The New York Times reported Tuesday that the Trump Administration's "rosy" outlook on the U.S. economy is "increasingly diverging" from economists' forecasts. The White House predicted that the economy will continue to grow at 3 percent through 2024 (adjusted for inflation), while the Congressional Budget Office (CBO) released their forecasts standing at 2.3 percent for 2019, slowing to 1.7 percent in 2020. Meanwhile, the Federal Reserve's forecast also predicts 2.3 percent growth in 2019, and Goldman Sachs suggested a more conservative 2.1 percent growth this year based on consumer confidence figures and regional business surveys.

At the end of December 2017, Penn Wharton Budget Model estimated that GDP would grow between 2.1 and 3.6 percent in 2018. We also projected that growth would taper to between 2.17 and 2.18 percent for 2019, and between 1.93 and 1.94 percent for 2020. PWBM's estimates in line with CBO's, the Federal Reserve and Goldman Sachs who also project lower growth in future years.

PWBM has previously showed that as U.S. oil production increased, business investments in the U.S. has been increasingly correlated to crude oil prices. "Prices have fallen by nearly 25 percent from their peak level of 2018," the Times article points out, "leading [PWBM's] economists to predict that business investment will be weaker at the start of this year than last year — contrary to what Mr. Trump's team forecasts." PWBM's Alexander Arnon said that 2018's growth was more attributable to external upward pressures to crude oil prices, rather than fundamental business growth.

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