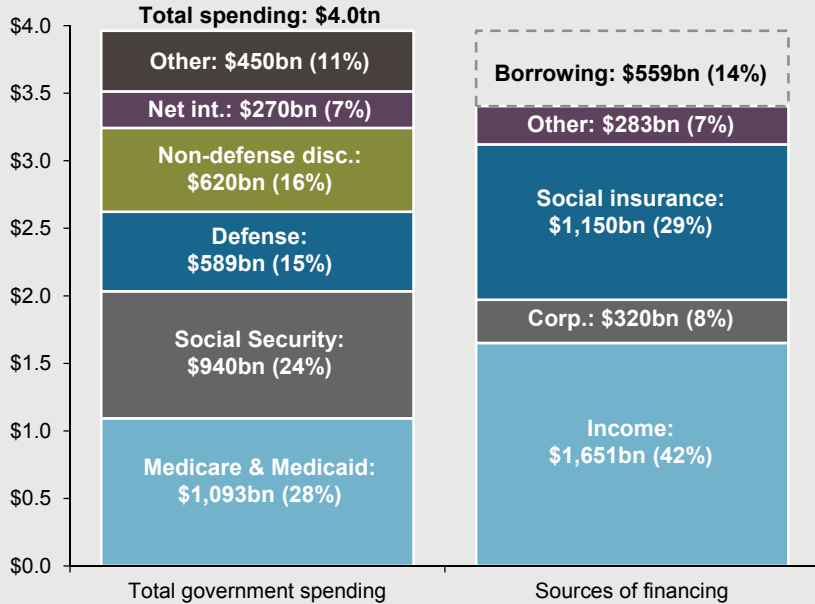


## The 2017 federal budget

CBO Baseline forecast, USD trillions

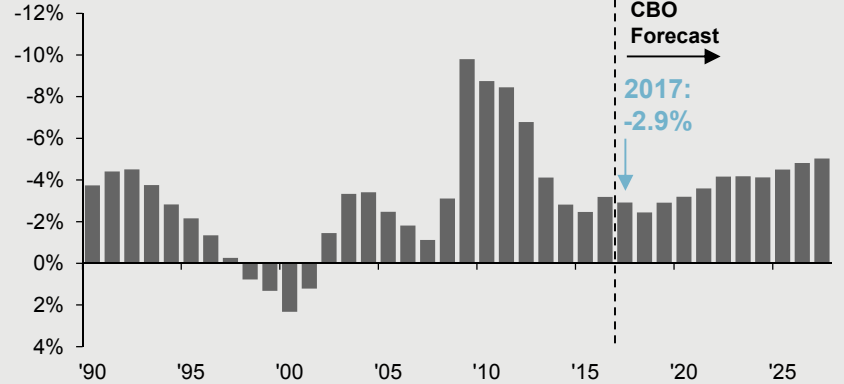


### CBO's Baseline assumptions

	2017	'18-'19	'20-'21	'22-'27
<b>Real GDP growth</b>	2.2%	1.8%	1.5%	1.9%
<b>10-year Treasury</b>	2.2%	2.7%	3.0%	3.6%
<b>Headline inflation (CPI)</b>	2.2%	2.3%	2.4%	2.4%
<b>Unemployment</b>	4.7%	4.5%	4.8%	4.9%

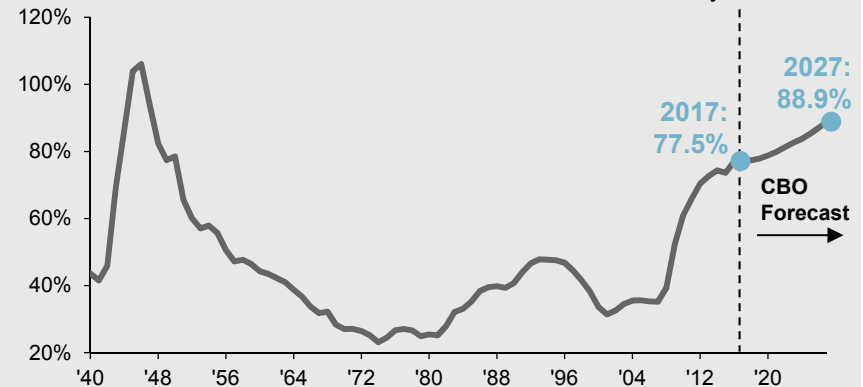
## Federal budget surplus/deficit

% of GDP, 1990 – 2027, 2017 CBO Baseline



## Federal net debt (accumulated deficits)

% of GDP, 1940 – 2027, 2017 CBO Baseline, end of fiscal year



Source: CBO, J.P. Morgan Asset Management; (Top and bottom right) BEA, Treasury Department. 2017 Federal Budget is based on the Congressional Budget Office (CBO) January 2017 Baseline Budget Forecast. Other spending includes, but is not limited to, health insurance subsidies, income security and federal civilian and military retirement. Note: Years shown are fiscal years (Oct. 1 through Sep. 30).  
 Guide to the Markets – U.S. Data are as of March 31, 2017.