



CBO's Economic Projections for 2015 to 2025

The tables in this appendix expand on the information in Chapter 2 by showing the Congressional Budget Office's economic projections for each year from 2015 to 2025 (by calendar year in Table B-1 and by fiscal year in Table B-2). For years after 2019, CBO did not attempt to forecast the frequency or size of fluctuations in

the business cycle. Instead, the values shown in these tables for 2020 to 2025 reflect CBO's assessment of the effects in the medium term of economic and demographic trends, federal tax and spending policies under current law, the 2007–2009 recession, and the slow economic recovery since then.

Table B-1.**CBO's Economic Projections, by Calendar Year**

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
	Percentage Change From Year to Year										
Gross Domestic Product											
Real (Inflation-adjusted)	2.3	3.0	2.9	2.3	2.2	2.2	2.2	2.2	2.1	2.1	2.1
Nominal	3.3	4.5	4.8	4.4	4.3	4.4	4.3	4.3	4.3	4.2	4.2
Inflation											
PCE price index	0.3	1.7	1.9	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Core PCE price index ^a	1.3	1.7	1.9	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Consumer price index ^b	0.1	2.1	2.3	2.3	2.4	2.4	2.4	2.4	2.4	2.4	2.4
Core consumer price index ^a	1.8	2.1	2.2	2.3	2.3	2.3	2.3	2.3	2.3	2.3	2.3
GDP price index	1.0	1.5	1.9	2.0	2.0	2.1	2.1	2.1	2.1	2.1	2.1
Employment Cost Index ^c	2.6	3.0	3.4	3.5	3.5	3.4	3.4	3.4	3.3	3.3	3.3
	Calendar Year Average										
Unemployment Rate (Percent)	5.4	5.1	5.0	5.0	5.1	5.2	5.2	5.2	5.2	5.2	5.2
Payroll Employment (Monthly change, in thousands) ^d	225	167	113	65	59	73	76	70	70	71	71
Interest Rates (Percent)											
Three-month Treasury bills	0.1	0.7	1.7	2.8	3.4	3.4	3.4	3.4	3.4	3.4	3.4
Ten-year Treasury notes	2.3	3.0	3.7	4.0	4.2	4.2	4.3	4.3	4.3	4.3	4.3
Tax Bases (Percentage of GDP)											
Wages and salaries	43.4	43.5	43.5	43.6	43.6	43.5	43.5	43.5	43.5	43.5	43.6
Domestic economic profits	9.7	9.3	8.9	8.5	8.1	7.9	7.7	7.6	7.6	7.6	7.6
Tax Bases (Billions of dollars)											
Wages and salaries	7,803	8,173	8,578	8,966	9,348	9,745	10,169	10,607	11,060	11,530	12,021
Domestic economic profits	1,746	1,746	1,760	1,743	1,738	1,773	1,809	1,858	1,924	2,002	2,090
Nominal GDP (Billions of dollars)	17,989	18,802	19,708	20,573	21,460	22,396	23,366	24,369	25,406	26,483	27,600

Source: Congressional Budget Office.

Note: GDP = gross domestic product; PCE = personal consumption expenditures.

- a. Excludes prices for food and energy.
- b. The consumer price index for all urban consumers.
- c. The employment cost index for wages and salaries of workers in private industries.
- d. Calculated as the monthly average of the fourth-quarter-to-fourth-quarter change in payroll employment.

Table B-2.**CBO's Economic Projections, by Fiscal Year**

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
	Percentage Change From Year to Year										
Gross Domestic Product											
Real (Inflation-adjusted)	2.4	2.7	3.0	2.5	2.2	2.2	2.2	2.2	2.1	2.1	2.1
Nominal	3.4	4.1	4.8	4.5	4.3	4.4	4.3	4.3	4.3	4.2	4.2
Inflation											
PCE price index	0.4	1.4	1.9	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Core PCE price index ^a	1.3	1.6	1.8	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Consumer price index ^b	0.3	1.7	2.3	2.3	2.3	2.4	2.4	2.4	2.4	2.4	2.4
Core consumer price index ^a	1.7	2.0	2.2	2.3	2.3	2.3	2.3	2.3	2.3	2.3	2.3
GDP price index	1.0	1.4	1.7	2.0	2.0	2.1	2.1	2.1	2.1	2.1	2.1
Employment Cost Index ^c	2.5	2.9	3.4	3.5	3.5	3.4	3.4	3.4	3.3	3.3	3.3
	Fiscal Year Average										
Unemployment Rate (Percent)	5.5	5.2	5.0	5.0	5.1	5.2	5.2	5.2	5.2	5.2	5.2
Payroll Employment (Monthly change, in thousands) ^d	242	182	125	75	61	68	77	71	69	70	73
Interest Rates (Percent)											
Three-month Treasury bills	*	0.5	1.4	2.6	3.3	3.4	3.4	3.4	3.4	3.4	3.4
Ten-year Treasury notes	2.2	2.8	3.6	4.0	4.1	4.2	4.3	4.3	4.3	4.3	4.3
Tax Bases (Percentage of GDP)											
Wages and salaries	43.3	43.4	43.5	43.6	43.6	43.5	43.5	43.5	43.5	43.5	43.6
Domestic economic profits	9.8	9.4	9.0	8.6	8.2	8.0	7.8	7.6	7.6	7.6	7.6
Tax Bases (Billions of dollars)											
Wages and salaries	7,719	8,075	8,477	8,871	9,252	9,643	10,062	10,496	10,945	11,411	11,897
Domestic economic profits	1,743	1,755	1,756	1,751	1,732	1,764	1,800	1,844	1,906	1,982	2,067
Nominal GDP (Billions of dollars)	17,847	18,587	19,482	20,359	21,234	22,158	23,121	24,115	25,144	26,210	27,317

Source: Congressional Budget Office.

Note: GDP = gross domestic product; PCE = personal consumption expenditures; * = between zero and 0.05 percent.

- a. Excludes prices for food and energy.
- b. The consumer price index for all urban consumers.
- c. The employment cost index for wages and salaries of workers in private industries.
- d. Calculated as the monthly average of the fourth-quarter-to-fourth-quarter change in payroll employment.