



NEWS RELEASE



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GROSS DOMESTIC PRODUCT: FIRST QUARTER 2007 (FINAL) CORPORATE PROFITS: FIRST QUARTER 2007 (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 0.7 percent in the first quarter of 2007, according to final estimates released by the Bureau of Economic Analysis. In the fourth quarter, real GDP increased 2.5 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 0.6 percent (see "Revisions" on page 3).

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

Annual Revision of the National Income and Product Accounts

The annual revision of the national income and product accounts, covering the first quarter of 2004 through the first quarter of 2007, will be released along with the "advance" estimate of GDP for the second quarter of 2007 on July 27. An article describing the revision will appear in the August 2007 issue of the *Survey of Current Business*. For more information, see the Technical Note.

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 annualized. "Real" estimates are in chained (2000) dollars. Prices indexes are chain-type measures.

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The deceleration in real GDP growth in the first quarter primarily reflected an upturn in imports, a deceleration in exports, a downturn in federal government spending, and a deceleration in PCE for nondurable goods that were partly offset by an upturn in equipment and software, a smaller decrease in residential fixed investment, an acceleration in PCE for durable goods, a smaller decrease in private inventory investment, and an acceleration in PCE for services.

Final sales of computers contributed 0.02 percentage point to the first-quarter growth in real GDP after contributing 0.22 percentage point to the fourth-quarter growth. Motor vehicle output contributed 0.22 percentage point to the first-quarter growth in real GDP after subtracting 1.18 percentage points from the fourth-quarter growth.

The price index for gross domestic purchases, which measures prices paid by U.S. residents, increased 3.7 percent in the first quarter, 0.1 percentage point more than the preliminary estimate; this index increased 0.2 percent in the fourth quarter. Excluding food and energy prices, the price index for gross domestic purchases increased 2.9 percent in the first quarter, compared with an increase of 2.4 percent in the fourth. About 0.2 percentage point of the first-quarter increase in the index was accounted for by the pay raise for federal civilian and military personnel, which is treated as an increase in the price index of employee services purchased by the federal government.

Real personal consumption expenditures increased 4.2 percent in the first quarter, the same increase as in the fourth. Real nonresidential fixed investment increased 2.6 percent, in contrast to a decrease of 3.1 percent. Nonresidential structures increased 4.8 percent, compared with an increase of 0.8 percent. Equipment and software increased 1.7 percent, in contrast to a decrease of 4.8 percent. Real residential fixed investment decreased 15.8 percent, compared with a decrease of 19.8 percent.

Real exports of goods and services increased 0.7 percent in the first quarter, compared with an increase of 10.6 percent in the fourth. Real imports of goods and services increased 5.5 percent, in contrast to a decrease of 2.6 percent.

Real federal government consumption expenditures and gross investment decreased 3.9 percent in the first quarter, in contrast to an increase of 4.6 percent in the fourth. National defense decreased 7.4 percent, in contrast to an increase of 12.3 percent. Nondefense increased 3.6 percent, in contrast to a decrease of 9.6 percent. Real state and local government consumption expenditures and gross investment increased 3.9 percent, compared with an increase of 2.7 percent.

The real change in private inventories subtracted 0.97 percentage point from the first-quarter change in real GDP, after subtracting 1.16 percentage points from the fourth-quarter change. Private businesses decreased inventories \$4.2 billion in the first quarter, following increases of \$22.4 billion in the fourth quarter and \$55.4 billion in the third.

Real final sales of domestic product -- GDP less change in private inventories -- increased 1.7 percent in the first quarter, compared with an increase of 3.7 percent in the fourth.

Gross domestic purchases

Real gross domestic purchases -- purchases by U.S. residents of goods and services wherever produced -- increased 1.4 percent in the first quarter, compared with an increase of 0.8 percent in the fourth.

Gross national product

Real gross national product -- the goods and services produced by the labor and property supplied by U.S. residents -- increased 0.8 percent in the first quarter, compared with an increase of 3.5 percent in the fourth. GNP includes, and GDP excludes, net receipts of income from the rest of the world, which increased \$2.2 billion in the first quarter after increasing \$29.4 billion in the fourth; in the first quarter, receipts increased \$10.2 billion, and payments increased \$8.0 billion.

Current-dollar GDP

Current-dollar GDP -- the market value of the nation's output of goods and services -- increased 4.9 percent, or \$162.0 billion, in the first quarter to a level of \$13,620.2 billion. In the fourth quarter, current-dollar GDP increased 4.1 percent, or \$135.6 billion.

Revisions

The final estimate of the first-quarter increase in real GDP is 0.1 percentage point, or \$1.1 billion, higher than the preliminary estimate issued last month. The upward revision to the percent change in real GDP primarily reflected an upward revision to exports of goods and services.

	<u>Advance</u>	<u>Preliminary</u>	<u>Final</u>
	(Percent change from preceding quarter)		
Real GDP.....	1.3	0.6	0.7
Current-dollar GDP.....	5.3	4.7	4.9
Gross domestic purchases price index...	3.6	3.6	3.7

Corporate Profits

Profits from current production (corporate profits with inventory valuation and capital consumption adjustments) increased \$23.0 billion in the first quarter, in contrast to a decrease of \$4.9 billion in the fourth quarter. Current-production cash flow (net cash flow with inventory valuation and capital consumption adjustments) -- the internal funds available to corporations for investment -- increased \$3.5 billion in the first quarter, in contrast to a decrease of \$1.1 billion in the fourth.

Taxes on corporate income increased \$3.5 billion in the first quarter, in contrast to a decrease of \$14.4 billion in the fourth. Profits after tax with inventory valuation and capital consumption adjustments increased \$19.4 billion in the first quarter, compared with an increase of \$9.6 billion in the fourth. Dividends increased \$20.6 billion, compared with an increase of \$21.0 billion; current-production undistributed profits decreased \$1.2 billion, compared with a decrease of \$11.5 billion.

Domestic profits of financial corporations decreased \$23.1 billion in the first quarter, in contrast to an increase of \$20.5 billion in the fourth. Domestic profits of nonfinancial corporations increased \$25.7 billion in the first quarter, in contrast to a decrease of \$62.6 billion in the fourth. In the first quarter, both real gross corporate value added of nonfinancial corporations and profits per unit of real value added increased. The increase in unit profits reflected an increase in unit prices that was partly offset by increases in both the unit labor and nonlabor costs that corporations incurred.

The rest-of-the-world component of profits increased \$20.2 billion in the first quarter, compared with an increase of \$37.3 billion in the fourth. 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 first-quarter increase was accounted for equally by an increase in receipts and a decrease 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 manufacturing, in information, and in wholesale trade that were largely offset by decreases in "other" nonfinancial and in retail trade. Within manufacturing, the most notable increases were in chemical products and in petroleum and coal products.

Profits before tax increased \$24.0 billion in the first quarter, in contrast to a decrease of \$16.4 billion in the fourth. 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 \$14.3 billion in the first quarter (from -\$171.7 billion to -\$157.4 billion), in contrast to a decrease of \$9.3 billion in the fourth. The inventory valuation adjustment decreased \$15.3 billion (from -\$17.5 billion to -\$32.8 billion), in contrast to an increase of \$20.7 billion.

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Next release -- July 27, 2007 at 8:30 A.M. EDT for:
Advance estimate of gross domestic product for
the second quarter of 2007 and annual revision
(first quarter 2004 through first quarter 2007).

