



NEWS RELEASE



EMBARGOED UNTIL RELEASE AT 8:30 A.M. EDT, THURSDAY, SEPTEMBER 30, 2010

BEA 10-47

Lisa Mataloni: (202) 606-5304 (GDP) gdpniwd@bea.gov
Andrew Hodge: (202) 606-5564 (Profits) cpniwd@bea.gov
Recorded message: (202) 606-5306

GROSS DOMESTIC PRODUCT: SECOND QUARTER 2010 (THIRD ESTIMATE) CORPORATE PROFITS: SECOND QUARTER 2010 (REVISED 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 1.7 percent in the second quarter of 2010, (that is, from the first quarter to the second quarter), according to the "third" estimate released by the Bureau of Economic Analysis. In the first quarter, real GDP increased 3.7 percent.

The GDP estimate released today is based on more complete source data than were available for the "second" estimate issued last month. In the second estimate, the increase in real GDP was 1.6 percent (see "Revisions" on page 3).

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

The deceleration in real GDP in the second quarter primarily reflected a sharp acceleration in imports and a sharp deceleration in private inventory investment that were partly offset by an upturn in residential fixed investment, accelerations in nonresidential fixed investment and in federal government spending, and an upturn in state and local government spending.

Final sales of computers added 0.03 percentage point to the second-quarter change in real GDP after adding 0.10 percentage point to the first-quarter change. Motor vehicle output subtracted 0.06 percentage point from the second-quarter change in real GDP after adding 0.74 percentage point to the first-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.

The price index for gross domestic purchases, which measures prices paid by U.S. residents, increased 0.1 percent in the second quarter, the same increase as in the second estimate; this index increased 2.1 percent in the first quarter. Excluding food and energy prices, the price index for gross domestic purchases increased 0.8 percent in the second quarter, compared with an increase of 1.6 percent in the first.

Real personal consumption expenditures increased 2.2 percent in the second quarter, compared with an increase of 1.9 percent in the first. Real nonresidential fixed investment increased 17.2 percent, compared with an increase of 7.8 percent. Nonresidential structures decreased 0.5 percent, compared with a decrease of 17.8 percent. Equipment and software increased 24.8 percent, compared with an increase of 20.4 percent. Real residential fixed investment increased 25.7 percent, in contrast to a decrease of 12.3 percent.

Real exports of goods and services increased 9.1 percent in the second quarter, compared with an increase of 11.4 percent in the first. Real imports of goods and services increased 33.5 percent, compared with an increase of 11.2 percent.

Real federal government consumption expenditures and gross investment increased 9.1 percent in the second quarter, compared with an increase of 1.8 percent in the first. National defense increased 7.4 percent, compared with an increase of 0.4 percent. Nondefense increased 12.8 percent, compared with an increase of 5.0 percent. Real state and local government consumption expenditures and gross investment increased 0.6 percent, in contrast to a decrease of 3.8 percent.

The change in real private inventories added 0.82 percentage point to the second-quarter change in real GDP, after adding 2.64 percentage points to the first-quarter change. Private businesses increased inventories \$68.8 billion in the second quarter, following an increase of \$44.1 billion in the first quarter and a decrease of \$36.7 billion in the fourth.

Real final sales of domestic product -- GDP less change in private inventories -- increased 0.9 percent in the second quarter, compared with an increase of 1.1 percent in the first.

Gross domestic purchases

Real gross domestic purchases -- purchases by U.S. residents of goods and services wherever produced -- increased 5.1 percent in the second quarter, compared with an increase of 3.9 percent in the first.

Gross national product

Real gross national product -- the goods and services produced by the labor and property supplied by U.S. residents -- increased 1.8 percent in the second quarter, compared with an increase of 4.4 percent in the first. GNP includes, and GDP excludes, net receipts of income from the rest of the world, which increased \$3.7 billion in the second quarter after increasing \$22.9 billion in the first; in the second quarter, receipts increased \$2.0 billion, and payments decreased \$1.7 billion.

Current-dollar GDP

Current-dollar GDP -- the market value of the nation's output of goods and services -- increased 3.7 percent, or \$132.3 billion, in the second quarter to a level of \$14,578.7 billion. In the first quarter, current-dollar GDP increased 4.8 percent, or \$169.1 billion.

Revisions

The "third" estimate of the second-quarter increase in real GDP is 0.1 percentage point, or \$3.4 billion, higher than the second estimate issued last month, primarily reflecting upward revisions to private inventory investment and to personal consumption expenditures that were mostly offset by an upward revision to imports.

	<u>Advance Estimate</u>	<u>Second Estimate</u>	<u>Third Estimate</u>
	(Percent change from preceding quarter)		
Real GDP.....	2.4	1.6	1.7
Current-dollar GDP.....	4.3	3.6	3.7
Gross domestic purchases price index...	0.1	0.1	0.1

Corporate Profits

Profits from current production (corporate profits with inventory valuation and capital consumption adjustments) increased \$47.5 billion in the second quarter, compared with an increase of \$148.4 billion in the first quarter. Current-production cash flow (net cash flow with inventory valuation adjustment) -- the internal funds available to corporations for investment -- increased \$61.1 billion in the second quarter, compared with an increase of \$33.3 billion in the first.

Taxes on corporate income increased \$2.4 billion in the second quarter, compared with an increase of \$84.1 billion in the first. Profits after tax with inventory valuation and capital consumption adjustments increased \$45.2 billion in the second quarter, compared with an increase of \$64.1 billion in the first. Dividends increased \$8.1 billion compared with an increase of \$11.8 billion; current-production undistributed profits increased \$37.1 billion, compared with an increase of \$52.4 billion.

Domestic profits of financial corporations decreased \$3.4 billion in the second quarter, in contrast to an increase of \$5.2 billion in the first. Domestic profits of nonfinancial corporations increased \$48.2 billion in the second quarter, compared with an increase of \$117.2 billion in the first. In the second quarter, real gross value added of nonfinancial corporations increased, and profits per unit of real value added increased. The increase in unit profits reflected an increase in unit prices and a decrease in unit nonlabor costs that was partly offset by an increase in unit labor costs.

The rest-of-the-world component of profits increased \$2.8 billion in the second quarter, compared with an increase of \$25.9 billion in the first. This measure is calculated as (1) receipts by U.S. residents of earnings from their foreign affiliates plus dividends received by U.S. residents from unaffiliated foreign corporations minus (2) payments by U.S. affiliates of earnings to their foreign parents plus dividends paid by U.S. corporations to unaffiliated foreign residents. The second-quarter increase was accounted for by a smaller decrease in receipts than in payments.

