



NEWS RELEASE



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GROSS DOMESTIC PRODUCT: FOURTH QUARTER AND ANNUAL 2010 (SECOND 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 2.8 percent in the fourth quarter of 2010, (that is, from the third quarter to the fourth quarter), according to the "second" estimate released by the Bureau of Economic Analysis. In the third quarter, real GDP increased 2.6 percent.

The GDP estimates released today are based on more complete source data than were available for the "advance" estimate issued last month. In the advance estimate, the increase in real GDP was 3.2 percent (see "Revisions" on page 3).

The increase in real GDP in the fourth quarter primarily reflected positive contributions from personal consumption expenditures (PCE), exports, and nonresidential fixed investment that were partly offset by negative contributions from private inventory investment and state and local government spending. Imports, which are a subtraction in the calculation of GDP, decreased.

The small fourth-quarter acceleration in real GDP primarily reflected a sharp downturn in imports, an acceleration in PCE, an upturn in residential fixed investment, and an acceleration in exports that were mostly offset by downturns in private inventory investment and in federal government spending, a deceleration in nonresidential fixed investment, and a downturn in state and local government spending.

Final sales of computers added 0.30 percentage point to the fourth-quarter change in real GDP after adding 0.29 percentage point to the third-quarter change. Motor vehicle output subtracted 0.31 percentage point from the fourth-quarter change in real GDP after adding 0.49 percentage point to the third-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.

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The price index for gross domestic purchases, which measures prices paid by U.S. residents, increased 2.1 percent in the fourth quarter, the same increase as in the advance estimate; this index increased 0.7 percent in the third quarter. Excluding food and energy prices, the price index for gross domestic purchases increased 1.2 percent in the fourth quarter, compared with an increase of 0.4 percent in the third.

Real personal consumption expenditures increased 4.1 percent in the fourth quarter, compared with an increase of 2.4 percent in the third. Durable goods increased 21.0 percent, compared with an increase of 7.6 percent. Nondurable goods increased 4.8 percent, compared with an increase of 2.5 percent. Services increased 1.4 percent, compared with an increase of 1.6 percent.

Real nonresidential fixed investment increased 5.3 percent in the fourth quarter, compared with an increase of 10.0 percent in the third. Nonresidential structures increased 4.5 percent, in contrast to a decrease of 3.5 percent. Equipment and software increased 5.5 percent, compared with an increase of 15.4 percent. Real residential fixed investment increased 2.8 percent, in contrast to a decrease of 27.3 percent.

Real exports of goods and services increased 9.6 percent in the fourth quarter, compared with an increase of 6.8 percent in the third. Real imports of goods and services decreased 12.4 percent, in contrast to an increase of 16.8 percent.

Real federal government consumption expenditures and gross investment decreased 0.2 percent in the fourth quarter, in contrast to an increase of 8.8 percent in the third. National defense decreased 2.1 percent, in contrast to an increase of 8.5 percent. Nondefense increased 3.7 percent, compared with an increase of 9.5 percent. Real state and local government consumption expenditures and gross investment decreased 2.4 percent, in contrast to an increase of 0.7 percent.

The change in real private inventories subtracted 3.70 percentage points from the fourth-quarter change in real GDP, after adding 1.61 percentage points to the third-quarter change. Private businesses increased inventories \$7.1 billion in the fourth quarter, following increases of \$121.4 billion in the third quarter and \$68.8 billion in the second.

Real final sales of domestic product -- GDP less change in private inventories -- increased 6.7 percent in the fourth quarter, compared with an increase of 0.9 percent in the third.

Gross domestic purchases

Real gross domestic purchases -- purchases by U.S. residents of goods and services wherever produced -- decreased 0.6 percent in the fourth quarter, in contrast to an increase of 4.2 percent in the third.

Current-dollar GDP

Current-dollar GDP -- the market value of the nation's output of goods and services -- increased 3.2 percent, or \$115.9 billion, in the fourth quarter to a level of \$14,861.0 billion. In the third quarter, current-dollar GDP increased 4.6 percent, or \$166.4 billion.

Revisions

The downward revision to the percent change in real GDP primarily reflected an upward revision to imports and downward revisions to state and local government spending and to personal consumption expenditures (PCE) that were partly offset by an upward revision to exports.

