



## NEWS RELEASE



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Lisa S. Mataloni: (202) 606-5304  
Recorded message: (202) 606-5306

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### **GROSS DOMESTIC PRODUCT: THIRD QUARTER 2009 (ADVANCE ESTIMATE)**

Real gross domestic product -- the output of goods and services produced by labor and property located in the United States -- increased at an annual rate of 3.5 percent in the third quarter of 2009, (that is, from the second quarter to the third quarter), according to the "advance" estimate released by the Bureau of Economic Analysis. In the second quarter, real GDP decreased 0.7 percent.

The Bureau emphasized that the third-quarter advance estimate released today is based on source data that are incomplete or subject to further revision by the source agency (see the box on page 5). The "second" estimate for the third quarter, based on more complete data, will be released on November 24, 2009.

The increase in real GDP in the third quarter primarily reflected positive contributions from personal consumption expenditures (PCE), exports, private inventory investment, federal government spending, and residential fixed investment. Imports, which are a subtraction in the calculation of GDP, increased.

The upturn in real GDP in the third quarter primarily reflected upturns in PCE, in private inventory investment, in exports, and in residential fixed investment and a smaller decrease in nonresidential fixed investment that were partly offset by an upturn in imports, a downturn in state and local government spending, and a deceleration in federal government spending.

Motor vehicle output added 1.66 percentage points to the third-quarter change in real GDP after adding 0.19 percentage point to the second-quarter change. Final sales of computers subtracted 0.11 percentage point from the third-quarter change in real GDP after subtracting 0.04 percentage point from the second-quarter change.

NOTE.--Quarterly estimates are expressed at seasonally adjusted annual rates, unless otherwise specified. Quarter-to-quarter dollar changes are differences between these published estimates. Percent changes are calculated from unrounded data and are annualized. "Real" estimates are in chained (2005) dollars. Price indexes are chain-type measures.

This news release is available on [BEA's Web site](#) along with the [Technical Note](#) and [Highlights](#) related to this release.

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The price index for gross domestic purchases, which measures prices paid by U.S. residents, increased 1.6 percent in the third quarter, compared with an increase of 0.5 percent in the second. Excluding food and energy prices, the price index for gross domestic purchases increased 0.5 percent in the third quarter, compared with an increase of 0.8 percent in the second.

Real personal consumption expenditures increased 3.4 percent in the third quarter, in contrast to a decrease of 0.9 percent in the second. Durable goods increased 22.3 percent, in contrast to a decrease of 5.6 percent. The third-quarter increase largely reflected motor vehicle purchases under the Consumer Assistance to Recycle and Save Act of 2009 (popularly called, "Cash for Clunkers" Program). Nondurable goods increased 2.0 percent in the third quarter, in contrast to a decrease of 1.9 percent in the second. Services increased 1.2 percent, compared with an increase of 0.2 percent.

Real nonresidential fixed investment decreased 2.5 percent in the third quarter, compared with a decrease of 9.6 percent in the second. Nonresidential structures decreased 9.0 percent, compared with a decrease of 17.3 percent. Equipment and software increased 1.1 percent, in contrast to a decrease of 4.9 percent. Real residential fixed investment increased 23.4 percent, in contrast to a decrease of 23.3 percent.

Real exports of goods and services increased 14.7 percent in the third quarter, in contrast to a decrease of 4.1 percent in the second. Real imports of goods and services increased 16.4 percent, in contrast to a decrease of 14.7 percent.

Real federal government consumption expenditures and gross investment increased 7.9 percent in the third quarter, compared with an increase of 11.4 percent in the second. National defense increased 8.4 percent, compared with an increase of 14.0 percent. Nondefense increased 6.8 percent, compared with an increase of 6.1 percent. Real state and local government consumption expenditures and gross investment decreased 1.1 percent, in contrast to an increase of 3.9 percent.

The change in real private inventories added 0.94 percentage point to the third-quarter change in real GDP after subtracting 1.42 percentage points from the second-quarter change. Private businesses decreased inventories \$130.8 billion in the third quarter, following decreases of \$160.2 billion in the second quarter and \$113.9 billion in the first.

Real final sales of domestic product -- GDP less change in private inventories -- increased 2.5 percent in the third quarter, compared with an increase of 0.7 percent in the second.

### **Gross domestic purchases**

Real gross domestic purchases -- purchases by U.S. residents of goods and services wherever produced -- increased 4.0 percent in the third quarter, in contrast to a decrease of 2.3 percent in the second.

### **Disposition of personal income**

Current-dollar personal income decreased \$15.5 billion (0.5 percent) in the third quarter, in contrast to an increase of \$19.1 billion (0.6 percent) in the second.

Personal current taxes increased \$4.8 billion in the third quarter, in contrast to a decrease of \$119.1 billion in the second. The quarterly pattern of taxes reflected a much smaller decrease in federal withheld income taxes in the third quarter, based on the quarterly pattern of wages and salaries and a leveling off of the effects on withholding rates from the Making Work Pay Credit provision of the American Recovery and Reinvestment Act of 2009. (For more information, see the [Technical Note](#).)

Disposable personal income decreased \$20.4 billion (0.7 percent) in the third quarter, in contrast to an increase of \$138.2 billion (5.2 percent) in the second. Real disposable personal income decreased 3.4 percent, in contrast to an increase of 3.8 percent.

Personal outlays increased \$148.2 billion (5.8 percent) in the third quarter, compared with an increase of \$8.2 billion (0.3 percent) in the second. Personal saving -- disposable personal income less personal outlays -- was \$364.6 billion in the third quarter, compared with \$533.1 billion in the second. The personal saving rate -- saving as a percentage of disposable personal income -- was 3.3 percent in the third quarter, compared with 4.9 percent in the second. For a comparison of personal saving in BEA's national income and product accounts with personal saving in the Federal Reserve Board's flow of funds accounts and data on changes in net worth, go to <http://www.bea.gov/national/nipaweb/Nipa-Frb.asp>.

### **Current-dollar GDP**

Current-dollar GDP -- the market value of the nation's output of goods and services -- increased 4.3 percent, or \$150.3 billion, in the third quarter to a level of \$14,301.5 billion. In the second quarter, current-dollar GDP decreased 0.8 percent, or \$26.8 billion.

Information on the assumptions used for unavailable source data is provided in a technical note that is posted with the news release on BEA's Web site. Within a few days after the release, a detailed "Key Source Data and Assumptions" file is posted on the Web site. In the middle of each month, an analysis of the current quarterly estimate of GDP and related series is made available on the Web site; click on *Survey of Current Business*, "GDP and the Economy."

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BEA's national, international, regional, and industry estimates; the *Survey of Current Business*; and BEA news releases are available without charge on BEA's Web site at [www.bea.gov](http://www.bea.gov). By visiting the site, you can also subscribe to receive free e-mail summaries of BEA releases and announcements.

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Next release – November 24, 2009, at 8:30 A.M. EST for:  
Gross Domestic Product: Third Quarter 2009 (Second Estimate)  
Corporate Profits: Third Quarter (Preliminary Estimate)

**Comparisons of Revisions to GDP**

Quarterly estimates of GDP are released on the following schedule: the “advance” estimate, based on source data that are incomplete or subject to further revision by the source agency, is released near the end of the first month after the end of the quarter; as more detailed and more comprehensive data become available, the “second” and “third” estimates are released near the end of the second and third months, respectively. The “latest” estimate reflects the results of both annual and comprehensive revisions.

Annual revisions, which cover the quarters of the 3 most recent calendar years, are usually carried out each summer and incorporate newly available major annual source data. Comprehensive (or benchmark) revisions are carried out at about 5-year intervals and incorporate major periodic source data, as well as improvements in concepts and methods that update the accounts to portray more accurately the evolving U.S. economy.

The table below shows comparisons of the revisions between quarterly percent changes of current-dollar and of real GDP for the different vintages of the estimates. From the advance estimate to the second estimate (one month later), the average revision to real GDP without regard to sign is 0.5 percentage point, while from the advance estimate to the third estimate (two months later), it is 0.6 percentage point. From the advance estimate to the latest estimate, the average revision without regard to sign is 1.3 percentage points. The average revision (with regard to sign) from the advance estimate to the latest estimate is 0.3 percentage point, which is larger than the average revisions from the advance estimate to the second or to the third estimates. The larger average revisions to the latest estimate reflect the fact that comprehensive revisions include major improvements, such as the incorporation of BEA’s latest benchmark input-output accounts. The quarterly estimates correctly indicate the direction of change of real GDP 98 percent of the time, correctly indicate whether GDP is accelerating or decelerating 74 percent of the time, and correctly indicate whether real GDP growth is above, near, or below trend growth more than three-fifths of the time.

