



NEWS RELEASE



EMBARGOED UNTIL RELEASE AT 8:30 A.M. EDT, THURSDAY, MARCH 28, 2013

BEA 13-13

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GROSS DOMESTIC PRODUCT: FOURTH QUARTER AND ANNUAL 2012 (THIRD ESTIMATE) CORPORATE PROFITS: FOURTH QUARTER AND ANNUAL 2012

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 0.4 percent in the fourth quarter of 2012 (that is, from the third quarter to the fourth quarter), according to the "third" estimate released by the Bureau of Economic Analysis. In the third quarter, real GDP increased 3.1 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, real GDP increased 0.1 percent. While nonresidential fixed investment is higher than previously estimated, the revision to GDP has not changed the general picture of the economy (for more information, see "Revisions" on page 3).

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

The deceleration in real GDP in the fourth quarter primarily reflected downturns in private inventory investment, in federal government spending, in exports, and in state and local government spending that were partly offset by an upturn in nonresidential fixed investment, a larger decrease in imports, and an acceleration in PCE.

Motor vehicle output added 0.18 percentage point to the fourth-quarter change in real GDP after subtracting 0.25 percentage point from the third-quarter change. Final sales of computers added 0.10 percentage point to the fourth-quarter change in real GDP after adding 0.11 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.

This news release is available on [BEA's Web site](#) along with the [Technical Note](#) and [Highlights](#) related to this release. For information on revisions, see "[Revisions to GDP, GDI, and Their Major Components](#)."

The price index for gross domestic purchases, which measures prices paid by U.S. residents, increased 1.6 percent in the fourth quarter, 0.1 percentage point more than the second estimate; this index increased 1.4 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, the same increase as in the third.

Real personal consumption expenditures increased 1.8 percent in the fourth quarter, compared with an increase of 1.6 percent in the third. Durable goods increased 13.6 percent, compared with an increase of 8.9 percent. Nondurable goods increased 0.1 percent, compared with an increase of 1.2 percent. Services increased 0.6 percent, the same increase as in the third.

Real nonresidential fixed investment increased 13.2 percent in the fourth quarter, in contrast to a decrease of 1.8 percent in the third. Nonresidential structures increased 16.7 percent; it was unchanged in the third quarter. Equipment and software increased 11.8 percent, in contrast to a decrease of 2.6 percent. Real residential fixed investment increased 17.6 percent, compared with an increase of 13.5 percent.

Real exports of goods and services decreased 2.8 percent in the fourth quarter, in contrast to an increase of 1.9 percent in the third. Real imports of goods and services decreased 4.2 percent, compared with a decrease of 0.6 percent.

Real federal government consumption expenditures and gross investment decreased 14.8 percent in the fourth quarter, in contrast to an increase of 9.5 percent in the third. National defense decreased 22.1 percent, in contrast to an increase of 12.9 percent. Nondefense increased 1.7 percent, compared with an increase of 3.0 percent. Real state and local government consumption expenditures and gross investment decreased 1.5 percent, in contrast to an increase of 0.3 percent.

The change in real private inventories subtracted 1.52 percentage points from the fourth-quarter change in real GDP, after adding 0.73 percentage point to the third-quarter change. Private businesses increased inventories \$13.3 billion in the fourth quarter, following increases of \$60.3 billion in the third quarter and \$41.4 billion in the second.

Real final sales of domestic product -- GDP less change in private inventories -- increased 1.9 percent in the fourth quarter, compared with an increase of 2.4 percent in the third.

Gross domestic purchases

Real gross domestic purchases -- purchases by U.S. residents of goods and services wherever produced -- was unchanged in the fourth quarter, compared with an increase of 2.6 percent in the third.

Gross national product

Real gross national product -- the goods and services produced by the labor and property supplied by U.S. residents -- increased 0.9 percent in the fourth quarter, compared with an increase of 2.9 percent in the third. GNP includes, and GDP excludes, net receipts of income from the rest of the world, which increased \$19.2 billion in the fourth quarter after decreasing \$4.7 billion in the third; in the fourth quarter, receipts increased \$25.3 billion, and payments increased \$6.2 billion.

Current-dollar GDP

Current-dollar GDP -- the market value of the nation's output of goods and services -- increased 1.3 percent, or \$53.1 billion, in the fourth quarter to a level of \$15,864.1 billion. In the third quarter, current-dollar GDP increased 5.9 percent, or \$225.4 billion.

Gross domestic income

Real gross domestic income (GDI), which measures the output of the economy as the costs incurred and the incomes earned in the production of GDP, increased 2.6 percent in the fourth quarter, compared with an increase of 1.6 percent in the third. For a given quarter, the estimates of GDP and GDI may differ for a variety of reasons, including the incorporation of largely independent source data. However, over longer time spans, the estimates of GDP and GDI tend to follow similar patterns of change.

Revisions

The "third" estimate of the fourth-quarter percent change in real GDP is 0.3 percentage point, or \$8.6 billion, more than the second estimate issued last month, primarily reflecting upward revisions to nonresidential fixed investment and to exports that were partly offset by a downward revision to personal consumption expenditures.

	<u>Advance Estimate</u>	<u>Second Estimate</u>	<u>Third Estimate</u>
	(Percent change from preceding quarter)		
Real GDP.....	-0.1	0.1	0.4
Current-dollar GDP.....	0.5	1.0	1.3
Gross domestic purchases price index.....	1.3	1.5	1.6

2012 GDP

Real GDP increased 2.2 percent in 2012 (that is, from the 2011 annual level to the 2012 annual level), compared with an increase of 1.8 percent in 2011.

The increase in real GDP in 2012 primarily reflected positive contributions from personal consumption expenditures (PCE), nonresidential fixed investment, exports, residential fixed investment, and private inventory investment that were partly offset by negative contributions from federal government spending and state and local government spending. Imports, which are a subtraction in the calculation of GDP, increased.

The acceleration in real GDP in 2012 primarily reflected a deceleration in imports, upturns in residential fixed investment and in private inventory investment, and smaller decreases in state and local government spending and in federal government spending that were partly offset by decelerations in PCE and in exports.

Real GDI increased 2.0 percent in 2012, compared with an increase of 1.8 percent in 2011.

The price index for gross domestic purchases increased 1.7 percent in 2012, compared with an increase of 2.5 percent in 2011.

Current-dollar GDP increased 4.0 percent, or \$609.1 billion, in 2012, compared with an increase of 4.0 percent, or \$576.8 billion, in 2011.

During 2012 (that is, measured from the fourth quarter of 2011 to the fourth quarter of 2012), real GDP increased 1.7 percent. Real GDP increased 2.0 percent during 2011. The price index for gross domestic purchases increased 1.6 percent during 2012, compared with an increase of 2.5 percent during 2011.

Corporate Profits

Profits from current production (corporate profits with inventory valuation and capital consumption adjustments) increased \$45.4 billion in the fourth quarter, compared with an increase of \$45.7 billion in the third quarter. Current-production cash flow (net cash flow with inventory valuation adjustment) -- the internal funds available to corporations for investment -- decreased \$89.8 billion, in contrast to an increase of \$32.5 billion.

Taxes on corporate income decreased \$4.4 billion in the fourth quarter, in contrast to an increase of \$9.1 billion in the third. Profits after tax with inventory valuation and capital consumption adjustments increased \$49.8 billion, compared with an increase of \$36.7 billion. Dividends increased \$124.3 billion, compared with an increase of \$12.8 billion. The large fourth-quarter increase reflected accelerated and special dividends paid by corporations at the end of 2012 in anticipation of changes to individual income tax rates. Current-production undistributed profits decreased \$74.3 billion, in contrast to an increase of \$23.8 billion.

Domestic profits of financial corporations decreased \$3.5 billion in the fourth quarter, in contrast to an increase of \$68.1 billion in the third. Domestic profits of nonfinancial corporations increased \$24.8 billion, in contrast to a decrease of \$14.1 billion. In the fourth quarter, real gross value added of nonfinancial corporations increased, and profits per unit of real value added increased. The increase in unit profits reflected decreases in both the unit labor and unit nonlabor costs incurred by corporations that were partly offset by a decrease in unit prices.

The rest-of-the-world component of profits increased \$24.1 billion in the fourth quarter, in contrast to a decrease of \$8.2 billion in the third. 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 fourth-quarter increase was accounted for by a larger increase 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. The decrease in profits of financial corporations was more than accounted for by a decrease in "other" financial industries. Domestic profits of nonfinancial corporations increased, primarily reflecting increases in manufacturing, in "other" nonfinancial, and in wholesale trade that were partly offset by a decrease in information. Within manufacturing, the largest increase was in petroleum and coal products.