	<u>Advance Estimate</u>	<u>Second Estimate</u>
	(Percent change from preceding quarter)	
Real GDP.....	3.2	2.8
Current-dollar GDP.....	3.4	3.2
Gross domestic purchases price index...	2.1	2.1

2010 GDP

Real GDP increased 2.8 percent in 2010 (that is, from the 2009 annual level to the 2010 annual level), in contrast to a decrease of 2.6 percent in 2009.

The increase in real GDP in 2010 primarily reflected positive contributions from private inventory investment, exports, PCE, nonresidential fixed investment, and federal government spending. Imports, which are a subtraction in the calculation of GDP, increased.

The upturn in real GDP primarily reflected upturns in exports, in nonresidential fixed investment, in PCE, and in private inventory investment and a smaller decrease in residential fixed investment that were partly offset by an upturn in imports.

The price index for gross domestic purchases increased 1.3 percent in 2010, in contrast to a decrease of 0.2 percent in 2009.

Current-dollar GDP increased 3.8 percent, or \$538.8 billion, in 2010. In contrast, current-dollar GDP decreased 1.7 percent, or \$250.1 billion, in 2009.

During 2010 (that is, measured from the fourth quarter of 2009 to the fourth quarter of 2010), real GDP increased 2.7 percent. Real GDP increased 0.2 percent during 2009. The price index for gross domestic purchases increased 1.2 percent during 2010, compared with an increase of 0.5 percent during 2009.

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Next release – March 25, 2011, at 8:30 A.M. EDT for:
Gross Domestic Product: Fourth Quarter 2010 (Third)
Corporate Profits: Fourth Quarter 2010

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

	2008	2009	2010 ^r	Seasonally adjusted at annual rates															
				2007				2008				2009				2010			
				I	II	III	IV	I	II	III	IV	I	II	III	IV	I	II	III ^r	IV ^r
Gross domestic product (GDP) ...	0.0	-2.6	2.8	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	2.6	2.8
Personal consumption expenditures	-0.3	-1.2	1.8	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	2.4	4.1
Goods	-2.5	-2.0	4.3	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	4.1	9.8
Durable goods	-5.2	-3.7	7.6	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	7.6	21.0
Nondurable goods	-1.1	-1.2	2.8	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	2.5	4.8
Services	0.9	-0.8	0.5	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	1.6	1.4
Gross private domestic investment	-9.5	-22.6	16.8	-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	15.0	-22.1
Fixed investment	-6.4	-18.3	3.8	-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	1.5	4.8
Nonresidential	0.3	-17.1	5.6	6.8	11.1	9.4	5.7	2.0	-1.6	-8.6	-22.3	-35.2	-7.5	-1.7	-1.4	7.8	17.2	10.0	5.3
Structures	5.9	-20.4	-13.8	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	-3.5	4.5
Equipment and software	-2.4	-15.3	15.1	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	15.4	5.5
Residential	-24.0	-22.9	-3.0	-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	-27.3	2.8
Change in private inventories																			
Net exports of goods and services																			
Exports	6.0	-9.5	11.8	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	6.8	9.6
Goods	6.3	-12.0	14.7	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	5.8	11.7
Services	5.3	-3.9	5.8	-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	8.9	5.0
Imports	-2.6	-13.8	12.7	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	16.8	-12.4
Goods	-3.5	-15.8	14.8	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	17.4	-14.1
Services	2.4	-4.2	3.5	-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	14.2	-3.7
Government consumption expenditures and gross investment	2.8	1.6	1.0	-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	3.9	-1.5
Federal	7.3	5.7	4.8	-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	8.8	-0.2
National defense	7.5	5.4	3.9	-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	8.5	-2.1
Nondefense	6.7	6.5	6.6	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	9.5	3.7
State and local	0.3	-0.9	-1.4	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	0.7	-2.4
Addenda:																			
Final sales of domestic product	0.5	-2.1	1.4	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	0.9	6.7
Gross domestic purchases	-1.1	-3.6	3.2	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	4.2	-0.6
Final sales to domestic purchasers	-0.6	-3.1	1.8	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	2.6	3.1
Gross national product (GNP)	0.3	-2.8	.....	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	2.3	.....
Disposable personal income	1.7	0.6	1.4	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	5.6	1.0	1.4
Current-dollar measures:																			
GDP	2.2	-1.7	3.8	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	4.6	3.2
Final sales of domestic product	2.7	-1.1	2.4	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	3.0	7.0
Gross domestic purchases	2.1	-3.8	4.6	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	4.8	1.5
Final sales to domestic purchasers	2.5	-3.2	3.2	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	3.2	5.1
GNP	2.5	-1.9	.....	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	4.4	.....
Disposable personal income	5.1	0.7	3.1	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	5.5	1.7	3.3