**Revisions Between Quarterly Percent Changes of GDP: Vintage Comparisons**  
[Annual rates]

Vintages compared	Average	Average without regard to sign	Standard deviation of revisions without regard to sign
<b><u>Current-dollar GDP</u></b>			
Advance to second.....	0.2	0.5	0.4
Advance to third.....	.2	.7	.4
Second to third.....	.0	.3	.2
Advance to latest.....	.5	1.2	.9
<b><u>Real GDP</u></b>			
Advance to second.....	0.1	0.5	0.4
Advance to third.....	.1	.6	.4
Second to third.....	.0	.3	.2
Advance to latest.....	.3	1.3	1.0

NOTE.--These comparisons are based on the period from 1983 through 2006.

**Table 1. Real Gross Domestic Product and Related Measures: Percent Change From Preceding Period**

	2006	2007	2008	Seasonally adjusted at annual rates																		
				2005				2006				2007				2008				2009		
				IV	I	II	III	IV	I	II	III	IV	I	II	III	IV	I	II	III			
<b>Gross domestic product (GDP)</b> .....	2.7	2.1	0.4	2.1	5.4	1.4	0.1	3.0	1.2	3.2	3.6	2.1	-0.7	1.5	-2.7	-5.4	-6.4	-0.7	3.5			
<b>Personal consumption expenditures</b> .....	2.9	2.6	-0.2	1.0	4.5	2.2	2.5	4.1	3.7	1.1	1.9	1.2	-0.6	0.1	-3.5	-3.1	0.6	-0.9	3.4			
Goods .....	3.3	3.1	-2.1	-1.1	7.5	0.7	3.3	5.9	3.9	0.2	3.1	3.0	-5.1	-0.5	-7.7	-10.0	2.5	-3.1	8.1			
Durable goods .....	4.1	4.3	-4.5	-9.7	17.0	-1.0	4.5	5.6	5.5	2.1	5.2	5.5	-8.9	-5.7	-11.7	-20.3	3.9	-5.6	22.3			
Nondurable goods .....	2.8	2.5	-0.8	3.9	2.6	1.6	2.6	6.1	3.1	-0.8	2.1	1.8	-3.0	2.2	-5.6	-4.9	1.9	-1.9	2.0			
Services .....	2.7	2.4	0.7	2.2	2.9	3.0	2.1	3.1	3.6	1.6	1.3	0.3	1.8	0.4	-1.3	0.5	-0.3	0.2	1.2			
<b>Gross private domestic investment</b> .....	2.7	-3.8	-7.3	15.1	6.0	-0.6	-5.5	-10.9	-6.0	5.7	0.8	-7.7	-7.4	-10.4	-6.9	-24.2	-50.5	-23.7	11.5			
Fixed investment .....	2.3	-2.1	-5.1	1.5	9.5	-1.9	-5.0	-5.3	-2.6	3.6	-0.4	-4.2	-6.3	-2.7	-8.3	-20.2	-39.0	-12.5	2.3			
Nonresidential .....	7.9	6.2	1.6	2.2	18.0	7.3	4.4	2.3	4.2	11.4	9.6	6.7	1.9	1.4	-6.1	-19.5	-39.2	-9.6	-2.5			
Structures .....	9.2	14.9	10.3	2.5	18.9	22.4	10.3	1.5	15.6	22.7	26.6	11.2	6.8	14.5	-0.1	-7.2	-43.6	-17.3	-9.0			
Equipment and software .....	7.4	2.6	-2.6	2.3	17.8	2.1	2.2	2.8	-0.5	6.5	2.2	4.5	-0.5	-5.0	-9.4	-25.9	-36.4	-4.9	1.1			
Residential .....	-7.3	-18.5	-22.9	0.1	-4.2	-16.9	-21.2	-19.7	-16.2	-12.9	-22.4	-29.5	-28.2	-15.8	-15.9	-23.2	-38.2	-23.3	23.4			
Change in private inventories .....																						
<b>Net exports of goods and services</b> .....																						
Exports .....	9.0	8.7	5.4	10.5	16.5	6.9	0.6	17.8	3.5	5.2	18.5	14.5	-0.1	12.1	-3.6	-19.5	-29.9	-4.1	14.7			
Goods .....	9.4	7.4	5.9	11.8	17.8	7.4	0.2	13.1	3.0	6.3	14.8	12.4	4.2	14.1	-1.8	-25.5	-36.9	-6.3	21.4			
Services .....	7.9	11.8	4.2	7.4	13.6	5.6	1.5	29.1	4.7	2.8	27.2	19.2	-9.0	7.8	-7.7	-4.3	-13.6	0.1	2.9			
Imports .....	6.1	2.0	-3.2	11.7	7.8	4.5	4.9	-0.5	4.3	-0.5	3.7	-3.6	-2.5	-5.0	-2.2	-16.7	-36.4	-14.7	16.4			
Goods .....	5.9	1.7	-3.9	12.1	6.3	5.0	5.5	-2.3	5.0	-1.0	2.8	-3.8	-3.5	-4.6	-3.7	-19.6	-41.0	-16.5	20.0			
Services .....	7.1	3.5	0.7	9.5	16.1	1.8	1.3	10.0	0.4	2.1	8.6	-2.9	3.0	-7.1	6.1	-0.9	-11.5	-7.5	2.7			
<b>Government consumption expenditures and gross investment</b> .....	1.4	1.7	3.1	-1.8	4.1	0.3	0.6	1.1	0.0	4.4	3.9	1.6	2.6	3.6	4.8	1.2	-2.6	6.7	2.3			
Federal .....	2.1	1.3	7.7	-6.5	11.9	-3.4	-0.4	1.1	-5.1	7.4	9.3	2.7	8.1	7.8	13.2	6.5	-4.3	11.4	7.9			
National defense .....	1.6	2.2	7.8	-14.3	10.5	1.1	-1.9	8.5	-7.6	8.6	10.0	0.5	8.2	7.0	19.8	3.8	-5.1	14.0	8.4			
Nondefense .....	3.2	-0.6	7.3	11.7	14.7	-11.6	2.9	-12.7	0.3	5.0	7.9	7.6	8.1	9.6	0.1	12.7	-2.5	6.1	6.8			
State and local .....	0.9	2.0	0.5	1.1	-0.3	2.6	1.2	1.1	3.1	2.7	0.9	1.0	-0.5	1.2	0.1	-2.0	-1.5	3.9	-1.1			
<b>Addenda:</b>																						
Final sales of domestic product .....	2.6	2.5	0.8	-0.1	5.9	1.2	0.2	4.1	1.8	2.9	3.4	2.8	-0.5	2.7	-2.9	-4.7	-4.1	0.7	2.5			
Gross domestic purchases .....	2.6	1.4	-0.7	2.7	4.7	1.4	0.8	1.0	1.4	2.4	2.1	-0.2	-1.1	-0.9	-2.5	-5.5	-8.6	-2.3	4.0			
Final sales to domestic purchasers .....	2.5	1.7	-0.4	0.6	5.2	1.2	0.9	2.0	2.0	2.1	1.9	0.4	-0.9	0.3	-2.7	-4.9	-6.4	-0.9	3.0			
Gross national product (GNP) .....	2.4	2.4	0.6	1.1	5.4	1.3	-0.3	3.2	0.9	3.6	5.4	3.4	-1.1	0.2	-1.8	-6.7	-6.6	-1.0	.....			
Disposable personal income .....	4.0	2.2	0.5	2.2	7.7	3.6	1.9	5.3	1.7	0.5	1.7	0.1	-2.4	9.8	-8.5	3.4	0.2	3.8	-3.4			
<b>Current-dollar measures:</b>																						
GDP .....	6.0	5.1	2.6	5.6	8.6	5.1	3.2	4.8	5.5	6.0	5.3	4.5	1.0	3.5	1.4	-5.4	-4.6	-0.8	4.3			
Final sales of domestic product .....	6.0	5.4	3.0	3.3	9.2	4.9	3.3	6.0	6.1	5.7	5.1	5.2	1.5	4.7	1.0	-5.2	-2.4	0.6	3.4			
Gross domestic purchases .....	6.0	4.4	2.4	7.0	7.6	5.0	3.7	1.9	5.7	5.5	4.3	4.4	2.1	3.2	1.8	-9.2	-9.8	-1.8	5.6			
Final sales to domestic purchasers .....	6.0	4.7	2.8	4.8	8.2	4.8	3.8	3.0	6.3	5.2	4.1	5.0	2.6	4.3	1.5	-9.0	-7.7	-0.5	4.7			
GNP .....	5.8	5.4	2.7	4.6	8.6	4.9	2.8	5.1	5.3	6.3	7.1	5.8	0.6	2.3	2.2	-6.7	-4.8	-1.0	.....			
Disposable personal income .....	6.9	4.9	3.9	5.8	9.5	6.7	4.9	5.3	5.5	3.7	4.1	5.2	1.2	14.1	-4.2	-1.8	-1.2	5.2	-0.7			

See "Explanatory Note" at the end of the tables.



