

News Release

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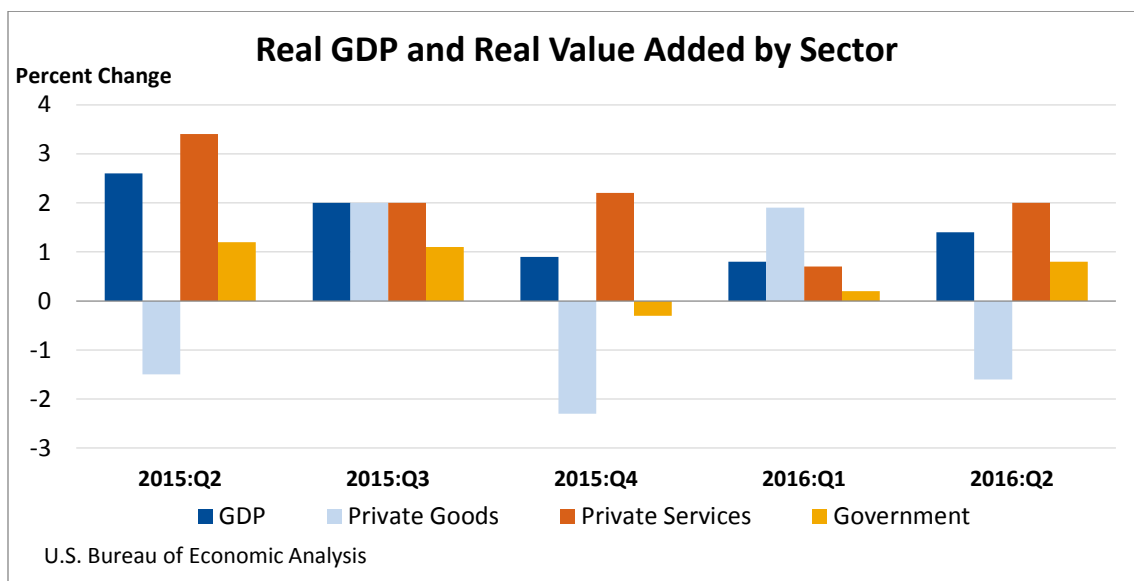
BEA 16-59

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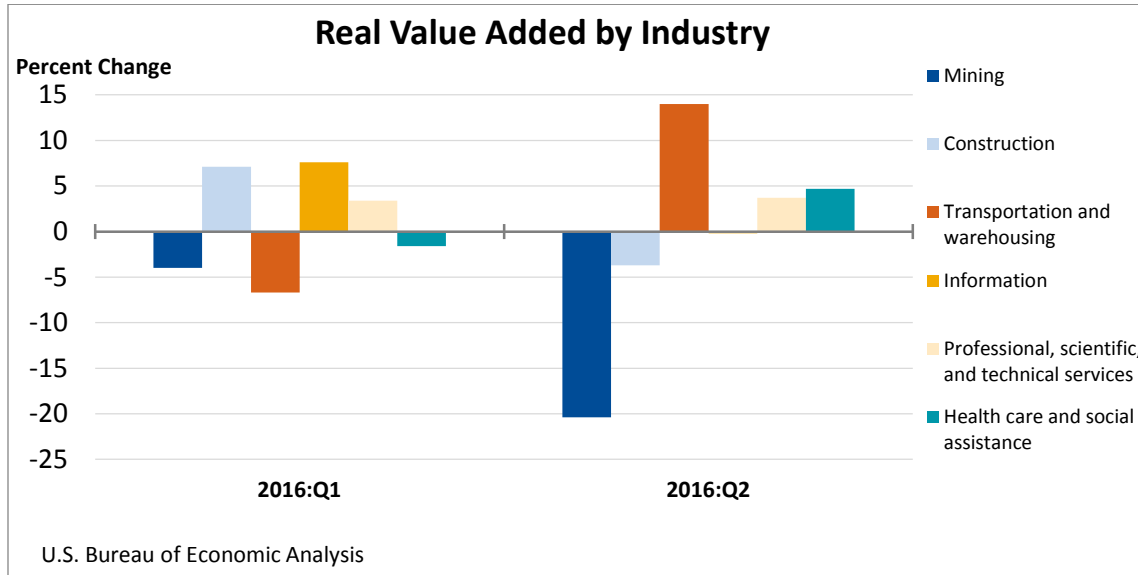
Gross Domestic Product by Industry: Second Quarter 2016 Annual Update: 2013 through First Quarter 2016