^r Revised. Revisions include changes to series affected by the incorporation of revised wage and salary estimates for the third quarter of 2010. 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

	2008	2009	2010 ^r	Seasonally adjusted at annual rates															
				2007				2008				2009				2010			
				I	II	III	IV	I	II	III	IV	I	II	III	IV	I	II	III	IV ^r
Gross domestic product (GDP)	2.2	0.9	1.0	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	2.1	0.4
Personal consumption expenditures	3.3	0.2	1.7	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	0.8	1.8
Goods	3.2	-2.5	1.7	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	0.9	3.4
Durable goods	-1.4	-1.6	-1.4	-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	-2.2	-2.2
Nondurable goods	5.6	-2.9	3.2	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	2.4	6.2
Services	3.4	1.5	1.7	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	0.7	1.1
Gross private domestic investment	0.7	-2.0	-1.8	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	0.5	2.5
Fixed investment	0.8	-1.7	-1.6	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	0.1	1.2
Nonresidential	1.4	-1.2	-1.9	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	0.2	0.8
Structures	4.7	-2.6	-1.4	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	2.9	3.6
Equipment and software	-0.2	-0.5	-1.9	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	-0.8	-0.2
Residential	-1.2	-3.4	-0.3	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	-0.1	3.0
Change in private inventories																			
Net exports of goods and services																			
Exports	4.7	-5.4	4.2	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	0.2	8.2
Goods	4.8	-6.8	4.8	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	0.4	11.2
Services	4.2	-2.2	2.9	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	-0.2	1.7
Imports	10.4	-10.7	6.5	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	-8.1	18.6
Goods	11.3	-12.3	7.1	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	-9.2	21.4
Services	5.7	-2.8	3.7	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	-2.2	5.7
Government consumption expenditures and gross investment	4.7	-0.3	1.9	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	0.3	3.0
Federal	3.1	-0.2	1.7	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	0.5	1.7
National defense	3.6	-0.7	2.0	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	0.5	2.0
Nondefense	2.2	0.8	1.1	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	0.4	0.9
State and local	5.6	-0.4	2.0	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	0.2	3.9
Addenda:																			
Final sales of domestic product	2.2	1.0	1.0	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	2.1	0.2
Gross domestic purchases	3.2	-0.2	1.3	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	0.7	2.1
Final sales to domestic purchasers	3.2	-0.2	1.4	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	0.6	2.0
Gross national product (GNP)	2.2	0.9	.....	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	2.1	.....
Implicit price deflators:																			
GDP	2.2	0.9	1.0	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	2.0	0.4
Gross domestic purchases	3.2	-0.2	1.3	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	0.6	2.1
GNP	2.2	0.9	.....	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	2.0	.....

