

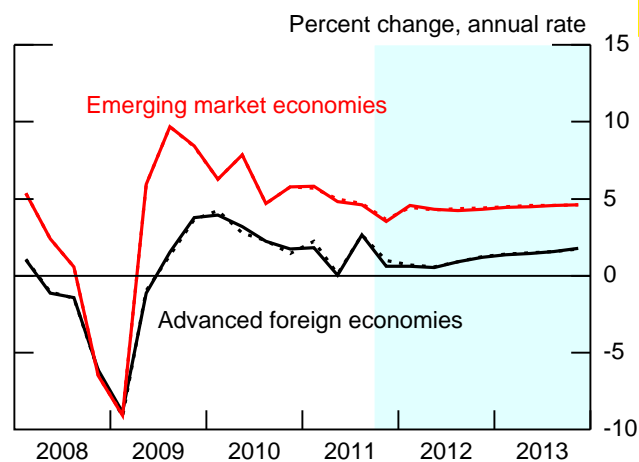
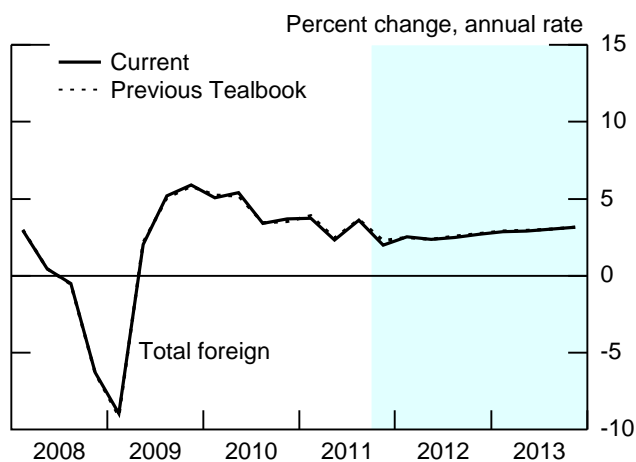
The Foreign Outlook

(Percent change, annual rate)

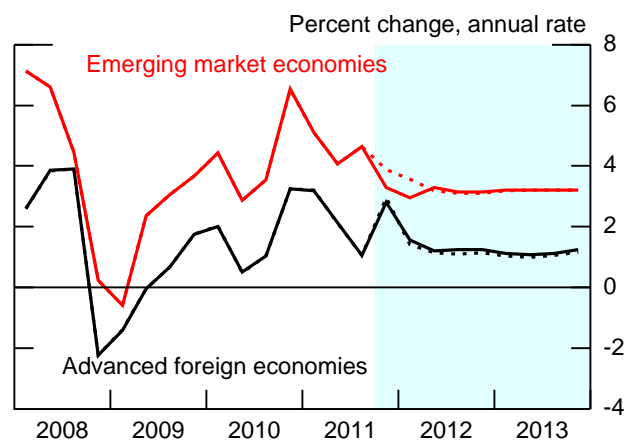
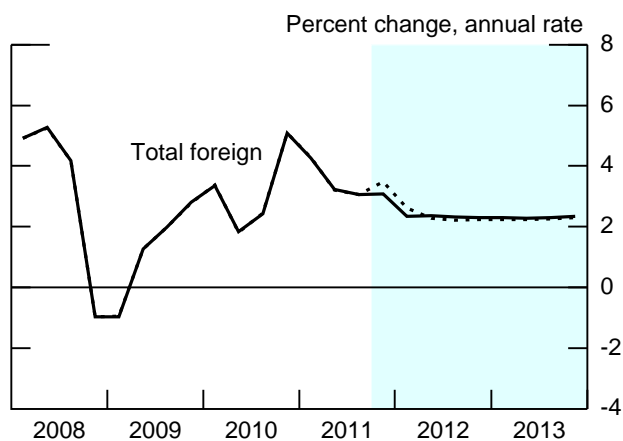
	2011			2012			2013
	H1	Q3	Q4	Q1	Q2	H2	
Real GDP							
Total foreign	3.0	3.6	2.0	2.5	2.3	2.6	3.0
Previous Tealbook	3.2	3.6	2.3	2.5	2.4	2.7	3.0
Advanced foreign economies	.9	2.7	.6	.6	.5	1.1	1.5
Previous Tealbook	1.2	2.7	1.0	.7	.6	1.1	1.6
Emerging market economies	5.3	4.6	3.5	4.6	4.3	4.3	4.5
Previous Tealbook	5.3	4.7	3.7	4.4	4.3	4.4	4.6
Consumer Prices							
Total foreign	3.7	3.1	3.1	2.3	2.4	2.3	2.3
Previous Tealbook	3.7	3.1	3.5	2.6	2.3	2.2	2.3
Advanced foreign economies	2.7	1.0	2.8	1.6	1.2	1.3	1.1
Previous Tealbook	2.7	1.1	2.9	1.4	1.1	1.1	1.1
Emerging market economies	4.6	4.6	3.3	3.0	3.3	3.1	3.2
Previous Tealbook	4.6	4.6	3.9	3.6	3.2	3.1	3.2

Note: Annualized percent change from final quarter of preceding period to final quarter of period indicated.