**Table 3. Gross Domestic Product and Related Measures: Level and Change From Preceding Period**

	Billions of current dollars						Billions of chained (2005) dollars						Change from preceding period		
	Seasonally adjusted at annual rates						Seasonally adjusted at annual rates								
	2008	2008		2009			2008	2008		2009			2008	2009	
		III	IV	I	II	III		III	IV	I	II	III		II	III
<b>Gross domestic product</b> .....	14,441.4	14,546.7	14,347.3	14,178.0	14,151.2	14,301.5	13,312.2	13,324.6	13,141.9	12,925.4	12,901.5	13,014.0	58.1	-23.9	112.5
<b>Personal consumption expenditures</b> .....	10,129.9	10,220.1	10,009.8	9,987.7	9,999.3	10,151.6	9,290.9	9,267.7	9,195.3	9,209.2	9,189.0	9,265.1	-23.0	-20.2	76.1
<b>Goods</b> .....	3,403.2	3,463.0	3,227.5	3,197.7	3,193.8	3,299.7	3,206.0	3,193.6	3,110.4	3,129.8	3,105.4	3,166.3	-67.7	-24.4	60.9
Durable goods .....	1,095.2	1,088.5	1,019.9	1,025.2	1,011.5	1,055.5	1,146.3	1,139.6	1,076.8	1,087.2	1,071.7	1,127.2	-53.6	-15.5	55.5
Motor vehicles and parts .....	342.3	332.7	296.4	300.6	299.5	338.9	347.5	337.8	306.2	311.2	306.2	342.4	-54.9	-5.0	36.2
Furnishings and durable household equipment .....	270.1	269.4	259.1	255.7	251.3	251.4	275.5	274.4	264.2	259.4	254.2	258.2	-8.1	-5.2	4.0
Recreational goods and vehicles .....	339.9	342.0	327.3	329.6	321.3	324.1	403.0	407.6	394.3	403.1	398.4	411.5	20.6	-4.7	13.1
Other durable goods .....	142.8	144.3	137.1	139.3	139.4	141.1	128.0	128.3	121.4	123.5	122.9	124.8	-6.5	-0.6	1.9
Nondurable goods .....	2,308.0	2,374.5	2,207.6	2,172.4	2,182.2	2,244.1	2,057.3	2,051.5	2,026.1	2,035.5	2,025.7	2,035.9	-17.5	-9.8	10.2
Food and beverages purchased for off-premises consumption .....	784.3	793.4	787.5	786.5	786.3	791.6	700.7	699.6	686.4	687.4	693.5	702.0	0.0	6.1	8.5
Clothing and footwear .....	337.5	338.0	326.5	327.9	321.6	323.9	345.0	343.3	335.4	334.0	326.9	325.7	-0.9	-7.1	-1.2
Gasoline and other energy goods .....	413.0	461.4	321.2	271.0	279.4	327.5	287.4	280.1	287.2	293.2	294.0	295.4	-13.3	0.8	1.4
Other nondurable goods .....	773.2	781.7	772.5	787.0	795.0	801.2	728.7	735.4	720.8	724.7	714.5	715.6	-0.7	-10.2	1.1
<b>Services</b> .....	6,726.8	6,757.1	6,782.3	6,790.0	6,805.6	6,851.9	6,083.1	6,072.4	6,080.4	6,076.0	6,078.8	6,096.6	42.3	2.8	17.8
Household consumption expenditures (for services) .....	6,448.0	6,474.5	6,494.1	6,522.0	6,545.9	6,592.1	5,817.6	5,805.2	5,806.6	5,817.2	5,826.7	5,846.3	21.5	9.5	19.6
Housing and utilities .....	1,843.7	1,852.2	1,872.1	1,878.8	1,871.1	1,871.2	1,647.2	1,641.6	1,656.3	1,651.8	1,652.9	1,652.9	15.4	-5.1	1.1
Health care .....	1,554.2	1,559.3	1,574.9	1,598.0	1,622.6	1,641.9	1,416.4	1,416.1	1,422.4	1,434.3	1,448.2	1,456.6	40.9	13.9	8.4
Transportation services .....	307.8	309.1	305.7	301.6	301.1	306.0	273.8	272.1	266.7	261.9	262.5	265.0	-14.5	0.6	2.5
Recreation services .....	383.1	385.9	380.9	383.4	381.5	382.3	349.8	349.6	346.1	347.7	346.3	343.4	-0.2	-1.4	-2.9
Food services and accommodations .....	608.7	614.7	607.3	607.3	606.0	607.3	545.4	547.3	535.9	533.7	530.5	531.0	-2.3	-3.2	0.5
Financial services and insurance .....	835.6	837.3	823.5	816.7	824.9	836.7	759.8	758.5	750.6	751.4	756.1	762.9	-12.5	-4.7	6.8
Other services .....	915.0	915.9	929.8	936.0	938.7	946.5	825.7	820.6	829.2	832.2	832.4	835.6	-5.3	0.2	3.2
Final consumption expenditures of nonprofit institutions serving households .....	278.7	282.6	288.2	268.0	259.7	259.8	266.6	268.4	275.4	259.4	252.0	250.0	21.7	-7.4	-2.0
Gross output of nonprofit institutions .....	1,049.4	1,055.2	1,066.1	1,060.8	1,065.8	1,074.1	956.7	957.2	965.1	957.8	958.2	958.7	32.1	0.4	0.5
Less: Receipts from sales of goods and services by nonprofit institutions .....	770.7	772.7	778.0	792.7	806.1	814.3	691.0	689.8	691.0	698.7	705.7	708.0	11.0	7.0	2.3
<b>Gross private domestic investment</b> .....	2,136.1	2,142.7	2,022.1	1,689.9	1,561.5	1,579.4	1,989.4	1,990.7	1,857.7	1,558.5	1,456.7	1,496.8	-156.8	-101.8	40.1
<b>Fixed investment</b> .....	2,170.8	2,179.7	2,066.6	1,817.2	1,737.7	1,726.5	2,018.4	2,020.4	1,909.3	1,687.5	1,631.9	1,641.1	-107.9	-55.6	9.2
Nonresidential .....	1,693.6	1,711.0	1,638.7	1,442.6	1,391.8	1,365.6	1,569.7	1,579.2	1,496.1	1,321.2	1,288.4	1,280.2	25.4	-32.8	-8.2
Structures .....	609.5	620.4	620.7	533.1	494.8	470.3	486.8	493.1	484.0	419.4	400.0	390.7	45.4	-19.4	-9.3
Equipment and software .....	1,084.1	1,090.6	1,018.0	909.5	897.0	895.3	1,068.6	1,071.0	993.7	887.5	876.5	879.0	-28.4	-11.0	2.5
Information processing equipment and software .....	562.9	568.8	540.2	508.3	512.2	520.7	588.8	594.5	567.6	537.5	544.8	556.5	33.1	7.3	11.7
Computers and peripheral equipment .....	86.7	84.3	75.8	71.1	72.0	71.2	.....	.....	.....	.....	.....	.....	.....	.....	.....
Software .....	264.1	266.4	258.7	240.5	240.2	243.8	257.0	258.3	252.2	235.5	236.2	241.6	15.5	0.7	5.4
Other .....	212.1	218.1	205.6	196.7	200.1	205.7	211.1	216.7	204.3	195.8	199.1	204.4	8.8	3.3	5.3
Industrial equipment .....	193.8	194.8	187.9	157.8	151.4	147.2	174.7	173.7	167.2	140.8	135.2	131.0	-6.2	-5.6	-4.2
Transportation equipment .....	132.3	125.9	95.3	65.4	70.6	71.5	128.9	121.7	90.9	59.8	62.7	64.3	-48.5	2.9	1.6
Other equipment .....	195.1	201.1	194.7	178.0	162.7	156.0	180.3	185.4	172.6	157.3	144.0	139.0	-3.8	-13.3	-5.0
Residential .....	477.2	468.6	427.8	374.6	345.9	360.9	451.1	443.3	415.0	367.9	344.4	362.9	-133.9	-23.5	18.5
<b>Change in private inventories</b> .....	-34.8	-37.0	-44.5	-127.4	-176.2	-147.1	-25.9	-29.7	-37.4	-113.9	-160.2	-130.8	-45.4	-46.3	29.4
Farm .....	-7.1	-7.5	-3.7	-1.3	0.6	1.2	-5.3	-5.0	-1.9	0.3	2.2	3.1	-4.5	1.9	0.9
Nonfarm .....	-27.7	-29.4	-40.8	-126.1	-176.8	-148.2	-20.4	-24.5	-35.7	-114.9	-163.1	-134.4	-40.8	-48.2	28.7
<b>Net exports of goods and services</b> .....	-707.8	-757.5	-590.5	-378.5	-339.1	-387.5	-494.3	-479.2	-470.9	-386.5	-330.4	-348.3	153.4	56.1	-17.9
<b>Exports</b> .....	1,831.1	1,913.1	1,706.2	1,509.3	1,493.7	1,563.2	1,629.3	1,655.2	1,568.0	1,434.5	1,419.5	1,469.1	83.2	-15.0	49.6
Goods .....	1,266.9	1,338.5	1,157.7	989.5	978.1	1,038.3	1,127.5	1,154.8	1,072.9	956.1	940.7	987.4	62.7	-15.4	46.7
Services .....	564.2	574.6	550.5	519.8	515.6	524.9	501.7	500.4	494.9	477.2	477.4	480.7	20.4	0.2	3.3
<b>Imports</b> .....	2,538.9	2,670.5	2,296.7	1,887.9	1,832.8	1,950.7	2,123.5	2,134.4	2,038.9	1,821.0	1,749.8	1,817.3	-70.3	-71.2	67.5
Goods .....	2,126.4	2,243.3	1,892.5	1,508.2	1,461.1	1,572.5	1,767.3	1,777.1	1,682.6	1,474.4	1,409.4	1,475.1	-72.3	-65.0	65.7
Services .....	412.4	427.2	404.2	379.6	371.7	378.2	356.5	357.7	356.9	346.2	339.5	341.8	2.3	-6.7	2.3
<b>Government consumption expenditures and gross investment</b> .....	2,883.2	2,941.4	2,905.9	2,879.0	2,929.4	2,958.0	2,518.1	2,536.6	2,544.0	2,527.2	2,568.6	2,583.4	75.0	41.4	14.8
<b>Federal</b> .....	1,082.6	1,108.3	1,114.3	1,106.7	1,138.3	1,164.3	975.9	991.6	1,007.3	996.3	1,023.5	1,043.1	69.5	27.2	19.6
National defense .....	737.9	763.6	758.9	750.7	776.2	795.8	659.4	675.4	681.7	672.8	695.2	709.3	47.9	22.4	14.1
Consumption expenditures .....	634.0	655.2	648.8	642.9	662.7	680.3	561.6	574.0	578.7	571.5	588.2	600.4	34.2	16.7	12.2
Gross investment .....	103.9	108.4	110.1	107.8	113.5	115.5	98.4	102.1	103.8	102.0	107.8	109.8	14.1	5.8	2.0
Nondefense .....	344.7	344.7	355.3	356.0	362.1	368.4	316.4	315.9	325.4	323.4	328.2	333.6	21.5	4.8	5.4
Consumption expenditures .....	300.4	300.7	306.6	311.3	316.4	322.4	273.5	273.3	278.4	280.1	284.0	288.7	18.3	3.9	4.7
Gross investment .....	44.3	44.0	48.8	44.7	45.7	46.0	43.0	42.6	47.2	43.3	44.3	45.0	3.3	1.0	0.7
<b>State and local</b> .....	1,800.6	1,833.1	1,791.7	1,772.3	1,791.2	1,793.8	1,543.7	1,547.0	1,539.3	1,533.3	1,548.0	1,543.7	7.0	14.7	-4.3
Consumption expenditures .....	1,452.4	1,480.4	1,441.7	1,424.4	1,429.9	1,434.1	1,251.5	1,252.5	1,253.6	1,252.3	1,252.7	1,246.2	8.9	0.4	-6.5
Gross investment .....	348.2	352.7	350.0	347.9	361.3	359.6	292.3	294.4	285.9	281.5	294.9	297.0	-1.7	13.4	2.1
Residual .....	.....	.....	.....	.....	.....	.....	-1.2	1.0	8.4	-1.1	-2.9	-12.8	.....	.....	.....
<b>Addenda:</b>															
Final sales of domestic product .....	14,476.2	14,583.7	14,391.8	14,305.3	14,327.4	14,448.6	13,341.2	13,354.3	13,193.5	13,055.8	13,077.8	13,160.4	106.9	22.0	82.6
Gross domestic purchases .....	15,149.2	15,304.2	14,937.8	14,556.5	14,490.3	14,689.0	13,801.2	13,798.8	13,604.0	13,303.1	13,225.9	13,355.9	-100.4	-77.2	130.0
Final sales to domestic purchasers .....	15,183.9	15,341.1	14,982.3	14,683.9	14,666.5	14,836.1	13,829.8	13,828.0	13,654.9	13,432.7	13,401.4	13,501.5	-52.1	-31.3	100.1
<b>Gross domestic product</b> .....	14,441.4	14,546.7	14,347.3	14,178.0	14,151.2	14,301.5	13,312.2	13,324.							



