



NEWS RELEASE



EMBARGOED UNTIL RELEASE AT 8:30 A.M. EST, TUESDAY, NOVEMBER 22, 2011

BEA 11-55

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GROSS DOMESTIC PRODUCT: THIRD QUARTER 2011 (SECOND ESTIMATE) CORPORATE PROFITS: THIRD QUARTER 2011 (PRELIMINARY)

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 2.0 percent in the third quarter of 2011 (that is, from the second quarter to the third quarter) according to the "second" estimate released by the Bureau of Economic Analysis. In the second quarter, real GDP increased 1.3 percent.

The GDP estimates released today are based on more complete source data than were available for the "advance" estimate issued last month. In the advance estimate, the increase in real GDP was 2.5 percent (see "Revisions" on page 3).

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

The acceleration in real GDP in the third quarter primarily reflected accelerations in PCE and in nonresidential fixed investment, a smaller decrease in state and local government spending, a deceleration in imports, and an acceleration in exports that were partly offset by a larger decrease in private inventory investment.

Final sales of computers added 0.22 percentage point to the third-quarter change in real GDP after adding 0.07 percentage point to the second-quarter change. Motor vehicle output added 0.18 percentage point to the third-quarter change in real GDP after subtracting 0.10 percentage point from the second-quarter change.

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 are annualized. "Real" estimates are in chained (2005) dollars. Price indexes are chain-type measures.

This news release is available on [BEA's Web site](#) along with the [Technical Note](#) and [Highlights](#) related to this release. For information on revisions, see ["Revisions to GDP, GDI and Their Major Components."](#)

The price index for gross domestic purchases, which measures prices paid by U.S. residents, increased 1.9 percent in the third quarter, 0.1 percentage point less than in the advance estimate; this index increased 3.3 percent in the second quarter. Excluding food and energy prices, the price index for gross domestic purchases increased 1.8 percent in the third quarter, compared with an increase of 2.7 percent in the second.

Real personal consumption expenditures increased 2.3 percent in the third quarter, compared with an increase of 0.7 percent in the second. Durable goods increased 5.5 percent, in contrast to a decrease of 5.3 percent. Nondurable goods decreased 0.6 percent, in contrast to an increase of 0.2 percent. Services increased 2.9 percent, compared with an increase of 1.9 percent.

Real nonresidential fixed investment increased 14.8 percent in the third quarter, compared with an increase of 10.3 percent in the second. Nonresidential structures increased 12.6 percent, compared with an increase of 22.6 percent. Equipment and software increased 15.6 percent, compared with an increase of 6.2 percent. Real residential fixed investment increased 1.6 percent, compared with an increase of 4.2 percent.

Real exports of goods and services increased 4.3 percent in the third quarter, compared with an increase of 3.6 percent in the second. Real imports of goods and services increased 0.5 percent, compared with an increase of 1.4 percent.

Real federal government consumption expenditures and gross investment increased 1.9 percent in the third quarter, the same increase as in the second. National defense increased 4.7 percent, compared with an increase of 7.0 percent. Nondefense decreased 3.8 percent, compared with a decrease of 7.6 percent. Real state and local government consumption expenditures and gross investment decreased 1.4 percent, compared with a decrease of 2.8 percent.

The change in real private inventories subtracted 1.55 percentage points from the third-quarter change in real GDP after subtracting 0.28 percentage point from the second-quarter change. Private businesses decreased inventories \$8.5 billion in the third quarter, following increases of \$39.1 billion in the second quarter and \$49.1 billion in the first.

Real final sales of domestic product -- GDP less change in private inventories -- increased 3.6 percent in the third quarter, compared with an increase of 1.6 percent in the second.

Gross domestic purchases

Real gross domestic purchases -- purchases by U.S. residents of goods and services wherever produced -- increased 1.5 percent in the third quarter, compared with an increase of 1.0 percent in the second.

Gross national product

Real gross national product -- the goods and services produced by the labor and property supplied by U.S. residents -- increased 2.1 percent in the third quarter, compared with an increase of 2.2 percent in the second. GNP includes, and GDP excludes, net receipts of income from the rest of the world, which increased \$3.5 billion in the third quarter after increasing \$28.0 billion in the second; in the third quarter, receipts decreased \$11.0 billion, and payments decreased \$14.5 billion.

Current-dollar GDP

Current-dollar GDP -- the market value of the nation's output of goods and services -- increased 4.6 percent, or \$168.1 billion, in the third quarter to a level of \$15,180.9 billion. In the second quarter, current-dollar GDP increased 4.0 percent, or \$145.0 billion.

Gross domestic income

Real gross domestic income (GDI), which measures the output of the economy as the costs incurred and the incomes earned in the production of GDP, increased 0.4 percent in the third quarter after increasing 0.2 percent in the second. For a given quarter, the estimates of GDP and GDI may differ for a variety of reasons, including the incorporation of largely independent source data. However, over longer time spans, the estimates of GDP and GDI tend to follow similar patterns of change.

Revisions

The "second" estimate of the third-quarter increase in real GDP is 0.5 percentage point, or \$15.0 billion, lower than the advance estimate issued last month, primarily reflecting downward revisions to private inventory investment, to nonresidential fixed investment, and to personal consumption expenditures that were partly offset by a downward revision to imports.

	<u>Advance Estimate</u>	<u>Second Estimate</u>
	(Percent change from preceding quarter)	
Real GDP.....	2.5	2.0
Current-dollar GDP.....	5.0	4.6
Gross domestic purchases price index...	2.0	1.9

Corporate Profits

Profits from current production (corporate profits with inventory valuation and capital consumption adjustments) increased \$39.8 billion in the third quarter, compared with an increase of \$61.2 billion in the second quarter. Current-production cash flow (net cash flow with inventory valuation adjustment) -- the internal funds available to corporations for investment -- increased \$39.6 billion in the third quarter, compared with an increase of \$86.2 billion in the second.

Taxes on corporate income decreased \$5.6 billion in the third quarter, compared with a decrease of \$1.8 billion in the second. Profits after tax with inventory valuation and capital consumption adjustments increased \$45.5 billion in the third quarter, compared with an increase of \$63.0 billion in the second. Dividends increased \$13.3 billion, compared with an increase of \$13.6 billion; current-production undistributed profits increased \$32.2 billion, compared with an increase of \$49.3 billion.

Domestic profits of financial corporations increased \$16.0 billion in the third quarter, in contrast to a decrease of \$54.2 billion in the second. Domestic profits of nonfinancial corporations increased \$17.4 billion in the third quarter, compared with an increase of \$80.8 billion in the second. In the third quarter, real gross value added of nonfinancial corporations decreased, 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 unit labor and nonlabor costs.

The rest-of-the-world component of profits increased \$6.4 billion in the third quarter, compared with an increase of \$34.6 billion in the second. 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 third-quarter increase was accounted for by a smaller decrease in receipts than in payments.

