



## NEWS RELEASE



EMBARGOED UNTIL RELEASE AT 8:30 A.M. EDT, FRIDAY, APRIL 28, 2006

Virginia H. Mannering: (202) 606-5304  
Recorded message: (202) 606-5306

BEA 06-17

### **GROSS DOMESTIC PRODUCT: FIRST QUARTER 2006 (ADVANCE)**

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 4.8 percent in the first quarter of 2006, according to advance estimates released by the Bureau of Economic Analysis. In the fourth quarter, real GDP increased 1.7 percent.

The Bureau emphasized that the first-quarter "advance" estimates are based on source data that are incomplete or subject to further revision by the source agency (see the box on page 3). The first-quarter "preliminary" estimates, based on more comprehensive data, will be released on May 25, 2006.

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

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

Final sales of computers contributed 0.11 percentage point to the first-quarter growth in real GDP after contributing 0.33 percentage point to the fourth-quarter growth. Motor vehicle output subtracted 0.23 percentage point from the first-quarter growth in real GDP after subtracting 0.64 percentage point from the fourth-quarter growth.

---

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. Price indexes are chain-type measures.

This new release is available on BEA's Web site at [www.bea.gov/bea/rels.htm](http://www.bea.gov/bea/rels.htm).

- more -

The price index for gross domestic purchases, which measures prices paid by U.S. residents, increased 2.7 in the first quarter, compared with an increase of 3.7 percent in the fourth. Excluding food and energy prices, the price index for gross domestic purchases increased 3.1 percent in the first quarter, compared with an increase of 3.2 percent in the fourth. About 0.1 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 5.5 percent in the first quarter, compared with an increase of 0.9 percent in the fourth. Durable goods purchases increased 20.6 percent, in contrast to a decrease of 16.6 percent. Nondurable goods increased 5.4 percent, compared with an increase of 5.0 percent. Services expenditures increased 2.8 percent, compared with an increase of 2.6 percent.

Real nonresidential fixed investment increased 14.3 percent in the first quarter, compared with an increase of 4.5 percent in the fourth. Nonresidential structures increased 8.6 percent, compared with an increase of 3.1 percent. Equipment and software increased 16.4 percent, compared with an increase of 5.0 percent. Real residential fixed investment increased 2.6 percent, compared with an increase of 2.8 percent.

Real exports of goods and services increased 12.1 percent in the first quarter, compared with an increase of 5.1 percent in the fourth. Real imports of goods and services increased 13.0 percent, compared with an increase of 12.1 percent.

Real federal government consumption expenditures and gross investment increased 10.8 percent in the first quarter, in contrast to a decrease of 2.6 percent in the fourth. National defense increased 10.3 percent, in contrast to a decrease of 8.9 percent. Nondefense increased 11.7 percent, the same as in the fourth quarter. Real state and local government consumption expenditures and gross investment was unchanged in the first quarter; state and local government expenditures and gross investment increased 0.2 percent in the fourth.

The real change in private inventories subtracted 0.52 percentage point from the first-quarter change in real GDP after adding 1.89 percentage points to the fourth-quarter change. Private businesses increased inventories \$21.9 billion in the first quarter, following an increase of \$37.9 billion in the fourth quarter and a decrease of \$13.3 billion in the third.

Real final sales of domestic product -- GDP less change in private inventories -- increased 5.4 percent in the first quarter, in contrast to a decrease of 0.2 percent in the fourth.

### **Gross domestic purchases**

Real gross domestic purchases -- purchases by U.S. residents of goods and services wherever produced -- increased 5.4 percent in the first quarter, compared with an increase of 2.9 percent in the fourth.

### **Disposition of personal income**

Current-dollar personal income increased \$170.7 billion (6.7 percent) in the first quarter, compared with an increase of \$233.3 billion (9.4 percent) in the fourth.

Personal current taxes increased \$38.5 billion in the first quarter, compared with an increase of \$20.6 billion in the fourth.

Disposable personal income increased \$132.2 billion (5.8 percent) in the first quarter, compared with an increase of \$212.7 billion (9.8 percent) in the fourth. Real disposable personal income increased 3.8 percent, compared with an increase of 6.7 percent.

Personal outlays increased \$166.9 billion (7.4 percent) in the first quarter, compared with an increase of \$84.6 billion (3.7 percent) in the fourth. Personal saving -- disposable personal income less personal outlays -- was a negative \$50.5 billion in the first quarter, compared with a negative \$15.8 billion in the fourth. The personal saving rate -- saving as a percentage of disposable personal income -- decreased from a negative 0.2 percent in the fourth quarter to a negative 0.5 percent in the first. Saving from current income may be near zero or negative when outlays are financed by borrowing (including borrowing financed through credit cards or home equity loans), by selling investments or other assets, or by using savings from previous periods. For more information, see the FAQs on "Personal Saving" on BEA's Web site.

### **Current-dollar GDP**

Current-dollar GDP -- the market value of the nation's output of goods and services -- increased 8.2 percent, or \$254.8 billion, in the first quarter to a level of \$13,020.9 billion. In the fourth quarter, current-dollar GDP increased 5.2 percent, or \$160.4 billion.

Information on the assumptions used for unavailable source data is provided in a technical note that is posted with the news release on BEA's Web site. Within a few days after the release, a detailed "Key Source Data and Assumptions" file is posted on the Web site. In the middle of each month, an analysis of the current quarterly estimates of GDP and related series is made available on the Web site; click on *Survey of Current Business*, "GDP and the Economy."

\* \* \*

BEA's national, international, regional, and industry estimates; the *Survey of Current Business*; and BEA news releases are available without charge on BEA's Web site at [www.bea.gov](http://www.bea.gov). By visiting the site, you can also subscribe to receive free e-mail summaries of BEA releases and announcements.

Summary BEA estimates are available on recorded messages at the time of public release at the following telephone numbers:

(202) 606-5306 Gross domestic product  
(202) 606-5303 Personal income and outlays

\* \* \*

Next release – May 25, 2006, at 8:30 A.M. EDT for:  
Gross Domestic Product: First Quarter 2006 (Preliminary)  
Corporate Profits: First Quarter 2006

**Comparisons of Revisions to GDP**

Quarterly estimates of GDP are released on the following schedule: “Advance” estimates, based on source data that are incomplete or subject to further revision by the source agency, are released near the end of the first month after the end of the quarter; as more detailed and more comprehensive data become available, “preliminary” and “final” estimates are released near the end of the second and third months, respectively. The “latest” estimates reflect the results of both annual and comprehensive revisions.

Annual revisions, which cover the quarters of the 3 most recent calendar years, are usually carried out each summer and incorporate more comprehensive data including annual surveys. Comprehensive (or benchmark) revisions are carried out at about 5-year intervals and incorporate major periodic source data, as well as improvements in concepts and methods that update the accounts to portray more accurately the evolving U.S. economy.

The table below shows comparisons of the revisions between quarterly percent changes of current-dollar and real GDP for the different vintages of the estimates. From the advance estimate to the preliminary estimate (one month later), the average revision to real GDP without regard to sign is 0.5 percentage point, while from the advance estimate to the final estimate (two months later), it is 0.6 percentage point. From the advance estimate to the latest estimate, the average revision without regard to sign is 1.3 percentage points. The average revision (with regard to sign) from the advance estimate to the latest estimate is 0.4 percentage point, which is larger than the average revisions from the advance estimate to the preliminary or to the final estimates. The larger average revisions to the latest estimate reflect the fact that comprehensive revisions include major improvements such as the introduction of chain indexes and the capitalization of software. The current quarterly estimates correctly indicate the direction of change of real GDP 98 percent of the time, correctly indicate whether it is accelerating or decelerating 74 percent of the time, and correctly indicate whether real GDP growth is above, near, or below trend growth more than three-fifths of the time.

**Revisions Between Quarterly Percent Changes of GDP: Vintage Comparisons**  
[Annual rates]

Vintages compared	Average	Average without regard to sign	Standard deviation of average without regard to sign
<b><u>Current-dollar GDP</u></b>			
Advance to preliminary.....	0.1	0.5	0.4
Advance to final.....	.2	.7	.4
Preliminary to final.....	.0	.3	.2
Advance to latest.....	.4	1.2	.9
<b><u>Real GDP</u></b>			
Advance to preliminary.....	0.1	0.5	0.4
Advance to final.....	.1	.6	.4
Preliminary to final.....	.0	.3	.2
Advance to latest.....	.4	1.3	1.0

NOTE.--These comparisons are based on the period from 1983 through 2002.