Profits before tax increased \$27.3 billion in the fourth quarter, compared with an increase of \$86.2 billion in the third. 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 increased \$0.5 billion in the fourth quarter (from -\$200.0 billion to -\$199.5 billion), compared with an increase of \$2.4 billion in the third. The inventory valuation adjustment increased \$17.6 billion (from -\$26.8 billion to -\$9.2 billion), in contrast to a decrease of \$42.8 billion.

Corporate Profits in 2012

Profits from current production increased 6.8 percent in 2012, compared with an increase of 7.3 percent in 2011. Domestic profits increased 9.5 percent, compared with an increase of 6.7 percent. The rest-of-the-world component of profits decreased 2.0 percent, in contrast to an increase of 9.3 percent.

Taxes on corporate income increased 18.5 percent in 2012, compared with an increase of 1.5 percent in 2011. Profits after tax with inventory valuation and capital consumption adjustments increased 3.7 percent, compared with an increase of 8.9 percent. Dividends increased 11.9 percent, compared with an increase of 16.0 percent; current-production undistributed profits decreased 3.9 percent, in contrast to an increase of 3.1 percent.

According to the measure of profits before tax with inventory valuation adjustment, domestic profits of both financial and nonfinancial corporations increased in 2012. The increase in profits of nonfinancial corporations reflected increases in all major industries.

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Next release -- April 26, 2013, at 8:30 A.M. EDT for:
Gross Domestic Product: First Quarter 2013 (Advance Estimate)

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

Line		2010	2011	2012 ^r	Seasonally adjusted at annual rates																Line
					2009				2010				2011				2012				
					I	II	III	IV	I	II	III	IV	I	II	III	IV	I	II	III	IV ^r	
1	Gross domestic product (GDP).....	2.4	1.8	2.2	-5.3	-0.3	1.4	4.0	2.3	2.2	2.6	2.4	0.1	2.5	1.3	4.1	2.0	1.3	3.1	0.4	1
2	Personal consumption expenditures.....	1.8	2.5	1.9	-1.6	-1.8	2.1	0.0	2.5	2.6	2.5	4.1	3.1	1.0	1.7	2.0	2.4	1.5	1.6	1.8	2
3	Goods.....	3.6	3.8	3.1	0.2	-2.1	7.5	-0.5	5.2	3.3	3.8	7.9	5.4	-1.0	1.4	5.4	4.7	0.3	3.6	4.3	3
4	Durable goods.....	6.2	7.2	7.8	1.3	-2.0	20.9	-6.1	5.5	10.5	7.2	15.2	7.3	-2.3	5.4	13.9	11.5	-0.2	8.9	13.6	4
5	Nondurable goods.....	2.3	2.3	0.9	-0.3	-2.1	1.7	2.3	5.1	0.1	2.2	4.5	4.6	-0.3	-0.4	1.8	1.6	0.6	1.2	0.1	5
6	Services.....	1.0	1.9	1.2	-2.5	-1.6	-0.4	0.2	1.2	2.3	1.9	2.3	2.0	1.9	1.8	0.3	1.3	2.1	0.6	0.6	6
7	Gross private domestic investment.....	13.7	5.2	9.8	-43.0	-27.1	-1.7	41.4	19.8	14.6	16.4	-5.9	-5.3	12.5	5.9	33.9	6.1	0.7	6.6	1.3	7
8	Fixed investment.....	-0.2	6.6	8.7	-30.2	-18.5	-3.1	-6.0	-0.9	14.5	-1.0	7.6	-1.3	12.4	15.5	10.0	9.8	4.5	0.9	14.0	8
9	Nonresidential.....	0.7	8.6	8.0	-28.9	-17.5	-7.8	-6.4	2.1	12.3	7.7	9.2	-1.3	14.5	19.0	9.5	7.5	3.6	-1.8	13.2	9
10	Structures.....	-15.6	2.7	10.8	-30.5	-31.4	-26.7	-28.8	-23.0	13.1	-2.2	9.3	-28.2	35.2	20.7	11.5	12.9	0.6	0.0	16.7	10
11	Equipment and software.....	8.9	11.0	6.9	-27.9	-8.6	3.6	6.0	14.7	12.0	11.9	9.2	11.1	7.8	18.3	8.8	5.4	4.8	-2.6	11.8	11
12	Residential.....	-3.7	-1.4	12.1	-35.1	-22.2	17.2	-4.8	-11.4	23.1	-28.6	1.5	-1.4	4.1	1.4	12.1	20.5	8.5	13.5	17.6	12
13	Change in private inventories.....																				13
14	Net exports of goods and services.....																				14
15	Exports.....	11.1	6.7	3.4	-28.7	0.6	13.8	24.0	5.9	9.6	9.7	10.0	5.7	4.1	6.1	1.4	4.4	5.3	1.9	-2.8	15
16	Goods.....	14.3	7.2	4.2	-35.3	-2.6	21.1	30.4	9.9	11.9	9.0	11.2	5.7	3.7	6.2	6.0	4.0	7.0	1.1	-5.0	16
17	Services.....	4.7	5.6	1.5	-12.6	7.4	0.4	11.4	-2.2	4.5	11.1	7.4	5.8	5.1	6.1	-8.8	5.2	1.1	4.0	2.5	17
18	Imports.....	12.5	4.8	2.4	-33.9	-15.9	17.2	19.3	10.4	20.2	13.9	0.0	4.3	0.1	4.7	4.9	3.1	2.8	-0.6	-4.2	18
19	Goods.....	14.9	5.2	2.1	-37.3	-18.5	21.1	23.7	12.2	24.7	14.1	1.1	5.2	-0.7	2.9	6.3	2.0	2.9	-1.2	-3.9	19
20	Services.....	2.5	2.8	4.2	-17.2	-4.7	2.8	2.4	2.4	1.2	12.9	-5.0	-0.6	4.2	13.8	-1.7	9.0	2.3	2.6	-5.6	20
21	Government consumption expenditures and gross investment.....	0.6	-3.1	-1.7	1.8	9.6	3.7	1.1	-3.1	2.8	-0.3	-4.4	-7.0	-0.8	-2.9	-2.2	-3.0	-0.7	3.9	-7.0	21
22	Federal.....	4.5	-2.8	-2.2	-3.0	13.7	6.3	4.2	0.6	9.7	3.7	-4.1	-10.3	2.8	-4.3	-4.4	-4.2	-0.2	9.5	-14.8	22
23	National defense.....	3.0	-2.6	-3.1	-7.0	16.1	7.6	1.3	-3.7	7.3	7.2	-6.1	-14.3	8.3	2.6	-10.6	-7.1	-0.2	12.9	-22.1	23
24	Nondefense.....	7.7	-3.1	-0.3	6.1	8.8	3.5	10.5	10.1	14.6	-3.1	0.0	-1.7	-7.5	-17.4	10.2	1.8	-0.4	3.0	1.7	24
25	State and local.....	-1.8	-3.4	-1.4	4.9	7.2	2.2	-0.9	-5.5	-1.4	-2.9	-4.6	-4.7	-3.2	-2.0	-0.7	-2.2	-1.0	0.3	-1.5	25
	Addenda:																				
26	Final sales of domestic product.....	0.9	2.0	2.1	-3.1	0.6	1.2	-0.6	0.1	2.2	0.6	4.1	0.6	2.4	2.3	1.5	2.4	1.7	2.4	1.9	26
27	Gross domestic purchases.....	2.8	1.7	2.1	-7.3	-2.7	2.1	4.0	3.1	3.9	3.5	1.1	0.0	1.9	1.2	4.6	1.8	1.0	2.6	0.0	27
28	Final sales to domestic purchasers.....	1.3	1.8	2.0	-5.2	-1.8	1.8	-0.5	0.9	3.9	1.5	2.7	0.5	1.8	2.2	2.1	2.2	1.4	1.9	1.5	28
29	Gross national product (GNP).....	2.8	2.0	2.1	-5.2	-0.4	2.8	4.4	2.7	2.9	2.6	2.2	0.6	2.8	1.4	4.1	0.6	2.1	2.9	0.9	29
30	Disposable personal income.....	1.8	1.3	1.5	-4.7	-0.5	-6.1	-0.6	5.7	6.3	1.2	1.0	4.4	-1.5	-1.3	-0.2	3.7	2.2	0.7	6.2	30
	Current-dollar measures:																				
31	GDP.....	3.8	4.0	4.0	-4.4	-1.1	1.9	5.3	3.9	4.1	4.6	4.5	2.2	5.2	4.3	4.2	4.2	2.8	5.9	1.3	31
32	Final sales of domestic product.....	2.2	4.1	3.9	-2.1	-0.1	1.8	0.8	1.6	3.8	2.7	6.2	2.6	5.2	5.4	1.9	4.4	3.3	5.2	2.9	32
33	Gross domestic purchases.....	4.5	4.2	3.8	-9.6	-2.5	3.8	6.3	5.2	4.8	4.8	3.5	3.5	5.5	3.6	5.3	4.6	1.7	4.2	1.6	33
34	Final sales to domestic purchasers.....	3.0	4.4	3.7	-7.4	-1.5	3.7	1.9	3.0	4.6	2.9	5.1	3.9	5.4	4.6	3.0	4.8	2.2	3.5	3.1	34
35	GNP.....	4.2	4.2	3.9	-4.4	-1.1	3.3	5.7	4.3	4.7	4.6	4.3	2.7	5.5	4.5	4.3	2.8	3.6	5.7	1.9	35
36	Disposable personal income.....	3.8	3.8	3.3	-6.8	1.1	-3.3	2.5	7.6	6.9	2.5	3.1	7.7	2.0	1.1	0.9	6.3	2.9	2.3	7.9	36