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

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

	2008	2009	2010 ^r	Seasonally adjusted				
				2009	2010			
					IV	I	II	III	IV^{r}
Gross domestic product	104.672	101.917	104.804	103.012	103.960	104.403	105.065	105.789
Personal consumption expenditures	105.057	103.797	105.617	104.126	104.608	105.178	105.801	106.881
Goods.....	103.462	101.416	105.771	102.533	103.952	104.837	105.898	108.396
Durable goods.....	102.798	99.011	106.581	100.870	103.025	104.735	106.673	111.889
Nondurable goods.....	103.698	102.487	105.338	103.247	104.321	104.823	105.476	106.732
Services.....	105.870	105.006	105.562	104.936	104.952	105.366	105.775	106.155
Gross private domestic investment	90.105	69.778	81.478	73.000	77.811	82.474	85.400	80.230
Fixed investment.....	94.096	76.835	79.757	76.198	76.826	80.219	80.517	81.465
Nonresidential.....	115.532	95.804	101.159	94.879	96.677	100.592	103.019	104.347
Structures.....	131.976	105.064	90.524	95.310	90.761	90.649	89.848	90.837
Equipment and software.....	108.681	92.035	105.938	94.895	99.408	105.067	108.898	110.377
Residential.....	57.324	44.220	42.893	44.092	42.670	45.177	41.719	42.008
Change in private inventories.....	.....	.....	.....	.....	.....	.....	.....	.....
Exports of goods and services	126.255	114.228	127.698	120.569	123.858	126.592	128.679	131.662
Imports of goods and services	106.113	91.418	102.987	93.874	96.401	103.613	107.718	104.215
Government consumption expenditures and gross investment	105.605	107.287	108.384	107.613	107.185	108.228	109.270	108.852
Federal.....	110.900	117.266	122.899	119.091	119.634	122.276	124.882	124.806
State and local.....	102.611	101.688	100.263	101.179	100.213	100.367	100.541	99.933
Addenda:								
Final sales of domestic product.....	105.399	103.212	104.671	103.676	103.948	104.181	104.424	106.130
Gross domestic purchases.....	102.756	99.045	102.239	99.829	100.797	102.070	103.117	102.972
Final sales to domestic purchasers.....	103.433	100.254	102.104	100.441	100.775	101.852	102.505	103.283
Gross national product.....	105.129	102.192	.....	103.413	104.534	105.003	105.604	.....

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

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

	2008	2009	2010 ^r	Seasonally adjusted				
				2009	2010			
					IV	I	II	III	IV^{r}
Gross domestic product	108.598	109.618	110.670	109.693	109.959	110.485	111.060	111.176
Personal consumption expenditures (PCE)	109.061	109.258	111.125	110.333	110.901	110.888	111.102	111.608
Goods.....	106.262	103.634	105.398	105.120	105.784	104.812	105.058	105.939
Durable goods.....	95.340	93.782	92.456	93.603	93.121	92.755	92.235	91.714
Nondurable goods.....	112.484	109.262	112.727	111.651	112.949	111.638	112.315	114.006
Services.....	110.566	112.233	114.167	113.102	113.620	114.116	114.314	114.616
Gross private domestic investment	106.977	104.873	103.035	103.466	102.952	102.765	102.895	103.527
Fixed investment.....	107.053	105.260	103.625	104.030	103.661	103.487	103.523	103.828
Nonresidential.....	106.984	105.700	103.713	104.144	103.639	103.636	103.689	103.888
Structures.....	125.460	122.187	120.443	119.017	119.291	119.887	120.755	121.838
Equipment and software.....	100.083	99.620	97.701	98.721	97.954	97.764	97.574	97.514
Residential.....	106.361	102.736	102.412	102.712	102.869	102.030	101.994	102.755
Change in private inventories.....	.....	.....	.....	.....	.....	.....	.....	.....
Exports of goods and services	111.874	105.877	110.317	107.424	108.771	110.060	110.122	112.315
Imports of goods and services	118.685	105.987	112.828	111.222	114.514	112.234	109.892	114.673
Government consumption expenditures and gross investment	115.009	114.644	116.808	115.067	116.358	116.606	116.706	117.563
Federal.....	111.119	110.895	112.743	111.141	112.375	112.615	112.756	113.226
State and local.....	117.349	116.892	119.269	117.434	118.760	119.014	119.083	120.220
Addenda:								
PCE excluding food and energy ¹	107.151	108.774	110.211	109.551	109.887	110.171	110.318	110.469
Market-based PCE ²	109.016	109.372	111.092	110.356	110.824	110.763	111.127	111.652
Market-based PCE excluding food and energy ²	106.778	108.826	110.018	109.445	109.626	109.903	110.214	110.330
Final sales of domestic product.....	108.608	109.647	110.719	109.736	110.020	110.552	111.117	111.186
Gross domestic purchases.....	109.813	109.614	111.087	110.265	110.838	110.852	111.034	111.623
Final sales to domestic purchasers.....	109.823	109.649	111.134	110.309	110.900	110.917	111.086	111.633
Gross national product.....	108.605	109.612	.....	109.691	109.957	110.478	111.052	.....
Implicit price deflators:								
Gross domestic product.....	108.619	109.615	110.662	109.665	109.952	110.488	111.045	111.152
Final sales of domestic product.....	108.608	109.647	110.720	109.734	110.018	110.550	111.116	111.184
Gross domestic purchases.....	109.834	109.611	111.077	110.238	110.831	110.854	111.018	111.599
Final sales to domestic purchasers.....	109.823	109.649	111.135	110.308	110.899	110.915	111.085	111.632
Gross national product.....	108.626	109.609	.....	109.664	109.950	110.479	111.036	.....