Profits before tax with inventory valuation adjustment is the best available measure of industry profits because estimates of the capital consumption adjustment by industry do not exist. This measure reflects depreciation-accounting practices used for federal income tax returns. According to this measure, domestic profits of financial corporations decreased and domestic profits of nonfinancial corporations increased. The increase in nonfinancial corporations reflected increases in manufacturing, in wholesale trade, in transportation and warehousing, and in "other" nonfinancial that were partly offset by decreases in utilities, in information, and in retail trade. Within manufacturing, the largest increase was in petroleum and coal products.

Profits before tax increased \$15.3 billion in the second quarter, compared with an increase of \$224.5 billion in the first. The before-tax measure of profits does not reflect, as does profits from current production, the capital consumption and inventory valuation adjustments. These adjustments convert depreciation of fixed assets and inventory withdrawals reported on a tax-return, historical-cost basis to the current-cost measures used in the national income and product accounts. The capital consumption adjustment decreased \$0.8 billion in the second quarter (from -\$169.9 billion to -\$170.7 billion), compared with a decrease of \$106.9 billion in the first. The inventory valuation adjustment increased \$32.9 billion (from -\$36.4 billion to -\$3.5 billion), compared with an increase of \$30.8 billion.

* * *

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. By visiting the site, you can also subscribe to receive free e-mail summaries of BEA releases and announcements.

* * *

Next release – October 29, 2010, at 8:30 A.M. EDT for:
Gross Domestic Product: Third Quarter 2010 (Advance Estimate)

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

	2007	2008	2009	Seasonally adjusted at annual rates															
				2006		2007				2008				2009				2010	
				III	IV	I	II	III	IV	I	II	III	IV	I	II	III	IV	I	II ^r
Gross domestic product (GDP) ...	1.9	0.0	-2.6	0.1	3.0	0.9	3.2	2.3	2.9	-0.7	0.6	-4.0	-6.8	-4.9	-0.7	1.6	5.0	3.7	1.7
Personal consumption expenditures	2.4	-0.3	-1.2	2.5	4.1	2.4	1.5	1.7	1.4	-0.8	0.1	-3.5	-3.3	-0.5	-1.6	2.0	0.9	1.9	2.2
Goods	2.8	-2.5	-2.0	3.3	5.9	2.3	1.4	2.4	1.1	-5.8	0.3	-7.7	-10.8	1.8	-1.5	7.2	1.7	5.7	3.4
Durable goods	4.2	-5.2	-3.7	4.5	5.6	4.6	4.6	3.8	2.4	-10.8	-2.9	-12.0	-22.3	4.8	-3.1	20.1	-1.1	8.8	6.8
Nondurable goods	2.0	-1.1	-1.2	2.6	6.1	1.1	-0.2	1.7	0.5	-3.0	2.0	-5.5	-4.9	0.4	-0.7	1.7	3.1	4.2	1.9
Services	2.2	0.9	-0.8	2.1	3.1	2.4	1.6	1.4	1.5	1.9	0.0	-1.3	0.6	-1.6	-1.7	-0.5	0.5	0.1	1.6
Gross private domestic investment	-3.1	-9.5	-22.6	-5.5	-10.9	-3.6	9.5	-2.9	-9.4	-9.4	-7.6	-12.5	-36.8	-42.2	-18.5	11.8	26.7	29.1	26.2
Fixed investment	-1.8	-6.4	-18.3	-5.0	-5.3	-1.0	3.7	-1.2	-4.8	-6.2	-4.6	-11.9	-24.9	-35.4	-10.1	0.7	-1.3	3.3	18.9
Nonresidential	6.7	0.3	-17.1	4.4	2.3	6.8	11.1	9.4	5.7	2.0	-1.6	-8.6	-22.7	-35.2	-7.5	-1.7	-1.4	7.8	17.2
Structures	14.1	5.9	-20.4	10.3	1.5	10.7	28.0	24.3	7.4	-0.1	7.5	-3.6	-8.9	-41.0	-20.2	-12.4	-29.2	-17.8	-0.5
Equipment and software	3.7	-2.4	-15.3	2.2	2.8	5.1	4.3	2.9	4.8	3.0	-6.0	-11.1	-29.5	-31.6	0.2	4.2	14.6	20.4	24.8
Residential	-18.7	-24.0	-22.9	-21.2	-19.7	-16.4	-12.0	-24.1	-29.3	-27.9	-14.0	-22.6	-32.6	-36.2	-19.7	10.6	-0.8	-12.3	25.7
Change in private inventories																			
Net exports of goods and services																			
Exports	9.3	6.0	-9.5	0.6	17.8	6.4	6.8	15.8	11.6	5.7	13.2	-5.0	-21.9	-27.8	-1.0	12.2	24.4	11.4	9.1
Goods	9.8	6.3	-12.0	0.2	13.1	12.9	7.6	12.8	9.9	9.6	14.5	-4.3	-26.6	-34.1	-3.7	18.7	31.7	14.0	11.5
Services	8.3	5.3	-3.9	1.5	29.1	-6.9	4.9	23.0	15.7	-2.8	10.2	-6.6	-9.8	-12.3	4.7	0.1	10.2	5.8	3.9
Imports	2.7	-2.6	-13.8	4.9	-0.5	4.6	4.6	5.0	-10.6	-1.4	2.9	-0.1	-22.9	-35.3	-10.6	21.9	4.9	11.2	33.5
Goods	2.9	-3.5	-15.8	5.5	-2.3	6.8	4.8	5.1	-11.8	-3.3	4.6	-1.0	-28.3	-38.9	-10.6	27.4	6.2	12.0	40.5
Services	1.4	2.4	-4.2	1.3	10.0	-6.3	3.6	4.4	-4.0	9.4	-6.0	5.0	11.7	-16.8	-10.9	1.5	-0.5	7.8	4.3
Government consumption expenditures and gross investment	1.3	2.8	1.6	0.6	1.1	-0.5	3.4	3.5	1.2	2.3	3.3	5.3	1.5	-3.0	6.1	1.6	-1.4	-1.6	3.9
Federal	1.2	7.3	5.7	-0.4	1.1	-4.8	7.1	9.6	1.1	6.9	7.8	14.2	8.1	-5.0	14.9	5.7	0.0	1.8	9.1
National defense	2.2	7.5	5.4	-1.9	8.5	-7.2	8.3	10.2	0.0	6.8	6.9	19.7	5.2	-8.4	16.8	9.0	-2.5	0.4	7.4
Nondefense	-0.8	6.7	6.5	2.9	-12.7	0.5	4.7	8.2	3.4	6.9	9.6	3.0	14.8	2.6	10.9	-0.9	5.6	5.0	12.8
State and local	1.4	0.3	-0.9	1.2	1.1	2.1	1.3	0.2	1.3	-0.3	0.8	0.3	-2.4	-1.7	1.0	-1.0	-2.3	-3.8	0.6
Addenda:																			
Final sales of domestic product	2.2	0.5	-2.1	0.2	4.1	1.3	2.3	2.6	3.7	-0.2	1.1	-3.9	-4.6	-3.9	0.2	0.4	2.1	1.1	0.9
Gross domestic purchases	1.3	-1.1	-3.6	0.8	1.0	0.9	3.1	1.3	-0.4	-1.6	-0.5	-3.2	-7.7	-7.2	-2.1	3.0	3.0	3.9	5.1
Final sales to domestic purchasers	1.5	-0.6	-3.1	0.9	2.0	1.3	2.2	1.6	0.4	-1.1	0.0	-3.1	-5.7	-6.3	-1.2	1.8	0.2	1.3	4.3
Gross national product (GNP)	2.3	0.3	-2.8	-0.3	3.2	0.8	3.5	4.1	4.4	-0.9	0.1	-3.2	-8.6	-4.9	-0.5	2.6	4.9	4.4	1.8
Disposable personal income	2.3	1.7	0.6	1.9	5.3	1.8	0.6	1.5	2.2	1.4	9.2	-8.4	2.7	0.4	5.9	-4.4	0.0	1.3	4.4
Current-dollar measures:																			
GDP	4.9	2.2	-1.7	3.2	4.8	5.3	6.5	4.4	3.8	1.0	4.1	0.4	-7.9	-3.9	-0.4	2.3	4.7	4.8	3.7
Final sales of domestic product	5.2	2.7	-1.1	3.3	6.0	5.8	5.6	4.6	4.6	1.8	4.3	0.5	-6.1	-2.7	0.6	1.2	1.8	2.1	2.9
Gross domestic purchases	4.3	2.1	-3.8	3.7	1.9	5.4	6.3	3.4	3.4	2.1	4.2	0.6	-11.7	-9.2	-1.5	4.3	5.1	6.2	5.2
Final sales to domestic purchasers	4.5	2.5	-3.2	3.8	3.0	5.8	5.5	3.6	4.1	2.9	4.5	0.8	-10.1	-8.1	-0.5	3.3	2.2	3.5	4.4
GNP	5.3	2.5	-1.9	2.8	5.1	5.3	6.7	6.3	5.3	0.9	3.5	1.1	-9.8	-4.0	-0.2	3.4	4.6	5.5	3.8
Disposable personal income	5.1	5.1	0.7	4.9	5.3	5.8	4.1	3.9	6.5	5.4	14.3	-4.4	-3.3	-1.2	8.0	-1.6	2.7	3.4	4.4

