



**Technical Note**  
Gross Domestic Product  
Fourth Quarter of 2009 (Third Estimate)  
March 26, 2010

This technical note provides background information about the source data and estimating methods used to produce the estimates presented in the GDP news release. The complete set of estimates for the fourth quarter is available on BEA's Web site at [www.bea.gov](http://www.bea.gov); a brief summary of "highlights" is also posted on the Web site. In a few weeks, the estimates will be published in BEA's monthly journal, the *Survey of Current Business*, along with a more detailed analysis of the estimates ("GDP and the Economy").

### **Sources of Revision to Real GDP**

Real GDP growth in the fourth quarter was 5.6 percent (annual rate), which was 0.3 percentage point less than last month's estimate.

- Nonresidential fixed investment was revised down, reflecting a downward revision to investment in nonresidential structures. The revision was based on revised Census Bureau construction spending data for November and December.
- Private inventory investment was revised down, reflecting small downward revisions to wholesale trade, to manufacturing, and to construction, mining, and utilities. The revisions were based on revised Census inventory data for November and December and newly available Energy Information Administration data on utilities inventories.
- Personal consumption expenditures (PCE) were revised down, reflecting a downward revision to financial service charges and fees. The revision was based on incorporation of newly available fourth-quarter *Call Report* data from the Federal Deposit Insurance Corporation (FDIC).

The price index for gross domestic purchases—the prices paid by U.S. residents for goods and services, wherever produced—increased 2.0 percent in the fourth quarter, 0.1 percentage point more than last month's estimate. The revision was mainly to PCE prices and reflected upward revisions to financial services and insurance and to health care. The revision to the price of financial services was mainly to "financial services furnished without payment" and was based on newly available *Call Report* data. The revision to the price of health care was based on a revised Bureau of Labor Statistics producer price index for physicians.

## **Corporate Profits**

Profits from current production increased \$108.7 billion, or 8.0 percent (quarterly rate), in the fourth quarter. Domestic profits of financial corporations increased \$65.0 billion, domestic profits of nonfinancial corporations increased \$59.8 billion, and rest-of-the-world profits decreased \$16.1 billion in the fourth quarter.

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