^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]

	2008	2009	2010 ^r	Seasonally adjusted at annual rates				
				2009	2010			
					IV	I	II	III ^r	IV^{r}
Gross domestic product	14,369.1	14,119.0	14,657.8	14,277.3	14,446.4	14,578.7	14,745.1	14,861.0
Plus: Income receipts from the rest of the world.....	839.2	629.8	.....	664.7	693.7	696.1	704.0	.....
Less: Income payments to the rest of the world.....	664.7	483.6	.....	499.1	502.6	500.8	515.5	.....
Equals: Gross national product	14,543.6	14,265.3	.....	14,442.8	14,637.6	14,774.0	14,933.6	.....
Less: Consumption of fixed capital.....	1,849.2	1,861.1	1,868.8	1,852.2	1,852.4	1,860.4	1,871.9	1,890.6
Less: Statistical discrepancy.....	136.6	179.1	.....	175.2	164.2	131.1	181.0	.....
Equals: National income	12,557.8	12,225.0	.....	12,415.5	12,621.0	12,782.6	12,880.7	.....
Compensation of employees.....	8,060.8	7,811.7	7,991.3	7,831.4	7,858.1	7,969.9	8,036.2	8,101.2
Wage and salary accruals.....	6,554.0	6,279.1	6,405.3	6,284.9	6,291.4	6,388.8	6,443.7	6,497.1
Supplements to wages and salaries.....	1,506.8	1,532.6	1,586.1	1,546.5	1,566.7	1,581.1	1,592.4	1,604.1
Proprietors' income with inventory valuation and capital consumption adjustments.....	1,102.0	1,011.9	1,055.3	1,022.1	1,030.7	1,049.7	1,059.5	1,081.0
Rental income of persons with capital consumption adjustment.....	222.0	274.0	301.2	282.8	292.7	298.8	303.8	309.5
Corporate profits with inventory valuation and capital consumption adjustments.....	1,262.8	1,258.0	.....	1,418.2	1,566.6	1,614.1	1,640.1	.....
Net interest and miscellaneous payments.....	812.8	784.3	737.3	765.6	765.9	736.2	719.6	727.4
Taxes on production and imports less subsidies.....	992.3	964.4	999.0	976.8	988.5	976.1	1,002.2	1,009.3
Business current transfer payments (net).....	121.7	134.0	132.1	129.8	130.5	130.8	133.4	133.5
Current surplus of government enterprises.....	-16.7	-13.2	-13.3	-11.3	-12.1	-13.1	-14.2	-13.7
Addendum:								
Gross domestic income.....	14,232.5	13,939.9	.....	14,102.1	14,282.2	14,447.6	14,564.1	.....

^r Revised. Revisions include changes to series affected by the incorporation of revised wage and salary estimates for the third quarter of 2010.