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

	2003	2004	2005	Seasonally adjusted at annual rates															
				2002			2003				2004				2005				2006
				II	III	IV	I	II	III	IV	I	II	III	IV	I	II	III	IV	I
<b>Gross domestic product (GDP)</b> .....	2.7	4.2	3.5	2.2	2.4	0.2	1.7	3.7	7.2	3.6	4.3	3.5	4.0	3.3	3.8	3.3	4.1	1.7	4.8
<b>Personal consumption expenditures</b> .....	2.9	3.9	3.5	2.4	2.3	1.4	2.5	3.6	5.8	3.1	4.7	1.9	4.4	4.3	3.5	3.4	4.1	.9	5.5
Durable goods .....	6.6	6.0	4.5	3.6	11.5	-5.2	3.6	15.1	19.8	-3	4.4	4	10.8	5.5	2.6	7.9	9.3	-16.6	20.6
Nondurable goods .....	3.2	4.7	4.4	1.3	.3	3.6	3.2	1.9	8.3	3.1	6.6	2.6	3.9	5.5	5.3	3.6	3.5	5.0	5.4
Services .....	2.0	3.0	2.9	2.6	1.3	1.8	1.9	2.3	2.0	3.8	3.8	1.8	3.4	3.6	2.8	2.3	3.3	2.6	2.8
<b>Gross private domestic investment</b> .....	3.9	11.9	6.1	1.9	5.8	-1.0	-4	2.7	17.5	12.0	10.1	20.9	4.6	6.8	8.6	-3.7	5.3	16.1	6.5
Fixed investment .....	3.6	9.7	8.1	-1.4	-7	-1.4	.8	8.8	14.8	6.9	6.9	15.1	8.4	7.2	7.0	9.5	8.0	3.9	9.9
Nonresidential .....	1.3	9.4	8.6	-6.1	-2.0	-5.0	-1.1	8.4	11.2	4.4	7.9	13.5	11.8	10.4	5.7	8.8	8.5	4.5	14.3
Structures .....	-4.2	2.2	2.0	-19.0	-15.5	-5.3	-8.4	13.3	-1	1.3	-3.5	8.8	1.4	4.7	-2.0	2.7	2.2	3.1	8.6
Equipment and software .....	3.2	11.9	10.9	-9	3.3	-4.9	1.6	6.7	15.4	5.5	12.0	15.2	15.5	12.4	8.3	10.9	10.6	5.0	16.4
Residential .....	8.4	10.3	7.1	9.5	2.0	6.4	4.7	9.6	21.9	11.5	5.2	17.8	2.6	1.6	9.5	10.8	7.3	2.8	2.6
Change in private inventories .....																			
<b>Net exports of goods and services</b> .....																			
Exports .....	1.8	8.4	6.9	10.6	2.9	-3.1	-2.9	-2.1	11.5	19.1	5.0	6.9	5.5	7.1	7.5	10.7	2.5	5.1	12.1
Goods .....	1.8	8.9	7.3	14.2	2.2	-9.1	1.5	0	9.1	17.2	7.5	7.9	8.2	3.7	5.3	16.0	3.2	8.0	17.8
Services .....	1.7	7.4	6.0	2.7	4.6	11.7	-11.9	-6.6	17.2	23.7	-4	4.8	-6	15.5	12.5	-4	1.0	-1.4	-5
Imports .....	4.6	10.7	6.3	12.5	5.7	9.0	-2.5	3.3	4.1	16.5	12.0	14.5	4.7	11.3	7.4	-3	2.4	12.1	13.0
Goods .....	4.9	11.0	6.9	16.0	6.5	8.1	-2.6	6.3	.9	17.7	12.4	14.7	4.7	13.0	8.2	-1.1	3.5	13.5	14.2
Services .....	3.0	9.6	3.6	-3.0	1.7	14.0	-2.2	-10.2	21.4	10.7	10.0	13.7	4.6	3.1	3.7	4.4	-3.2	4.8	6.7
<b>Government consumption expenditures and gross investment</b> .....	2.8	2.2	1.8	4.8	2.3	4.8	-3	7.2	.5	.5	3.3	2.3	1.8	.9	1.9	2.5	2.9	-8	3.9
Federal .....	6.9	5.2	2.3	12.5	3.0	10.2	.3	22.1	-2.0	3.1	10.7	3.2	3.6	-6	2.4	2.4	7.4	-2.6	10.8
National defense .....	8.8	7.0	2.6	11.5	4.1	14.8	-3.6	37.4	-6.5	7.9	13.8	.8	9.0	-3.3	3.0	3.7	10.0	-8.9	10.3
Nondefense .....	3.4	1.8	1.8	14.1	1.2	2.1	8.0	-2.4	7.2	-5.8	4.9	8.1	-6.4	5.2	1.1	-2	2.4	11.7	11.7
State and local .....	.6	.4	1.5	1.0	1.9	2.0	-6	-3	2.0	-9	-7	1.8	.8	1.8	1.6	2.6	.2	.2	0
<b>Addenda:</b>																			
Final sales of domestic product .....	2.7	3.9	3.8	1.7	1.4	.1	1.9	4.6	6.9	2.8	3.8	2.6	4.6	3.3	3.5	5.6	4.6	-2	5.4
Gross domestic purchases .....	3.0	4.7	3.6	2.7	2.8	1.7	1.5	4.2	6.5	3.9	5.2	4.7	3.9	4.1	4.0	2.1	4.0	2.9	5.4
Final sales to domestic purchasers .....	3.0	4.4	3.9	2.2	1.8	1.6	1.7	5.0	6.1	3.2	4.8	3.8	4.5	4.1	3.7	4.2	4.5	1.1	5.9
Gross national product (GNP) .....	3.0	4.0	3.3	1.8	2.9	1.0	1.5	4.5	7.2	4.5	3.8	2.2	4.0	2.9	3.9	3.2	4.4	.7	.....
Disposable personal income .....	2.4	3.4	1.4	1.9	-1.6	.2	2.5	4.5	7.2	1.0	3.6	1.2	2.8	9.1	-3.4	.2	-1.4	6.7	3.8
<b>Current-dollar measures:</b>																			
GDP .....	4.8	7.0	6.4	3.7	3.9	2.4	4.8	4.8	9.3	5.5	8.1	7.5	5.3	6.1	7.0	6.0	7.6	5.2	8.2
Final sales of domestic product .....	4.8	6.6	6.8	3.2	3.0	2.4	5.1	5.7	8.8	4.8	7.5	6.6	6.1	6.2	6.7	8.3	8.1	3.2	8.9
Gross domestic purchases .....	5.3	7.7	6.9	5.2	4.4	3.9	5.7	4.6	8.6	5.6	9.7	9.0	5.9	7.4	7.0	5.5	8.4	6.7	8.2
Final sales to domestic purchasers .....	5.3	7.4	7.2	4.8	3.6	3.8	5.9	5.4	8.2	4.9	9.2	8.1	6.6	7.4	6.7	7.6	8.9	4.8	8.8
GNP .....	5.1	6.8	6.2	3.3	4.4	3.2	4.6	5.7	9.2	6.4	7.7	6.1	5.4	5.7	7.0	5.9	7.8	4.2	.....
Disposable personal income .....	4.3	6.1	4.3	4.7	.2	1.9	5.6	5.2	9.4	2.3	7.6	5.1	4.3	12.5	-1.3	3.5	2.3	9.8	5.8