Real GDP

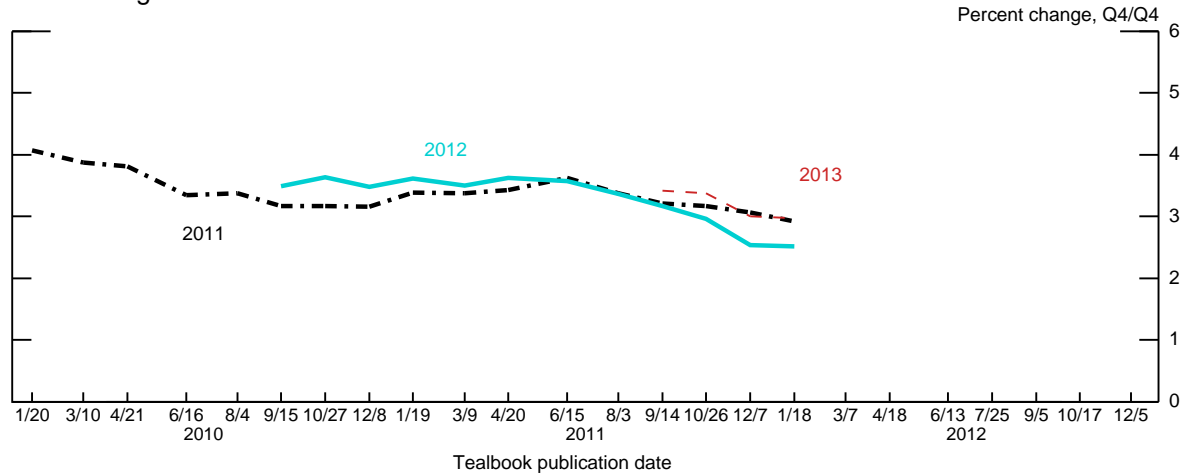


Consumer Prices

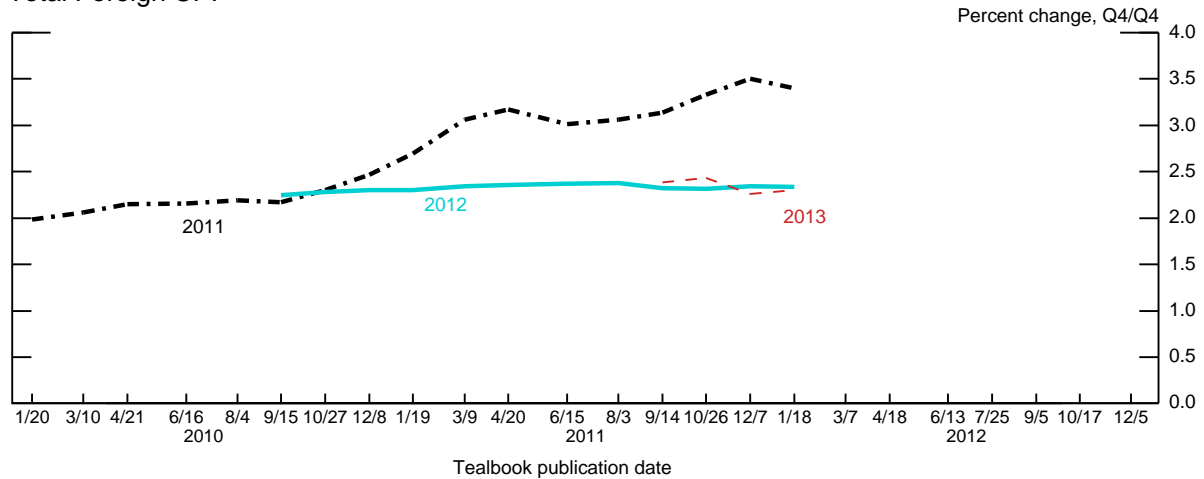


Evolution of Staff's International Forecast

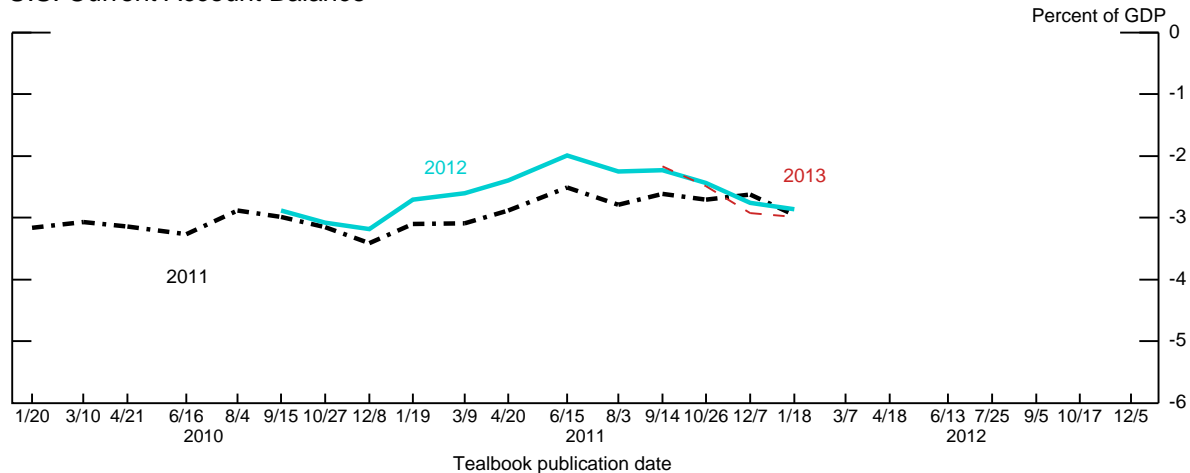
Total Foreign GDP



Total Foreign CPI



U.S. Current Account Balance



Alternative Scenarios

(Percent change, annual rate, from end of preceding period except as noted)

Measure and scenario	2011	2012	2013	2014	2015-16
	H2				
<i>Real GDP</i>					
Extended Tealbook baseline	2.4	2.1	2.4	3.6	3.9
Faster snapback	2.4	2.9	3.4	3.7	3.0
Lost decade	2.4	1.9	1.9	2.0	2.4
Greater supply-side damage	2.4	1.7	1.7	2.5	2.9
Disinflation	2.4	2.0	2.0	2.9	3.9
European crisis with severe spillovers	2.4	-2.9	-1.6	3.5	5.1
Higher oil prices	2.4	1.2	1.9	3.5	4.2
<i>Unemployment rate¹</i>					
Extended Tealbook baseline	8.7	8.6	8.2	7.8	6.5
Faster snapback	8.7	8.3	7.3	6.7	6.2
Lost decade	8.7	8.7	8.7	8.7	8.5
Greater supply-side damage	8.7	8.5	8.1	8.0	7.7
Disinflation	8.7	8.6	8.4	8.3	7.1
European crisis with severe spillovers	8.7	10.2	11.6	11.4	8.9
