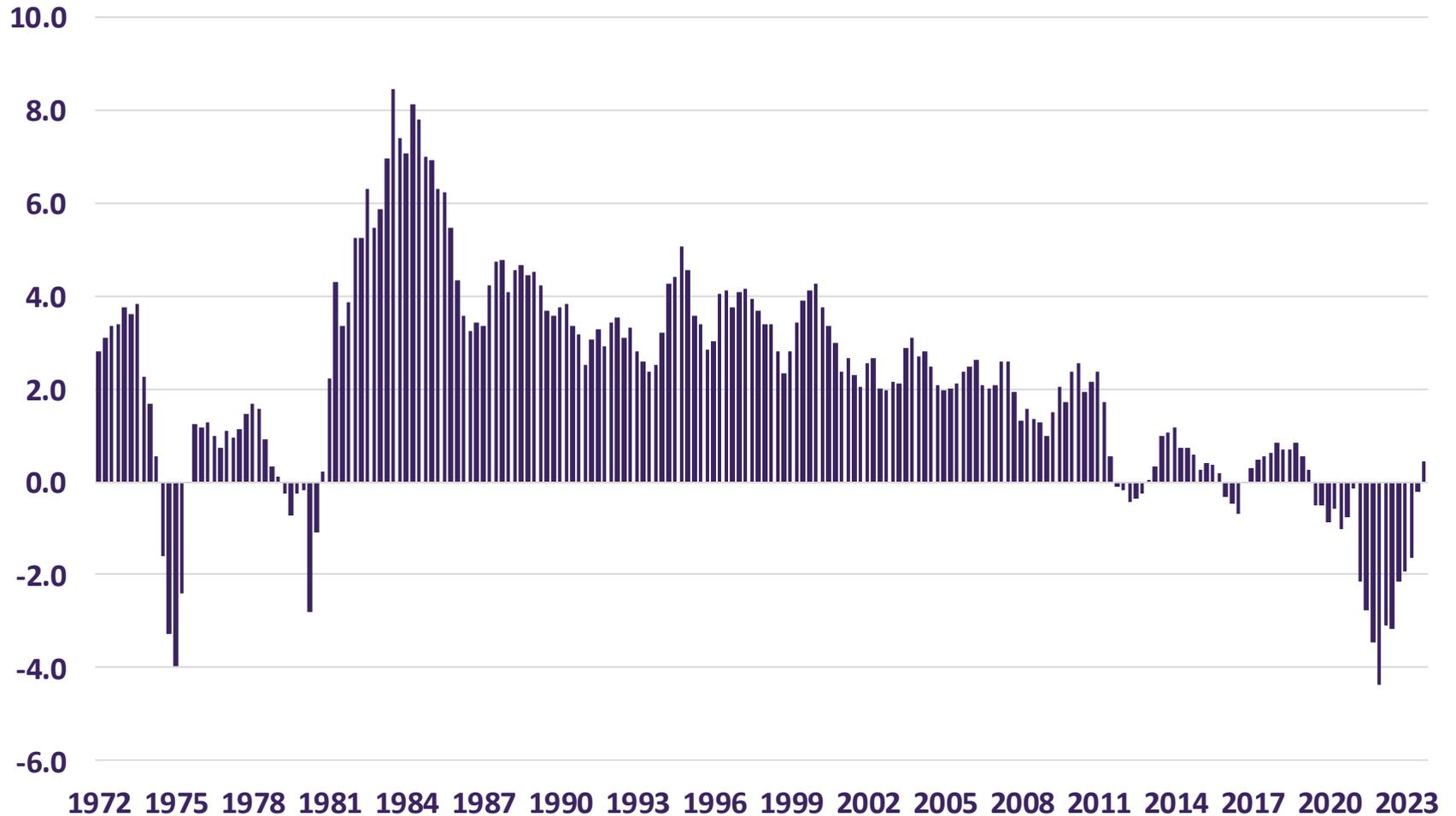
Center for Economic Research & Forecasting
United States - (Percent Yield per Annum)