^r Revised
See "Explanatory Note" at the end of the tables.

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

	2007	2008	2009	Seasonally adjusted at annual rates															
				2006		2007				2008				2009				2010	
				III	IV	I	II	III	IV	I	II	III	IV	I	II	III	IV	I	II ^r
Gross domestic product (GDP)	2.9	2.2	0.9	3.1	1.8	4.4	3.2	2.0	0.9	1.9	3.2	4.5	-1.2	1.1	0.3	0.7	-0.2	1.0	1.9
Personal consumption expenditures	2.7	3.3	0.2	3.0	-0.1	4.0	3.5	2.3	4.2	3.9	4.6	4.4	-5.8	-1.6	1.9	2.9	2.7	2.1	0.0
Goods	1.4	3.2	-2.5	2.2	-5.8	3.2	4.7	0.8	5.4	5.1	4.9	7.2	-17.7	-6.0	3.7	5.7	2.8	2.6	-3.6
Durable goods	-1.8	-1.4	-1.6	-1.9	-2.0	-1.8	-1.4	-2.1	-1.4	-0.7	-2.0	-0.7	-3.4	-2.1	0.1	-2.5	0.7	-2.0	-1.6
Nondurable goods	3.2	5.6	-2.9	4.5	-7.7	6.1	8.1	2.3	9.1	8.1	8.3	11.0	-23.5	-7.9	5.4	9.7	3.8	4.7	-4.6
Services	3.4	3.4	1.5	3.3	3.1	4.4	2.9	3.1	3.7	3.3	4.5	3.0	0.7	0.5	1.1	1.7	2.7	1.8	1.8
Gross private domestic investment	1.8	0.7	-2.0	2.5	3.8	2.1	0.1	-0.2	0.4	-0.2	1.0	1.9	4.8	-4.1	-6.7	-6.0	-0.7	-2.0	-0.7
Fixed investment	1.8	0.8	-1.7	2.4	3.7	2.1	0.2	-0.2	0.2	0.0	1.3	2.8	2.2	-3.0	-5.7	-4.8	-1.0	-1.4	-0.7
Nonresidential	1.9	1.4	-1.2	3.0	3.9	2.0	0.7	-0.3	0.2	0.6	2.1	4.5	4.3	-3.1	-5.7	-5.1	-2.4	-1.9	0.0
Structures	6.1	4.7	-2.6	8.0	11.5	5.0	1.8	3.3	4.8	3.5	4.9	8.1	8.1	-5.6	-12.2	-10.5	-2.1	0.9	2.0
Equipment and software	0.1	-0.2	-0.5	1.0	0.7	0.7	0.3	-2.0	-2.1	-0.9	0.8	2.6	2.2	-1.6	-2.0	-2.4	-2.5	-3.1	-0.8
Residential	1.4	-1.2	-3.4	1.3	3.4	2.2	-1.2	0.1	0.7	-1.4	-1.1	-2.8	-5.2	-2.9	-6.0	-3.3	4.3	0.6	-3.2
Change in private inventories																			
Net exports of goods and services	3.3	4.7	-5.4	5.0	0.2	3.4	4.4	2.6	5.8	7.8	10.6	5.7	-22.3	-11.5	0.7	4.6	4.6	5.1	4.8
Exports	3.4	4.8	-6.8	5.5	0.9	2.7	4.5	2.2	6.1	8.6	13.2	5.4	-27.5	-13.8	2.7	4.8	4.6	5.8	5.3
Goods	3.3	4.2	-2.2	3.9	-1.6	5.1	4.2	3.7	5.1	5.8	4.8	6.4	-9.0	-6.6	-3.2	4.0	4.7	3.7	3.7
Services	3.3	10.4	-10.7	3.1	-4.6	3.9	4.0	2.8	24.3	19.4	16.6	2.2	-32.1	-27.3	2.3	8.6	21.8	12.4	-7.7
Imports	3.1	11.3	-12.3	3.2	-5.4	4.1	3.5	2.1	28.0	22.0	17.3	1.7	-34.6	-30.7	2.0	9.2	24.8	14.6	-9.6
Goods	3.8	5.7	-2.8	2.7	-0.2	2.8	6.8	6.6	5.9	6.2	13.4	4.8	-17.2	-10.2	3.8	6.2	9.2	2.5	1.6
Services																			
Government consumption expenditures and gross investment	4.8	4.7	-0.3	3.1	2.4	8.4	4.6	2.9	4.7	7.3	6.5	3.9	-5.2	-1.7	0.6	0.4	1.5	4.6	0.9
Federal	3.5	3.1	-0.2	1.2	0.5	8.7	3.5	0.4	2.3	6.5	4.7	1.6	-4.2	0.7	-0.8	-0.1	1.5	4.5	0.9
National defense	3.7	3.6	-0.7	1.5	0.3	8.4	4.1	0.9	3.1	6.4	6.3	2.0	-5.9	0.1	-1.8	0.3	1.6	5.3	1.2
Nondefense	3.2	2.2	0.8	0.7	0.9	9.3	2.3	-0.6	0.8	6.6	1.6	0.6	-0.4	2.2	1.1	-1.0	1.5	2.8	0.2
State and local	5.5	5.6	-0.4	4.2	3.4	8.3	5.3	4.4	6.2	7.7	7.5	5.3	-5.8	-3.2	1.5	0.8	1.5	4.6	0.9
Addenda:																			
Final sales of domestic product	2.9	2.2	1.0	3.1	1.8	4.4	3.2	2.0	0.8	2.0	3.2	4.6	-1.5	1.3	0.4	0.8	-0.3	1.0	1.9
Gross domestic purchases	2.9	3.2	-0.2	2.9	1.0	4.4	3.2	2.0	3.8	4.0	4.5	3.9	-4.4	-2.0	0.6	1.4	2.1	2.1	0.1
Final sales to domestic purchasers	3.0	3.2	-0.2	2.9	1.0	4.5	3.2	2.0	3.7	4.0	4.5	4.1	-4.6	-1.9	0.7	1.5	2.0	2.2	0.1
Gross national product (GNP)	2.9	2.2	0.9	3.1	1.8	4.4	3.1	2.0	0.9	2.0	3.2	4.5	-1.3	1.1	0.3	0.8	-0.2	1.0	1.9
Implicit price deflators:																			
GDP	2.9	2.2	0.9	3.1	1.8	4.4	3.2	2.0	0.9	1.8	3.4	4.5	-1.2	1.0	0.3	0.7	-0.3	1.1	2.0
Gross domestic purchases	2.9	3.2	-0.2	2.9	0.9	4.4	3.1	2.1	3.8	3.8	4.7	4.0	-4.3	-2.2	0.5	1.3	2.0	2.2	0.1
GNP	2.9	2.2	0.9	3.1	1.8	4.4	3.1	2.0	0.9	1.8	3.4	4.5	-1.2	1.0	0.3	0.7	-0.3	1.0	1.9