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

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

	2003	2004	2005	Seasonally adjusted at annual rates															
				2002			2003				2004				2005				2006
				II	III	IV	I	II	III	IV	I	II	III	IV	I	II	III	IV	I
<b>Percent change at annual rate:</b>																			
Gross domestic product .....	2.7	4.2	3.5	2.2	2.4	0.2	1.7	3.7	7.2	3.6	4.3	3.5	4.0	3.3	3.8	3.3	4.1	1.7	4.8
<b>Percentage points at annual rates:</b>																			
<b>Personal consumption expenditures</b> .....	2.05	2.71	2.48	1.64	1.57	.97	1.70	2.55	4.13	2.15	3.27	1.33	3.05	3.01	2.44	2.35	2.85	.62	3.81
<b>Durable goods</b> .....	.57	.51	.37	.31	.98	-.47	.31	1.23	1.64	-.03	.38	.03	.88	.45	.22	.64	.76	-1.47	1.52
Motor vehicles and parts .....	.19	.06	-.03	.02	.89	-.75	.22	.53	.77	-.43	-.02	-.19	.44	.11	-.31	.27	.45	-1.92	.60
Furniture and household equipment .....	.26	.34	.28	.23	.06	.21	.03	.48	.63	.30	.31	.24	.34	.21	.32	.17	.37	.33	.64
Other .....	.11	.10	.13	.07	.02	.07	.06	.22	.23	.10	.08	-.02	.10	.14	.20	.06	.12	.27	
<b>Nondurable goods</b> .....	.63	.94	.90	.26	.06	.70	.63	.37	1.65	.61	1.31	.53	.78	1.09	1.07	.74	.73	1.02	1.11
Food .....	.25	.48	.49	.18	0	.20	.38	.05	.69	.20	.88	.27	.32	.63	.50	.42	.61	.50	.58
Clothing and shoes .....	.14	.17	.17	.04	-.05	.31	-.04	.27	.33	.04	.37	-.09	.17	.25	.15	.20	.08	.27	.21
Gasoline, fuel oil, and other energy goods .....	.01	.03	.04	.06	.04	-.04	-.01	-.04	.12	.07	-.04	.03	.02	.07	.21	-.11	-.11	.03	.02
Other .....	.22	.26	.21	-.01	.07	.23	.29	.09	.51	.31	.11	.33	.28	.14	.20	.23	.15	.21	.30
<b>Services</b> .....	.85	1.27	1.21	1.07	.54	.74	.76	.94	.84	1.57	1.58	.77	1.39	1.47	1.15	.97	1.36	1.08	1.18
Housing .....	.07	.30	.24	-.03	-.11	-.07	.08	.13	.24	.31	.39	.27	.29	.29	.23	.22	.20	.16	.19
Household operation .....	.05	.07	.10	.29	-.11	.19	.01	-.06	-.02	.25	.07	-.07	.04	.34	.07	-.02	.17	0	-.25
Electricity and gas .....	.02	.03	.06	.25	-.07	.23	-.05	-.13	-.07	.22	.02	-.11	-.05	.37	.02	-.08	.10	.03	-.25
Other household operation .....	.03	.05	.04	.04	-.04	-.04	.07	.07	.05	.03	.05	.05	.10	-.03	.05	.06	.08	-.02	0
Transportation .....	0	.03	.04	-.04	-.07	-.01	.07	-.05	.02	.13	-.01	0	-.01	.06	.06	.05	.11	.14	
Medical care .....	.49	.49	.56	.67	.59	.59	.45	.42	.31	.59	.37	.56	.64	.54	.53	.50	.66	.58	.59
Recreation .....	.10	.11	.06	.07	.04	.16	.04	.15	.07	.21	.17	0	.10	.02	.14	.02	.02	.10	.10
Other .....	.14	.26	.21	.12	.20	-.12	.10	.35	.22	.19	.44	.02	.33	.29	.11	.18	.26	.20	.40
<b>Gross private domestic investment</b> .....	.58	1.82	1.00	.30	.87	-.14	-.03	.42	2.53	1.78	1.52	3.10	.75	1.11	1.42	-.63	.87	2.54	1.11
<b>Fixed investment</b> .....	.54	1.47	1.29	-.23	-.12	-.21	.13	1.26	2.15	1.03	1.04	2.22	1.31	1.13	1.12	1.51	1.31	.65	1.64
Nonresidential .....	.13	.92	.88	-.66	-.21	-.52	-.10	.79	1.08	.43	.76	1.29	1.15	1.04	.58	.90	.88	.48	1.48
Structures .....	-.11	.06	.05	-.58	-.44	-.14	-.22	.32	0	.03	-.09	.22	.04	.12	-.05	.07	.06	.09	.24
Equipment and software .....	.24	.86	.82	-.09	.23	-.38	.12	.47	1.09	.40	.85	1.07	1.12	.92	.64	.83	.82	.39	1.24
Information processing equipment and software .....	.19	.49	.48	.06	.23	-.38	.21	.20	.79	.52	.61	.38	.31	.34	.72	.53	.42	.32	.54
Computers and peripheral equipment .....	.09	.19	.24	-.06	.16	-.04	.07	.10	.21	.17	.20	.18	.16	.27	.31	.23	.11	.28	.12
Software .....	.06	.11	.17	.15	.12	-.17	.04	.04	.29	.15	.08	.05	.10	.09	.22	.29	.14	.09	.08
Other .....	.05	.19	.08	-.03	-.05	-.17	.10	.05	.29	.20	.33	.16	.05	-.02	.18	.01	.17	-.06	.34
Industrial equipment .....	0	.04	.09	-.12	.08	.01	.15	-.12	-.04	-.14	.19	-.05	.30	.06	.23	-.27	.20	.16	.12
Transportation equipment .....	-.03	.15	.17	-.16	-.07	-.02	-.25	.36	.01	-.16	-.04	.56	.23	.39	-.16	.33	.18	-.19	.47
Other equipment .....	.08	.18	.09	.14	0	.02	.01	.04	.33	.18	.09	.18	.28	.13	-.14	.23	.02	.10	.10
Residential .....	.41	.55	.41	.43	.09	.30	.23	.47	1.07	.59	.28	.93	.15	.09	.54	.62	.43	.17	.16
<b>Change in private inventories</b> .....	.05	.35	-.29	.53	.98	.08	-.16	-.84	.38	.75	.48	.87	-.56	-.03	.29	-.2.14	-.43	1.89	-.52
Farm .....	.03	.03	-.07	-.39	.31	.03	.17	-.21	-.07	.19	-.20	.45	-.01	-.28	-.11	-.09	-.02	.02	.04
Nonfarm .....	.02	.32	-.22	.92	.67	.04	-.33	-.63	.45	.57	.68	.42	-.55	.25	.40	-.2.05	-.42	1.87	-.56
<b>Net exports of goods and services</b> .....	-.46	-.73	-.29	-.62	-.49	-.1.52	.08	-.66	.48	-.47	-.1.16	-.1.37	-.17	-.98	-.40	1.11	-.12	-.1.36	-.84
<b>Exports</b> .....	.17	.80	.70	.96	.27	-.31	-.29	-.20	1.04	1.69	.49	.67	.53	.70	.74	1.07	.26	.52	1.21
Goods .....	.12	.59	.51	.88	.14	-.64	.09	0	.58	1.05	.50	.53	.55	.25	.37	1.08	.23	.56	1.23
Services .....	.05	.22	.18	.08	.13	.33	-.38	-.20	.46	.64	-.01	.14	-.02	.44	.37	-.01	.03	-.05	-.02
<b>Imports</b> .....	-.63	-.1.53	-.98	-.1.58	-.76	-.1.21	.37	-.46	-.56	-.2.16	-.1.65	-.2.03	-.70	-.1.68	-.1.14	.04	-.38	-.1.88	-.2.05
Goods .....	-.56	-.1.30	-.89	-.1.65	-.72	-.90	.32	-.71	-.10	-.1.91	-.1.41	-.1.71	-.59	-.1.60	-.1.05	.15	-.46	-.1.76	-.1.88
Services .....	-.07	-.23	-.09	.07	-.04	-.31	.05	.26	-.46	-.25	-.23	-.32	-.11	-.08	-.10	-.11	.09	-.12	-.17
<b>Government consumption expenditures and gross investment</b> .....	.53	.41	.34	.88	.43	.89	-.05	1.37	.11	.10	.62	.43	.35	.17	.35	.47	.54	-.15	.74
<b>Federal</b> .....	.45	.36	.16	.76	.20	.64	.03	1.40	-.14	.21	.71	.22	.25	-.04	.17	.17	.52	-.18	.73
National defense .....	.37	.32	.12	.45	.17	.59	-.15	1.46	-.31	.35	.60	.04	.41	-.16	.14	.17	.46	-.44	.47
Consumption expenditures .....	.33	.26	.11	.29	.07	.67	-.19	1.35	-.34	.32	.46	.01	.39	-.26	.34	.04	.37	-.49	.44
Gross investment .....	.04	.06	.01	.16	.10	-.08	.04	.11	.03	.03	.14	.02	.02	.10	-.20	.13	.09	.05	.03
<b>Nondefense</b> .....	.08	.04	.04	.31	.03	.05	.18	-.06	.17	-.14	.11	.19	-.16	.12	.03	-.01	.06	.26	.27
Consumption expenditures .....	.08	.04	.02	.21	.11	.07	.18	-.19	.29	-.10	.11	.04	-.04	.08	.02	-.09	.08	.14	.22
Gross investment .....	0	0	.02	.10	-.08	-.02	0	.14	-.12	-.04	0	.15	-.12	.04	.01	.08	-.02	.12	.05
<b>State and local</b> .....	.08	.05	.17	.12	.23	.25	-.08	-.04	.25	-.11	-.09	.21	.10	.21	.19	.31	.03	.03	0
Consumption expenditures .....	.06	.04	.11	.24	.17	.15	-.02	-.01	-.01	.02	0	.07	.14	.16	.08	.08	.17	.09	.13
Gross investment .....	.02	.01	.06	-.12	.06	.10	-.07	-.03	.26	-.13	-.08	.14	-.04	.05	.11	.23	-.14	-.06	-.12
<b>Addenda:</b>																			
<b>Goods</b> .....	1.10	2.06	1.49	.49	1.69	-1.74	1.38	.75	5.19	.96	2.29	1.53	2.10	1.26	1.41	1.58	1.70	.73	2.87
<b>Services</b> .....	1.30	1.59	1.54	1.95	.98	1.65	.41	2.15	.78	2.20	1.90	.71	1.75	1.82	1.86	.88	2.09	.65	1.77
<b>Structures</b> .....	.31	.57	.49	-.26	-.29	.29	-.08	.76	1.28	.41	.06	1.26	.13	.23	.53	.85	.35	.28	.17
<b>Motor vehicle output</b> .....	.14	.16	.12	.20	.40	.01	0	-.09	.72	-.13	.49	-.26	.11	.29	.15	-.01	.56	-.64	-.23
<b>Final sales of computers</b> .....	.15	.15	.28	.01	.20	.11	.05	.10	.45	.09	.08	.08	.10	.36	.37	.32	.16	.33	.11

