

ECONOMIC FORECAST

Economic Indicators	2026				2027				2028		Annual Average		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	2026	2027	2028
Interest rates													
Federal funds rate (upper band)	3.75%	3.75%	3.75%	4.00%	4.00%	4.00%	4.00%	4.00%	4.25%	4.25%	3.8%	4.0%	4.3%
3-mo Treasury Bills	3.60%	3.78%	3.78%	4.03%	4.03%	4.03%	4.03%	4.03%	4.28%	4.28%	3.8%	4.0%	4.3%
2-yr Treasury Notes	3.80%	4.15%	4.25%	4.50%	4.50%	4.50%	4.50%	4.50%	4.75%	4.75%	4.2%	4.5%	4.8%
5-yr Treasury Notes	3.94%	4.20%	4.30%	4.55%	4.55%	4.55%	4.55%	4.55%	4.70%	4.70%	4.2%	4.6%	4.7%
10-yr Treasury Notes	4.32%	4.40%	4.50%	4.65%	4.65%	4.65%	4.65%	4.65%	4.50%	4.50%	4.5%	4.7%	4.5%
30-yr Treasury Bonds	4.91%	4.85%	4.90%	5.05%	5.05%	5.05%	5.05%	5.05%	5.00%	5.00%	4.9%	5.1%	5.0%
Prime Rate	6.75%	6.75%	6.75%	7.00%	7.00%	7.00%	7.00%	7.00%	7.25%	7.25%	6.8%	7.0%	7.3%
Avg.30Yr Fixed Rate Mortgage	6.48%	6.55%	6.65%	6.80%	6.80%	6.80%	6.80%	6.80%	6.65%	6.65%	6.6%	6.8%	6.7%
GDP (QoQ% SAAR)													
Consumer Spending	0.5%	1.6%	1.5%	1.5%	1.8%	2.0%	2.3%	2.5%	2.5%	2.5%	1.3%	2.2%	2.5%
Government Spending	4.4%	4.0%	4.0%	3.0%	2.5%	2.5%	2.3%	2.0%	2.0%	2.0%	3.9%	2.3%	2.0%
Private Investment	7.9%	5.0%	2.5%	2.3%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	4.4%	2.5%	2.5%
Exports	10.9%	2.0%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	4.5%	2.5%	2.5%
Imports	11.8%	2.3%	2.3%	2.3%	2.3%	2.3%	2.3%	2.3%	2.3%	2.3%	4.7%	2.3%	2.3%
Inflation Indicators													
CPI (YoY%)	2.7%	4.4%	4.4%	4.3%	4.0%	3.8%	3.5%	3.5%	3.3%	3.0%	4.0%	3.7%	3.1%
Core CPI (YoY%)	2.8%	3.5%	3.5%	3.4%	3.1%	2.9%	2.7%	2.6%	2.5%	2.4%	3.3%	2.8%	2.5%
PCE (YoY%)	3.1%	4.2%	4.2%	4.1%	3.7%	3.6%	3.3%	3.2%	3.0%	2.7%	3.9%	3.4%	2.9%
Core PCE (YoY%)	3.1%	3.5%	3.5%	3.3%	3.0%	2.9%	2.6%	2.5%	2.3%	2.2%	3.4%	2.8%	2.3%
Labor Market													
Unemployment Rate	4.3%	4.4%	4.5%	4.5%	4.4%	4.4%	4.3%	4.2%	4.1%	4.0%	4.4%	4.3%	4.1%
Non Farm Payrolls (000s) (Avg. per month)	73	150	100	75	100	125	150	150	175	200	100	131	188
Avg. Hourly Earnings (YoY%)	3.6%	3.5%	3.4%	3.3%	3.4%	3.5%	3.6%	3.7%	3.8%	3.8%	3.5%	3.6%	3.8%

Blue Font Indicates Actual Results

6/25/2026