

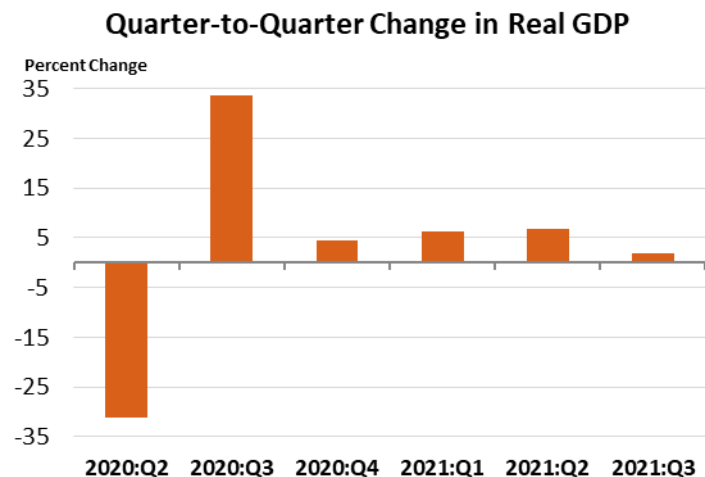
Gross Domestic Product, Third Quarter 2021 (Advance Estimate)

Real gross domestic product (GDP) increased at an annual rate of 2.0 percent in the third quarter of 2021, following an increase of 6.7 percent in the second quarter. The deceleration in real GDP in the third quarter was led by a slowdown in consumer spending. A resurgence of COVID-19 cases resulted in new restrictions and delays in the reopening of establishments in some parts of the country. In the third quarter, government assistance payments in the form of forgivable loans to businesses, grants to state and local governments, and social benefits to households all decreased. For more details, including source data, see the [Technical Note](#) and [Federal Recovery Programs and BEA Statistics](#).

GDP highlights

The third quarter increase in real GDP reflected increases in inventory investment, consumer spending, state and local government spending, and business investment that were partly offset by decreases in housing investment, federal government spending, and exports. Imports, which are a subtraction in the calculation of GDP, increased.

- The increase in inventory investment primarily reflected increases in wholesale (led by nondurable goods industries) and retail (led by motor vehicle and parts dealers).
- The increase in consumer spending reflected an increase in services, led by “other” services (mostly international travel), transportation services, and health care. Consumer spending for goods decreased (led by motor vehicles and parts).
- The increase in state and local government spending primarily reflected an increase in compensation of state and local government employees (notably, education).
- The decrease in housing investment primarily reflected a decrease in housing improvements and new single-family structures.
- The decrease in federal government spending primarily reflected a decrease in nondefense spending on intermediate goods and services. In the third quarter, nondefense services decreased after the processing and administration of [Paycheck Protection Program](#) loan applications by banks on behalf of the federal government ended in the second quarter.

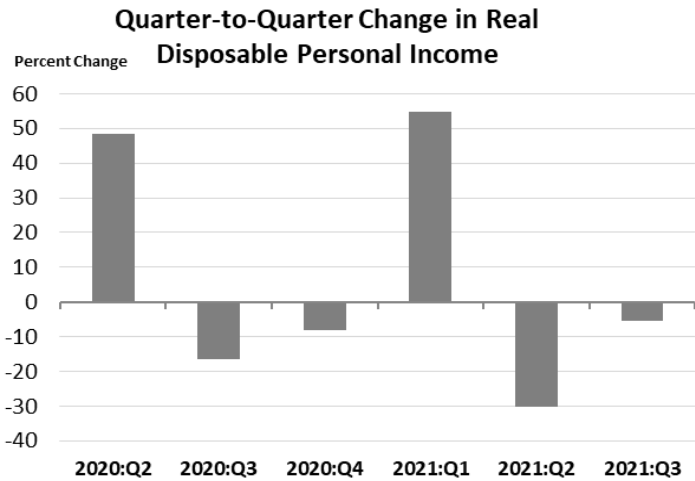


U.S. Bureau of Economic Analysis Seasonally adjusted annual rates

Personal income and saving

Real disposable personal income (DPI)—personal income adjusted for taxes and inflation—decreased 5.6 percent in the third quarter after decreasing 30.2 percent in the second quarter.

The decrease in current-dollar DPI primarily reflected a decrease in government social benefits related to pandemic relief programs, notably unemployment insurance. Personal saving as a percentage of DPI was 8.9 percent in the third quarter, compared with 10.5 percent in the second quarter.

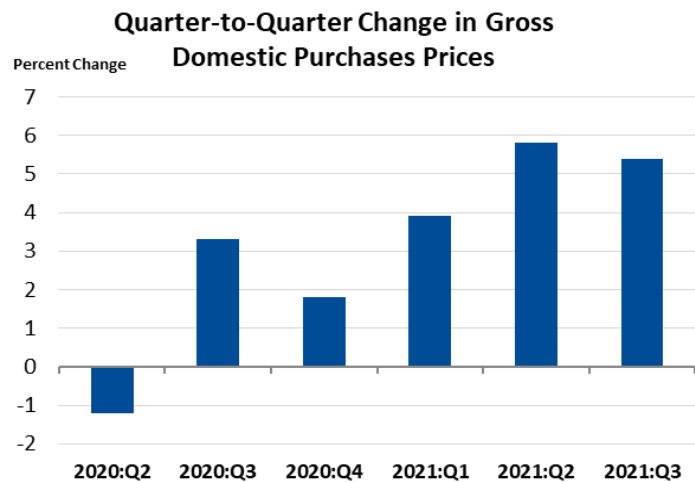


U.S. Bureau of Economic Analysis Seasonally adjusted annual rates

Prices

Prices of goods and services purchased by U.S. residents increased 5.4 percent in the third quarter after increasing 5.8 percent in the second quarter.

- Energy prices increased 19.3 percent in the third quarter while food prices increased 7.8 percent.
- Excluding food and energy, prices increased 4.8 percent in the third quarter after increasing 5.6 percent in the second quarter.



U.S. Bureau of Economic Analysis Seasonally adjusted annual rates