Profits before tax increased \$30.9 billion in the third quarter, compared with an increase of \$13.5 billion in the second. 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 decreased \$4.0 billion in the third quarter (from \$107.3 billion to \$103.3 billion), compared with a decrease of \$8.1 billion in the second. The inventory valuation adjustment increased \$13.1 billion (from -\$60.4 billion to -\$47.3 billion), compared with an increase of \$55.6 billion.

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Next release -- December 22, 2011, at 8:30 A.M. EST for:
Gross Domestic Product: Third Quarter 2011 (Third Estimate)
Corporate Profits: Third Quarter 2011 (Revised)

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Release dates in 2012

Gross Domestic Product

	<u>2011: IV and 2011 annual</u>	<u>2012: I</u>	<u>2012: II</u>	<u>2012: III</u>
Advance.....	January 27	April 27	July 27	October 26
Second.....	February 29	May 31	August 29	November 29
Third.....	March 29	June 28	September 27	December 20

Corporate Profits

Preliminary...	.....	May 31	August 29	November 29
Revised.....	March 29	June 28	September 27	December 20

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

	2008	2009	2010	Seasonally adjusted at annual rates															
				2007	2008				2009				2010				2011		
				IV	I	II	III	IV	I	II	III	IV	I	II	III	IV	I	II ^r	III ^r
Gross domestic product (GDP) ...	-0.3	-3.5	3.0	1.7	-1.8	1.3	-3.7	-8.9	-6.7	-0.7	1.7	3.8	3.9	3.8	2.5	2.3	0.4	1.3	2.0
Personal consumption expenditures	-0.6	-1.9	2.0	1.2	-1.0	-0.1	-3.8	-5.1	-1.5	-1.9	2.3	0.4	2.7	2.9	2.6	3.6	2.1	0.7	2.3
Goods	-2.5	-3.0	4.3	1.0	-5.6	0.5	-7.7	-12.6	0.1	-2.3	7.6	0.5	6.4	3.8	4.8	8.3	4.7	-1.6	1.3
Durable goods	-4.9	-5.4	7.2	2.3	-9.6	-2.9	-12.3	-25.4	2.4	-4.0	20.3	-4.8	9.9	7.8	8.8	17.2	11.7	-5.3	5.5
Nondurable goods	-1.2	-1.8	2.9	0.4	-3.3	2.3	-5.4	-5.8	-1.0	-1.5	2.0	3.1	4.8	1.9	3.0	4.3	1.6	0.2	-0.6
Services	0.4	-1.4	0.9	1.3	1.5	-0.5	-1.7	-1.2	-2.3	-1.7	-0.1	0.4	1.0	2.5	1.6	1.3	0.8	1.9	2.9
Gross private domestic investment	-10.2	-25.0	17.9	-9.3	-12.2	-6.0	-16.5	-33.9	-46.7	-22.8	2.9	36.8	31.5	26.4	9.2	-7.1	3.8	6.4	-0.9
Fixed investment	-7.1	-18.8	2.6	-4.9	-8.3	-5.2	-12.3	-25.2	-32.2	-17.0	0.7	-3.8	1.2	19.5	2.3	7.5	1.2	9.2	12.3
Nonresidential	-0.8	-17.8	4.4	5.4	-0.8	-2.3	-9.9	-22.9	-31.3	-15.8	-3.3	-3.7	6.0	18.6	11.3	8.7	2.1	10.3	14.8
Structures	6.4	-21.2	-15.8	7.4	0.8	9.4	-3.7	-10.2	-32.1	-33.3	-20.1	-30.8	-24.7	7.5	4.2	10.5	-14.3	22.6	12.6
Equipment and software	-4.3	-16.0	14.6	4.4	-1.7	-7.9	-13.1	-29.3	-30.8	-4.2	6.4	11.7	21.7	23.2	14.1	8.1	8.7	6.2	15.6
Residential	-23.9	-22.2	-4.3	-29.3	-28.5	-14.5	-20.0	-33.2	-35.4	-21.3	17.8	-3.8	-15.3	22.8	-27.7	2.5	-2.4	4.2	1.6
Change in private inventories																			
Net exports of goods and services																			
Exports	6.1	-9.4	11.3	11.6	5.5	12.7	-3.5	-21.4	-29.0	-0.5	13.9	23.5	7.2	10.0	10.0	7.8	7.9	3.6	4.3
Goods	6.3	-12.0	14.4	9.9	9.3	14.1	-2.4	-27.4	-34.9	-2.9	21.3	28.4	12.1	11.8	8.9	9.2	10.6	2.5	4.9
Services	5.6	-3.5	5.0	15.7	-2.7	9.5	-6.2	-5.6	-14.7	4.7	0.1	13.7	-2.7	6.1	12.6	4.7	1.7	6.2	2.7
Imports	-2.7	-13.6	12.5	-5.2	1.4	-2.5	-6.6	-14.9	-34.0	-15.0	16.3	17.4	12.5	21.6	12.3	-2.3	8.3	1.4	0.5
Goods	-3.8	-15.6	14.8	-5.5	-0.6	-2.2	-9.1	-18.5	-37.1	-17.9	19.6	21.8	14.4	26.0	12.4	-0.5	9.5	1.6	0.3
Services	3.6	-3.5	2.9	-4.0	13.0	-4.2	8.2	5.6	-19.3	-2.5	4.2	0.4	4.6	3.3	11.6	-10.4	2.2	0.4	2.0
Government consumption expenditures and gross investment	2.6	1.7	0.7	1.2	3.1	1.7	4.3	1.6	-1.7	5.9	1.3	-0.9	-1.2	3.7	1.0	-2.8	-5.9	-0.9	-0.1
Federal	7.2	6.0	4.5	1.1	9.7	4.9	11.7	9.1	-3.3	14.4	5.9	2.2	2.8	8.8	3.2	-3.0	-9.4	1.9	1.9
National defense	7.5	5.8	3.3	0.0	8.2	5.4	17.6	8.3	-7.5	16.3	8.2	-1.3	0.5	6.0	5.7	-5.9	-12.6	7.0	4.7
Nondefense	6.5	6.5	7.1	3.4	13.0	3.9	-0.1	10.9	6.5	10.4	1.0	9.9	7.8	14.7	-1.8	3.1	-2.7	-7.6	-3.8
State and local	0.0	-0.9	-1.8	1.3	-0.6	-0.1	0.1	-2.8	-0.8	0.9	-1.5	-2.9	-3.9	0.4	-0.5	-2.7	-3.4	-2.8	-1.4
Addenda:																			
Final sales of domestic product	0.2	-2.6	1.4	2.5	-1.1	1.5	-3.0	-7.4	-4.2	-0.2	1.4	-0.2	0.8	3.0	1.7	4.2	0.0	1.6	3.6
Gross domestic purchases	-1.5	-4.4	3.4	-0.5	-2.1	-0.7	-4.2	-8.3	-8.6	-2.8	2.2	3.5	4.8	5.6	3.1	0.9	0.7	1.0	1.5
Final sales to domestic purchasers	-1.0	-3.6	1.8	0.2	-1.4	-0.5	-3.6	-6.9	-6.2	-2.3	1.9	-0.3	1.7	4.9	2.3	2.7	0.4	1.3	3.0
Gross national product (GNP)	0.0	-3.6	3.3	3.2	-2.3	1.3	-3.2	-10.8	-6.2	-0.5	2.3	4.0	3.8	4.5	2.8	1.7	1.5	2.2	2.1
Disposable personal income	2.4	-2.3	1.8	2.2	5.9	8.2	-8.8	-0.2	-3.8	0.3	-5.4	-0.6	4.9	5.6	2.3	1.5	1.2	-0.5	-2.1
Current-dollar measures:																			
GDP	1.9	-2.5	4.2	3.6	0.6	4.0	-0.6	-8.4	-5.2	-1.1	1.9	4.9	5.5	5.4	3.9	4.2	3.1	4.0	4.6
Final sales of domestic product	2.4	-1.6	2.6	4.4	1.5	4.0	0.2	-7.4	-2.5	-0.5	1.8	1.0	2.3	4.5	3.1	6.1	2.5	4.2	6.3
Gross domestic purchases	1.8	-4.5	5.0	3.2	1.9	3.9	-0.3	-12.0	-10.4	-2.4	3.9	5.6	7.0	6.2	4.0	2.9	4.9	4.5	3.4
Final sales to domestic purchasers	2.2	-3.7	3.3	4.0	2.7	3.9	0.4	-11.0	-7.9	-1.8	3.7	1.9	3.8	5.3	3.2	4.8	4.3	4.7	5.0
GNP	2.2	-2.6	4.4	5.2	0.0	4.1	-0.1	-10.4	-4.8	-0.9	2.6	5.1	5.4	6.1	4.1	3.5	4.2	4.8	4.6
Disposable personal income	5.8	-2.1	3.6	6.5	10.0	13.1	-4.9	-5.8	-5.4	2.2	-2.6	2.2	6.8	5.9	3.3	3.5	5.2	2.8	0.2