3-month Treasury Yield



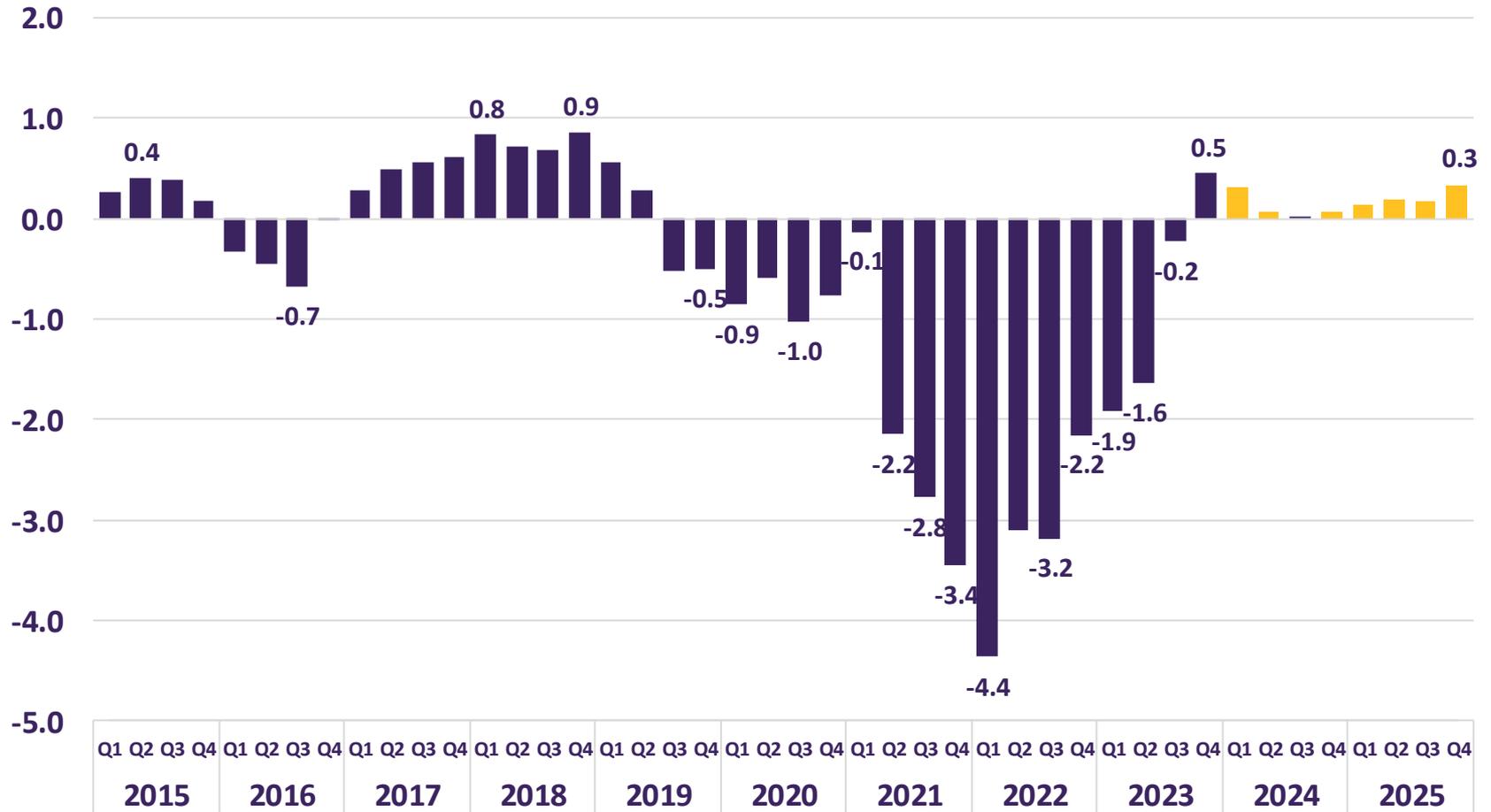
Center for Economic Research & Forecasting
United States - (Percent Yield per Annum)

