



NEWS RELEASE



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GROSS DOMESTIC PRODUCT: SECOND QUARTER 2008 (FINAL) CORPORATE PROFITS: SECOND QUARTER 2008 (FINAL)

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 second quarter of 2008, (that is, from the first quarter to the second quarter), according to final estimates released by the Bureau of Economic Analysis. In the first quarter, real GDP increased 0.9 percent.

The GDP estimates released today are based on more complete source data than were available for the preliminary estimates issued last month. In the preliminary estimates, the increase in real GDP was 3.3 percent (see "Revisions" on page 3).

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

The acceleration in real GDP growth in the second quarter primarily reflected a larger decrease in imports than in the first quarter, an acceleration in exports, a smaller decrease in residential fixed investment, an acceleration in nonresidential structures, an upturn in state and local government spending, and an acceleration in PCE that were partly offset by larger decreases in inventory investment and in equipment and software.

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 (2000) dollars. Price indexes are chain-type measures.

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Final sales of computers contributed 0.17 percentage point to the second-quarter growth in real GDP after contributing 0.05 percentage point to the first-quarter growth. Motor vehicle output subtracted 1.01 percentage points from the second-quarter growth in real GDP after subtracting 0.41 percentage point from the first-quarter growth.

The price index for gross domestic purchases, which measures prices paid by U.S. residents, increased 4.2 percent in the second quarter, the same as in the preliminary estimate; this index increased 3.5 percent in the first quarter. Excluding food and energy prices, the price index for gross domestic purchases increased 2.2 percent in the second quarter, the same increase as in the first quarter.

Real personal consumption expenditures increased 1.2 percent in the second quarter, compared with an increase of 0.9 percent in the first. Real nonresidential fixed investment increased 2.5 percent, compared with an increase of 2.4 percent. Nonresidential structures increased 18.5 percent, compared with an increase of 8.6 percent. Equipment and software decreased 5.0 percent, compared with a decrease of 0.6 percent. Real residential fixed investment decreased 13.3 percent, compared with a decrease of 25.1 percent.

Real exports of goods and services increased 12.3 percent in the second quarter, compared with an increase of 5.1 percent in the first. Real imports of goods and services decreased 7.3 percent, compared with a decrease of 0.8 percent.

Real federal government consumption expenditures and gross investment increased 6.6 percent in the second quarter, compared with an increase of 5.8 percent in the first. National defense increased 7.3 percent, the same increase as in the first. Nondefense increased 5.0 percent, compared with an increase of 2.9 percent. Real state and local government consumption expenditures and gross investment increased 2.5 percent, in contrast to a decrease of 0.3 percent.

The real change in private inventories subtracted 1.50 percentage points from the second-quarter change in real GDP, after subtracting 0.02 percentage point from the first-quarter change. Private businesses decreased inventories \$50.6 billion in the second quarter, following a decrease of \$10.2 billion in the first quarter and a decrease of \$8.1 billion in the fourth.

Real final sales of domestic product -- GDP less change in private inventories -- increased 4.4 percent in the second quarter, compared with an increase of 0.9 percent in the first.

Gross domestic purchases

Real gross domestic purchases -- purchases by U.S. residents of goods and services wherever produced -- decreased 0.1 percent in the second quarter, in contrast to an increase of 0.1 percent in the first.

Gross national product

Real gross national product -- the goods and services produced by the labor and property supplied by U.S. residents -- increased 2.1 percent in the second quarter, compared with an increase of 0.1 percent in the first. GNP includes, and GDP excludes net receipts of income from the rest of the world, which decreased \$20.2 billion in the second quarter after decreasing \$22.6 billion in the first; in the second quarter, receipts decreased \$23.7 billion, and payments decreased \$3.6 billion.

Current-dollar GDP

Current-dollar GDP -- the market value of the nation's output of goods and services -- increased 4.1 percent, or \$143.7 billion, in the second quarter to a level of \$14,294.5 billion. In the first quarter, current-dollar GDP increased 3.5 percent, or \$119.6 billion.

Revisions

The final estimate of the second-quarter increase in real GDP is 0.5 percentage point, or \$12.9 billion, less than the preliminary estimate issued last month. The downward revision to the percent change in real GDP primarily reflected downward revisions to personal consumption expenditures, to exports, and to equipment and software that were partly offset by an upward revision to nonresidential structures.

	<u>Advance</u>	<u>Preliminary</u>	<u>Final</u>
	(Percent change from preceding quarter)		
Real GDP.....	1.9	3.3	2.8
Current-dollar GDP.....	3.0	4.6	4.1
Gross domestic purchases price index...	4.2	4.2	4.2

Corporate Profits

Profits from current production (corporate profits with inventory valuation and capital consumption adjustments) decreased \$60.2 billion in the second quarter, compared with a decrease of \$17.6 billion in the first quarter. Current-production cash flow (net cash flow with inventory valuation and capital consumption adjustments) -- the internal funds available to corporations for investment -- decreased \$60.5 billion in the second quarter, in contrast to an increase of \$10.1 billion in the first.

Taxes on corporate income increased \$3.9 billion in the second quarter, in contrast to a decrease of \$30.6 billion in the first. Profits after tax with inventory valuation and capital consumption adjustments decreased \$64.1 billion in the second quarter, in contrast to an increase of \$13.0 billion in the first. Dividends increased \$13.9 billion, compared with an increase of \$16.1 billion; current-production undistributed profits decreased \$78.1 billion, compared with a decrease of \$3.1 billion.

Domestic profits of financial corporations decreased \$31.0 billion in the second quarter, in contrast to an increase of \$37.3 billion in the first. Domestic profits of nonfinancial corporations decreased \$4.2 billion in the second quarter, compared with a decrease of \$32.1 billion in the first. In the second quarter, real gross corporate value added increased, and profits per unit of real value added decreased. The decrease in unit profits reflected a decrease in unit prices and an increase in nonlabor costs that were partly offset by a decrease in unit labor costs.

The rest-of-the-world component of profits decreased \$25.0 billion in the second quarter, compared with a decrease of \$22.8 billion in the first. This measure is calculated as (1) receipts by U.S. residents of earnings from their foreign affiliates plus dividends received by U.S. residents from unaffiliated foreign corporations minus (2) payments by U.S. affiliates of earnings to their foreign parents plus dividends paid by U.S. corporations to unaffiliated foreign residents. The second-quarter decrease was accounted for by a smaller 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, while domestic profits of nonfinancial corporations increased. The increase in nonfinancial corporations reflected increases in "other" nonfinancial industries, in utilities, in wholesale trade, in information, and in transportation and warehousing, that were partly offset by decreases in manufacturing and in retail trade. Within manufacturing, a decrease in durable goods industries was partly offset by an increase in nondurable goods industries. Within durables, all the industries shown decreased. Within nondurables, the largest increase was in chemical products, and the largest decrease was in petroleum and coal products.

Profits before tax decreased \$0.9 billion in the second quarter, compared with a decrease of \$143.4 billion in the first. The before-tax measure of profits does not reflect, as does profits from current production, the capital consumption and inventory valuation adjustments. These adjustments convert depreciation of fixed assets and inventory withdrawals reported on a tax-return, historical-cost basis to the current-cost measures used in the national income and product accounts. The capital consumption adjustment decreased \$14.7 billion in the second quarter (from -\$48.0 billion to -\$62.7 billion), in contrast to an increase of \$161.2 billion in the first. The inventory valuation adjustment decreased \$44.6 billion (from -\$109.4 billion to -\$154.0 billion), compared with a decrease of \$35.3 billion.

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Next release -- October 30, 2008, at 8:30 A.M. EDT for:
Gross Domestic Product: Third Quarter 2008 (Advance)

