

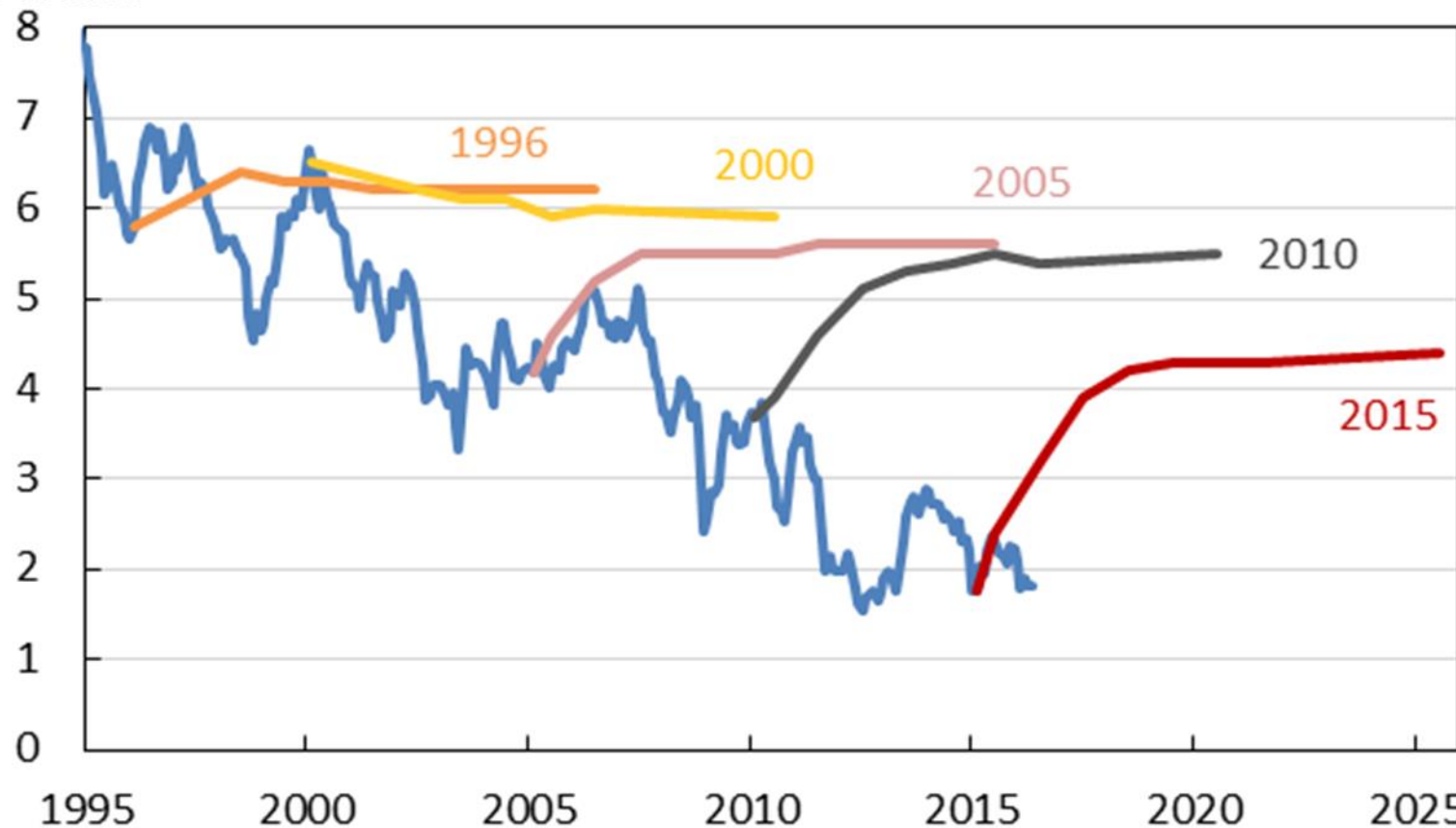


Economic Drivers and Impact of Lower Interest Rates

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Deputy Assistant Secretary for Economic Policy
Office of Economic Policy
August 18th, 2016

10-Year Treasury Rates and Historical Blue Chip Forecasts

Percent



Note: Forecasts are those reported by Blue Chip Economic Indicators released in March of the given calendar year, the median of over 50 private-sector economists. Source: Blue Chip Economic Indicators, Aspen Publishers.