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

	2004	2005	2006	Seasonally adjusted at annual rates															
				2003			2004				2005				2006				2007
				II	III	IV	I	II	III	IV	I	II	III	IV	I	II	III	IV	I ^r
Gross domestic product (GDP)	3.9	3.2	3.3	3.5	7.5	2.7	3.9	4.0	3.1	2.6	3.4	3.3	4.2	1.8	5.6	2.6	2.0	2.5	0.7
Personal consumption expenditures	3.9	3.5	3.2	3.6	5.8	2.3	4.7	2.9	3.9	4.3	2.7	4.2	3.9	.8	4.8	2.6	2.8	4.2	4.2
Durable goods	6.4	5.5	5.0	16.8	16.7	.7	6.1	1.7	8.7	6.1	2.4	12.8	9.0	-12.3	19.8	-1	6.4	4.4	8.7
Nondurable goods	3.6	4.5	3.7	2.3	7.7	1.8	4.3	1.7	3.7	5.4	5.2	4.9	3.4	3.9	5.9	1.4	1.5	5.9	3.2
Services	3.5	2.6	2.6	1.8	2.9	2.8	4.6	3.8	3.1	3.4	1.6	2.3	3.2	2.0	1.6	3.7	2.8	3.4	3.8
Gross private domestic investment	9.8	5.4	4.3	3.3	17.7	9.3	4.8	21.7	2.0	5.1	8.2	-3.6	5.2	16.2	7.8	1.0	-8	-15.2	-9.6
Fixed investment	7.3	7.5	2.9	10.6	13.6	5.5	2.2	11.7	7.6	4.9	7.8	10.5	6.3	2.8	8.2	-1.6	-1.2	-9.1	-3.9
Nonresidential	5.9	6.8	7.2	10.7	9.4	2.8	1.7	7.2	10.3	8.3	6.0	5.2	5.9	5.2	13.7	4.4	10.0	-3.1	2.6
Structures	2.2	1.1	9.0	14.7	-8	-4.7	3.3	6.9	3.1	-2.0	5.3	-2.0	-7.0	12.0	8.7	20.3	15.7	.8	4.8
Equipment and software	7.3	8.9	6.5	9.3	13.2	5.6	1.2	7.3	13.0	12.3	6.3	7.9	11.0	2.8	15.6	-1.4	7.7	-4.8	1.7
Residential	9.9	8.6	-4.2	10.5	22.2	10.6	3.1	19.8	3.2	-6	11.1	20.0	7.1	-9	-3	-11.1	-18.7	-19.8	-15.8
Change in private inventories																			
Net exports of goods and services																			
Exports	9.2	6.8	8.9	-1.7	11.4	20.8	7.2	6.2	4.8	9.9	4.7	9.4	3.2	9.6	14.0	6.2	6.8	10.6	.7
Goods	9.0	7.5	10.5	-1.2	8.8	19.8	7.1	6.4	8.3	6.1	5.5	12.8	3.7	11.5	17.3	6.0	9.4	8.4	.2
Services	9.7	5.1	5.4	-2.8	17.5	23.1	7.5	5.6	-2.8	19.2	2.9	2.0	2.1	5.5	6.7	6.7	.8	16.3	1.9
Imports	10.8	6.1	5.8	4.1	3.7	17.6	10.2	16.0	4.4	12.0	4.1	1.4	2.5	13.2	9.1	1.4	5.6	-2.6	5.5
Goods	10.9	6.7	5.9	8.6	.6	17.2	10.1	17.7	4.7	12.6	4.9	2.0	2.7	14.1	9.4	-1	7.1	-4.1	6.0
Services	10.0	2.8	5.3	-15.7	21.2	19.6	10.9	7.6	3.1	9.0	-2	-1.5	1.2	8.3	7.4	9.9	-2.6	6.2	2.8
Government consumption expenditures and gross investment	1.9	.9	2.1	6.1	1.5	.7	2.9	2.2	1.3	-1.9	1.6	1.1	3.4	-1.1	4.9	.8	1.7	3.4	1.0
Federal	4.3	1.5	2.0	19.7	.4	3.1	7.2	2.5	5.0	-5.2	3.4	.4	9.6	-4.6	8.8	-4.5	1.3	4.6	-3.9
National defense	5.9	1.7	1.9	36.3	-5.3	8.1	9.1	2.0	9.1	-9.1	4.5	2.9	11.2	-9.9	8.9	-2.0	-1.2	12.3	-7.4
Nondefense	1.2	1.1	2.1	-6.4	12.4	-6.0	3.6	3.5	-2.9	3.4	1.2	-4.4	6.2	7.1	8.5	-9.3	6.5	-9.6	3.6
State and local .....	.5	.5	2.1	-8	2.1	-6	.5	2.1	-9	.1	.6	1.5	-1	1.0	2.7	4.0	1.9	2.7	3.9
Addenda:																			
Final sales of domestic product	3.5	3.5	3.1	4.5	6.9	2.1	3.4	2.6	4.0	2.6	3.3	5.6	4.4	-3	5.6	2.1	1.9	3.7	1.7
Gross domestic purchases	4.4	3.3	3.2	4.0	6.6	3.0	4.4	5.5	3.1	3.3	3.4	2.4	4.0	2.7	5.3	2.0	2.0	.8	1.4
Final sales to domestic purchasers	4.0	3.6	2.9	5.1	6.1	2.5	4.0	4.1	4.0	3.2	3.3	4.6	4.2	.7	5.4	1.6	2.0	1.9	2.4
Gross national product (GNP)	3.8	3.1	3.3	4.1	7.3	3.5	3.5	2.9	3.3	2.0	3.6	3.0	4.9	.5	6.1	2.3	1.8	3.5	.8
Disposable personal income	3.6	1.2	2.6	5.0	6.3	1.7	3.9	2.4	2.8	7.5	-4.0	.5	-6	5.5	4.6	-1.5	3.2	6.4	4.8
Current-dollar measures:																			
GDP	6.9	6.3	6.3	4.8	9.7	4.9	7.8	7.9	5.3	5.9	7.0	5.8	7.6	5.1	9.0	5.9	3.8	4.1	4.9
Final sales of domestic product	6.5	6.7	6.1	5.8	9.1	4.4	7.3	6.4	6.2	5.9	6.9	8.2	7.8	3.0	9.1	5.5	3.8	5.4	5.9
Gross domestic purchases	7.6	6.9	6.4	4.7	9.1	4.9	8.9	9.7	5.8	7.0	6.7	5.8	8.5	6.3	8.2	6.1	4.2	1.0	5.1
Final sales to domestic purchasers	7.2	7.2	6.1	5.7	8.5	4.4	8.5	8.3	6.7	7.0	6.7	8.1	8.8	4.3	8.2	5.7	4.2	2.1	6.1
GNP	6.7	6.2	6.3	5.4	9.6	5.8	7.4	6.7	5.4	5.3	7.2	5.6	8.4	3.8	9.6	5.7	3.7	5.2	5.0
Disposable personal income	6.4	4.1	5.5	5.7	8.9	3.2	7.7	6.0	4.7	10.7	-1.8	3.6	3.5	8.6	6.8	2.5	5.7	5.4	8.5

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

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

	2004	2005	2006	Seasonally adjusted at annual rates																
				2003			2004				2005				2006				2007	
				II	III	IV	I	II	III	IV	I	II	III	IV	I	II	III	IV	I ^r	
Percent change at annual rate:																				
Gross domestic product	3.9	3.2	3.3	3.5	7.5	2.7	3.9	4.0	3.1	2.6	3.4	3.3	4.2	1.8	5.6	2.6	2.0	2.5	0.7	
Percentage points at annual rates:																				
Personal consumption expenditures	2.71	2.44	2.24	2.53	4.13	1.59	3.30	2.07	2.74	2.97	1.94	2.94	2.76	.53	3.38	1.81	1.96	2.93	2.89	
Durable goods .....	.54	.45	.41	1.35	1.39	.06	.51	.14	.71	.50	.20	1.02	.74	-1.08	1.50	-.01	.50	.35	.67
Motor vehicles and parts .....	.07	.02	-.04	.65	.46	-.29	.09	-.14	.22	.17	-.29	.50	.38	-1.51	.60	-.04	.28	-.15	.38
Furniture and household equipment .....	.35	.29	.36	.49	.67	.27	.33	.28	.36	.21	.27	.28	.40	.33	.65	.10	.20	.38	.27
Other .....	.11	.14	.09	.21	.26	.08	.10	.01	.13	.12	.21	.24	-.03	.10	.26	-.06	.03	.12	.03
Nondurable goods .....	.73	.90	.76	.45	1.53	.36	.86	.34	.74	1.07	1.04	.98	.70	.79	1.20	.30	.32	1.18	.65
Food .....	.33	.51	.41	.04	.61	.02	.54	.16	.28	.70	.53	.55	.61	.39	.64	.19	-.07	.62	.14
Clothing and shoes .....	.14	.17	.14	.29	.31	-.02	.32	-.14	.18	.19	.17	.25	.08	.27	.23	-.10	.15	.18	.21
Gasoline, fuel oil, and other energy goods .....	.02	-.01	-.02	-.02	.10	.06	0	0	-.04	.01	.12	-.10	-.15	-.06	-.03	.02	.14	.03	.14
Other .....	.24	.23	.23	.14	.52	.30	0	.32	.32	.16	.21	.28	.16	.19	.36	.19	.11	.35	.17
Services	1.45	1.09	1.07	.73	1.21	1.18	1.92	1.59	1.30	1.39	.70	.94	1.32	.83	.67	1.52	1.14	1.41	1.57	
Housing .....	.40	.30	.24	.18	.35	.40	.49	.42	.37	.32	.29	.28	.24	.18	.24	.25	.27	.33	.24
Household operation .....	.10	.08	-.02	0	.02	.17	.11	.10	.06	.25	.01	.04	.09	.01	-.58	.31	.35	.13	.30
Electricity and gas .....	.02	.04	-.05	-.08	-.03	.12	.06	-.06	-.07	.25	0	0	.03	.03	-.58	.23	.32	.08	.26
Other household operation .....	.08	.04	.03	.08	.05	.05	.05	.16	.13	0	.01	.04	.06	-.02	0	.08	.04	.05	.04
Transportation .....	.03	0	.04	-.03	.03	.02	.05	.06	0	.04	.02	-.03	-.04	0	.10	.04	.03	.10	.08
Medical care .....	.37	.43	.42	.28	.28	.28	.33	.47	.53	.43	.32	.40	.53	.44	.52	.31	.25	.42	.51
Recreation .....	.14	.08	.06	.15	.13	.16	.18	.13	.09	.05	.13	.05	.05	.04	.09	.02	.08	.09	-.02
Other .....	.41	.20	.33	.16	.40	.15	.76	.42	.24	.30	-.07	.20	.44	.16	.31	.58	.15	.33	.46
Gross private domestic investment	1.49	.87	.70	.51	2.56	1.39	.74	3.17	.32	.82	1.32	-.61	.84	2.51	1.31	.17	-.13	-2.71	-1.59	
Fixed investment	1.11	1.17	.47	1.52	2.00	.83	.34	1.72	1.16	.77	1.22	1.62	1.02	.46	1.34	-.27	-.19	-1.54	-.62	
Nonresidential .....	.58	.67	.73	1.01	.92	.29	.18	.69	.97	.81	.59	.51	.59	.52	1.36	.45	1.01	-.34	.27
Structures .....	.06	.03	.26	.35	-.02	-.12	.08	.17	.08	-.05	.14	-.06	-.20	.31	.25	.56	.46	.03	.15
Equipment and software .....	.52	.64	.47	.66	.95	.41	.10	.52	.90	.86	.45	.56	.78	.21	1.11	-.10	.55	-.36	.12
Information processing equipment and software .....	.36	.30	.31	.13	.82	.70	.30	.05	.21	.33	.43	.29	.26	.25	.74	-.04	.35	-.07	.60
Computers and peripheral equipment .....	.10	.12	.10	0	.26	.21	-.03	-.03	.21	.17	.10	.10	.06	.16	.15	.03	.13	0	.26
Software .....	.15	.09	.10	.05	.32	.20	.17	.03	.12	.16	.03	.12	.07	.04	.18	.07	.09	.05	.13
Other .....	.11	.10	.11	.08	.23	.29	.16	.05	-.12	0	.30	.06	.13	.04	.40	-.14	.13	-.11	.21
Industrial equipment	-.05	.10	.07	.14	-.14	-.22	-.09	-.05	.19	.05	.16	-.07	.23	.19	-.05	.16	0	-.07	-.04	
Transportation equipment .....	.14	.15	0	.31	.01	-.13	-.08	.46	.39	.40	-.14	.11	.27	-.31	.31	-.32	.15	-.22	-.13
Other equipment .....	.07	.09	.08	.08	.26	.07	-.04	.06	.10	.08	.01	.24	.03	.08	.11	.09	.05	-.01	-.31
Residential .....	.53	.50	-.27	.51	1.08	.55	.16	1.03	.18	-.04	.63	1.11	.43	-.06	-.02	-.72	-1.20	-1.21	-.89
Change in private inventories .....	.38	-.30	.23	-1.01	.56	.56	.40	1.44	-.84	.05	.09	-.23	-.18	2.05	-.03	.44	.06	-1.16	-.97
Farm .....	.07	-.06	.03	-.16	-.06	-.05	.27	.61	-.48	-.38	.16	-.26	.28	.14	-.01	-.09	.02	-.01	.01
Nonfarm .....	.31	-.24	.21	-.85	.62	.60	.13	.84	-.35	.43	-.06	-1.97	-.46	1.90	-.02	.54	.05	-1.15	-.98
Net exports of goods and services	-.65	-.26	-.02	-.73	.51	-.47	-.73	-1.62	-.20	-.81	-.16	.72	-.06	-1.07	-.04	.42	-.19	1.59	-.81	
Exports .....	.88	.68	.93	-.16	1.02	1.81	.69	.60	.46	.96	.47	.94	.33	.97	1.41	.66	.73	1.14	.08
Goods .....	.60	.52	.76	-.08	.55	1.20	.47	.43	.55	.42	.38	.88	.27	.80	1.20	.45	.71	.65	.01
Services .....	.28	.16	.17	-.08	.47	.61	.22	.17	-.09	.54	.09	.06	.06	.17	.21	.21	.03	.50	.06
Imports	-1.53	-.94	-.95	-.57	-.51	-2.29	-1.42	-2.22	-.66	-1.77	-.63	-.22	-.39	-2.04	-1.46	-.24	-.93	.45	-.88	
Goods	-1.29	-.87	-.82	-.97	-.07	-1.86	-1.17	-2.03	-.59	-1.55	-.64	-.26	-.36	-1.84	-1.27	.01	-1.00	.61	-.81	
Services	-.24	-.07	-.14	.40	-.44	-.43	-.25	-.18	-.08	-.22	.01	.04	-.03	-.20	-.19	-.25	.07	-.16	-.07	
Government consumption expenditures and gross investment .....	.36	.17	.40	1.16	.29	.14	.55	.43	.24	-.37	.31	.21	.64	-.21	.94	.16	.32	.64	.19
Federal .....	.30	.11	.14	1.26	.03	.21	.49	.18	.34	-.38	.23	.03	.66	-.33	.61	-.32	.09	.31	-.28
National defense .....	.27	.08	.09	1.41	-.25	.35	.41	.09	.41	-.45	.21	.13	.52	-.49	.41	-.09	-.06	.55	-.36
Consumption expenditures .....	.22	.05	.05	1.30	-.32	.31	.40	0	.34	-.44	.25	.03	.45	-.47	.37	-.17	-.04	.43	-.30
Gross investment .....	.05	.03	.04	.12	.07	.05	0	.10	.08	-.01	-.04	.10	.07	-.02	.05	.08	-.02	.11	-.06
Nondefense .....	.03	.03	.05	-.16	.28	-.14	.09	.08	-.07	.08	.03	-.11	.14	.16	.20	-.23	.15	-.23	.08
Consumption expenditures .....	.03	0	.04	-.21	.27	-.12	.11	.03	-.06	.05	.01	-.09	.08	.05	.16	-.10	.13	-.19	.11
Gross investment	0	.02	.01	.06	.01	-.03	-.03	.05	-.01	.03	.01	-.02	.06	.11	.03	-.12	.02	-.04	-.03	
State and local .....	.06	.06	.26	-.10	.26	-.07	.06	.25	-.10	.01	.08	.18	-.01	.13	.33	.48	.23	.33	.47
Consumption expenditures .....	.10	.08	.18	-.07	-.04	.07	.19	.15	.08	.15	.02	.05	.14	.09	.17	.20	.30	.33	.26
Gross investment	-.04	-.02	.08	-.02	.30	-.15	-.13	.11	-.18	-.14	.06	.13	-.15	.03	.16	.28	-.08	0	.21	
Addenda:																				
Goods	1.56	1.43	1.90	.56	5.00	.81	1.20	.99	1.56	1.43	1.51	1.09	2.07	.97	3.86	1.12	1.17	1.25	-.32	
Services	1.84	1.31	1.37	2.06	1.15	1.63	2.59	1.74	1.48	1.47	1.07	1.04	2.02	.46	1.39	1.40	1.63	2.32	1.63	
Structures .....	.51	.49	.05	.85	1.33	.22	.05	1.31	.06	-.29	.82	1.13	.09	.33	.33	.04	-.84	-1.11	-.61
Motor vehicle output12	.20	-.06	.36	.30	-.23	.33	-.24	.52	.06	.38	-.03	.70	-.71	.12	-.31	.76	-1.18	.22	
Final sales of computers06	.16	.11	-.02	.50	.15	-.13	-.14	.15	.26	.16	.20	.08	.20	.07	.04	.07	.22	.02	