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

	2005	2006	2007	Seasonally adjusted at annual rates															
				2004		2005				2006				2007				2008	
				III	IV	I	II	III	IV	I	II	III	IV	I	II	III	IV	I	II'
Gross domestic product (GDP)	2.9	2.8	2.0	3.6	2.5	3.0	2.6	3.8	1.3	4.8	2.7	0.8	1.5	0.1	4.8	4.8	-0.2	0.9	2.8
Personal consumption expenditures	3.0	3.0	2.8	3.5	4.2	1.7	3.6	3.7	1.4	4.3	2.8	2.2	3.7	3.9	2.0	2.0	1.0	0.9	1.2
Durable goods	4.6	4.5	4.8	7.8	7.0	0.6	12.1	5.4	-11.7	18.9	1.8	3.5	4.2	5.0	2.3	0.4	-4.3	-2.8	
Nondurable goods	3.4	3.7	2.5	3.1	4.9	2.4	4.2	3.0	4.7	4.4	3.1	2.3	3.1	3.5	1.9	1.2	0.3	-0.4	3.9
Services	2.6	2.5	2.6	2.9	3.4	1.7	1.7	3.8	2.5	1.6	2.8	2.0	3.9	3.1	1.4	2.4	1.4	2.4	0.7
Gross private domestic investment	5.8	2.1	-5.4	8.0	6.4	9.1	-5.1	4.0	12.2	6.2	-0.4	-5.3	-15.0	-9.6	6.2	3.5	-11.9	-5.8	-11.5
Fixed investment	6.8	1.9	-3.1	9.3	7.3	5.3	7.6	5.3	2.3	8.3	-2.5	-4.8	-7.6	-3.4	3.0	-0.9	-6.2	-5.6	-1.7
Nonresidential	7.2	7.5	4.9	12.3	10.3	3.7	6.3	6.1	3.7	15.9	6.4	5.3	-1.0	3.4	10.3	8.7	3.4	2.4	2.5
Structures.....	1.3	8.2	12.7	3.6	-0.2	7.5	-1.3	-9.2	1.9	15.6	19.7	14.3	2.5	11.2	18.3	20.5	8.5	8.6	18.5
Equipment and software	9.3	7.2	1.7	15.5	14.3	2.3	9.2	12.2	4.4	16.3	1.7	2.0	-2.4	0.0	6.9	3.6	1.0	-0.6	-5.0
Residential	6.3	-7.1	-17.9	4.2	2.4	8.1	9.7	4.0	0.2	-3.6	-16.6	-21.4	-19.5	-16.2	-11.5	-20.6	-27.0	-25.1	-13.3
Change in private inventories																			
Net exports of goods and services																			
Exports	7.0	9.1	8.4	3.1	10.0	8.1	8.8	0.4	10.9	16.7	5.5	3.5	15.6	0.6	8.8	23.0	4.4	5.1	12.3
Goods	7.7	9.9	7.5	6.2	7.2	7.1	14.5	-0.8	13.2	18.1	6.7	3.6	10.4	2.1	6.9	21.8	5.1	4.5	16.3
Services	5.6	7.2	10.5	-3.4	16.8	10.2	-2.8	3.2	5.7	13.4	2.7	3.2	28.6	-2.7	13.3	25.9	2.7	6.4	3.8
Imports.....	5.9	6.0	2.2	4.8	13.8	3.2	0.6	0.8	15.3	10.3	0.1	3.1	2.0	7.7	-3.7	3.0	-2.3	-0.8	-7.3
Goods	6.8	6.0	1.7	5.5	14.5	5.0	0.7	1.1	17.0	9.0	0.5	3.8	-0.8	8.4	-4.0	2.4	-2.6	-2.0	-7.1
Services	1.4	6.0	4.4	1.8	10.5	-5.7	0.0	-1.0	6.8	17.7	-2.0	-0.3	18.4	4.2	-2.0	6.3	-0.9	5.5	-8.0
Government consumption expenditures and gross investment	0.4	1.7	2.1	1.6	-1.8	-0.2	0.9	3.4	-1.7	3.9	1.2	1.7	1.6	0.9	3.9	3.8	0.8	1.9	3.9
Federal.....	1.2	2.3	1.6	6.2	-4.6	1.1	1.1	9.7	-7.2	10.0	-1.5	1.9	1.8	-3.6	6.7	7.2	-0.5	5.8	6.6
National defense	1.5	1.6	2.5	10.9	-9.7	3.1	4.0	12.3	-14.2	8.8	1.9	-0.9	7.0	-5.9	8.5	10.2	-0.9	7.3	7.3
Nondefense.....	0.6	3.6	-0.2	-2.7	6.5	-2.7	-4.5	4.4	8.9	12.4	-8.1	7.7	-8.1	1.2	3.1	1.2	0.4	2.9	5.0
State and local.....	-0.1	1.3	2.3	-1.1	-0.1	-1.0	0.8	-0.1	1.6	0.5	2.9	1.6	1.5	3.6	2.4	1.9	1.6	-0.3	2.5
Addenda:																			
Final sales of domestic product	3.1	2.8	2.4	3.8	2.7	2.3	4.8	4.1	-0.3	5.1	2.3	0.9	2.9	1.1	4.3	4.0	0.8	0.9	4.4
Gross domestic purchases	3.0	2.6	1.4	3.8	3.4	2.5	1.7	3.7	2.5	4.5	2.0	0.9	0.2	1.2	2.9	2.6	-1.0	0.1	-0.1
Final sales to domestic purchasers	3.1	2.6	1.8	4.0	3.6	1.9	3.7	3.9	1.0	4.8	1.6	1.0	1.5	2.2	2.5	1.9	-0.1	0.1	1.3
Gross national product (GNP)	3.0	2.6	2.2	3.9	1.5	4.7	2.2	4.1	0.4	4.9	2.8	0.2	2.0	-0.3	4.4	6.3	1.3	0.1	2.1
Disposable personal income.....	1.4	3.5	2.8	2.9	7.5	-4.7	2.5	-1.3	7.5	5.1	1.3	2.3	5.8	4.4	-0.6	3.1	0.6	-0.7	11.9
Current-dollar measures:																			
GDP	6.3	6.1	4.8	6.0	5.9	7.1	4.8	8.1	5.1	8.6	5.5	3.6	3.7	4.3	6.9	6.3	2.3	3.5	4.1
Final sales of domestic product	6.5	6.1	5.2	6.1	6.0	6.5	7.0	8.4	3.5	8.8	5.1	3.7	5.2	5.3	6.4	5.6	3.6	3.6	5.6
Gross domestic purchases	6.8	6.1	4.2	6.7	7.2	6.3	4.8	9.1	6.5	7.5	5.7	3.8	0.7	5.0	6.4	4.9	2.6	3.5	4.3
Final sales to domestic purchasers	6.9	6.1	4.6	6.8	7.3	5.7	6.9	9.4	5.0	7.8	5.3	3.9	2.1	5.9	5.9	4.2	3.9	3.7	5.7
GNP	6.4	5.9	4.9	6.3	4.8	8.8	4.4	8.4	4.2	8.7	5.6	3.0	4.1	4.0	6.4	7.9	3.9	2.6	3.4
Disposable personal income	4.4	6.4	5.5	4.9	10.8	-2.4	5.1	3.4	11.1	6.9	4.6	5.4	5.3	7.9	3.0	5.7	4.9	2.9	16.7

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

Table 2. Contributions to Percent Change in Real Gross Domestic Product

	2005	2006	2007	Seasonally adjusted at annual rates															
				2004		2005				2006				2007				2008	
				III	IV	I	II	III	IV	I	II	III	IV	I	II	III	IV	I	II'
Percent change at annual rate:																			
Gross domestic product	2.9	2.8	2.0	3.6	2.5	3.0	2.6	3.8	1.3	4.8	2.7	0.8	1.5	0.1	4.8	4.8	-0.2	0.9	2.8
Percentage points at annual rates:																			
Personal consumption expenditures	2.13	2.13	1.95	2.46	2.93	1.25	2.50	2.59	0.94	2.86	1.88	1.52	2.55	2.71	1.42	1.44	0.67	0.61	0.87
Durable goods	0.38	0.36	0.38	0.64	0.57	0.04	0.95	0.44	-1.02	1.37	0.14	0.27	0.33	0.71	0.40	0.19	0.03	-0.33	-0.21
Motor vehicles and parts	-0.01	-0.09	0.07	0.17	0.23	-0.32	0.53	0.15	-1.59	0.53	0.06	0.06	0.01	0.30	0.05	-0.22	-0.03	-0.35	-0.64
Furniture and household equipment	0.30	0.35	0.24	0.36	0.25	0.26	0.29	0.37	0.41	0.55	0.15	0.20	0.23	0.34	0.17	0.26	0.11	0.05	0.39
Other	0.08	0.10	0.08	0.10	0.09	0.11	0.13	-0.08	0.17	0.29	-0.06	0.00	0.09	0.07	0.17	0.15	-0.06	-0.04	0.04
Nondurable goods	0.69	0.74	0.50	0.62	0.97	0.49	0.83	0.59	0.93	0.85	0.62	0.46	0.62	0.71	0.40	0.25	0.05	-0.08	0.80
Food	0.36	0.38	0.18	0.21	0.60	0.32	0.29	0.45	0.37	0.50	0.43	0.10	0.20	0.12	0.27	0.03	0.27	0.13	0.40
Clothing and shoes	0.17	0.16	0.13	0.15	0.23	0.15	0.27	0.00	0.35	0.18	0.02	0.14	0.12	0.25	0.08	0.12	-0.09	0.08	0.28
Gasoline, fuel oil, and other energy goods	-0.01	-0.05	0.02	-0.03	0.00	-0.09	0.09	0.02	-0.04	-0.17	-0.11	0.03	0.03	0.13	-0.07	-0.01	-0.05	-0.18	-0.20
Other	0.17	0.25	0.17	0.29	0.14	0.12	0.17	0.11	0.25	0.33	0.27	0.19	0.26	0.22	0.12	0.11	-0.08	-0.10	0.33