Real 10-year Treasury Yield



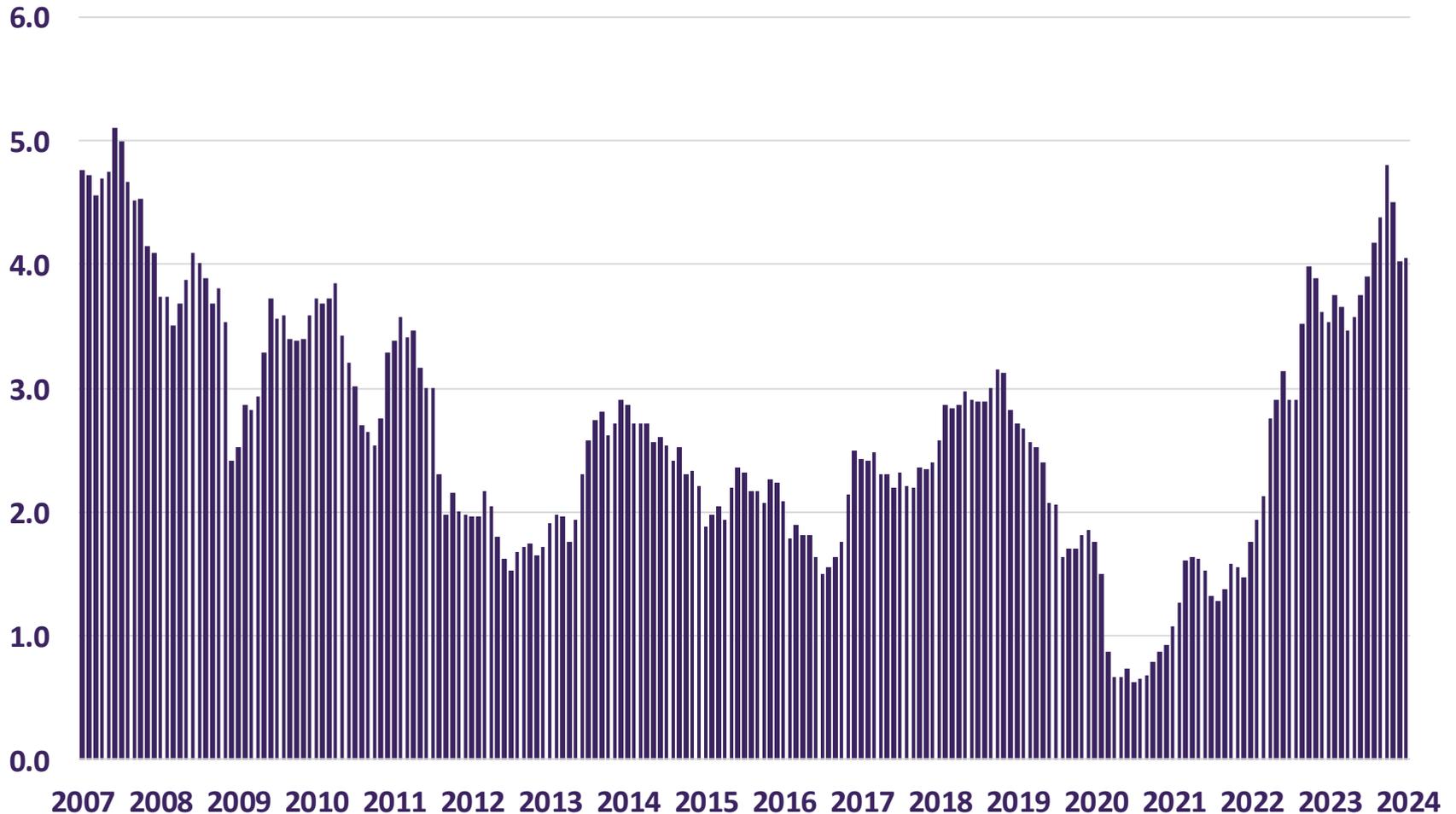
Center for Economic Research & Forecasting
United States - (Percent Yield per Annum)