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		
	2005	Seasonally adjusted at annual rates					2005	Seasonally adjusted at annual rates					Change from preceding period				
		2005				2006		2005	2005				2006	2005	2005	2006	
		I	II	III	IV	I			I	II	III	IV	I		IV	I	
<b>Gross domestic product</b> .....	<b>12,487.1</b>	<b>12,198.8</b>	<b>12,378.0</b>	<b>12,605.7</b>	<b>12,766.1</b>	<b>13,020.9</b>	<b>11,134.8</b>	<b>10,999.3</b>	<b>11,089.2</b>	<b>11,202.3</b>	<b>11,248.3</b>	<b>11,381.4</b>	<b>379.1</b>	<b>46.0</b>	<b>133.1</b>		
<b>Personal consumption expenditures</b> .....	<b>8,745.7</b>	<b>8,535.8</b>	<b>8,677.0</b>	<b>8,844.0</b>	<b>8,926.2</b>	<b>9,091.2</b>	<b>7,856.9</b>	<b>7,764.9</b>	<b>7,829.5</b>	<b>7,907.9</b>	<b>7,925.4</b>	<b>8,032.0</b>	<b>268.3</b>	<b>17.5</b>	<b>106.6</b>		
<b>Durable goods</b> .....	<b>1,026.5</b>	<b>1,017.3</b>	<b>1,035.5</b>	<b>1,050.9</b>	<b>1,002.1</b>	<b>1,048.0</b>	<b>1,138.4</b>	<b>1,122.3</b>	<b>1,143.9</b>	<b>1,169.7</b>	<b>1,117.7</b>	<b>1,171.2</b>	<b>48.5</b>	<b>-52.0</b>	<b>53.5</b>		
Motor vehicles and parts .....	446.8	449.6	458.5	468.7	410.5	432.5	452.8	455.0	463.3	477.3	415.5	434.7	-4.2	-61.8	19.2		
Furniture and household equipment .....	373.2	366.9	370.0	374.9	381.1	397.4	485.0	469.2	475.9	490.5	504.4	531.5	42.1	13.9	27.1		
Other .....	206.4	200.8	207.0	207.2	210.5	218.1	211.3	206.5	212.9	211.0	214.7	223.5	15.5	3.7	8.8		
<b>Nondurable goods</b> .....	<b>2,564.4</b>	<b>2,476.6</b>	<b>2,533.7</b>	<b>2,604.9</b>	<b>2,642.5</b>	<b>2,684.8</b>	<b>2,297.9</b>	<b>2,265.6</b>	<b>2,285.9</b>	<b>2,305.8</b>	<b>2,334.2</b>	<b>2,365.3</b>	<b>97.5</b>	<b>28.4</b>	<b>31.1</b>		
Food .....	1,218.6	1,184.2	1,207.1	1,229.9	1,253.3	1,280.2	1,081.1	1,060.9	1,072.2	1,088.7	1,102.8	1,118.9	52.0	14.1	16.1		
Clothing and shoes .....	345.4	340.5	344.9	343.9	352.3	358.1	376.5	367.9	374.4	377.2	386.7	394.0	21.5	9.5	7.3		
Gasoline, fuel oil, and other energy goods .....	310.6	275.2	296.4	338.3	332.6	328.3	204.9	207.7	205.2	203.0	203.5	204.0	3.5	.5	.5		
Other .....	689.8	676.8	685.3	692.8	704.2	718.2	639.7	631.2	637.7	641.9	648.0	656.8	23.0	6.1	8.8		
<b>Services</b> .....	<b>5,154.9</b>	<b>5,041.8</b>	<b>5,107.8</b>	<b>5,188.3</b>	<b>5,281.6</b>	<b>5,358.4</b>	<b>4,436.4</b>	<b>4,392.0</b>	<b>4,417.6</b>	<b>4,453.5</b>	<b>4,482.6</b>	<b>4,514.0</b>	<b>125.5</b>	<b>29.1</b>	<b>31.4</b>		
Housing .....	1,281.5	1,260.6	1,275.3	1,288.2	1,301.8	1,318.9	1,103.7	1,095.6	1,101.4	1,106.6	1,111.0	1,116.3	25.3	4.4	5.3		
Household operation .....	481.8	465.3	471.4	484.4	506.1	505.3	416.3	414.3	413.8	418.5	418.5	412.0	10.7	0	-6.5		
Electricity and gas .....	201.7	189.5	192.4	202.1	222.9	219.5	155.0	155.2	153.2	155.5	156.1	150.5	5.8	.6	-5.6		
Other household operation .....	280.1	275.8	279.0	282.3	283.2	285.8	261.0	258.8	260.5	262.7	262.0	262.2	4.7	-.7	.2		
Transportation .....	321.2	312.3	318.5	324.1	329.9	336.9	287.3	284.6	286.3	287.6	290.6	294.6	3.9	3.0	4.0		
Medical care .....	1,510.0	1,470.5	1,492.6	1,522.0	1,554.7	1,580.2	1,291.6	1,269.1	1,282.3	1,299.6	1,315.2	1,330.9	58.1	15.6	15.7		
Recreation .....	355.2	350.3	353.1	356.6	360.7	365.8	308.6	307.7	308.3	308.9	309.4	312.2	6.2	.5	2.8		
Other .....	1,205.3	1,182.8	1,196.8	1,213.0	1,228.4	1,251.2	1,027.8	1,019.5	1,024.3	1,031.1	1,036.5	1,047.1	21.1	5.4	10.6		
<b>Gross private domestic investment</b> .....	<b>2,105.0</b>	<b>2,058.5</b>	<b>2,054.4</b>	<b>2,099.5</b>	<b>2,207.5</b>	<b>2,260.3</b>	<b>1,919.8</b>	<b>1,902.9</b>	<b>1,885.0</b>	<b>1,909.4</b>	<b>1,981.9</b>	<b>2,013.4</b>	<b>110.0</b>	<b>72.5</b>	<b>31.5</b>		
<b>Fixed investment</b> .....	<b>2,086.1</b>	<b>1,998.7</b>	<b>2,058.5</b>	<b>2,119.2</b>	<b>2,168.0</b>	<b>2,239.1</b>	<b>1,897.1</b>	<b>1,842.2</b>	<b>1,884.7</b>	<b>1,921.5</b>	<b>1,940.0</b>	<b>1,986.4</b>	<b>142.0</b>	<b>18.5</b>	<b>46.4</b>		
Nonresidential .....	1,329.8	1,280.1	1,313.5	1,348.9	1,376.7	1,434.7	1,289.0	1,252.2	1,279.0	1,305.2	1,319.7	1,364.6	102.3	14.5	44.9		
Structures .....	335.1	315.9	325.6	340.2	359.0	377.5	253.4	251.0	252.7	254.1	256.0	261.4	5.0	1.9	5.4		
Equipment and software .....	994.7	964.3	987.9	1,008.7	1,017.7	1,057.1	1,050.8	1,014.2	1,040.9	1,067.5	1,080.6	1,122.4	103.2	13.1	41.8		
Information processing equipment and software .....	488.9	474.6	486.6	494.5	500.1	513.1	590.6	565.1	584.6	600.2	612.4	633.5	68.2	12.2	21.1		
Computers and peripheral equipment .....	105.7	102.7	105.6	105.0	109.6	108.9											
Software .....	197.8	188.3	197.3	201.3	204.3	207.7	209.9	199.8	209.1	213.7	216.9	219.5	21.1	3.2	2.6		
Other .....	185.4	183.6	183.6	188.2	186.2	196.6	198.7	196.3	196.5	202.1	200.1	211.8	9.8	-2.0	11.7		
Industrial equipment .....	161.3	161.3	154.9	161.3	167.5	172.4	149.1	150.9	143.2	148.8	153.6	157.1	9.7	4.8	3.5		
Transportation equipment .....	171.5	163.8	172.8	177.9	171.6	188.3	157.0	148.8	158.1	163.3	157.9	171.6	18.3	-5.4	13.7		
Other equipment .....	172.9	164.6	173.7	175.0	178.5	183.3	159.9	153.9	160.6	161.1	163.9	166.9	9.9	2.8	3.0		
Residential .....	756.3	718.5	745.0	770.3	791.4	804.4	601.9	584.1	599.3	610.0	614.2	618.2	40.1	4.2	4.0		
<b>Change in private inventories</b> .....	<b>18.9</b>	<b>59.9</b>	<b>-4.2</b>	<b>-19.7</b>	<b>39.4</b>	<b>21.2</b>	<b>20.3</b>	<b>58.2</b>	<b>-1.7</b>	<b>-13.3</b>	<b>37.9</b>	<b>21.9</b>	<b>-31.7</b>	<b>51.2</b>	<b>-16.0</b>		
Farm .....	-8.4	-6.5	-8.5	-9.5	-8.9	-7.9	-3.7	-2.3	-4.2	-4.5	-3.7	-2.9	-6.0	.8	.8		
Nonfarm .....	27.2	66.4	4.3	-10.2	48.3	29.1	25.0	61.8	3.4	-8.1	43.0	25.7	-24.9	51.1	-17.3		
<b>Net exports of goods and services</b> .....	<b>-726.5</b>	<b>-697.5</b>	<b>-691.0</b>	<b>-730.4</b>	<b>-787.1</b>	<b>-803.4</b>	<b>-633.1</b>	<b>-645.4</b>	<b>-614.2</b>	<b>-617.5</b>	<b>-655.2</b>	<b>-678.2</b>	<b>-31.8</b>	<b>-37.7</b>	<b>-23.0</b>		
<b>Exports</b> .....	<b>1,301.2</b>	<b>1,253.2</b>	<b>1,297.1</b>	<b>1,314.6</b>	<b>1,339.8</b>	<b>1,387.1</b>	<b>1,195.3</b>	<b>1,165.3</b>	<b>1,202.7</b>	<b>1,217.6</b>	<b>1,252.8</b>	<b>1,258.7</b>	<b>77.4</b>	<b>14.9</b>	<b>35.2</b>		
Goods .....	905.6	865.4	904.7	914.8	937.4	982.2	841.1	810.7	841.3	847.9	864.4	900.5	57.5	16.5	36.1		
Services .....	395.6	387.7	392.5	399.9	402.4	404.9	354.1	354.3	353.9	354.8	353.5	353.0	20.0	-1.3	-5		
<b>Imports</b> .....	<b>2,027.7</b>	<b>1,950.6</b>	<b>1,988.1</b>	<b>2,045.1</b>	<b>2,126.9</b>	<b>2,190.5</b>	<b>1,810.7</b>	<b>1,809.6</b>	<b>1,820.2</b>	<b>1,872.9</b>	<b>1,931.0</b>	<b>1,986.4</b>	<b>109.1</b>	<b>52.7</b>	<b>58.1</b>		
Goods .....	1,700.7	1,627.6	1,661.8	1,718.6	1,794.8	1,850.5	1,553.0	1,537.3	1,532.9	1,546.1	1,595.8	1,649.8	100.3	49.7	54.0		
Services .....	327.0	323.0	326.3	326.4	332.1	340.0	276.7	274.8	277.7	275.5	278.7	283.2	9.6	3.2	4.5		
<b>Government consumption expenditures and gross investment</b> .....	<b>2,362.9</b>	<b>2,302.0</b>	<b>2,337.6</b>	<b>2,392.7</b>	<b>2,419.6</b>	<b>2,472.8</b>	<b>1,987.1</b>	<b>1,971.9</b>	<b>1,984.1</b>	<b>1,998.1</b>	<b>1,994.1</b>	<b>2,013.2</b>	<b>34.8</b>	<b>-4.0</b>	<b>19.1</b>		
<b>Federal</b> .....	<b>877.7</b>	<b>860.2</b>	<b>869.8</b>	<b>892.2</b>	<b>888.5</b>	<b>924.6</b>	<b>740.5</b>	<b>731.8</b>	<b>736.1</b>	<b>749.5</b>	<b>744.6</b>	<b>764.0</b>	<b>16.8</b>	<b>-4.9</b>	<b>19.4</b>		
National defense .....	587.1	575.3	582.5	601.7	589.1	611.2	493.6	487.3	491.7	503.6	492.0	504.2	12.3	-11.6	12.2		
Consumption expenditures .....	515.9	508.9	512.3	528.6	514.0	534.9	424.1	421.9	422.9	432.2	419.6	430.8	10.8	-12.6	11.2		
Gross investment .....	71.2	66.4	70.2	73.1	75.1	76.2	70.0	65.3	69.2	72.0	73.5	74.3	1.5	1.5	.8		
Nondefense .....	290.6	285.0	287.3	290.5	299.4	313.5	246.6	244.3	244.2	245.6	252.5	259.6	4.4	6.9	7.1		
Consumption expenditures .....	253.7	250.7	250.5	254.3	259.1	271.5	210.6	210.4	208.2	210.1	213.7	219.4	2.0	3.6	5.7		
Gross investment .....	36.9	34.3	36.8	36.3	40.3	42.0	36.3	33.8	36.3	35.6	39.4	40.9	2.9	3.8	1.5		
<b>State and local</b> .....	<b>1,485.2</b>	<b>1,441.7</b>	<b>1,467.7</b>	<b>1,500.4</b>	<b>1,531.1</b>	<b>1,548.2</b>	<b>1,246.3</b>	<b>1,239.8</b>	<b>1,247.8</b>	<b>1,248.5</b>	<b>1,249.3</b>	<b>1,249.3</b>	<b>17.9</b>	<b>.8</b>	<b>0</b>		
Consumption expenditures .....	1,193.0	1,159.0	1,175.7	1,205.7	1,231.7	1,246.9	991.1	986.8	988.8	993.3	995.6	998.8	11.6	2.3	3.2		
Gross investment .....	292.2	282.7	292.0	294.7	299.4	301.3	255.4	253.2	259.4	255.4	253.7	250.4	6.5	-1.7	-3.3		
Residual .....							-63.6	-48.0	-60.1	-69.6	-77.1	-96.5					
<b>Addenda:</b>																	
Final sales of domestic product .....	12,468.3	12,138.9	12,382.1	12,625.4	12,726.7	12,999.7	11,112.8	10,940.3	11,089.2	11,214.4	11,207.5	11,355.3	410.4	-6.9	147.8		
Gross domestic purchases .....	13,213.7	12,896.3	13,069.0	13,336.1	13,553.3	13,824.3	11,759.1	11,635.4	11,694.8	11,811.2	11,895.0	12,051.4	410.4	83.8	156.4		
Final sales to domestic purchasers .....	13,194.8	12,836.4	13,073.1	13,355.8	13,513.8	13,803.1	11,737.0	11,576.2	11,694.6	11,823.0	11,854.1	12,025.3	447.7	31.1	171.2		
<b>Gross domestic product</b> .....	<b>12,487.1</b>	<b>12,198.8</b>	<b>12,378.0</b>	<b>12,605.7</b>	<b>12,766.1</b>	<b>13,020.9</b>	<b>11,134.8</b>	<b>10,999.3</b>	<b>11,089.2</b>	<b>11,</b>							