^r Revised. Revisions include changes to series affected by the incorporation of revised wage and salary estimates for the second quarter of 2011. See "Explanatory Note" at the end of the tables.

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

	2008	2009	2010	Seasonally adjusted at annual rates																
				2007	2008				2009				2010				2011			
					IV	I	II	III	IV	I	II	III	IV	I	II	III	IV	I	II	III ^r
Gross domestic product (GDP)	2.2	1.1	1.2	1.9	2.5	2.5	3.1	0.5	1.7	-0.4	0.3	1.1	1.5	1.5	1.4	1.9	2.5	2.5	2.5	
Personal consumption expenditures	3.3	0.2	1.8	4.2	3.9	4.5	4.3	-5.6	-1.7	1.9	3.0	2.8	1.9	0.3	1.0	1.9	3.9	3.3	2.3	
Goods	3.1	-2.6	1.6	5.3	4.8	4.8	7.0	-17.8	-6.3	4.1	5.6	2.5	2.1	-3.4	0.8	3.4	8.0	5.1	2.9	
Durable goods	-1.9	-1.8	-1.7	-1.5	-1.3	-2.7	-1.1	-3.5	-2.1	-0.1	-2.7	0.5	-2.1	-2.4	-2.5	-2.4	-0.6	1.7	-0.5	
Nondurable goods	5.7	-2.9	3.2	9.1	8.1	8.8	11.1	-23.8	-8.3	6.1	9.8	3.5	4.1	-3.9	2.4	6.2	12.4	6.7	4.5	
Services	3.4	1.6	1.9	3.7	3.4	4.4	3.0	1.2	0.6	0.9	1.8	2.9	1.7	2.2	1.1	1.2	1.9	2.4	2.0	
Gross private domestic investment	1.1	-1.0	-1.6	0.4	0.3	1.2	2.4	6.9	-2.2	-6.4	-5.8	-1.7	-1.2	0.0	0.9	1.7	2.1	2.2	1.0	
Fixed investment	1.2	-1.2	-1.4	0.4	0.9	1.4	3.3	2.9	-2.3	-5.3	-4.4	-1.0	-1.3	-0.5	0.5	0.8	1.4	2.4	1.4	
Nonresidential	2.0	-0.6	-1.6	0.4	1.9	2.2	5.1	5.3	-2.2	-5.2	-4.7	-2.0	-1.7	0.2	0.5	0.4	1.4	2.5	1.6	
Structures	4.9	-2.6	-1.1	4.8	5.2	3.9	7.7	8.2	-5.6	-12.0	-10.0	-1.5	1.3	2.4	2.5	3.6	5.0	6.1	5.6	
Equipment and software	0.5	0.5	-1.8	-1.8	0.2	1.3	3.7	3.6	-0.2	-1.3	-2.2	-2.5	-3.1	-0.7	-0.3	-0.8	0.2	1.2	0.2	
Residential	-1.2	-3.4	-0.4	0.7	-1.6	-1.1	-2.8	-5.2	-2.9	-5.9	-3.1	3.1	0.5	-3.0	0.6	2.5	1.5	2.0	0.3	
Change in private inventories																				
Net exports of goods and services	4.7	-5.4	4.4	5.8	7.8	10.7	6.0	-22.0	-11.9	0.1	5.0	5.5	4.8	5.0	0.6	8.6	11.0	8.8	1.9	
Exports	5.0	-6.8	4.9	6.1	8.9	13.3	5.7	-27.1	-14.4	2.1	5.1	5.3	5.5	5.5	0.6	11.5	12.9	9.7	1.4	
Goods	4.1	-2.2	3.2	5.1	5.4	4.7	6.7	-8.9	-6.7	-3.8	4.6	5.8	3.5	3.9	0.6	2.2	6.5	6.5	3.1	
Services	10.6	-10.6	6.1	17.0	16.8	21.0	10.6	-36.7	-29.2	6.6	14.4	11.5	8.3	-2.2	-2.2	8.4	19.1	12.5	-1.3	
Imports	11.6	-12.4	6.8	19.3	19.2	22.7	11.6	-40.8	-33.4	8.5	17.1	12.5	9.9	-2.9	-3.0	8.9	22.3	14.0	-1.5	
Goods	5.8	-2.2	2.7	5.9	5.1	12.6	5.5	-11.6	-7.9	-0.8	4.0	7.1	1.0	0.8	1.6	5.8	4.2	5.2	0.0	
Services																				
Government consumption expenditures and gross investment	4.9	-0.3	2.2	4.7	7.9	6.6	4.2	-5.4	-1.8	0.0	1.2	2.0	4.7	1.3	0.9	3.1	5.4	4.2	1.2	
Federal	3.2	-0.2	2.4	2.3	7.5	4.1	1.7	-4.7	1.2	-2.0	1.4	2.3	5.6	1.3	1.1	2.0	5.3	3.8	1.8	
National defense	3.6	-0.7	2.4	3.1	7.5	5.3	2.0	-5.8	0.2	-2.5	1.1	2.5	5.7	1.3	0.9	2.5	6.3	3.8	1.6	
Nondefense	2.3	0.9	2.4	0.8	7.6	1.5	1.1	-2.3	3.5	-1.0	2.2	1.9	5.5	1.2	1.5	1.1	3.4	3.7	2.3	
State and local	5.9	-0.4	2.1	6.2	8.2	8.1	5.7	-5.7	-3.6	1.3	1.0	1.7	4.1	1.3	0.7	3.8	5.5	4.5	0.8	
Addenda:																				
Final sales of domestic product	2.2	1.0	1.2	1.9	2.6	2.5	3.2	0.0	1.7	-0.3	0.4	1.2	1.4	1.4	1.4	1.8	2.4	2.5	2.6	
Gross domestic purchases	3.2	-0.1	1.5	3.7	4.1	4.5	4.0	-4.0	-1.9	0.5	1.6	2.1	2.1	0.5	1.0	2.1	4.0	3.3	1.9	
Final sales to domestic purchasers	3.3	-0.1	1.5	3.7	4.2	4.5	4.1	-4.4	-1.8	0.6	1.7	2.2	2.1	0.4	0.9	2.0	3.9	3.4	2.0	
Gross national product (GNP)	2.2	1.1	1.1	1.9	2.5	2.5	3.1	0.4	1.7	-0.4	0.3	1.1	1.5	1.4	1.4	1.9	2.5	2.5	2.5	
Implicit price deflators:																				
GDP	2.2	1.1	1.2	1.9	2.4	2.7	3.2	0.5	1.5	-0.4	0.2	1.0	1.5	1.6	1.3	1.8	2.7	2.6	2.5	
Gross domestic purchases	3.3	-0.1	1.5	3.8	4.0	4.6	4.1	-4.0	-2.0	0.5	1.6	2.0	2.1	0.6	0.9	2.0	4.2	3.4	1.9	
GNP	2.2	1.0	1.1	1.9	2.4	2.7	3.2	0.4	1.5	-0.4	0.2	1.0	1.5	1.5	1.3	1.8	2.7	2.6	2.5	