Real 10-year Treasury Yield



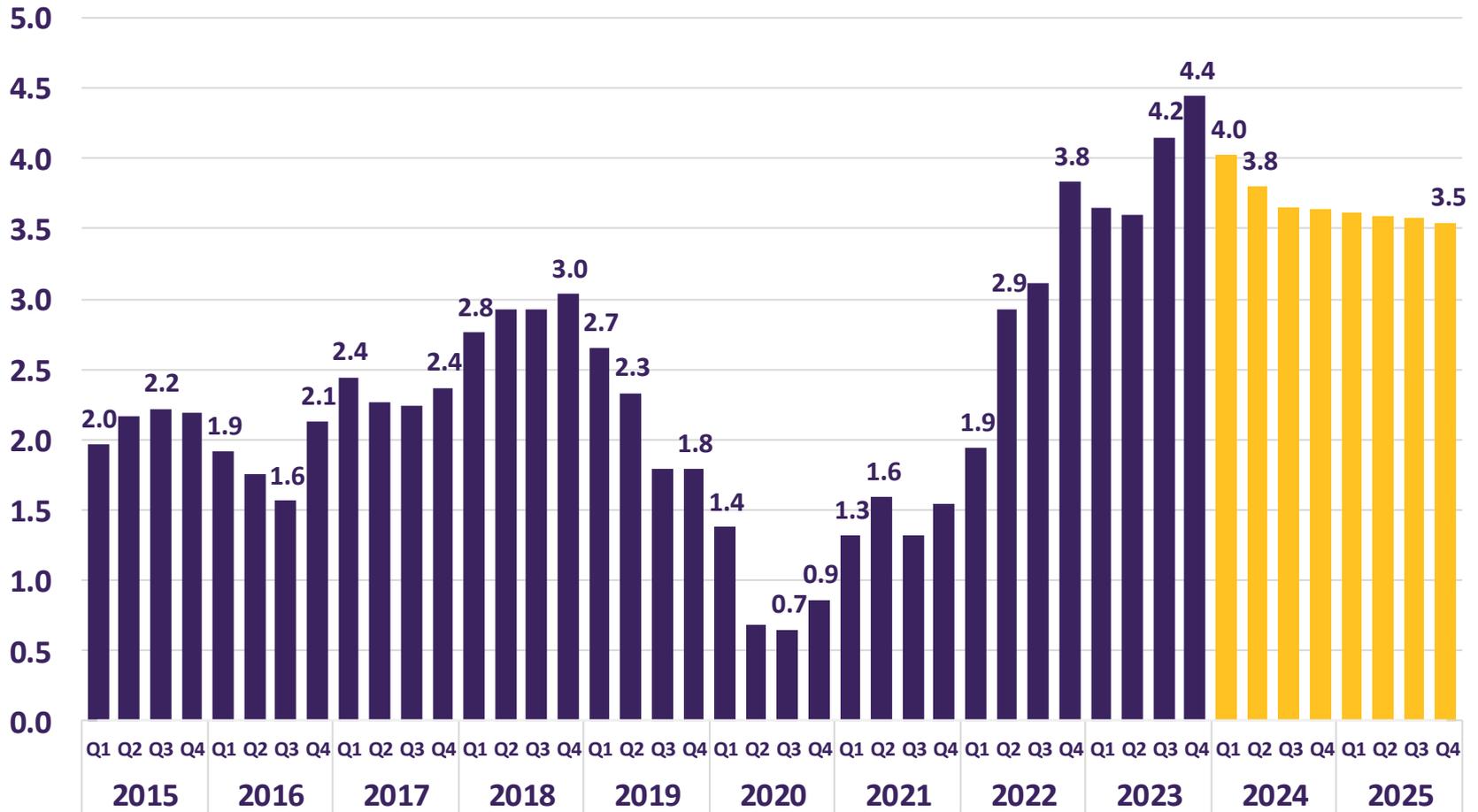
Center for Economic Research & Forecasting
 United States - (Percent Yield per Annum)