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

	2003	2004	2005	Seasonally adjusted at annual rates															
				2002			2003				2004				2005				2006
				II	III	IV	I	II	III	IV	I	II	III	IV	I	II	III	IV	I
<b>Gross domestic product (GDP)</b> .....	2.0	2.6	2.8	1.5	1.6	2.2	3.1	1.1	1.8	1.9	3.6	3.9	1.5	2.7	3.1	2.6	3.3	3.5	3.3
<b>Personal consumption expenditures</b> .....	1.9	2.6	2.8	2.8	1.8	1.7	3.0	.6	2.0	1.3	3.9	3.8	1.5	3.1	2.3	3.3	3.7	2.9	2.0
Durable goods .....	-3.5	-1.9	-5	-1.9	-1.8	-2.7	-4.3	-4.3	-4.4	-4.1	.1	-1	-2.4	.6	.9	-5	-3.0	-8	-8
Nondurable goods .....	2.0	3.3	3.7	5.4	.9	1.2	5.6	-2.4	3.1	.6	6.0	6.6	.1	4.5	1.3	5.7	7.9	.8	1.1
Services .....	3.0	3.2	3.1	2.6	3.0	2.8	3.4	3.2	2.8	2.8	3.6	3.3	2.9	3.0	3.0	2.9	3.1	4.6	3.0
<b>Gross private domestic investment</b> .....	1.6	3.1	3.1	.5	.2	2.9	2.9	-5	1.7	3.7	3.4	4.6	3.2	2.3	2.6	2.7	3.7	5.2	3.2
Fixed investment .....	1.7	3.2	3.1	.5	.2	3.0	3.1	-5	1.7	3.9	3.5	4.6	3.0	2.2	2.6	2.7	4.0	5.4	3.5
Nonresidential .....	.3	1.3	2.1	-2	-4	1.1	.1	-1.0	1.2	1.9	1.2	1.8	.9	1.1	3.1	1.9	2.5	3.8	3.2
Structures .....	3.5	5.5	10.1	5.2	4.3	5.1	4.0	.3	2.9	4.6	7.1	6.8	6.6	5.6	10.3	9.9	16.5	20.3	12.6
Equipment and software .....	-9	-1	-4	-2.1	-2.0	-.3	-1.2	-1.4	.6	1.0	-8	.2	-.9	-.4	.9	-.7	-1.8	-1.3	0
Residential .....	4.8	6.7	4.8	2.2	1.5	7.0	9.3	.3	2.7	7.6	8.0	9.7	6.9	4.2	1.6	4.3	6.5	8.3	4.1
Change in private inventories .....																			
<b>Net exports of goods and services</b> .....																			
Exports .....	2.1	3.6	3.7	2.8	3.0	.6	4.1	1.0	.9	2.9	5.9	4.8	1.7	4.3	4.6	3.7	2.9	2.7	2.5
Goods .....	2.0	3.7	3.1	2.2	3.3	.5	3.6	1.6	-.7	4.1	6.5	5.3	1.0	3.8	4.5	2.9	1.3	2.1	2.3
Services .....	2.5	3.1	5.0	4.3	2.1	.7	5.2	-.3	4.6	.1	4.4	3.7	3.2	5.6	4.7	5.4	6.7	4.0	3.1
Imports .....	3.4	5.0	6.1	10.3	3.5	.6	11.2	-4.4	2.6	1.1	9.6	6.6	5.7	6.8	2.9	8.2	9.4	4.4	-5
Goods .....	2.9	5.0	6.4	10.8	2.6	.4	11.9	-6.7	2.5	.5	10.1	7.9	5.4	6.9	1.9	9.9	10.6	4.8	-1.1
Services .....	5.8	4.9	4.6	7.6	8.1	1.4	8.0	7.5	3.2	4.2	7.5	.3	7.4	6.5	7.9	-.2	3.4	2.2	3.0
<b>Government consumption expenditures and gross investment</b> .....	3.7	3.7	4.8	2.9	2.6	3.6	8.9	0	2.5	1.4	6.2	5.0	3.2	4.1	5.7	3.7	6.7	5.4	5.0
Federal .....	3.9	4.2	3.6	.5	1.0	4.6	9.9	1.3	1.2	1.2	9.7	4.9	2.2	2.6	7.0	2.1	3.0	.9	5.9
National defense .....	4.4	4.0	3.6	1.3	2.4	6.9	9.3	1.1	1.3	1.5	7.8	5.6	2.8	2.7	6.6	1.4	3.5	.9	5.0
Nondefense .....	3.0	4.6	3.8	-.8	-1.4	.5	11.0	1.6	1.0	.7	13.7	3.6	1.2	2.5	7.9	3.6	2.1	.9	7.6
State and local .....	3.7	3.4	5.4	4.2	3.4	3.0	8.4	-.7	3.2	1.6	4.2	5.0	3.7	4.9	4.9	4.7	9.0	8.2	4.5
<b>Addenda:</b>																			
Final sales of domestic product .....	2.0	2.6	2.8	1.5	1.6	2.3	3.1	1.1	1.8	1.9	3.6	3.8	1.4	2.7	3.1	2.6	3.3	3.5	3.3
Gross domestic purchases .....	2.2	2.9	3.2	2.5	1.7	2.2	4.1	.4	2.0	1.7	4.2	4.1	2.0	3.2	2.9	3.3	4.2	3.7	2.7
Final sales to domestic purchasers .....	2.2	2.9	3.2	2.5	1.7	2.2	4.1	.4	2.0	1.7	4.2	4.1	2.0	3.2	2.9	3.3	4.3	3.7	2.8
Gross national product (GNP) .....	2.0	2.6	2.8	1.5	1.6	2.2	3.1	1.1	1.8	1.9	3.6	3.8	1.5	2.7	3.1	2.6	3.3	3.5	.....
<b>Implicit price deflators:</b>																			
GDP .....	2.0	2.6	2.8	1.4	1.5	2.2	3.1	1.1	1.9	1.8	3.7	3.9	1.3	2.7	3.0	2.6	3.3	3.5	3.3
Gross domestic purchases .....	2.2	2.9	3.2	2.4	1.6	2.2	4.1	.4	2.1	1.6	4.3	4.1	1.9	3.2	2.9	3.3	4.2	3.7	2.7
GNP .....	2.0	2.6	2.8	1.5	1.5	2.3	3.1	1.1	1.9	1.8	3.7	3.8	1.3	2.7	3.0	2.6	3.3	3.5	.....