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

Table 5. Real Gross Domestic Product, Quantity Indexes
[Index numbers, 2005=100]

	2008	2009	2010	Seasonally adjusted				
				2010		2011		
				III	IV	I	II	III ^r
Gross domestic product	104.270	100.635	103.684	104.093	104.699	104.792	105.140	105.663
Personal consumption expenditures	104.637	102.657	104.741	105.038	105.962	106.511	106.693	107.303
Goods.....	103.776	100.693	105.006	105.333	107.452	108.700	108.272	108.611
Durable goods.....	104.314	98.660	105.782	106.294	110.600	113.710	112.180	113.688
Nondurable goods.....	103.363	101.536	104.501	104.733	105.839	106.249	106.306	106.136
Services.....	105.067	103.644	104.628	104.912	105.250	105.453	105.941	106.688
Gross private domestic investment	89.296	66.944	78.945	81.333	79.848	80.600	81.869	81.691
Fixed investment.....	93.228	75.688	77.667	78.380	79.812	80.052	81.829	84.239
Nonresidential.....	114.125	93.755	97.913	99.725	101.822	102.342	104.889	108.573
Structures.....	132.595	104.426	87.883	88.169	90.399	86.974	91.511	94.272
Equipment and software.....	106.411	89.367	102.393	104.873	106.925	109.174	110.839	114.936
Residential.....	57.345	44.587	42.681	41.427	41.684	41.428	41.855	42.022
Change in private inventories.....								
Exports of goods and services	126.376	114.479	127.444	129.101	131.551	134.061	135.240	136.667
Imports of goods and services	105.733	91.372	102.821	105.708	105.091	107.207	107.573	107.718
Government consumption expenditures and gross investment	105.381	107.161	107.886	108.457	107.691	106.076	105.837	105.813
Federal.....	110.819	117.479	122.782	124.138	123.197	120.195	120.769	121.328
State and local.....	102.310	101.378	99.557	99.689	99.020	98.177	97.488	97.140
Addenda:								
Final sales of domestic product.....	104.991	102.224	103.626	103.762	104.841	104.850	105.275	106.210
Gross domestic purchases.....	102.303	97.796	101.160	101.828	102.064	102.237	102.504	102.874
Final sales to domestic purchasers.....	102.974	99.280	101.091	101.502	102.182	102.276	102.615	103.371
Gross national product.....	104.692	100.968	104.253	104.786	105.218	105.598	106.164	106.711

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

Table 6. Price Indexes for Gross Domestic Product
[Index numbers, 2005=100]

	2008	2009	2010	Seasonally adjusted				
				2010		2011		
				III	IV	I	II	III ^r
Gross domestic product	108.565	109.732	111.000	111.162	111.699	112.390	113.091	113.796
Personal consumption expenditures (PCE)	108.943	109.169	111.112	111.136	111.673	112.747	113.666	114.317
Goods.....	105.912	103.209	104.837	104.497	105.367	107.412	108.752	109.531
Durable goods.....	94.628	92.901	91.348	91.058	90.507	90.362	90.745	90.629
Nondurable goods.....	112.567	109.301	112.748	112.379	114.092	117.463	119.383	120.707
Services.....	110.584	112.353	114.465	114.682	115.037	115.574	116.260	116.841
Gross private domestic investment	107.501	106.401	104.743	104.755	105.199	105.755	106.342	106.607
Fixed investment.....	107.587	106.305	104.843	104.826	105.035	105.412	106.039	106.402
Nonresidential.....	107.717	107.106	105.373	105.424	105.536	105.909	106.560	106.986
Structures.....	125.706	122.490	121.117	121.399	122.475	123.982	125.835	127.560
Equipment and software.....	101.000	101.496	99.634	99.595	99.406	99.446	99.743	99.788
Residential.....	106.296	102.637	102.214	101.941	102.563	102.958	103.479	103.560
Change in private inventories.....								
Exports of goods and services	111.975	105.959	110.617	110.461	112.757	115.725	118.182	118.737
Imports of goods and services	119.237	106.571	113.032	111.994	114.271	119.370	122.949	122.558
Government consumption expenditures and gross investment	115.245	114.883	117.445	117.444	118.341	119.910	121.146	121.515
Federal.....	111.225	111.000	113.653	113.759	114.331	115.827	116.902	117.422
State and local.....	117.666	117.214	119.704	119.627	120.757	122.372	123.721	123.977
Addenda:								
PCE excluding food and energy ¹	107.020	108.691	110.208	110.353	110.534	110.963	111.585	112.149
Market-based PCE ²	108.909	109.201	110.857	110.894	111.394	112.498	113.478	114.211
Market-based PCE excluding food and energy ²	106.666	108.647	109.763	109.943	110.025	110.391	111.038	111.683
Final sales of domestic product.....	108.576	109.703	110.981	111.140	111.647	112.315	113.021	113.739
Gross domestic purchases.....	109.858	109.803	111.438	111.456	112.048	113.147	114.081	114.631
Final sales to domestic purchasers.....	109.869	109.783	111.426	111.441	112.006	113.084	114.024	114.587
Gross national product.....	108.571	109.721	110.979	111.139	111.676	112.372	113.080	113.784
Implicit price deflators:								
Gross domestic product.....	108.582	109.729	110.992	111.156	111.644	112.398	113.118	113.818
Final sales of domestic product.....	108.576	109.703	110.981	111.136	111.642	112.311	113.017	113.735
Gross domestic purchases.....	109.875	109.799	111.429	111.451	111.996	113.155	114.108	114.654
Final sales to domestic purchasers.....	109.869	109.783	111.426	111.438	112.003	113.080	114.021	114.583
Gross national product.....	108.589	109.717	110.971	111.133	111.623	112.379	113.106	113.807

