

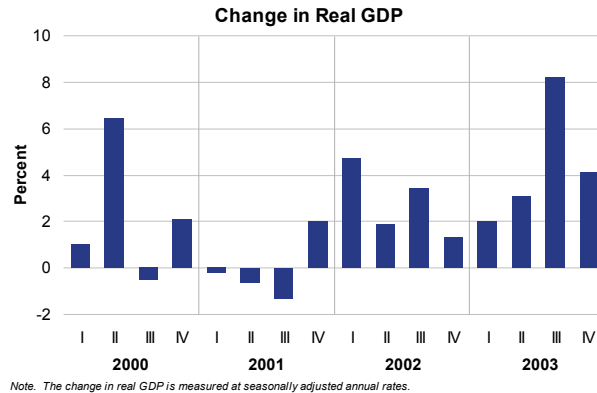


# GDP GROWTH UNREVISED AT 4.1% FOR FOURTH QUARTER PROFITS INCREASED

*Final GDP Estimates and Corporate Profits*

Estimates released today by the U.S. Bureau of Economic Analysis show real GDP growth at 4.1 percent in the fourth quarter of 2003, the same as in the “preliminary” estimates released a month ago. The Bureau also released its first estimate of fourth-quarter profits today—a substantial increase.

Gross domestic product (GDP), the most comprehensive measure of U.S. economic activity, is estimated to have increased 4.1 percent (*at an annual rate*) in the fourth quarter of 2003 after adjusting for inflation. This rate is above the average for the past 2 years, but below the unusually high third-quarter rate of 8.2 percent.

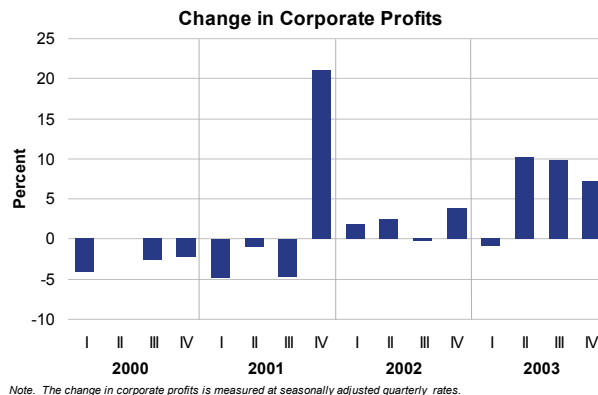


Today’s estimate of GDP growth reflects upward revisions to consumer spending and to business investment in structures that were roughly offset by downward revisions to business investment in inventories and to investment in structures by state and local governments.

As in the preliminary estimates, the moderation in GDP growth from the third quarter to the fourth was mainly accounted for by consumer spending, the trade balance, and housing.



Corporate profits increased 7.2 percent (*at a quarterly rate*) in the fourth quarter, the third robust increase in a row. Profits were 29 percent higher than they were a year earlier. Receipts from foreign affiliates of U.S. corporations accounted for more than half of the fourth-quarter increase.



BEA’s 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 its Web site: <www.bea.gov>.

NOTE: The “advance” estimate of GDP for the first quarter of 2004 will be released on April 29, 2004.

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Bureau of Economic Analysis  
U.S. Department of Commerce