



**The Conference Board Economic Forecast for the U.S. Economy  
August 12, 2015**

**U.S. economy on moderate growth - but downside risks from global developments and weak investment activity remain**

Gross domestic product grew at a 2.3 percent annual pace in the spring, up from the first quarter's 0.6 percent pace. While GDP expanded moderately, the bounce back from winter months was muted and the overall pace of 1.5 percent in the first half of 2015 was slower than the average pace of 2 percent in 2012-2014. Economic growth in the second half of 2015 is expected to remain on a moderate path of 2.4 percent, which is slightly above trend. While consumer spending is likely to power the economy supported by ongoing reduction in labor market slack and low gasoline prices, large first half inventory build is a negative for second half growth. Moderate growth with low price increases but potential of rising labor costs is a recipe for weak profit growth thus limiting capital investment. Greater volatility in oil prices at the lower end of the range solidify gains for consumers, but will also continue to weigh on energy investment activity. And slow global economy means slow export growth even if the effects of stronger dollar begin to run their course.

**The U.S. Economic Forecast**

THE CONFERENCE BOARD'S ECONOMIC OUTLOOK, 2015-2016  
Percentage Change, Seasonally Adjusted Annual Rates  
(except where noted)

	II Q*	2015 III Q	IV Q	2016 I Q	II Q	2014 ANNUAL	2015 ANNUAL	2016 ANNUAL
Real GDP	2.3	2.4	2.4	2.3	2.3	2.4	2.3	2.3
Real Consumer Spending	2.9	2.8	2.6	2.5	2.4	2.7	3.0	2.5
Housing Starts Mil. Units	1.14	1.13	1.19	1.23	1.27	1.00	1.12	1.32
Real Capital Spending	-0.6	4.5	4.7	4.4	3.9	6.2	2.6	4.0
Net Exports	-536.3	-540.9	-547.5	-556.5	-562.8	-442.5	-541.5	-567.1
* actual value								