



November 19, 2020

CBO's Economic Projections as of July 2020

Presentation at the University of Michigan's
68th Annual Economic Outlook Conference

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Real GDP: Difference From Peak of Business Cycle

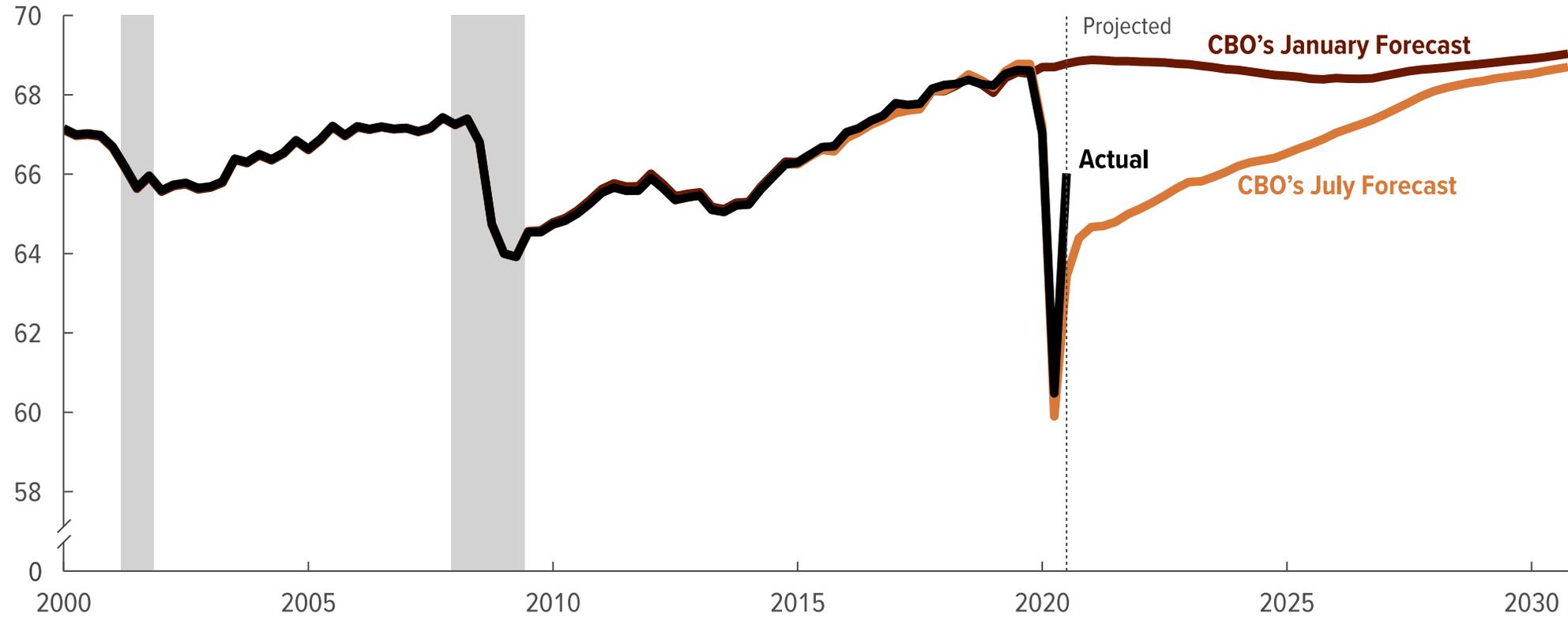


Consumer Spending Relative to Level in January 2020

Percent	As of April 15	As of June 10	As of October 18
Total Consumer Spending	-30.5	-11.3	-3.7
Selected Subcategories			
Retail	-14.5	8.7	12.6
Arts, entertainment, and recreation	-73.0	-54.8	-57.4
Grocery	-10.2	8.9	10.1
Health care	-54.6	-15.3	-13.0
Restaurants and hotels	-63.8	-37.7	-29.4
Transportation	-72.7	-54.3	-45.8