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

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

	Billions of current dollars						Billions of chained (2000) dollars						Change from preceding period			
	2006	Seasonally adjusted at annual rates					2006	Seasonally adjusted at annual rates					2006	2006		2007
		2006						2006						2006	2007	
		I	II	III	IV	I ^r		I	II	III	IV	I ^r					IV	I^{r}
Gross domestic product	13,246.6	13,008.4	13,197.3	13,322.6	13,458.2	13,620.2	11,415.3	11,316.4	11,388.1	11,443.5	11,513.0	11,532.8	366.7	69.5	19.8	
Personal consumption expenditures	9,268.9	9,079.2	9,228.1	9,346.7	9,421.8	9,601.0	8,091.4	8,003.8	8,055.0	8,111.2	8,195.9	8,280.7	250.2	84.7	84.8	
Durable goods	1,070.3	1,064.1	1,061.8	1,075.5	1,079.8	1,097.5	1,202.9	1,190.5	1,190.3	1,208.8	1,221.9	1,247.7	57.6	13.1	25.8	
Motor vehicles and parts	444.7	442.7	441.7	451.3	443.3	454.1	447.4	445.1	443.7	452.9	447.8	460.8	-5.5	-5.1	13.0	
Furniture and household equipment	404.6	402.3	401.3	403.2	411.4	416.3	550.5	538.5	542.9	551.7	569.1	581.7	59.9	17.4	12.6	
Other	221.0	219.1	218.8	221.0	225.2	227.1	224.5	224.6	222.5	223.4	227.5	228.3	11.9	4.1	8	
Non-durable goods	2,714.9	2,658.2	2,721.4	2,747.7	2,732.1	2,788.0	2,362.0	2,342.8	2,351.1	2,360.1	2,394.0	2,413.2	85.2	33.9	19.2	
Food	1,281.1	1,262.3	1,274.0	1,280.7	1,307.5	1,327.6	1,110.9	1,103.4	1,108.8	1,124.5	1,126.8	1,128.4	45.2	17.7	3.9	
Clothing and shoes	358.6	355.4	355.1	358.7	363.3	373.0	392.5	391.1	387.4	392.6	399.1	406.7	19.8	6.5	7.6	
Gasoline, fuel oil, and other energy goods	338.3	316.2	359.1	369.4	308.5	326.0	197.6	196.0	196.3	198.7	199.3	202.2	-1.9	.6	2.9	
Other	736.8	724.2	733.3	738.9	750.8	761.5	671.1	662.6	668.3	671.5	682.2	687.4	27.2	10.7	5.2	
Services	5,483.7	5,356.8	5,444.9	5,523.5	5,609.8	5,715.6	4,550.4	4,494.5	4,535.4	4,566.6	4,605.2	4,648.6	113.8	38.6	43.4	
Housing	1,382.2	1,345.4	1,370.1	1,394.2	1,419.2	1,439.9	1,148.7	1,137.6	1,144.5	1,151.7	1,160.8	1,167.5	26.1	9.1	6.7	
Household operation	506.4	494.8	499.1	512.3	519.2	538.8	416.2	404.3	412.5	422.1	425.8	434.0	-1.8	3.7	8.2	
Electricity and gas	212.2	206.2	206.9	216.6	219.2	235.2	149.9	141.7	147.0	154.4	156.4	162.5	-3.9	2.0	6.1	
Other household operation	294.1	288.6	292.2	295.7	300.0	303.6	267.4	264.8	267.0	268.6	270.9	270.9	3.3	1.5	1.3	
Transportation	337.1	330.4	335.9	339.5	342.7	346.6	288.4	286.3	287.5	288.5	291.2	293.4	4.0	2.7	2.2	
Medical care	1,588.5	1,557.2	1,578.2	1,597.5	1,621.0	1,660.1	1,305.0	1,292.6	1,300.9	1,307.6	1,319.0	1,333.0	44.1	11.4	14.0	
Recreation	379.4	372.4	377.2	382.7	385.1	385.8	319.7	317.5	318.1	320.4	323.0	322.5	6.6	2.6	-5	
Other	1,290.2	1,256.5	1,284.3	1,297.3	1,322.6	1,344.3	1,071.1	1,054.9	1,070.6	1,074.8	1,083.9	1,096.7	34.9	9.1	12.8	
Gross private domestic investment	2,212.5	2,214.8	2,237.1	2,235.5	2,162.6	2,119.3	1,945.6	1,963.6	1,968.5	1,964.8	1,885.6	1,838.8	79.3	-79.2	-46.8	
Fixed investment	2,162.9	2,167.7	2,174.8	2,171.4	2,137.6	2,126.4	1,894.7	1,914.6	1,906.8	1,901.3	1,856.3	1,838.1	52.7	-45.0	-18.2	
Nonresidential	1,396.2	1,359.2	1,384.3	1,420.8	1,420.5	1,436.6	1,312.4	1,288.8	1,302.8	1,334.2	1,323.7	1,332.3	88.6	-10.5	8.6	
Structures	411.2	378.2	406.3	426.9	433.5	439.1	274.0	259.6	271.9	282.0	282.6	285.9	22.5	.6	3.3	
Equipment and software	985.0	981.0	977.9	994.0	987.0	997.5	1,048.6	1,044.8	1,041.2	1,067.0	1,047.8	1,052.2	63.7	-12.9	4.4	
Information processing equipment and software	484.3	482.4	479.9	489.6	485.2	504.6	601.2	595.9	594.3	608.6	605.9	631.4	48.6	-2.7	25.5	
Computers and peripheral equipment	86.5	88.0	85.9	87.2	85.1	92.0	.....	.....	.....	.....	.....	.....	.....	.....	.....
Software	208.3	203.6	207.0	210.8	212.0	217.3	219.3	215.6	217.8	221.0	222.6	227.2	13.1	1.6	4.6	
Other	189.4	190.8	187.1	191.7	188.1	195.3	209.2	211.6	206.7	211.3	207.1	214.9	15.6	-4.2	7.8	
Industrial equipment	169.0	163.4	170.1	172.0	170.6	170.7	152.2	149.0	153.9	151.9	150.6	8.7	-2.0	-1.3		
Transportation equipment	158.5	165.7	155.9	157.5	154.8	155.4	145.7	152.2	142.7	147.3	140.5	136.5	.3	-6.8	-4.0	
Other equipment	173.2	169.4	172.1	174.9	176.5	166.8	157.1	154.3	157.1	158.6	158.3	149.0	9.8	-3	-9.3	
Residential	766.7	808.5	790.6	750.5	717.1	689.8	582.2	618.5	600.5	570.3	539.7	517.1	-25.8	-30.6	-22.6	
Change in private inventories	49.6	47.2	62.3	64.2	24.9	-7.1	43.2	41.2	53.7	55.4	22.4	-4.2	23.6	-33.0	-26.6	
Farm	3.1	5.4	2.3	2.5	2.2	2.1	2.8	4.3	1.9	2.5	2.4	2.6	-1	.2	.....
Nonfarm	46.5	41.8	59.9	61.6	22.7	-9.2	40.6	36.8	52.2	53.3	20.0	-7.5	21.0	-33.3	-27.5	
Net exports of goods and services	-762.5	-765.2	-781.8	-801.7	-701.2	-718.0	-618.0	-636.6	-624.2	-628.8	-582.6	-606.2	1.2	46.2	-23.6	
Exports	1,466.2	1,405.4	1,488.1	1,488.3	1,523.0	1,540.9	1,302.8	1,269.3	1,288.5	1,310.0	1,343.5	1,345.7	106.7	33.5	2.2	
Goods	1,035.4	989.3	1,019.1	1,055.8	1,077.4	1,088.5	931.4	906.2	919.5	940.4	959.5	960.0	88.2	19.1	.5	
Services	430.8	416.0	429.0	432.5	445.6	452.4	372.0	363.6	369.5	370.3	384.5	386.3	19.1	14.2	1.8	
Imports	2,228.7	2,170.6	2,229.8	2,291.0	2,224.2	2,258.9	1,920.9	1,905.9	1,912.7	1,938.8	1,926.1	1,951.9	105.6	-12.7	25.8	
Goods	1,879.5	1,832.6	1,879.0	1,938.8	1,867.5	1,898.2	1,641.5	1,631.9	1,631.7	1,660.1	1,642.6	1,666.6	91.6	-17.5	24.0	
Services	349.2	338.1	350.8	351.3	356.6	360.7	281.6	276.6	283.2	281.3	285.5	287.5	14.1	4.2	2.0	
Government consumption expenditures and gross investment	2,527.7	2,479.6	2,513.9	2,542.1	2,575.1	2,617.8	1,998.4	1,987.1	1,991.2	1,999.4	2,016.1	2,021.1	40.4	16.7	5.0	
Federal	926.6	921.7	919.7	927.2	937.7	943.1	741.9	745.1	736.6	738.9	747.2	739.8	14.4	8.3	-7.4	
National defense	621.0	613.5	616.5	618.1	635.8	633.5	492.8	491.8	489.3	487.8	502.2	492.7	9.2	14.4	-9.5	
Consumption expenditures	542.0	537.7	537.7	539.3	553.0	552.7	418.1	419.0	414.7	413.7	424.8	417.2	4.8	11.1	-7.6	
Gross investment	79.0	75.8	78.8	78.8	82.7	80.9	76.4	74.0	76.5	75.9	79.4	77.4	5.2	3.5	-2.0	
Nondefense	305.6	308.2	303.2	309.0	301.9	309.6	248.9	253.1	247.0	250.9	244.7	246.8	5.2	-6.2	2.1	
Consumption expenditures	266.1	265.9	264.6	269.8	264.0	272.5	211.2	212.8	210.1	213.4	208.5	211.2	3.9	-4.9	2.7	
Gross investment	39.5	42.4	38.6	39.3	37.9	37.1	38.2	41.1	37.2	37.8	36.4	35.6	1.5	-1.4	-8	
State and local	1,601.1	1,557.9	1,594.2	1,614.9	1,637.4	1,674.7	1,256.4	1,242.0	1,254.4	1,260.3	1,268.7	1,281.0	26.0	8.4	12.3	
Consumption expenditures	1,288.3	1,256.2	1,280.7	1,300.0	1,316.5	1,341.2	1,006.0	996.1	1,001.2	1,009.0	1,017.5	1,024.2	18.0	8.5	6.7	
Gross investment	312.8	301.7	313.5	315.0	320.9	333.5	250.2	245.7	253.1	251.1	251.0	256.6	8.1	-1	5.6	
Residual .....	.....	.....	.....	.....	.....	.....	-85.8	-78.7	-77.6	-88.3	-97.4	-119.4	.....	.....	.....
Addenda:																
Final sales of domestic product	13,197.0	12,961.2	13,135.1	13,258.4	13,433.3	13,627.2	11,365.8	11,269.0	11,328.0	11,381.6	11,484.5	11,532.2	340.6	102.9	47.7	
Gross domestic purchases	14,009.1	13,773.6	13,979.1	14,124.3	14,159.4	14,338.2	12,027.3	11,946.3	12,005.9	12,066.6	12,090.6	12,133.6	367.6	24.0	43.0	
Final sales to domestic purchasers	13,959.5	13,726.4	13,916.8	14,060.1	14,134.5	14,345.3	11,977.8	11,898.7	11,945.9	12,004.7	12,062.0	12,132.8	341.7	57.3	70.8	
Gross domestic product	13,246.6	13,008.4	13,197.3	13,322.6	13,458.2	13,620.2	11,415.3	11,316.4	11,388.1	11,443.5	11,513.0					