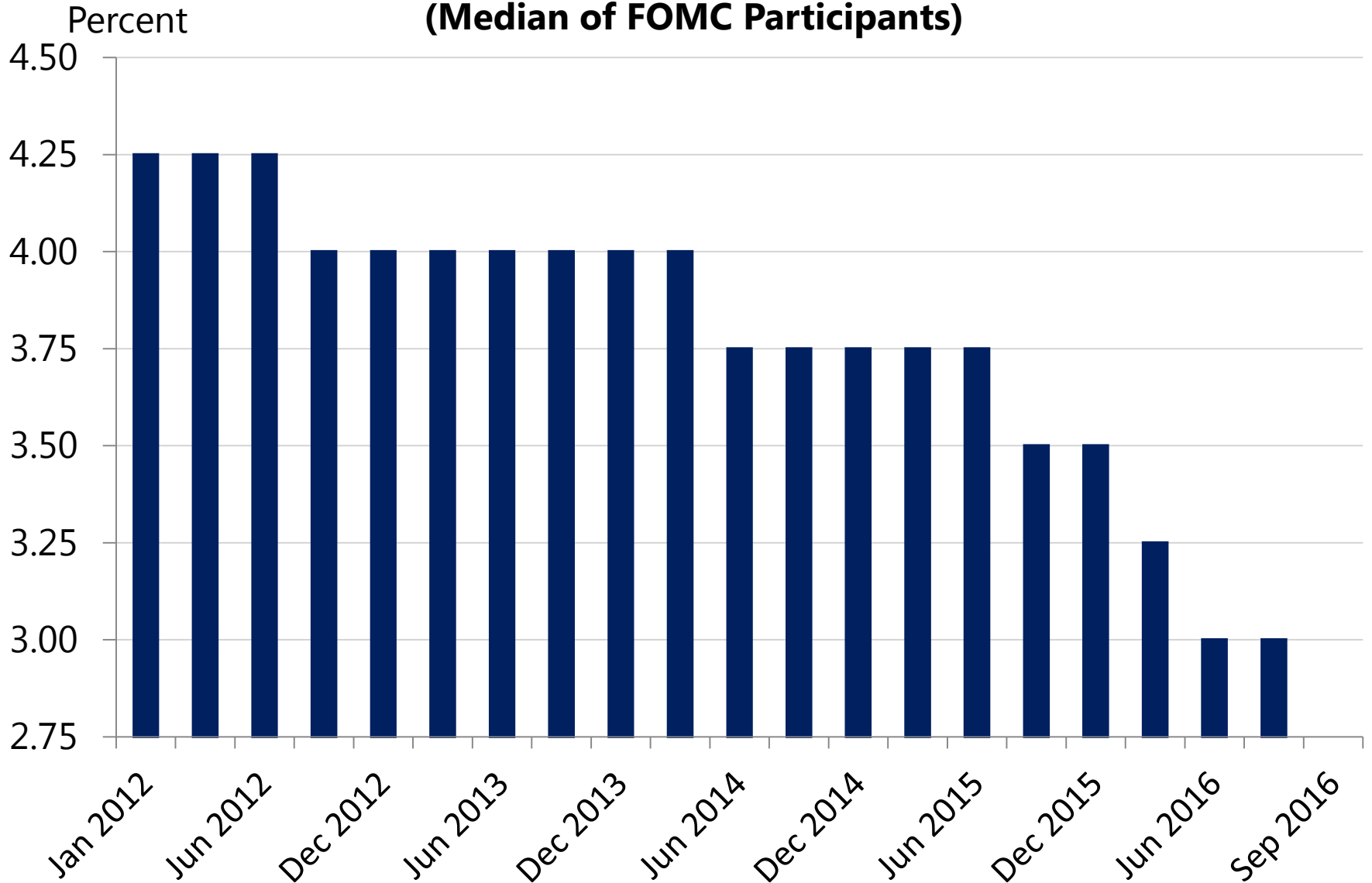
10-Year Treasury Rates and Historical Admin Forecasts



Note: Forecasts are those included in the President's budget released in February of the given calendar year. Each forecast series begins in February.

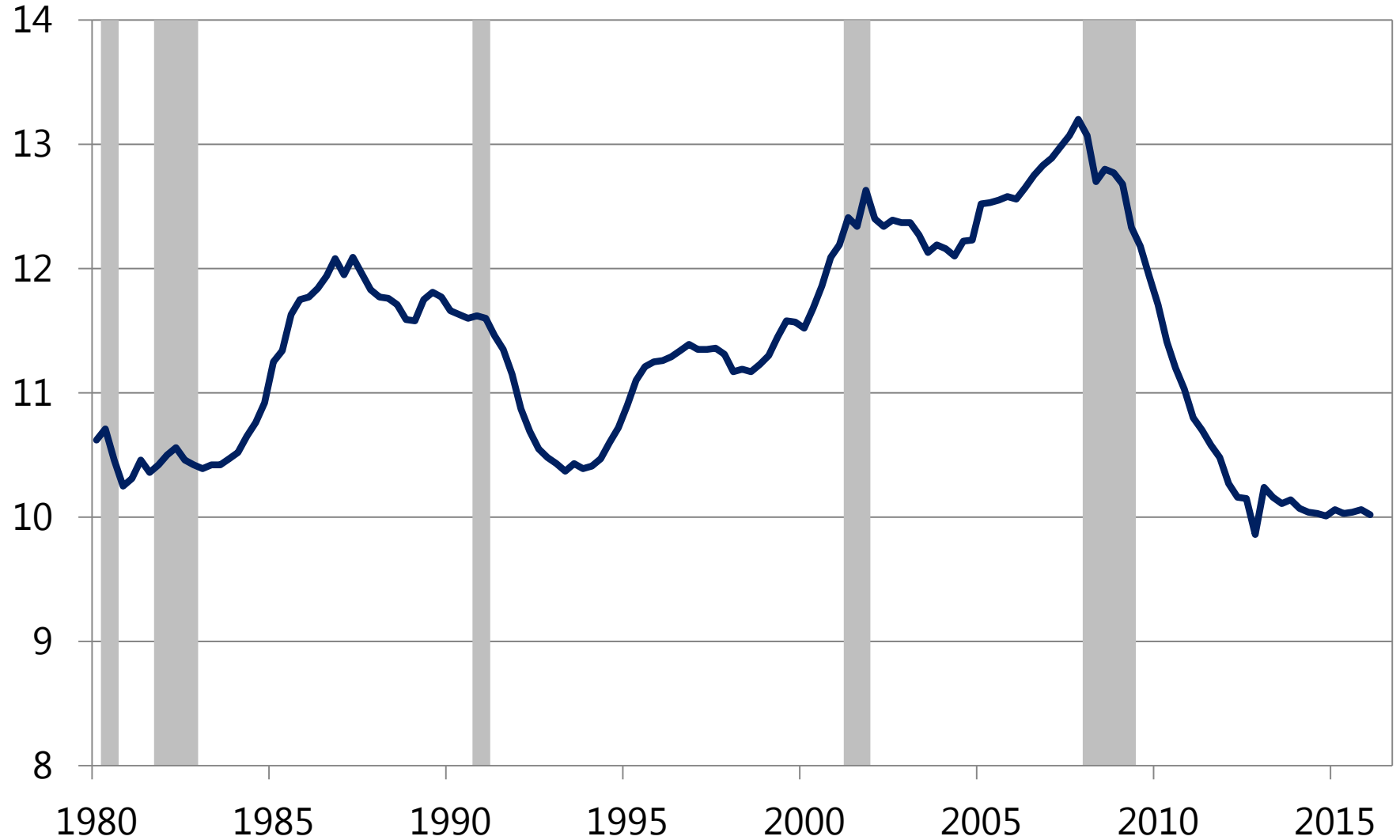
Source: Office of Management & Budget.

