



Technical Note
Gross Domestic Product
Second Quarter of 2008 (Preliminary)
August 28, 2008

This technical note provides background information about the source data and estimating methods used to produce the estimates presented in the GDP news release. The complete set of estimates for the second quarter is available on BEA's Web site at www.bea.gov; a brief summary of "highlights" is also posted on the Web site. In a few weeks, the estimates will be published in BEA's monthly journal, the *Survey of Current Business*, along with a more detailed analysis of the estimates ("GDP and the Economy").

Sources of Revision to Real GDP

The real GDP growth rate in the second quarter was revised from 1.9 percent to 3.3 percent (annual rate).

- Exports were revised up and imports (which are a subtraction in the calculation of GDP) were revised down, reflecting newly available Census Bureau goods data for June.
- Inventory investment was revised up, reflecting newly available Census Bureau inventory data for June and revised data for May.

Corporate Profits

Profits from current production decreased \$37.8 billion, or 2.4 percent (quarterly rate), in the second quarter, after decreasing \$17.6 billion, or 1.1 percent, in the first.

Revisions to Wages and Salaries and Disposable Personal Income

In addition to presenting preliminary estimates for the second quarter, today's news release also presents revised estimates of first-quarter wages and salaries, personal taxes, and contributions for government social insurance. Wage and salary disbursements are now estimated to have increased \$52.5 billion in the first quarter, a downward revision of \$20.2 billion. These estimates reflect newly available wage and salary tabulations for the first quarter from the Bureau of Labor Statistics quarterly census of employment and wages. These data are more comprehensive than the monthly employment and earnings data that were used for the earlier estimates--they include the pay of supervisors and irregular pay, such as bonuses and gains from the exercise of stock options.

Real disposable personal income (DPI) is now estimated to have decreased 0.7 percent (annual rate) in the first quarter and to have increased 11.4 percent in the second; the second quarter increase reflects the rebate payments from the Economic Stimulus Act. (By comparison, the estimates that were available last month showed a decrease of 0.1 percent in the first quarter and an increase of 11.3 percent in the second.)

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Table A.--SOURCE DATA FOR THE ADVANCE AND PRELIMINARY ESTIMATES OF GDP FOR THE SECOND QUARTER OF 2008

This table shows the actual data used for the preliminary estimate of GDP for the second quarter of 2008. For these key series, actual data for June were not available in time for inclusion in the advance GDP estimate released on July 31, 2008, and BEA made assumptions for these source data. The numbers in brackets show the June values that had been assumed for the advance estimate. For most series, the data incorporated for May and, in some cases, for April, were preliminary, and the numbers shown in brackets are the values used last month.

All series shown in the table are in billions of dollars, seasonally adjusted at annual rates, and are published by the Bureau of the Census.

	2008					
	Jan.	Feb.	Mar.	Apr.	May	Jun.
Private fixed investment:						
Nonresidential structures:						
1 Value of new nonresidential construction put in place.....	389.7	391.6	398.0	400.2 {404.3}	404.8 {405.3}	408.1 {404.8}
Equipment and software:						
2 Manufacturers' shipments of complete aircraft.....	52.2	37.3	39.0	41.6	45.9 {46.2}	44.8 {42.6}
Residential structures:						
Value of new residential construction put in place:						
3 Single family.....	233.8	214.9	212.3	203.6 {204.1}	197.5 {197.2}	190.3 {190.7}
4 Multifamily.....	43.3	43.9	44.0	44.3 {44.1}	44.5 {44.2}	44.3 {44.2}
Change in private inventories:						
5 Change in inventories for nondurable manufacturing.....	62.5	20.7	22.7	-24.0	20.1 {17.4}	48.6 {22.8}
5a Change in inventories for merchant wholesale and retail industries other than motor vehicles and equipment...	77.7	32.8	-4.5	80.0	39.8 {38.0}	58.2 {67.0}
Net exports:						
Exports of goods:						
6 U.S. exports of goods, international-transactions-accounts basis.....	1256.2	1297.2	1260.4	1320.7	1332.0 {1330.0}	1400.4 {1334.2}
6a Excluding gold.....	1238.3	1270.7	1230.9	1296.1	1312.7 {1310.8}	1387.2 {1316.5}
Imports of goods:						
7 U.S. imports of goods, international-transactions-accounts basis.....	2098.0	2167.0	2081.2	2196.1	2197.3 {2199.7}	2240.7 {2245.3}
7a Excluding gold.....	2087.4	2145.4	2059.8	2177.3	2187.7 {2190.0}	2231.0 {2234.7}
8 Net exports of goods.....	-841.8	-869.8	-820.8	-875.4	-865.3 {-869.7}	-840.3 {-911.1}
8a Excluding gold.....	-849.0	-874.7	-828.9	-881.2	-875.0 {-879.2}	-843.9 {-918.2}
Government:						
State and local:						
Structures:						
9 Value of new construction put in place.....	268.5	269.4	278.6	278.9 {276.9}	279.3 {278.4}	278.3 {277.7}