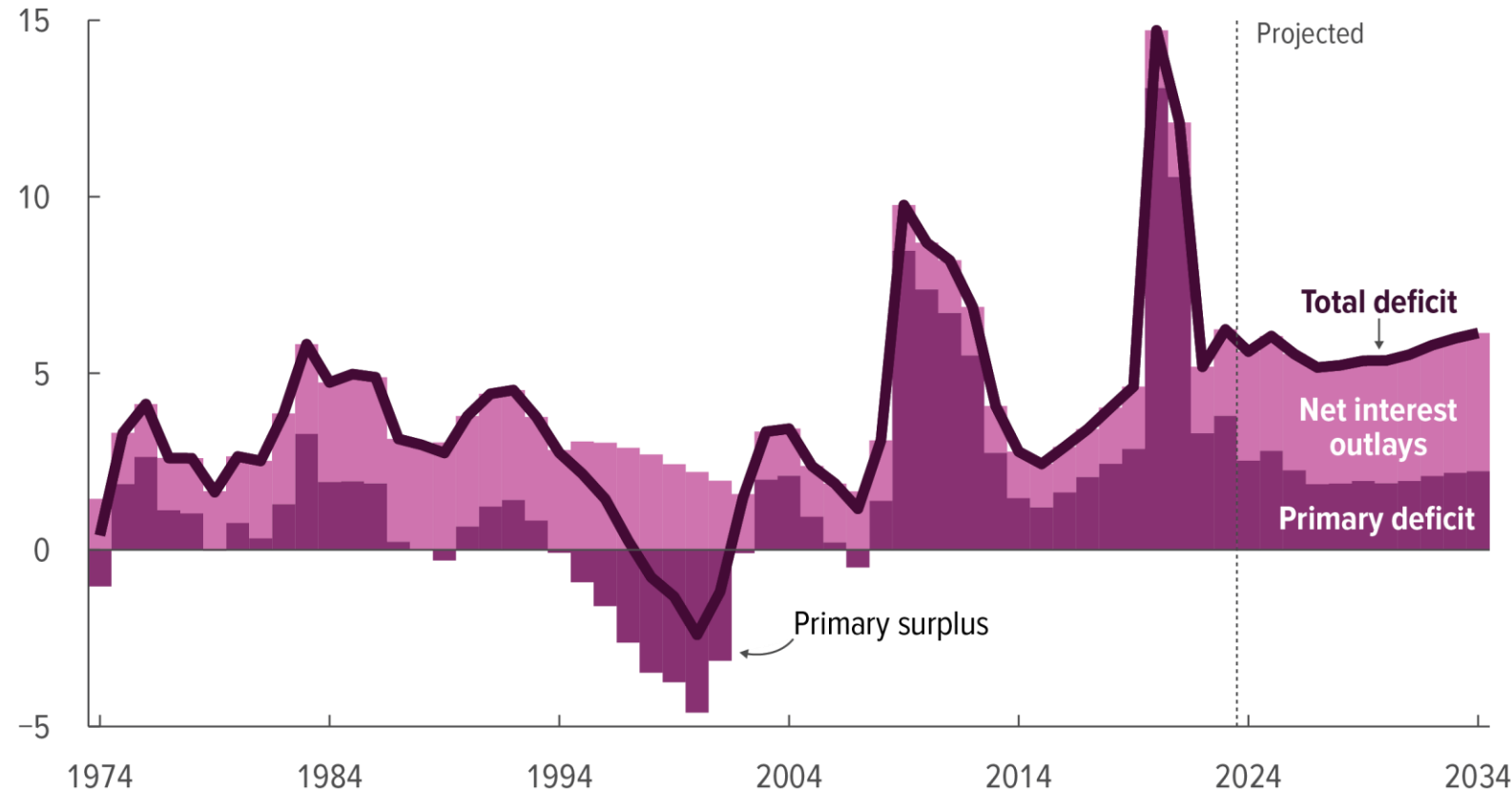


# The Budget and Economic Outlook for 2024 to 2034: Press Briefing Slides

February 2024

# Total Deficit, Net Interest Outlays, and Primary Deficit

Percentage of GDP

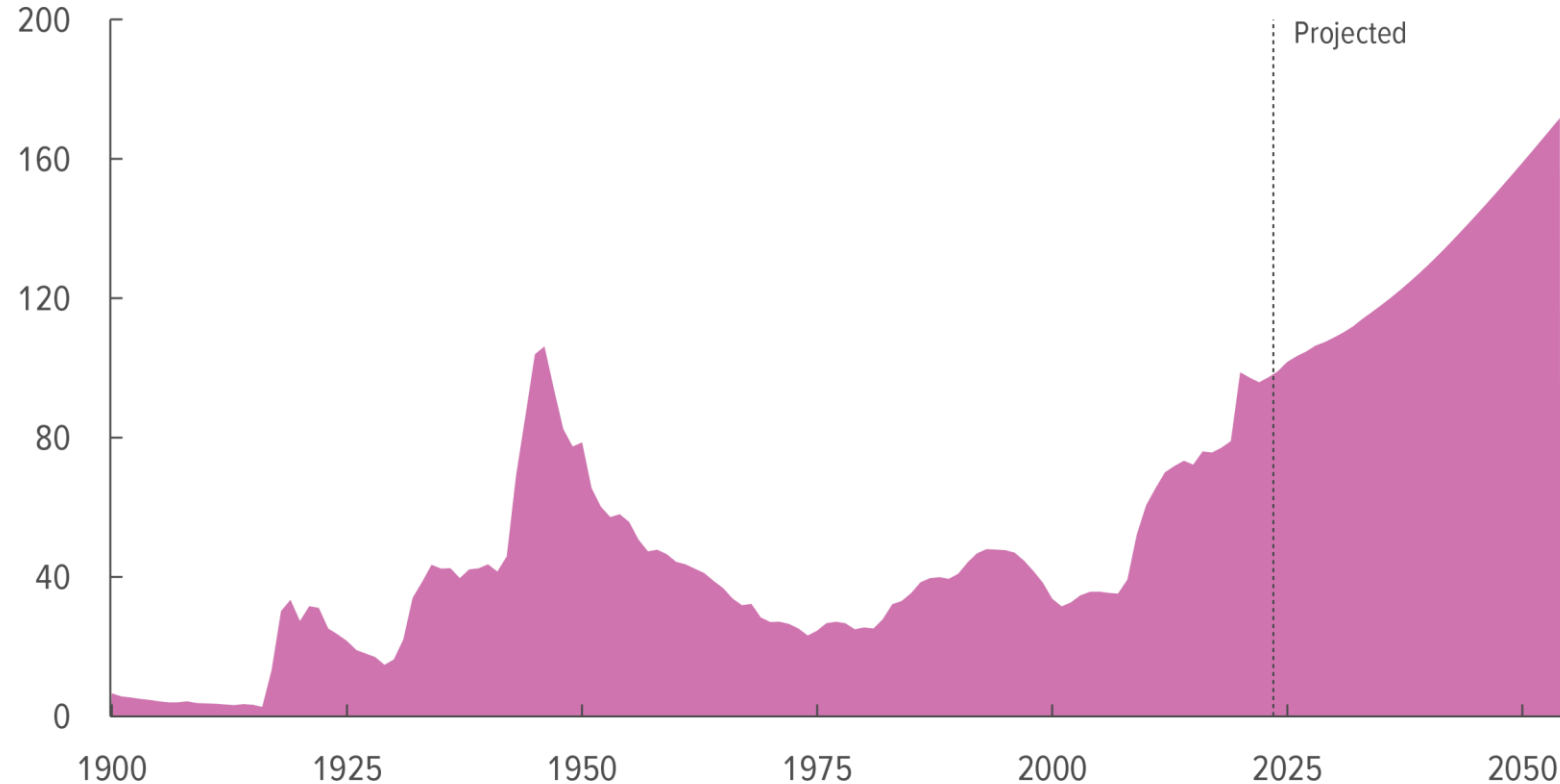


In CBO's projections, the total budget deficit—the amount by which outlays exceed revenues—equals 6.1 percent of GDP in 2034. Net interest payments grow in relation to GDP, reaching 3.9 percent of GDP in 2034. Primary deficits increase in 2025, decline over the next few years, and then increase again.