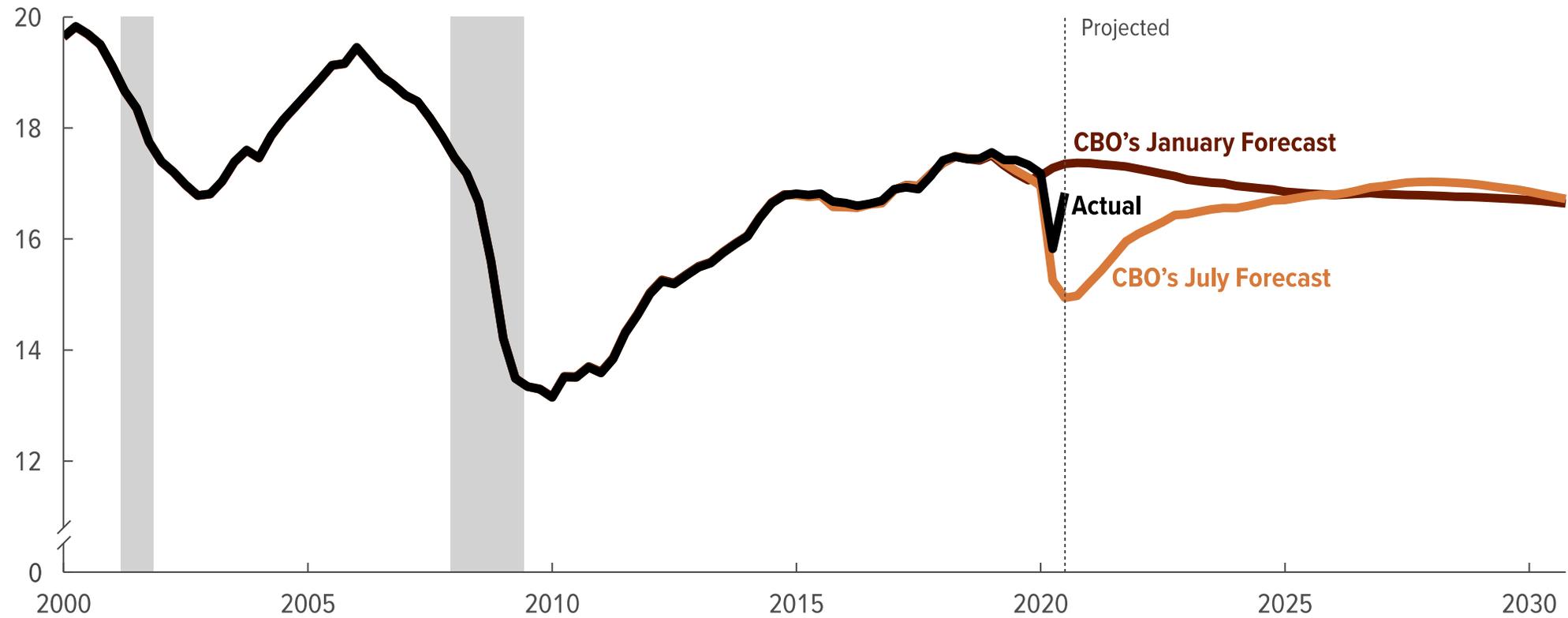
Personal Consumption Expenditures

Percentage of Potential GDP



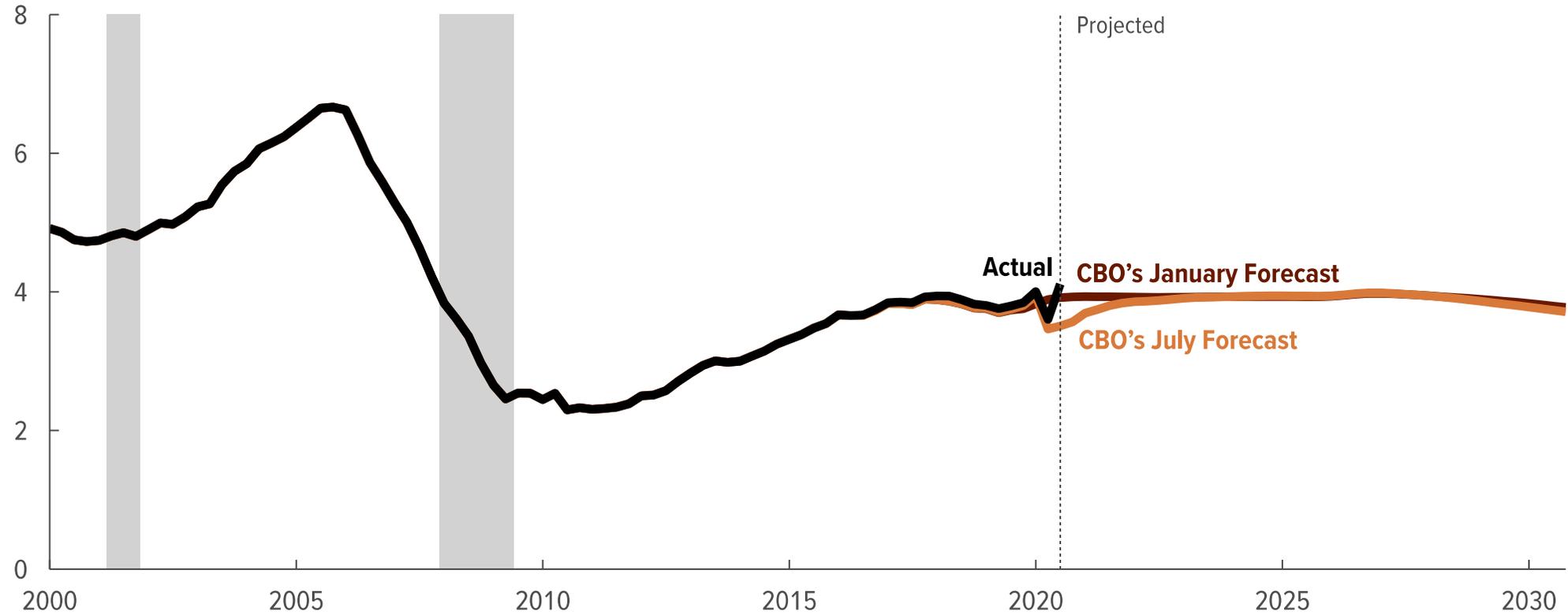
Business Fixed Investment

Percentage of Potential GDP



Residential Investment

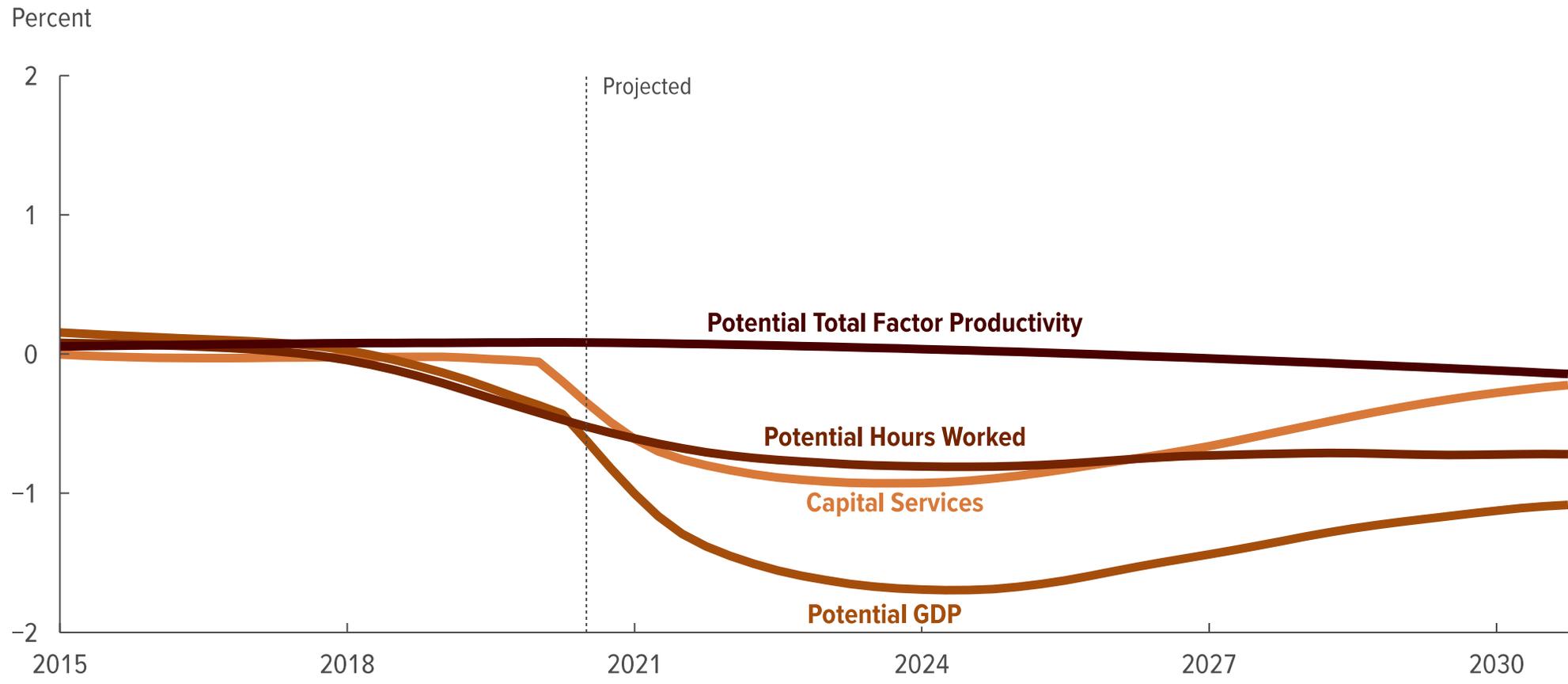
Percentage of Potential GDP



Economic Projections for 2020 and 2021