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

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

Line		Billions of current dollars						Billions of chained (2005) dollars						Change from preceding period			Line	
		Seasonally adjusted at annual rates						Seasonally adjusted at annual rates										
		2012 ^r	2012					2012 ^r	2011	2012					2012 ^r	2012		
			IV	I	II	III	IV ^r			IV	I	II	III	IV ^r		III		IV ^r
49	Government consumption expenditures and gross investment	3,062.8	3,051.0	3,054.6	3,053.7	3,093.3	3,049.7	2,481.1	2,502.7	2,483.7	2,479.4	2,503.1	2,458.1	-42.8	23.7	-45.0	49	
50	Federal	1,214.3	1,211.2	1,207.7	1,210.7	1,241.4	1,197.3	1,024.1	1,034.2	1,023.1	1,022.5	1,045.9	1,004.9	-22.9	23.4	-41.0	50	
51	National defense	809.1	812.8	806.4	807.8	834.5	787.9	677.3	690.1	677.6	677.3	698.1	656.0	-21.8	20.8	-42.1	51	
52	Consumption expenditures	703.6	704.0	703.5	701.1	728.1	681.8	580.5	590.0	582.9	579.8	600.5	559.0	-18.5	20.7	-41.5	52	
53	Gross investment	105.6	108.8	102.9	106.7	106.4	106.1	97.0	100.6	94.8	97.9	97.7	97.7	-3.4	-0.2	0.0	53	
54	Nondefense	405.1	398.4	401.3	402.9	406.8	409.4	347.0	344.1	345.6	345.3	347.8	349.3	-0.9	2.5	1.5	54	
55	Consumption expenditures	356.0	348.0	352.1	353.7	358.2	360.2	300.3	296.1	298.7	298.6	301.6	302.4	1.9	3.0	0.8	55	
56	Gross investment	49.1	50.4	49.2	49.2	48.6	49.3	46.7	48.2	47.0	46.8	46.2	46.9	-3.2	-0.6	0.7	56	
57	State and local	1,848.5	1,839.7	1,846.9	1,843.0	1,851.9	1,852.3	1,461.7	1,473.3	1,465.3	1,461.6	1,462.7	1,457.2	-20.3	1.1	-5.5	57	
58	Consumption expenditures	1,530.8	1,518.4	1,531.4	1,525.5	1,532.4	1,534.0	1,218.9	1,223.5	1,221.9	1,218.7	1,219.4	1,215.6	-10.5	0.7	-3.8	58	
59	Gross investment	317.7	321.3	315.5	317.5	319.5	318.3	243.9	250.8	244.5	244.0	244.4	242.8	-9.7	0.4	-1.6	59	
60	Residual							-90.4	-68.8	-83.5	-83.2	-85.5	-109.6				60	
	Addenda:																	
61	Final sales of domestic product	15,626.7	15,238.9	15,405.7	15,530.8	15,728.8	15,841.4	13,539.4	13,361.4	13,440.1	13,497.9	13,577.4	13,642.0	274.1	79.5	64.6	61	
62	Gross domestic purchases	16,244.7	15,915.9	16,094.0	16,162.5	16,327.8	16,394.4	13,985.8	13,851.4	13,914.4	13,948.5	14,039.3	14,040.8	287.0	90.8	1.5	62	
63	Final sales to domestic purchasers	16,186.6	15,833.8	16,021.5	16,107.8	16,245.6	16,371.6	13,931.2	13,771.3	13,847.5	13,897.1	13,963.6	14,016.6	267.0	66.5	53.0	63	
64	Gross domestic product	15,684.8	15,321.0	15,478.3	15,585.6	15,811.0	15,864.1	13,593.2	13,441.0	13,506.4	13,548.5	13,652.5	13,665.4	294.1	104.0	12.9	64	
65	Plus: Income receipts from the rest of the world	782.3	787.1	769.6	775.1	775.8	808.5	674.9	686.5	667.0	670.5	668.5	693.8	-13.3	-2.0	25.3	65	
66	Less: Income payments to the rest of the world	539.3	523.1	554.7	527.8	532.7	541.8	464.6	455.1	479.7	455.7	458.4	464.6	-1.1	2.7	6.2	66	
67	Equals: Gross national product	15,927.8	15,585.0	15,693.2	15,832.9	16,054.2	16,130.8	13,803.8	13,672.9	13,693.8	13,763.6	13,862.9	13,895.0	281.8	99.3	32.1	67	
68	Net domestic product	13,673.1	13,354.5	13,493.4	13,580.8	13,791.3	13,826.7	11,778.9	11,650.7	11,706.6	11,739.2	11,833.6	11,836.3	256.5	94.4	2.7	68	

^r Revised
 NOTE: Users are cautioned that particularly for components that exhibit rapid change in prices relative to other prices in the economy, the chained-dollar estimates should not be used to measure the component's relative importance or its contribution to the growth rate of more aggregate series. For accurate estimates of the contributions to percent changes in real gross domestic product, use table 2.
 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

