



Technical Note
Gross Domestic Product
First Quarter of 2011 (Second Estimate)
May 26, 2011

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 first 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

Real GDP increased 1.8 percent in the first quarter of 2011, which was the same increase as in last month's "advance" estimate. Upward revisions to exports, to inventory investment, and to nonresidential fixed investment were offset by an upward revision to imports and a downward revision to consumer spending.

- The upward revisions to both exports and imports reflected newly available Census Bureau goods data for March and revised data for February.
- The upward revision to inventory investment reflected newly available Census inventory data for March for manufacturing, wholesale trade, and retail trade industries.
- The upward revision to nonresidential fixed investment reflected an upward revision to nonresidential structures that was based on newly available Census construction spending data for March and revised data for January and February.
- Consumer spending was revised down, reflecting downward revisions to both goods and services. Within goods, the largest revision was to motor vehicle fuels, lubricants, and fluids, based on newly available data from the Energy Information Administration (EIA) for February. Within services, the largest revision was to electricity and gas services, based on newly available usage and unit value data from EIA.

The price index for gross domestic purchases increased 3.8 percent in the first quarter, the same increase as in the advance estimate.

Revisions to Wages and Salaries and Disposable Personal Income

In addition to presenting revised estimates for the first quarter, today's release also presents revised estimates of fourth-quarter wages and salaries, personal taxes, and contributions for government social insurance. Wage and salary disbursements are now estimated to have increased \$27.9 billion in the fourth quarter of 2010, a downward revision of \$24.6 billion. These estimates reflect

newly available wage and salary tabulations for the fourth quarter from the BLS quarterly census of employment and wages (QCEW). These data are more comprehensive than the monthly employment and earnings data that were used for the earlier estimates—the QCEW data include irregular pay, such as bonuses and gains from the exercise of stock options.

Real disposable personal income (DPI) is now estimated to have increased 1.1 percent in the fourth quarter and 0.8 percent in the first. (By comparison, the estimates that were available last month showed increases of 1.9 percent in the fourth quarter and 2.9 percent in the first.) The downward revision to first quarter real DPI reflected an upward revision to personal current taxes and a downward revision to personal income. The upward revision to personal current taxes reflects the incorporation of monthly federal tax collections data through April from the *Monthly Treasury Statement* and daily collections data through mid-May from the *Daily Treasury Statement*. The largest contributor to the downward revision to personal income was a revision to government social benefits to persons, specifically to Medicaid benefits.

Annual Revision Scheduled for July 29

The annual revision of the national income and product accounts (NIPAs) will be released along with the “advance” estimate of GDP for the second quarter of 2011 on July 29. In addition to the regular revision of estimates for the most recent 3 years and the first quarter of 2011, GDP and some components will be revised back to the first quarter of 2003 (see "[Preview of the Upcoming Annual NIPA Revision](#)" in the *May Survey of Current Business*). The *August Survey* will contain an article that describes the annual revision in detail.

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Table A.--SOURCE DATA FOR THE ADVANCE AND SECOND ESTIMATES OF GDP FOR THE FIRST QUARTER OF 2011

This table shows the actual data used for the second estimate of GDP for the first quarter of 2011. For these key series, actual data for March were not available in time for inclusion in the advance GDP estimate released on April 28, 2011, and BEA made assumptions for these source data. The numbers in brackets show the March values that had been assumed for the advance estimate. For most series, the data incorporated for February and, in some cases, for January, 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.

	Oct.	2010 Nov.	Dec.	Jan.	2011 Feb.	Mar.
Private fixed investment:						
Nonresidential structures:						
1 Value of new nonresidential construction put in place.....	260.0	266.7	257.9	240.4	242.7	247.0
				{237.4}	{239.6}	{238.5}
Equipment and software:						
2 Manufacturers' shipments of complete aircraft.....	34.9	31.3	37.3	31.5	34.7	28.1
					{34.1}	{33.7}
Residential structures:						
Value of new residential construction put in place:						
3 Single family.....	106.5	106.5	107.1	108.1	107.0	105.9
				{108.0}	{106.1}	{105.5}
4 Multifamily.....	13.5	14.5	13.1	12.7	12.8	12.5
				{12.8}	{12.6}	{12.5}
Change in private inventories:						
NOTE: Historical (October-January) data may reflect concurrent seasonal factors.						
5 Change in inventories for nondurable manufacturing.....	47.7	31.5	58.8	51.5	33.2	22.1
	{42.5}	{27.2}	{51.0}	{63.6}	{18.8}	{36.7}
5a Change in inventories for merchant wholesale and retail industries other than motor vehicles and equipment...	125.4	7.8	96.3	73.4	45.3	91.3
	{124.0}	{4.8}	{94.2}	{67.0}	{49.5}	{71.5}
Net exports:						
Exports of goods:						
6 U.S. exports of goods, international-transactions-accounts basis.....	1346.2	1363.1	1398.2	1445.0	1413.5	1499.2
					{1415.5}	{1444.6}
6a Excluding gold.....	1326.3	1348.1	1380.3	1422.4	1386.0	1466.9
					{1388.0}	{1419.2}
Imports of goods:						
7 U.S. imports of goods, international-transactions-accounts basis.....	1959.8	1980.4	2041.7	2168.8	2122.8	2244.5
					{2127.6}	{2192.1}
7a Excluding gold.....	1946.7	1963.3	2016.8	2156.9	2108.4	2226.3
					{2113.4}	{2176.4}
8 Net exports of goods.....	-613.6	-617.3	-643.5	-723.6	-709.2	-745.3
					{-712.1}	{-747.5}
8a Excluding gold.....	-620.4	-615.2	-636.5	-734.6	-722.3	-759.4
					{-725.4}	{-757.2}
Government:						
State and local:						
Structures:						
9 Value of new construction put in place.....	281.6	274.1	270.0	266.1	261.6	262.5
				{265.6}	{261.6}	{263.6}