Long Run Federal Funds Rate Projection (Median of FOMC Participants)

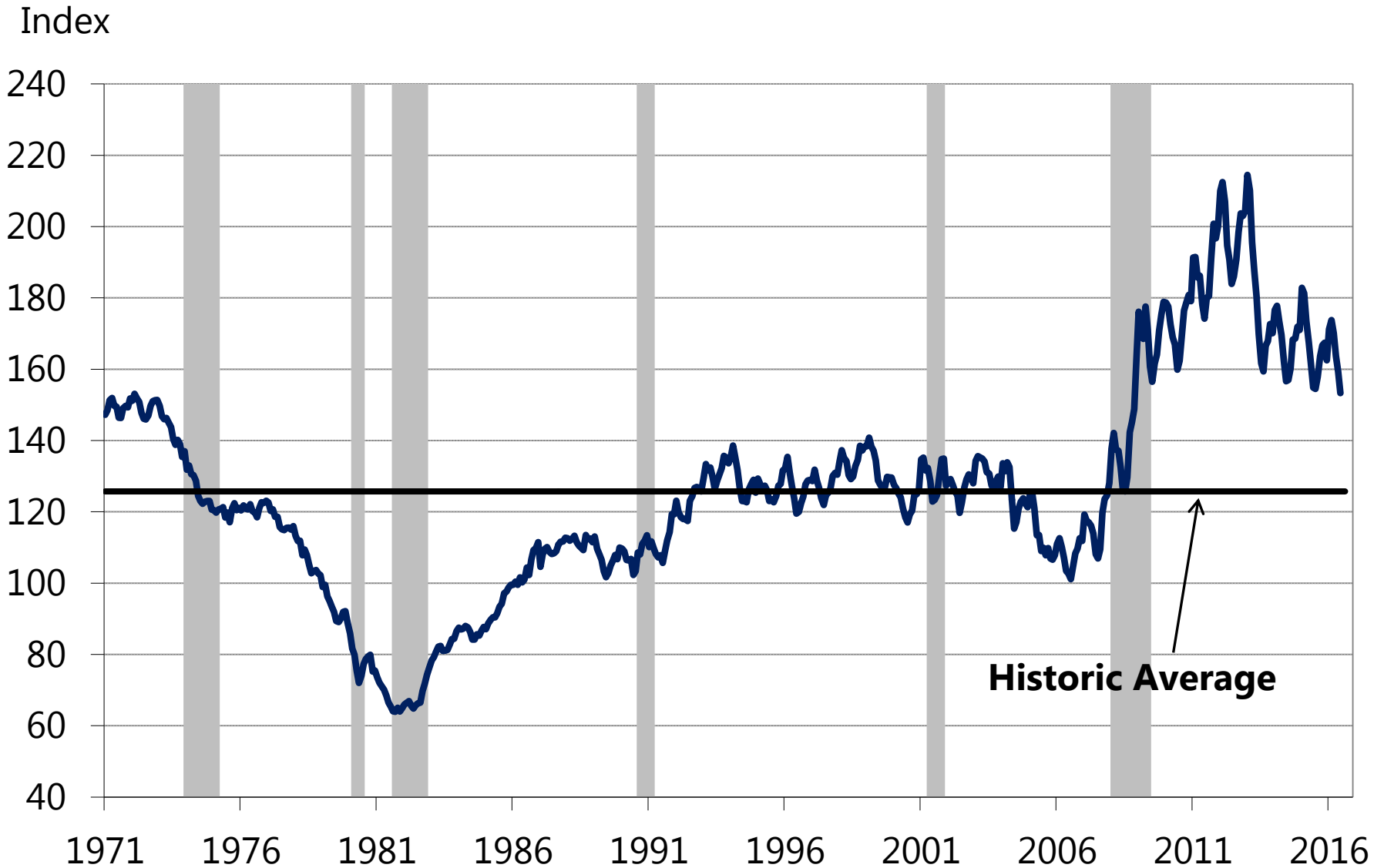


Household Debt Service Ratio