^r Revised
See "Explanatory Note" at the end of the tables.

Table 5. Real Gross Domestic Product, Quantity Indexes
[Index numbers, 2005=100]

	2007	2008	2009	Seasonally adjusted				
				2009			2010	
				II	III	IV	I	II ^r
Gross domestic product	104.672	104.672	101.917	101.358	101.760	103.012	103.960	104.403
Personal consumption expenditures	105.335	105.057	103.797	103.379	103.885	104.126	104.608	105.178
Goods.....	106.105	103.462	101.416	100.328	102.092	102.533	103.952	104.837
Durable goods.....	108.418	102.798	99.011	96.629	101.159	100.870	103.025	104.735
Nondurable goods.....	104.872	103.698	102.487	102.025	102.460	103.247	104.321	104.823
Services.....	104.929	105.870	105.006	104.919	104.797	104.936	104.952	105.366
Gross private domestic investment	99.509	90.105	69.778	66.901	68.800	73.000	77.811	82.474
Fixed investment.....	100.490	94.096	76.835	76.316	76.447	76.198	76.826	80.219
Nonresidential.....	115.193	115.532	95.804	95.618	95.216	94.879	96.677	100.592
Structures.....	124.578	131.976	105.064	107.399	103.911	95.310	90.761	90.649
Equipment and software.....	111.389	108.681	92.035	90.786	91.716	94.895	99.408	105.067
Residential.....	75.380	57.324	44.220	43.089	44.185	44.092	42.670	45.177
Change in private inventories.....								
Exports of goods and services	119.106	126.255	114.228	110.941	114.174	120.569	123.858	126.592
Imports of goods and services	108.951	106.113	91.418	88.266	92.752	93.874	96.401	103.613
Government consumption expenditures and gross investment	102.713	105.605	107.287	107.569	107.991	107.613	107.185	108.228
Federal.....	103.399	110.900	117.266	117.447	119.085	119.091	119.634	122.276
State and local.....	102.311	102.611	101.688	102.024	101.770	101.179	100.213	100.367
Addenda:								
Final sales of domestic product.....	104.858	105.399	103.212	103.042	103.146	103.676	103.948	104.181
Gross domestic purchases.....	103.913	102.756	99.045	98.373	99.092	99.829	100.797	102.070
Final sales to domestic purchasers.....	104.086	103.433	100.254	99.948	100.386	100.441	100.775	101.852
Gross national product.....	104.781	105.129	102.192	101.523	102.185	103.413	104.534	105.003

^r Revised
See "Explanatory Note" at the end of the tables.

Table 6. Price Indexes for Gross Domestic Product
[Index numbers, 2005=100]

	2007	2008	2009	Seasonally adjusted				
				2009			2010	
				II	III	IV	I	II ^r
Gross domestic product	106.301	108.598	109.618	109.555	109.759	109.693	109.959	110.485
Personal consumption expenditures (PCE)	105.564	109.061	109.258	108.810	109.598	110.333	110.901	110.888
Goods.....	102.946	106.262	103.634	102.974	104.403	105.120	105.784	104.812
Durable goods.....	96.736	95.340	93.782	94.046	93.450	93.603	93.121	92.755
Nondurable goods.....	106.487	112.484	109.262	108.097	110.624	111.651	112.949	111.638
Services.....	106.973	110.566	112.233	111.894	112.355	113.102	113.620	114.116
Gross private domestic investment	106.211	106.977	104.873	105.259	103.656	103.466	102.952	102.765
Fixed investment.....	106.256	107.053	105.260	105.575	104.294	104.030	103.661	103.487
Nonresidential.....	105.505	106.984	105.700	106.162	104.768	104.144	103.639	103.636
Structures.....	119.780	125.460	122.187	123.006	119.654	119.017	119.291	119.887
Equipment and software.....	100.326	100.083	99.620	99.953	99.344	98.721	97.954	97.764
Residential.....	107.613	106.361	102.736	102.503	101.637	102.712	102.869	102.030
Change in private inventories.....								
Exports of goods and services	106.902	111.874	105.877	105.031	106.212	107.424	108.771	110.060
Imports of goods and services	107.531	118.685	105.987	103.719	105.879	111.222	114.514	112.234
Government consumption expenditures and gross investment	109.863	115.009	114.644	114.516	114.635	115.067	116.358	116.606
Federal.....	107.753	111.119	110.895	110.743	110.716	111.141	112.375	112.615
State and local.....	111.112	117.349	116.892	116.779	116.998	117.434	118.760	119.014
Addenda:								
PCE excluding food and energy ¹	104.696	107.151	108.774	108.583	108.990	109.551	109.887	110.171
Market-based PCE ²	105.405	109.016	109.372	108.951	109.752	110.356	110.824	110.763
Market-based PCE excluding food and energy ²	104.365	106.778	108.826	108.708	109.066	109.445	109.626	109.903
Final sales of domestic product.....	106.308	108.608	109.647	109.579	108.809	109.736	110.020	110.552
Gross domestic purchases.....	106.428	109.813	109.614	109.326	109.702	110.265	110.838	110.852
Final sales to domestic purchasers.....	106.435	109.823	109.649	109.357	109.757	110.309	110.900	110.917
Gross national product.....	106.304	108.605	109.612	109.547	109.753	109.691	109.957	110.478
Implicit price deflators:								
Gross domestic product.....	106.296	108.619	109.615	109.558	109.750	109.665	109.952	110.488
Final sales of domestic product.....	106.308	108.608	109.647	109.579	109.808	109.734	110.018	110.550
Gross domestic purchases.....	106.424	109.834	109.611	109.327	109.693	110.238	110.831	110.854
Final sales to domestic purchasers.....	106.435	109.823	109.649	109.357	109.756	110.308	110.899	110.915
Gross national product.....	106.300	108.626	109.609	109.550	109.744	109.664	109.950	110.479