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

	2004	2005	2006	Seasonally adjusted at annual rates															
				2003			2004				2005				2006				2007
				II	III	IV	I	II	III	IV	I	II	III	IV	I	II	III	IV	I ^r
Gross domestic product (GDP)	2.8	3.0	2.9	1.3	2.1	2.2	3.7	3.7	2.1	3.2	3.5	2.4	3.3	3.3	3.3	3.3	1.9	1.7	4.2
Personal consumption expenditures	2.6	2.9	2.7	.7	2.4	1.5	3.7	3.6	1.9	3.0	2.3	3.1	4.1	2.9	2.0	4.0	2.4	-1.0	3.5
Durable goods	-1.6	-7	-1.3	-4.2	-4.0	-3.5	0	.3	-2.3	.3	.3	-6	-2.9	-1.3	-1.0	-8	-1.1	-2.7	-1.9
Nondurable goods	3.3	3.6	3.1	-2.9	3.9	.5	5.7	6.0	1.1	4.4	1.1	4.8	9.0	.6	1.1	8.3	2.3	-7.7	5.0
Services	3.2	3.2	3.4	3.5	3.0	3.0	3.5	3.2	3.1	3.0	3.2	3.1	3.2	5.0	3.1	2.9	3.0	2.9	3.8
Gross private domestic investment	3.3	3.4	3.2	-7	1.3	3.5	4.2	4.5	3.6	3.7	3.0	2.7	3.7	4.3	3.7	3.1	.6	3.4	1.9
Fixed investment	3.4	3.5	3.3	-8	1.3	3.5	4.3	4.6	3.6	3.7	3.1	2.7	4.0	4.6	3.8	3.0	.5	3.4	1.8
Nonresidential	1.2	2.6	2.9	-1.3	.7	1.4	1.0	2.1	1.4	2.6	3.6	2.0	2.2	3.5	3.7	3.0	.9	3.1	2.0
Structures	6.2	11.3	11.4	-2	2.3	4.2	6.7	7.8	10.2	12.0	11.6	9.2	13.2	16.8	12.4	10.7	5.3	5.5	.5
Equipment and software	-4	-4	-2	-1.7	.1	.4	-9	.2	-1.5	-5	.9	-4	-1.5	-1.0	.6	.1	-9	2.1	2.6
Residential	7.3	5.1	4.0	.2	2.6	7.7	10.5	9.0	7.4	5.6	2.3	3.8	6.9	6.3	3.8	2.9	-1	3.9	1.6
Change in private inventories																			
Net exports of goods and services																			
Exports	3.7	3.6	3.3	1.1	.9	3.0	6.1	5.0	1.8	4.0	4.6	3.6	2.6	2.8	2.3	6.1	4.5	-9	4.1
Goods	3.7	3.1	3.3	1.6	-7	4.1	6.5	5.2	1.1	3.6	4.4	3.0	1.3	2.3	2.8	6.2	5.3	0	4.0
Services	3.5	4.8	3.3	-2	4.7	.7	5.0	4.5	3.5	5.0	5.1	4.9	5.6	4.2	1.2	6.0	2.5	-3.1	4.3
Imports	5.0	6.3	4.3	-3.9	2.6	.4	9.7	7.3	5.5	6.7	2.6	9.2	10.2	4.3	-7	9.8	5.4	-8.6	.9
Goods	5.0	6.5	4.5	-6.7	2.5	.5	10.1	7.9	5.4	6.8	1.8	10.1	11.3	5.1	-1.6	10.6	5.8	-10.2	.7
Services	5.1	5.4	3.4	11.8	3.1	0	8.0	4.4	6.2	6.3	6.8	5.1	4.3	-1	4.5	5.5	3.2	.1	1.8
Government consumption expenditures and gross investment	4.4	5.6	4.4	1.3	2.5	2.2	6.8	5.3	4.6	5.7	7.0	4.6	5.9	4.7	4.4	4.8	2.8	1.8	5.8
Federal	4.7	4.8	3.5	1.5	1.0	1.1	11.5	5.3	2.2	2.9	11.3	2.2	3.3	.4	7.6	3.8	2.0	0	6.5
National defense	4.7	5.1	3.4	1.4	1.2	1.3	10.5	5.8	2.8	3.2	11.6	2.4	3.4	1.0	6.7	4.1	2.3	-3	6.4
Nondefense	4.7	4.1	3.5	1.6	.6	.6	13.7	4.3	.9	2.3	10.6	1.8	3.2	-7	9.5	3.2	1.4	.8	6.7
State and local	4.3	6.2	4.9	1.1	3.3	2.9	4.1	5.3	6.1	7.4	4.6	6.1	7.4	7.3	2.6	5.4	3.4	2.9	5.3
Addenda:																			
Final sales of domestic product	2.8	3.0	3.0	1.3	2.1	2.2	3.7	3.7	2.1	3.2	3.5	2.4	3.3	3.3	3.3	3.3	1.9	1.7	4.2
Gross domestic purchases	3.1	3.5	3.1	.6	2.2	1.9	4.3	4.1	2.6	3.6	3.2	3.3	4.4	3.5	2.7	4.0	2.2	.2	3.7
Final sales to domestic purchasers	3.1	3.5	3.1	.6	2.2	1.9	4.3	4.1	2.6	3.6	3.2	3.3	4.4	3.5	2.7	4.0	2.2	.2	3.6
Gross national product (GNP)	2.8	3.0	2.9	1.3	2.1	2.2	3.7	3.7	2.1	3.2	3.5	2.4	3.3	3.2	3.3	3.3	1.9	1.7	4.2
Implicit price deflators:																			
GDP	2.8	3.0	2.9	1.3	2.1	2.2	3.8	3.7	2.1	3.2	3.4	2.5	3.3	3.3	3.3	3.3	1.9	1.6	4.2
Gross domestic purchases	3.1	3.5	3.1	.6	2.3	1.9	4.3	4.0	2.6	3.6	3.2	3.4	4.3	3.5	2.7	4.0	2.1	.2	3.7
GNP	2.8	3.0	2.9	1.3	2.1	2.2	3.8	3.7	2.1	3.2	3.4	2.5	3.3	3.3	3.3	3.3	1.9	1.6	4.2