**Table 4. Price Indexes for Gross Domestic Product and Related Measures: Percent Change From Preceding Period**

	2006	2007	2008	Seasonally adjusted at annual rates															
				2005	2006				2007				2008				2009		
				IV	I	II	III	IV	I	II	III	IV	I	II	III	IV	I	II	III
<b>Gross domestic product (GDP)</b> .....	3.3	2.9	2.1	3.4	3.0	3.6	3.1	1.8	4.2	2.7	1.6	2.3	1.9	1.8	4.0	0.1	1.9	0.0	0.8
<b>Personal consumption expenditures</b> .....	2.7	2.7	3.3	3.6	1.7	3.0	3.0	-0.1	3.7	3.2	2.3	5.1	3.7	3.9	4.7	-5.0	-1.5	1.4	2.8
Goods .....	1.5	1.3	3.3	1.4	-0.3	2.6	2.2	-5.8	3.2	3.7	0.3	7.0	5.2	3.8	6.8	-16.1	-6.0	2.7	5.4
Durable goods .....	-1.5	-1.8	-1.2	-0.7	-1.2	-1.6	-1.9	-2.0	-1.6	-1.4	-2.8	-1.4	0.0	-0.9	-1.2	-3.3	-1.7	0.3	-3.1
Nondurable goods .....	3.2	2.9	5.6	2.6	0.1	5.0	4.5	-7.7	5.9	6.6	1.9	11.5	7.8	6.1	10.8	-21.5	-7.9	3.8	9.6
Services .....	3.4	3.4	3.4	4.7	2.8	3.3	3.3	3.1	4.0	2.9	3.4	4.2	2.9	4.0	3.6	1.0	0.7	0.7	1.6
<b>Gross private domestic investment</b> .....	4.4	2.2	0.6	5.7	4.7	3.5	2.5	3.8	2.8	0.6	0.8	1.0	-1.6	0.6	2.3	5.3	-1.8	-4.5	-5.9
Fixed investment .....	4.4	2.2	0.8	5.7	4.7	3.5	2.4	3.7	2.7	0.8	0.8	1.1	-0.7	1.1	2.5	1.3	-2.0	-4.4	-4.7
Nonresidential .....	3.5	2.6	1.6	4.7	3.5	3.3	3.0	3.9	3.2	1.6	0.9	1.3	-0.3	2.1	4.4	4.4	-1.3	-4.2	-4.9
Structures .....	12.9	7.4	3.2	18.5	11.8	11.4	8.0	11.5	9.2	3.7	3.3	3.4	0.6	2.7	6.7	7.9	-3.5	-10.2	-10.4
Equipment and software .....	0.2	0.5	0.7	0.1	0.6	0.3	1.0	0.7	0.6	0.6	-0.2	0.2	-0.7	1.7	3.1	2.5	0.1	-0.6	-1.8
Residential .....	6.1	1.3	-1.6	7.7	7.1	4.1	1.3	3.4	1.5	-1.1	0.6	0.9	-1.5	-1.6	-3.8	-9.5	-4.9	-5.2	-4.0
Change in private inventories .....																			
<b>Net exports of goods and services</b> .....																			
Exports .....	3.4	3.5	4.9	3.1	2.9	5.2	5.0	0.2	3.6	4.5	3.3	6.7	7.6	10.2	6.3	-21.4	-12.6	0.1	4.6
Goods .....	3.3	3.6	5.0	2.7	2.7	5.5	5.5	0.9	3.1	4.2	3.0	6.8	8.3	12.1	5.6	-25.4	-14.8	1.9	4.6
Services .....	3.7	3.5	4.8	3.8	3.4	4.4	3.9	-1.6	4.5	5.1	4.2	6.5	6.0	6.0	7.8	-11.9	-8.1	-3.3	4.4
Imports .....	4.1	3.7	10.7	8.1	1.6	4.2	3.1	-4.6	3.2	6.3	6.2	20.5	15.5	21.4	7.1	-34.3	-28.3	4.2	10.3
Goods .....	4.2	3.7	11.4	9.7	0.8	4.0	3.2	-5.4	3.4	6.2	6.1	22.9	17.2	22.4	7.1	-37.0	-31.6	5.5	11.8
Services .....	3.8	3.9	7.2	-0.4	6.2	5.5	2.7	-0.2	2.3	7.2	6.6	8.7	7.0	16.9	7.5	-19.1	-12.1	-0.7	4.3
<b>Government consumption expenditures and gross investment</b> .....	4.8	4.5	4.5	4.9	5.3	5.6	3.1	2.4	7.1	4.7	2.7	5.5	6.3	6.3	4.2	-5.8	-1.1	0.4	1.6
Federal .....	4.1	3.5	3.0	1.2	9.8	4.3	1.2	0.5	8.6	3.5	0.6	2.5	5.6	4.4	1.9	-4.1	1.7	0.5	1.5
National defense .....	4.4	3.7	3.3	1.6	10.5	4.6	1.5	0.3	8.3	4.1	1.2	3.3	5.5	5.7	2.4	-6.0	0.9	0.3	2.0
Nondefense .....	3.5	3.1	2.1	0.4	8.4	3.7	0.7	0.9	9.0	2.3	-0.7	0.9	6.0	1.7	0.8	0.2	3.3	0.9	0.4
State and local .....	5.3	5.1	5.4	7.1	2.8	6.4	4.2	3.4	6.3	5.3	3.9	7.3	6.6	7.4	5.6	-6.9	-2.8	0.4	1.7
<b>Addenda:</b>																			
Final sales of domestic product .....	3.3	2.9	2.1	3.4	3.0	3.6	3.1	1.8	4.2	2.7	1.6	2.3	2.0	1.9	4.0	-0.5	1.8	-0.1	0.9
Gross domestic purchases .....	3.4	2.9	3.2	4.1	2.8	3.6	2.9	1.0	4.2	3.1	2.2	4.6	3.4	3.9	4.3	-3.8	-1.4	0.5	1.6
Final sales to domestic purchasers .....	3.4	2.9	3.2	4.1	2.8	3.6	2.9	1.0	4.2	3.1	2.2	4.6	3.5	4.0	4.3	-4.3	-1.5	0.5	1.6
Gross national product (GNP) .....	3.3	2.9	2.1	3.4	3.0	3.6	3.1	1.8	4.3	2.7	1.6	2.3	1.9	1.8	4.0	0.0	1.8	0.0	.....
<b>Implicit price deflators:</b>																			
GDP .....	3.3	2.9	2.1	3.4	3.0	3.6	3.1	1.8	4.3	2.7	1.7	2.4	1.7	2.0	4.1	0.0	1.9	0.0	0.8
Gross domestic purchases .....	3.4	2.9	3.2	4.2	2.8	3.5	2.9	0.9	4.2	3.0	2.2	4.6	3.2	4.1	4.4	-3.9	-1.4	0.5	1.5
GNP .....	3.3	2.9	2.1	3.4	3.0	3.6	3.1	1.8	4.3	2.7	1.7	2.4	1.8	2.0	4.2	-0.1	1.9	0.0	.....