^r Revised

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 9. Relation of Gross Domestic Product, Gross National Product, and National Income
[Billions of dollars]

	2007	2008	2009	Seasonally adjusted at annual rates				
				2009			2010	
				II	III	IV	I	II ^r
Gross domestic product	14,061.8	14,369.1	14,119.0	14,034.5	14,114.7	14,277.3	14,446.4	14,578.7
Plus: Income receipts from the rest of the world.....	871.0	839.2	629.8	611.7	627.4	664.7	693.7	696.1
Less: Income payments to the rest of the world.....	747.7	664.7	483.6	482.0	460.1	499.1	502.6	500.8
Equals: Gross national product	14,185.1	14,543.6	14,265.3	14,164.2	14,281.9	14,442.8	14,637.6	14,774.0
Less: Consumption of fixed capital.....	1,767.5	1,849.2	1,861.1	1,862.3	1,848.3	1,852.2	1,852.4	1,860.4
Less: Statistical discrepancy.....	21.1	136.6	179.1	172.2	228.9	175.2	164.2	180.7
Equals: National income	12,396.4	12,557.8	12,225.0	12,129.7	12,204.8	12,415.5	12,621.0	12,733.0
Compensation of employees.....	7,855.9	8,060.8	7,811.7	7,819.0	7,798.7	7,831.4	7,858.1	7,920.3
Wage and salary accruals.....	6,415.5	6,554.0	6,279.1	6,287.7	6,263.9	6,284.9	6,291.4	6,342.5
Supplements to wages and salaries.....	1,440.4	1,506.8	1,532.6	1,531.4	1,534.8	1,546.5	1,566.7	1,577.8
Proprietors' income with inventory valuation and capital consumption adjustments.....	1,090.4	1,102.0	1,011.9	1,000.5	1,006.4	1,022.1	1,030.7	1,049.7
Rental income of persons with capital consumption adjustment.....	143.7	222.0	274.0	269.4	279.1	282.8	292.7	298.8
Corporate profits with inventory valuation and capital consumption adjustments.....	1,510.6	1,262.8	1,258.0	1,178.0	1,297.5	1,418.2	1,566.6	1,614.1
Net interest and miscellaneous payments.....	731.6	812.8	784.3	773.4	750.7	765.6	765.9	736.2
Taxes on production and imports less subsidies.....	992.6	992.3	964.4	961.6	959.2	976.8	988.5	996.1
Business current transfer payments (net).....	103.3	121.7	134.0	141.8	124.9	129.8	130.5	130.8
Current surplus of government enterprises.....	-11.8	-16.7	-13.2	-14.2	-11.7	-11.3	-12.1	-13.1
Addendum:								
Gross domestic income.....	14,040.7	14,232.5	13,939.9	13,862.3	13,885.8	14,102.1	14,282.2	14,398.1

r Revised

Table 10. Personal Income and Its Disposition
[Billions of dollars]

	2007	2008	2009	Seasonally adjusted at annual rates				
				2009			2010	
				II	III	IV	I	II ^r
Personal income ¹	11,912.3	12,391.1	12,174.9	12,203.4	12,164.0	12,239.0	12,350.3	12,473.8
Compensation of employees, received.....	7,862.2	8,065.8	7,806.7	7,819.0	7,798.7	7,831.4	7,858.1	7,920.3
Wage and salary disbursements.....	6,421.7	6,559.0	6,274.1	6,287.7	6,263.9	6,284.9	6,291.4	6,342.5
Supplements to wages and salaries.....	1,440.4	1,506.8	1,532.6	1,531.4	1,534.8	1,546.5	1,566.7	1,577.8
Proprietors' income with inventory valuation and capital consumption adjustments.....	1,090.4	1,102.0	1,011.9	1,000.5	1,006.4	1,022.1	1,030.7	1,049.7
Farm.....	37.8	50.8	30.5	28.0	28.0	36.2	36.8	38.9
Nonfarm.....	1,052.6	1,051.2	981.5	972.5	978.4	985.9	994.0	1,010.8
Rental income of persons with capital consumption adjustment.....	143.7	222.0	274.0	269.4	279.1	282.8	292.7	298.8
Personal income receipts on assets.....	2,057.0	2,109.3	1,919.7	1,925.9	1,891.1	1,889.2	1,911.1	1,914.4
Personal interest income.....	1,265.1	1,314.7	1,222.3	1,229.5	1,213.3	1,205.8	1,208.7	1,205.3
Personal dividend income.....	791.9	794.6	697.4	696.4	677.8	683.4	702.4	709.2
Personal current transfer receipts.....	1,718.5	1,879.2	2,132.8	2,160.2	2,159.3	2,188.2	2,245.5	2,286.1
Less: Contributions for government social insurance, domestic.....	959.5	987.2	970.3	971.6	970.6	974.8	987.8	995.6
Less: Personal current taxes.....	1,488.7	1,438.2	1,140.0	1,112.5	1,117.0	1,117.2	1,134.7	1,137.3
Equals: Disposable personal income	10,423.6	10,952.9	11,034.9	11,090.9	11,047.0	11,121.7	11,215.6	11,336.5
Less: Personal outlays.....	10,208.9	10,505.0	10,379.6	10,297.4	10,423.6	10,505.7	10,603.9	10,663.7
Equals: Personal saving	214.7	447.9	655.3	793.5	623.4	616.0	611.8	672.8
Personal saving as a percentage of disposable personal income.....	2.1	4.1	5.9	7.2	5.6	5.5	5.5	5.9
Addenda:								
Personal income excluding current transfer receipts, billions of chained (2005) dollars ²	9,656.5	9,638.5	9,191.1	9,230.2	9,128.7	9,109.7	9,111.7	9,187.6
Disposable personal income, billions of chained (2005) dollars ²	9,874.2	10,042.9	10,099.8	10,193.0	10,079.7	10,080.4	10,113.3	10,223.6

r Revised

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, 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.