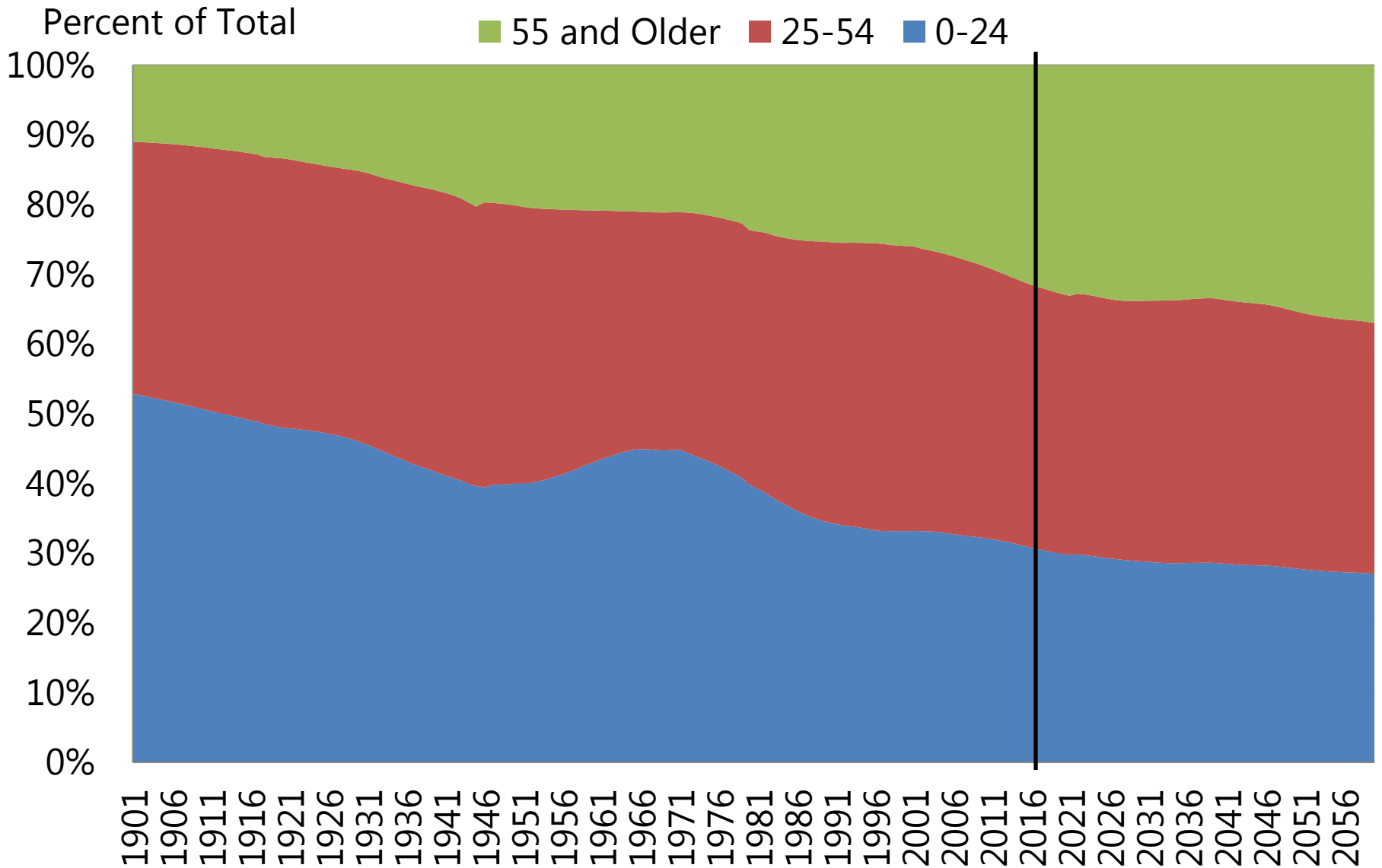
Ratio to Disposable Income



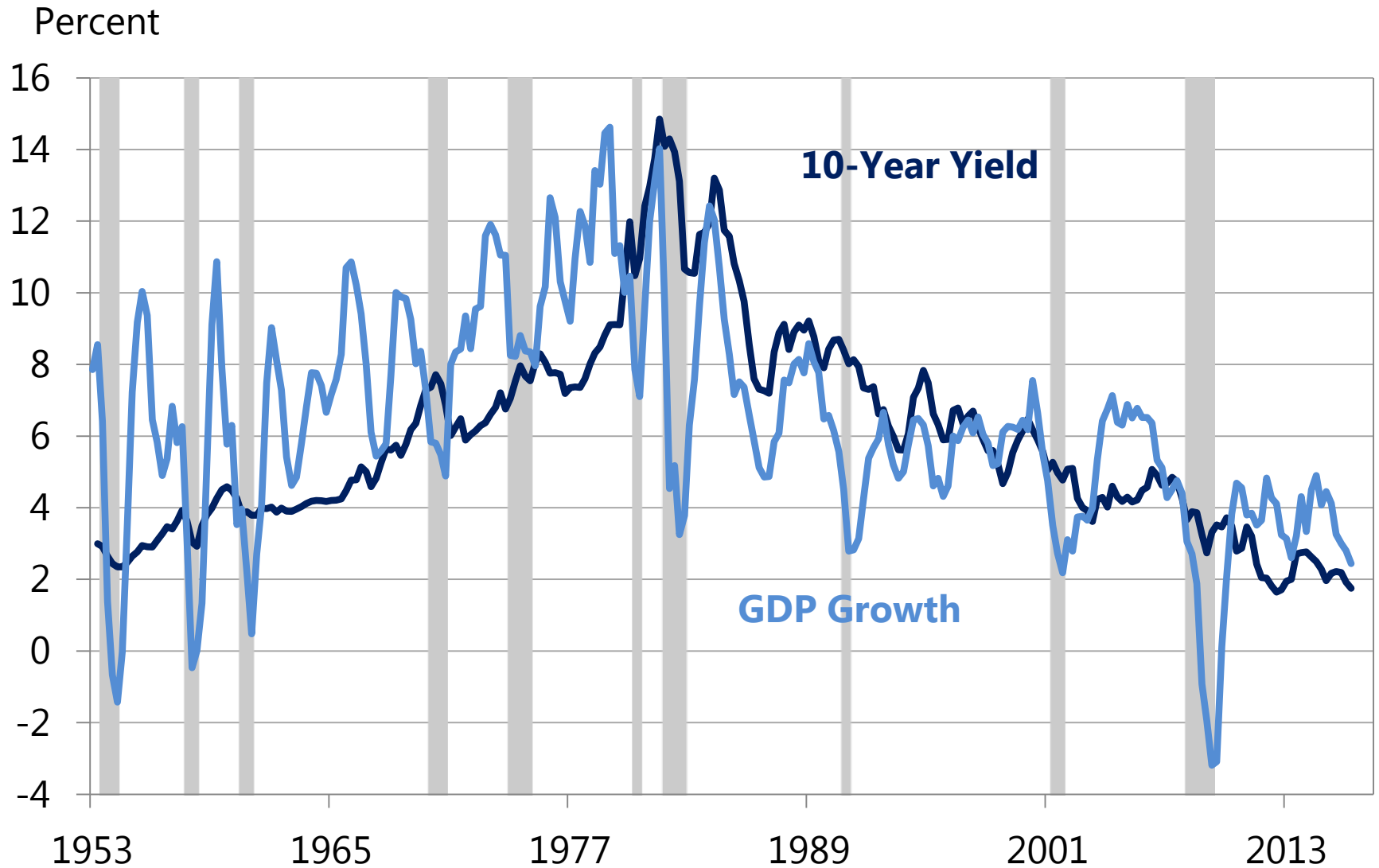
Housing Affordability



Changing Demographics 1900 to 2060