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

Table 5.—Real Gross Domestic Product, Quantity Indexes

[Index numbers, 2000=100]

	2004	2005	2006	Seasonally adjusted				
				2006				2007
				I	II	III	IV	I ^r
Gross domestic product	109.031	112.546	116.281	115.274	116.004	116.569	117.277	117.478
Personal consumption expenditures	112.430	116.349	120.062	118.761	119.521	120.355	121.612	122.870
Durable goods	125.753	132.666	139.329	137.893	137.868	140.019	141.534	144.523
Nondurable goods	111.913	116.924	121.301	120.313	120.742	121.204	122.947	123.929
Services	110.055	112.925	115.822	114.398	115.440	116.234	117.215	118.320
Gross private domestic investment	102.026	107.537	112.109	113.143	113.429	113.215	108.649	105.955
Fixed investment	102.080	109.708	112.851	114.033	113.570	113.240	110.561	109.478
Nonresidential	92.995	99.326	106.519	104.606	105.738	108.292	107.440	108.132
Structures	79.418	80.302	87.496	82.893	86.819	90.044	90.228	91.281
Equipment and software	98.400	107.180	114.121	113.704	113.313	115.434	114.032	114.504
Residential	125.281	136.050	130.283	138.391	134.368	127.601	120.770	115.703
Change in private inventories								
Exports of goods and services	102.201	109.105	118.841	115.783	117.536	119.495	122.549	122.755
Imports of goods and services	115.962	123.007	130.162	129.146	129.608	131.378	130.516	132.264
Government consumption expenditures and gross investment	112.720	113.731	116.081	115.423	115.657	116.136	117.107	117.398
Federal	123.813	125.701	128.191	128.728	127.262	127.669	129.106	127.814
State and local	107.094	107.660	109.934	108.682	109.762	110.277	111.016	112.088
Addenda:								
Final sales of domestic product	109.096	112.958	116.447	115.455	116.060	116.609	117.663	118.152
Gross domestic purchases	110.691	114.351	117.956	117.161	117.746	118.341	118.577	118.998
Final sales to domestic purchasers	110.761	114.755	118.125	117.345	117.810	118.390	118.955	119.653
Gross national product	109.039	112.399	116.090	115.085	115.753	116.260	117.263	117.485

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

Table 6.—Price Indexes for Gross Domestic Product

[Index numbers, 2000=100]

	2004	2005	2006	Seasonally adjusted				
				2006				2007
				I	II	III	IV	I ^r
Gross domestic product	109.429	112.744	116.062	114.967	115.905	116.446	116.930	118.131
Personal consumption expenditures (PCE)	108.373	111.493	114.556	113.445	114.573	115.241	114.966	115.955
Durable goods	90.845	90.198	88.981	89.385	89.206	88.967	88.366	87.954
Nondurable goods	107.617	111.530	114.959	113.484	115.769	116.442	114.141	115.553
Services	112.863	116.529	120.509	119.194	120.059	120.960	121.824	122.960
Gross private domestic investment	106.645	110.284	113.834	112.860	113.717	113.895	114.864	115.418
Fixed investment	106.811	110.542	114.178	113.238	114.074	114.224	115.175	115.704
Nonresidential	100.834	103.428	106.390	105.471	106.266	106.501	107.321	107.847
Structures	120.951	134.647	149.972	145.684	149.432	151.372	153.402	153.606
Equipment and software	94.503	94.134	93.926	93.887	93.920	93.704	94.194	94.804
Residential	120.618	126.714	131.757	130.765	131.696	131.655	132.911	133.436
Change in private inventories								
Exports of goods and services	105.151	108.949	112.537	110.737	112.400	113.631	113.379	114.519
Imports of goods and services	104.678	111.268	116.043	113.918	116.608	118.143	115.503	115.757
Government consumption expenditures and gross investment	114.718	121.183	126.484	124.791	126.262	127.150	127.731	129.530
Federal	115.249	120.726	124.892	123.721	124.871	125.482	125.495	127.495
State and local	114.417	121.463	127.434	125.434	127.095	128.147	129.061	130.743
Addenda:								
PCE excluding food and energy	107.314	109.559	111.974	110.983	111.738	112.337	112.838	113.512
Market-based PCE ¹	107.393	110.339	113.171	112.116	113.272	113.879	113.417	114.437
Market-based PCE excluding food and energy ¹	105.865	107.713	109.706	108.810	109.524	110.033	110.457	111.109
Final sales of domestic product	109.455	112.783	116.115	115.025	115.961	116.498	116.978	118.176
Gross domestic purchases	109.210	112.981	116.498	115.313	116.455	117.080	117.145	118.202
Final sales to domestic purchasers	109.235	113.021	116.552	115.371	116.510	117.133	117.192	118.246
Gross national product	109.419	112.733	116.055	114.958	115.897	116.440	116.924	118.123
Implicit price deflators:								
Gross domestic product	109.426	112.737	116.043	114.951	115.887	116.420	116.895	118.100
Final sales of domestic product	109.455	112.783	116.112	115.017	115.952	116.490	116.969	118.167
Gross domestic purchases	109.207	112.975	116.477	115.296	116.435	117.053	117.110	118.170
Final sales to domestic purchasers	109.235	113.021	116.544	115.360	116.499	117.122	117.182	118.236
Gross national product	109.416	112.726	116.036	114.942	115.879	116.414	116.889	118.091

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 in appendix table A.
See "Explanatory Note" at the end of the tables.

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

	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Gross domestic product (GDP)	-0.2	3.3	2.7	4.0	2.5	3.7	4.5	4.2	4.5	3.7	0.8	1.6	2.5	3.9	3.2	3.3
Personal consumption expenditures .....	.2	3.3	3.3	3.7	2.7	3.4	3.8	5.0	5.1	4.7	2.5	2.7	2.8	3.9	3.5	3.2
Durable goods	-5.6	5.9	7.8	8.4	4.4	7.8	8.6	11.3	11.7	7.3	4.3	7.1	5.8	6.4	5.5	5.0
Nondurable goods	-2	2.0	2.7	3.5	2.2	2.6	2.7	4.0	4.6	3.8	2.0	2.5	3.2	3.6	4.5	3.7
Services	1.7	3.5	2.8	2.9	2.6	2.9	3.3	4.2	4.0	4.5	2.4	1.9	1.9	3.5	2.6	2.6
Gross private domestic investment	-8.1	8.1	8.9	13.6	3.1	8.9	12.4	9.8	7.8	5.7	-7.9	-2.6	3.6	9.8	5.4	4.3
Fixed investment	-6.5	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	7.5	2.9
Nonresidential	-5.4	3.2	8.7	9.2	10.5	9.3	12.1	11.1	9.2	8.7	-4.2	-9.2	1.0	5.9	6.8	7.2
Structures	-11.1	-6.0	-7	1.8	6.4	5.6	7.3	5.1	-4	6.8	-2.3	-17.1	-4.1	2.2	1.1	9.0
Equipment and software	-2.6	7.3	12.5	11.9	12.0	10.6	13.8	13.3	12.7	9.4	-4.9	-6.2	2.8	7.3	8.9	6.5
Residential	-9.6	13.8	8.2	9.6	-3.2	8.0	1.9	7.6	6.0	8	.4	4.8	8.4	9.9	8.6	-4.2
Change in private inventories																
Net exports of goods and services																
Exports	6.6	6.9	3.2	8.7	10.1	8.4	11.9	2.4	4.3	8.7	-5.4	-2.3	1.3	9.2	6.8	8.9
Goods	6.9	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	7.5	10.5
Services	6.0	5.5	3.2	6.3	6.3	7.2	5.9	2.9	5.6	2.9	-3.7	1.9	0	9.7	5.1	5.4
Imports	-6	7.0	8.8	11.9	8.0	8.7	13.6	11.6	11.5	13.1	-2.7	3.4	4.1	10.8	6.1	5.8
Goods	-1	9.3	10.1	13.3	9.0	9.3	14.4	11.7	12.4	13.5	-3.2	3.7	4.9	10.9	6.7	5.9
Services	-2.6	-2.6	2.9	5.7	3.3	5.5	9.4	11.4	6.9	11.1	-3	2.1	0	10.0	2.8	5.3
Government consumption expenditures and gross investment	1.1	5	-9	0	5	1.0	1.9	1.9	3.9	2.1	3.4	4.4	2.5	1.9	.9	2.1
Federal	-2	-1.7	-4.2	-3.7	-2.7	-1.2	-1.0	-1.1	2.2	.9	3.9	7.0	6.8	4.3	1.5	2.0
National defense	-1.1	-5.0	-5.6	-4.9	-3.8	-1.4	-2.8	-2.1	1.9	-5	3.9	7.4	8.7	5.9	1.7	1.9
Nondefense	2.4	6.9	-7	-1.2	-4	-7	2.6	.7	2.8	3.5	3.9	6.3	3.4	1.2	1.1	2.1
State and local	2.1	2.2	1.4	2.6	2.6	2.3	3.6	3.6	4.7	2.7	3.2	3.1	.2	.5	.5	2.1
Addenda:																
Final sales of domestic product .....	.1	3.0	2.6	3.4	3.0	3.7	4.0	4.2	4.5	3.8	1.6	1.2	2.5	3.5	3.5	3.1
Gross domestic purchases	-8	3.3	3.2	4.4	2.4	3.8	4.8	5.3	5.3	4.4	.9	2.2	2.8	4.4	3.3	3.2
Final sales to domestic purchasers	-6	3.1	3.2	3.8	2.8	3.8	4.3	5.3	5.4	4.5	1.8	1.8	2.8	4.0	3.6	2.9
Gross national product	-3	3.3	2.7	3.9	2.6	3.7	4.4	4.0	4.6	3.7	.8	1.5	2.7	3.8	3.1	3.3
Real disposable personal income .....	.5	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	1.2	2.6
Price indexes:																
Gross domestic purchases	3.3	2.3	2.2	2.1	2.1	1.8	1.4	.6	1.6	2.5	2.0	1.6	2.3	3.1	3.5	3.1
Gross domestic purchases excluding food and energy	3.5	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	2.8	2.7
GDP	3.5	2.3	2.3	2.1	2.0	1.9	1.7	1.1	1.4	2.2	2.4	1.7	2.1	2.8	3.0	2.9
GDP excluding food and energy	3.6	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	3.0	2.9
Personal consumption expenditures	3.6	2.9	2.3	2.1	2.1	2.2	1.7	.9	1.7	2.5	2.1	1.4	2.0	2.6	2.9	2.7

