



**The Conference Board Economic Forecast for the U.S. Economy
February 11, 2015**

2015 off to a good start, remaining fairly strong this spring – relative to long-term trend

GDP rose by 2.6 percent (annualized) in the fourth quarter, above the long-term trend of 2 percent. Consumer spending was the important source of strength, growing by a very strong 4.3 percent. Falling oil prices, strong job growth, more positive consumer confidence, and even a little gain in wages underlies this performance. And consumer demand is expected to continue to propel the economy in the first half of 2015, offsetting some relatively weak investment and trade trends. These conditions could prevail through the year. Despite strong consumption, investment is expected to remain cautious as profits suffer from stronger dollar, no pricing power and lower oil prices. Slow investment, weak productivity growth and upward pressure on wages, could begin to become a threat for the business sector later in the year. Nevertheless, the American economy's performance is still remarkable in a weak global environment and fears of disinflation beset financial markets.

The U.S. Economic Forecast

THE CONFERENCE BOARD'S ECONOMIC OUTLOOK, 2014-2016
Percentage Change, Seasonally Adjusted Annual Rates
(except where noted)

	2014 IV Q*	I Q	II Q	2015 III Q	IV Q	2014 ANNUAL	2015 ANNUAL	2016 ANNUAL
Real GDP	2.6	2.4	2.4	2.3	2.4	2.4	2.9	2.5
Real Consumer Spending	4.3	4.0	3.3	2.6	2.6	2.5	3.5	2.6
Housing Starts Mil. Units	1.07	1.09	1.13	1.18	1.22	1.00	1.16	1.32
Real Capital Spending	1.9	4.0	3.2	3.5	4.6	6.1	4.3	4.4
Net Exports	-471.5	-485.2	-502.9	-514.6	-521.0	-452.6	-505.9	-525.0
* actual value								