



## CBO's Economic Projections for 2014 to 2024

**T**he tables in this appendix expand on the information in Chapter 2 by showing the Congressional Budget Office's (CBO's) economic projections for each year from 2014 to 2024 (by calendar year in Table G-1 and by fiscal year in Table G-2). For years after 2017, CBO did not attempt to forecast the frequency or size of fluctuations

in the business cycle. Instead, the values shown in these tables for 2018 to 2024 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 G-1.****CBO's Economic Projections, by Calendar Year**

	Estimated, 2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
	<b>Year to Year (Percentage change)</b>											
Gross Domestic Product												
Real	1.7	2.7	3.3	3.4	3.0	2.4	2.3	2.2	2.2	2.1	2.1	2.0
Nominal	3.2	4.2	5.1	5.3	4.9	4.4	4.3	4.2	4.2	4.2	4.1	4.1
Inflation												
PCE price index	1.1	1.3	1.7	1.8	1.8	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Core PCE price index <sup>a</sup>	1.2	1.4	1.8	1.9	1.9	1.9	2.0	2.0	2.0	2.0	2.0	2.0
Consumer price index <sup>b</sup>	1.5 <sup>c</sup>	1.7	2.0	2.1	2.2	2.4	2.4	2.4	2.4	2.4	2.4	2.4
Core consumer price index <sup>a</sup>	1.8 <sup>c</sup>	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	1.4	1.5	1.7	1.8	1.9	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Employment Cost Index <sup>d</sup>	1.9	2.3	3.0	3.5	3.8	3.9	3.8	3.8	3.7	3.7	3.6	3.6
	<b>Calendar Year Average</b>											
Unemployment Rate (Percent)	7.4 <sup>c</sup>	6.8	6.5	6.1	5.9	5.8	5.7	5.7	5.6	5.6	5.5	5.5
Payroll Employment (Monthly change, in thousands) <sup>e</sup>	190 <sup>c</sup>	164	160	141	124	85	58	56	61	71	68	67
Interest Rates (Percent)												
Three-month Treasury bills	0.1 <sup>c</sup>	0.2	0.4	1.8	3.3	3.7	3.7	3.7	3.7	3.7	3.7	3.7
Ten-year Treasury notes	2.4 <sup>c</sup>	3.1	3.7	4.3	4.8	5.0	5.0	5.0	5.0	5.0	5.0	5.0
Tax Bases (Percentage of GDP)												
Wages and salaries	42.6	42.6	42.5	42.5	42.6	42.8	42.9	43.0	43.1	43.2	43.3	43.5
Domestic economic profits	9.9	9.5	9.5	9.5	9.0	8.5	8.1	7.8	7.5	7.3	7.2	7.0
Tax Bases (Billions of dollars)												
Wages and salaries	7,141	7,438	7,807	8,220	8,648	9,072	9,479	9,899	10,336	10,801	11,280	11,777
Domestic economic profits	1,657	1,667	1,740	1,837	1,829	1,791	1,782	1,788	1,809	1,833	1,874	1,905
Nominal GDP (Billions of dollars)	16,769	17,472	18,357	19,329	20,281	21,180	22,097	23,035	23,998	25,000	26,036	27,095

Source: Congressional Budget Office.

Notes: Estimated values for 2013 do not reflect the values for GDP and related series released by the Bureau of Economic Analysis since early December 2013.

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

- a. Excludes prices for food and energy.
- b. The consumer price index for all urban consumers.
- c. Actual value for 2013. (Actual values come from the Bureau of Labor Statistics and the Federal Reserve.)
- d. The employment cost index for wages and salaries of workers in private industry.
- e. Calculated as the monthly average of the fourth-quarter-to-fourth-quarter change in the quarterly average level of payroll employment.

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

	Actual, 2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
<b>Year to Year (Percentage change)</b>												
Gross Domestic Product												
Real	1.7	2.4	3.3	3.4	3.1	2.5	2.3	2.2	2.2	2.1	2.1	2.1
Nominal	3.3	3.9	4.9	5.3	5.1	4.5	4.4	4.3	4.2	4.2	4.2	4.1
Inflation												
PCE price index	1.3	1.2	1.6	1.8	1.8	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Core PCE price index <sup>a</sup>	1.4	1.3	1.7	1.9	1.9	1.9	2.0	2.0	2.0	2.0	2.0	2.0
Consumer price index <sup>b</sup>	1.6	1.5	1.9	2.1	2.2	2.4	2.4	2.4	2.4	2.4	2.4	2.4
Core consumer price index <sup>a</sup>	1.8	1.8	2.0	2.2	2.2	2.3	2.3	2.3	2.3	2.3	2.3	2.3
GDP price index	1.5	1.5	1.6	1.8	1.9	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Employment Cost Index <sup>c</sup>	1.8	2.2	2.9	3.4	3.8	3.9	3.8	3.8	3.8	3.7	3.6	3.6
<b>Fiscal Year Average</b>												
Unemployment Rate (Percent)	7.6	6.9	6.6	6.2	5.9	5.8	5.7	5.7	5.6	5.6	5.5	5.5
Payroll Employment (Monthly change, in thousands) <sup>d</sup>	187	172	160	147	126	101	58	57	58	70	69	68
Interest Rates (Percent)												
Three-month Treasury bills	0.1	0.1	0.2	1.4	3.0	3.7	3.7	3.7	3.7	3.7	3.7	3.7
Ten-year Treasury notes	2.1	3.0	3.6	4.2	4.7	5.0	5.0	5.0	5.0	5.0	5.0	5.0
Tax Bases (Percentage of GDP)												
Wages and salaries	42.7	42.6	42.5	42.5	42.6	42.8	42.9	43.0	43.0	43.2	43.3	43.4
Domestic economic profits	10.0	9.5	9.5	9.5	9.2	8.6	8.1	7.8	7.6	7.4	7.2	7.1
Tax Bases (Billions of dollars)												
Wages and salaries	7,102	7,359	7,708	8,115	8,540	8,967	9,378	9,792	10,225	10,683	11,159	11,651
Domestic economic profits	1,661	1,642	1,724	1,819	1,842	1,797	1,781	1,785	1,804	1,826	1,864	1,899
Nominal GDP (Billions of dollars)	16,632	17,273	18,126	19,083	20,052	20,954	21,867	22,799	23,755	24,746	25,774	26,830

Sources: Congressional Budget Office; Bureau of Economic Analysis; Bureau of Labor Statistics; Federal Reserve.

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

- 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 industry.
- d. Calculated as the monthly average of the fourth-quarter-to-fourth-quarter change in the quarterly average level of payroll employment.