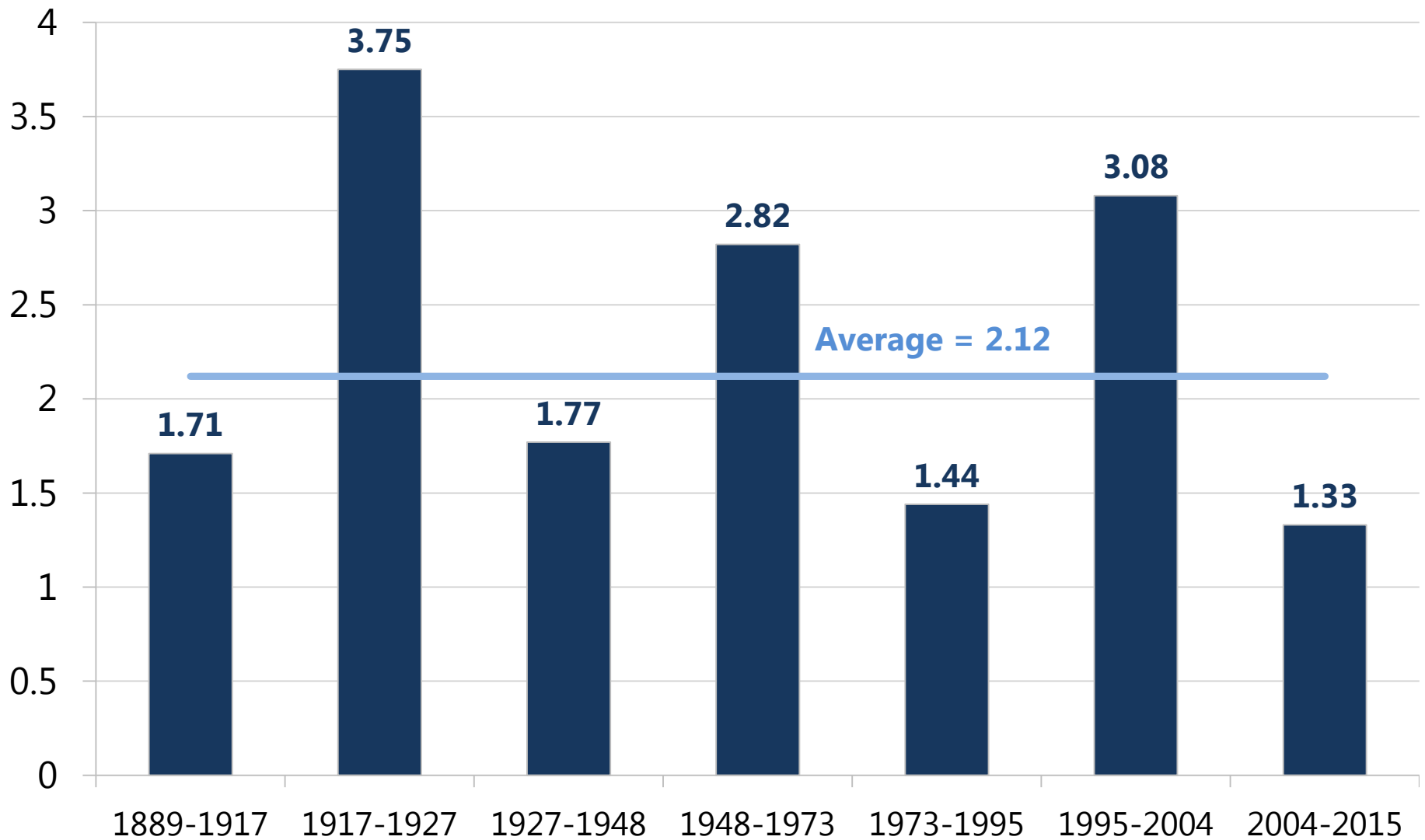


Nominal GDP and 10-Year Treasury Note



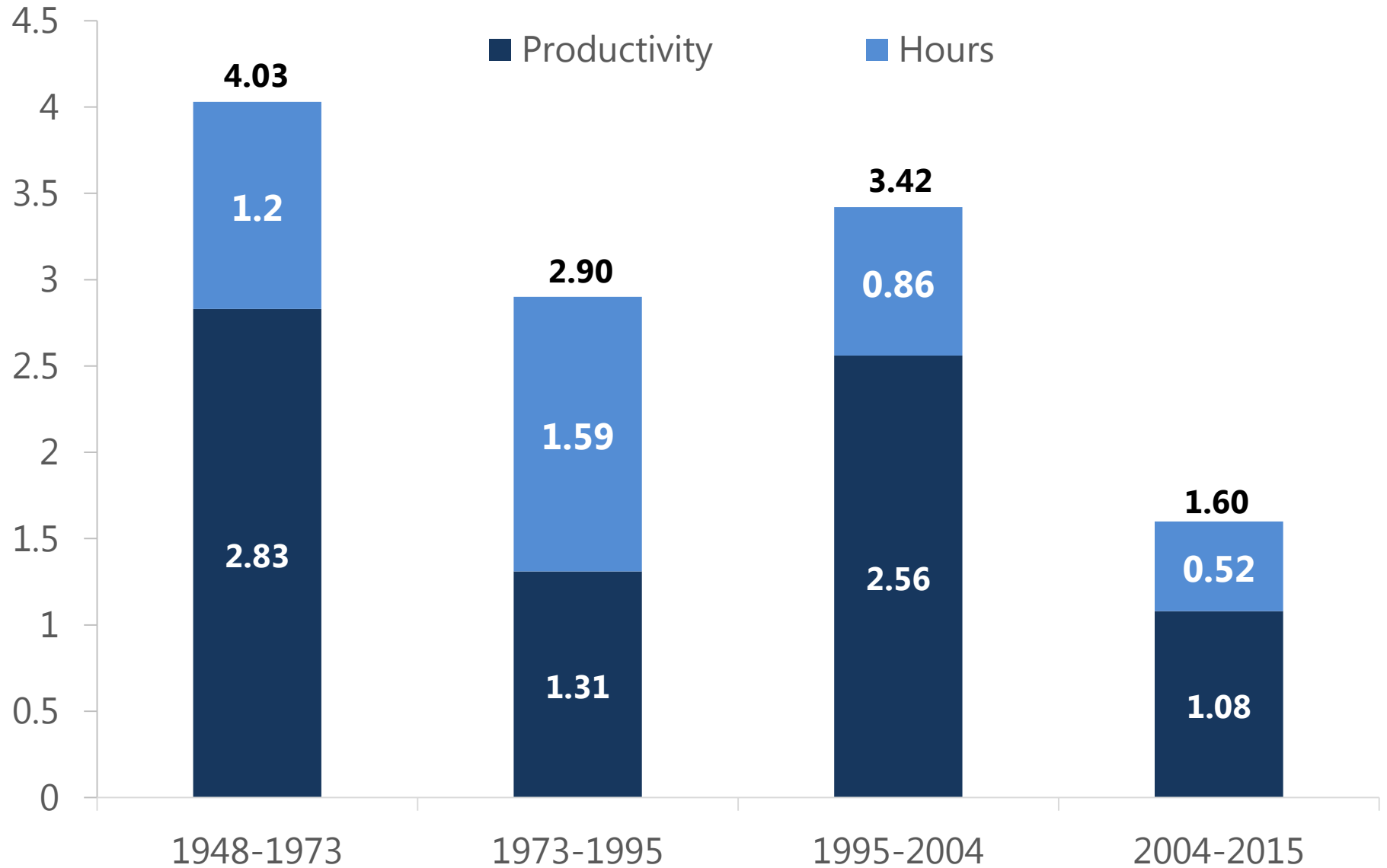