Table 11. Corporate Profits: Level and Percent Change

	Billions of dollars								Percent change from preceding period						
	2007	2008	2009	Seasonally adjusted at annual rates					2008	2009	Quarterly rates				Quarter one year ago
				2009			2010				2009		2010		
				II	III	IV	I	II ^r			III	IV	I	II ^r	II ^r
Corporate profits with inventory valuation and capital consumption adjustments	1,510.6	1,262.8	1,258.0	1,178.0	1,297.5	1,418.2	1,566.6	1,614.1	-16.4	-0.4	10.1	9.3	10.5	3.0	37.0
Less: Taxes on corporate income	445.5	308.4	254.9	222.8	255.7	319.1	403.2	405.6	-30.8	-17.3	14.8	24.8	26.4	0.6	82.1
Equals: Profits after tax with inventory valuation and capital consumption adjustments	1,065.2	954.4	1,003.1	955.3	1,041.8	1,099.2	1,163.3	1,208.5	-10.4	5.1	9.1	5.5	5.8	3.9	26.5
Net dividends	794.5	797.7	718.9	719.7	699.6	708.5	720.3	728.4	0.4	-9.9	-2.8	1.3	1.7	1.1	1.2
Undistributed profits with inventory valuation and capital consumption adjustments	270.7	156.7	284.2	235.5	342.2	390.6	443.0	480.1	-42.1	81.3	45.3	14.2	13.4	8.4	103.8
Addenda for corporate cash flow:															
Net cash flow with inventory valuation adjustment	1,244.1	1,239.4	1,427.9	1,394.1	1,405.6	1,484.0	1,517.3	1,578.4	-0.4	15.2	0.8	5.6	2.2	4.0	13.2
Undistributed profits with inventory valuation and capital consumption adjustments	270.7	156.7	284.2	235.5	342.2	390.6	443.0	480.1	-42.1	81.3	45.3	14.2	13.4	8.4	103.8
Consumption of fixed capital	973.4	1,018.5	1,019.8	1,021.2	1,010.6	1,010.8	1,008.0	1,013.7	4.6	0.1	-1.0	0.0	-0.3	0.6	-0.7
Less: Capital transfers paid (net)	0.0	-64.1	-123.9	-137.3	-52.8	-82.6	-66.3	-84.6							
Addenda:															
Profits before tax (without inventory valuation and capital consumption adjustments)	1,738.4	1,333.2	1,316.7	1,219.2	1,369.2	1,548.4	1,772.9	1,788.2	-23.3	-1.2	12.3	13.1	14.5	0.9	46.7
Profits after tax (without inventory valuation and capital consumption adjustments)	1,292.9	1,024.8	1,061.8	996.5	1,113.5	1,229.3	1,369.7	1,382.6	-20.7	3.6	11.7	10.4	11.4	0.9	38.8
Inventory valuation adjustment	-47.2	-44.1	11.9	30.6	-8.7	-67.2	-36.4	-3.5							
Capital consumption adjustment	-180.5	-26.3	-70.6	-71.8	-63.0	-63.0	-169.9	-170.7							

r Revised

Table 12. Corporate Profits by Industry: Level and Change From Preceding Period

[Billions of dollars]

	Level								Change from preceding period					
	2007	2008	2009	Seasonally adjusted at annual rates					2008	2009	2009		2010	
				2009			2010				III	IV	I	II ^r
				II	III	IV	I	II ^r			III	IV	I	II ^r
Corporate profits with inventory valuation and capital consumption adjustments	1,510.6	1,262.8	1,258.0	1,178.0	1,297.5	1,418.2	1,566.6	1,614.1	-247.8	-4.8	119.5	120.7	148.4	47.5
Domestic industries	1,159.8	851.5	905.7	844.8	933.2	1,055.7	1,178.1	1,222.7	-308.3	54.2	88.4	122.5	122.4	44.6
Financial	323.8	128.0	242.4	227.4	286.1	332.4	337.6	334.2	-195.8	114.4	58.7	46.3	5.2	-3.4
Nonfinancial	835.9	723.5	663.3	617.4	647.1	723.2	840.4	888.6	-112.4	-60.2	29.7	76.1	117.2	48.2
Rest of the world	350.9	411.3	352.3	333.2	364.2	362.6	388.5	391.3	60.4	-59.0	31.0	-1.6	25.9	2.8
Receipts from the rest of the world	510.6	571.8	480.6	457.7	487.8	529.1	561.4	557.5	61.2	-91.2	30.1	41.3	32.3	-3.9
Less: Payments to the rest of the world	159.7	160.5	128.3	124.4	123.6	166.5	172.9	166.1	0.8	-32.2	-0.8	42.9	6.4	-6.8
Corporate profits with inventory valuation adjustment	1,691.1	1,289.1	1,328.6	1,249.8	1,360.5	1,481.2	1,736.5	1,784.7	-402.0	39.5	110.7	120.7	255.3	48.2
Domestic industries	1,340.2	877.8	976.3	916.6	996.2	1,118.6	1,348.0	1,393.4	-462.4	98.5	79.6	122.4	229.4	45.4
Financial	345.5	139.9	258.0	243.4	300.2	346.7	362.7	359.4	-205.6	118.1	56.8	46.5	16.0	-3.3
Federal Reserve banks	36.0	35.1	47.3	47.0	49.2	49.6	56.9	60.3	-0.9	12.2	2.2	0.4	7.3	3.4
Other financial	309.5	104.9	210.6	196.4	251.0	297.1	305.8	299.1	-204.6	105.7	54.6	46.1	8.7	-6.7
Nonfinancial	994.7	737.9	718.4	673.2	696.0	771.9	985.3	1,034.0	-256.8	-19.5	22.8	75.9	213.4	48.7
Utilities	50.3	28.3	30.0	33.4	22.4	26.4	41.5	32.8	-22.0	1.7	-11.0	4.0	15.1	-8.7
Manufacturing	271.3	183.7	150.9	139.7	151.8	170.9	250.4	277.1	-87.6	-32.8	12.1	19.1	79.5	26.9
Durable goods	96.1	51.4	53.3	43.6	55.0	83.9	140.1	147.0	-44.7	1.9	11.4	28.9	56.2	6.7
Fabricated metal products	20.5	16.6	16.4	17.6	14.4	12.0	17.4	17.0	-3.9	-0.2	-3.2	-2.4	5.4	-0.4
Machinery	22.1	15.6	12.4	11.1	11.4	14.3	19.9	23.3	-6.5	-3.2	0.3	2.9	5.6	3.4
Computer and electronic products	11.0	8.9	13.4	11.4	12.9	24.1	44.8	51.2	-2.1	4.5	1.5	11.2	20.7	6.4
Electrical equipment, appliances, and components	-1.2	3.6	6.1	5.6	5.6	6.3	9.2	9.6	4.8	2.5	0.0	0.7	2.9	0.4
Motor vehicles, bodies and trailers, and parts	-16.4	-34.6	-23.5	-30.5	-11.9	-4.6	5.7	8.4	-18.2	11.1	18.6	7.3	10.3	2.7
Other durable goods	60.2	41.3	28.5	28.4	22.5	31.8	43.2	37.6	-18.9	-12.8	-5.9	9.3	11.4	-5.6
Non-durable goods	175.2	132.3	97.5	96.1	96.7	87.0	110.3	130.1	-42.9	-34.8	0.6	-9.7	23.3	19.8
Food and beverage and tobacco products	30.7	28.4	35.4	36.7	38.1	31.5	36.6	35.1	-2.3	7.0	1.4	-6.6	5.1	-1.5
Petroleum and coal products	73.5	78.2	15.7	6.4	8.1	9.7	33.5	55.2	4.7	-62.5	1.7	1.6	23.8	21.7
Chemical products	48.3	22.2	36.4	42.2	38.8	35.1	28.7	30.6	-26.1	14.2	-3.4	-3.7	-6.4	1.9
Other non-durable goods	22.7	3.4	10.1	10.9	11.7	10.7	11.6	9.2	-19.3	6.7	0.8	-1.0	0.9	-2.4
Wholesale trade	99.9	84.0	80.4	73.8	70.8	73.0	91.5	107.7	-15.9	-3.6	-3.0	2.2	18.5	16.2
Retail trade	117.8	75.0	99.0	99.7	101.3	97.1	129.1	126.7	-42.8	24.0	1.6	-4.2	32.0	-2.4
Transportation and warehousing	27.7	28.1	24.7	20.3	22.0	29.5	39.4	52.4	0.4	-3.4	1.7	7.5	9.9	13.0
Information	93.6	75.2	83.5	74.0	81.3	109.0	112.9	104.9	-18.4	8.3	7.3	27.7	3.9	-8.0
Other nonfinancial	334.2	263.6	250.0	232.1	246.6	266.0	320.4	332.5	-70.6	-13.6	14.5	19.4	54.4	12.1
Rest of the world	350.9	411.3	352.3	333.2	364.2	362.6	388.5	391.3	60.4	-59.0	31.0	-1.6	25.9	2.8