Primary deficits or surpluses exclude net outlays for interest. When outlays exceed revenues, the result is a deficit. In this figure, deficits and surpluses were calculated by subtracting revenues from outlays; thus, positive values indicate deficits, and negative values indicate surpluses. The deficit numbers have been adjusted to exclude the effects of shifts that occur in the timing of certain payments when October 1, the first day of the fiscal year, falls on a weekend. GDP = gross domestic product.

# Federal Debt Held by the Public

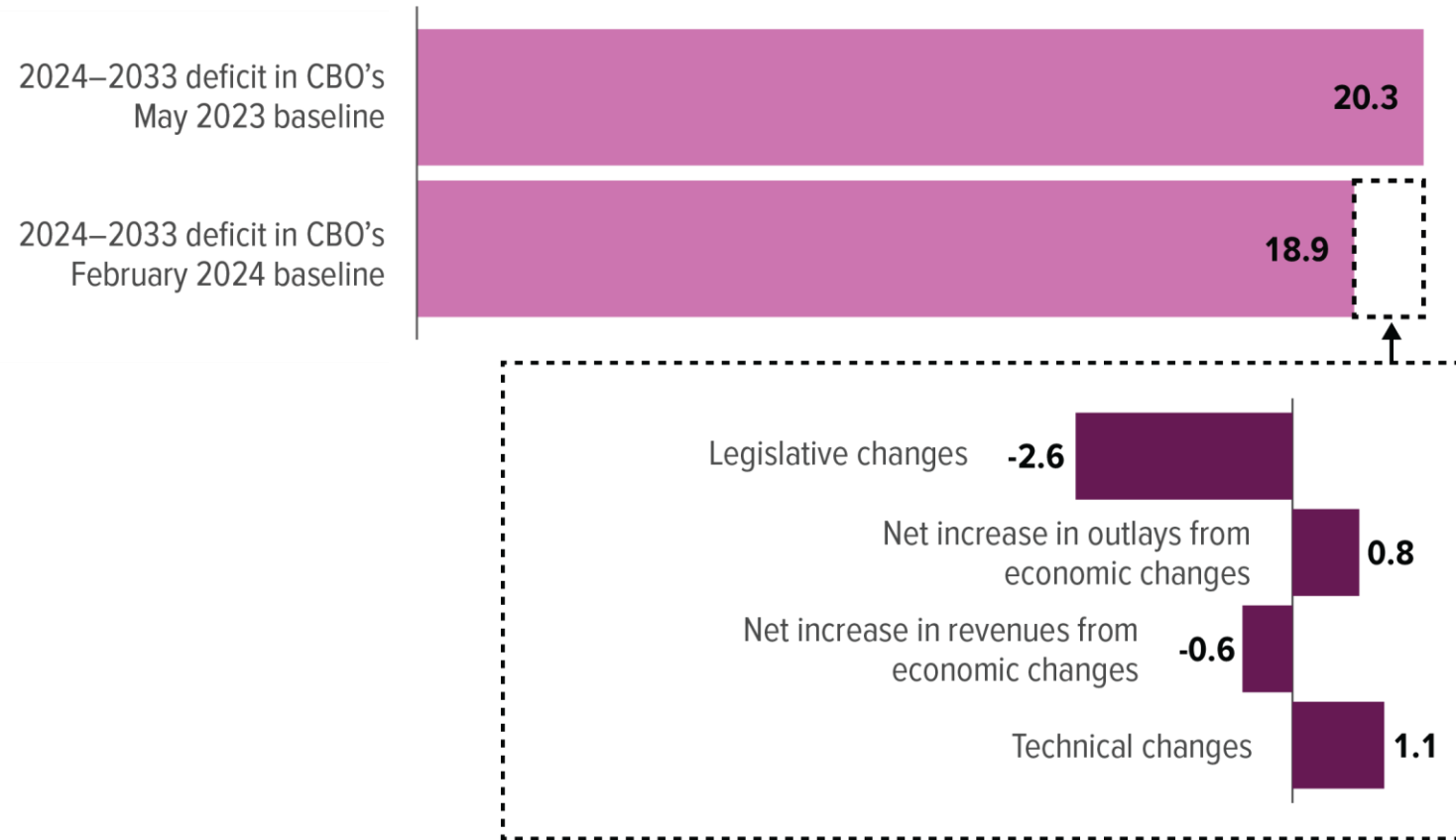
Percentage of GDP



Federal debt held by the public increases each year in CBO's projections, swelling to an all-time record of 116 percent of GDP in 2034. In the two decades that follow, growing deficits are projected to cause federal debt to soar to 172 percent of GDP by 2054.