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



**Table 5.—Real Gross Domestic Product, Quantity Indexes**

[Index numbers, 2000=100]

	2003	2004	2005	Seasonally adjusted				
				2005				2006
				I	II	III	IV	I
<b>Gross domestic product</b> .....	<b>105.130</b>	<b>109.562</b>	<b>113.424</b>	<b>112.044</b>	<b>112.959</b>	<b>114.112</b>	<b>114.580</b>	<b>115.936</b>
<b>Personal consumption expenditures</b> .....	<b>108.416</b>	<b>112.601</b>	<b>116.582</b>	<b>115.217</b>	<b>116.176</b>	<b>117.338</b>	<b>117.598</b>	<b>119.180</b>
Durable goods .....	119.134	126.245	131.864	129.999	132.499	135.492	129.468	135.666
Nondurable goods .....	107.938	113.000	118.008	116.351	117.392	118.413	119.875	121.472
Services .....	106.493	109.725	112.919	111.789	112.440	113.353	114.094	114.894
<b>Gross private domestic investment</b> .....	<b>93.195</b>	<b>104.286</b>	<b>110.621</b>	<b>109.645</b>	<b>108.615</b>	<b>110.023</b>	<b>114.201</b>	<b>116.013</b>
Fixed investment .....	95.297	104.534	112.900	109.722	112.252	114.443	115.544	118.311
Nonresidential .....	88.063	96.314	104.622	101.633	103.806	105.935	107.116	110.756
Structures .....	77.621	79.314	80.925	80.145	80.680	81.123	81.753	83.460
Equipment and software .....	92.154	103.126	114.355	110.376	113.274	116.170	117.600	122.148
Residential .....	113.989	125.714	134.678	130.695	134.100	136.484	137.434	138.328
Change in private inventories .....								
<b>Exports of goods and services</b> .....	<b>94.064</b>	<b>101.970</b>	<b>109.028</b>	<b>106.295</b>	<b>109.037</b>	<b>109.710</b>	<b>111.070</b>	<b>114.276</b>
<b>Imports of goods and services</b> .....	<b>105.205</b>	<b>116.495</b>	<b>123.892</b>	<b>122.698</b>	<b>122.620</b>	<b>123.340</b>	<b>126.908</b>	<b>130.848</b>
<b>Government consumption expenditures and gross investment</b> .....	<b>111.009</b>	<b>113.398</b>	<b>115.420</b>	<b>114.537</b>	<b>115.248</b>	<b>116.063</b>	<b>115.830</b>	<b>116.937</b>
Federal .....	118.839	125.038	127.945	126.446	127.188	129.491	128.657	131.994
State and local .....	107.042	107.487	109.058	108.489	109.183	109.246	109.313	109.317
<b>Addenda:</b>								
Final sales of domestic product .....	105.564	109.650	113.856	112.088	113.613	114.896	114.825	116.340
Gross domestic purchases .....	106.285	111.301	115.325	114.112	114.695	115.836	116.658	118.192
Final sales to domestic purchasers .....	106.708	111.394	115.750	114.164	115.332	116.598	116.905	118.593
Gross national product .....	105.370	109.637	113.296	111.977	112.851	114.076	114.282	

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

**Table 6.—Price Indexes for Gross Domestic Product**

[Index numbers, 2000=100]

	2003	2004	2005	Seasonally adjusted				
				2005				2006
				I	II	III	IV	I
<b>Gross domestic product</b> .....	<b>106.310</b>	<b>109.102</b>	<b>112.176</b>	<b>110.950</b>	<b>111.655</b>	<b>112.567</b>	<b>113.532</b>	<b>114.446</b>
<b>Personal consumption expenditures (PCE)</b> .....	<b>105.520</b>	<b>108.246</b>	<b>111.313</b>	<b>109.936</b>	<b>110.832</b>	<b>111.846</b>	<b>112.637</b>	<b>113.196</b>
Durable goods .....	92.372	90.631	90.168	90.648	90.527	89.839	89.659	89.484
Nondurable goods .....	104.151	107.634	111.596	109.327	110.854	112.985	113.218	113.519
Services .....	109.246	112.695	116.195	114.803	115.633	116.508	117.834	118.714
<b>Gross private domestic investment</b> .....	<b>103.311</b>	<b>106.555</b>	<b>109.836</b>	<b>108.427</b>	<b>109.164</b>	<b>110.169</b>	<b>111.586</b>	<b>112.481</b>
Fixed investment .....	103.432	106.697	109.970	108.522	109.254	110.318	111.787	112.751
Nonresidential .....	99.764	101.025	103.161	102.244	102.715	103.358	104.327	105.147
Structures .....	113.889	120.124	132.228	125.876	128.886	133.914	140.234	144.472
Equipment and software .....	95.133	95.022	94.661	95.067	94.910	94.991	94.174	94.178
Residential .....	112.379	119.935	125.661	123.062	124.359	126.335	128.889	130.175
Change in private inventories .....								
<b>Exports of goods and services</b> .....	<b>101.398</b>	<b>104.999</b>	<b>108.867</b>	<b>107.559</b>	<b>108.534</b>	<b>109.323</b>	<b>110.052</b>	<b>110.737</b>
<b>Imports of goods and services</b> .....	<b>99.610</b>	<b>104.571</b>	<b>110.937</b>	<b>107.783</b>	<b>109.925</b>	<b>112.413</b>	<b>113.626</b>	<b>113.496</b>
<b>Government consumption expenditures and gross investment</b> .....	<b>109.460</b>	<b>113.505</b>	<b>118.915</b>	<b>116.747</b>	<b>117.820</b>	<b>119.751</b>	<b>121.343</b>	<b>122.837</b>
Federal .....	109.740	114.354	118.525	117.550	118.168	119.056	119.327	121.041
State and local .....	109.303	113.022	119.170	116.291	117.635	120.186	122.568	123.930
<b>Addenda:</b>								
PCE excluding food and energy .....	105.082	107.156	109.311	108.617	109.083	109.450	110.095	110.654
Market-based PCE <sup>1</sup> .....	105.009	107.422	110.336	108.948	109.860	110.917	111.619	112.093
Market-based PCE excluding food and energy <sup>1</sup> .....	104.348	105.898	107.678	107.106	107.506	107.797	108.302	108.753
Final sales of domestic product .....	106.330	109.124	112.196	110.963	111.667	112.589	113.563	114.489
Gross domestic purchases .....	105.863	108.899	112.401	110.883	111.785	112.953	113.981	114.754
Final sales to domestic purchasers .....	105.883	108.921	112.421	110.898	111.798	112.976	114.013	114.796
Gross national product .....	106.304	109.094	112.158	110.933	111.638	112.550	113.514	
<b>Implicit price deflators:</b>								
Gross domestic product .....	106.305	109.099	112.145	110.905	111.622	112.527	113.494	114.406
Final sales of domestic product .....	106.330	109.124	112.197	110.956	111.659	112.582	113.556	114.481
Gross domestic purchases .....	105.858	108.896	112.370	110.837	111.750	112.911	113.941	114.712
Final sales to domestic purchasers .....	105.883	108.920	112.421	110.886	111.787	112.965	114.001	114.784
Gross national product .....	106.299	109.091	112.129	110.890	111.607	112.512	113.477	

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

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
<b>Gross domestic product (GDP)</b> .....	1.9	-0.2	3.3	2.7	4.0	2.5	3.7	4.5	4.2	4.5	3.7	0.8	1.6	2.7	4.2	3.5
<b>Personal consumption expenditures</b> .....	2.0	.2	3.3	3.3	3.7	2.7	3.4	3.8	5.0	5.1	4.7	2.5	2.7	2.9	3.9	3.5
Durable goods .....	-3	-5.6	5.9	7.8	8.4	4.4	7.8	8.6	11.3	11.7	7.3	4.3	7.1	6.6	6.0	4.5
Nondurable goods .....	1.6	-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	4.7	4.4
Services .....	2.9	1.7	3.5	2.8	2.9	2.6	2.9	3.3	4.2	4.0	4.5	2.4	1.9	2.0	3.0	2.9
<b>Gross private domestic investment</b> .....	-3.4	-8.1	8.1	8.9	13.6	3.1	8.9	12.4	9.8	7.8	5.7	-7.9	-2.6	3.9	11.9	6.1
Fixed investment .....	-2.1	-6.5	5.9	8.6	9.3	6.5	9.0	9.2	10.2	8.3	6.5	-3.0	-5.2	3.6	9.7	8.1
Nonresidential .....	.5	-5.4	3.2	8.7	9.2	10.5	9.3	12.1	11.1	9.2	8.7	-4.2	-9.2	1.3	9.4	8.6
Structures .....	1.5	-11.1	-6.0	-7	1.8	6.4	5.6	7.3	5.1	-4	6.8	-2.3	-17.1	-4.2	2.2	2.0
Equipment and software .....	0	-2.6	7.3	12.5	11.9	12.0	10.6	13.8	13.3	12.7	9.4	-4.9	-6.2	3.2	11.9	10.9
Residential .....	-8.6	-9.6	13.8	8.2	9.6	-3.2	8.0	1.9	7.6	6.0	.8	.4	4.8	8.4	10.3	7.1
Change in private inventories .....																
<b>Net exports of goods and services</b> .....																
Exports .....	9.0	6.6	6.9	3.2	8.7	10.1	8.4	11.9	2.4	4.3	8.7	-5.4	-2.3	1.8	8.4	6.9
Goods .....	8.4	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	8.9	7.3
Services .....	10.5	6.0	5.5	3.2	6.3	6.3	7.2	5.9	2.9	5.6	2.9	-3.7	1.9	1.7	7.4	6.0
Imports .....	3.6	-6	7.0	8.8	11.9	8.0	8.7	13.6	11.6	11.5	13.1	-2.7	3.4	4.6	10.7	6.3
Goods .....	3.0	-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	11.0	6.9
Services .....	6.5	-2.6	-2.6	2.9	5.7	3.3	5.5	9.4	11.4	6.9	11.1	-3	2.1	3.0	9.6	3.6
<b>Government consumption expenditures and gross investment</b> .....	3.2	1.1	.5	-9	0	.5	1.0	1.9	1.9	3.9	2.1	3.4	4.4	2.8	2.2	1.8
Federal .....	2.0	-2	-1.7	-4.2	-3.7	-1.2	-1.2	-1.1	-1.1	2.2	.9	3.9	7.0	6.9	5.2	2.3
National defense .....	0	-1.1	-5.0	-5.6	-4.9	-3.8	-1.4	-2.8	-2.1	1.9	-5	3.9	7.4	8.8	7.0	2.6
Nondefense .....	8.3	2.4	6.9	-7	-1.2	-4	-7	2.6	.7	2.8	3.5	3.9	6.3	3.4	1.8	1.8
State and local .....	4.1	2.1	2.2	1.4	2.6	2.6	2.3	3.6	3.6	4.7	2.7	3.2	3.1	.6	.4	1.5
<b>Addenda:</b>																
Final sales of domestic product .....	2.1	.1	3.0	2.6	3.4	3.0	3.7	4.0	4.2	4.5	3.8	1.6	1.2	2.7	3.9	3.8
Gross domestic purchases .....	1.4	-8	3.3	3.2	4.4	2.4	3.8	4.8	5.3	5.3	4.4	.9	2.2	3.0	4.7	3.6
Final sales to domestic purchasers .....	1.6	-6	3.1	3.2	3.8	2.8	3.8	4.3	5.3	5.4	4.5	1.8	1.8	3.0	4.4	3.9
Gross national product .....	2.0	-3	3.3	2.7	3.9	2.6	3.7	4.4	4.0	4.6	3.7	.8	1.5	3.0	4.0	3.3
Real disposable personal income .....	1.9	.5	3.4	1.0	2.7	2.8	3.0	3.5	5.8	3.0	4.8	1.9	3.1	2.4	3.4	1.4
<b>Price indexes:</b>																
Gross domestic purchases .....	4.1	3.3	2.3	2.2	2.1	2.1	1.8	1.4	.6	1.6	2.5	2.0	1.6	2.2	2.9	3.2
Gross domestic purchases excluding food and energy .....	3.7	3.5	2.6	2.3	2.2	2.2	1.5	1.3	1.0	1.4	1.9	1.9	1.9	1.8	2.4	2.5
GDP .....	3.9	3.5	2.3	2.3	2.1	2.0	1.9	1.7	1.1	1.4	2.2	2.4	1.7	2.0	2.6	2.8
GDP excluding food and energy .....	3.7	3.6	2.5	2.4	2.2	2.1	1.7	1.7	1.2	1.5	2.0	2.1	2.1	1.8	2.5	2.7
Personal consumption expenditures .....	4.6	3.6	2.9	2.3	2.1	2.1	2.2	1.7	.9	1.7	2.5	2.1	1.4	1.9	2.6	2.8