Ten-Year Treasury Yield



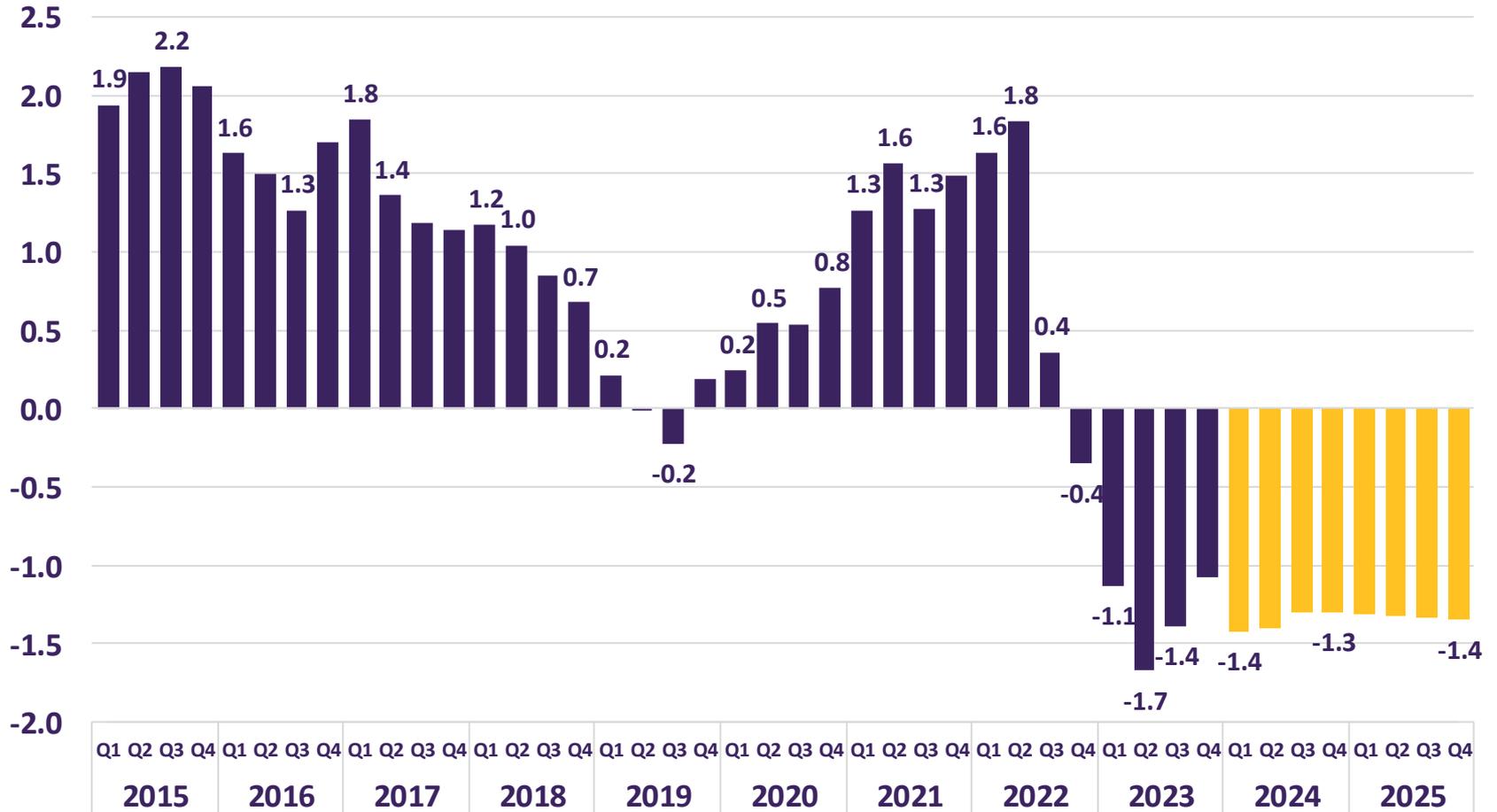
Center for Economic Research & Forecasting
United States - (Percent Yield per Annum)