# Changes in CBO's Baseline Projections of the 10-Year Deficit Since May 2023

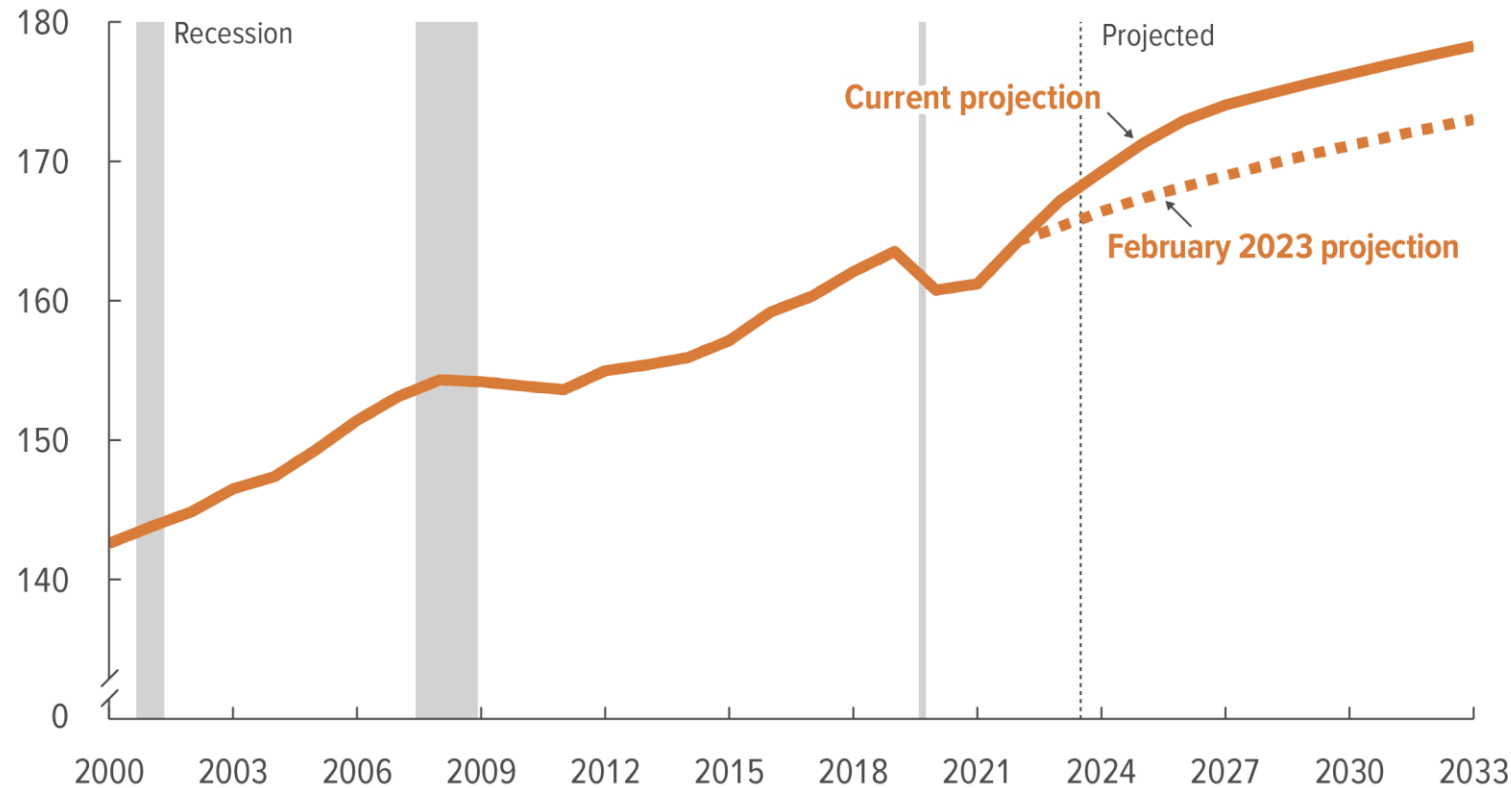
Trillions of dollars



The cumulative deficit over the 2024–2033 period is \$1.4 trillion smaller in CBO's current baseline projections than it was in the agency's May 2023 projections, mainly because of newly enacted legislation that reduced discretionary outlays.

