

Consumer Electronics Association Economic Outlook

	2008				2009				2010				Annual			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	2008	2009	2010	2011
Real Gross Domestic Product (a)	0.9	2.8	-0.5	-6.3	-5.7	-1.2	0.3	1.7	2.2	3.5	4.5	4.4	1.1	-2.6	2.3	4.7
Personal Consumption	0.9	1.2	-3.8	-4.3	1.5	0.1	0.6	0.6	1.6	2.0	2.8	2.5	0.2	-0.7	1.5	3.0
Fixed Investment	-5.6	-1.7	-5.3	-22.0	-37.3	-14.3	-12.1	-4.5	1.9	8.2	11.1	11.3	-5.0	-19.7	0.5	12.9
Residential Investment	-25.1	-13.3	-16.0	-22.8	-38.7	-24.2	-5.6	14.2	23.9	29.9	27.2	20.0	-20.8	-22.4	15.7	21.3
Net Exports	-17.3	-53.6	-26.5	13.6	-52.5	15.9	-10.5	-6.8	-18.1	-23.5	-18.7	-23.3	-28.6	-21.7	-14.7	-28.0
Government	1.9	3.9	5.8	1.3	-3.5	8.0	0.5	1.8	0.6	0.8	0.8	0.5	2.9	1.9	1.3	-0.1
Contribution to Real GDP																
Personal Consumption	0.6	0.9	-2.7	-3.1	1.1	0.1	0.5	0.4	1.2	1.4	2.0	1.8	-1.1	0.5	1.6	2.2
Fixed Investment	-0.9	-0.3	-0.8	-3.6	-6.2	-1.9	-1.6	-0.5	0.2	0.9	1.3	1.3	-1.4	-2.6	0.9	1.7
Residential Investment	-1.0	-0.5	-0.5	-0.8	-1.3	-0.7	-0.1	0.3	0.5	0.7	0.7	0.5	-0.7	-0.5	0.6	0.6
Inventory Change	-0.1	-1.4	0.7	0.1	-2.3	-0.6	0.9	1.3	0.3	0.4	0.7	0.7	-0.2	-0.2	0.5	0.4
Net Exports	0.8	2.8	1.0	-0.4	2.2	-0.4	0.3	0.2	0.5	0.6	0.5	0.6	1.0	0.6	0.5	0.6
Government	0.3	0.7	1.0	0.2	-0.6	1.4	0.1	0.3	0.1	0.2	0.1	0.1	0.6	0.3	0.1	-0.1
Unemployment Rate	4.9	5.4	6.0	6.9	8.1	9.1	9.5	9.7	9.9	10.2	10.1	9.9	5.8	9.1	10.0	9.5
Employment (a)	-1.3	-1.6	-2.6	-6.5	-6.7	-5.4	-2.4	-0.8	-0.6	-1.0	1.5	2.0	-1.4	-4.7	-0.8	2.0
Productivity (b)	2.6	4.7	2.1	-0.6	1.4	4.6	2.2	2.5	2.8	5.0	3.3	2.6	2.8	2.1	3.2	3.2
Personal Income (a)	3.0	6.6	0.6	-1.7	-1.9	1.5	0.4	2.5	3.0	3.1	3.9	3.6	3.8	0.2	2.7	3.7
Real Disposable Income (a)	-0.7	10.7	-8.5	2.9	6.5	5.0	-7.7	0.6	2.5	1.9	1.5	2.7	1.3	1.6	0.7	3.4
Dollar Exchange Rate(d)	97.3	95.8	97.9	108.3	111.1	105.1	98.6	97.9	96.0	95.4	95.1	94.1	99.8	103.2	95.1	94.2
Import Price Index (a)	12.8	28.8	9.2	-37.3	-29.7	15.6	23.3	9.9	7.0	5.8	4.1	4.3	10.4	-8.6	9.1	3.1
Corporate Profits Before tax (e)	-1.5	-8.3	-9.2	-21.5	-18.0	-16.2	-16.6	1.1	0.0	7.2	12.3	15.5	-10.1	-13.1	8.7	18.9
Corporate Profits After tax (e)	1.8	-6.4	-7.9	-15.0	-15.0	-17.2	-18.2	-7.2	-6.1	7.9	13.6	16.1	-6.9	-14.6	7.6	19.8
Consumer Sentiment	72.9	59.6	64.8	57.7	58.3	66.0	68.5	70.7	72.6	74.3	75.7	77.0	63.8	65.9	74.9	79.5
Inflation Indicators (a)																
Consumer Price Index	4.5	4.5	6.2	-8.3	-2.4	1.7	6.3	2.4	2.2	1.5	0.2	1.1	3.8	0.0	2.3	0.4
Core Consumer Price Index	2.5	2.0	2.8	0.6	1.5	2.3	2.9	1.9	2.0	1.4	0.1	1.1	2.3	1.9	1.7	0.3
PCE Price Index	3.6	4.3	5.0	-4.9	-1.0	2.2	5.7	1.9	1.6	1.2	0.0	0.7	3.3	0.9	1.9	0.1
Producer Price Index	8.1	9.9	9.7	-19.0	-6.3	0.1	5.3	0.1	0.6	0.2	-1.0	-0.4	6.4	-3.1	0.7	-0.6
Employment Cost Index	3.5	1.2	3.0	-0.9	-2.5	-1.7	1.5	2.2	3.4	2.3	4.2	3.9	3.1	-0.4	2.6	3.6
Housing Indicators (f)																
Housing Starts	1,059	1,017	868	658	529	480	584	644	760	833	905	939	900	559	859	1,149
Commodity Prices																
Crude Oil	98.0	124.0	118.0	58.4	41.0	55.6	67.0	69.0	70.4	71.6	72.4	73.2	99.6	62.0	76.9	80.3
Copper	3.55	3.85	3.49	1.80	1.57	2.07	2.14	2.15	2.16	2.17	2.17	2.17	3.17	1.98	2.16	2.17
Interest Rate Yields (g)																
Federal Funds Rate	3.18	2.09	1.94	0.51	0.18	0.20	0.20	0.20	0.20	0.20	0.20	0.20	1.93	0.20	0.20	0.21
3-mon Treasury Bill	2.04	1.63	1.49	0.30	0.21	0.15	0.18	0.20	0.23	0.25	0.27	0.28	1.37	0.19	0.26	0.36
10-year Treasury Note	3.66	3.89	3.86	3.25	2.74	3.35	3.66	3.71	3.77	3.78	3.81	3.91	3.67	3.37	3.82	4.04

(a) Annualized percent change from previous quarter

(b) Nonfarm payroll, annualized percent change from previous quarter

(c) Output per hour, private nonfarm business, annualized percent change from previous quarter

(d) 36 Country trade-weighted exchange rate

(e) Year-over-year percentage change

(f) Thousands of units, average of monthly seasonally adjusted annual figure

(g) Quarterly average

Source: CEA Economic Analysis

Forecast prepared by the Consumer Electronics Association's Economic Analysis Group. Contact CEA's Economist, Shawn DuBravac at sdubravac@CEA.org with any comments or questions.