See "Explanatory Note" at the end of the tables.

**Table 5. Real Gross Domestic Product, Quantity Indexes**

[Index numbers, 2005=100]

	2006	2007	2008	Seasonally adjusted				
				2008		2009		
				III	IV	I	II	III
<b>Gross domestic product</b> .....	<b>102.673</b>	<b>104.872</b>	<b>105.331</b>	<b>105.430</b>	<b>103.984</b>	<b>102.271</b>	<b>102.082</b>	<b>102.972</b>
<b>Personal consumption expenditures</b> .....	<b>102.886</b>	<b>105.612</b>	<b>105.351</b>	<b>105.088</b>	<b>104.267</b>	<b>104.425</b>	<b>104.196</b>	<b>105.059</b>
Goods .....	103.251	106.499	104.296	103.895	101.186	101.817	101.023	103.007
Durable goods .....	104.064	108.543	103.692	103.083	97.401	98.345	96.947	101.960
Nondurable goods .....	102.805	105.405	104.513	104.219	102.929	103.405	102.911	103.425
Services .....	102.692	105.147	105.883	105.697	105.837	105.761	105.809	106.119
<b>Gross private domestic investment</b> .....	<b>102.678</b>	<b>98.801</b>	<b>91.585</b>	<b>91.643</b>	<b>85.519</b>	<b>71.746</b>	<b>67.059</b>	<b>68.905</b>
Fixed investment .....	102.309	100.189	95.106	95.199	89.964	79.514	76.895	77.329
Nonresidential .....	107.913	114.617	116.502	117.210	111.040	98.061	95.623	95.015
Structures .....	109.180	125.495	138.392	140.191	137.603	119.243	113.716	111.074
Equipment and software .....	107.434	110.184	107.332	107.577	99.808	89.143	88.036	88.286
Residential .....	92.679	75.490	58.213	57.208	53.549	47.478	44.436	46.831
Change in private inventories .....	.....	.....	.....	.....	.....	.....	.....	.....
<b>Exports of goods and services</b> .....	<b>108.962</b>	<b>118.472</b>	<b>124.842</b>	<b>126.828</b>	<b>120.149</b>	<b>109.922</b>	<b>108.766</b>	<b>112.567</b>
<b>Imports of goods and services</b> .....	<b>106.086</b>	<b>108.188</b>	<b>104.721</b>	<b>105.259</b>	<b>100.547</b>	<b>89.804</b>	<b>86.292</b>	<b>89.622</b>
<b>Government consumption expenditures and gross investment</b> .....	<b>101.359</b>	<b>103.090</b>	<b>106.252</b>	<b>107.036</b>	<b>107.346</b>	<b>106.639</b>	<b>108.386</b>	<b>109.009</b>
Federal .....	102.127	103.434	111.362	113.152	114.946	113.693	116.801	119.033
State and local .....	100.910	102.886	103.355	103.576	103.061	102.660	103.640	103.356
<b>Addenda:</b>								
Final sales of domestic product .....	102.611	105.131	105.980	106.084	104.806	103.713	103.888	104.544
Gross domestic purchases .....	102.579	104.046	103.294	103.276	101.818	99.566	98.988	99.961
Final sales to domestic purchasers .....	102.520	104.288	103.896	103.883	102.583	100.913	100.678	101.430
Gross national product .....	102.438	104.925	105.552	105.773	103.965	102.219	101.973	.....

See "Explanatory Note" at the end of the tables.

**Table 6. Price Indexes for Gross Domestic Product**

[Index numbers, 2005=100]

	2006	2007	2008	Seasonally adjusted				
				2008		2009		
				III	IV	I	II	III
<b>Gross domestic product</b> .....	<b>103.263</b>	<b>106.221</b>	<b>108.481</b>	<b>109.130</b>	<b>109.155</b>	<b>109.661</b>	<b>109.656</b>	<b>109.870</b>
<b>Personal consumption expenditures (PCE)</b> .....	<b>102.746</b>	<b>105.502</b>	<b>109.031</b>	<b>110.273</b>	<b>108.855</b>	<b>108.449</b>	<b>108.814</b>	<b>109.564</b>
Goods .....	101.508	102.789	106.150	108.451	103.784	102.186	102.864	104.227
Durable goods .....	98.488	96.714	95.537	95.537	94.743	94.326	94.407	93.670
Nondurable goods .....	103.215	106.250	112.188	115.759	108.971	106.739	107.736	110.240
Services .....	103.411	106.964	110.582	111.275	111.542	111.749	111.954	112.387
<b>Gross private domestic investment</b> .....	<b>104.371</b>	<b>106.677</b>	<b>107.355</b>	<b>107.350</b>	<b>108.738</b>	<b>108.245</b>	<b>107.019</b>	<b>105.406</b>
Fixed investment .....	104.419	106.718	107.551	107.866	108.217	107.668	106.463	105.182
Nonresidential .....	103.534	106.209	107.897	108.314	109.498	109.154	107.993	106.639
Structures .....	112.922	121.275	125.207	125.814	128.238	127.092	123.706	120.361
Equipment and software .....	100.194	100.715	101.455	101.797	102.415	102.450	102.304	101.830
Residential .....	106.081	107.513	105.779	105.807	103.198	101.915	100.554	99.537
Change in private inventories .....	.....	.....	.....	.....	.....	.....	.....	.....
<b>Exports of goods and services</b> .....	<b>103.447</b>	<b>107.103</b>	<b>112.389</b>	<b>115.638</b>	<b>108.871</b>	<b>105.265</b>	<b>105.284</b>	<b>106.464</b>
<b>Imports of goods and services</b> .....	<b>104.144</b>	<b>108.017</b>	<b>119.559</b>	<b>125.203</b>	<b>112.730</b>	<b>103.746</b>	<b>104.821</b>	<b>107.417</b>
<b>Government consumption expenditures and gross investment</b> .....	<b>104.842</b>	<b>109.552</b>	<b>114.502</b>	<b>115.963</b>	<b>114.233</b>	<b>113.924</b>	<b>114.051</b>	<b>114.506</b>
Federal .....	104.107	107.754	110.938	111.784	110.628	111.084	111.214	111.622
State and local .....	105.276	110.615	116.642	118.493	116.396	115.587	115.713	116.199
<b>Addenda:</b>								
PCE excluding food and energy <sup>1</sup> .....	102.292	104.699	107.207	107.652	107.866	108.173	108.712	109.084
Market-based PCE <sup>2</sup> .....	102.762	105.334	108.954	110.280	108.781	108.452	108.848	109.605
Market-based PCE excluding food and energy <sup>2</sup> .....	102.234	104.368	106.811	107.219	107.616	108.133	108.737	109.055
Final sales of domestic product .....	103.266	106.226	108.507	109.202	109.078	109.566	109.550	109.783
Gross domestic purchases .....	103.380	106.408	109.765	110.871	109.790	109.395	109.533	109.962
Final sales to domestic purchasers .....	103.384	106.412	109.792	110.940	109.718	109.311	109.437	109.882
Gross national product .....	103.265	106.223	108.484	109.138	109.149	109.647	109.648	.....
<b>Implicit price deflators:</b>								
Gross domestic product .....	103.257	106.214	108.483	109.172	109.172	109.691	109.686	109.893
Final sales of domestic product .....	103.266	106.226	108.507	109.206	109.083	109.571	109.555	109.788
Gross domestic purchases .....	103.375	106.400	109.767	110.910	109.805	109.422	109.560	109.982
Final sales to domestic purchasers .....	103.384	106.412	109.792	110.942	109.721	109.314	109.440	109.885
Gross national product .....	103.260	106.215	108.486	109.181	109.167	109.678	109.679	.....

