

**ECONOMIC AND INTEREST RATE FORECAST**

	2018				2019				2020				Annual			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	2018	2019	2020	2021

**Growth Indicators**

GDP (QoQ)	2.5%	3.5%	2.9%	1.1%	3.1%	2.0%	1.8%	1.8%	0.7%	0.8%	1.3%	1.4%	2.5%	2.2%	1.1%	1.5%
Personal Consumption (PCE)	1.7%	4.0%	3.5%	1.4%	1.1%	4.7%	3.1%	2.3%	1.8%	1.9%	2.5%	2.5%	2.6%	2.8%	2.2%	2.6%
Unemployment Rate	4.1%	3.9%	3.8%	3.8%	3.9%	3.6%	3.7%	3.8%	4.0%	4.1%	4.1%	4.1%	3.8%	3.8%	4.1%	4.2%
Consumer Inflation (YoY)	2.2%	2.7%	2.6%	2.2%	1.6%	1.8%	1.8%	2.0%	2.5%	2.3%	2.5%	2.3%	2.4%	1.8%	2.4%	2.4%

**Interest Rate Benchmarks and Market Rates**

Prime Rate	4.5%	4.8%	5.0%	5.3%	5.3%	5.3%	5.0%	5.0%	4.8%	4.8%	4.8%	4.8%	4.1%	5.2%	4.8%	4.8%
Federal Funds Rate	1.6%	1.9%	2.1%	2.4%	2.4%	2.4%	1.9%	1.9%	1.6%	1.6%	1.6%	1.6%	2.4%	1.9%	1.6%	1.6%
2-year US Treasury	2.2%	2.3%	2.7%	2.8%	2.5%	2.0%	1.5%	1.4%	1.4%	1.5%	1.5%	1.5%	1.4%	1.9%	1.5%	3.0%
10-year US Treasury	2.8%	2.9%	2.9%	3.0%	2.7%	2.3%	1.8%	1.8%	1.8%	1.8%	1.9%	1.9%	3.0%	1.8%	1.9%	2.0%
5-year A-paper Vehicle Loan	3.0%	3.1%	3.2%	3.2%	3.5%	3.6%	3.6%	3.7%	3.7%	3.8%	3.8%	4.0%	3.1%	3.6%	3.8%	4.0%
15-year Fixed FLM	4.0%	4.3%	4.4%	4.6%	4.2%	3.8%	3.5%	3.6%	3.6%	3.6%	3.7%	3.7%	4.3%	3.8%	3.7%	3.8%
30-year Fixed FLM	4.3%	4.5%	4.6%	4.8%	4.4%	4.0%	3.7%	3.8%	3.8%	3.8%	3.9%	3.9%	4.8%	3.8%	3.9%	4.0%

**Home and Auto Sales**

**Mortgage Originations-**

Total 1- to 4- Family (000)	342	452	457	392	325	501	605	506	361	483	471	414	1,643	1,937	1,729	1,740
Purchase Applications (000)	214	334	346	291	228	355	375	306	236	358	369	310	1,185	1,264	1,273	1,308
Refinance Application (000)	128	118	111	101	97	146	230	200	125	125	102	104	458	673	456	432
Refinance Share	37%	26%	24%	26%	30%	29%	38%	40%	35%	26%	22%	25%	28%	35%	26%	25%

**Home Sales and Prices-**

Existing Home Sales (000)	5,507	5,407	5,307	5,143	5,323	5,333	5,503	5,412	5,455	5,460	5,506	5,515	5,341	5,393	5,484	5,587
New Home Sales (000)	656	633	605	575	660	663	651	665	677	676	680	682	617	660	679	685

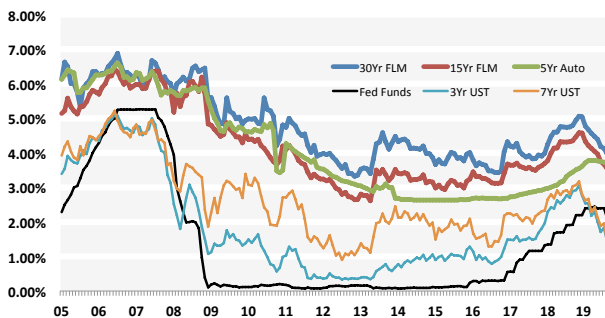
**Vehicle Sales-**

Total US Vehicle Sales (Mil)	17.5	17.7	17.5	18.0	17.4	17.6	17.5	18.0	17.5	17.8	18.0	18.0	17.7	17.6	17.8	17.9
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xxxx = Actual

Additional information and data is available at Meridian Economics website at [www.Meridian-ally.com](http://www.Meridian-ally.com)

**MARKET RATES AND RELATIVE BENCHMARKS**



**PRICING SPREADS: MARKET RATES LESS BENCHMARKS**