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

	2008	2009	2010 ^r	Seasonally adjusted at annual rates				
				2009	2010			
					IV	I	II	III ^r
Personal income ¹	12,391.1	12,174.9	12,544.6	12,239.0	12,350.3	12,517.1	12,595.5	12,715.3
Compensation of employees, received.....	8,065.8	7,806.7	7,991.3	7,831.4	7,858.1	7,969.9	8,036.2	8,101.2
Wage and salary disbursements.....	6,559.0	6,274.1	6,405.3	6,284.9	6,291.4	6,388.8	6,443.7	6,497.1
Supplements to wages and salaries.....	1,506.8	1,532.6	1,586.1	1,546.5	1,566.7	1,581.1	1,592.4	1,604.1
Proprietors' income with inventory valuation and capital consumption adjustments.....	1,102.0	1,011.9	1,055.3	1,022.1	1,030.7	1,049.7	1,059.5	1,081.0
Farm.....	50.8	30.5	44.9	36.2	36.8	38.9	48.5	55.5
Nonfarm.....	1,051.2	981.5	1,010.3	985.9	994.0	1,010.8	1,011.0	1,025.6
Rental income of persons with capital consumption adjustment.....	222.0	274.0	301.2	282.8	292.7	298.8	303.8	309.5
Personal income receipts on assets.....	2,109.3	1,919.7	1,906.4	1,889.2	1,911.1	1,914.4	1,889.7	1,910.2
Personal interest income.....	1,314.7	1,222.3	1,193.7	1,205.8	1,208.7	1,205.3	1,174.7	1,186.3
Personal dividend income.....	794.6	697.4	712.6	683.4	702.4	709.2	715.0	723.8
Personal current transfer receipts.....	1,879.2	2,132.8	2,294.8	2,188.2	2,245.5	2,286.1	2,316.4	2,331.1
Less: Contributions for government social insurance, domestic.....	987.2	970.3	1,004.4	974.8	987.8	1,001.9	1,010.2	1,017.6
Less: Personal current taxes.....	1,438.2	1,140.0	1,167.1	1,117.2	1,134.7	1,149.1	1,178.2	1,206.2
Equals: Disposable personal income	10,952.9	11,034.9	11,377.5	11,121.7	11,215.6	11,368.0	11,417.3	11,509.1
Less: Personal outlays.....	10,505.0	10,379.6	10,721.8	10,505.7	10,603.9	10,663.7	10,736.3	10,883.2
Equals: Personal saving	447.9	655.3	655.7	616.0	611.8	704.3	681.0	626.0
Personal saving as a percentage of disposable personal income.....	4.1	5.9	5.8	5.5	5.5	6.2	6.0	5.4
Addenda:								
Personal income excluding current transfer receipts, billions of chained (2005) dollars ²	9,638.5	9,191.1	9,223.7	9,109.7	9,111.7	9,226.6	9,252.1	9,304.4
Disposable personal income, billions of chained (2005) dollars ²	10,042.9	10,099.8	10,238.5	10,080.4	10,113.3	10,251.9	10,276.6	10,312.3

^r Revised. Revisions include changes to series affected by the incorporation of revised wage and salary estimates for the third quarter of 2010.

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.

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

	2008	2009	2010 ^r	Seasonally adjusted at annual rates															
				2007				2008				2009				2010			
				I	II	III	IV	I	II	III	IV	I	II	III	IV	I	II	III ^r	IV ^r
Gross domestic product (GDP) and related aggregates:																			
GDP.....	0.0	-2.6	2.8	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	2.6	2.8
Goods.....	-0.5	-3.8	11.0	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	7.4	7.8
Services.....	1.5	-0.2	0.8	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	1.8	1.0
Structures.....	-7.9	-16.6	-7.2	-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	-7.9	0.2
Motor vehicle output.....	-18.6	-24.7	25.9	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	25.0	-13.1
GDP excluding motor vehicle output.....	0.5	-2.1	2.4	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	2.1	3.2
Final sales of computers ¹	26.5	5.0	18.5	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	65.1	61.4
GDP excluding final sales of computers.....	-0.1	-2.7	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	2.3	2.5
Farm gross value added ²	13.3	6.1	2.7	-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	5.8	-13.6
Nonfarm business gross value added ³	-1.1	-3.8	3.7	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	3.8	4.0
Gross domestic income ⁴	-0.8	-2.9	.....	-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	2.7	1.2	.....
Price indexes:																			
GDP.....	2.2	0.9	1.0	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	2.1	0.4
GDP excluding food and energy ⁵	2.3	0.8	1.2	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	0.6	1.2
GDP excluding final sales of computers.....	2.3	1.0	1.0	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	2.2	0.5
Gross domestic purchases.....	3.2	-0.2	1.3	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	0.7	2.1
Gross domestic purchases excluding food and energy ⁵	2.6	0.7	1.1	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	0.4	1.2
Gross domestic purchases excluding final sales of computers to domestic purchasers.....	3.3	-0.1	1.4	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	0.7	2.2
Personal consumption expenditures (PCE).....	3.3	0.2	1.7	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	0.8	1.8
PCE excluding food and energy ⁵	2.3	1.5	1.3	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	0.5	0.5
Market-based PCE ⁶	3.4	0.3	1.6	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	1.3	1.9
Market-based PCE excluding food and energy ⁶	2.3	1.9	1.1	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	1.1	0.4

^r Revised. Revisions include changes to series affected by the incorporation of revised wage and salary estimates for the third quarter of 2010.

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.