1. Food excludes personal consumption expenditures for purchased meals and beverages, which are classified in food services.

2. This index is a supplemental measure that is based on household expenditures for which there are observable price measures. It excludes most implicit prices (for example, financial services furnished without payment) and the final consumption expenditures of nonprofit institutions serving households. Percentage changes for these series are included in the addenda to table 8 and appendix table A.

See "Explanatory Note" at the end of the tables.

**Table 7. Real Gross Domestic Product: Percent Change From Preceding Year**

	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
<b>Gross domestic product (GDP)</b> .....	<b>2.9</b>	<b>4.1</b>	<b>2.5</b>	<b>3.7</b>	<b>4.5</b>	<b>4.4</b>	<b>4.8</b>	<b>4.1</b>	<b>1.1</b>	<b>1.8</b>	<b>2.5</b>	<b>3.6</b>	<b>3.1</b>	<b>2.7</b>	<b>2.1</b>	<b>0.4</b>
<b>Personal consumption expenditures</b> .....	<b>3.6</b>	<b>3.8</b>	<b>2.7</b>	<b>3.5</b>	<b>3.7</b>	<b>5.2</b>	<b>5.5</b>	<b>5.1</b>	<b>2.7</b>	<b>2.7</b>	<b>2.8</b>	<b>3.5</b>	<b>3.4</b>	<b>2.9</b>	<b>2.6</b>	<b>-0.2</b>
Goods .....	4.2	5.3	3.0	4.5	4.8	6.8	8.0	5.3	3.1	4.1	4.6	4.4	4.0	3.3	3.1	-2.1
Durable goods .....	7.5	8.0	3.9	7.5	8.2	12.2	13.0	8.8	5.4	7.6	6.0	6.6	5.2	4.1	4.3	-4.5
Nondurable goods .....	2.5	3.9	2.5	2.9	2.9	3.8	5.1	3.2	1.8	2.0	3.7	3.2	3.4	2.8	2.5	-0.8
Services .....	3.2	3.0	2.5	2.9	3.1	4.4	4.1	5.0	2.5	1.9	1.9	2.9	3.0	2.7	2.4	0.7
<b>Gross private domestic investment</b> .....	<b>8.9</b>	<b>13.6</b>	<b>3.1</b>	<b>8.8</b>	<b>12.4</b>	<b>10.0</b>	<b>8.8</b>	<b>6.8</b>	<b>-7.0</b>	<b>-1.4</b>	<b>3.6</b>	<b>10.0</b>	<b>5.5</b>	<b>2.7</b>	<b>-3.8</b>	<b>-7.3</b>
Fixed investment .....	8.6	9.4	6.4	9.0	9.2	10.9	9.3	7.4	-1.9	-4.2	3.2	7.3	6.5	2.3	-2.1	-5.1
Nonresidential .....	8.7	9.2	10.5	9.3	12.1	12.0	10.4	9.8	-2.8	-7.9	0.9	6.0	6.7	7.9	6.2	1.6
Structures .....	-0.6	1.8	6.4	5.7	7.3	5.1	0.1	7.8	-1.5	-17.7	-3.8	1.1	1.4	9.2	14.9	10.3
Equipment and software .....	12.5	11.9	12.0	10.6	13.8	14.5	14.1	10.5	-3.2	-4.2	2.5	7.7	8.5	7.4	2.6	-2.6
Residential .....	8.2	9.7	-3.3	8.0	1.9	7.7	6.3	1.0	0.6	5.2	8.2	9.8	6.2	-7.3	-18.5	-22.9
Change in private inventories .....																
<b>Net exports of goods and services</b> .....																
Exports .....	3.3	8.7	10.1	8.3	11.9	2.3	4.4	8.6	-5.6	-2.0	1.6	9.5	6.7	9.0	8.7	5.4
Goods .....	3.3	9.7	11.7	8.8	14.4	2.2	3.8	11.1	-6.2	-3.6	1.8	8.5	7.5	9.4	7.4	5.9
Services .....	3.3	6.4	6.3	7.0	5.9	2.4	5.7	2.7	-4.1	1.9	1.2	11.9	5.0	7.9	11.8	4.2
Imports .....	8.6	11.9	8.0	8.7	13.5	11.7	11.5	13.0	-2.8	3.4	4.4	11.0	6.1	6.1	2.0	-3.2
Goods .....	10.0	13.4	9.0	9.4	14.4	11.8	12.5	13.4	-3.2	3.7	4.9	11.0	6.8	5.9	1.7	-3.9
Services .....	2.7	5.3	3.0	5.2	8.7	10.9	6.8	11.0	-0.8	1.8	1.9	11.2	2.8	7.1	3.5	0.7
<b>Government consumption expenditures and gross investment</b> .....	<b>-0.8</b>	<b>0.0</b>	<b>0.6</b>	<b>1.0</b>	<b>1.9</b>	<b>2.1</b>	<b>3.6</b>	<b>2.0</b>	<b>3.8</b>	<b>4.7</b>	<b>2.2</b>	<b>1.4</b>	<b>0.3</b>	<b>1.4</b>	<b>1.7</b>	<b>3.1</b>
Federal .....	-3.9	-3.8	-2.7	-1.2	-1.0	-1.1	1.9	0.5	4.1	7.3	6.6	4.1	1.3	2.1	1.3	7.7
National defense .....	-5.3	-4.9	-3.7	-1.3	-2.8	-2.1	1.9	-0.5	3.8	7.4	8.7	5.7	1.5	1.6	2.2	7.8
Nondefense .....	-0.7	-1.4	-0.4	-0.8	2.7	0.8	2.1	2.4	4.6	7.2	2.8	1.0	0.9	3.2	-0.6	7.3
State and local .....	1.5	2.6	2.7	2.3	3.6	3.9	4.5	2.8	3.7	3.3	-0.1	-0.2	-0.2	0.9	2.0	0.5
<b>Addenda:</b>																
Final sales of domestic product .....	2.8	3.5	3.0	3.7	3.9	4.4	4.9	4.2	2.0	1.3	2.4	3.2	3.2	2.6	2.5	0.8
Gross domestic purchases .....	3.4	4.5	2.4	3.8	4.7	5.5	5.7	4.8	1.2	2.4	2.8	4.0	3.2	2.6	1.4	-0.7
Final sales to domestic purchasers .....	3.3	3.8	2.8	3.8	4.2	5.6	5.8	4.9	2.1	1.9	2.8	3.6	3.3	2.5	1.7	-0.4
Gross national product .....	2.8	3.9	2.6	3.7	4.3	4.3	4.9	4.2	1.2	1.8	2.6	3.7	3.1	2.4	2.4	0.6
Real disposable personal income .....	1.7	3.2	3.0	3.3	3.5	6.0	3.0	5.1	2.4	3.3	2.5	3.4	1.3	4.0	2.2	0.5
<b>Price indexes:</b>																
Gross domestic purchases .....	2.1	2.1	2.1	1.8	1.5	0.7	1.6	2.5	1.9	1.4	2.3	3.0	3.7	3.4	2.9	3.2
Gross domestic purchases excluding food and energy <sup>1</sup> .....	2.2	2.2	2.2	1.6	1.5	1.0	1.5	2.0	1.8	1.7	2.0	2.7	3.3	3.2	2.7	2.6
GDP .....	2.2	2.1	2.1	1.9	1.8	1.1	1.5	2.2	2.3	1.6	2.2	2.8	3.3	3.3	2.9	2.1
GDP excluding food and energy <sup>1</sup> .....	2.2	2.1	2.1	1.8	1.8	1.2	1.6	2.2	2.0	1.8	2.1	2.8	3.5	3.3	2.8	2.3
Personal consumption expenditures .....	2.2	2.1	2.2	2.2	1.9	1.0	1.6	2.5	1.9	1.4	2.0	2.6	3.0	2.7	2.7	3.3

1. Food excludes personal consumption expenditures for purchased meals and beverages, which are classified in food services.