^r Revised

1. Food excludes personal consumption expenditures for purchased meals and beverages, which are classified in food services.

2. 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, financial services furnished without payment) and the final consumption expenditures of nonprofit institutions serving households. 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 9. Relation of Gross Domestic Product, Gross National Product, and National Income
[Billions of dollars]

	2008	2009	2010	Seasonally adjusted at annual rates				
				2010		2011		
				III	IV	I	II ^r	III ^r
Gross domestic product	14,291.5	13,939.0	14,526.5	14,605.5	14,755.0	14,867.8	15,012.8	15,180.9
Plus: Income receipts from the rest of the world.....	856.1	639.8	702.9	708.9	729.4	752.1	803.2	794.8
Less: Income payments to the rest of the world.....	686.9	487.5	513.5	501.6	545.0	525.0	542.0	527.8
Equals: Gross national product	14,460.7	14,091.2	14,715.9	14,812.8	14,939.4	15,094.9	15,274.0	15,447.8
Less: Consumption of fixed capital.....	1,854.1	1,866.2	1,874.9	1,878.2	1,896.1	1,914.3	1,939.9	1,961.9
Less: Statistical discrepancy.....	-2.4	77.4	0.8	-7.4	24.5	-52.0	-10.0	51.4
Equals: National income	12,609.1	12,147.6	12,840.1	12,942.1	13,018.8	13,232.6	13,344.1	13,434.6
Compensation of employees.....	8,068.3	7,806.4	7,971.4	8,022.2	8,050.8	8,172.5	8,219.7	8,249.6
Wage and salary accruals.....	6,545.9	6,275.3	6,408.2	6,454.5	6,477.0	6,578.2	6,617.1	6,641.6
Supplements to wages and salaries.....	1,522.5	1,531.1	1,563.1	1,567.7	1,573.7	1,594.4	1,602.7	1,608.0
Proprietors' income with inventory valuation and capital consumption adjustments.....	1,097.9	941.2	1,036.4	1,057.0	1,081.5	1,095.6	1,106.5	1,115.0
Rental income of persons with capital consumption adjustment.....	231.6	305.9	350.2	352.8	354.8	385.0	396.9	406.4
Corporate profits with inventory valuation and capital consumption adjustments.....	1,248.4	1,362.0	1,800.1	1,833.1	1,857.4	1,876.4	1,937.6	1,977.4
Net interest and miscellaneous payments.....	870.1	656.7	564.3	550.1	548.7	556.6	525.6	531.9
Taxes on production and imports less subsidies.....	985.7	958.2	996.7	1,002.0	1,006.4	1,027.3	1,038.5	1,035.1
Business current transfer payments (net).....	123.0	132.0	136.7	140.9	135.7	134.7	133.9	133.7
Current surplus of government enterprises.....	-16.0	-14.9	-15.7	-16.0	-16.5	-15.6	-14.6	-14.5
Addendum:								
Gross domestic income.....	14,294.0	13,861.5	14,525.7	14,612.9	14,730.5	14,919.8	15,022.7	15,129.5

^r Revised. Revisions include changes to series affected by the incorporation of revised wage and salary estimates for the second quarter of 2011.

Table 10. Personal Income and Its Disposition
[Billions of dollars]

	2008	2009	2010	Seasonally adjusted at annual rates				
				2010		2011		
				III	IV	I	II ^r	III ^r
Personal income ¹	12,460.2	11,930.2	12,373.5	12,453.2	12,577.6	12,846.9	12,955.3	12,975.2
Compensation of employees, received.....	8,073.3	7,801.4	7,971.4	8,022.2	8,050.8	8,172.5	8,219.7	8,249.6
Wage and salary disbursements.....	6,550.9	6,270.3	6,408.2	6,454.5	6,477.0	6,578.2	6,617.1	6,641.6
Supplements to wages and salaries.....	1,522.5	1,531.1	1,563.1	1,567.7	1,573.7	1,594.4	1,602.7	1,608.0
Proprietors' income with inventory valuation and capital consumption adjustments.....	1,097.9	941.2	1,036.4	1,057.0	1,081.5	1,095.6	1,106.5	1,115.0
Farm.....	51.8	39.2	52.2	58.3	60.1	66.1	67.3	67.2
Nonfarm.....	1,046.1	902.0	984.2	998.7	1,021.4	1,029.5	1,039.2	1,047.8
Rental income of persons with capital consumption adjustment.....	231.6	305.9	350.2	352.8	354.8	385.0	396.9	406.4
Personal income receipts on assets.....	2,165.4	1,707.7	1,721.2	1,723.4	1,743.5	1,777.2	1,802.3	1,791.8
Personal interest income.....	1,382.0	1,108.9	1,003.4	983.9	989.6	1,004.7	1,015.9	993.1
Personal dividend income.....	783.4	598.8	717.7	739.4	753.9	772.5	786.4	798.7
Personal current transfer receipts.....	1,879.2	2,138.1	2,281.2	2,289.4	2,341.2	2,328.1	2,347.3	2,333.6
Less: Contributions for government social insurance, domestic.....	987.3	964.1	986.8	991.5	994.1	911.5	917.4	921.1
Less: Personal current taxes.....	1,435.7	1,141.4	1,193.9	1,212.8	1,240.9	1,365.9	1,396.2	1,410.0
Equals: Disposable personal income	11,024.5	10,788.8	11,179.7	11,240.4	11,336.7	11,481.0	11,559.2	11,565.2
Less: Personal outlays.....	10,432.2	10,236.3	10,586.9	10,614.8	10,748.6	10,902.1	11,002.6	11,130.6
Equals: Personal saving	592.3	552.6	592.8	625.6	588.1	578.9	556.5	434.6
Personal saving as a percentage of disposable personal income.....	5.4	5.1	5.3	5.6	5.2	5.0	4.8	3.8
Addenda:								
Personal income excluding current transfer receipts, billions of chained (2005) dollars ²	9,712.3	8,969.7	9,083.0	9,145.7	9,166.7	9,329.8	9,332.9	9,309.1
Disposable personal income, billions of chained (2005) dollars ²	10,119.5	9,882.7	10,061.6	10,114.4	10,152.0	10,183.2	10,169.7	10,117.1

^r Revised. Revisions include changes to series affected by the incorporation of revised wage and salary estimates for the second quarter of 2011.