Services	1.06	1.02	1.07	1.21	1.39	0.72	0.72	1.55	1.02	0.64	1.12	0.79	1.61	1.29	0.62	1.00	0.59	1.02	0.28
Housing	0.33	0.34	0.16	0.29	0.31	0.34	0.36	0.39	0.35	0.37	0.31	0.25	0.22	0.12	0.09	0.08	0.12	0.05	0.18
Household operation	0.06	-0.02	0.07	0.06	0.15	0.01	0.02	0.15	-0.01	-0.42	0.26	0.10	0.03	0.08	0.02	0.06	0.09	0.07	-0.17
Electricity and gas	0.04	-0.05	0.03	-0.05	0.15	0.03	0.00	0.12	-0.04	-0.42	0.20	0.05	-0.01	0.07	-0.04	0.02	0.01	0.11	-0.19
Other household operation	0.03	0.03	0.04	0.12	0.01	-0.02	0.01	0.04	0.03	0.01	0.06	0.05	0.04	0.00	0.06	0.04	0.08	-0.05	0.02
Transportation	0.03	0.05	0.05	0.02	0.06	0.02	0.02	0.02	0.01	0.08	0.08	0.03	0.10	0.03	0.04	0.06	-0.02	0.04	-0.08
Medical care	0.40	0.31	0.35	0.52	0.40	0.31	0.37	0.48	0.39	0.37	0.15	0.07	0.35	0.63	0.13	0.45	0.48	0.59	0.35
Recreation	0.06	0.09	0.13	0.09	0.03	0.08	0.02	0.04	0.04	0.08	0.04	0.18	0.36	0.06	0.08	0.07	-0.01	-0.14	0.04
Other	0.18	0.24	0.31	0.22	0.44	-0.03	-0.08	0.46	0.24	0.16	0.27	0.15	0.55	0.37	0.27	0.28	-0.08	0.40	-0.03
Gross private domestic investment	0.95	0.35	-0.90	1.26	1.04	1.48	-0.86	0.69	1.98	1.15	-0.02	-0.92	-2.68	-1.63	0.94	0.28	-1.93	-0.89	-1.74
Fixed investment	1.08	0.32	-0.50	1.41	1.14	0.85	1.21	0.88	0.41	1.39	-0.40	-0.81	-1.27	-0.57	0.47	-0.15	-0.97	-0.86	-0.25
Nonresidential	0.71	0.77	0.52	1.16	1.00	0.37	0.64	0.64	0.40	1.62	0.71	0.59	-0.09	0.33	1.07	0.91	0.36	0.26	0.27
Structures	0.03	0.23	0.40	0.09	0.00	0.19	-0.04	-0.26	0.05	0.42	0.54	0.42	0.08	0.35	0.57	0.65	0.29	0.30	0.64
Equipment and software	0.67	0.54	0.13	1.07	1.01	0.18	0.68	0.90	0.35	1.20	0.16	0.17	-0.18	-0.02	0.50	0.26	0.07	-0.04	-0.37
Information processing equipment and software	0.29	0.32	0.34	0.24	0.41	0.23	0.31	0.36	0.33	0.61	0.15	0.34	0.04	0.57	0.41	0.31	0.37	0.27	0.30
Computers and peripheral equipment	0.10	0.15	0.11	0.19	0.24	-0.06	0.12	0.09	0.22	0.16	0.17	0.13	0.02	0.17	0.09	0.12	0.12	0.10	0.08
Software	0.11	0.06	0.15	0.11	0.17	0.07	0.16	0.04	0.10	0.03	0.02	0.07	0.14	0.21	0.22	0.10	0.16	0.16	0.04
Other	0.08	0.11	0.08	-0.06	0.00	0.22	0.03	0.23	0.02	0.41	-0.04	0.14	-0.11	0.19	0.09	0.09	0.10	0.00	0.18
Industrial equipment	0.10	0.07	0.02	0.19	0.06	0.12	-0.04	0.19	0.19	-0.07	0.25	-0.12	-0.02	-0.10	0.34	-0.04	-0.20	0.01	-0.05
Transportation equipment	0.17	0.09	-0.17	0.43	0.40	-0.20	0.24	0.31	-0.24	0.52	-0.25	0.06	-0.15	-0.21	-0.32	-0.07	-0.18	-0.16	-0.58
Other equipment	0.11	0.05	-0.07	0.20	0.13	0.04	0.17	0.04	0.07	0.15	0.02	-0.12	-0.05	-0.28	0.07	0.06	0.08	-0.16	-0.04
Residential	0.37	-0.45	-1.02	0.24	0.14	0.48	0.57	0.25	0.01	-0.23	-1.11	-1.40	-1.18	-0.91	-0.60	-1.06	-1.33	-1.12	-0.52
Change in private inventories	-0.13	0.03	-0.40	-0.14	-0.11	0.63	-2.07	-0.19	1.56	-0.24	0.38	-0.11	-1.41	-1.06	0.47	0.69	-0.96	-0.02	-1.50
Farm	-0.06	-0.03	0.04	-0.32	-0.14	-0.22	0.14	0.19	-0.15	0.02	-0.24	0.00	0.12	-0.07	0.14	-0.08	0.47	-0.17	-0.14
Nonfarm	-0.07	0.06	-0.44	0.18	0.03	0.85	-2.20	-0.39	1.71	-0.26	0.62	-0.12	-1.52	-0.99	0.33	0.77	-1.43	0.15	-1.36
Net exports of goods and services	-0.21	-0.02	0.58	-0.42	-1.07	0.28	0.79	-0.07	-1.26	0.09	0.59	-0.12	1.33	-1.20	1.66	2.03	0.94	0.77	2.93
Exports	0.71	0.96	0.95	0.31	0.97	0.80	0.89	0.04	1.09	1.70	0.58	0.39	1.66	0.06	1.01	2.54	0.53	0.63	1.54
Goods	0.54	0.73	0.59	0.42	0.49	0.49	0.98	-0.06	0.91	1.27	0.49	0.28	0.78	0.15	0.55	1.66	0.43	0.39	1.39
Services	0.17	0.23	0.36	-0.11	0.49	0.31	-0.09	0.10	0.18	0.42	0.09	0.11	0.87	-0.09	0.46	0.88	0.10	0.24	0.15
Imports	-0.93	-0.98	-0.37	-0.73	-2.04	-0.52	-0.10	-0.11	-2.35	-1.61	0.01	-0.51	-0.33	-1.25	0.65	-0.51	0.40	0.14	1.39
Goods	-0.89	-0.82	-0.25	-0.69	-1.78	-0.67	-0.10	-0.14	-2.18	-1.18	-0.04	-0.51	0.13	-1.14	0.59	-0.34	0.38	0.29	1.14
Services	-0.04	-0.16	-0.12	-0.05	-0.26	0.15	0.00	0.03	-0.17	-0.43	0.05	0.01	-0.46	-0.11	0.06	-0.17	0.02	-0.15	0.25
Government consumption expenditures and gross investment	0.07	0.32	0.40	0.30	-0.35	-0.04	0.17	0.65	-0.34	0.72	0.23	0.32	0.30	0.17	0.77	0.75	0.16	0.38	0.78
Federal	0.09	0.16	0.11	0.43	-0.33	0.08	0.08	0.66	-0.53	0.66	-0.11	0.13	0.12	-0.26	0.47	0.51	-0.04	0.41	0.47
National defense	0.07	0.08	0.12	0.49	-0.48	0.14	0.18	0.56	-0.73	0.39	0.09	-0.04	0.32	-0.29	0.40	0.48	-0.04	0.34	0.36
Consumption expenditures	0.04	0.04	0.11	0.34	-0.45	0.22	0.06	0.45	-0.70	0.40	-0.02	0.00	0.14	-0.08	0.28	0.45	-0.06	0.31	0.15
Gross investment	0.03	0.04	0.01	0.15	-0.04	-0.08	0.12	0.11	-0.02	-0.01	0.11	-0.05	0.18	-0.21	0.12	0.03	0.02	0.04	0.21
Nondefense	0.01	0.08	0.00	-0.06	0.15	-0.07	-0.11	0.10	0.20	0.27	-0.20	0.17	-0.20	0.03	0.07	0.03	0.01	0.06	0.11
Consumption expenditures	0.00	0.05	0.00	-0.04	0.12	-0.03	-0.12	0.03	0.10	0.22	-0.14	0.15	-0.20	0.06	0.02	0.03	-0.02	0.06	0.08
Gross investment	0.01	0.03	0.00	-0.03	0.03	-0.03	0.01	0.07	0.10	0.05	-0.07	0.03	0.01	-0.04	0.05	-0.01	0.02	0.01	0.03
State and local	-0.01	0.16	0.28	-0.13	-0.01	-0.12	0.10	-0.01	0.19	0.06	0.34	0.19	0.18	0.43	0.30	0.24	0.19	-0.03	0.31
Consumption expenditures	0.01	0.16	0.20	0.04	0.11	-0.13	0.02	0.06	0.09	0.23	0.16	0.24	0.23	0.20	0.17	0.15	0.15	0.14	0.12
Gross investment	-0.03	0.00	0.09	-0.17	-0.12	0.01	0.08	-0.07	0.10	-0.18	0.18	-0.05	-0.06	0.24	0.13	0.09	0.04	-0.18	0.19
Addenda:																			
Goods	1.35	1.67	0.97	2.06	1.18	1.12	1.49	1.68	0.65	3.40	1.84	0.51	0.42	-0.80	3.08	2.71	0.01	0.29	1.49
Services	1.25	1.35	1.61	1.40	1.41	1.24	0.59	2.23	0.52	1.48	1.26	1.29	2.19	1.26	1.61	2.35	0.79	1.62	1.02
Structures	0.34	-0.24	-0.55	0.14	-0.03	0.62	0.54	-											