10-year Treasury Yield



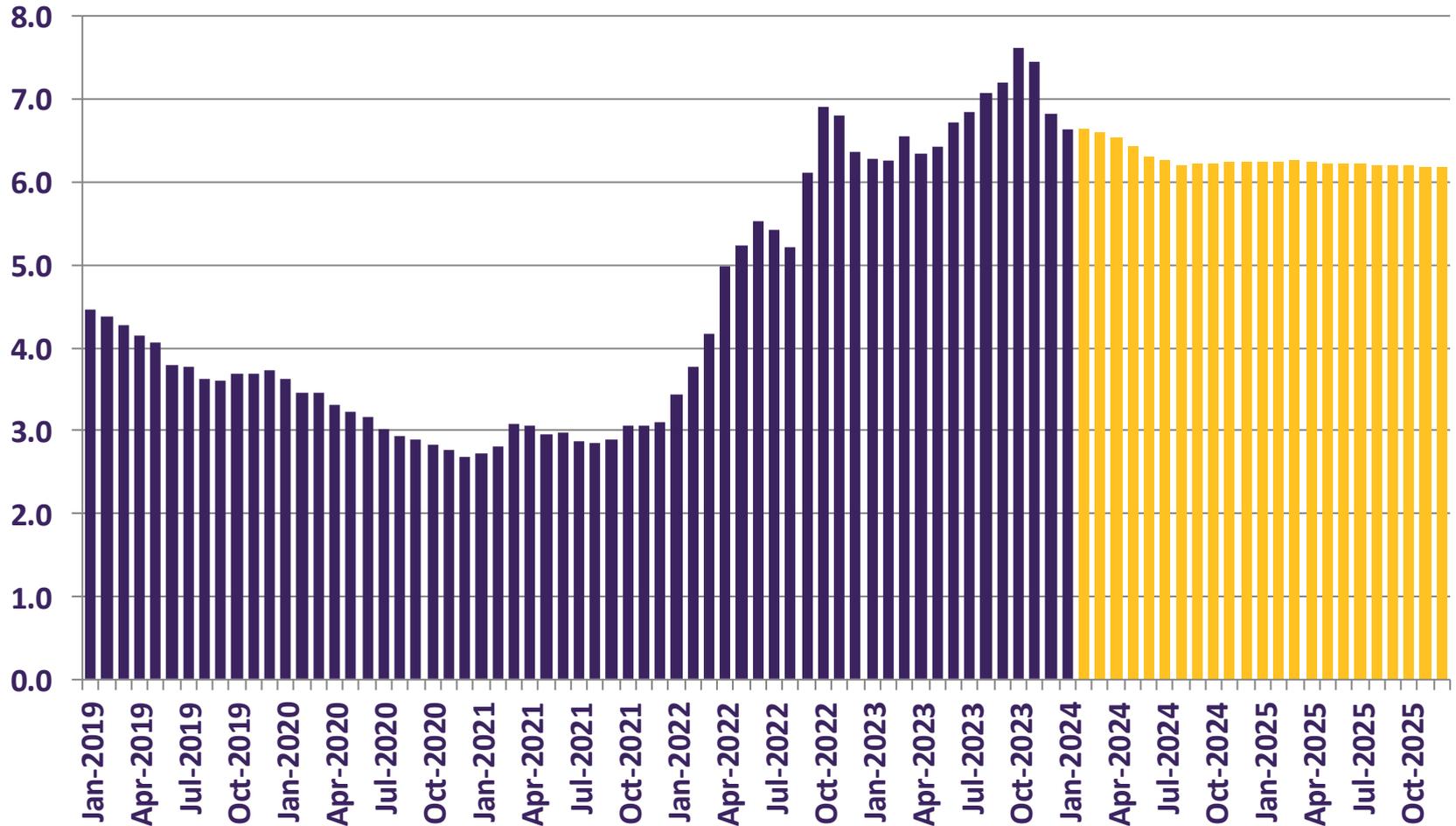
Center for Economic Research & Forecasting
 United States - (Percent Yield per Annum)

Yield Curve



**Center for Economic Research & Forecasting
United States - (Percent Yield per Annum)**

Conventional Mortgages



Center for Economic Research & Forecasting
 United States - (Percent Yield per Annum)

Fed Rate Assumption

The Federal Funds Target Rate – Midpoint

<u>2023</u>		<u>FFRT</u>
July Mtg	25 bp hike	5.375
Aug-Dec Mtgs	No changes	5.375

CERF Forecast

<u>2024</u>		
Mar-May Mtgs	No changes	5.375
Jun Mtg	25 bp drop	5.125
Jul Mtg	25 bp drop	4.875
Sep-Dec Mtgs	No changes	4.875
<u>2025</u>	No changes	4.875

Competing Forecasts

Competing Forecasts

2024: Quarter 1

New York Fed Nowcast	3.3	Feb 09, 2024
Atlanta Fed Nowcast	3.4	Feb 08, 2024
CERF	2.3	Feb 05, 2024
Moody's	1.6	Feb 05, 2024

2024:

WSJ (Jan) Q4 to Q4	1.0	Jan 14, 2024
CERF Q4 to Q4	1.9	Feb 05, 2024
Moody's Full Year	2.3	Feb 05, 2024
CERF Full Year	2.6	Feb 05, 2024

Decomposing the WSJ Survey

	<u>CERF</u>	<u>WSJ Recession</u>	<u>WSJ Expansion</u>
<u>2024</u>	<u>January</u>		
Q1:	1.5	-1.0 (4)	1.1 (63)
Q2:	1.3	-1.0 (21)	1.2 (49)
Q3:	1.3	-1.2 (14)	1.4 (56)
Q4:	1.3	-0.6 (1)	1.7 (67)

There were 70 forecasters (of 76 on the WSJ's roster) who submitted to the WSJ Survey that was released on [January 14th](#). Not all of the forecasters responded to all of the questions.