

## Gross Domestic Product, First Quarter 2020 (Advance Estimate)

Real gross domestic product (GDP) decreased 4.8 percent in the first quarter of 2020, according to the “advance” estimate released by the Bureau of Economic Analysis. In the fourth quarter of 2019, real GDP increased 2.1 percent.

### First-quarter GDP highlights

The first-quarter decrease in real GDP reflected decreases in consumer spending, business investment, exports, and inventory investment that were partially offset by increases in housing investment and government spending. Imports, a subtraction in the calculation of GDP, decreased.

The decrease in consumer spending reflected decreases in services (led by health care) and goods (led by motor vehicles and parts). The decrease in business investment primarily reflected a decrease in equipment (led by transportation equipment). The decrease in exports primarily reflected a decrease in services (led by travel).

The increase in housing investment primarily reflected an increase in new single-family housing, while the increase in government spending reflected an increase in federal government.

### Personal income and saving

Real disposable personal income—personal income adjusted for taxes and inflation—increased 0.5 percent in the first quarter after increasing 1.6 percent in the fourth quarter. Personal saving as a percent of disposable personal income was 9.6 percent in the first quarter, compared with 7.6 percent in the fourth quarter.

### First-quarter prices

Prices of goods and services purchased by U.S. residents increased 1.6 percent in the first quarter of 2020, after increasing 1.4 percent in the fourth quarter of 2019.

Food prices increased 3.1 percent, while energy prices decreased 11.0 percent in the first quarter. Excluding food and energy, prices increased 1.9 percent in the first quarter of 2020, compared with an increase of 1.3 percent in the fourth quarter.