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

	Billions of current dollars						Billions of chained (2000) dollars									
	2007	Seasonally adjusted at annual rates					2007	Seasonally adjusted at annual rates					Change from preceding period			
		2007			2008			2007			2008		2007	2008		
		II	III	IV	I	II'		II	III	IV	I	II'		I	II'	
Gross domestic product	13,807.5	13,737.5	13,950.6	14,031.2	14,150.8	14,294.5	11,523.9	11,491.4	11,625.7	11,620.7	11,646.0	11,727.4	229.1	25.3	81.4	
Personal consumption expenditures	9,710.2	9,657.5	9,765.6	9,892.7	10,002.3	10,138.0	8,252.8	8,237.3	8,278.5	8,298.2	8,316.1	8,341.3	223.8	17.9	25.2	
Durable goods	1,082.8	1,085.3	1,086.2	1,083.0	1,071.0	1,059.3	1,242.4	1,242.3	1,249.4	1,250.6	1,237.0	1,228.3	57.3	-13.6	-8.7	
Motor vehicles and parts.....	440.4	444.0	437.9	437.8	424.7	400.6	446.7	451.3	443.5	442.6	430.2	407.2	8.8	-12.4	-23.0	
Furniture and household equipment.....	415.3	415.2	417.2	415.3	415.1	423.0	594.0	588.3	600.8	606.6	609.3	629.6	43.8	2.7	20.3	
Other.....	227.0	226.2	231.1	229.9	231.3	235.7	228.3	227.7	232.9	230.8	229.4	230.8	10.3	-1.4	1.4	
Nondurable goods	2,833.0	2,817.7	2,846.6	2,906.2	2,950.7	3,026.2	2,392.6	2,391.5	2,398.6	2,400.2	2,397.9	2,420.7	57.3	-2.3	22.8	
Food.....	1,329.1	1,321.2	1,337.9	1,359.8	1,380.5	1,416.3	1,110.5	1,110.1	1,110.9	1,118.7	1,122.4	1,133.6	20.4	3.7	11.2	
Clothing and shoes.....	374.0	372.9	375.4	373.2	375.5	382.4	412.9	412.2	416.6	413.2	416.3	427.2	18.5	3.1	10.9	
Gasoline, fuel oil, and other energy goods.....	366.9	362.7	367.1	405.3	423.7	441.8	198.1	198.0	197.9	197.0	194.0	190.8	1.6	-3.0	-3.2	
Other.....	762.9	761.0	766.1	767.9	771.1	785.7	687.3	687.1	690.5	687.9	684.8	695.1	21.2	-3.1	10.3	
Services	5,794.4	5,754.4	5,832.8	5,903.5	5,980.6	6,052.5	4,646.2	4,632.7	4,659.8	4,676.1	4,704.3	4,712.1	116.3	28.2	7.8	
Housing.....	1,460.9	1,453.8	1,466.9	1,482.7	1,495.1	1,508.8	1,171.7	1,170.4	1,172.5	1,175.9	1,177.3	1,182.3	17.1	1.4	5.0	
Household operation.....	525.7	524.0	526.9	534.3	541.7	554.5	421.2	419.8	421.5	424.0	425.9	421.3	7.7	1.9	-4.6	
Electricity and gas.....	218.8	219.0	218.3	221.1	228.1	236.3	151.1	150.6	151.0	151.2	154.0	149.6	2.8	2.8	-4.4	
Other household operation.....	306.9	305.0	308.6	313.2	313.6	318.1	270.9	270.0	271.3	273.9	272.5	273.2	4.8	-1.4	0.7	
Transportation.....	357.0	354.2	360.4	362.9	368.8	372.9	299.2	298.8	300.5	299.9	301.2	298.9	5.5	1.3	-2.3	
Medical care.....	1,681.1	1,663.0	1,690.2	1,721.9	1,746.6	1,769.3	1,327.8	1,319.4	1,331.4	1,344.5	1,360.8	1,370.3	37.6	16.3	9.5	
Recreation.....	403.4	402.0	405.9	409.7	408.2	412.3	335.0	334.6	336.6	336.3	332.3	333.4	14.3	-4.0	1.1	
Other.....	1,366.3	1,357.4	1,382.5	1,392.0	1,420.2	1,434.6	1,089.9	1,088.4	1,096.0	1,093.9	1,105.0	1,104.0	34.0	11.1	-1.0	
Gross private domestic investment	2,130.4	2,147.2	2,164.0	2,092.3	2,056.1	2,000.9	1,809.7	1,822.9	1,838.7	1,781.3	1,754.7	1,702.0	-102.8	-26.6	-52.7	
Fixed investment	2,134.0	2,148.1	2,141.0	2,113.4	2,081.7	2,077.0	1,808.5	1,821.3	1,817.0	1,788.2	1,762.4	1,754.9	-57.0	-25.8	-7.5	
Nonresidential.....	1,503.8	1,493.7	1,522.9	1,542.1	1,553.6	1,571.9	1,382.9	1,373.8	1,402.9	1,414.7	1,423.1	1,431.8	64.7	8.4	8.7	
Structures.....	480.3	469.8	492.9	508.7	522.7	549.8	304.6	298.9	313.2	319.7	326.4	340.5	34.3	6.7	14.1	
Equipment and software.....	1,023.5	1,023.9	1,030.0	1,033.4	1,030.9	1,022.1	1,078.9	1,077.9	1,087.5	1,090.1	1,088.6	1,074.7	17.9	-1.5	-13.9	
Information processing equipment and software.....	517.7	514.1	521.1	532.5	539.6	550.9	653.9	647.3	660.9	677.6	689.6	702.9	57.3	12.0	13.3	
Computers and peripheral equipment.....	93.7	92.8	93.7	95.7	95.8	96.8	.....	.....	.....	.....	.....	.....	.....	.....	.....
Software.....	227.3	225.8	229.5	235.6	241.8	244.6	237.0	235.7	239.4	245.1	251.0	252.3	21.5	5.9	1.3	
Other.....	196.8	195.5	197.9	201.2	202.0	209.5	218.0	216.2	219.6	223.5	223.6	230.6	11.3	0.1	7.0	
Industrial equipment.....	180.6	185.1	185.2	179.9	182.0	183.2	155.7	160.3	159.1	153.1	153.4	152.0	2.2	0.3	-1.4	
Transportation equipment.....	157.2	157.8	154.6	148.4	142.1	121.4	139.4	139.4	137.4	131.9	127.0	108.6	-20.1	-4.9	-18.4	
Other equipment.....	168.0	166.9	169.2	172.6	167.3	166.5	148.4	147.5	149.2	151.5	146.5	145.3	-8.1	-5.0	-1.2	
Residential.....	630.2	654.4	618.1	571.3	528.1	505.0	453.8	471.7	445.3	411.6	383.0	369.6	-99.1	-28.6	-13.4	
Change in private inventories	-3.6	-0.9	23.0	-21.1	-25.6	-76.0	-2.5	-2.8	16.0	-8.1	-10.2	-50.6	-44.8	-2.1	-40.4	
Farm.....	1.6	2.9	-0.2	5.7	0.2	-4.1	1.0	-0.1	-2.5	10.5	6.0	2.4	4.2	-4.5	-3.6	
Nonfarm.....	-5.2	-3.8	23.2	-26.7	-25.8	-71.9	-3.7	-2.6	19.2	-20.6	-17.9	-55.1	-50.0	2.7	-37.2	
Net exports of goods and services	-707.8	-723.1	-682.6	-696.7	-705.7	-718.2	-546.5	-571.2	-511.8	-484.5	-462.0	-381.3	69.2	22.5	80.7	
Exports	1,662.4	1,614.4	1,714.9	1,759.7	1,820.8	1,923.2	1,425.9	1,392.2	1,466.2	1,482.1	1,500.6	1,544.7	111.1	18.5	44.1	
Goods.....	1,149.2	1,116.8	1,181.2	1,213.7	1,256.9	1,343.7	998.7	974.9	1,024.1	1,037.0	1,048.6	1,088.9	70.0	11.6	40.3	
Services.....	513.2	497.6	533.8	546.0	563.9	579.5	426.9	417.0	441.8	444.7	451.7	455.8	40.6	7.0	4.1	
Imports	2,370.2	2,337.5	2,397.5	2,456.5	2,526.5	2,641.4	1,972.4	1,963.4	1,978.0	1,966.5	1,962.6	1,926.0	41.9	-3.9	-36.6	
Goods.....	1,985.2	1,957.1	2,005.4	2,060.9	2,118.0	2,225.5	1,677.7	1,671.2	1,681.1	1,670.2	1,662.0	1,631.6	28.7	-8.2	-30.4	
Services.....	385.1	380.5	392.1	395.6	408.5	415.9	296.4	293.9	298.4	297.8	301.8	295.5	12.7	4.0	-6.3	
Government consumption expenditures and gross investment	2,674.8	2,655.9	2,703.5	2,742.9	2,798.1	2,873.7	2,012.1	2,006.4	2,025.3	2,029.4	2,039.1	2,058.9	40.9	9.7	19.8	
Federal	979.3	974.6	994.0	998.3	1,026.5	1,056.1	752.9	749.6	762.7	761.7	772.6	785.0	11.9	10.9	12.4	
National defense.....	662.2	656.8	675.6	679.3	699.9	723.3	502.1	498.8	511.0	509.9	518.9	528.1	12.1	9.0	9.2	
Consumption expenditures.....	580.1	574.8	591.9	594.7	613.8	629.0	425.8	422.4	433.5	431.9	439.7	443.4	10.8	7.8	3.7	
Gross investment.....	82.1	82.1	83.7	84.6	86.1	94.3	78.0	78.3	79.3	79.9	81.0	87.9	1.3	1.1	6.9	
Nondefense.....	317.1	317.8	318.3	319.0	326.6	332.9	250.4	250.5	251.2	251.5	253.2	256.3	-0.4	1.7	3.1	
Consumption expenditures.....	276.0	276.4	277.2	276.9	284.2	289.2	211.7	211.5	212.4	212.0	213.5	215.6	-0.5	1.5	2.1	
Gross investment.....	41.1	41.4	41.2	42.1	42.4	43.7	39.3	39.6	39.4	40.2	40.5	41.6	0.0	0.3	1.1	
State and local	1,695.5	1,681.3	1,709.5	1,744.6	1,771.6	1,817.6	1,259.0	1,256.6	1,262.6	1,267.5	1,266.7	1,274.4	28.8	-0.8	7.7	
Consumption expenditures.....	1,355.9	1,344.4	1,365.3	1,395.2	1,426.3	1,462.7	1,008.0	1,006.1	1,010.0	1,013.9	1,017.6	1,020.6	19.8	3.7	3.0	
Gross investment.....	339.6	336.9	344.2	349.4	345.3	354.9	250.9	250.3	252.5	253.4	249.0	253.7	9.1	-4.4	4.7	
Residual.....	.....	.....	.....	.....	.....	.....	-152.7	-145.3	-158.2	-171.9	-178.7	-191.6	.....	.....	.....
Addenda:	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Final sales of domestic product.....	13,811.2	13,738.4	13,927.6	14,052.3	14,176.4	14,370.5	11,523.4	11,490.5	11,605.0	11,628.0	11,653.7	11,778.8	274.1	25.7	125.1	
Gross domestic purchases.....	14,515.3	14,460.6	14,633.1	14,728.0	14,856.6	15,012.7	12,066.8	12,058.2	12,135.1	12,103.2	12,105.8	12,102.6	162.7	2.6	-3.2	
Final sales to domestic purchasers.....	14,519.0	14,461.5	14,610.1	14,749.0	14,882.2	15,088.7	12,066.0	12,057.0	12,114.1	12,109.8	12,113.3	12,153.0	207.5	3.5	39.7	
Gross domestic product	13,807.5	13,737.5	13,950.6	14,031.2	14,150.8	14,294.5	11,523.9	11,491.4	11,625.7	11,620.7	11,646.0					

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

	2005	2006	2007	Seasonally adjusted at annual rates															
				2004		2005				2006				2007				2008	
				III	IV	I	II	III	IV	I	II	III	IV	I	II	III	IV	I	II ^r
Gross domestic product (GDP)	3.3	3.2	2.7	2.3	3.2	4.0	2.1	4.1	3.7	3.5	2.7	2.8	2.2	4.1	2.0	1.5	2.8	2.6	1.1
Personal consumption expenditures	2.9	2.8	2.6	2.0	3.0	2.5	2.5	4.7	3.3	1.8	3.3	3.1	-0.5	3.4	3.6	2.5	4.3	3.6	4.3
Durable goods	-0.8	-1.3	-1.8	-2.5	0.2	0.4	-0.9	-3.1	-0.9	-0.9	-0.8	-1.3	-2.7	-1.8	-1.6	-1.9	-1.6	-0.1	-1.6
Nondurable goods	3.7	3.0	3.0	1.4	4.7	1.5	2.0	11.2	2.3	0.3	4.9	4.4	-6.2	5.1	6.4	2.9	8.4	6.7	6.5
Services.....	3.3	3.5	3.3	3.1	2.8	3.3	3.5	3.3	4.7	3.0	3.3	3.3	2.8	3.6	3.3	3.1	3.5	2.8	4.2
Gross private domestic investment	4.4	4.2	1.4	3.9	3.9	4.7	4.0	5.0	5.4	5.2	3.5	1.6	3.3	1.6	-0.3	-0.3	1.3	-0.5	0.4
Fixed investment.....	4.5	4.2	1.4	3.9	3.9	4.7	4.2	5.3	5.7	5.0	3.4	1.5	3.2	1.6	-0.2	-0.4	1.2	-0.2	0.8
Nonresidential.....	2.9	3.3	1.4	1.3	2.5	4.4	2.7	2.0	4.4	4.3	3.3	1.7	2.9	1.3	0.3	-0.6	1.7	0.6	2.3
Structures.....	11.8	12.3	3.8	10.1	12.0	11.9	10.1	14.8	17.0	14.1	12.0	4.6	6.7	3.4	0.7	0.5	4.5	2.7	3.3
Equipment and software	-0.1	0.1	0.3	-1.7	-0.6	1.8	0.1	-2.3	0.2	0.7	-0.1	0.5	1.2	0.4	0.1	-1.2	0.4	-0.4	1.7
Residential.....	7.2	5.9	1.5	8.5	6.2	5.2	6.8	11.0	7.8	6.4	3.7	1.2	3.9	2.2	-1.3	0.3	0.0	-2.6	-3.5
Change in private inventories																			
Net exports of goods and services																			
Exports	3.6	3.5	3.5	1.9	4.2	4.6	3.5	2.5	3.2	2.9	5.8	4.7	-0.8	3.6	5.3	3.5	6.2	9.1	10.8
Goods	3.1	3.3	3.5	1.0	3.6	4.3	3.0	1.3	2.2	3.0	6.2	5.2	0.0	3.3	5.1	2.8	6.0	10.0	12.3
Services.....	4.9	3.8	3.5	3.8	5.5	5.2	4.6	5.3	5.5	2.7	4.9	3.7	-2.6	4.3	5.9	5.2	6.6	6.9	7.5
Imports	6.3	4.3	3.7	5.3	6.9	2.3	9.7	10.3	4.5	-1.1	10.3	5.0	-9.1	0.9	12.8	7.4	12.8	12.8	28.8
Goods	6.5	4.2	3.6	5.0	7.0	2.1	10.0	10.8	5.0	-2.0	10.4	5.4	-10.1	0.8	13.0	7.7	14.5	13.8	31.2
Services.....	5.7	4.8	3.7	6.7	6.0	3.5	7.9	7.8	2.0	4.1	9.9	3.2	-3.8	1.1	11.7	6.1	4.5	7.8	16.8
Government consumption expenditures and gross investment	5.9	4.7	4.5	4.8	5.7	7.7	4.1	7.0	4.8	4.9	4.9	3.3	2.3	6.4	5.2	3.4	5.1	6.2	7.0
Federal	4.8	4.1	3.4	2.5	2.6	11.8	1.7	3.1	0.8	10.2	4.1	1.2	0.9	7.6	3.7	0.9	2.3	5.6	5.1
National defense	5.2	4.5	3.5	2.9	3.1	12.6	1.8	3.2	1.3	10.9	4.4	1.5	0.7	7.0	4.3	1.6	3.1	5.1	6.3
Nondefense	4.0	3.4	3.1	1.4	1.7	10.2	1.6	3.0	-0.1	8.9	3.5	0.5	1.2	8.8	2.6	-0.5	0.5	6.8	2.8
State and local.....	6.5	5.1	5.1	6.2	7.6	5.3	5.6	9.4	7.3	2.0	5.4	4.6	3.2	5.7	6.1	4.9	6.8	6.6	8.1
Addenda:																			
Final sales of domestic product.....	3.3	3.2	2.7	2.3	3.2	4.0	2.1	4.1	3.8	3.5	2.7	2.7	2.2	4.1	2.0	1.5	2.8	2.7	1.2
Gross domestic purchases	3.7	3.4	2.8	2.8	3.6	3.7	3.1	5.2	3.9	2.9	3.6	2.9	0.6	3.6	3.3	2.2	4.0	3.5	4.2
Final sales to domestic purchasers	3.7	3.4	2.8	2.7	3.6	3.7	3.1	5.2	4.0	2.8	3.6	2.9	0.6	3.7	3.3	2.2	4.0	3.5	4.3
Gross national product (GNP)	3.3	3.2	2.7	2.3	3.2	4.0	2.1	4.1	3.7	3.5	2.7	2.8	2.2	4.1	2.0	1.5	2.8	2.6	1.1
Implicit price deflators:																			
GDP	3.3	3.2	2.7	2.3	3.2	4.0	2.1	4.1	3.8	3.6	2.7	2.7	2.2	4.2	2.0	1.5	2.5	2.6	1.3
Gross domestic purchases	3.7	3.4	2.8	2.7	3.7	3.7	3.1	5.2	4.0	2.9	3.6	2.9	0.6	3.7	3.3	2.2	3.7	3.4	4.4
GNP	3.3	3.2	2.7	2.3	3.2	4.0	2.1	4.1	3.8	3.6	2.7	2.8	2.1	4.2	2.0	1.5	2.5	2.5	1.3

