

GDP GROWTH PICKS UP IN THIRD QUARTER

“Third” Estimate of GDP

Real gross domestic product (GDP) increased 2.6 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. The third-quarter growth rate was revised up 0.1 percentage point from the “second” estimate released in November.

GDP highlights

The acceleration in real GDP primarily reflected a sharp deceleration in imports (a subtraction in the calculation of GDP) and an acceleration in inventory investment that were partly offset by a downturn in residential investment and a slowdown in business investment in equipment and software.

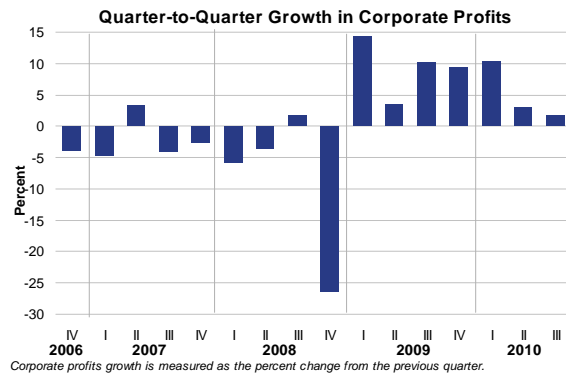
Revisions

The upward revision of 0.1 percentage point to GDP growth primarily reflected an upward revision to inventory investment that was largely offset by a downward revision to consumer spending.



Corporate profits

Third-quarter corporate profits rose 1.6 percent at a quarterly rate, following a 3.0 percent rise in the second quarter. Third-quarter financial corporate profits rose 10.4 percent, while nonfinancial profits increased slightly from the second quarter. Profits from the rest of the world decreased 2.3 percent.



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. [E-mail](#) alerts are also available.

NOTE: The “advance” estimate of GDP for the fourth quarter of 2010 will be released on January 28, 2011.