

GDP INCREASES IN FOURTH QUARTER

Annual growth for 2015 same as 2014

Real gross domestic product (GDP) increased 1.0 percent in the fourth quarter of 2015, according to the “second” estimate released by the Bureau of Economic Analysis. In the third quarter, real GDP increased 2.0 percent.

GDP highlights

The fourth-quarter increase in real GDP mainly reflected a rise in consumer spending. Spending on services increased, notably on health care. Spending on durable goods also increased, notably on recreational goods and vehicles. Spending on nondurable goods also increased.

Residential investment and federal government spending also contributed to real GDP growth.

Partly offsetting these contributions, exports, business investment, state and local government spending, and inventory investment each declined. In addition, imports, a subtraction in the calculation of GDP, increased.



Real GDP growth is measured at seasonally adjusted annual rates.

Revisions

The upward revision to real GDP growth reflected the following:

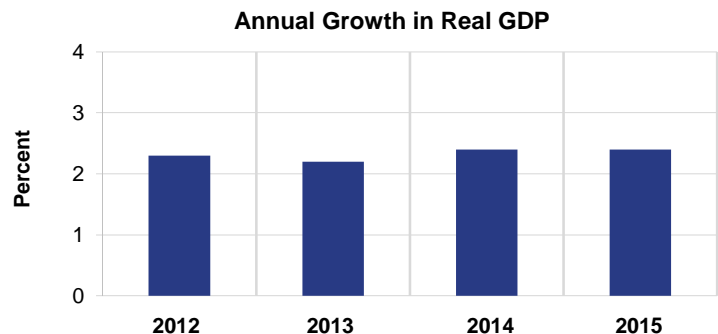
- An upward revision to inventory investment, notably in retail trade industries and mining, utilities, and construction industries
- A downward revision to imports, notably in industrial supplies and materials

These contributions were partly offset by downward revisions to state and local government spending and to consumer spending.

Annual GDP growth

For the year 2015, real GDP increased 2.4 percent, the same as in 2014.

- Consumer spending was the largest contributor to growth. Spending increased on services, notably healthcare. Spending on durable and nondurable goods also increased.
- Business investment, residential investment, inventory investment, state and local government spending, and exports also increased.
- Imports, a subtraction in the calculation of GDP, increased, partly offsetting the contributions to growth.



Prices of goods and services purchased by U.S. residents increased 0.4 percent in 2015, compared with a 1.5 percent increase in 2014. Excluding food and energy, prices rose 1.0 percent in 2015 after rising 1.6 percent in 2014.

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 “third” estimate of GDP and an estimate of corporate profits for the fourth quarter of 2015 will be released on March 25, 2016.