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

	2002			2003				2004				2005				2006
	II	III	IV	I	II	III	IV	I	II	III	IV	I	II	III	IV	
<b>Gross domestic product (GDP)</b> .....	1.3	2.2	1.9	1.6	2.0	3.2	4.0	4.7	4.6	3.8	3.8	3.6	3.6	3.6	3.2	3.5
<b>Personal consumption expenditures (PCE)</b> .....	3.1	3.2	1.9	2.1	2.4	3.3	3.8	4.3	3.9	3.5	3.8	3.5	3.9	3.8	2.9	3.4
Durable goods .....	8.9	11.0	1.2	3.2	6.0	7.9	9.2	9.4	5.8	3.7	5.2	4.7	6.7	6.3	.2	4.4
Nondurable goods .....	3.0	2.4	2.1	2.1	2.2	4.2	4.1	4.9	5.1	4.0	4.6	4.3	4.6	4.5	4.4	4.4
Services .....	2.0	2.0	1.9	1.9	1.8	2.0	2.5	3.0	2.9	3.2	3.1	2.9	3.0	3.0	2.8	2.8
<b>Gross private domestic investment</b> .....	-5.4	-1.4	4.9	1.5	1.7	4.4	7.7	10.5	15.1	11.8	10.4	10.1	4.0	4.1	6.3	5.8
Fixed investment .....	-5.8	-4.9	-2.5	-7	1.8	5.6	7.7	9.3	10.9	9.3	9.4	9.4	8.0	7.9	7.1	7.8
Nonresidential .....	-9.8	-8.7	-6.5	-3.5	0	3.2	5.6	7.9	9.2	9.4	10.9	10.3	9.2	8.3	6.9	9.0
Structures .....	-17.4	-22.0	-14.9	-12.2	-4.5	-5	1.2	2.6	1.5	1.9	2.7	3.1	1.7	1.9	1.5	4.1
Equipment and software .....	-6.8	-3.2	-3.4	-3	1.6	4.4	7.2	9.8	11.9	12.0	13.8	12.8	11.7	10.5	8.7	10.7
Residential .....	4.3	4.4	7.0	5.6	5.6	10.5	11.8	11.9	13.9	9.1	6.6	7.7	6.1	7.2	7.6	5.8
Change in private inventories .....																
<b>Net exports of goods and services</b> .....																
Exports .....	-4.0	1.6	3.8	1.7	-1.3	.7	6.0	8.1	10.5	9.0	6.1	6.7	7.7	6.9	6.4	7.5
Goods .....	-4.9	1.1	1.1	1.9	-1.5	.2	6.7	8.3	10.4	10.1	6.8	6.2	8.2	6.9	8.0	11.1
Services .....	-2.0	2.8	10.2	1.4	-1.0	1.9	4.5	7.8	10.9	6.4	4.6	7.9	6.5	6.9	2.8	-4
Imports .....	2.1	6.4	9.7	6.0	3.8	3.4	5.1	8.8	11.7	11.8	10.6	9.4	5.7	5.1	5.3	6.6
Goods .....	3.2	7.2	9.9	6.8	4.5	3.1	5.3	9.2	11.2	12.3	11.1	10.1	6.1	5.8	5.9	7.3
Services .....	-3.0	2.4	8.8	2.4	.5	5.0	4.2	7.3	13.8	9.7	7.7	6.2	3.9	2.0	2.4	3.1
<b>Government consumption expenditures and gross investment</b> .....	4.0	4.9	4.0	2.9	3.5	3.0	1.9	2.9	1.7	2.0	2.1	1.7	1.8	2.0	1.6	2.1
Federal .....	6.7	7.5	7.8	6.4	8.6	7.2	5.5	8.1	3.6	5.1	4.2	2.1	1.9	2.9	2.3	4.4
National defense .....	7.4	7.9	8.4	6.5	12.2	9.2	7.5	12.1	3.7	7.8	4.9	2.3	3.0	3.3	1.7	3.5
Nondefense .....	5.5	6.8	6.8	6.2	2.1	3.6	1.6	.8	3.5	0	2.8	1.8	-2	2.1	3.6	6.3
State and local .....	2.6	3.6	2.1	1.1	.7	.8	0	0	.5	.2	.9	1.5	1.7	1.5	1.2	.8
<b>Addenda:</b>																
Final sales of domestic product .....	1.2	1.7	.8	1.3	2.0	3.3	4.0	4.5	4.0	3.4	3.6	3.5	4.2	4.3	3.3	3.8
Gross domestic purchases .....	1.9	2.8	2.7	2.2	2.5	3.4	4.0	4.9	5.1	4.4	4.5	4.2	3.5	3.5	3.2	3.6
Final sales to domestic purchasers .....	1.9	2.3	1.6	1.9	2.5	3.6	4.0	4.7	4.5	4.1	4.3	4.1	4.1	4.1	3.3	3.9
Gross national product .....	1.0	2.3	1.6	1.8	2.4	3.5	4.4	5.0	4.4	3.6	3.2	3.2	3.5	3.6	3.0	
Real disposable personal income .....	4.6	1.4	2.9	.7	1.4	3.6	3.8	4.1	3.2	2.1	4.1	2.3	2.1	1.0	.5	2.3
<b>Price indexes:</b>																
Gross domestic purchases .....	1.4	1.6	1.9	2.6	2.1	2.1	2.0	2.1	3.0	3.0	3.4	3.1	2.9	3.4	3.5	3.5
Gross domestic purchases excluding food and energy .....	1.9	1.9	1.7	1.9	1.7	1.7	1.7	1.9	2.5	2.6	2.7	2.6	2.4	2.5	2.7	2.7
GDP .....	1.6	1.6	1.7	2.1	2.0	2.1	2.0	2.1	2.8	2.7	2.9	2.8	2.5	2.9	3.1	3.2
GDP excluding food and energy .....	2.1	2.0	1.9	2.0	1.8	1.8	1.7	1.9	2.5	2.6	2.8	2.7	2.5	2.7	2.9	3.0
PCE .....	1.2	1.5	1.8	2.3	1.8	1.8	1.7	1.9	2.7	2.6	3.1	2.7	2.5	3.1	3.0	3.0
PCE excluding food and energy .....	1.8	1.9	1.6	1.5	1.3	1.2	1.3	1.7	2.0	2.0	2.2	2.2	2.0	1.9	2.0	1.9
Market-based PCE <sup>1</sup> .....	.9	1.1	1.7	2.3	1.7	1.8	1.6	1.7	2.5	2.3	2.8	2.4	2.4	3.1	3.0	2.9
Market-based PCE excluding food and energy <sup>1</sup> .....	1.5	1.5	1.4	1.3	1.2	1.1	1.0	1.3	1.5	1.5	1.7	1.8	1.6	1.6	1.7	1.5

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.