Long Waves of Productivity

Percent change, annual rate



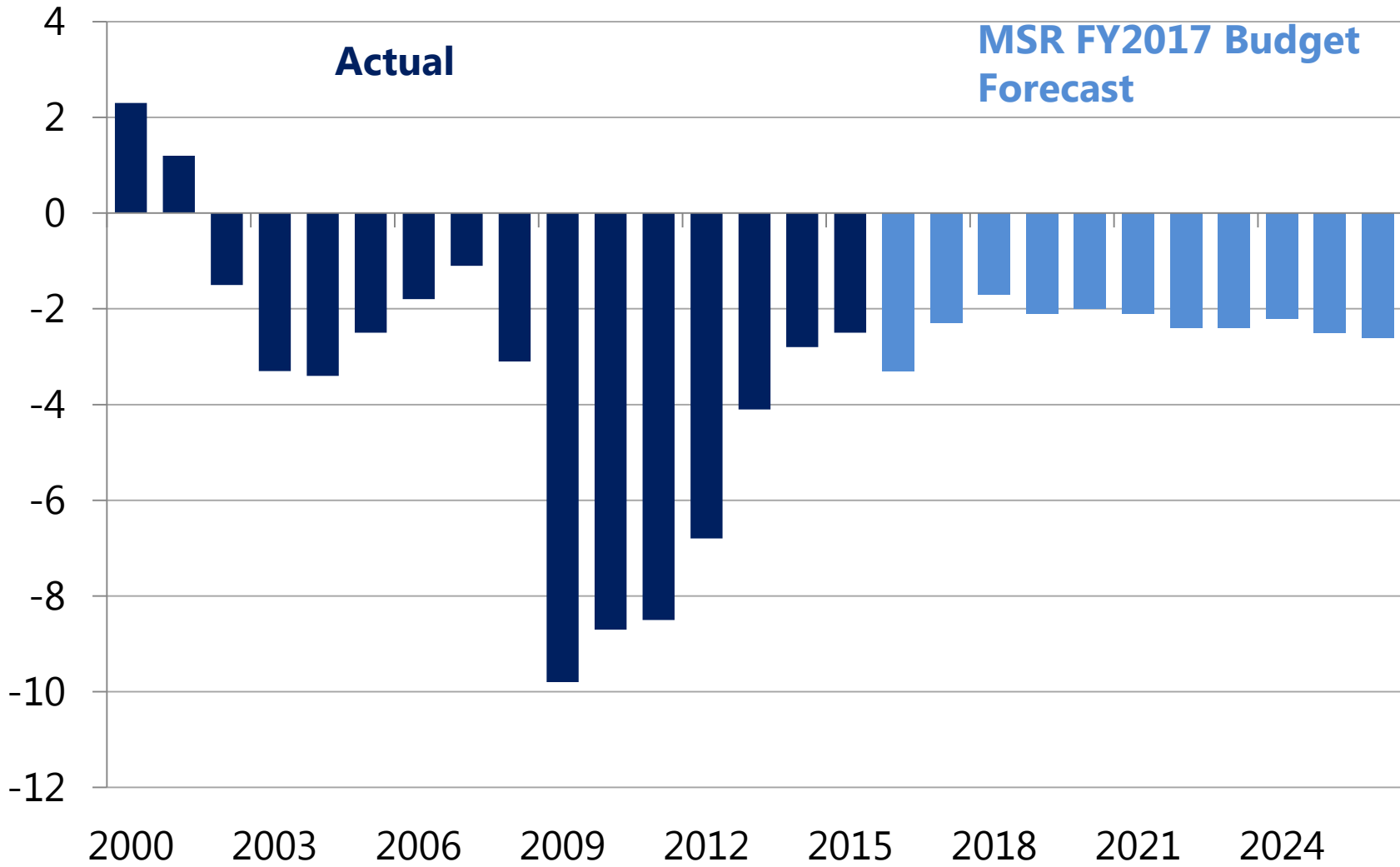
Source: Bureau of Labor Statistics, Treasury Staff Calculations