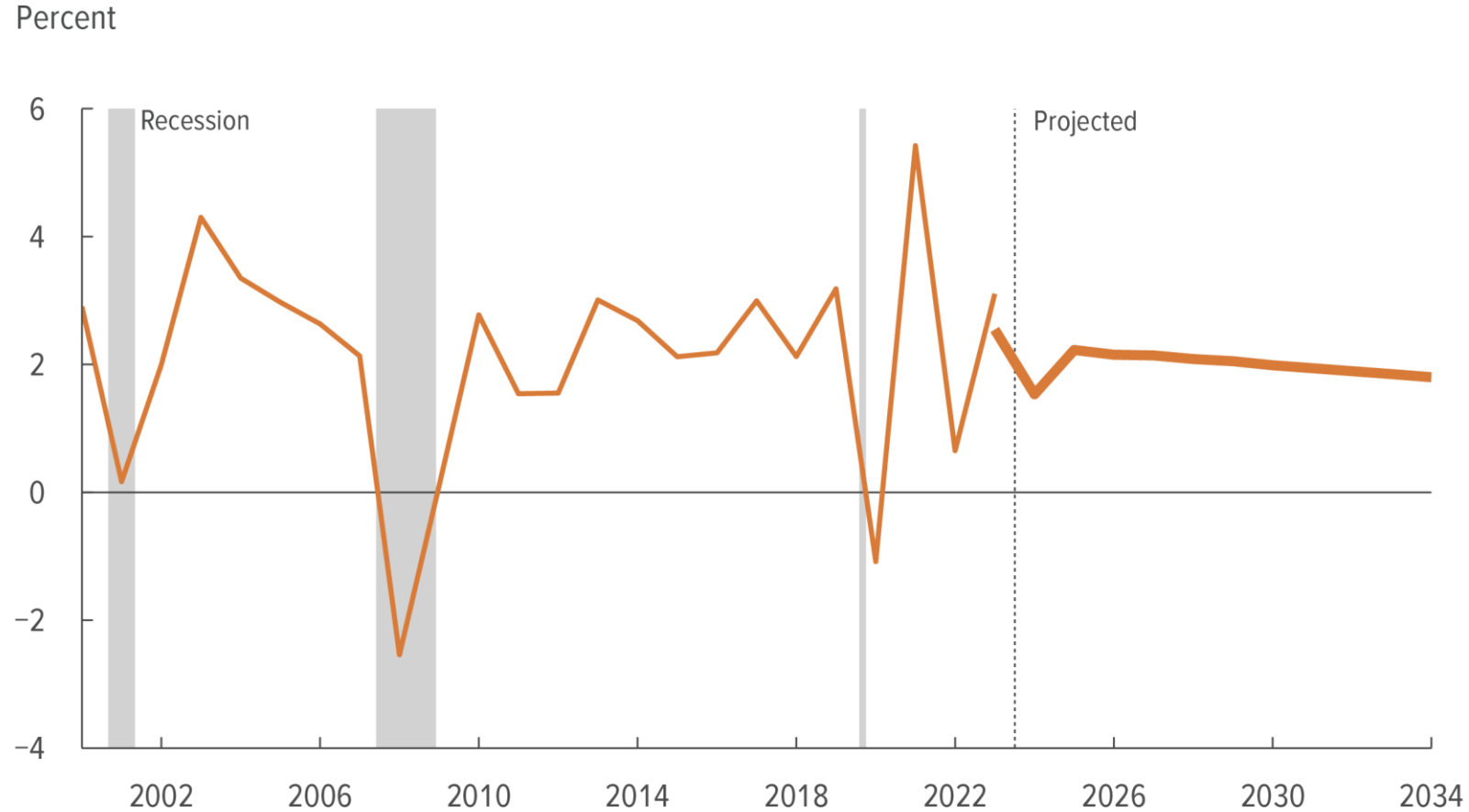
# Labor Force

Millions of people



Since last year, CBO has increased its projection of the size of the labor force in 2033 by 5.2 million people. Most of that increase results from higher projected net immigration.