Line		2010	2011	2012 ^r	Seasonally adjusted at annual rates																Line
					2009				2010				2011				2012				
					I	II	III	IV	I	II	III	IV	I	II	III	IV	I	II	III	IV ^r	
1	Gross domestic product (GDP)	1.3	2.1	1.8	1.0	-0.8	0.5	1.3	1.5	1.7	2.0	2.1	2.0	2.6	3.0	0.4	2.0	1.6	2.7	1.0	1
2	Personal consumption expenditures ...	1.9	2.4	1.8	-2.1	1.6	3.1	3.1	1.8	0.6	1.3	2.2	3.2	3.6	2.3	1.1	2.5	0.7	1.6	1.6	2
3	Goods.....	1.7	3.8	1.3	-7.0	4.3	5.7	3.1	1.3	-2.8	1.0	4.0	6.6	5.9	3.0	-0.2	2.5	-1.8	1.9	1.1	3
4	Durable goods	-1.3	-0.9	-1.3	-2.4	-0.3	-2.6	1.0	-1.5	-2.0	-2.3	-2.1	-0.5	1.6	-0.6	-2.5	-1.0	-1.2	-2.3	-2.0	4
5	Non-durable goods	3.2	6.0	2.5	-9.2	6.5	9.9	4.1	2.6	-3.2	2.6	7.0	10.1	8.0	4.7	0.8	4.2	-2.2	4.0	2.6	5
6	Services	2.0	1.8	2.0	0.3	0.4	1.8	3.0	2.1	2.3	1.4	1.3	1.6	2.4	2.0	1.7	2.5	2.0	1.4	1.9	6
7	Gross private domestic investment	-1.3	1.5	1.2	-2.8	-6.4	-5.7	-1.3	-1.2	0.4	1.3	2.1	1.3	1.9	1.6	1.2	1.0	1.3	0.6	1.5	7
8	Fixed investment	-1.2	1.6	1.4	-2.3	-5.4	-4.3	-0.8	-1.6	-0.1	1.1	1.6	1.4	2.5	1.8	1.4	1.2	1.2	1.3	1.5	8
9	Nonresidential	-1.5	1.7	1.5	-2.2	-5.3	-4.6	-1.9	-2.0	0.4	1.1	1.5	1.9	2.6	1.9	1.5	1.8	1.2	0.8	1.2	9
10	Structures	-1.1	4.7	3.4	-5.4	-12.1	-9.9	-1.4	1.2	2.4	2.6	3.7	5.1	6.7	5.7	4.5	2.7	3.2	1.0	1.4	10
11	Equipment and software	-1.6	0.6	0.8	-0.2	-1.4	-2.1	-2.3	-3.4	-0.4	0.4	0.6	0.8	1.2	0.5	0.4	1.4	0.4	0.7	1.1	11
12	Residential.....	-0.2	0.9	0.9	-2.8	-5.9	-3.0	3.4	0.0	-2.0	1.4	2.4	-0.6	1.7	1.4	0.6	-1.4	1.2	3.3	3.0	12
13	Change in private inventories.....																				13
14	Net exports of goods and services																				14
15	Exports.....	4.5	6.4	0.9	-11.9	-0.1	5.0	5.7	4.9	5.0	0.9	9.6	11.1	8.4	1.7	-3.8	2.8	0.5	0.0	1.5	15
16	Goods.....	5.1	7.6	0.4	-14.4	2.1	5.1	5.4	5.5	5.5	1.0	12.6	13.3	9.4	1.2	-4.8	2.4	-0.4	0.1	1.2	16
17	Services	3.4	3.8	2.0	-6.9	-4.5	4.7	6.4	3.8	3.9	0.8	3.0	5.9	5.9	2.9	-1.3	3.8	2.6	-0.4	2.3	17
18	Imports.....	6.0	7.8	0.6	-28.8	6.4	13.3	12.4	7.9	-2.1	-3.1	10.1	18.6	12.8	-1.9	0.0	5.6	-3.9	-6.5	5.3	18
19	Goods.....	6.8	8.9	0.7	-33.1	8.3	15.7	13.6	9.5	-2.8	-3.8	10.9	21.7	14.3	-2.0	0.6	6.4	-4.8	-7.5	5.8	19
20	Services	2.6	3.0	0.2	-7.0	-0.9	3.9	7.2	1.0	0.8	0.8	6.0	4.5	5.1	-1.3	-3.1	1.7	1.0	-0.9	2.5	20
21	Government consumption expenditures and gross investment	2.4	3.3	1.8	-2.6	-0.5	1.5	2.1	4.7	1.2	1.7	3.6	5.2	4.1	2.4	0.0	3.6	0.6	1.4	1.6	21
22	Federal.....	2.4	2.8	1.6	0.8	-1.7	1.5	2.2	5.5	1.1	1.2	2.3	4.9	3.6	2.2	-0.9	3.2	1.2	0.9	1.6	22
23	National defense	2.3	3.0	1.8	-0.2	-2.2	1.2	2.3	5.9	1.0	0.9	2.8	6.1	3.3	2.3	-0.9	4.2	0.9	0.9	1.9	23
24	Nondefense	2.4	2.2	1.2	3.1	-0.6	2.3	2.1	4.9	1.5	1.7	1.2	2.8	4.2	2.1	-0.8	1.2	2.0	1.0	0.8	24
25	State and local	2.4	3.7	2.0	-4.7	0.2	1.5	2.0	4.2	1.3	2.0	4.6	5.3	4.4	2.6	0.6	3.8	0.1	1.6	1.6	25
	Addenda:																				
26	Final sales of domestic product.....	1.3	2.1	1.8	1.1	-0.7	0.7	1.4	1.5	1.6	2.0	2.1	2.0	2.7	3.0	0.4	2.0	1.5	2.8	1.0	26
27	Gross domestic purchases.....	1.6	2.5	1.7	-2.4	0.2	1.7	2.4	2.1	0.7	1.4	2.5	3.4	3.5	2.3	0.9	2.5	0.7	1.4	1.6	27
28	Final sales to domestic purchasers.....	1.6	2.5	1.7	-2.3	0.3	1.8	2.4	2.0	0.6	1.4	2.4	3.4	3.5	2.3	0.9	2.5	0.7	1.5	1.6	28
29	Gross national product (GNP).....	1.3	2.1	1.8	1.0	-0.7	0.5	1.3	1.5	1.6	2.0	2.1	2.0	2.6	2.9	0.4	2.0	1.5	2.6	1.0	29
	Implicit price deflators:																				
30	GDP.....	1.3	2.1	1.8	0.9	-0.8	0.5	1.2	1.6	1.8	1.9	2.0	2.1	2.6	3.0	0.1	2.2	1.5	2.7	1.0	30
31	Gross domestic purchases.....	1.6	2.5	1.7	-2.5	0.2	1.7	2.3	2.1	0.8	1.3	2.3	3.5	3.5	2.3	0.6	2.7	0.7	1.5	1.6	31
32	GNP.....	1.3	2.1	1.8	0.9	-0.8	0.5	1.2	1.5	1.8	1.9	2.0	2.1	2.7	3.0	0.2	2.2	1.5	2.7	1.0	32

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

Table 5. Real Gross Domestic Product, Quantity Indexes

[Index numbers, 2005=100]

Line		2010	2011	2012 ^r	Seasonally adjusted					Line
					2011	2012				
						IV	I	II	III	
1	Gross domestic product	103.486	105.356	107.687	106.481	106.999	107.333	108.156	108.259	1
2	Personal consumption expenditures	104.460	107.103	109.085	107.790	108.443	108.849	109.276	109.773	2
3	Goods	104.304	108.263	111.578	109.462	110.722	110.812	111.796	112.981	3
4	Durable goods	104.887	112.395	121.148	115.736	118.937	118.866	121.423	125.364	4
5	Nondurable goods	103.888	106.236	107.223	106.510	106.938	107.096	107.413	107.445	5
6	Services	104.554	106.543	107.854	106.970	107.318	107.882	108.031	108.186	6
7	Gross private domestic investment	76.327	80.284	88.127	85.959	87.241	87.394	88.793	89.079	7
8	Fixed investment	75.326	80.311	87.313	83.807	85.785	86.724	86.923	89.820	8
9	Nonresidential	94.148	102.288	110.431	107.156	109.108	110.065	109.557	112.996	9
10	Structures	88.308	90.733	100.506	96.449	99.421	99.560	99.558	103.484	10
11	Equipment and software	96.822	107.473	114.890	111.972	113.460	114.790	114.049	117.262	11
12	Residential	42.862	42.268	47.371	43.361	45.433	46.364	47.855	49.832	12
13	Change in private inventories									13
14	Exports of goods and services	127.623	136.152	140.785	137.871	139.356	141.152	141.824	140.808	14
15	Imports of goods and services	102.832	107.746	110.369	109.345	110.179	110.936	110.766	109.593	15
16	Government consumption expenditures and gross investment	109.955	106.497	104.692	105.604	104.804	104.622	105.620	103.721	16
17	Federal	122.883	119.480	116.869	118.024	116.751	116.685	119.359	114.679	17
18	State and local	102.711	99.224	97.865	98.643	98.103	97.858	97.932	97.565	18
Addenda:										
19	Final sales of domestic product	103.478	105.506	107.686	106.271	106.897	107.356	107.988	108.503	19
20	Gross domestic purchases	100.954	102.646	104.796	103.789	104.261	104.517	105.197	105.209	20
21	Final sales to domestic purchasers	100.932	102.771	104.780	103.577	104.150	104.523	105.023	105.422	21
22	Gross national product	104.193	106.304	108.520	107.490	107.655	108.204	108.984	109.237	22

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

Table 6. Price Indexes for Gross Domestic Product

[Index numbers, 2005=100]

Line		2010	2011	2012 ^r	Seasonally adjusted					Line
					2011	2012				
						IV	I	II	III	
1	Gross domestic product	111.002	113.369	115.388	114.041	114.608	115.050	115.807	116.085	1
2	Personal consumption expenditures (PCE)	111.087	113.790	115.790	114.593	115.300	115.496	115.952	116.412	2
3	Goods	104.852	108.822	110.203	109.569	110.256	109.743	110.261	110.550	3
4	Durable goods	91.611	90.799	89.576	90.381	90.157	89.888	89.358	88.900	4
5	Nondurable goods	112.622	119.430	122.427	120.879	122.136	121.472	122.659	123.439	5
6	Services	114.418	116.435	118.779	117.270	117.989	118.576	118.997	119.553	6
7	Gross private domestic investment	104.854	106.439	107.747	107.013	107.292	107.647	107.818	108.231	7
8	Fixed investment	105.023	106.680	108.175	107.352	107.661	107.977	108.324	108.739	8
9	Nonresidential	105.514	107.359	108.993	108.092	108.562	108.878	109.104	109.428	9
10	Structures	121.158	126.850	131.222	129.302	130.167	131.198	131.540	131.982	10
11	Equipment and software	99.806	100.445	101.236	100.656	101.001	101.094	101.282	101.567	11
12	Residential	102.520	103.406	104.288	103.812	103.439	103.754	104.593	105.364	12
13	Change in private inventories									13
14	Exports of goods and services	110.738	117.860	118.871	117.839	118.652	118.802	118.792	119.237	14
15	Imports of goods and services	112.989	121.851	122.618	122.463	124.156	122.942	120.907	122.465	15
16	Government consumption expenditures and gross investment	117.334	121.233	123.443	121.903	122.979	123.157	123.574	124.063	16
17	Federal	113.583	116.721	118.565	117.111	118.038	118.403	118.679	119.141	17
18	State and local	119.579	124.001	126.462	124.866	126.042	126.089	126.605	127.110	18
Addenda:										
19	PCE excluding food and energy ¹	110.214	111.802	113.711	112.500	113.122	113.603	113.912	114.208	19
20	Market-based PCE ²	110.820	113.641	115.741	114.510	115.231	115.407	115.944	116.381	20
21	Market-based PCE excluding food and energy ²	109.760	111.311	113.321	112.069	112.693	113.196	113.576	113.819	21
22	Final sales of domestic product	110.993	113.371	115.417	114.056	114.628	115.065	115.849	116.126	22
23	Gross domestic purchases	111.421	114.208	116.154	114.958	115.674	115.888	116.298	116.758	23
24	Final sales to domestic purchasers	111.420	114.219	116.192	114.981	115.703	115.911	116.346	116.806	24
25	Gross national product	110.986	113.363	115.387	114.038	114.609	115.050	115.804	116.086	25
Implicit price deflators:										
26	Gross domestic product	110.993	113.359	115.387	113.987	114.599	115.035	115.810	116.089	26
27	Final sales of domestic product	110.993	113.371	115.417	114.052	114.624	115.061	115.845	116.122	27
28	Gross domestic purchases	111.412	114.198	116.152	114.905	115.665	115.873	116.301	116.762	28
29	Final sales to domestic purchasers	111.420	114.219	116.189	114.977	115.699	115.907	116.342	116.802	29
30	Gross national product	110.977	113.353	115.387	113.985	114.600	115.035	115.807	116.090	30