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

Table 5. Real Gross Domestic Product, Quantity Indexes

[Index numbers, 2000=100]

	2005	2006	2007	Seasonally adjusted				
				2007			2008	
				II	III	IV	I	II ^r
Gross domestic product	111.944	115.054	117.388	117.056	118.425	118.374	118.631	119.460
Personal consumption expenditures	115.615	119.135	122.456	122.226	122.838	123.130	123.395	123.770
Durable goods.....	131.397	137.274	143.908	143.894	144.720	144.856	143.284	142.273
Nondurable goods.....	115.687	119.930	122.872	122.815	123.182	123.261	123.147	124.317
Services	112.525	115.298	118.259	117.916	118.605	119.020	119.739	119.937
Gross private domestic investment	107.953	110.200	104.278	105.040	105.950	102.639	101.110	98.071
Fixed investment	108.984	111.109	107.717	108.475	108.218	106.503	104.969	104.522
Nonresidential	99.520	106.987	112.244	111.502	113.863	114.819	115.504	116.212
Structures	79.747	86.318	97.264	95.447	100.005	102.076	104.206	108.716
Equipment and software.....	107.695	115.467	117.412	117.302	118.348	118.636	118.470	116.961
Residential	133.226	123.728	101.534	105.552	99.644	92.110	85.698	82.692
Change in private inventories.....								
Exports of goods and services	109.942	119.937	130.068	126.992	133.747	135.189	136.880	140.908
Imports of goods and services	123.455	130.815	133.654	133.041	134.033	133.254	132.991	130.509
Government consumption expenditures and gross investment	112.626	114.497	116.871	116.541	117.642	117.879	118.443	119.594
Federal.....	125.181	128.019	130.078	129.507	131.772	131.610	133.488	135.628
State and local	106.256	107.642	110.167	109.957	110.484	110.914	110.844	111.517
Addenda:								
Final sales of domestic product	112.159	115.254	118.062	117.725	118.898	119.133	119.397	120.679
Gross domestic purchases	113.744	116.748	118.343	118.259	119.013	118.700	118.726	118.694
Final sales to domestic purchasers.....	113.959	116.948	118.995	118.906	119.469	119.427	119.461	119.853
Gross national product.....	112.340	115.284	117.795	117.104	118.913	119.302	119.329	119.950

^r Revised

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

Table 6. Price Indexes for Gross Domestic Product

[Index numbers, 2000=100]

	2005	2006	2007	Seasonally adjusted				
				2007			2008	
				II	III	IV	I	II ^r
Gross domestic product	113.039	116.676	119.819	119.531	119.984	120.826	121.613	121.951
Personal consumption expenditures (PCE)	111.581	114.675	117.659	117.246	117.969	119.221	120.283	121.544
Durable goods.....	89.984	88.772	87.154	87.365	86.938	86.598	86.581	86.237
Nondurable goods.....	111.606	114.984	118.407	117.830	118.682	121.092	123.059	125.021
Services	116.700	120.752	124.712	124.218	125.179	126.253	127.133	128.450
Gross private domestic investment	111.381	116.102	117.735	117.659	117.566	117.960	117.815	117.926
Fixed investment	111.638	116.380	117.995	117.945	117.836	118.189	118.117	118.353
Nonresidential	103.829	107.277	108.739	108.730	108.558	109.015	109.177	109.788
Structures	135.177	151.822	157.662	157.195	157.402	159.138	160.182	161.496
Equipment and software.....	94.534	94.594	94.870	94.992	94.712	94.798	94.700	95.101
Residential	129.268	136.897	138.884	138.733	138.820	138.803	137.900	136.687
Change in private inventories.....								
Exports of goods and services	108.814	112.618	116.586	116.011	117.018	118.794	121.397	124.560
Imports of goods and services	111.154	115.932	120.168	119.050	121.200	124.907	128.722	137.136
Government consumption expenditures and gross investment	121.470	127.239	132.941	132.386	133.497	135.174	137.237	139.588
Federal.....	120.834	125.806	130.076	130.037	130.342	131.070	132.879	134.553
State and local	121.862	128.109	134.671	133.806	135.400	137.649	139.866	142.632
Addenda:								
PCE excluding food and energy.....	109.644	112.129	114.548	114.201	114.797	115.512	116.158	116.782
Market-based PCE ¹	110.316	113.167	115.893	115.533	116.118	117.371	118.452	119.719
Market-based PCE excluding food and energy ¹	107.657	109.715	111.700	111.434	111.831	112.439	113.021	113.522
Final sales of domestic product	113.074	116.710	119.853	119.569	120.020	120.856	121.653	122.008
Gross domestic purchases	113.263	117.066	120.294	119.908	120.571	121.766	122.821	124.103
Final sales to domestic purchasers.....	113.299	117.101	120.329	119.946	120.609	121.798	122.863	124.160
Gross national product.....	113.036	116.673	119.815	119.529	119.978	120.822	121.601	121.938
Implicit price deflators:								
Gross domestic product	113.034	116.676	119.816	119.547	119.997	120.743	121.508	121.890
Final sales of domestic product.....	113.074	116.709	119.853	119.563	120.013	120.849	121.647	122.002
Gross domestic purchases.....	113.258	117.066	120.292	119.923	120.585	121.687	122.722	124.045
Final sales to domestic purchasers.....	113.299	117.101	120.329	119.943	120.604	121.794	122.858	124.156
Gross national product.....	113.031	116.672	119.813	119.542	119.990	120.737	121.495	121.876

^r Revised

¹ 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, the services furnished without payment by financial intermediaries) and the expenses of nonprofit institutions. 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

	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Gross domestic product (GDP)	3.3	2.7	4.0	2.5	3.7	4.5	4.2	4.5	3.7	0.8	1.6	2.5	3.6	2.9	2.8	2.0
Personal consumption expenditures	3.3	3.3	3.7	2.7	3.4	3.8	5.0	5.1	4.7	2.5	2.7	2.8	3.6	3.0	3.0	2.8
Durable goods	5.9	7.8	8.4	4.4	7.8	8.6	11.3	11.7	7.3	4.3	7.1	5.8	6.3	4.6	4.5	4.8
Nondurable goods	2.0	2.7	3.5	2.2	2.6	2.7	4.0	4.6	3.8	2.0	2.5	3.2	3.5	3.4	3.7	2.5
Services	3.5	2.8	2.9	2.6	2.9	3.3	4.2	4.0	4.5	2.4	1.9	1.9	3.2	2.6	2.5	2.6
Gross private domestic investment	8.1	8.9	13.6	3.1	8.9	12.4	9.8	7.8	5.7	-7.9	-2.6	3.6	9.7	5.8	2.1	-5.4
Fixed investment	5.9	8.6	9.3	6.5	9.0	9.2	10.2	8.3	6.5	-3.0	-5.2	3.4	7.3	6.8	1.9	-3.1
Nonresidential	3.2	8.7	9.2	10.5	9.3	12.1	11.1	9.2	8.7	-4.2	-9.2	1.0	5.8	7.2	7.5	4.9
Structures	-6.0	-0.7	1.8	6.4	5.6	7.3	5.1	-0.4	6.8	-2.3	-17.1	-4.1	1.3	1.3	8.2	12.7
Equipment and software	7.3	12.5	11.9	12.0	10.6	13.8	13.3	12.7	9.4	-4.9	-6.2	2.8	7.4	9.3	7.2	1.7
Residential	13.8	8.2	9.6	-3.2	8.0	1.9	7.6	6.0	0.8	0.4	4.8	8.4	10.0	6.3	-7.1	-17.9
Change in private inventories																
Net exports of goods and services																
Exports	6.9	3.2	8.7	10.1	8.4	11.9	2.4	4.3	8.7	-5.4	-2.3	1.3	9.7	7.0	9.1	8.4
Goods	7.5	3.3	9.7	11.7	8.8	14.3	2.2	3.8	11.2	-6.1	-4.0	1.8	9.0	7.7	9.9	7.5
Services	5.5	3.2	6.3	6.3	7.2	5.9	2.9	5.6	2.9	-3.7	1.9	0.0	11.5	5.6	7.2	10.5
Imports	7.0	8.8	11.9	8.0	8.7	13.6	11.6	11.5	13.1	-2.7	3.4	4.1	11.3	5.9	6.0	2.2
Goods	9.3	10.1	13.3	9.0	9.3	14.4	11.7	12.4	13.5	-3.2	3.7	4.9	11.3	6.8	6.0	1.7
Services	-2.6	2.9	5.7	3.3	5.5	9.4	11.4	6.9	11.1	-0.3	2.1	0.0	11.5	1.4	6.0	4.4
Government consumption expenditures and gross investment	0.5	-0.9	0.0	0.5	1.0	1.9	1.9	3.9	2.1	3.4	4.4	2.5	1.4	0.4	1.7	2.1
Federal	-1.7	-4.2	-3.7	-2.7	-1.2	-1.0	-1.1	2.2	0.9	3.9	7.0	6.8	4.2	1.2	2.3	1.6
National defense	-5.0	-5.6	-4.9	-3.8	-1.4	-2.8	-2.1	1.9	-0.5	3.9	7.4	8.7	5.8	1.5	1.6	2.5
Nondefense	6.9	-0.7	-1.2	-0.4	-0.7	2.6	0.7	2.8	3.5	3.9	6.3	3.4	1.1	0.6	3.6	0.2
State and local	2.2	1.4	2.6	2.6	2.3	3.6	3.6	4.7	2.7	3.2	3.1	0.2	-0.2	-0.1	1.3	2.3
Addenda:																
Final sales of domestic product	3.0	2.6	3.4	3.0	3.7	4.0	4.2	4.5	3.8	1.6	1.2	2.5	3.3	3.1	2.8	2.4
Gross domestic purchases	3.3	3.2	4.4	2.4	3.8	4.8	5.3	5.3	4.4	0.9	2.2	2.8	4.1	3.0	2.6	1.4
Final sales to domestic purchasers	3.1	3.2	3.8	2.8	3.8	4.3	5.3	5.4	4.5	1.8	1.8	2.8	3.8	3.1	2.6	1.8
Gross national product	3.3	2.7	3.9	2.6	3.7	4.4	4.0	4.6	3.7	0.8	1.5	2.7	3.8	3.0	2.6	2.2
Real disposable personal income	3.4	1.0	2.7	2.8	3.0	3.5	5.8	3.0	4.8	1.9	3.1	2.2	3.6	1.4	3.5	2.8
Price indexes:																
Gross domestic purchases	2.3	2.2	2.1	2.1	1.8	1.4	0.6	1.6	2.5	2.0	1.6	2.3	3.1	3.7	3.4	2.8
Gross domestic purchases excluding food and energy	2.6	2.3	2.2	2.2	1.5	1.3	1.0	1.4	1.9	1.9	1.9	1.9	2.7	3.1	3.1	2.4
GDP	2.3	2.3	2.1	2.0	1.9	1.7	1.1	1.4	2.2	2.4	1.7	2.1	2.9	3.3	3.2	2.7
GDP excluding food and energy	2.5	2.4	2.2	2.1	1.7	1.7	1.2	1.5	2.0	2.1	2.1	1.9	2.7	3.2	3.2	2.5
Personal consumption expenditures	2.9	2.3	2.1	2.1	2.2	1.7	0.9	1.7	2.5	2.1	1.4	2.0	2.6	2.9	2.8	2.6