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

	2003			2004				2005				2006				2007
	II	III	IV	I	II	III	IV	I	II	III	IV	I	II	III	IV	I ^r
Gross domestic product (GDP)	1.8	3.1	3.7	4.3	4.5	3.4	3.4	3.3	3.1	3.4	3.1	3.7	3.5	3.0	3.1	1.9
Personal consumption expenditures (PCE)	2.3	3.2	3.4	4.1	3.9	3.5	4.0	3.5	3.8	3.8	2.9	3.4	3.0	2.7	3.6	3.5
Durable goods	5.5	6.7	8.3	9.8	6.1	4.2	5.6	4.7	7.4	7.5	2.5	6.6	3.4	2.8	7.4	4.8
Nondurable goods	2.5	4.3	3.9	4.0	3.8	2.9	3.8	4.0	4.8	4.7	4.4	4.5	3.6	3.2	3.7	3.0
Services	1.6	2.0	2.2	3.0	3.5	3.6	3.7	3.0	2.6	2.6	2.3	2.3	2.6	2.5	2.9	3.4
Gross private domestic investment	1.6	4.4	7.0	8.6	13.2	9.2	8.2	9.0	2.8	3.6	6.3	6.2	7.4	5.9	-2.1	-6.4
Fixed investment	1.9	5.4	7.2	7.9	8.2	6.7	6.6	8.0	7.7	7.4	6.8	6.9	3.9	2.0	-1.1	-4.0
Nonresidential .....	.1	2.9	4.9	6.1	5.2	5.5	6.9	8.0	7.4	6.3	5.6	7.4	7.2	8.3	6.1	3.4
Structures	-3.9	-1	.2	2.9	1.1	2.0	2.7	3.2	1.0	-1.6	1.8	2.6	8.0	14.1	11.2	10.1
Equipment and software	1.5	3.9	6.6	7.2	6.7	6.7	8.3	9.7	9.8	9.3	7.0	9.2	6.8	6.0	4.0	.7
Residential	5.7	10.6	11.7	11.4	13.7	9.0	6.1	8.1	8.1	9.1	9.0	6.1	-1.5	-8.1	-12.8	-16.4
Change in private inventories																
Net exports of goods and services																
Exports	-1.9	.1	5.8	9.1	11.2	9.6	7.0	6.4	7.2	6.8	6.7	9.0	8.2	9.1	9.4	6.0
Goods	-1.6	-1	7.1	8.4	10.4	10.3	7.0	6.6	8.1	7.0	8.3	11.2	9.5	11.0	10.2	5.9
Services	-2.4	.5	3.0	10.9	13.2	7.9	7.1	5.9	5.0	6.3	3.1	4.0	5.2	4.9	7.5	6.2
Imports	3.3	2.8	4.8	8.8	11.7	11.9	10.6	9.0	5.4	4.9	5.2	6.4	6.4	7.2	3.3	2.4
Goods	4.7	3.2	5.3	9.0	11.2	12.3	11.2	9.8	6.0	5.5	5.8	6.9	6.4	7.5	2.9	2.1
Services	-3.3	1.0	2.2	7.9	14.7	10.1	7.6	4.8	2.5	2.0	1.9	3.7	6.6	5.6	5.1	4.0
Government consumption expenditures and gross investment	2.9	2.7	1.7	2.8	1.8	1.8	1.1	.8	5	1.0	1.2	2.1	2.0	1.6	2.7	1.7
Federal	8.0	7.3	5.5	7.4	3.3	4.4	2.3	1.3	.8	1.9	2.1	3.4	2.1	.1	2.4	-7
National defense	11.7	9.1	7.5	11.1	3.3	7.0	2.5	1.4	1.6	2.1	1.9	2.9	1.7	-1.3	4.3	-2
Nondefense	1.3	4.0	1.9	.6	3.2	-5	1.8	1.2	-7	1.5	2.4	4.2	2.9	2.9	-1.4	-2.5
State and local .....	.2	.3	-.4	.3	1.0	.3	.4	.5	.3	.5	.8	1.3	1.9	2.4	2.8	3.1
Addenda:																
Final sales of domestic product	1.8	3.2	3.7	4.2	3.7	3.0	3.1	3.1	3.9	4.0	3.2	3.8	2.9	2.3	3.3	2.3
Gross domestic purchases	2.3	3.3	3.6	4.5	4.9	4.0	4.1	3.8	3.0	3.3	3.1	3.6	3.5	3.0	2.5	1.6
Final sales to domestic purchasers	2.4	3.4	3.7	4.4	4.2	3.6	3.8	3.6	3.8	3.8	3.2	3.7	3.0	2.4	2.7	2.0
Gross national product	2.2	3.3	3.9	4.6	4.3	3.3	2.9	3.0	3.0	3.4	3.0	3.6	3.4	2.7	3.4	2.1
Real disposable personal income	1.3	3.3	3.7	4.2	3.6	2.7	4.1	2.1	1.6	.8	.3	2.5	2.0	2.9	3.2	3.2
Price indexes:																
Gross domestic purchases	2.1	2.3	2.2	2.2	3.1	3.2	3.7	3.4	3.2	3.6	3.6	3.5	3.6	3.1	2.3	2.5
Gross domestic purchases excluding food and energy	1.8	1.9	1.9	2.1	2.6	2.8	3.0	3.0	2.8	2.8	2.8	2.7	2.9	2.8	2.6	2.6
GDP	2.1	2.2	2.2	2.3	2.9	2.9	3.2	3.1	2.8	3.1	3.1	3.1	3.3	2.9	2.5	2.8
GDP excluding food and energy	1.9	1.9	1.9	2.1	2.6	2.9	3.1	3.1	2.9	2.9	3.0	2.9	3.1	2.9	2.7	2.7
PCE	1.8	1.9	1.9	2.0	2.8	2.7	3.0	2.7	2.6	3.1	3.1	3.0	3.3	2.8	1.9	2.2
PCE excluding food and energy	1.4	1.3	1.4	1.8	2.1	2.1	2.2	2.2	2.0	2.0	2.1	2.0	2.2	2.4	2.2	2.3
Market-based PCE ¹	1.7	1.8	1.6	1.7	2.4	2.3	2.7	2.5	2.4	3.1	3.0	2.9	3.2	2.6	1.6	2.1
Market-based PCE excluding food and energy ¹	1.2	1.1	1.0	1.3	1.5	1.4	1.7	1.8	1.7	1.7	1.8	1.6	1.9	2.0	1.9	2.1

^r Revised

1.

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

[Billions of dollars]

	2004	2005	2006	Seasonally adjusted at annual rates				
				2006				2007
				I	II	III	IV	I ^r
Gross domestic product	11,712.5	12,455.8	13,246.6	13,008.4	13,197.3	13,322.6	13,458.2	13,620.2
Plus: Income receipts from the rest of the world	410.2	513.3	665.6	603.3	661.4	682.3	715.5	733.7
Less: Income payments to the rest of the world	363.9	481.5	635.7	574.3	638.6	665.7	664.4	679.8
Equals: Gross national product	11,758.7	12,487.7	13,276.5	13,037.4	13,220.1	13,339.2	13,509.3	13,674.0
Less: Consumption of fixed capital	1,436.2	1,604.8	1,576.9	1,548.0	1,572.8	1,582.0	1,604.6	1,618.4
Less: Statistical discrepancy	66.7	71.0	-11.4	-61.9	35.8	23.5	-43.0	-12.2
Equals: National income	10,255.9	10,811.8	11,711.0	11,551.3	11,611.5	11,733.7	11,947.6	12,065.8
Compensation of employees	6,650.3	7,030.3	7,498.4	7,400.3	7,425.5	7,489.3	7,678.7	7,750.6
Wage and salary accruals	5,377.1	5,664.8	6,043.6	5,970.1	5,980.9	6,027.6	6,195.6	6,241.9
Supplements to wages and salaries	1,273.2	1,365.5	1,454.9	1,430.3	1,444.5	1,461.6	1,483.1	1,508.6
Proprietors' income with inventory valuation and capital consumption adjustments	911.1	970.7	1,015.1	1,008.3	1,011.9	1,014.8	1,025.3	1,039.1
Rental income of persons with capital consumption adjustment	127.0	72.8	77.4	76.8	71.4	78.3	83.1	85.3
Corporate profits with inventory valuation and capital consumption adjustments	1,182.6	1,330.7	1,615.7	1,569.1	1,591.8	1,653.3	1,648.4	1,671.4
Net interest and miscellaneous payments	485.1	483.4	509.3	514.8	513.2	498.6	510.4	509.0
Taxes on production and imports less subsidies	819.4	865.1	912.5	897.4	914.0	916.8	921.9	931.5
Business current transfer payments	85.5	74.2	92.6	93.8	93.1	92.8	90.8	92.4
Current surplus of government enterprises	-5.0	-15.4	-9.9	-9.2	-9.4	-10.2	-10.9	-13.4
Addendum:								
Gross domestic income	11,645.8	12,384.8	13,258.0	13,070.3	13,161.6	13,299.1	13,501.2	13,630.4

r Revised

Table 10.—Personal Income and Its Disposition

[Billions of dollars]

