

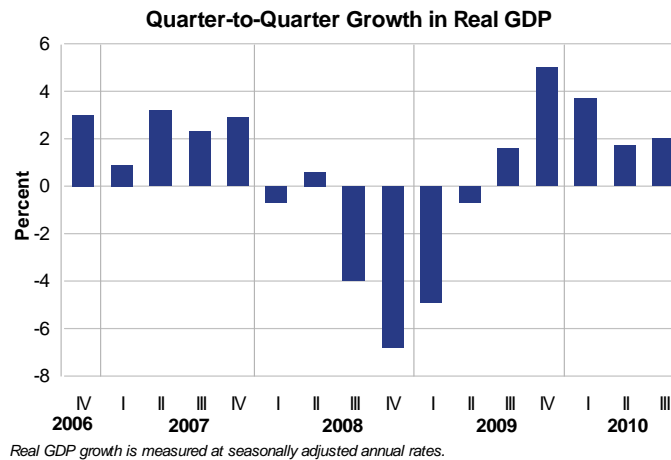
## GDP GROWTH PICKS UP IN THIRD QUARTER

*“Advance” Estimate of GDP*

Real gross domestic product (GDP) increased 2.0 percent in the third quarter of 2010 after increasing 1.7 percent in the second quarter, according to estimates released today by the Bureau of Economic Analysis.

### GDP highlights

The small acceleration in real GDP primarily reflected a smaller decrease in net exports, an acceleration in inventory investment, and a pick up in consumer spending for services. These contributions were partly offset by a downturn in residential housing and a slowdown in business investment in equipment and software.



### Prices

Prices of goods and services purchased by U.S. residents increased 0.8 percent in the third quarter after increasing 0.1 percent in the second quarter. Energy prices turned up, and food prices slowed. Prices of goods and services excluding food and energy slowed slightly, increasing 0.6 percent in the third quarter after increasing 0.8 percent in the second quarter.

### Personal income

Real disposable personal income—income adjusted for inflation and taxes—slowed, rising 0.5 percent in the third quarter after rising 4.4 percent in the second quarter. Personal tax payments accelerated in the third quarter, and interest income declined more in the third quarter than in the second quarter.

### Personal saving

The personal saving rate—saving as a percent of disposable personal income—was 5.5 percent in the third quarter, compared with 5.9 percent in the second quarter.

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BEA data—including GDP, personal income, the balance of payments, foreign direct investment, the input-output accounts, and economic data for states, local areas, and industries—are available on the BEA Web site: [www.bea.gov](http://www.bea.gov). [E-mail](#) alerts are also available.

NOTE: The “second” estimate of GDP and a preliminary estimate of corporate profits for the third quarter of 2010 will be released on November 23, 2010.