GDP Growth Components



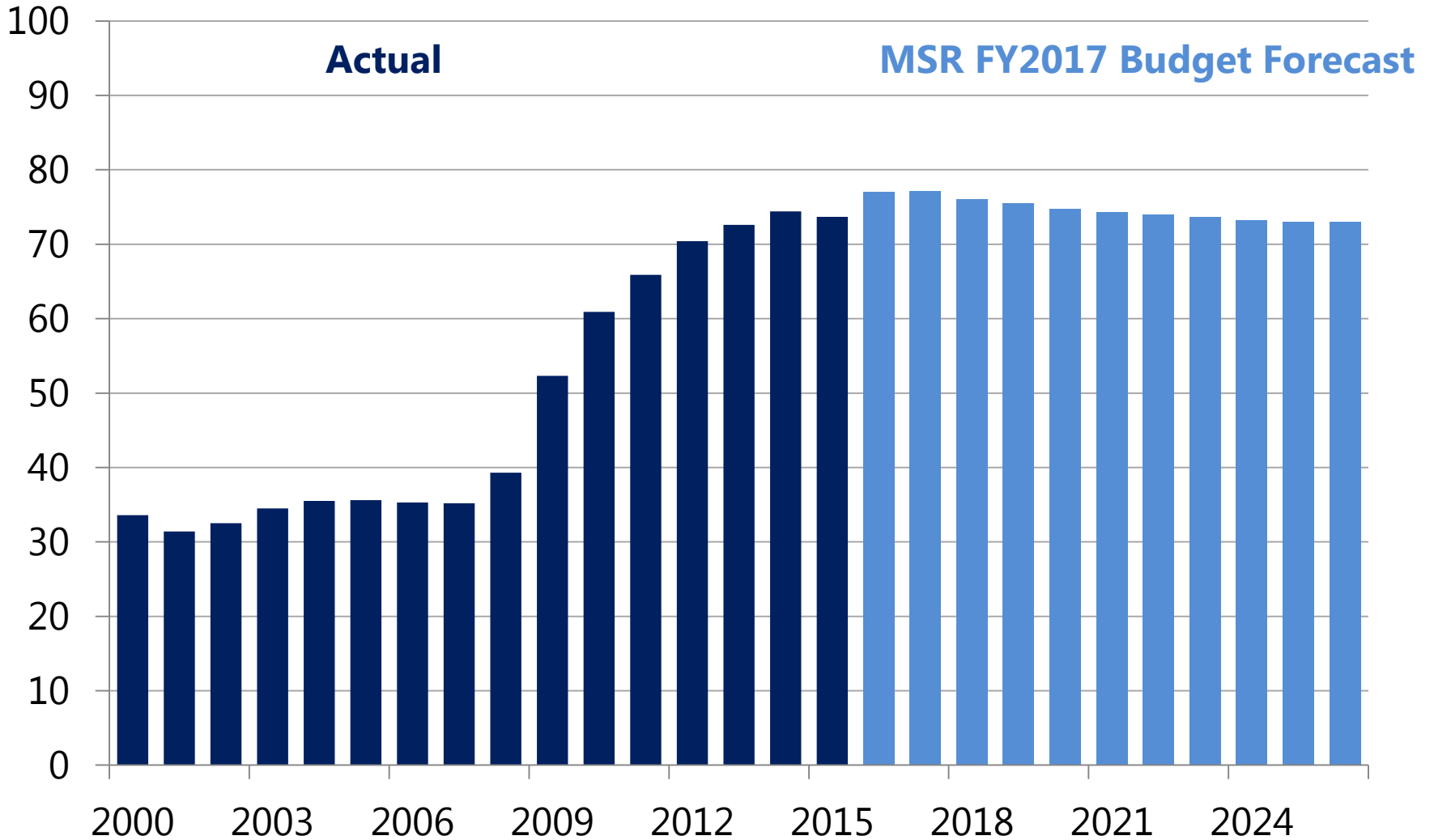
Federal Budget Deficit

Percent of GDP

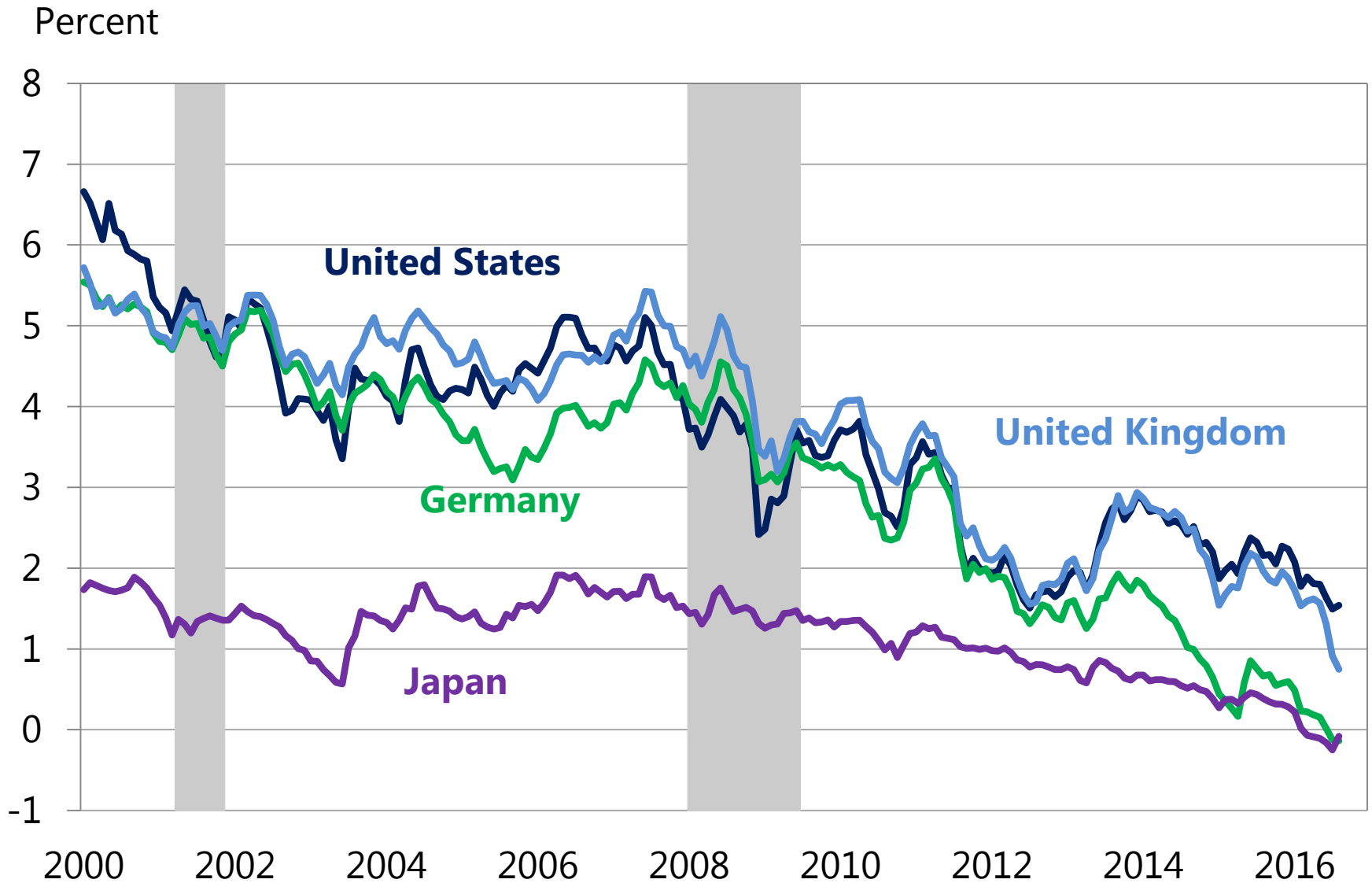


Federal Debt Held by the Public

Percent of GDP



10-Year Government Rate: Selected Countries



Global Saving and Investment 1992 – 2021

Percent of GDP