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

Line		1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012 ^r	Line
1	Gross domestic product (GDP)	4.5	4.4	4.8	4.1	1.1	1.8	2.5	3.5	3.1	2.7	1.9	-0.3	-3.1	2.4	1.8	2.2	1
2	Personal consumption expenditures	3.7	5.2	5.5	5.1	2.7	2.7	2.8	3.3	3.4	2.9	2.3	-0.6	-1.9	1.8	2.5	1.9	2
3	Goods.....	4.8	6.8	8.0	5.3	3.1	4.1	4.6	4.5	4.2	3.3	3.0	-2.5	-3.0	3.6	3.8	3.1	3
4	Durable goods	8.2	12.2	13.0	8.8	5.4	7.6	6.6	7.3	5.9	4.5	5.0	-4.9	-5.4	6.2	7.2	7.8	4
5	Nondurable goods	2.9	3.8	5.1	3.2	1.8	2.0	3.4	2.8	3.2	2.6	1.9	-1.2	-1.8	2.3	2.3	0.9	5
6	Services	3.1	4.4	4.1	5.0	2.5	1.9	1.9	2.7	3.0	2.6	1.9	0.4	-1.4	1.0	1.9	1.2	6
7	Gross private domestic investment	12.4	10.0	8.8	6.8	-7.0	-1.4	3.9	10.1	5.5	2.7	-3.2	-10.2	-24.8	13.7	5.2	9.8	7
8	Fixed investment	9.2	10.9	9.3	7.4	-1.9	-4.2	3.5	7.4	6.5	2.4	-1.9	-7.1	-19.0	-0.2	6.6	8.7	8
9	Nonresidential	12.1	12.0	10.4	9.8	-2.8	-7.9	1.4	6.2	6.7	8.0	6.5	-0.8	-18.1	0.7	8.6	8.0	9
10	Structures	7.3	5.1	0.1	7.8	-1.5	-17.7	-3.8	1.1	1.4	9.2	14.1	6.4	-21.1	-15.6	2.7	10.8	10
11	Equipment and software	13.8	14.5	14.1	10.5	-3.2	-4.2	3.1	7.9	8.5	7.6	3.3	-4.3	-16.4	8.9	11.0	6.9	11
12	Residential.....	1.9	7.7	6.3	1.0	0.6	5.2	8.2	9.8	6.2	-7.3	-18.7	-23.9	-22.4	-3.7	-1.4	12.1	12
13	Change in private inventories.....																	13
14	Net exports of goods and services																	14
15	Exports.....	11.9	2.3	4.4	8.6	-5.6	-2.0	1.6	9.5	6.7	9.0	9.3	6.1	-9.1	11.1	6.7	3.4	15
16	Goods.....	14.4	2.2	3.8	11.1	-6.2	-3.6	1.8	8.5	7.5	9.4	9.7	6.3	-12.0	14.3	7.2	4.2	16
17	Services	5.9	2.4	5.7	2.7	-4.1	1.9	1.2	11.9	5.0	7.9	8.3	5.6	-2.6	4.7	5.6	1.5	17
18	Imports.....	13.5	11.7	11.5	13.0	-2.8	3.4	4.4	11.1	6.1	6.1	2.4	-2.7	-13.5	12.5	4.8	2.4	18
19	Goods.....	14.4	11.8	12.5	13.4	-3.2	3.7	4.9	11.1	6.8	5.9	2.6	-3.8	-15.6	14.9	5.2	2.1	19
20	Services	8.7	10.9	6.8	11.0	-0.8	1.8	1.9	11.2	2.8	7.1	1.4	3.6	-3.3	2.5	2.8	4.2	20
21	Government consumption expenditures and gross investment	1.9	2.1	3.6	2.0	3.8	4.7	2.2	1.4	0.3	1.4	1.3	2.6	3.7	0.6	-3.1	-1.7	21
22	Federal.....	-1.0	-1.1	1.9	0.5	4.1	7.3	6.6	4.1	1.3	2.1	1.2	7.2	6.1	4.5	-2.8	-2.2	22
23	National defense	-2.8	-2.1	1.9	-0.5	3.8	7.4	8.7	5.7	1.5	1.6	2.2	7.5	6.0	3.0	-2.6	-3.1	23
24	Nondefense	2.7	0.8	2.1	2.4	4.6	7.2	2.8	1.0	0.9	3.2	-0.8	6.5	6.5	7.7	-3.1	-0.3	24
25	State and local	3.6	3.9	4.5	2.8	3.7	3.3	-0.1	-0.2	-0.2	0.9	1.4	0.0	2.2	-1.8	-3.4	-1.4	25
	Addenda:																	
26	Final sales of domestic product.....	3.9	4.4	4.9	4.2	2.0	1.3	2.5	3.1	3.2	2.6	2.2	0.2	-2.3	0.9	2.0	2.1	26
27	Gross domestic purchases.....	4.7	5.5	5.7	4.8	1.2	2.4	2.9	3.9	3.2	2.6	1.2	-1.5	-4.0	2.8	1.7	2.1	27
28	Final sales to domestic purchasers.....	4.2	5.6	5.8	4.9	2.1	1.9	2.8	3.5	3.3	2.5	1.4	-1.0	-3.3	1.3	1.8	2.0	28
29	Gross national product	4.3	4.3	4.9	4.2	1.2	1.8	2.7	3.6	3.1	2.4	2.3	0.0	-3.2	2.8	2.0	2.1	29
30	Real disposable personal income	3.5	6.0	3.0	5.1	2.4	3.3	2.5	3.4	1.4	4.0	2.4	2.4	-2.8	1.8	1.3	1.5	30
	Price indexes:																	
31	Gross domestic purchases.....	1.5	0.7	1.6	2.5	1.9	1.4	2.3	3.0	3.7	3.4	2.9	3.2	-0.2	1.6	2.5	1.7	31
32	Gross domestic purchases excluding food and energy ¹	1.5	1.0	1.5	2.0	1.8	1.7	2.0	2.7	3.3	3.1	2.7	2.6	0.6	1.4	1.9	1.7	32
33	GDP.....	1.8	1.1	1.5	2.2	2.3	1.6	2.1	2.8	3.3	3.2	2.9	2.2	0.9	1.3	2.1	1.8	33
34	GDP excluding food and energy ¹	1.8	1.2	1.6	2.2	2.0	1.8	2.0	2.8	3.5	3.3	2.8	2.4	0.7	1.6	2.0	1.7	34
35	Personal consumption expenditures.....	1.9	1.0	1.6	2.5	1.9	1.4	2.0	2.6	3.0	2.7	2.7	3.3	0.1	1.9	2.4	1.8	35

^r Revised

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

Line	2009				2010				2011				2012				Line
	I	II	III	IV	I	II	III	IV	I	II	III	IV	I	II	III	IV ^r	
1	Gross domestic product (GDP)																1
2	Personal consumption expenditures (PCE)																2
3	Goods.....																3
4	Durable goods.....																4
5	Nondurable goods.....																5
6	Services.....																6
7	Gross private domestic investment																7
8	Fixed investment.....																8
9	Nonresidential.....																9
10	Structures.....																10
11	Equipment and software.....																11
12	Residential.....																12
13	Change in private inventories.....																13
14	Net exports of goods and services																14
15	Exports.....																15
16	Goods.....																16
17	Services.....																17
18	Imports.....																18
19	Goods.....																19
20	Services.....																20
21	Government consumption expenditures and gross investment ...																21
22	Federal.....																22
23	National defense.....																23
24	Nondefense.....																24
25	State and local.....																25
Addenda:																	
26	Final sales of domestic product.....																26
27	Gross domestic purchases.....																27
28	Final sales to domestic purchasers.....																28
29	Gross national product.....																29
30	Real disposable personal income.....																30
Price indexes:																	
31	Gross domestic purchases.....																31
32	Gross domestic purchases excluding food and energy ¹																32
33	GDP.....																33
34	GDP excluding food and energy ¹																34
35	PCE.....																35
36	PCE excluding food and energy ¹																36
37	Market-based PCE ²																37
38	Market-based PCE excluding food and energy ²																38

^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.