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. The current-dollar measure is 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						
	2008	2009	2010	Seasonally adjusted at annual rates					2009	2010	Quarterly rates				Quarter one year ago
				2010		2011					2010	2011			2011
				III	IV	I	II	III				IV	I	II	
Corporate profits with inventory valuation and capital consumption adjustments	1,248.4	1,362.0	1,800.1	1,833.1	1,857.4	1,876.4	1,937.6	1,977.4	9.1	32.2	1.3	1.0	3.3	2.1	7.9
Less: Taxes on corporate income	309.0	272.4	411.1	430.3	404.7	422.3	420.5	414.9	-11.9	50.9	-5.9	4.3	-0.4	-1.3	-3.6
Equals: Profits after tax with inventory valuation and capital consumption adjustments	939.4	1,089.6	1,389.1	1,402.8	1,452.7	1,454.1	1,517.1	1,562.6	16.0	27.5	3.6	0.1	4.3	3.0	11.4
Net dividends	786.9	620.0	737.3	760.5	774.8	793.8	807.4	820.7	-21.2	18.9	1.9	2.5	1.7	1.6	7.9
Undistributed profits with inventory valuation and capital consumption adjustments	152.5	469.6	651.7	642.3	677.9	660.3	709.6	741.8	207.9	38.8	5.5	-2.6	7.5	4.5	15.5
Addenda for corporate cash flow:															
Net cash flow with inventory valuation adjustment	1,245.2	1,583.6	1,699.0	1,688.9	1,704.9	1,726.0	1,812.2	1,851.8	27.2	7.3	1.0	1.2	5.0	2.2	9.6
Undistributed profits with inventory valuation and capital consumption adjustments	152.5	469.6	651.7	642.3	677.9	660.3	709.6	741.8	207.9	38.8	5.5	-2.6	7.5	4.5	15.5
Consumption of fixed capital	1,028.5	1,030.4	1,027.1	1,028.5	1,038.3	1,048.0	1,063.1	1,075.4	0.2	-0.3	0.9	0.9	1.4	1.2	4.6
Less: Capital transfers paid (net)	-64.2	-83.6	-20.2	-18.0	11.3	-17.7	-39.4	-34.5	.....	.....	.....	.....	.....	.....	.....
Addenda:															
Profits before tax (without inventory valuation and capital consumption adjustments)	1,359.9	1,455.7	1,819.5	1,844.5	1,742.5	1,877.1	1,890.6	1,921.5	7.0	25.0	-5.5	7.7	0.7	1.6	4.2
Profits after tax (without inventory valuation and capital consumption adjustments)	1,050.9	1,183.3	1,408.4	1,414.2	1,337.8	1,454.8	1,470.1	1,506.6	12.6	19.0	-5.4	8.7	1.1	2.5	6.5
Inventory valuation adjustment	-44.5	0.6	-39.1	-32.0	-90.3	-116.0	-60.4	-47.3	.....	.....	.....	.....	.....	.....	.....
Capital consumption adjustment	-67.1	-94.3	19.7	20.5	205.2	115.4	107.3	103.3	.....	.....	.....	.....	.....	.....	.....

Table 12. Corporate Profits by Industry: Level and Change From Preceding Period
[Billions of dollars]

	Level								Change from preceding period						
	2008	2009	2010	Seasonally adjusted at annual rates					2009	2010	2010	2011			
				2010		2011						IV	I	II	III
				III	IV	I	II	III							
Corporate profits with inventory valuation and capital consumption adjustments	1,248.4	1,362.0	1,800.1	1,833.1	1,857.4	1,876.4	1,937.6	1,977.4	113.6	438.1	24.3	19.0	61.2	39.8	
Domestic industries	841.8	1,001.6	1,418.2	1,437.8	1,484.5	1,465.7	1,492.2	1,525.7	159.8	416.6	46.7	-18.8	26.5	33.5	
Financial	86.8	359.5	466.7	460.0	512.0	473.3	419.1	435.1	272.7	107.2	52.0	-38.7	-54.2	16.0	
Nonfinancial	755.0	642.1	951.5	977.8	972.6	992.3	1,073.1	1,090.5	-112.9	309.4	-5.2	19.7	80.8	17.4	
Rest of the world	406.6	360.4	381.9	395.3	372.9	410.8	445.4	451.8	-46.2	21.5	-22.4	37.9	34.6	6.4	
Receipts from the rest of the world	581.9	490.4	569.6	575.5	591.6	611.9	660.9	653.6	-91.5	79.2	16.1	20.3	49.0	-7.3	
Less: Payments to the rest of the world	175.3	130.0	187.7	180.3	218.8	201.1	215.5	201.8	-45.3	57.7	38.5	-17.7	14.4	-13.7	
Corporate profits with inventory valuation adjustment	1,315.5	1,456.3	1,780.4	1,812.6	1,652.2	1,761.1	1,830.2	1,874.2	140.8	324.1	-160.4	108.9	69.1	44.0	
Domestic industries	908.9	1,095.9	1,398.5	1,417.3	1,279.3	1,350.3	1,384.9	1,422.4	187.0	302.6	-138.0	71.0	34.6	37.5	
Financial	122.2	401.8	494.7	487.8	520.8	491.5	438.9	455.4	279.6	92.9	33.0	-29.3	-52.6	16.5	
Federal Reserve banks	35.1	47.3	71.6	71.4	69.5	72.7	80.7	77.6	12.2	24.3	-1.9	3.2	8.0	-3.1	
Other financial	87.1	354.5	423.2	416.4	451.3	418.8	358.3	377.8	267.4	68.7	34.9	-32.5	-60.5	19.5	
Nonfinancial	786.7	694.1	903.7	929.5	758.5	858.8	945.9	967.0	-92.6	209.6	-171.0	100.3	87.1	21.1	
Utilities	30.7	22.2	25.0	28.0	7.1	14.9	15.2	.....	-8.5	2.8	-20.9	7.8	0.3	.....
Manufacturing	195.5	125.2	217.1	227.2	187.7	217.6	249.9	.....	-70.3	91.9	-39.5	29.9	32.3	.....
Durable goods	56.8	20.5	95.0	95.2	84.5	90.8	97.1	.....	-36.3	74.5	-10.7	6.3	6.3	.....
Fabricated metal products	15.8	10.5	11.7	12.5	13.5	14.6	15.6	.....	-5.3	1.2	1.0	1.1	1.0	.....
Machinery	16.6	7.8	15.3	16.8	16.9	20.0	20.3	.....	-8.8	7.5	0.1	3.1	0.3	.....
Computer and electronic products	12.2	15.4	39.5	39.0	41.9	29.0	34.5	.....	3.2	24.1	2.9	-12.9	5.5	.....
Electrical equipment, appliances, and components	4.6	8.4	7.0	7.6	2.4	4.3	2.0	.....	3.8	-1.4	-5.2	1.9	-2.3	.....
Motor vehicles, bodies and trailers, and parts	-33.1	-45.1	-12.7	-9.9	-19.1	-12.0	-12.2	.....	-12.0	32.4	-9.2	7.1	-0.2	.....
Other durable goods	40.7	23.6	34.1	29.2	28.8	34.8	36.8	.....	-17.1	10.5	-0.4	6.0	2.0	.....
Non-durable goods	138.6	104.7	122.1	132.0	103.2	126.9	152.9	.....	-33.9	17.4	-28.8	23.7	26.0	.....
Food and beverage and tobacco products	29.9	41.5	37.8	39.6	29.6	33.5	34.7	.....	11.6	-3.7	-10.0	3.9	1.2	.....
Petroleum and coal products	77.8	9.4	36.0	31.7	28.4	37.9	71.3	.....	-68.4	26.6	-3.3	9.5	33.4	.....
Chemical products	23.9	38.3	34.7	45.5	35.0	36.1	32.4	.....	14.4	-3.6	-10.5	1.1	-3.7	.....
Other non-durable goods	7.1	15.5	13.7	15.2	10.2	19.3	14.4	.....	8.4	-1.8	-5.0	9.1	-4.9	.....
Wholesale trade	86.3	83.3	85.8	89.4	49.5	71.6	90.8	.....	-3.0	2.5	-39.9	22.1	19.2	.....
Retail trade	81.6	106.0	122.6	119.0	117.3	120.2	112.7	.....	24.4	16.6	-1.7	2.9	-7.5	.....
Transportation and warehousing	31.9	23.5	34.4	39.3	28.2	23.5	26.8	.....	-8.4	10.9	-11.1	-4.7	3.3	.....
Information	75.1	81.2	87.7	86.6	79.1	98.9	103.6	.....	6.1	6.5	-7.5	19.8	4.7	.....
Other nonfinancial	285.7	252.8	331.2	340.0	289.6	312.0	346.9	.....	-32.9	78.4	-50.4	22.4	34.9	.....
Rest of the world	406.6	360.4	381.9	395.3	372.9	410.8	445.4	451.8	-46.2	21.5	-22.4	37.9	34.6	6.4	