**Table 8. Real Gross Domestic Product: Percent Change From Quarter One Year Ago**

	2005		2006				2007				2008				2009		
	IV	I	II	III	IV	I	II	III	IV	I	II	III	IV	I	II	III	
<b>Gross domestic product (GDP)</b> .....	<b>2.7</b>	<b>3.0</b>	<b>3.0</b>	<b>2.2</b>	<b>2.4</b>	<b>1.4</b>	<b>1.9</b>	<b>2.7</b>	<b>2.5</b>	<b>2.0</b>	<b>1.6</b>	<b>0.0</b>	<b>-1.9</b>	<b>-3.3</b>	<b>-3.8</b>	<b>-2.3</b>	
<b>Personal consumption expenditures (PCE)</b> .....	<b>2.7</b>	<b>3.1</b>	<b>2.6</b>	<b>2.5</b>	<b>3.3</b>	<b>3.1</b>	<b>2.8</b>	<b>2.7</b>	<b>2.0</b>	<b>0.9</b>	<b>0.6</b>	<b>-0.7</b>	<b>-1.8</b>	<b>-1.5</b>	<b>-1.7</b>	<b>0.0</b>	
Goods .....	2.9	3.7	2.5	2.5	4.3	3.4	3.3	3.3	2.6	0.3	0.1	-2.7	-5.9	-4.1	-4.7	-0.9	
Durable goods .....	2.1	5.4	2.3	2.3	6.3	3.6	4.4	4.6	4.6	0.8	-1.2	-5.4	-11.8	-8.9	-8.8	-1.1	
Nondurable goods .....	3.3	2.8	2.6	2.7	3.2	3.3	2.7	2.6	1.5	0.0	0.7	-1.2	-2.9	-1.7	-2.7	-0.8	
Services .....	2.6	2.7	2.7	2.6	2.8	2.9	2.6	2.4	1.7	1.3	0.9	0.3	0.3	-0.2	-0.2	0.4	
<b>Gross private domestic investment</b> .....	<b>5.0</b>	<b>4.4</b>	<b>6.1</b>	<b>3.5</b>	<b>-3.0</b>	<b>-5.8</b>	<b>-4.4</b>	<b>-2.8</b>	<b>-2.0</b>	<b>-2.3</b>	<b>-6.3</b>	<b>-8.1</b>	<b>-12.5</b>	<b>-25.2</b>	<b>-28.1</b>	<b>-24.8</b>	
Fixed investment .....	4.7	5.8	3.5	0.9	-0.8	-3.7	-2.4	-1.2	-0.9	-1.9	-3.4	-5.4	-9.6	-18.8	-21.0	-18.8	
Nonresidential .....	4.4	7.8	8.2	7.8	7.8	4.5	5.5	6.8	7.9	7.3	4.8	0.9	-6.0	-17.4	-19.7	-18.9	
Structures .....	-0.1	2.5	8.2	13.2	13.0	12.2	12.3	16.2	18.9	16.5	14.5	7.9	3.2	-12.0	-18.9	-20.8	
Equipment and software .....	6.1	9.8	8.1	5.9	6.0	1.6	2.7	2.7	3.2	3.1	0.2	-2.7	-10.7	-20.2	-20.2	-17.9	
Residential .....	5.3	2.3	-4.5	-11.0	-15.7	-18.5	-17.5	-17.8	-20.5	-23.5	-24.2	-22.6	-21.0	-23.9	-25.6	-18.1	
Change in private inventories .....																	
<b>Net exports of goods and services</b> .....																	
Exports .....	6.7	8.8	8.3	8.5	10.2	7.0	6.6	11.0	10.2	9.3	11.0	5.4	-3.4	-11.6	-15.0	-11.2	
Goods .....	8.1	10.4	8.8	9.1	9.4	5.8	5.5	9.2	9.0	9.3	11.3	7.0	-3.4	-14.8	-18.9	-14.5	
Services .....	3.6	5.4	7.3	6.9	12.0	9.7	9.0	15.3	13.0	9.1	10.4	1.9	-3.5	-4.8	-6.5	-3.9	
Imports .....	5.2	6.5	6.6	7.2	4.1	3.3	2.0	1.7	0.9	-0.8	-1.9	-3.3	-6.8	-16.2	-18.5	-14.9	
Goods .....	5.7	6.4	6.5	7.2	3.6	3.3	1.8	1.1	0.7	-1.4	-2.3	-3.9	-8.1	-18.8	-21.4	-17.0	
Services .....	2.3	7.2	7.0	7.0	7.1	3.3	3.4	5.2	2.0	2.6	0.2	-0.4	0.2	-3.6	-3.7	-4.5	
<b>Government consumption expenditures and gross investment</b> .....	<b>0.7</b>	<b>1.6</b>	<b>1.6</b>	<b>0.8</b>	<b>1.5</b>	<b>0.5</b>	<b>1.5</b>	<b>2.3</b>	<b>2.5</b>	<b>3.1</b>	<b>2.9</b>	<b>3.2</b>	<b>3.0</b>	<b>1.7</b>	<b>2.5</b>	<b>1.8</b>	
Federal .....	1.2	3.6	2.6	0.2	2.2	-2.0	0.7	3.0	3.4	6.9	7.0	7.9	8.9	5.6	6.5	5.2	
National defense .....	0.4	2.1	1.6	-1.6	4.4	-0.2	1.7	4.6	2.6	6.7	6.3	8.6	9.5	6.0	7.7	5.0	
Nondefense .....	2.6	6.8	4.8	3.9	-2.3	-5.5	-1.4	-0.2	5.2	7.1	8.3	6.3	7.5	4.8	3.9	5.6	
State and local .....	0.4	0.4	0.9	1.2	1.2	2.0	2.0	1.9	1.9	1.0	0.7	0.5	-0.3	-0.6	0.1	-0.2	
<b>Addenda:</b>																	
Final sales of domestic product .....	2.7	3.3	2.5	1.8	2.8	1.8	2.2	3.0	2.7	2.1	2.1	0.5	-1.4	-2.3	-2.8	-1.5	
Gross domestic purchases .....	2.7	3.0	3.0	2.4	1.9	1.1	1.4	1.7	1.4	0.8	0.0	-1.2	-2.5	-4.4	-4.8	-3.2	
Final sales to domestic purchasers .....	2.7	3.2	2.6	2.0	2.3	1.5	1.8	2.0	1.6	0.9	0.4	-0.7	-2.1	-3.5	-3.7	-2.4	
Gross national product .....	2.7	2.8	2.8	1.8	2.4	1.3	1.8	3.3	3.3	2.8	1.9	0.1	-2.4	-3.8	-4.0	.....	
Real disposable personal income .....	0.6	3.7	3.9	3.8	4.6	3.1	2.3	2.3	1.0	0.0	2.2	-0.5	0.3	1.0	-0.4	1.0	
<b>Price indexes:</b>																	
Gross domestic purchases .....	4.0	3.8	3.9	3.4	2.6	2.9	2.8	2.6	3.5	3.3	3.5	4.0	1.9	0.7	-0.2	-0.8	
Gross domestic purchases excluding food and energy <sup>1</sup> .....	3.5	3.2	3.4	3.2	2.9	3.0	2.6	2.6	2.8	2.5	2.8	2.9	2.0	1.4	0.8	0.2	
G																	

**Table 9. Relation of Gross Domestic Product, Gross National Product, and National Income**

[Billions of dollars]