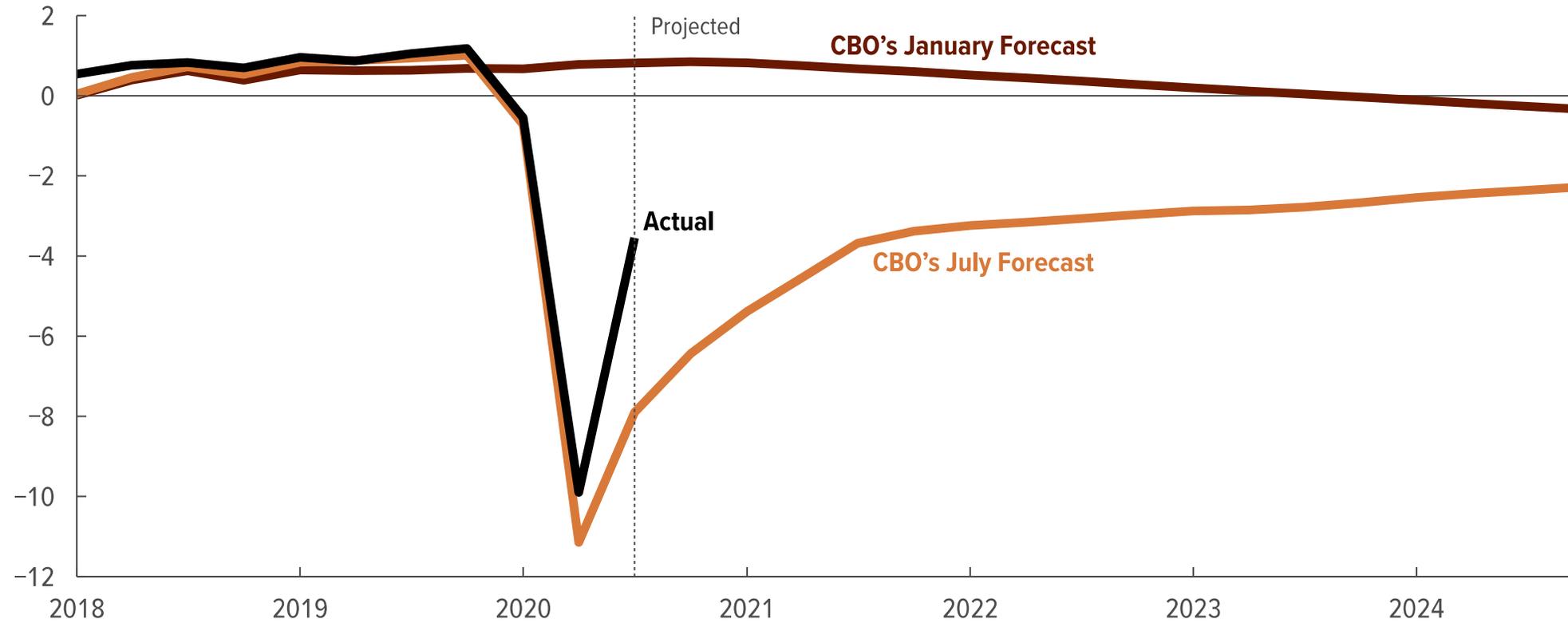
Percent	2020 Q1	2020 Q2	2020 Q3	2020 Q4	Annual Change From Q4 to Q4	
					2020	2021
Change in Real GDP						
Since previous quarter	-1.3	-10.1	4.0	1.9	n.a.	n.a.
Annual rate	-5.0	-34.6	17.0	7.9	-5.9	4.8
Change in Nominal GDP						
Since previous quarter	-0.9	-10.6	4.3	2.0	n.a.	n.a.
Annual rate	-3.4	-36.3	18.6	8.3	-5.7	6.2
Inflation						
Change in PCE price index (Annual rate)	1.3	-2.0	1.6	0.7	0.4	1.3
Change in GDP price index (Annual rate)	1.4	-2.2	1.3	0.4	0.2	1.3
Unemployment Rate	3.8	13.8	14.1	10.5	10.6	8.4
Interest Rates						
3-month Treasury bills	1.1	0.1	0.2	0.2	0.4	0.2
10-year Treasury notes	1.4	0.7	0.7	0.8	0.9	0.9

