

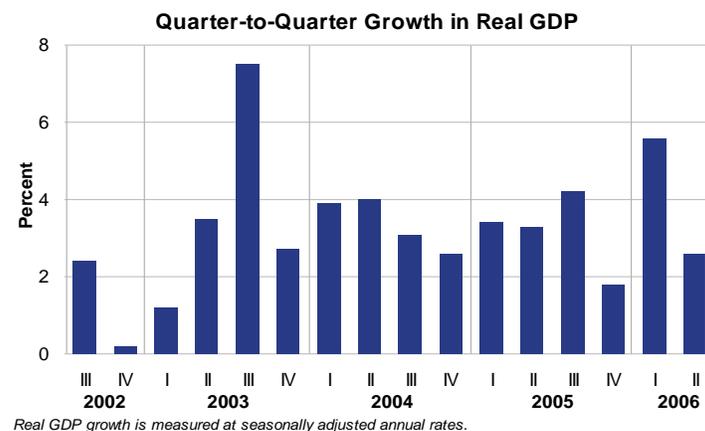
## GDP GREW 2.6 PERCENT IN SECOND QUARTER

The economy grew at an annual rate of 2.6 percent in the second quarter, 0.3 percentage point less than in the “preliminary” estimates and 3.0 percentage points less than in the first quarter, according to the “final” estimates released by the Bureau of Economic Analysis. BEA also released its final estimate of second-quarter corporate profits, which increased 18.5 percent from the same quarter a year ago.

### Gross Domestic Product

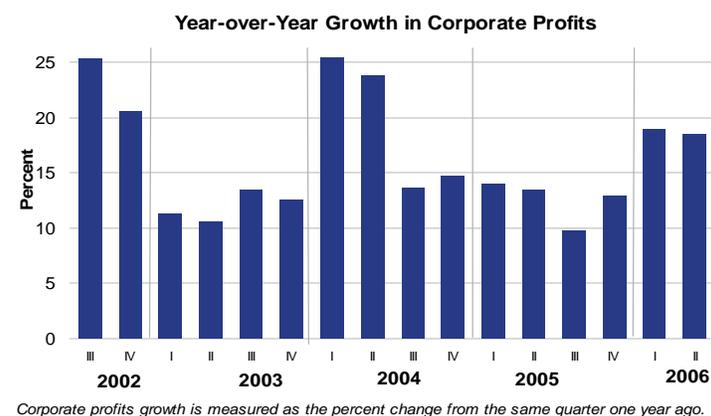
The deceleration in second-quarter GDP growth primarily reflected downturns in consumer spending on durable goods, in investment in equipment and software, and in Federal government spending.

The downward revision reflected a downward revision to inventory investment and an upward revision to imports of services.



### Corporate Profits

Second-quarter corporate profits grew 18.5 percent from the same quarter a year ago. Profits of financial corporations increased 29.6 percent and profits of nonfinancial corporations increased 10.7 percent.



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](http://www.bea.gov). [E-mail](#) alerts are also available.

NOTE: The “advance” estimate of GDP for the third quarter of 2006 will be released on October 27, 2006.