NOTE: Estimates in this table are based on the 2002 North American Industry Classification System (NAICS).

Table 13. Gross Value Added of Nonfinancial Domestic Corporate Business

	2008	2009	2010	Seasonally adjusted at annual rates				
				2010		2011		
				III	IV	I	II ^r	III
Billions of dollars								
Gross value added of nonfinancial corporate business	6,991.4	6,592.0	6,902.0	6,953.9	6,966.5	7,078.3	7,216.5	7,268.0
Consumption of fixed capital	864.3	862.2	856.8	857.7	865.4	873.4	885.4	895.7
Net value added	6,127.1	5,729.8	6,045.2	6,096.2	6,101.1	6,205.0	6,331.1	6,372.3
Compensation of employees	4,441.2	4,178.2	4,263.0	4,299.8	4,315.9	4,386.5	4,426.3	4,450.4
Wage and salary accruals	3,681.4	3,436.4	3,513.4	3,548.2	3,562.4	3,621.5	3,657.9	3,679.3
Supplements to wages and salaries	759.8	741.7	749.6	751.6	753.4	765.0	768.4	771.1
Taxes on production and imports less subsidies	615.2	587.4	614.3	617.1	620.7	633.2	641.2	640.5
Net operating surplus	1,070.8	964.2	1,167.8	1,179.4	1,164.6	1,185.3	1,263.6	1,281.4
Net interest and miscellaneous payments	257.7	243.7	130.9	114.9	106.5	106.6	103.0	104.2
Business current transfer payments (net)	58.1	78.3	85.4	86.7	85.5	86.3	87.5	86.7
Corporate profits with inventory valuation and capital consumption adjustments	755.0	642.1	951.5	977.8	972.6	992.3	1,073.1	1,090.5
Taxes on corporate income	227.4	175.0	229.3	239.4	212.4	238.5	252.2	251.0
Profits after tax with inventory valuation and capital consumption adjustments	527.7	467.1	722.3	738.3	760.2	753.8	821.0	839.6
Net dividends	474.1	349.0	398.8	406.0	432.3	422.0	459.2	433.9
Undistributed profits with inventory valuation and capital consumption adjustments	53.5	118.1	323.5	332.3	327.9	331.8	361.7	405.7
Addenda:								
Profits before tax (without inventory valuation and capital consumption adjustments).....	831.2	693.5	942.8	961.5	848.9	974.8	1,006.3	1,014.3
Profits after tax (without inventory valuation and capital consumption adjustments).....	603.8	518.5	713.5	722.0	636.5	763.3	754.1	763.4
Inventory valuation adjustment	-44.5	0.6	-39.1	-32.0	-90.3	-116.0	-60.4	-47.3
Capital consumption adjustment	-31.7	-52.0	47.8	48.3	214.1	133.6	127.2	123.5
Billions of chained (2005) dollars								
Gross value added of nonfinancial corporate business ¹	6,521.2	6,110.9	6,442.7	6,477.8	6,455.9	6,526.7	6,624.7	6,611.2
Consumption of fixed capital ²	798.9	805.4	805.4	805.9	811.3	816.3	821.7	828.0
Net value added ³	5,722.3	5,305.5	5,637.3	5,671.9	5,644.6	5,710.4	5,802.9	5,783.2
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	1.072	1.079	1.071	1.073	1.079	1.085	1.089	1.099
Compensation of employees (unit labor cost)	0.681	0.684	0.662	0.664	0.669	0.672	0.668	0.673
Unit nonlabor cost	0.276	0.290	0.262	0.259	0.259	0.260	0.260	0.261
Consumption of fixed capital	0.133	0.141	0.133	0.132	0.134	0.134	0.134	0.135
Taxes on production and imports less subsidies plus business current transfer payments (net)	0.103	0.109	0.109	0.109	0.109	0.110	0.110	0.110
Net interest and miscellaneous payments	0.040	0.040	0.020	0.018	0.016	0.016	0.016	0.016
Corporate profits with inventory valuation and capital consumption adjustments (unit profits from current production).....	0.116	0.105	0.148	0.151	0.151	0.152	0.162	0.165
Taxes on corporate income	0.035	0.029	0.036	0.037	0.033	0.037	0.038	0.038
Profits after tax with inventory valuation and capital consumption adjustments	0.081	0.076	0.112	0.114	0.118	0.116	0.124	0.127

^r Revised. Revisions include changes to series affected by the incorporation of revised wage and salary estimates for the second quarter of 2011.

