

GDP GROWTH PICKS UP IN THIRD QUARTER

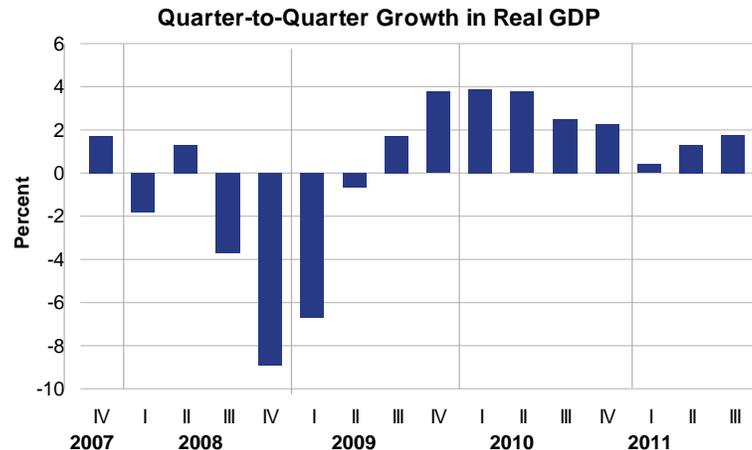
Third Estimate of GDP

Real gross domestic product (GDP) increased 1.8 percent in the third quarter of 2011 after increasing 1.3 percent in the second quarter, according to estimates released today by the Bureau of Economic Analysis. The third-quarter growth rate was revised down 0.2 percentage point from the second estimate released in November.

Third-quarter highlights

The following contributed to the 0.5 percentage point pickup in real GDP growth:

- Consumer spending picked up, as spending for durable goods turned up, mainly for motor vehicles and parts.
- Business investment accelerated, as investment in equipment and software picked up.
- Exports of goods picked up.
- State and local government spending fell but less than in the second quarter.



Real GDP growth is measured at seasonally adjusted annual rates.

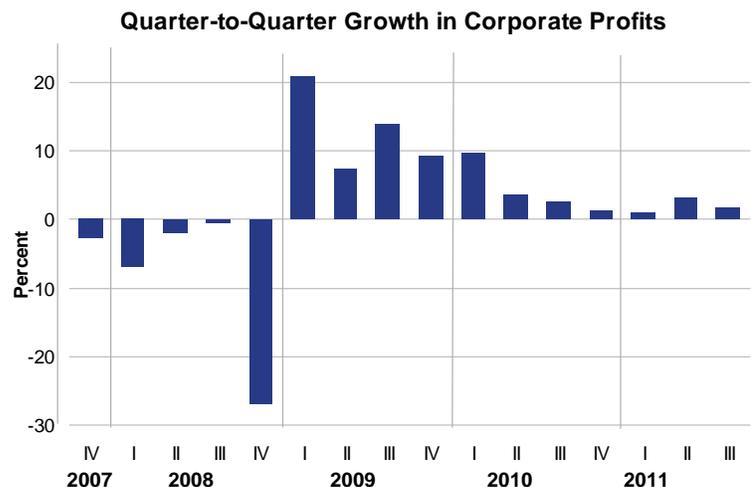
These contributions to the acceleration in real GDP were offset by a larger decrease in inventory investment in the third quarter.

Revisions to GDP

The 0.2 percentage point downward revision to real GDP growth in the third quarter of 2011 mainly reflected a downward revision to consumer spending for services that was partly offset by an upward revision to farm inventory investment.

Corporate Profits

Third-quarter corporate profits rose 1.7 percent at a quarterly rate, following a 3.3 percent rise in the second quarter. Third-quarter nonfinancial profits rose 1.7 percent, and financial profits rose 2.2 percent from the second quarter. Profits from the rest of the world increased 1.2 percent in the third quarter.



Corporate profits growth is measured as the percent change from the previous quarter.

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 2011 and the year 2011 will be released on January 27, 2012.