	2006	2007	2008	Seasonally adjusted at annual rates				
				2008		2009		
				III	IV	I	II	III
<b>Gross domestic product</b> .....	<b>13,398.9</b>	<b>14,077.6</b>	<b>14,441.4</b>	<b>14,546.7</b>	<b>14,347.3</b>	<b>14,178.0</b>	<b>14,151.2</b>	<b>14,301.5</b>
Plus: Income receipts from the rest of the world .....	721.1	861.8	809.2	825.6	714.4	579.6	571.3	.....
Less: Income payments to the rest of the world .....	648.6	746.0	667.3	664.8	607.4	479.7	478.6	.....
<b>Equals: Gross national product</b> .....	<b>13,471.3</b>	<b>14,193.3</b>	<b>14,583.3</b>	<b>14,707.5</b>	<b>14,454.3</b>	<b>14,277.9</b>	<b>14,243.8</b>	.....
Less: Consumption of fixed capital .....	1,660.7	1,760.0	1,847.1	1,858.2	1,881.0	1,883.6	1,864.0	1,851.6
Less: Statistical discrepancy .....	-220.6	-14.8	101.0	68.3	139.4	185.4	249.8	.....
<b>Equals: National income</b> .....	<b>12,031.2</b>	<b>12,448.2</b>	<b>12,635.2</b>	<b>12,781.0</b>	<b>12,433.9</b>	<b>12,208.9</b>	<b>12,129.9</b>	.....
Compensation of employees .....	7,477.0	7,856.5	8,037.4	8,069.1	8,030.3	7,825.8	7,727.8	7,726.9
Wage and salary accruals .....	6,070.1	6,402.6	6,540.8	6,567.7	6,523.5	6,327.8	6,230.9	6,226.4
Supplements to wages and salaries .....	1,406.9	1,453.8	1,496.6	1,501.4	1,506.8	1,498.0	1,496.9	1,500.5
Proprietors' income with inventory valuation and capital consumption adjustments .....	1,133.0	1,096.4	1,106.3	1,114.4	1,083.6	1,037.8	1,028.0	1,038.3
Rental income of persons with capital consumption adjustment .....	146.5	144.9	210.4	222.2	236.7	245.9	262.0	279.2
Corporate profits with inventory valuation and capital consumption adjustments .....	1,608.3	1,541.7	1,360.4	1,454.6	1,123.6	1,182.7	1,226.5	.....
Net interest and miscellaneous payments .....	652.2	739.2	815.1	806.1	854.7	826.2	784.4	764.6
Taxes on production and imports less subsidies .....	935.5	974.0	993.8	1,005.7	982.1	963.2	964.6	960.3
Business current transfer payments (net) .....	83.0	102.2	118.8	116.0	131.8	137.9	145.4	124.5
Current surplus of government enterprises .....	-4.2	-6.6	-6.9	-6.9	-8.9	-10.7	-8.8	-6.3
<b>Addendum:</b>								
Gross domestic income .....	13,619.5	14,092.5	14,340.4	14,478.4	14,207.9	13,992.5	13,901.3	.....

**Table 10. Personal Income and Its Disposition**

[Billions of dollars]

	2006	2007	2008	Seasonally adjusted at annual rates				
				2008		2009		
				III	IV	I	II	III
<b>Personal income</b> <sup>1</sup> .....	<b>11,268.1</b>	<b>11,894.1</b>	<b>12,238.8</b>	<b>12,286.6</b>	<b>12,233.5</b>	<b>11,952.7</b>	<b>11,971.8</b>	<b>11,956.3</b>
Compensation of employees, received .....	7,475.7	7,862.7	8,042.4	8,069.1	8,050.3	7,805.8	7,727.8	7,726.9
Wage and salary disbursements .....	6,068.9	6,408.9	6,545.9	6,567.7	6,543.5	6,307.8	6,230.9	6,226.4
Supplements to wages and salaries .....	1,406.9	1,453.8	1,496.6	1,501.4	1,506.8	1,498.0	1,496.9	1,500.5
Proprietors' income with inventory valuation and capital consumption adjustments .....	1,133.0	1,096.4	1,106.3	1,114.4	1,083.6	1,037.8	1,028.0	1,038.3
Farm .....	29.3	39.4	48.7	49.3	39.0	27.3	28.9	28.5
Nonfarm .....	1,103.6	1,056.9	1,057.5	1,065.1	1,044.5	1,010.5	999.1	1,009.8
Rental income of persons with capital consumption adjustment .....	146.5	144.9	210.4	222.2	236.7	245.9	262.0	279.2
Personal income receipts on assets .....	1,829.7	2,031.5	1,994.4	2,001.4	1,958.1	1,845.5	1,773.4	1,739.9
Personal interest income .....	1,127.5	1,266.4	1,308.0	1,327.8	1,292.9	1,243.4	1,241.1	1,233.9
Personal dividend income .....	702.2	765.1	686.4	673.7	665.2	602.1	532.3	506.0
Personal current transfer receipts .....	1,605.0	1,718.0	1,875.9	1,874.3	1,898.0	1,987.3	2,140.3	2,131.3
Less: Contributions for government social insurance, domestic .....	921.8	959.3	990.6	994.9	993.3	969.7	959.7	959.3
Less: Personal current taxes .....	1,352.4	1,490.9	1,432.4	1,437.3	1,434.3	1,187.3	1,068.2	1,073.0
<b>Equals: Disposable personal income</b> .....	<b>9,915.7</b>	<b>10,403.1</b>	<b>10,806.4</b>	<b>10,849.3</b>	<b>10,799.1</b>	<b>10,765.4</b>	<b>10,903.6</b>	<b>10,883.2</b>
Less: Personal outlays .....	9,680.7	10,224.3	10,520.0	10,613.6	10,389.9	10,362.3	10,370.5	10,518.7
<b>Equals: Personal saving</b> .....	<b>235.0</b>	<b>178.9</b>	<b>286.4</b>	<b>235.7</b>	<b>409.2</b>	<b>403.1</b>	<b>533.1</b>	<b>364.6</b>
Personal saving as a percentage of disposable personal income .....	2.4	1.7	2.7	2.2	3.8	3.7	4.9	3.3
<b>Addenda:</b>								
Personal income excluding current transfer receipts, billions of chained (2005) dollars <sup>2</sup> .....	9,404.8	9,645.4	9,504.6	9,442.0	9,494.4	9,188.7	9,034.8	8,967.1
Disposable personal income, billions of chained (2005) dollars <sup>2</sup> .....	9,650.7	9,860.6	9,911.3	9,838.3	9,920.4	9,926.4	10,020.0	9,933.0

1. Personal income is also equal to national income less corporate profits with inventory valuation and capital consumption adjustments, taxes on production and imports less subsidies, contributions for government social insurance, net interest and miscellaneous payments, business current transfer payments (net), current surplus of government enterprises, and wage accruals less disbursements, plus personal income receipts on assets, and personal current transfer receipts.

2. The current-dollar measure is deflated by the implicit price deflator for personal consumption expenditures.



## Explanatory Note: NIPA Measures of Quantities and Prices

Current-dollar GDP is a measure of the market value of goods, services, and structures produced in the economy in a particular period. Changes in current-dollar GDP can be decomposed into quantity and price components. Quantities, or “real” measures, and prices are expressed as index numbers with the reference year -- at present, the year 2005 -- equal to 100.

Annual changes in quantities and prices are calculated using a Fisher formula that incorporates weights from two adjacent years. (Quarterly changes in quantities and prices are calculated using a Fisher formula that incorporates weights from two adjacent quarters; quarterly indexes are adjusted for consistency to the annual indexes before percent changes are calculated.) For example, the 2007-08 annual percent change in real GDP uses prices for 2007 and 2008 as weights, and the 2007-08 annual percent change in GDP prices uses quantities for 2007 and 2008 as weights. These annual changes are “chained” (multiplied) together to form time series of quantity and price indexes. Percent changes in Fisher indexes are not affected by the choice of reference year. (BEA also publishes a measure of the price level known as the implicit price deflator (IPD), which is calculated as the ratio of the current-dollar value to the corresponding chained-dollar value, multiplied by 100. The values of the IPD are very close to the values of the corresponding “chain-type” price index.)

Index numbers of quantity and price indexes for GDP and its major components are presented in this release in tables 5 and 6. Percent changes from the preceding period are presented in tables 1, 4, 7, 8, and appendix table A. Contributions by major components to the percent change in real GDP are presented in table 2.

Measures of real GDP and its major components are also presented in dollar-denominated form, designated “chained (2005) dollar estimates.” For most series, these estimates, which are presented in table 3, are computed by multiplying the current-dollar value in 2005 by a corresponding quantity index number and then dividing by 100. For example, if a current-dollar GDP component equaled \$100 in 2005 and if real output for this component increased 10 percent in 2006, then the chained (2005) dollar value of this component in 2006 would be \$110 (= \$100 x 110 / 100). Percent changes calculated from chained-dollar estimates and from chain-type quantity indexes are the same; any differences will be small and due to rounding.

Chained-dollar values for the detailed GDP components will not necessarily sum to the chained-dollar estimate of GDP (or to any intermediate aggregate). This is because the relative prices used as weights for any period other than the reference year differ from those of the reference year. A measure of the extent of such differences is provided by a “residual” line, which indicates the difference between GDP (or other major aggregate) and the sum of the most detailed components in the table. For periods close to the reference year, when there usually has not been much change in the relative prices that are used as weights, the residuals tend to be small, and the chained-dollar estimates can be used to approximate the contributions to growth and to aggregate the detailed estimates. For periods further from the reference year, the residuals tend to be larger, and the chained-dollar estimates are less useful for analyses of contributions to growth. Thus, the contributions to percent change shown in table 2 provide a better measure of the composition of GDP growth. In particular, for components for which relative prices are changing rapidly, calculation of contributions using chained-dollar estimates may be misleading even just a few years from the reference year.

*Reference:* “Chained-Dollar Indexes: Issues, Tips on Their Use, and Upcoming Changes,” November 2003 *Survey*, pp. 8-16.