Transportation and Warehousing Led Growth in the Second Quarter

Transportation and warehousing; health care and social assistance; and professional, scientific, and technical services were the leading contributors to the increase in U.S. economic growth in the second quarter of 2016. According to gross domestic product (GDP) by industry statistics released by the Bureau of Economic Analysis, 15 of 22 industry groups contributed to the overall 1.4 percent increase in real GDP in the second quarter.



- For the transportation and warehousing industry group, real value added—a measure of an industry’s contribution to GDP—increased 14.0 percent in the second quarter, after decreasing 6.7 percent in the first quarter. The second quarter growth primarily reflected an increase in air and truck transportation.
- Health care and social assistance increased 4.7 percent, after decreasing 1.6 percent, primarily reflecting increases to both ambulatory health care services and hospitals.
- Professional, scientific, and technical services increased 3.7 percent, after increasing 3.4 percent. This was the ninth consecutive quarterly increase.

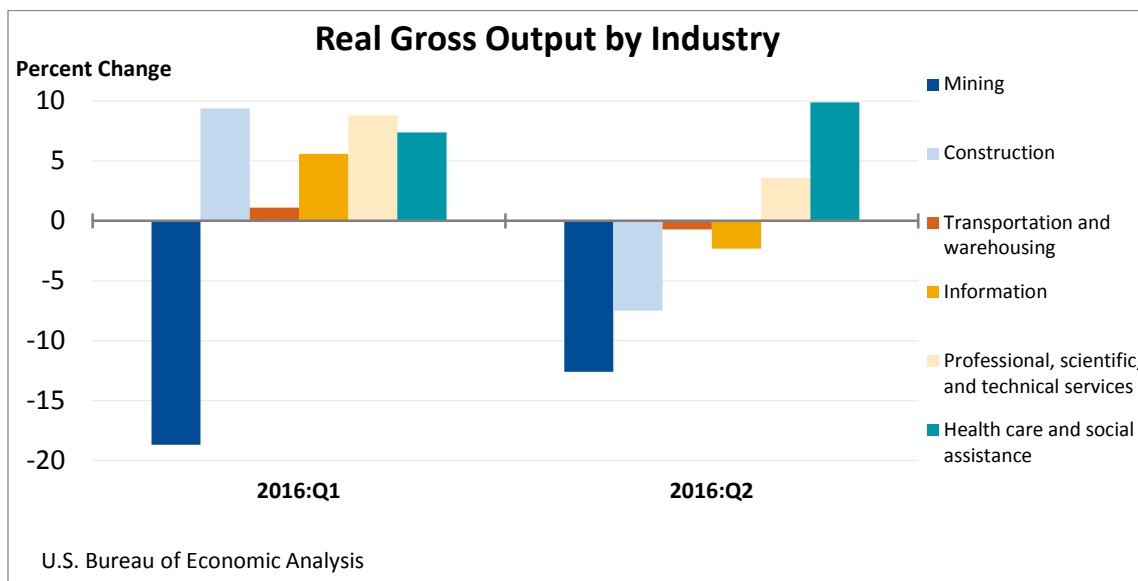


Other highlights

- Mining decreased 20.4 percent, after decreasing 4.0 percent in the first quarter, primarily reflecting a decrease in oil and gas extraction. This was the largest decrease since the second quarter of 2009.
- Construction decreased 3.7 percent, after increasing 7.1 percent. This was the first decrease after nine consecutive quarters of growth for the industry.
- The Information sector decreased 0.2 percent, after increasing 7.6 percent. The decrease was primarily attributed to the motion picture and sound recording industries.