Revisions Since January to Potential GDP and Underlying Components (Nonfarm Business)

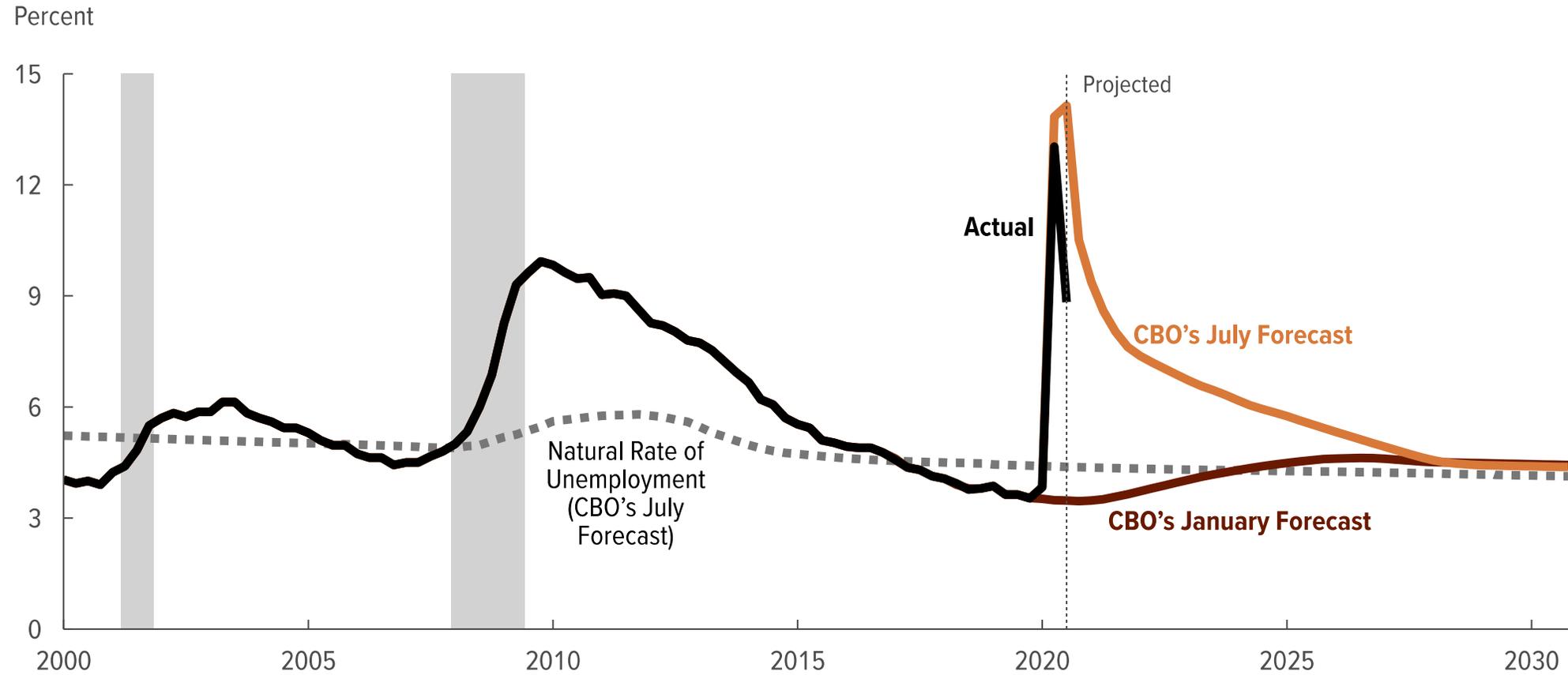


Difference Between GDP and Potential GDP

Percentage of Potential GDP