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

	2004		2005				2006				2007				2008	
	III	IV	I	II	III	IV	I	II	III	IV	I	II	III	IV	I	II
Gross domestic product (GDP)	3.2	3.1	3.2	2.9	3.0	2.7	3.1	3.2	2.4	2.4	1.3	1.8	2.8	2.3	2.5	2.1
Personal consumption expenditures (PCE)	3.2	3.7	3.0	3.3	3.3	2.6	3.2	3.0	2.7	3.2	3.1	2.9	2.9	2.2	1.5	1.3
Durable goods	4.0	5.6	4.3	6.8	6.2	1.2	5.5	3.0	2.5	6.9	4.6	5.4	5.1	4.2	0.8	-1.1
Nondurable goods	2.8	3.5	3.0	3.6	3.6	3.6	4.1	3.8	3.6	3.2	3.0	2.7	2.4	1.7	0.7	1.2
Services	3.2	3.3	2.7	2.4	2.6	2.4	2.4	2.7	2.2	2.6	2.9	2.6	2.7	2.1	1.9	1.7
Gross private domestic investment	9.8	9.1	10.9	4.4	3.5	4.8	4.1	5.4	3.0	-3.9	-7.7	-6.2	-4.1	-3.3	-2.3	-6.6
Fixed investment	6.8	7.2	8.7	7.3	6.4	5.1	5.8	3.3	0.7	-1.8	-4.6	-3.3	-2.3	-1.9	-2.5	-3.6
Nonresidential	5.6	7.5	9.2	8.1	6.6	4.9	7.9	7.9	7.7	6.5	3.5	4.4	5.3	6.4	6.2	4.2
Structures	1.1	2.3	4.2	2.3	-1.0	-0.5	1.4	6.4	12.7	12.8	11.7	11.4	12.9	14.5	13.9	13.9
Equipment and software	7.3	9.4	11.0	10.2	9.4	7.0	10.5	8.5	5.9	4.2	0.3	1.6	2.0	2.8	2.7	-0.3
Residential	8.8	6.7	7.7	6.1	6.0	5.4	2.5	-4.3	-10.8	-15.5	-18.5	-17.3	-17.0	-19.0	-21.3	-21.7
Change in private inventories																
Net exports of goods and services																
Exports	9.9	7.4	6.9	7.5	6.8	7.0	9.0	8.2	9.0	10.1	6.1	7.0	11.7	8.9	10.1	11.0
Goods	10.0	7.0	6.9	8.7	6.8	8.3	11.0	9.0	10.2	9.5	5.6	5.7	10.0	8.7	9.4	11.7
Services	9.8	8.3	6.9	4.8	6.6	4.0	4.7	6.2	6.2	11.5	7.3	10.0	15.6	9.3	11.7	9.3
Imports	12.4	11.5	9.1	5.5	4.5	4.8	6.6	6.5	7.1	3.8	3.2	2.2	2.2	1.1	-1.0	-1.9
Goods	12.6	11.9	10.2	6.3	5.2	5.8	6.8	6.7	7.4	3.1	2.9	1.7	1.4	0.9	-1.6	-2.4
Services	11.5	9.3	3.7	1.5	0.8	-0.1	5.6	5.1	5.3	8.0	4.8	4.8	6.5	1.8	2.2	0.6
Government consumption expenditures and gross investment	1.3	0.7	0.2	0.1	0.6	0.6	1.6	1.7	1.3	2.1	1.4	2.0	2.6	2.4	2.6	2.6
Federal	4.4	2.4	1.2	0.9	1.7	1.0	3.1	2.5	0.6	2.9	-0.4	1.6	2.9	2.3	4.8	4.7
National defense	7.2	2.5	1.3	1.8	2.1	0.8	2.2	1.7	-1.5	4.1	0.4	2.0	4.7	2.7	6.2	5.9
Nondefense	-0.9	2.3	1.0	-0.9	0.8	1.4	5.1	4.1	4.9	0.5	-2.1	0.8	-0.8	1.5	1.9	2.3
State and local	-0.5	-0.4	-0.4	-0.3	-0.1	0.3	0.7	1.2	1.7	1.6	2.4	2.3	2.3	2.4	1.4	1.4
Addenda:																
Final sales of domestic product	2.7	2.8	2.8	3.4	3.5	2.7	3.4	2.8	2.0	2.8	1.8	2.3	3.1	2.5	2.5	2.5
Gross domestic purchases	3.8	3.9	3.6	2.9	2.8	2.6	3.1	3.2	2.4	1.9	1.1	1.3	1.7	1.4	1.1	0.4
Final sales to domestic purchasers	3.3	3.6	3.3	3.3	3.3	2.6	3.4	2.8	2.1	2.2	1.6	1.8	2.0	1.6	1.1	0.8
Gross national product	3.4	2.9	3.2	3.1	3.1	2.8	2.9	3.1	2.1	2.5	1.2	1.6	3.1	2.9	3.0	2.4
Real disposable personal income	2.7	4.1	1.9	1.9	0.9	0.9	3.4	3.1	4.0	3.6	3.4	2.9	3.1	1.8	0.6	3.6
Price indexes:																
Gross domestic purchases	3.3	3.7	3.6	3.3	3.9	4.0	3.8	3.9	3.3	2.5	2.7	2.6	2.4	3.3	3.3	3.5
Gross domestic purchases excluding food and energy	2.9	3.1	3.2	3.0	3.1	3.2	3.0	3.2	3.1	2.9	2.8	2.4	2.3	2.3	2.1	2.2
GDP	3.0	3.2	3.3	2.9	3.4	3.5	3.4	3.5	3.2	2.8	2.9	2.8	2.5	2.6	2.3	2.0
GDP excluding food and energy	2.9	3.2	3.3	3.1	3.2	3.3	3.2	3.4	3.2	3.0	2.9	2.5	2.3	2.3	2.0	1.9
PCE	2.7	3.1	2.8	2.5	3.2	3.3	3.1	3.3	2.9	1.9	2.3	2.4	2.2	3.5	3.5	3.7
PCE excluding food and energy	2.1	2.2	2.3	2.1	2.1	2.2	2.1									

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

[Billions of dollars]

	2005	2006	2007	Seasonally adjusted at annual rates				
				2007			2008	
				II	III	IV	I	II ^r
Gross domestic product	12,421.9	13,178.4	13,807.5	13,737.5	13,950.6	14,031.2	14,150.8	14,294.5
Plus: Income receipts from the rest of the world.....	573.5	725.4	861.7	852.8	898.5	907.4	843.2	822.8
Less: Income payments to the rest of the world	480.5	647.1	759.3	793.2	786.3	742.0	705.1	708.9
Equals: Gross national product	12,514.9	13,256.6	13,910.0	13,797.2	14,062.8	14,196.6	14,289.0	14,408.3
Less: Consumption of fixed capital	1,612.0	1,623.9	1,720.5	1,707.0	1,731.9	1,758.6	1,778.0	1,803.1
Less: Statistical discrepancy.....	-71.2	-163.0	-81.4	-143.4	-7.8	13.9	63.4	98.4
Equals: National income	10,974.0	11,795.7	12,270.9	12,233.6	12,338.6	12,424.1	12,447.6	12,506.9
Compensation of employees.....	7,030.8	7,433.8	7,812.3	7,760.1	7,839.3	7,941.0	8,009.7	8,071.8
Wage and salary accruals.....	5,676.7	6,028.5	6,355.7	6,310.7	6,377.7	6,465.5	6,518.0	6,568.6
Supplements to wages and salaries	1,354.1	1,405.3	1,456.6	1,449.4	1,461.6	1,475.5	1,491.7	1,503.1
Proprietors' income with inventory valuation and capital consumption adjustments	959.8	1,014.7	1,056.2	1,050.2	1,063.8	1,073.8	1,071.7	1,076.9
Rental income of persons with capital consumption adjustment	40.9	44.3	40.0	44.6	41.8	38.6	39.1	58.6
Corporate profits with inventory valuation and capital consumption adjustments.....	1,447.9	1,668.5	1,642.4	1,672.5	1,668.3	1,611.1	1,593.5	1,533.3
Net interest and miscellaneous payments	569.1	631.2	664.4	660.8	663.0	688.1	662.3	683.4
Taxes on production and imports less subsidies.....	868.9	926.4	963.2	956.4	965.7	975.3	975.1	988.5
Business current transfer payments.....	70.0	85.4	100.2	97.4	102.2	103.1	103.2	102.1
Current surplus of government enterprises	-13.4	-8.6	-7.9	-8.5	-5.5	-6.7	-7.1	-7.7
Addendum:								
Gross domestic income	12,493.0	13,341.4	13,889.0	13,881.0	13,958.4	14,017.4	14,087.4	14,196.1

^r Revised

Table 10. Personal Income and Its Disposition

[Billions of dollars]