	2004	2005	2006	Seasonally adjusted at annual rates				
				2006				2007
				I	II	III	IV	I ^r
Personal income ¹	9,731.4	10,239.2	10,891.2	10,721.4	10,807.3	10,939.4	11,096.6	11,352.9
Compensation of employees, received	6,665.3	7,030.3	7,485.9	7,400.3	7,425.5	7,489.3	7,628.7	7,800.6
Wage and salary disbursements	5,392.1	5,664.8	6,031.1	5,970.1	5,980.9	6,027.6	6,145.6	6,291.9
Supplements to wages and salaries	1,273.2	1,365.5	1,454.9	1,430.3	1,444.5	1,461.6	1,483.1	1,508.6
Proprietors' income with inventory valuation and capital consumption adjustments	911.1	970.7	1,015.1	1,008.3	1,011.9	1,014.8	1,025.3	1,039.1
Farm	36.2	30.2	22.6	23.9	17.5	21.7	27.3	31.7
Nonfarm	874.9	940.4	992.5	984.4	994.3	993.2	998.0	1,007.5
Rental income of persons with capital consumption adjustment	127.0	72.8	77.4	76.8	71.4	78.3	83.1	85.3
Personal income receipts on assets	1,427.9	1,519.4	1,656.3	1,602.3	1,647.7	1,683.6	1,691.6	1,734.4
Personal interest income	890.8	945.0	1,016.7	989.1	1,019.2	1,035.8	1,022.8	1,045.0
Personal dividend income	537.1	574.4	639.6	613.2	628.5	647.8	668.8	689.4
Personal current transfer receipts	1,426.5	1,526.6	1,602.2	1,570.4	1,589.7	1,618.6	1,629.9	1,685.3
Less: Contributions for government social insurance	826.4	880.6	945.7	936.7	938.8	945.2	961.9	991.8
Less: Personal current taxes	1,049.8	1,203.1	1,362.1	1,332.6	1,361.0	1,362.5	1,392.3	1,449.4
Equals: Disposable personal income	8,681.6	9,036.1	9,529.1	9,388.8	9,446.2	9,577.0	9,704.3	9,903.5
Less: Personal outlays	8,507.2	9,070.9	9,625.5	9,418.5	9,577.0	9,710.0	9,796.5	9,970.2
Equals: Personal saving	174.3	-34.8	-96.4	-29.7	-130.8	-133.0	-92.2	-66.8
Personal saving as a percentage of disposable personal income	2.0	-4	-1.0	-3	-1.4	-1.4	-9	-7
Addendum:								
Disposable personal income, billions of chained (2000) dollars ²	8,010.8	8,104.6	8,318.6	8,276.8	8,245.4	8,311.0	8,441.7	8,541.5

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						
	2004	2005	2006	Seasonally adjusted at annual rates					2005	2006	Quarterly rates				Quarter one year ago
				2006				2007			2006			2007	
				I	II	III	IV				I ^r	II	III		IV	I^{r}	I^{r}
Corporate profits with inventory valuation and capital consumption adjustments	1,182.6	1,330.7	1,615.7	1,569.1	1,591.8	1,653.3	1,648.4	1,671.4	12.5	21.4	1.4	3.9	-0.3	1.4	6.5
Less: Taxes on corporate income	300.1	399.3	474.9	456.9	476.1	490.6	476.2	479.7	33.1	18.9	4.2	3.0	-2.9	.7	5.0
Equals: Profits after tax with inventory valuation and capital consumption adjustments	882.5	931.4	1,140.7	1,112.1	1,115.7	1,162.7	1,172.3	1,191.7	5.5	22.5	.3	4.2	.8	1.7	7.2
Net dividends	539.5	576.9	642.2	615.7	631.1	650.4	671.4	692.0	6.9	11.3	2.5	3.1	3.2	3.1	12.4
Undistributed profits with inventory valuation and capital consumption adjustments	343.0	354.5	498.6	496.4	484.6	512.4	500.9	499.7	3.4	40.6	-2.4	5.7	-2.2	-2	.7
Cash flow:															
Net cash flow with inventory valuation and capital consumption adjustments	1,139.2	1,211.3	1,364.9	1,349.2	1,350.3	1,380.5	1,379.4	1,382.9	6.3	12.7	.1	2.2	-1	.3	2.5
Undistributed profits with inventory valuation and capital consumption adjustments	343.0	354.5	498.6	496.4	484.6	512.4	500.9	499.7	3.4	40.6	-2.4	5.7	-2.2	-2	.7
Consumption of fixed capital	796.2	856.8	866.3	852.8	865.6	868.2	878.5	883.2	7.6	1.1	1.5	.3	1.2	.5	3.6
Less: Inventory valuation adjustment	-39.8	-32.6	-34.4	-22.9	-58.9	-38.2	-17.5	-32.8							
Equals: Net cash flow	1,178.9	1,243.9	1,399.2	1,372.1	1,409.2	1,418.8	1,396.9	1,415.7	5.5	12.5	2.7	.7	-1.5	1.3	3.2
Addenda:															
Profits before tax (without inventory valuation and capital consumption adjustments)	1,144.3	1,518.7	1,810.9	1,740.6	1,811.5	1,854.0	1,837.6	1,861.6	32.7	19.2	4.1	2.3	-9	1.3	7.0
Profits after tax (without inventory valuation and capital consumption adjustments)	844.2	1,119.4	1,336.0	1,283.7	1,335.4	1,363.4	1,361.5	1,382.0	32.6	19.4	4.0	2.1	-1	1.5	7.7
Inventory valuation adjustment	-39.8	-32.6	-34.4	-22.9	-58.9	-38.2	-17.5	-32.8							
Capital consumption adjustment	78.1	-155.5	-160.9	-148.6	-160.8	-162.4	-171.7	-157.4							

r Revised

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

(Billions of dollars)

	Level								Change from preceding period						
	2004	2005	2006	Seasonally adjusted at annual rates					2005	2006	2006				2007
				2006				2007			2006				
				I	II	III	IV				I ^r	II	III	IV	I ^r
Corporate profits with inventory valuation and capital consumption adjustments	1,182.6	1,330.7	1,615.7	1,569.1	1,591.8	1,653.3	1,648.4	1,671.4	148.1	285.0	22.7	61.5	-4.9	23.0	
Domestic industries	1,006.3	1,133.7	1,372.6	1,343.0	1,351.9	1,418.7	1,376.6	1,379.3	127.4	238.9	8.9	66.8	-42.1	2.7	
Financial	353.7	369.4	474.0	442.2	483.9	474.8	495.3	472.2	15.7	104.6	41.7	-9.1	20.5	-23.1	
Nonfinancial	652.6	764.2	898.5	900.9	868.1	943.9	881.3	907.0	111.6	134.3	-32.8	75.8	-62.6	25.7	
Rest of the world	176.3	197.0	243.1	226.1	239.9	234.6	271.9	292.1	20.7	46.1	13.8	-5.3	37.3	20.2	
Receipts from the rest of the world	302.0	338.0	403.8	376.3	402.0	408.9	428.1	438.2	36.0	65.8	25.7	6.9	19.2	10.1	
Less: Payments to the rest of the world	125.8	141.0	160.7	150.2	162.1	174.2	156.2	146.1	15.2	19.7	11.9	12.1	-18.0	-10.1	
Corporate profits with inventory valuation adjustment	1,104.5	1,486.1	1,776.6	1,717.7	1,752.6	1,815.8	1,820.2	1,828.8	381.6	290.5	34.9	63.2	4.4	8.6	
Domestic industries	928.2	1,289.1	1,533.4	1,491.6	1,512.7	1,581.1	1,548.3	1,536.7	360.9	244.3	21.1	68.4	-32.8	-11.6	
Financial	344.2	389.0	498.7	463.9	508.2	500.1	522.7	498.9	44.8	109.7	44.3	-8.1	22.6	-23.8	
Federal Reserve banks	20.0	26.6	33.8	30.9	33.7	35.8	34.7	38.5	6.6	7.2	2.8	2.1	-1.1	3.8	
Other financial	324.1	362.5	464.9	433.0	474.4	464.3	488.0	460.4	38.4	102.4	41.4	-10.1	23.7	-27.6	
Nonfinancial	584.0	900.1	1,034.7	1,027.7	1,004.5	1,081.0	1,025.6	1,037.7	316.1	134.6	-23.2	76.5	-55.4	12.1	
Utilities	16.2	30.3	48.6	39.7	46.8	52.8	54.9	52.5	14.1	18.3	7.1	6.0	2.1	-2.4	
Manufacturing	150.2	254.8	311.7	300.7	289.9	331.9	324.5	346.1	104.6	56.9	-10.8	42.0	-7.4	21.6	
Durable goods	31.3	73.8	108.0	102.2	78.7	115.9	135.2	141.1	42.5	34.2	-23.5	37.2	19.3	5.9	
Fabricated metal products	12.3	20.6	26.2	25.7	24.1	24.8	30.1	30.9	8.3	5.6	-1.6	.7	5.3	.8	
Machinery	7.0	13.8	19.2	19.1	18.3	18.5	21.1	24.6	6.8	5.4	-8	.2	2.6	3.5	
Computer and electronic products	-6.7	3.9	13.4	12.3	13.1	13.2	15.1	18.3	10.6	9.5	.8	.1	1.9	3.2	
Electrical equipment, appliances, and components .....	.2	5.7	10.0	8.4	6.8	10.3	14.6	16.6	5.5	4.3	-1.6	3.5	4.3	2.0
Motor vehicles, bodies and trailers, and parts	-11.2	-17.9	-17.9	-18.2	-25.4	-16.6	-11.3	-8.8	-6.7	0	-7.2	8.8	5.3	2.5	
Other durable goods	29.7	47.7	57.0	54.9	41.9	65.7	65.6	59.5	18.0	9.3	-13.0	23.8	-1	-6.1	
Nondurable goods	118.9	181.0	203.7	198.5	211.2	216.0	189.3	205.0	62.1	22.7	12.7	4.8	-26.7	15.7	
Food and beverage and tobacco products	22.4	28.5	31.9	29.6	29.5	34.4	33.9	32.0	6.1	3.4	-1	4.9	-5	-1.9	
Petroleum and coal products	49.3	70.4	84.3	74.5	92.4	101.1	69.4	76.9	21.1	13.9	17.9	8.7	-31.7	7.5	
Chemical products	23.8	45.3	49.1	54.1	53.6	46.6	41.9	54.7	21.5	3.8	-5	-7.0	-4.7	12.8	
Other nondurable goods	23.4	36.8	38.5	40.1	35.7	33.9	44.2	41.4	13.4	1.7	-4.4	-1.8	10.3	-2.8	
Wholesale trade	69.9	97.6	106.0	107.2	98.3	125.1	93.7	103.3	27.7	8.4	-8.9	26.8	-31.4	9.6	
Retail trade	89.3	113.7	130.1	123.0	121.2	131.3	145.0	138.7	24.4	16.4	-1.8	10.1	13.7	-6.3	
Transportation and warehousing	11.8	21.0	34.7	27.3	38.6	39.6	33.3	31.5	9.2	13.7	11.3	1.0	-6.3	-1.8	
Information	37.7	77.5	87.7	89.8	85.9	83.3	91.9	106.6	39.8	10.2	-3.9	-2.6	8.6	14.7	
Other nonfinancial	208.8	305.2	315.8	340.1	323.9	317.1	282.2	258.9	96.4	10.6	-16.2	-6.8	-34.9	-23.3	
Rest of the world	176.3	197.0	243.1	226.1	239.9	234.6	271.9	292.1	20.7	46.1	13.8	-5.3	37.3	20.2	