Higher oil prices	8.7	8.9	8.8	8.4	6.9
<i>Total PCE prices</i>					
Extended Tealbook baseline	1.4	1.4	1.3	1.5	1.5
Faster snapback	1.4	1.4	1.4	1.8	2.0
Lost decade	1.4	1.4	1.3	1.4	1.2
Greater supply-side damage	1.4	1.6	1.9	2.3	2.3
Disinflation	1.4	.7	.3	.3	.0
European crisis with severe spillovers	1.4	-.7	-.3	1.2	2.2
Higher oil prices	1.4	3.4	1.2	1.5	1.8
<i>Core PCE prices</i>					
Extended Tealbook baseline	1.5	1.5	1.4	1.4	1.5
Faster snapback	1.5	1.5	1.5	1.7	2.0
Lost decade	1.5	1.5	1.4	1.3	1.2
Greater supply-side damage	1.5	1.7	2.0	2.2	2.3
Disinflation	1.5	.8	.4	.2	.0
European crisis with severe spillovers	1.5	.4	.2	.9	1.9
Higher oil prices	1.5	1.7	1.8	1.7	1.7
<i>Federal funds rate¹</i>					
Extended Tealbook baseline	.1	.1	.1	.3	2.5
Faster snapback	.1	.1	.4	1.6	2.8
Lost decade	.1	.1	.1	.1	.1
Greater supply-side damage	.1	.1	.6	1.9	3.4
Disinflation	.1	.1	.1	.1	.1
European crisis with severe spillovers	.1	.1	.1	.1	.4
Higher oil prices	.1	.1	.1	.3	2.0

1. Percent, average for the final quarter of the period.