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

[Billions of dollars]

	2003	2004	2005	Seasonally adjusted at annual rates				
				2005				2006
				I	II	III	IV	I
<b>Gross domestic product</b> .....	<b>10,971.2</b>	<b>11,734.3</b>	<b>12,487.1</b>	<b>12,198.8</b>	<b>12,378.0</b>	<b>12,605.7</b>	<b>12,766.1</b>	<b>13,020.9</b>
Plus: Income receipts from the rest of the world .....	343.7	415.4	507.6	462.3	489.4	520.8	558.0	.....
Less: Income payments to the rest of the world .....	275.6	361.7	474.0	422.9	453.9	476.6	542.6	.....
<b>Equals: Gross national product</b> .....	<b>11,039.3</b>	<b>11,788.0</b>	<b>12,520.8</b>	<b>12,238.2</b>	<b>12,413.5</b>	<b>12,650.0</b>	<b>12,781.6</b>	.....
Less: Consumption of fixed capital .....	1,331.3	1,435.3	1,574.1	1,448.4	1,457.2	1,863.8	1,526.9	1,522.4
Less: Statistical discrepancy .....	47.1	76.8	42.8	39.4	78.3	44.3	9.2	.....
<b>Equals: National income</b> .....	<b>9,660.9</b>	<b>10,275.9</b>	<b>10,903.9</b>	<b>10,750.4</b>	<b>10,878.0</b>	<b>10,741.9</b>	<b>11,245.5</b>	.....
Compensation of employees .....	6,321.1	6,687.6	7,125.3	7,001.7	7,060.2	7,177.6	7,261.7	7,380.9
Wage and salary accruals .....	5,111.1	5,389.4	5,723.7	5,629.9	5,672.3	5,762.3	5,830.1	5,915.5
Supplements to wages and salaries .....	1,210.0	1,298.1	1,401.6	1,371.8	1,387.9	1,415.3	1,431.6	1,465.3
Proprietors' income with inventory valuation and capital consumption adjustments .....	810.2	889.6	938.7	917.9	936.6	932.4	967.7	977.9
Rental income of persons with capital consumption adjustment .....	131.7	134.2	72.9	118.0	104.4	-11.1	80.3	70.1
Corporate profits with inventory valuation and capital consumption adjustments .....	1,031.8	1,161.5	1,351.9	1,288.2	1,347.5	1,293.1	1,478.9	.....
Net interest and miscellaneous payments .....	528.5	505.5	498.3	498.3	488.7	497.6	508.5	541.5
Taxes on production and imports less subsidies .....	754.8	809.4	848.0	833.2	848.0	853.4	857.2	876.1
Business current transfer payments .....	81.6	91.1	80.2	99.0	99.6	21.8	100.3	104.8
Current surplus of government enterprises .....	1.3	-3.0	-11.3	-6.1	-7.0	-22.8	-9.1	-5.6
<b>Addendum:</b>								
Gross domestic income .....	10,924.2	11,657.5	12,444.4	12,159.4	12,299.7	12,561.4	12,757.0	.....

**Table 10.—Personal Income and Its Disposition**

[Billions of dollars]

	2003	2004	2005	Seasonally adjusted at annual rates				
				2005				2006
				I	II	III	IV	I
<b>Personal income</b> <sup>1</sup> .....	<b>9,169.1</b>	<b>9,713.3</b>	<b>10,248.3</b>	<b>10,073.4</b>	<b>10,185.7</b>	<b>10,250.4</b>	<b>10,483.7</b>	<b>10,654.4</b>
Compensation of employees, received .....	6,321.1	6,687.6	7,125.3	7,001.7	7,060.2	7,177.6	7,261.7	7,380.9
Wage and salary disbursements .....	5,111.1	5,389.4	5,723.7	5,629.9	5,672.3	5,762.3	5,830.1	5,915.5
Supplements to wages and salaries .....	1,210.0	1,298.1	1,401.6	1,371.8	1,387.9	1,415.3	1,431.6	1,465.3
Proprietors' income with inventory valuation and capital consumption adjustments .....	810.2	889.6	938.7	917.9	936.6	932.4	967.7	977.9
Farm .....	27.7	35.8	20.8	24.7	19.6	18.0	21.0	16.1
Nonfarm .....	782.4	853.8	917.8	893.2	917.1	914.3	946.7	961.8
Rental income of persons with capital consumption adjustment .....	131.7	134.2	72.9	118.0	104.4	-11.1	80.3	70.1
Personal income receipts on assets .....	1,338.7	1,396.5	1,457.4	1,407.9	1,439.8	1,468.9	1,512.9	1,535.8
Personal interest income .....	917.6	905.9	945.7	915.4	936.0	951.2	980.1	989.6
Personal dividend income .....	421.1	490.6	511.7	492.5	503.8	517.6	532.9	546.2
Personal current transfer receipts .....	1,344.0	1,427.5	1,525.3	1,488.8	1,509.6	1,558.1	1,544.7	1,597.3
Less: Contributions for government social insurance .....	776.6	822.2	871.2	861.0	864.9	875.4	883.6	907.5
Less: Personal current taxes .....	999.9	1,049.1	1,209.7	1,171.4	1,206.0	1,220.4	1,241.0	1,279.5
<b>Equals: Disposable personal income</b> .....	<b>8,169.2</b>	<b>8,664.2</b>	<b>9,038.6</b>	<b>8,902.0</b>	<b>8,979.7</b>	<b>9,030.0</b>	<b>9,242.7</b>	<b>9,374.9</b>
Less: Personal outlays .....	7,996.3	8,512.5	9,072.1	8,854.6	9,001.2	9,173.9	9,258.5	9,425.4
<b>Equals: Personal saving</b> .....	<b>172.8</b>	<b>151.8</b>	<b>-33.5</b>	<b>47.4</b>	<b>-21.5</b>	<b>-143.9</b>	<b>-15.8</b>	<b>-50.5</b>
Personal saving as a percentage of disposable personal income .....	2.1	1.8	-4	.5	-2	-1.6	-2	-5
<b>Addendum:</b>								
Disposable personal income, billions of chained (2000) dollars <sup>2</sup> .....	7,741.8	8,004.3	8,120.0	8,098.1	8,102.6	8,074.2	8,206.4	8,282.7

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.

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

	2003	2004	2005	Seasonally adjusted at annual rates															
				2002			2003				2004				2005				2006
				II	III	IV	I	II	III	IV	I	II	III	IV	I	II	III	IV	I
<b>Gross domestic product (GDP) and related aggregates:</b>																			
GDP .....	2.7	4.2	3.5	2.2	2.4	0.2	1.7	3.7	7.2	3.6	4.3	3.5	4.0	3.3	3.8	3.3	4.1	1.7	4.8
Goods .....	3.4	6.5	4.7	1.5	5.2	-5.2	4.3	2.3	16.8	2.9	7.2	4.7	6.6	3.9	4.4	5.0	5.3	2.3	9.3
Services .....	2.2	2.7	2.7	3.4	1.7	2.9	.7	3.7	1.3	3.8	3.3	1.2	3.0	3.2	3.2	1.5	3.6	1.1	3.1
Structures .....	3.2	5.7	4.8	-2.7	-3.0	3.1	-9	8.2	13.6	4.1	.6	13.1	1.2	2.2	5.2	8.4	3.3	2.6	1.5
Motor vehicle output .....	3.8	4.6	3.4	5.7	11.6	.5	.3	-2.5	22.6	-3.6	14.4	-7.3	3.0	8.8	4.3	-.3	17.6	-17.2	-7.0
GDP excluding motor vehicle output .....	2.7	4.2	3.5	2.1	2.0	.2	1.8	3.9	6.7	3.8	3.9	3.9	4.0	3.1	3.8	3.4	3.7	2.4	5.2
Final sales of computers <sup>1</sup> .....	20.2	20.4	39.6	.7	29.3	15.3	7.1	14.4	78.0	11.9	10.2	10.3	13.3	56.5	54.9	45.4	20.3	45.9	13.0
GDP excluding final sales of computers .....	2.6	4.1	3.3	2.2	2.2	.1	1.7	3.6	6.8	3.5	4.2	3.4	3.9	3.0	3.5	3.0	4.0	1.3	4.7
Farm gross value added <sup>2</sup> .....	8.4	0	-8.0	133.6	63.9	34.2	-22.3	27.0	-34.1	-13.1	89.8	-31.5	-11.3	-17.1	7.3	-31.1	20.9	36.7	8.6
Nonfarm business gross value added <sup>3</sup> .....	3.3	4.8	4.2	1.4	3.1	.1	2.0	4.7	10.4	2.8	4.2	4.6	4.6	3.9	4.3	4.4	4.7	1.5	5.8
<b>Price indexes:</b>																			
GDP .....	2.0	2.6	2.8	1.5	1.6	2.2	3.1	1.1	1.8	1.9	3.6	3.9	1.5	2.7	3.1	2.6	3.3	3.5	3.3
GDP excluding food and energy .....	1.8	2.5	2.7	1.8	1.6	2.0	2.6	.9	1.6	1.7	3.3	3.4	2.0	2.6	2.9	2.4	2.8	3.4	3.3
GDP excluding final sales of computers .....	2.2	2.7	3.0	1.7	1.7	2.4	3.2	1.2	2.0	1.9	3.7	3.9	1.6	2.9	3.3	2.8	3.5	3.7	3.4
Gross domestic purchases .....	2.2	2.9	3.2	2.5	1.7	2.2	4.1	.4	2.0	1.7	4.2	4.1	2.0	3.2	2.9	3.3	4.2	3.7	2.7
Gross domestic purchases excluding food and energy .....	1.8	2.4	2.5	1.7	1.6	1.8	2.5	1.0	1.7	1.8	3.4	3.2	2.0	2.4	3.0	2.1	2.5	3.2	3.1
Gross domestic purchases excluding final sales of computers to domestic purchasers .....	2.4	3.0	3.4	2.6	1.9	2.4	4.3	.5	2.2	1.8	4.3	4.3	2.2	3.4	3.1	3.5	4.5	3.9	3.0
Personal consumption expenditures (PCE) .....	1.9	2.6	2.8	2.8	1.8	1.7	3.0	.6	2.0	1.3	3.9	3.8	1.5	3.1	2.3	3.3	3.7	2.9	2.0
PCE excluding food and energy .....	1.3	2.0	2.0	1.8	1.9	1.2	1.1	1.0	1.5	1.4	2.7	2.5	1.5	2.3	2.4	1.7	1.4	2.4	2.0
Market-based PCE <sup>4</sup> .....	1.9	2.3	2.7	2.8	1.7	1.7	3.1	.5	1.9	.9	3.4	3.7	1.1	2.8	2.1	3.4	3.9	2.6	1.7
Market-based PCE excluding food and energy <sup>4</sup> .....	1.2	1.5	1.7	1.6	1.7	1.2	.8	1.0	1.4	.9	1.9	2.0	1.1	1.8	2.2	1.5	1.1	1.9	1.7

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 2003-04 annual percent change in real GDP uses prices for 2003 and 2004 as weights, and the 2003-04 annual percent change in GDP prices uses quantities for 2003 and 2004 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.