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

	2004	2005	2006	Seasonally adjusted at annual rates				
				2006				I ^r
				I	II	III	IV	
Billions of dollars								
Gross value added of nonfinancial corporate business	5,932.9	6,369.7	6,858.6	6,788.2	6,790.0	6,898.9	6,957.1	7,047.3
Consumption of fixed capital	686.2	739.7	744.8	733.7	744.4	746.3	754.9	758.6
Net value added	5,246.7	5,630.1	6,113.7	6,054.5	6,045.7	6,152.6	6,202.2	6,288.7
Compensation of employees	3,873.4	4,099.7	4,390.5	4,341.0	4,350.6	4,382.5	4,487.7	4,541.6
Wage and salary accruals	3,158.4	3,335.1	3,573.5	3,537.5	3,539.7	3,562.5	3,654.4	3,695.0
Supplements to wages and salaries	714.9	764.6	816.9	803.5	811.0	820.0	833.3	846.6
Taxes on production and imports less subsidies	522.9	558.1	584.4	576.7	585.3	586.5	589.3	594.8
Net operating surplus	850.4	972.2	1,138.8	1,136.8	1,109.7	1,183.7	1,125.2	1,152.3
Net interest and miscellaneous payments	137.8	156.6	178.3	175.1	180.0	177.2	180.7	181.2
Business current transfer payments	60.0	51.4	62.1	60.9	61.7	62.5	63.2	64.0
Corporate profits with inventory valuation and capital consumption adjustments	652.6	764.2	898.5	900.9	868.1	943.9	881.3	907.0
Taxes on corporate income	185.3	251.4	285.4	280.9	283.3	299.6	277.8	287.9
Profits after tax with inventory valuation and capital consumption adjustments	467.4	512.9	613.1	620.0	584.8	644.3	603.4	619.1
Net dividends	366.9	228.5	411.3	377.7	392.8	407.5	467.3	419.0
Undistributed profits with inventory valuation and capital consumption adjustments	100.5	284.4	201.8	242.3	192.0	236.8	136.1	200.1
Addenda:								
Profits before tax (without inventory valuation and capital consumption adjustments)	623.8	932.6	1,069.1	1,050.6	1,063.5	1,119.2	1,043.0	1,070.6
Profits after tax (without inventory valuation and capital consumption adjustments)	438.6	681.3	783.7	769.7	780.2	819.6	765.2	782.7
Inventory valuation adjustment	-39.8	-32.6	-34.4	-22.9	-58.9	-38.2	-17.5	-32.8
Capital consumption adjustment	68.6	-135.8	-136.2	-126.8	-136.5	-137.1	-144.3	-130.7
Billions of chained (2000) dollars								
Gross value added of nonfinancial corporate business ¹	5,630.0	5,852.9	6,133.8	6,111.2	6,069.0	6,158.9	6,196.2	6,218.4
Consumption of fixed capital ²	650.9	681.6	670.5	666.1	669.2	672.0	674.6	676.8
Net value added ³	4,979.2	5,171.2	5,463.3	5,445.0	5,399.8	5,486.9	5,521.6	5,541.6
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 business ⁴	1.054	1.088	1.118	1.111	1.119	1.120	1.123	1.133
Compensation of employees (unit labor cost) .....	.688	.700	.716	.710	.717	.712	.724	.730
Unit nonlabor cost .....	.250	.257	.255	.253	.260	.255	.256	.257
Consumption of fixed capital .....	.122	.126	.121	.120	.123	.121	.122	.122
Taxes on production and imports less subsidies plus business current transfer payments .....	.104	.104	.105	.104	.107	.105	.105	.106
Net interest and miscellaneous payments .....	.024	.027	.029	.029	.030	.029	.029	.029
Corporate profits with inventory valuation and capital consumption adjustments (unit profits from current production) .....	.116	.131	.146	.147	.143	.153	.142	.146
Taxes on corporate income .....	.033	.043	.047	.046	.047	.049	.045	.046
Profits after tax with inventory valuation and capital consumption adjustments .....	.083	.088	.100	.101	.096	.105	.097	.100

r Revised

1. The current-dollar gross value added is deflated using the gross value added chain-type price index for non-financial 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

	2004	2005	2006	Seasonally adjusted at annual rates															
				2003			2004				2005				2006				2007
				II	III	IV	I	II	III	IV	I	II	III	IV	I	II	III	IV	I ^r
Gross domestic product (GDP) and related aggregates:																			
GDP	3.9	3.2	3.3	3.5	7.5	2.7	3.9	4.0	3.1	2.6	3.4	3.3	4.2	1.8	5.6	2.6	2.0	2.5	0.7
Goods	4.9	4.6	6.2	1.6	16.2	2.5	3.7	3.0	5.0	4.6	4.9	3.5	6.7	3.1	12.8	3.6	3.8	4.0	-1.0
Services	3.2	2.3	2.3	3.6	1.9	2.8	4.5	3.0	2.5	2.5	1.8	1.8	3.5	.8	2.4	2.4	2.8	4.1	2.8
Structures	5.2	4.6	.5	9.2	14.1	2.2	.5	13.6	.6	-2.7	8.0	11.1	.7	3.1	2.9	.3	-7.4	-9.9	-5.7
Motor vehicle output	3.5	5.9	-1.7	10.9	8.9	-6.5	9.9	-7.1	16.6	1.9	12.0	-7	22.6	-19.1	3.8	-9.4	27.4	-32.0	7.7
GDP excluding motor vehicle output	3.9	3.1	3.5	3.2	7.4	3.0	3.6	4.5	2.7	2.6	3.1	3.4	3.6	2.6	5.6	3.0	1.2	3.8	.5
Final sales of computers ¹	8.2	24.5	16.8	-2.5	90.4	20.0	-16.0	-17.4	23.0	42.8	24.3	31.5	11.6	33.8	9.5	6.7	11.7	40.9	3.2
GDP excluding final sales of computers	3.9	3.1	3.2	3.5	7.0	2.5	4.0	4.2	3.0	2.4	3.3	3.1	4.1	1.6	5.6	2.5	1.9	2.2	.7
Farm gross value added ²	7.4	1.0	4.8	26.6	-34.7	-36.1	120.0	-17.4	19.4	23.7	-2.0	-24.6	11.3	8.1	14.1	3.9	-2.0	-.9	-14.6
Nonfarm business gross value added ³	4.3	3.8	3.8	4.3	11.0	1.6	3.6	5.2	3.2	2.4	4.2	4.4	4.9	1.8	6.7	2.7	1.9	2.9	.6
Price indexes:																			
GDP	2.8	3.0	2.9	1.3	2.1	2.2	3.7	3.7	2.1	3.2	3.5	2.4	3.3	3.3	3.3	3.3	1.9	1.7	4.2
GDP excluding food and energy	2.7	3.0	2.9	1.1	1.7	2.1	3.4	3.4	2.6	3.1	3.4	2.4	2.8	3.3	3.1	3.0	2.2	2.3	3.2
GDP excluding final sales of computers	2.9	3.2	3.1	1.4	2.2	2.3	3.8	3.7	2.2	3.4	3.7	2.6	3.4	3.4	3.4	3.5	2.0	1.8	4.3
Gross domestic purchases	3.1	3.5	3.1	.6	2.2	1.9	4.3	4.1	2.6	3.6	3.2	3.3	4.4	3.5	2.7	4.0	2.2	.2	3.7
Gross domestic purchases excluding food and energy	2.7	2.8	2.7	1.3	1.8	2.0	3.5	3.3	2.5	2.9	3.4	2.3	2.5	3.0	3.0	2.9	2.2	2.4	2.9
Gross domestic purchases excluding final sales of computers to domestic purchasers	3.2	3.7	3.3	.7	2.4	2.0	4.4	4.2	2.8	3.8	3.4	3.5	4.6	3.7	2.9	4.2	2.3	.3	3.8
Personal consumption expenditures (PCE)	2.6	2.9	2.7	.7	2.4	1.5	3.7	3.6	1.9	3.0	2.3	3.1	4.1	2.9	2.0	4.0	2.4	-1.0	3.5
PCE excluding food and energy	2.0	2.1	2.2	1.3	1.8	1.6	2.5	2.5	1.7	2.3	2.4	1.9	1.6	2.5	2.1	2.7	2.2	1.8	2.4
Market-based PCE ⁴	2.3	2.7	2.6	.3	2.2	.9	3.3	3.4	1.5	2.9	2.1	3.1	4.3	2.5	1.7	4.2	2.2	-1.6	3.6
Market-based PCE excluding food and energy ⁴	1.5	1.7	1.9	1.0	1.4	.9	1.7	1.9	1.2	1.8	2.2	1.7	1.2	1.9	1.6	2.7	1.9	1.6	2.4

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1. Some components of final sales of computers include 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 2004-05 annual percent change in real GDP uses prices for 2004 and 2005 as weights, and the 2004-05 annual percent change in GDP prices uses quantities for 2004 and 2005 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, and 8. 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.