Gross output by industry

Real gross output—principally a measure of an industry’s sales or receipts, which includes sales to final users in the economy (GDP) and sales to other industries (intermediate inputs)—increased in the second quarter. This reflected increases in real gross output for both the private services-producing sector and the government sector. The private goods-producing sector decreased. Overall, real gross output increased in 15 of 22 industry groups.



- Real gross output for health care and social assistance increased 9.9 percent, after increasing 7.4 percent in the first quarter.
- Mining decreased 12.6 percent, after decreasing 18.7 percent, primarily reflecting a decrease in support activities for mining.
- Professional, scientific, and technical services increased 3.6 percent, after increasing 8.8 percent. This was the fifth consecutive quarterly increase, primarily reflecting an increase in computer systems design and related services.

Annual Update of the Industry Economic Accounts

The estimates released today reflect the results of the annual update of the industry economic accounts in conjunction with newly available statistics for GDP by industry for the second quarter of 2016. Additional information on this revision will be available in an article in the December 2016 issue of the *Survey of Current Business*.

This year's annual update includes revised estimates beginning with the first quarter of 2013. The update incorporates source data that are more complete and reliable than those previously available. Major improvements introduced with this update include:

- Results from the 2016 annual update of the national income and product accounts and international transactions accounts.
- Incorporation of newly available and revised source data (e.g., Census Bureau's Service Annual Survey, the Bureau of Labor Statistics' Quarterly Census of Employment and Wages, and the Department of Treasury's Statistics of Income).
- Expansion of quarterly GDP by industry detail. Estimates of real gross output and intermediate inputs are now available.

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Next release – January 19, 2017 at 8:30 A.M. EST for:
Gross Domestic Product by Industry: Third Quarter 2016

Additional Information

Resources

Additional resources available at www.bea.gov:

- Stay informed about BEA developments by signing up for our [email subscription service](#), following us on Twitter [@BEA_News](#), or reading our blog at blog.bea.gov
- Historical time series for these estimates can be accessed in BEA's [Interactive Data Application](#)
- For more on BEA's statistics, see our monthly online journal, the [Survey of Current Business](#)
- BEA's [news release schedule](#)
- Access BEA data by registering for BEA's Data [Application Programming Interface](#) (API)
- [Industry Concepts and Methods](#): Concepts and Methods of the U.S. Input-Output Accounts

Definitions

Gross domestic product (GDP) or **value added** is the value of the goods and services produced by the nation's economy less the value of the goods and services used up in production. GDP is also equal to the sum of personal consumption expenditures, gross private domestic investment, net exports of goods and services, and government consumption expenditures and gross investment.

Gross output (GO) is the value of the goods and services produced by the nation's economy. It is principally measured using industry sales or receipts, including sales to final users (GDP) or sales to other industries (intermediate inputs).

Current-dollar estimates are valued in the prices of the period when the transactions occurred—that is, at “market value.” Also referred to as “nominal estimates” or as “current-price estimates.”

Real values are inflation-adjusted estimates—that is, estimates that exclude the effects of price changes.

Statistical conventions

Seasonal adjustment and annual rates. Monthly and quarterly values are expressed at seasonally-adjusted annual rates (SAAR). Dollar changes are calculated as the difference between these SAAR values. For details, see the FAQ [“Why does BEA publish estimates at annual rates?”](#)

Quantities and prices. Quantities, or “real” measures, and prices are expressed as index numbers with a specified reference year equal to 100 (currently 2009). Quantity and price indexes are calculated using a Fisher-chained weighted formula that incorporates weights from two adjacent periods (quarters for quarterly data and annuals for annual data). “Real” dollar series are calculated by multiplying the published quantity index by the current-dollar value in the reference year (2009) and then dividing by 100. Percent changes calculated from chained-dollar levels and quantity indexes are conceptually the same; any differences are due to rounding.

Chained-dollar values are not additive because the relative weights for a given period differ from those of the reference year. In tables that display chained-dollar values, the value of the “Not allocated by industry” line reflects the difference between the first line and the sum of the most detailed lines. For the real value added by industry table, this value also reflect differences in source data used to estimate GDP by industry and the expenditures measure of real GDP.

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