	2005	2006	2007	Seasonally adjusted at annual rates				
				2007			2008	
				II	III	IV	I	II ^r
Personal income ¹	10,269.8	10,993.9	11,663.2	11,577.5	11,730.4	11,872.1	11,960.5	12,188.9
Compensation of employees, received	7,025.8	7,432.6	7,818.6	7,760.1	7,839.3	7,941.0	8,009.7	8,071.8
Wage and salary disbursements.....	5,671.7	6,027.2	6,362.0	6,310.7	6,377.7	6,465.5	6,518.0	6,568.6
Supplements to wages and salaries	1,354.1	1,405.3	1,456.6	1,449.4	1,461.6	1,475.5	1,491.7	1,503.1
Proprietors' income with inventory valuation and capital consumption adjustments	959.8	1,014.7	1,056.2	1,050.2	1,063.8	1,073.8	1,071.7	1,076.9
Farm	34.1	16.2	44.0	42.3	47.4	47.1	41.6	38.0
Nonfarm	925.7	998.6	1,012.2	1,007.9	1,016.4	1,026.7	1,030.1	1,039.0
Rental income of persons with capital consumption adjustment	40.9	44.3	40.0	44.6	41.8	38.6	39.1	58.6
Personal income receipts on assets	1,596.9	1,824.8	2,000.1	1,982.5	2,030.9	2,056.2	2,054.1	2,052.3
Personal interest income	1,022.0	1,125.4	1,214.3	1,206.1	1,236.2	1,242.7	1,224.6	1,208.7
Personal dividend income	574.9	699.4	785.8	776.5	794.7	813.5	829.5	843.6
Personal current transfer receipts	1,520.7	1,603.0	1,713.3	1,699.2	1,720.6	1,737.8	1,778.1	1,926.3
Less: Contributions for government social insurance	874.3	925.5	965.1	959.1	966.0	975.3	992.2	997.0
Less: Personal current taxes	1,207.8	1,353.2	1,492.8	1,489.4	1,501.6	1,520.5	1,535.0	1,354.1
Equals: Disposable personal income	9,062.0	9,640.7	10,170.5	10,088.0	10,228.8	10,351.5	10,425.5	10,834.8
Less: Personal outlays.....	9,029.5	9,570.0	10,113.1	10,056.9	10,182.0	10,309.2	10,404.9	10,538.2
Equals: Personal saving	32.5	70.7	57.4	31.1	46.8	42.4	20.6	296.6
Personal saving as a percentage of disposable personal income	0.4	0.7	0.6	0.3	0.5	0.4	0.2	2.7
Addendum:								
Disposable personal income, billions of chained (2000) dollars ²	8,121.4	8,407.0	8,644.0	8,604.5	8,671.1	8,683.1	8,667.9	8,914.6

^r Revised

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

2. Equals disposable personal income deflated by the implicit price deflator for personal consumption expenditures.

Table 11. Corporate Profits: Level and Percent Change

	Billions of dollars								Percent change from preceding period						
	2005	2006	2007	Seasonally adjusted at annual rates					2006	2007	Quarterly rates				Quarter one year ago
				2007			2008				2007		2008		
				II	III	IV	I	II ^r			III	IV	I	II ^r		2008
Corporate profits with inventory valuation and capital consumption adjustments	1,447.9	1,668.5	1,642.4	1,672.5	1,668.3	1,611.1	1,593.5	1,533.3	15.2	-1.6	-0.3	-3.4	-1.1	-3.8	-8.3
Less: Taxes on corporate income.....	413.7	468.9	450.4	468.5	451.1	433.5	402.9	406.8	13.3	-4.0	-3.7	-3.9	-7.0	1.0	-13.2
Equals: Profits after tax with inventory valuation and capital consumption adjustments	1,034.2	1,199.6	1,192.0	1,204.0	1,217.3	1,177.6	1,190.6	1,126.5	16.0	-0.6	1.1	-3.3	1.1	-5.4	-6.4
Net dividends.....	577.4	702.1	788.7	779.2	797.6	816.4	832.5	846.4	21.6	12.3	2.4	2.4	2.0	1.7	8.6
Undistributed profits with inventory valuation and capital consumption adjustments.....	456.9	497.5	403.4	424.8	419.7	361.2	358.1	280.0	8.9	-18.9	-1.2	-13.9	-0.9	-21.8	-34.1
Cash flow:															
Net cash flow with inventory valuation and capital consumption adjustments	1,315.8	1,390.3	1,348.7	1,363.2	1,371.4	1,326.9	1,337.0	1,276.5	5.7	-3.0	0.6	-3.2	0.8	-4.5	-6.4
Undistributed profits with inventory valuation and capital consumption adjustments.....	456.9	497.5	403.4	424.8	419.7	361.2	358.1	280.0	8.9	-18.9	-1.2	-13.9	-0.9	-21.8	-34.1
Consumption of fixed capital.....	858.9	892.8	945.3	938.4	951.8	965.7	978.8	996.5	4.0	5.9	1.4	1.5	1.4	1.8	6.2
Less: Inventory valuation adjustment	-37.8	-39.5	-51.2	-55.3	-31.0	-74.1	-109.4	-154.0							
Equals: Net cash flow	1,353.6	1,429.8	1,399.9	1,418.5	1,402.5	1,401.0	1,446.3	1,430.5	5.6	-2.1	-1.1	-0.1	3.2	-1.1	0.8
Addenda:															
Profits before tax (without inventory valuation and capital consumption adjustments)	1,620.6	1,873.7	1,886.3	1,914.8	1,897.1	1,894.3	1,750.9	1,750.0	15.6	0.7	-0.9	-0.1	-7.6	-0.1	-8.6
Profits after tax (without inventory valuation and capital consumption adjustments)	1,206.9	1,404.8	1,435.9	1,446.3	1,446.1	1,460.9	1,348.0	1,343.2	16.4	2.2	0.0	1.0	-7.7	-0.4	-7.1
Inventory valuation adjustment.....	-37.8	-39.5	-51.2	-55.3	-31.0	-74.1	-109.4	-154.0							
Capital consumption adjustment	-134.8	-165.7	-192.7	-187.0	-197.8	-209.2	-48.0	-62.7							

r Revised

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

[Billions of dollars]

	Level								Change from preceding period					
	2005	2006	2007	Seasonally adjusted at annual rates					2006	2007	2007		2008	
				2007			2008				III	IV	I	II ^r
				II	III	IV	I	II ^r						
Corporate profits with inventory valuation and capital consumption adjustments	1,447.9	1,668.5	1,642.4	1,672.5	1,668.3	1,611.1	1,593.5	1,533.3	220.6	-26.1	-4.2	-57.2	-17.6	-60.2
Domestic industries	1,208.5	1,401.0	1,297.8	1,369.7	1,311.9	1,189.7	1,195.1	1,159.8	192.5	-103.2	-57.8	-122.2	5.4	-35.3
Financial	407.1	462.1	429.7	473.1	439.3	370.3	407.6	376.6	55.0	-32.4	-33.8	-69.0	37.3	-31.0
Nonfinancial.....	801.4	939.0	868.1	896.6	872.6	819.5	787.4	783.2	137.6	-70.9	-24.0	-53.1	-32.1	-4.2
Rest of the world	239.4	267.5	344.7	302.9	356.4	421.3	398.5	373.5	28.1	77.2	53.5	64.9	-22.8	-25.0
Receipts from the rest of the world.....	384.1	438.9	509.2	494.7	528.4	553.1	556.8	565.7	54.8	70.3	33.7	24.7	3.7	8.9
Less: Payments to the rest of the world.....	144.6	171.4	164.5	191.8	172.0	131.8	158.3	192.2	26.8	-6.9	-19.8	-40.2	26.5	33.9
Corporate profits with inventory valuation adjustment	1,582.8	1,834.2	1,835.1	1,859.5	1,866.1	1,820.2	1,641.5	1,596.0	251.4	0.9	6.6	-45.9	-178.7	-45.5
Domestic industries	1,343.3	1,566.7	1,490.5	1,556.7	1,509.7	1,398.9	1,243.1	1,222.5	223.4	-76.2	-47.0	-110.8	-155.8	-20.6
Financial	425.3	478.8	449.9	492.7	460.3	392.4	412.8	383.2	53.5	-28.9	-32.4	-67.9	20.4	-29.6
Federal Reserve banks.....	26.6	33.8	37.7	38.5	37.5	36.5	35.8	31.0	7.2	3.9	-1.0	-1.0	-0.7	-4.8
Other financial.....	398.7	445.0	412.2	454.2	422.8	355.9	377.1	352.2	46.3	-32.8	-31.4	-66.9	21.2	-24.9
Nonfinancial.....	918.1	1,087.9	1,040.6	1,064.0	1,049.3	1,006.5	830.2	839.3	169.8	-47.3	-14.7	-42.8	-176.3	9.1
Utilities	28.9	55.6	58.5	54.7	58.7	63.2	46.2	56.7	26.7	2.9	4.0	4.5	-17.0	10.5
Manufacturing	243.8	304.3	316.6	350.8	306.6	292.1	240.5	214.9	60.5	12.3	-44.2	-14.5	-51.6	-25.6
Durable goods.....	93.3	115.9	127.4	123.1	130.9	128.3	85.5	54.2	22.6	11.5	7.8	-2.6	-42.8	-31.3
Fabricated metal products.....	17.8	19.2	21.7	20.0	22.5	22.8	18.9	15.1	1.4	2.5	2.5	0.3	-3.9	-3.8
Machinery	14.9	20.0	22.3	22.4	22.2	22.0	19.2	14.8	5.1	2.3	-0.2	-0.2	-2.8	-4.4
Computer and electronic products.....	7.9	14.1	13.5	9.0	13.2	15.4	14.4	6.6	6.2	-0.6	4.2	2.2	-1.0	-7.8
Electrical equipment, appliances, and components.....	-1.6	8.4	10.9	9.6	10.7	11.5	6.9	5.9	10.0	2.5	1.1	0.8	-4.6	-1.0
Motor vehicles, bodies and trailers, and parts.....	0.1	-8.4	-5.9	-2.7	-4.4	-7.7	-19.9	-27.4	-8.5	2.5	-1.7	-3.3	-12.2	-7.5
Other durable goods.....	54.2	62.6	64.9	64.8	66.8	64.3	46.1	39.3	8.4	2.3	2.0	-2.5	-18.2	-6.8
Nondurable goods.....	150.5	188.4	189.3	227.8	175.7	163.8	155.0	160.7	37.9	0.9	-52.1	-11.9	-8.8	5.7
Food and beverage and tobacco products.....	26.2	33.8	38.5	42.7	39.2	38.7	34.8	40.9	7.6	4.7	-3.5	-0.5	-3.9	6.1
Petroleum and coal products.....	78.9	77.5	66.9	106.7	55.6	33.6	48.8	36.6	-1.4	-10.6	-51.1	-22.0	15.2	-12.2
Chemical products.....	25.8	53.8	66.4	64.6	65.1	73.8	60.2	78.5	28.0	12.6	0.5	8.7	-13.6	18.3
Other nondurable goods.....	19.6	23.4	17.5	13.8	15.9	17.8	11.1	4.7	3.8	-5.9	2.1	1.9	-6.7	-6.4
Wholesale trade.....	97.3	107.5	102.6	112.7	109.1	80.2	49.2	59.4	10.2	-4.9	-3.6	-28.9	-31.0	10.2
Retail trade	120.4	132.3	132.3	145.9	126.0	124.5	112.0	92.7	11.9	0.0	-19.9	-1.5	-12.5	-19.3
Transportation and warehousing.....	29.1	42.5	42.7	45.4	47.0	37.7	24.4	24.8	13.4	0.2	1.6	-9.3	-13.3	0.4
Information.....	79.7	91.1	103.0	85.0	108.4	117.9	106.0	115.0	11.4	11.9	23.4	9.5	-11.9	9.0
Other nonfinancial.....	318.9	354.7	284.9	269.4	293.5	290.9	252.0	275.8	35.8	-69.8	24.1	-2.6	-38.9	23.8
Rest of the world	239.4	267.5	344.7	302.9	356.4	421.3	398.5	373.5	28.1	77.2	53.5	64.9	-22.8	-25.0

r Revised

NOTE: Estimates in this table are based on the 1997 North American Industry Classification System (NAICS).