r Revised

NOTE: Estimates in this table are based on the 2002 North American Industry Classification System (NAICS).

Table 13. Gross Value Added of Nonfinancial Domestic Corporate Business

	2007	2008	2009	Seasonally adjusted at annual rates				
				2009			2010	
				II	III	IV	I	II ^r
Billions of dollars								
Gross value added of nonfinancial corporate business	6,946.0	6,990.5	6,625.2	6,580.4	6,558.4	6,667.8	6,804.4	6,893.6
Consumption of fixed capital	840.1	878.8	879.0	880.1	871.0	870.7	868.2	872.9
Net value added	6,106.0	6,111.7	5,746.3	5,700.3	5,687.4	5,797.1	5,936.2	6,020.7
Compensation of employees	4,361.0	4,435.3	4,193.6	4,189.6	4,175.0	4,192.4	4,205.1	4,242.4
Wage and salary accruals	3,636.2	3,684.9	3,441.0	3,438.3	3,421.8	3,434.6	3,437.6	3,469.1
Supplements to wages and salaries	724.8	750.5	752.5	751.3	753.2	757.9	767.6	773.3
Taxes on production and imports less subsidies	607.7	615.3	590.2	589.4	584.5	598.3	604.8	609.0
Net operating surplus	1,137.4	1,061.1	962.5	921.3	927.9	1,006.4	1,126.3	1,169.3
Net interest and miscellaneous payments	232.3	271.3	220.1	219.0	205.5	205.3	208.3	202.3
Business current transfer payments (net)	69.1	66.2	79.1	84.9	75.2	77.8	77.5	78.3
Corporate profits with inventory valuation and capital consumption adjustments	835.9	723.5	663.3	617.4	647.1	723.2	840.4	888.6
Taxes on corporate income	293.8	226.4	170.3	155.1	163.7	201.8	265.2	287.4
Profits after tax with inventory valuation and capital consumption adjustments	542.2	497.1	492.9	462.3	483.5	521.4	575.3	601.1
Net dividends	484.6	482.8	511.4	532.5	468.8	497.3	515.5	499.1
Undistributed profits with inventory valuation and capital consumption adjustments	57.6	14.4	-18.5	-70.3	13.6	24.1	59.7	102.0
Addenda:								
Profits before tax (without inventory valuation and capital consumption adjustments).....	1,042.0	782.0	706.4	642.6	704.8	839.1	1,021.8	1,037.5
Profits after tax (without inventory valuation and capital consumption adjustments).....	748.2	555.6	536.1	487.5	541.1	637.3	756.6	750.1
Inventory valuation adjustment	-47.2	-44.1	11.9	30.6	-8.7	-67.2	-36.4	-3.5
Capital consumption adjustment	-158.8	-14.4	-55.1	-55.9	-48.9	-48.7	-144.9	-145.4
Billions of chained (2005) dollars								
Gross value added of nonfinancial corporate business ¹	6,626.5	6,686.4	6,284.3	6,216.4	6,210.3	6,401.0	6,567.6	6,611.2
Consumption of fixed capital ²	794.1	819.9	830.5	830.5	829.8	830.3	833.6	838.4
Net value added ³	5,832.4	5,866.5	5,453.8	5,385.9	5,380.5	5,570.7	5,734.0	5,772.8
Dollars; quarters seasonally adjusted								
Price, costs, and profits per unit of real gross value added of nonfinancial corporate business:								
Price per unit of real gross value added of nonfinancial corporate business ⁴	1.048	1.045	1.054	1.059	1.056	1.042	1.036	1.043
Compensation of employees (unit labor cost)	0.658	0.663	0.667	0.674	0.672	0.655	0.640	0.642
Unit nonlabor cost	0.264	0.274	0.282	0.285	0.279	0.274	0.268	0.267
Consumption of fixed capital	0.127	0.131	0.140	0.142	0.140	0.136	0.132	0.132
Taxes on production and imports less subsidies plus business current transfer payments (net)	0.102	0.102	0.107	0.108	0.106	0.106	0.104	0.104
Net interest and miscellaneous payments	0.035	0.041	0.035	0.035	0.033	0.032	0.032	0.031
Corporate profits with inventory valuation and capital consumption adjustments (unit profits from current production).....	0.126	0.108	0.106	0.099	0.104	0.113	0.128	0.134
Taxes on corporate income	0.044	0.034	0.027	0.025	0.026	0.032	0.040	0.043
Profits after tax with inventory valuation and capital consumption adjustments	0.082	0.074	0.078	0.074	0.078	0.081	0.088	0.091

^r Revised

1. The current-dollar gross value added is deflated using the gross value added chain-type price index for nonfinancial industries from the GDP-by-industry accounts. For periods when this price index is not available, the chain-type price index for GDP goods and structures is used.