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

[Billions of dollars]

Line		2010	2011	2012 ^r	Seasonally adjusted at annual rates					Line
					2011	2012				
					IV	I	II	III	IV ^r	
1	Gross domestic product	14,498.9	15,075.7	15,684.8	15,321.0	15,478.3	15,585.6	15,811.0	15,864.1	1
2	Plus: Income receipts from the rest of the world.....	716.5	783.7	782.3	787.1	769.6	775.1	775.8	808.5	2
3	Less: Income payments to the rest of the world	507.2	531.8	539.3	523.1	554.7	527.8	532.7	541.8	3
4	Equals: Gross national product	14,708.2	15,327.5	15,927.8	15,585.0	15,693.2	15,832.9	16,054.2	16,130.8	4
5	Less: Consumption of fixed capital	1,873.4	1,936.8	2,011.7	1,966.6	1,984.9	2,004.8	2,019.8	2,037.4	5
6	Less: Statistical discrepancy.....	23.3	31.9	67.2	70.3	1.1	77.7	138.5	51.7	6
7	Equals: National income	12,811.4	13,358.9	13,848.8	13,548.1	13,707.2	13,750.5	13,895.9	14,041.7	7
8	Compensation of employees.....	7,970.0	8,295.2	8,565.8	8,340.1	8,495.7	8,527.7	8,577.6	8,662.1	8
9	Wage and salary accruals.....	6,404.6	6,661.3	6,880.7	6,692.4	6,825.9	6,849.2	6,888.5	6,959.3	9
10	Supplements to wages and salaries.....	1,565.4	1,633.9	1,685.1	1,647.7	1,669.8	1,678.5	1,689.1	1,702.8	10
11	Proprietors' income with inventory valuation and capital consumption adjustments.....	1,103.4	1,157.3	1,202.3	1,165.3	1,184.3	1,194.9	1,205.4	1,224.7	11
12	Rental income of persons with capital consumption adjustment.....	349.2	409.7	462.6	430.3	445.3	452.8	471.0	481.5	12
13	Corporate profits with inventory valuation and capital consumption adjustments.....	1,702.4	1,827.0	1,950.6	1,953.1	1,900.1	1,921.9	1,967.6	2,013.0	13
14	Net interest and miscellaneous payments	567.9	527.4	504.3	515.9	515.6	489.5	518.2	493.8	14
15	Taxes on production and imports less subsidies.....	998.0	1,036.2	1,069.2	1,047.1	1,067.7	1,069.8	1,067.8	1,071.3	15
16	Business current transfer payments (net)	140.0	132.6	128.0	127.4	130.5	127.9	123.8	129.7	16
17	Current surplus of government enterprises	-19.5	-26.5	-34.0	-31.1	-32.0	-34.1	-35.5	-34.5	17
	Addendum:									
18	Gross domestic income.....	14,475.6	15,043.8	15,617.5	15,250.7	15,477.1	15,507.9	15,672.6	15,812.5	18

^r Revised

Table 10. Personal Income and Its Disposition

[Billions of dollars]

Line		2010	2011	2012 ^r	Seasonally adjusted at annual rates					Line
					2011	2012				
					IV	I	II	III	IV ^r	
1	Personal income ¹	12,321.9	12,947.3	13,407.2	13,017.4	13,227.1	13,327.0	13,406.2	13,668.5	1
2	Compensation of employees, received	7,970.0	8,295.2	8,565.8	8,340.1	8,495.7	8,527.7	8,577.6	8,662.1	2
3	Wage and salary disbursements	6,404.6	6,661.3	6,880.7	6,692.4	6,825.9	6,849.2	6,888.5	6,959.3	3
4	Supplements to wages and salaries.....	1,565.4	1,633.9	1,685.1	1,647.7	1,669.8	1,678.5	1,689.1	1,702.8	4
5	Proprietors' income with inventory valuation and capital consumption adjustments.....	1,103.4	1,157.3	1,202.3	1,165.3	1,184.3	1,194.9	1,205.4	1,224.7	5
6	Farm	44.3	54.6	56.2	54.4	52.3	52.5	59.4	60.7	6
7	Nonfarm.....	1,059.1	1,102.8	1,146.1	1,110.9	1,132.1	1,142.4	1,146.0	1,164.0	7
8	Rental income of persons with capital consumption adjustment.....	349.2	409.7	462.6	430.3	445.3	452.8	471.0	481.5	8
9	Personal income receipts on assets.....	1,598.3	1,685.1	1,749.7	1,684.6	1,696.4	1,730.8	1,712.8	1,858.7	9
10	Personal interest income	1,016.6	1,008.8	992.6	988.0	991.8	1,006.1	975.3	997.2	10
11	Personal dividend income	581.7	676.3	757.0	696.6	704.6	724.6	737.5	861.5	11
12	Personal current transfer receipts	2,284.3	2,319.2	2,375.1	2,319.9	2,348.0	2,365.2	2,388.0	2,399.2	12
13	Less: Contributions for government social insurance, domestic	983.3	919.3	948.3	922.8	942.6	944.4	948.7	957.6	13
14	Less: Personal current taxes.....	1,194.8	1,398.0	1,475.8	1,419.1	1,450.8	1,465.2	1,476.5	1,510.8	14
15	Equals: Disposable personal income	11,127.1	11,549.3	11,931.4	11,598.3	11,776.4	11,861.8	11,929.7	12,157.7	15
16	Less: Personal outlays	10,560.4	11,059.9	11,460.3	11,205.6	11,348.7	11,406.1	11,494.7	11,591.7	16
17	Equals: Personal saving	566.7	489.4	471.1	392.7	427.7	455.7	435.1	566.0	17
18	Personal saving as a percentage of disposable personal income.....	5.1	4.2	3.9	3.4	3.6	3.8	3.6	4.7	18
	Addenda:									
19	Personal income excluding current transfer receipts, billions of chained (2005) dollars ²	9,035.8	9,340.0	9,527.8	9,335.4	9,435.7	9,491.3	9,502.6	9,680.8	19
20	Disposable personal income, billions of chained (2005) dollars ²	10,016.5	10,149.7	10,304.4	10,121.5	10,213.9	10,270.6	10,288.8	10,444.0	20

^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 (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.

Table 11. Corporate Profits: Level and Percent Change

Line	Billions of dollars									Percent change from preceding period						Line	
	2010	2011	2012	Seasonally adjusted at annual rates					2011	2012	Quarterly rates				Quarter one year ago		
				2011	2012						2012						
					IV	I	II	III			IV	I	II	III			IV
1	Corporate profits with inventory valuation and capital consumption adjustments	1,702.4	1,827.0	1,950.6	1,953.1	1,900.1	1,921.9	1,967.6	2,013.0	7.3	6.8	-2.7	1.1	2.4	2.3	3.1	1
2	Less: Taxes on corporate income	373.3	379.0	449.3	370.4	453.6	443.3	452.4	448.0	1.5	18.5	22.5	-2.3	2.0	-1.0	21.0	2
3	Equals: Profits after tax with inventory valuation and capital consumption adjustments	1,329.1	1,447.9	1,501.3	1,582.8	1,446.6	1,478.5	1,515.2	1,565.0	8.9	3.7	-8.6	2.2	2.5	3.3	-1.1	3
4	Net dividends	600.9	697.2	779.9	717.9	727.1	747.5	760.3	884.6	16.0	11.9	1.3	2.8	1.7	16.3	23.2	4
5	Undistributed profits with inventory valuation and capital consumption adjustments	728.2	750.7	721.4	864.9	719.4	731.0	754.8	680.5	3.1	-3.9	-16.8	1.6	3.3	-9.9	-21.3	5
6	Addenda for corporate cash flow:																
6	Net cash flow with inventory valuation adjustment	1,774.9	1,850.7	1,834.1	2,005.6	1,835.8	1,841.8	1,874.3	1,784.5	4.3	-0.9	-8.5	0.3	1.8	-4.8	-11.0	6
7	Undistributed profits with inventory valuation and capital consumption adjustments	728.2	750.7	721.4	864.9	719.4	731.0	754.8	680.5	3.1	-3.9	-16.8	1.6	3.3	-9.9	-21.3	7
8	Consumption of fixed capital	1,026.5	1,061.9	1,107.5	1,079.9	1,092.6	1,104.3	1,111.6	1,121.4	3.5	4.3	1.2	1.1	0.7	0.9	3.8	8
9	Less: Capital transfers paid (net).....	-20.2	-38.1	-5.2	-60.8	-23.8	-6.5	-7.9	17.4								9
10	Addenda:																
10	Profits before tax (without inventory valuation and capital consumption adjustments).....	1,816.3	1,854.1	2,162.2	1,936.4	2,124.5	2,108.2	2,194.4	2,221.7	2.1	16.6	9.7	-0.8	4.1	1.2	14.7	10
11	Profits after tax (without inventory valuation and capital consumption adjustments).....	1,443.0	1,475.1	1,712.9	1,566.1	1,670.9	1,664.9	1,742.0	1,773.7	2.2	16.1	6.7	-0.4	4.6	1.8	13.3	11
12	Inventory valuation adjustment	-38.7	-62.6	-10.9	-12.9	-23.7	16.0	-26.8	-9.2								12
13	Capital consumption adjustment.....	-75.2	35.4	-200.6	29.6	-200.7	-202.4	-200.0	-199.5								13