1. The current-dollar gross value added is deflated using the gross value added chain-type price index for nonfinancial 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 2005 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 2002 North American Industry Classification System (NAICS).

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

	2008	2009	2010	Seasonally adjusted at annual rates																	
				2007	2008				2009				2010				2011				
					IV	I	II	III	IV	I	II	III	IV	I	II	III	IV	I	II ^r	III ^r	
Gross domestic product (GDP) and related aggregates:																					
GDP.....	-0.3	-3.5	3.0	1.7	-1.8	1.3	-3.7	-8.9	-6.7	-0.7	1.7	3.8	3.9	3.8	2.5	2.3	0.4	1.3	2.0		
Goods.....	-0.8	-5.9	11.7	5.5	-4.4	4.5	-8.2	-23.9	-10.6	3.7	7.9	18.3	20.9	4.0	7.9	5.9	4.9	-0.6	1.3		
Services.....	1.0	-0.5	1.1	2.3	1.1	0.2	-0.9	-0.7	-1.8	0.5	0.0	1.2	0.3	2.6	1.5	1.0	-0.1	1.8	1.9		
Structures.....	-7.7	-16.9	-8.8	-10.9	-12.0	0.1	-8.3	-17.4	-27.1	-20.6	-3.9	-17.8	-18.6	15.0	-8.0	1.0	-13.1	5.0	5.8		
Motor vehicle output.....	-18.6	-24.5	27.4	-14.6	-14.1	-25.4	-26.0	-58.1	-55.3	18.8	128.2	10.1	40.1	15.7	14.9	-17.4	59.2	-4.1	7.5		
GDP excluding motor vehicle output.....	0.2	-3.0	2.6	2.2	-1.4	2.1	-3.0	-7.4	-5.5	-1.0	0.2	3.7	3.3	3.5	2.2	2.9	-0.7	1.5	1.9		
Final sales of computers ¹	20.1	1.3	20.5	39.3	7.3	30.0	-2.8	1.1	17.1	-13.8	-11.7	2.5	37.0	12.7	72.7	64.2	14.7	13.0	44.0		
GDP excluding final sales of computers.....	-0.4	-3.5	2.9	1.5	-1.8	1.2	-3.7	-8.9	-6.8	-0.6	1.8	3.8	3.7	3.7	2.2	2.1	0.3	1.3	1.8		
Farm gross value added ²	12.6	15.1	-0.5	41.9	48.4	-11.5	-16.5	79.6	15.1	5.9	41.8	-36.7	0.3	17.7	21.4	-29.8	-31.8	-9.7	-9.1		
Nonfarm business gross value added ³	-1.5	-5.1	4.0	0.9	-3.6	0.4	-5.2	-12.7	-8.7	-1.1	1.4	5.6	5.2	4.6	3.5	3.8	0.9	1.8	3.2		
Gross domestic income ⁴	-0.4	-4.0	3.6	1.4	2.6	-1.1	-2.6	-9.8	-7.0	-2.1	1.3	4.8	6.3	3.8	2.5	1.5	2.4	0.2	0.4		
Price indexes:																					
GDP.....	2.2	1.1	1.2	1.9	2.5	2.5	3.1	0.5	1.7	-0.4	0.3	1.1	1.5	1.5	1.4	1.9	2.5	2.5	2.5		
GDP excluding food and energy ⁵	2.4	0.8	1.4	2.7	3.2	2.4	2.7	-0.5	0.3	0.6	0.9	1.8	1.8	1.3	0.8	1.3	2.5	2.7	1.8		
GDP excluding final sales of computers.....	2.3	1.2	1.2	2.0	2.6	2.6	3.2	0.6	1.8	-0.3	0.4	1.2	1.5	1.5	1.5	2.0	2.6	2.6	2.6		
Gross domestic purchases.....	3.2	-0.1	1.5	3.7	4.1	4.5	4.0	-4.0	-1.9	0.5	1.6	2.1	2.1	0.5	1.0	2.1	4.0	3.3	1.9		
Gross domestic purchases excluding food and energy ⁵	2.6	0.8	1.2	2.8	3.4	3.1	2.7	-0.1	0.0	0.6	0.6	1.7	1.6	1.1	0.8	1.2	2.4	2.7	1.8		
Gross domestic purchases excluding final sales of computers to domestic purchasers.....	3.4	0.0	1.6	3.9	4.3	4.6	4.2	-3.9	-1.8	0.6	1.7	2.2	2.1	0.5	1.0	2.2	4.1	3.5	2.1		
Personal consumption expenditures (PCE).....	3.3	0.2	1.8	4.2	3.9	4.5	4.3	-5.6	-1.7	1.9	3.0	2.8	1.9	0.3	1.0	1.9	3.9	3.3	2.3		
PCE excluding food and energy ⁵	2.3	1.6	1.4	2.8	2.5	2.4	2.0	1.0	1.0	2.1	1.5	2.2	1.1	1.3	0.8	0.7	1.6	2.3	2.0		
Market-based PCE ⁶	3.4	0.3	1.5	4.4	4.3	4.2	5.0	-5.9	-1.3	2.0	2.9	2.2	1.5	-0.1	1.2	1.8	4.0	3.5	2.6		
Market-based PCE excluding food and energy ⁶	2.3	1.9	1.0	2.8	2.8	1.7	2.4	1.7	1.9	2.2	1.2	1.4	0.6	0.9	1.0	0.3	1.3	2.4	2.3		

^r Revised. Revisions include changes to series affected by the incorporation of revised wage and salary estimates for the second quarter of 2011.

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. Gross domestic income deflated by the implicit price deflator for gross domestic product. Includes changes due to the incorporation of revised wage and salary estimates for the second quarter of 2011.

5. Food excludes personal consumption expenditures for purchased meals and beverages, which are classified in food services.

6. 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, financial services furnished without payment) and the final consumption expenditures of nonprofit institutions serving households.

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 2005 -- 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 2007-08 annual percent change in real GDP uses prices for 2007 and 2008 as weights, and the 2007-08 annual percent change in GDP prices uses quantities for 2007 and 2008 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, 8, and appendix table A. Contributions by major components to the percent change 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 (2005) dollar estimates.” For most series, these estimates, which are presented in table 3, are computed by multiplying the current-dollar value in 2005 by a corresponding quantity index number and then dividing by 100. For example, if a current-dollar GDP component equaled \$100 in 2005 and if real output for this component increased 10 percent in 2006, then the chained (2005) dollar value of this component in 2006 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.