

GDP INCREASES IN FOURTH QUARTER

“Third” estimate of GDP

Real gross domestic product (GDP) increased 2.9 percent in the fourth quarter of 2017, according to the “third” estimate released by the Bureau of Economic Analysis. In the third quarter, real GDP increased 3.2 percent.

Fourth-quarter GDP highlights

The increase in real GDP reflected increases in consumer spending, business investment, exports, government spending, and housing investment.

These contributions were partly offset by a decline in private inventory investment. Imports, which are a subtraction in the calculation of GDP, increased.

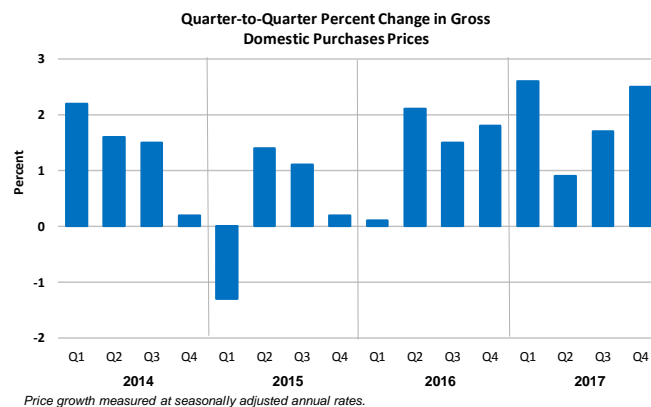


Revisions

The upward revision to real GDP growth was accounted for by revisions to consumer spending on services and to private inventory investment.

Prices

Prices of goods and services purchased by U.S. residents increased 2.5 percent in the fourth quarter after increasing 1.7 percent in the third quarter. Excluding food and energy, prices rose 2.0 percent after increasing 1.6 percent.



Corporate profits

Profits decreased 0.1 percent at a quarterly rate in the fourth quarter after increasing 4.3 percent in the third quarter.

Profits of nonfinancial corporations increased 1.5 percent in the fourth quarter, profits of financial corporations decreased 3.0 percent, and profits from the rest of the world decreased 1.3 percent.

