



## CBO's Economic Projections for 2015 to 2025

**T**he 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 F-1 and by fiscal year in Table F-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 F-1.****CBO's Economic Projections, by Calendar Year**

	Estimated, 2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
<b>Percentage Change From Year to Year</b>												
Gross Domestic Product												
Real (Inflation-adjusted)	2.2	2.8	3.0	2.7	2.2	2.1	2.2	2.2	2.2	2.1	2.1	2.1
Nominal	3.9	4.5	4.6	4.6	4.3	4.1	4.3	4.3	4.2	4.2	4.2	4.2
Inflation												
PCE price index	1.4	1.1	1.9	1.9	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Core PCE price index <sup>a</sup>	1.4	1.7	1.9	1.9	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Consumer price index <sup>b</sup>	1.6 <sup>c</sup>	1.1	2.2	2.3	2.3	2.4	2.4	2.4	2.4	2.4	2.4	2.4
Core consumer price index <sup>a</sup>	1.7 <sup>c</sup>	2.0	2.2	2.3	2.3	2.3	2.3	2.3	2.3	2.3	2.3	2.3
GDP price index	1.6	1.6	1.6	1.9	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Employment Cost Index <sup>d</sup>	2.0	2.7	3.0	3.5	3.6	3.6	3.5	3.5	3.4	3.4	3.3	3.3
<b>Calendar Year Average</b>												
Unemployment Rate (Percent)	6.2 <sup>c</sup>	5.5	5.4	5.3	5.4	5.5	5.5	5.5	5.4	5.4	5.4	5.4
Payroll Employment (Monthly change, in thousands) <sup>e</sup>	234 <sup>c</sup>	184	148	111	70	68	75	77	79	80	80	80
Interest Rates (Percent)												
Three-month Treasury bills	* <sup>c</sup>	0.2	1.2	2.6	3.5	3.4	3.4	3.4	3.4	3.4	3.4	3.4
Ten-year Treasury notes	2.5 <sup>c</sup>	2.8	3.4	3.9	4.2	4.5	4.6	4.6	4.6	4.6	4.6	4.6
Tax Bases (Percentage of GDP)												
Wages and salaries	42.7	42.6	42.6	42.7	42.8	42.8	42.9	42.9	43.0	43.0	43.1	43.1
Domestic economic profits	9.9	10.0	9.7	9.4	9.0	8.6	8.4	8.2	8.0	7.9	7.8	7.8
Tax Bases (Billions of dollars)												
Wages and salaries	7,432	7,755	8,118	8,503	8,880	9,259	9,665	10,090	10,533	10,994	11,472	11,965
Domestic economic profits	1,716	1,825	1,843	1,867	1,875	1,865	1,889	1,924	1,962	2,016	2,086	2,161
Nominal GDP (Billions of dollars)	17,422	18,204	19,045	19,919	20,768	21,625	22,550	23,515	24,515	25,550	26,625	27,736

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

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. Actual value for 2014.
- d. The employment cost index for wages and salaries of workers in private industries.
- e. Calculated as the monthly average of the fourth-quarter-to-fourth-quarter change in payroll employment.

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

	Actual, 2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
<b>Percentage Change From Year to Year</b>												
Gross Domestic Product												
Real (Inflation-adjusted)	2.6	2.7	3.0	2.8	2.3	2.0	2.2	2.2	2.2	2.1	2.1	2.1
Nominal	4.1	4.4	4.5	4.6	4.3	4.1	4.3	4.3	4.3	4.2	4.2	4.2
Inflation												
PCE price index	1.3	1.1	1.7	1.9	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Core PCE price index <sup>a</sup>	1.4	1.6	1.9	1.9	1.9	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Consumer price index <sup>b</sup>	1.6	1.1	2.0	2.3	2.4	2.3	2.4	2.4	2.4	2.4	2.4	2.4
Core consumer price index <sup>a</sup>	1.7	1.9	2.2	2.2	2.3	2.3	2.3	2.3	2.3	2.3	2.3	2.3
GDP price index	1.5	1.7	1.5	1.8	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Employment Cost Index <sup>c</sup>	1.9	2.7	2.9	3.4	3.6	3.6	3.6	3.5	3.4	3.4	3.3	3.3
<b>Fiscal Year Average</b>												
Unemployment Rate (Percent)	6.5	5.6	5.4	5.4	5.3	5.4	5.5	5.5	5.5	5.4	5.4	5.4
Payroll Employment (Monthly change, in thousands) <sup>d</sup>	217	208	153	119	80	65	75	76	79	79	80	79
Interest Rates (Percent)												
Three-month Treasury bills	*	0.1	0.9	2.2	3.4	3.4	3.4	3.4	3.4	3.4	3.4	3.4
Ten-year Treasury notes	2.7	2.6	3.2	3.8	4.1	4.4	4.6	4.6	4.6	4.6	4.6	4.6
Tax Bases (Percentage of GDP)												
Wages and salaries	42.6	42.6	42.6	42.7	42.7	42.8	42.8	42.9	43.0	43.0	43.1	43.1
Domestic economic profits	9.8	10.1	9.8	9.4	9.1	8.7	8.4	8.2	8.0	7.9	7.8	7.8
Tax Bases (Billions of dollars)												
Wages and salaries	7,350	7,668	8,024	8,406	8,787	9,162	9,562	9,982	10,421	10,877	11,351	11,840
Domestic economic profits	1,684	1,827	1,842	1,861	1,878	1,863	1,880	1,916	1,951	2,001	2,068	2,142
Nominal GDP (Billions of dollars)	17,263	18,016	18,832	19,701	20,558	21,404	22,315	23,271	24,261	25,287	26,352	27,456

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

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.