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

[Billions of dollars]

Line	Level									Change from preceding period						Line
	2010	2011	2012	Seasonally adjusted at annual rates					2011	2012	2012					
				2011	2012						I	II	III	IV		
					IV	I	II	III							IV	
1	Corporate profits with inventory valuation and capital consumption adjustments	1,702.4	1,827.0	1,950.6	1,953.1	1,900.1	1,921.9	1,967.6	2,013.0	124.6	123.6	-53.0	21.8	45.7	45.4	1
2	Domestic industries	1,300.9	1,388.1	1,520.6	1,502.2	1,497.2	1,485.3	1,539.3	1,560.6	87.2	132.5	-5.0	-11.9	54.0	21.3	2
3	Financial	383.7	381.0	432.3	441.2	428.9	389.2	457.3	453.8	-2.7	51.3	-12.3	-39.7	68.1	-3.5	3
4	Nonfinancial	917.1	1,007.1	1,088.3	1,061.0	1,068.3	1,096.1	1,082.0	1,106.8	90.0	81.2	7.3	27.8	-14.1	24.8	4
5	Rest of the world	401.6	438.9	430.0	450.9	402.9	436.5	428.3	452.4	37.3	-8.9	-48.0	33.6	-8.2	24.1	5
6	Receipts from the rest of the world	584.4	645.2	650.0	645.2	631.5	641.5	645.7	681.4	60.8	4.8	-13.7	10.0	4.2	35.7	6
7	Less: Payments to the rest of the world	182.9	206.3	220.0	194.2	228.6	205.0	217.4	229.0	23.4	13.7	34.4	-23.6	12.4	11.6	7
8	Corporate profits with inventory valuation adjustment	1,777.7	1,791.6	2,151.3	1,923.5	2,100.8	2,124.3	2,167.5	2,212.5	13.9	359.7	177.3	23.5	43.2	45.0	8
9	Domestic industries	1,376.1	1,352.7	1,721.2	1,472.5	1,697.9	1,687.7	1,739.2	1,760.1	-23.4	368.5	225.4	-10.2	51.5	20.9	9
10	Financial	424.3	408.3	484.7	469.1	481.2	441.9	509.6	506.2	-16.0	76.4	12.1	-39.3	67.7	-3.4	10
11	Federal Reserve banks	71.6	75.9	73.4	75.2	74.5	74.2	69.4	75.5	4.3	-2.5	-0.7	-0.3	-4.8	6.1	11
12	Other financial	352.7	332.3	411.3	393.9	406.6	367.6	440.1	430.7	-20.4	79.0	12.7	-39.0	72.5	-9.4	12
13	Nonfinancial	951.8	944.4	1,236.5	1,003.4	1,216.8	1,245.8	1,229.6	1,253.9	-7.4	292.1	213.4	29.0	-16.2	24.3	13
14	Utilities	27.9	17.7	39.1	15.1	38.3	41.3	42.0	34.6	-10.2	21.4	23.2	3.0	0.7	-7.4	14
15	Manufacturing	233.5	244.9	371.7	285.9	363.5	372.8	367.6	382.9	11.4	126.8	77.6	9.3	-5.2	15.3	15
16	Durable goods	103.1	100.3	181.2	133.2	174.9	185.7	181.0	183.1	-2.8	80.9	41.7	10.8	-4.7	2.1	16
17	Fabricated metal products	15.0	16.4	23.9	19.4	23.6	24.4	23.9	23.7	1.4	7.5	4.2	0.8	-0.5	-0.2	17
18	Machinery	17.5	21.5	31.8	25.6	30.2	33.3	34.1	29.8	4.0	10.3	4.6	3.1	0.8	-4.3	18
19	Computer and electronic products	35.2	27.6	43.9	36.4	42.2	46.2	43.9	43.3	-7.6	16.3	5.8	4.0	-2.3	-0.6	19
20	Electrical equipment, appliances, and components	7.7	5.1	9.6	5.4	10.2	7.6	9.0	11.7	-2.6	4.5	4.8	-2.6	1.4	2.7	20
21	Motor vehicles, bodies and trailers, and parts	-11.7	-12.7	3.9	-4.8	3.3	5.0	3.7	3.7	-1.0	16.6	8.1	1.7	-1.3	0.0	21
22	Other durable goods	39.3	42.4	68.0	51.2	65.4	69.2	66.4	70.9	3.1	25.6	14.2	3.8	-2.8	4.5	22
23	Nondurable goods	130.4	144.6	190.5	152.7	188.6	187.1	186.6	199.9	14.2	45.9	35.9	-1.5	-0.5	13.3	23
24	Food and beverage and tobacco products	41.2	34.6	45.5	38.3	47.5	44.8	45.0	44.8	-6.6	10.9	9.2	-2.7	0.2	-0.2	24
25	Petroleum and coal products	23.5	40.8	48.7	32.2	45.4	46.2	48.5	54.7	17.3	7.9	13.2	0.8	2.3	6.2	25
26	Chemical products	45.9	50.1	61.6	59.1	63.3	65.0	57.5	60.6	4.2	11.5	4.2	1.7	-7.5	3.1	26
27	Other nondurable goods	19.8	19.1	34.7	23.0	32.4	31.1	35.6	39.8	-0.7	15.6	9.4	-1.3	4.5	4.2	27
28	Wholesale trade	98.2	96.3	139.3	106.0	134.6	149.6	130.2	142.7	-1.9	43.0	28.6	15.0	-19.4	12.5	28
29	Retail trade	122.6	108.9	140.0	120.9	138.6	136.4	138.3	146.4	-13.7	31.1	17.7	-2.2	1.9	8.1	29
30	Transportation and warehousing	48.1	45.5	54.4	49.5	56.7	55.0	54.6	51.3	-2.6	8.9	7.2	-1.7	-0.4	-3.3	30
31	Information	86.0	85.5	112.4	85.4	109.8	118.6	118.1	103.2	-0.5	26.9	24.4	8.8	-0.5	-14.9	31
32	Other nonfinancial	335.4	345.7	379.7	340.6	375.3	372.2	378.7	392.6	10.3	34.0	34.7	-3.1	6.5	13.9	32
33	Rest of the world	401.6	438.9	430.0	450.9	402.9	436.5	428.3	452.4	37.3	-8.9	-48.0	33.6	-8.2	24.1	33