Unemployment Rate



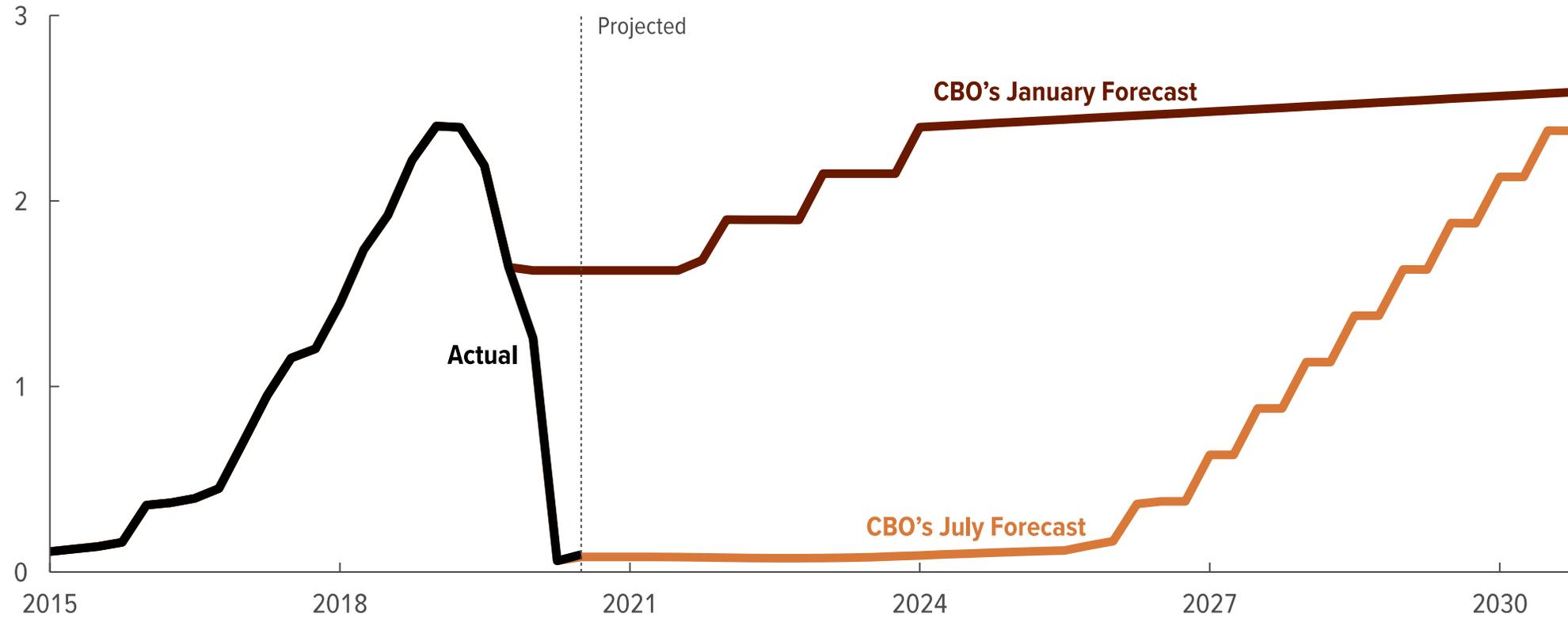
Consumer Price Inflation

Percentage Change



Federal Funds Rate

Percent



Interest Rate on 10-Year Treasury Securities