2. Chained-dollar consumption of fixed capital of nonfinancial corporate business is calculated as the product of the chain-type quantity index and the 2005 current-dollar value of the corresponding series, divided by 100.

3. Chained-dollar net value added of nonfinancial corporate business is the difference between the gross value added and the consumption of fixed capital.

4. The deflator for gross value added of nonfinancial corporate business divided by 100.

NOTE: Estimates in this table are based on the 2002 North American Industry Classification System (NAICS).

Appendix Table A. Real Gross Domestic Product and Related Aggregates and Price Indexes: Percent Change From Preceding Period

	2007	2008	2009	Seasonally adjusted at annual rates															
				2006		2007				2008				2009				2010	
				III	IV	I	II	III	IV	I	II	III	IV	I	II	III	IV	I	II ^r
Gross domestic product (GDP) and related aggregates:																			
GDP.....	1.9	0.0	-2.6	0.1	3.0	0.9	3.2	2.3	2.9	-0.7	0.6	-4.0	-6.8	-4.9	-0.7	1.6	5.0	3.7	1.7
Goods.....	4.1	-0.5	-3.8	0.0	7.2	2.0	6.3	3.3	9.6	-1.2	-0.1	-10.8	-18.6	-2.4	-0.4	6.8	23.9	19.5	-0.8
Services.....	2.3	1.5	-0.2	2.0	3.6	1.5	2.0	3.0	2.5	1.5	1.1	-0.2	0.0	-1.5	0.8	-0.2	0.8	0.0	1.9
Structures.....	-5.5	-7.9	-16.6	-9.8	-10.5	-5.5	3.1	-4.7	-10.9	-12.3	-0.2	-9.4	-16.9	-31.9	-13.4	-0.1	-15.9	-15.2	10.6
Motor vehicle output.....	0.0	-18.6	-24.7	4.0	-10.2	10.2	4.4	-2.0	-14.6	-8.4	-35.1	-20.7	-58.0	-51.1	-2.0	145.5	13.7	42.3	-2.7
GDP excluding motor vehicle output.....	2.0	0.5	-2.1	0.0	3.4	0.6	3.2	2.4	3.5	-0.5	1.7	-3.6	-5.2	-3.8	-0.7	0.0	4.8	3.0	1.8
Final sales of computers ¹	18.4	26.5	5.0	12.5	22.4	2.1	12.2	56.0	37.2	19.6	36.0	5.5	12.0	7.8	-10.5	-4.0	17.3	19.2	5.3
GDP excluding final sales of computers.....	1.9	-0.1	-2.7	0.0	2.8	0.9	3.2	2.0	2.7	-0.8	0.4	-4.1	-6.9	-4.9	-0.6	1.6	5.0	3.7	1.7
Farm gross value added ²	-8.9	13.3	6.1	-26.2	-13.2	-9.4	-15.6	-19.3	41.9	55.4	-14.5	6.7	13.8	16.3	-7.3	19.3	-13.9	-0.8	24.6
Nonfarm business gross value added ³	2.1	-1.1	-3.8	-0.1	4.2	0.3	4.2	2.5	2.5	-2.5	-0.3	-6.2	-9.5	-6.4	-0.2	1.4	6.7	5.0	1.6
Gross domestic income ⁴	0.1	-0.8	-2.9	1.9	2.6	-2.3	0.2	-2.0	2.5	0.8	-2.5	-2.6	-6.9	-4.9	-1.6	0.0	6.7	4.1	1.3
Price indexes:																			
GDP.....	2.9	2.2	0.9	3.1	1.8	4.4	3.2	2.0	0.9	1.9	3.2	4.5	-1.2	1.1	0.3	0.7	-0.2	1.0	1.9
GDP excluding food and energy ⁵	2.8	2.3	0.8	2.5	2.4	4.1	2.0	1.7	2.7	2.9	2.5	2.7	-0.6	0.3	0.8	0.6	1.5	1.7	1.0
GDP excluding final sales of computers.....	3.1	2.3	1.0	3.2	1.9	4.5	3.3	2.1	1.0	2.0	3.3	4.6	-1.1	1.2	0.4	0.9	-0.2	1.0	2.0
Gross domestic purchases.....	2.9	3.2	-0.2	2.9	1.0	4.4	3.2	2.0	3.8	4.0	4.5	3.9	-4.4	-2.0	0.6	1.4	2.1	2.1	0.1
Gross domestic purchases excluding food and energy ⁵	2.7	2.6	0.7	2.5	2.4	3.8	2.0	1.9	2.8	3.1	3.2	2.6	-0.4	-0.2	0.8	0.4	1.5	1.6	0.8
Gross domestic purchases excluding final sales of computers to domestic purchasers.....	3.1	3.3	-0.1	3.0	1.1	4.6	3.3	2.2	3.9	4.1	4.6	4.1	-4.3	-1.9	0.7	1.5	2.1	2.2	0.1
Personal consumption expenditures (PCE).....	2.7	3.3	0.2	3.0	-0.1	4.0	3.5	2.3	4.2	3.9	4.6	4.4	-5.8	-1.6	1.9	2.9	2.7	2.1	0.0
PCE excluding food and energy ⁵	2.4	2.3	1.5	2.3	2.1	2.9	1.7	2.2	2.8	2.6	2.6	2.2	0.6	0.9	2.3	1.5	2.1	1.2	1.0
Market-based PCE ⁶	2.6	3.4	0.3	3.1	-0.7	3.7	3.7	2.0	4.5	4.1	4.5	5.2	-6.0	-1.1	1.9	3.0	2.2	1.7	-0.2
Market-based PCE excluding food and energy ⁶	2.1	2.3	1.9	2.3	1.6	2.5	1.6	1.7	2.9	2.5	2.1	2.8	1.5	1.9	2.3	1.3	1.4	0.7	1.0

^r Revised

1. For some components of final sales of computers, includes computer parts.

2. Farm output less intermediate goods and services purchased.

3. Consists of GDP less gross value added of farm, of households and institutions, and of general government.

4. Gross domestic income deflated by the implicit price deflator for gross domestic product.

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

6. 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.

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

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.