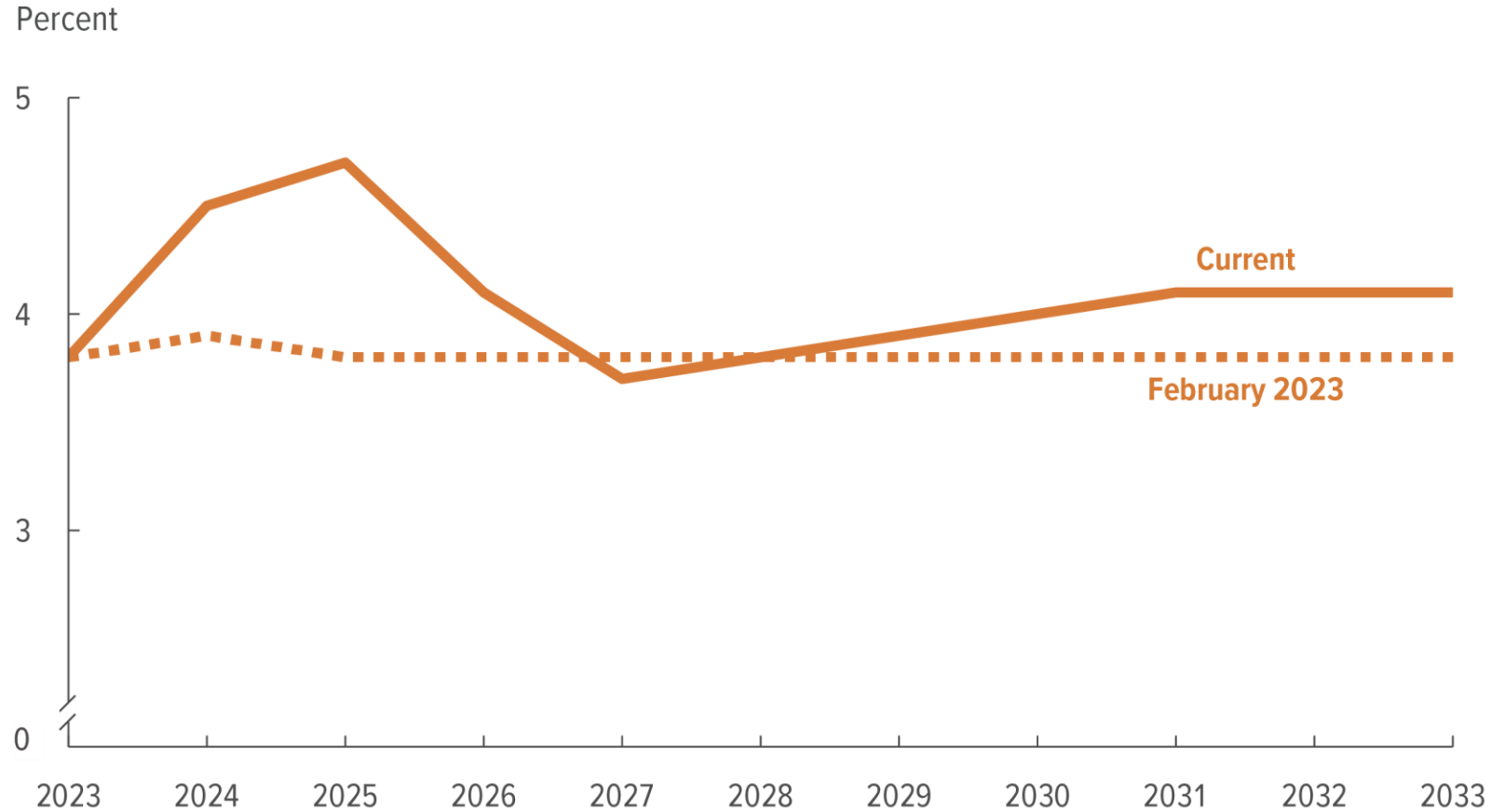
# Growth of Real GDP



The growth of economic output is projected to slow in 2024 as the growth of consumer spending slows and as business investment in nonresidential structures declines. Economic growth is projected to increase in 2025 after the Federal Reserve responds to weaker economic conditions in 2024 by lowering interest rates.



# Interest Rate on 10-Year Treasury Notes



Increases in projected interest rates drove up net outlays for interest in CBO's baseline projections.