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

Line		2010	2011	2012	Seasonally adjusted at annual rates					Line
					2011	2012				
						IV	I	II	III ^r	
Billions of dollars										
1	Gross value added of nonfinancial corporate business	6,952.4	7,366.7	7,682.5	7,480.5	7,605.5	7,670.8	7,693.7	7,759.9	1
2	Consumption of fixed capital.....	860.1	893.7	933.5	909.7	920.8	930.8	937.1	945.5	2
3	Net value added	6,092.3	6,473.0	6,748.9	6,570.8	6,684.7	6,740.1	6,756.5	6,814.4	3
4	Compensation of employees.....	4,252.0	4,472.7	4,659.6	4,502.9	4,607.1	4,644.8	4,673.7	4,712.9	4
5	Wage and salary accruals.....	3,508.4	3,687.5	3,848.7	3,710.8	3,803.0	3,837.2	3,861.3	3,893.3	5
6	Supplements to wages and salaries.....	743.6	785.2	810.9	792.1	804.1	807.6	812.4	819.6	6
7	Taxes on production and imports less subsidies.....	612.2	645.8	657.4	653.1	656.1	657.8	656.9	658.8	7
8	Net operating surplus.....	1,228.2	1,354.5	1,431.9	1,414.8	1,421.6	1,437.5	1,425.9	1,442.7	8
9	Net interest and miscellaneous payments.....	221.7	255.9	258.9	262.5	263.2	254.2	263.4	254.7	9
10	Business current transfer payments (net).....	89.3	91.5	84.7	91.3	90.0	87.1	80.5	81.2	10
11	Corporate profits with inventory valuation and capital consumption adjustments.....	917.1	1,007.1	1,088.3	1,061.0	1,068.3	1,096.1	1,082.0	1,106.8	11
12	Taxes on corporate income.....	222.9	246.8	307.6	241.2	304.3	304.6	307.9	313.6	12
13	Profits after tax with inventory valuation and capital consumption adjustments.....	694.3	760.3	780.7	819.8	764.0	791.6	774.1	793.1	13
14	Net dividends.....	385.7	425.3	467.5	429.7	432.8	454.9	455.7	526.6	14
15	Undistributed profits with inventory valuation and capital consumption adjustments.....	308.5	334.9	313.2	390.2	331.2	336.7	318.4	266.5	15
Addenda:										
16	Profits before tax (without inventory valuation and capital consumption adjustments).....	990.5	1,007.0	1,247.5	1,016.3	1,240.4	1,229.8	1,256.5	1,263.2	16
17	Profits after tax (without inventory valuation and capital consumption adjustments).....	767.6	760.2	939.9	775.2	936.1	925.3	948.6	949.5	17
18	Inventory valuation adjustment.....	-38.7	-62.6	-10.9	-12.9	-23.7	16.0	-26.8	-9.2	18
19	Capital consumption adjustment.....	-34.7	62.7	-148.2	57.6	-148.4	-149.7	-147.7	-147.1	19
Billions of chained (2005) dollars										
20	Gross value added of nonfinancial corporate business ¹	6,369.1	6,595.6	6,779.4	6,685.6	6,768.5	6,803.6	6,738.6	6,807.0	20
21	Consumption of fixed capital ²	805.9	819.7	843.6	828.2	834.5	840.7	846.4	852.7	21
22	Net value added ³	5,563.2	5,776.0	5,935.9	5,857.4	5,934.0	5,963.0	5,892.1	5,954.3	22
Dollars; quarters seasonally adjusted										
Price, costs, and profits per unit of real gross value added of nonfinancial corporate business:										
23	Price per unit of real gross value added of nonfinancial corporate business ⁴	1.092	1.117	1.133	1.119	1.124	1.127	1.142	1.140	23
24	Compensation of employees (unit labor cost).....	0.668	0.678	0.687	0.674	0.681	0.683	0.694	0.692	24
25	Unit nonlabor cost.....	0.280	0.286	0.285	0.286	0.285	0.283	0.287	0.285	25
26	Consumption of fixed capital.....	0.135	0.135	0.138	0.136	0.136	0.137	0.139	0.139	26
27	Taxes on production and imports less subsidies plus business current transfer payments (net).....	0.110	0.112	0.109	0.111	0.110	0.109	0.109	0.109	27
28	Net interest and miscellaneous payments.....	0.035	0.039	0.038	0.039	0.039	0.037	0.039	0.037	28
29	Corporate profits with inventory valuation and capital consumption adjustments (unit profits from current production).....	0.144	0.153	0.161	0.159	0.158	0.161	0.161	0.163	29
30	Taxes on corporate income.....	0.035	0.037	0.045	0.036	0.045	0.045	0.046	0.046	30
31	Profits after tax with inventory valuation and capital consumption adjustments.....	0.109	0.115	0.115	0.123	0.113	0.116	0.115	0.117	31

^r Revised. Revisions include changes to series affected by the incorporation of revised wage and salary estimates for the third quarter of 2012.

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

Line		2010	2011	2012 ^r	Seasonally adjusted at annual rates																Line
					2009				2010				2011				2012				
					I	II	III	IV	I	II	III	IV	I	II	III	IV	I	II	III	IV ^r	
Gross domestic product (GDP) and related aggregates:																					
1	GDP	2.4	1.8	2.2	-5.3	-0.3	1.4	4.0	2.3	2.2	2.6	2.4	0.1	2.5	1.3	4.1	2.0	1.3	3.1	0.4	1
2	Goods.....	9.1	5.1	5.4	-8.0	1.2	6.2	18.6	14.1	-1.1	10.2	5.9	3.8	3.4	2.1	16.1	3.9	1.3	6.1	1.4	2
3	Services	1.1	0.9	0.5	-0.9	1.8	0.7	1.3	0.1	2.0	1.2	1.4	0.5	1.5	0.5	-1.0	0.6	1.2	1.7	-1.3	3
4	Structures.....	-8.3	-2.7	6.0	-25.9	-19.6	-7.1	-16.9	-16.0	18.3	-11.2	-1.4	-17.4	9.1	5.5	7.2	7.4	1.7	3.9	12.1	4
5	Motor vehicle output.....	27.5	11.0	12.4	-57.2	26.5	121.1	17.7	26.1	23.2	15.4	-12.9	37.8	2.1	1.5	24.0	30.9	7.3	-8.6	6.8	5
6	GDP excluding motor vehicle output.....	1.9	1.6	1.9	-4.0	-0.7	0.0	3.8	1.9	1.8	2.3	2.8	-0.7	2.5	1.3	3.6	1.3	1.1	3.5	0.2	6
7	Final sales of computers ¹	-13.8	35.3	11.8	36.9	-14.0	-39.1	-37.2	1.3	-28.0	34.6	72.6	47.2	21.0	31.5	31.1	4.5	-19.9	29.5	26.5	7
8	GDP excluding final sales of computers.....	2.5	1.7	2.2	-5.4	-0.2	1.7	4.2	2.3	2.4	2.5	2.2	-0.1	2.4	1.2	4.0	1.9	1.4	3.0	0.3	8
9	Farm gross value added ²	-5.0	-17.7	-4.4	-5.7	23.8	53.3	-20.5	-16.0	13.0	-23.0	-28.9	-23.6	-28.0	11.4	18.8	3.5	-10.3	-31.8	-17.8	9
10	Nonfarm business gross value added ³	3.1	2.6	3.1	-5.0	-2.5	0.3	5.2	3.3	2.8	5.1	3.9	-0.1	3.4	1.6	5.3	2.7	2.1	4.7	0.7	10
11	Gross domestic income ⁴	3.1	1.8	2.0	-6.0	-2.5	0.7	5.0	5.6	1.6	3.8	1.1	2.6	0.4	-0.2	4.5	3.8	-0.7	1.6	2.6	11
Price indexes:																					
12	GDP	1.3	2.1	1.8	1.0	-0.8	0.5	1.3	1.5	1.7	2.0	2.1	2.0	2.6	3.0	0.4	2.0	1.6	2.7	1.0	12
13	GDP excluding food and energy ⁵	1.6	2.0	1.7	-0.1	0.2	1.0	2.0	2.0	1.4	1.3	1.7	2.3	2.6	2.1	0.9	2.6	1.4	1.3	1.3	13
14	GDP excluding final sales of computers.....	1.4	2.2	1.8	1.1	-0.7	0.7	1.3	1.6	1.7	2.1	2.2	2.1	2.6	3.0	0.4	2.0	1.6	2.7	1.0	14
15	Gross domestic purchases.....	1.6	2.5	1.7	-2.4	0.2	1.7	2.4	2.1	0.7	1.4	2.5	3.4	3.5	2.3	0.9	2.5	0.7	1.4	1.6	15
16	Gross domestic purchases excluding food and energy ⁵ ...	1.4	1.9	1.7	-0.4	0.3	0.7	1.9	1.8	1.2	1.2	1.5	2.2	2.7	2.0	1.0	2.4	1.4	1.2	1.2	16
17	Gross domestic purchases excluding final sales of computers to domestic purchasers.....	1.7	2.6	1.8	-2.3	0.3	1.9	2.4	2.1	0.7	1.4	2.5	3.5	3.6	2.4	0.9	2.6	0.8	1.5	1.7	17
18	Personal consumption expenditures (PCE).....	1.9	2.4	1.8	-2.1	1.6	3.1	3.1	1.8	0.6	1.3	2.2	3.2	3.6	2.3	1.1	2.5	0.7	1.6	1.6	18
19	PCE excluding food and energy ⁵	1.5	1.4	1.7	0.7	1.7	1.5	2.4	1.5	1.4	1.0	0.8	1.3	2.3	1.9	1.3	2.2	1.7	1.1	1.0	19
20	Market-based PCE ⁶	1.5	2.5	1.8	-1.5	2.0	2.9	2.4	1.2	0.0	1.2	2.1	3.6	3.8	2.6	1.2	2.5	0.6	1.9	1.5	20
21	Market-based PCE excluding food and energy ⁶	1.0	1.4	1.8	2.0	2.1	1.1	1.6	0.7	0.8	0.8	0.5	1.5	2.3	2.1	1.5	2.2	1.8	1.3	0.9	21

^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.