Table 13. Gross Value Added of Nonfinancial Domestic Corporate Business

	2005	2006	2007	Seasonally adjusted at annual rates				
				2007			2008	
				II	III	IV	I	II ^r
Billions of dollars								
Gross value added of nonfinancial corporate business.....	6,396.1	6,863.4	7,075.1	7,066.7	7,098.6	7,135.5	7,119.3	7,168.2
Consumption of fixed capital.....	743.9	775.2	822.3	816.0	828.1	840.7	852.6	868.5
Net value added.....	5,652.2	6,088.3	6,252.8	6,250.7	6,270.6	6,294.8	6,266.7	6,299.8
Compensation of employees.....	4,075.6	4,316.8	4,525.3	4,497.4	4,537.2	4,602.7	4,623.0	4,646.0
Wage and salary accruals.....	3,337.9	3,548.2	3,734.2	3,710.0	3,744.2	3,802.8	3,814.8	3,833.5
Supplements to wages and salaries.....	737.6	768.6	791.1	787.3	793.0	799.9	808.2	812.4
Taxes of production and imports less subsidies.....	563.2	591.1	611.9	609.9	614.2	619.5	617.9	625.6
Net operating surplus.....	1,013.5	1,180.3	1,115.5	1,143.5	1,119.1	1,072.6	1,025.8	1,028.2
Net interest and miscellaneous payments.....	153.6	169.6	179.4	178.9	178.8	185.4	180.5	186.7
Business current transfer payments.....	58.5	71.8	68.1	68.0	67.7	67.7	57.9	58.2
Corporate profits with inventory valuation and capital consumption adjustments.....	801.4	939.0	868.1	896.6	872.6	819.5	787.4	783.2
Taxes on corporate income.....	274.5	309.3	321.1	330.9	318.9	314.7	279.8	294.0
Profits after tax with inventory valuation and capital consumption adjustments.....	526.9	629.7	547.0	565.7	553.7	504.7	507.6	489.2
Net dividends.....	184.2	474.4	503.4	496.1	492.7	533.0	494.0	514.2
Undistributed profits with inventory valuation and capital consumption adjustments.....	342.7	155.3	43.5	69.5	61.0	-28.3	13.6	-25.0
Addenda:								
Profits before tax (without inventory valuation and capital consumption adjustments)....	955.9	1,127.4	1,091.7	1,119.2	1,080.4	1,080.6	939.6	993.3
Profits after tax (without inventory valuation and capital consumption adjustments).....	681.3	818.1	770.7	788.3	761.5	765.8	659.8	699.3
Inventory valuation adjustment.....	-37.8	-39.5	-51.2	-55.3	-31.0	-74.1	-109.4	-154.0
Capital consumption adjustment.....	-116.7	-149.0	-172.5	-167.4	-176.8	-187.0	-42.8	-56.1
Billions of chained (2000) dollars								
Gross value added of nonfinancial corporate business¹.....	5,907.8	6,167.8	6,264.5	6,253.1	6,293.3	6,323.5	6,302.0	6,407.9
Consumption of fixed capital ²	682.6	686.7	716.9	711.6	721.0	731.6	744.8	757.5
Net value added ³	5,225.2	5,481.1	5,547.6	5,541.5	5,572.3	5,591.9	5,557.2	5,650.5
Dollars; quarters seasonally adjusted								
Price, costs, and profits per unit of real gross value added of nonfinancial corporate business:								
Price per unit of real gross value added of nonfinancial corporate business⁴.....	1.083	1.113	1.129	1.130	1.128	1.128	1.130	1.119
Compensation of employees (unit labor cost).....	0.690	0.700	0.722	0.719	0.721	0.728	0.734	0.725
Unit nonlabor cost.....	0.257	0.260	0.269	0.267	0.268	0.271	0.271	0.272
Consumption of fixed capital.....	0.126	0.126	0.131	0.130	0.132	0.133	0.135	0.136
Taxes on production and imports less subsidies plus business current transfer payments.....	0.105	0.107	0.109	0.108	0.108	0.109	0.107	0.107
Net interest and miscellaneous payments.....	0.026	0.027	0.029	0.029	0.028	0.029	0.029	0.029
Corporate profits with inventory valuation and capital consumption adjustments (unit profits from current production).....	0.136	0.152	0.139	0.143	0.139	0.130	0.125	0.122
Taxes on corporate income.....	0.046	0.050	0.051	0.053	0.051	0.050	0.044	0.046
Profits after tax with inventory valuation and capital consumption adjustments.....	0.089	0.102	0.087	0.090	0.088	0.080	0.081	0.076

^r Revised

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

2. Chained-dollar consumption of fixed capital of nonfinancial corporate business is calculated as the product of the chain-type quantity index and the 2000 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 1997 North American Industry Classification System (NAICS).

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

	2005	2006	2007	Seasonally adjusted at annual rates															
				2004		2005				2006				2007				2008	
				III	IV	I	II	III	IV	I	II	III	IV	I	II	III	IV	I	II ^r
Gross domestic product (GDP) and related aggregates:																			
GDP	2.9	2.8	2.0	3.6	2.5	3.0	2.6	3.8	1.3	4.8	2.7	0.8	1.5	0.1	4.8	4.8	-0.2	0.9	2.8
Goods	4.3	5.4	3.1	6.6	3.7	3.6	4.7	5.3	2.0	11.1	5.9	1.5	1.3	-2.5	10.3	9.0	0.0	0.9	4.9
Services	2.2	2.3	2.8	2.4	2.4	2.1	1.0	3.9	0.9	2.6	2.3	2.3	3.8	2.1	2.7	4.0	1.3	2.7	1.7
Structures	3.2	-2.2	-5.0	1.3	-0.3	6.0	5.1	-0.6	1.3	-0.8	-3.8	-8.8	-9.8	-3.9	0.8	-2.9	-9.3	-10.1	3.3
Motor vehicle output	3.8	-0.9	-1.1	29.0	-9.6	4.6	7.1	24.6	-31.0	20.2	-10.1	13.7	-19.0	3.8	4.6	17.3	-25.7	-14.2	-33.8
GDP excluding motor vehicle output	2.9	2.9	2.1	2.8	3.0	2.9	2.5	3.2	2.6	4.3	3.1	0.4	2.2	-0.1	4.8	4.4	0.7	1.3	4.0
Final sales of computers ¹	23.4	25.0	21.3	19.8	50.1	8.5	38.5	11.5	37.2	27.8	25.2	7.0	34.2	-5.0	37.2	52.6	23.7	8.2	28.4
GDP excluding final sales of computers	2.8	2.6	1.9	3.5	2.3	2.9	2.4	3.8	1.1	4.7	2.5	0.8	1.3	0.1	4.6	4.5	-0.3	0.8	2.7
Farm gross value added ²	9.1	-6.9	9.7	18.9	40.8	-1.9	27.7	3.1	-26.8	-22.3	3.1	6.9	30.4	12.5	-6.1	8.6	8.2	-15.5	-10.7
Nonfarm business gross value added ³	3.4	3.2	2.0	3.8	2.6	3.7	2.9	4.8	1.3	6.0	2.9	0.3	1.4	-0.9	5.8	5.5	-0.7	0.9	2.8
Price indexes:																			
GDP	3.3	3.2	2.7	2.3	3.2	4.0	2.1	4.1	3.7	3.5	2.7	2.8	2.2	4.1	2.0	1.5	2.8	2.6	1.1
GDP excluding food and energy	3.2	3.2	2.5	2.8	3.1	3.9	2.7	3.2	3.5	3.6	3.2	2.6	2.6	3.2	1.7	1.8	2.4	2.0	1.5
GDP excluding final sales of computers	3.4	3.4	2.8	2.4	3.4	4.2	2.3	4.2	3.9	3.7	2.9	2.9	2.3	4.2	2.1	1.7	3.0	2.7	1.2
Gross domestic purchases	3.7	3.4	2.8	2.8	3.6	3.7	3.1	5.2	3.9	2.9	3.6	2.9	0.6	3.6	3.3	2.2	4.0	3.5	4.2
Gross domestic purchases excluding food and energy	3.1	3.1	2.4	2.6	2.8	3.9	2.7	2.9	3.2	3.4	3.2	2.5	2.5	2.9	1.8	1.9	2.4	2.2	2.2
Gross domestic purchases excluding final sales of computers to domestic purchasers	3.9	3.6	2.9	2.9	3.9	3.9	3.3	5.4	4.1	3.0	3.8	3.1	0.7	3.8	3.5	2.4	4.2	3.7	4.4
Personal consumption expenditures (PCE)	2.9	2.8	2.6	2.0	3.0	2.5	2.5	4.7	3.3	1.8	3.3	3.1	-0.5	3.4	3.6	2.5	4.3	3.6	4.3
PCE excluding food and energy	2.1	2.3	2.2	1.7	2.1	2.5	2.1	1.6	2.4	2.1	3.0	2.3	1.8	2.4	1.8	2.1	2.5	2.3	2.2
Market-based PCE ⁴	2.7	2.6	2.4	1.5	2.9	2.2	2.2	4.9	3.2	1.4	3.1	3.1	-1.1	3.5	3.5	2.0	4.4	3.7	4.3
Market-based PCE excluding food and energy ⁴	1.7	1.9	1.8	1.1	1.8	2.2	1.6	1.2	2.0	1.8	2.6	2.1	1.5	2.3	1.2	1.4	2.2	2.1	1.8

^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. 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, the services furnished without payment by financial intermediaries) and the expenses of nonprofit institutions.

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 2000 -- 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 2006-07 annual percent change in real GDP uses prices for 2006 and 2007 as weights, and the 2006-07 annual percent change in GDP prices uses quantities for 2006 and 2007 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 changes 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 (2000) dollar estimates.” For most series, these estimates, which are presented in table 3, are computed by multiplying the current-dollar value in 2000 by a corresponding quantity index number and then dividing by 100. For example, if a current-dollar GDP component equaled \$100 in 2000 and if real output for this component increased 10 percent in 2001, then the chained (2000) dollar value of this component in 2001 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.