

Returns for Domestic Nonfinancial Business

By Sarah Osborne and Bonnie A. Retus

THE PROFITABILITY of domestic nonfinancial corporations declined in 2015 but remains above the recent trough reached in 2009, according to statistics from the Bureau of Economic Analysis (BEA). A similar but broader measure of profitability for nonfinancial industries—which includes proprietors' income—declined in 2015 for the second consecutive year but also remains above the 2009 trough.

Once a year, BEA reports on sector rates of return for domestic nonfinancial corporations, for nonfinancial industries, and for 14 major nonfinancial industry sectors, including mining, utilities, construction, manufacturing, wholesale trade, retail trade, and information services. These broad measures of profitability, based on returns on produced assets, may be useful to economists and policymakers. Industry sector and corporate business rates of return are available through 2015; these rates of return reflect revised statistics from both the 2016 annual update of the national income and product accounts (NIPAs) and the 2016 annual update of the industry economic accounts (IEAs).¹ Various Tobin's Q ratios, which compare the financial market value of assets with the replacement-cost value of produced assets, are also presented in this article.

The rates of return presented in this article are calculated as the ratio of the net operating surplus to the net stock of produced assets.² The net operating surplus and produced assets are presented in tables 1 and 2 on page 6. For nonfinancial corporations, the net operating surplus reflects statistics from the NIPAs and is defined as the sum of corporate profits from current production, net interest payments, and business current transfer payments, net.³ The net operating surplus

for nonfinancial industries reflects statistics from the IEAs and is a broader concept that includes proprietors' income. For both nonfinancial corporations and nonfinancial industries, the statistics on net stock of produced assets are from BEA's fixed assets accounts. To calculate the Q ratios, additional statistics on financial market values are drawn from the Federal Reserve Board's financial accounts of the United States.

Corporate returns

In 2015, nonfinancial corporate rates of return on both a before-tax basis and an after-tax basis decreased after increasing in 2014.⁴ The before-tax rate of return was 9.8 percent in 2015, a decrease of 0.4 percentage point from a high of 10.2 percent in 2014 (chart 1 and table A). Since 1970, before-tax rates of return have ranged from 6.9 percent in both 1982 and 2001 to 10.2 percent in 2014. In the 1960s, average rates of return were higher, peaking at 13.7 percent in 1965. Net operating surplus as a share of net value added, both after-tax and before-tax, decreased in 2015 after reaching recent highs in 2012 of 18.8 percent (after-tax) and of 22.8 percent (before-tax) (table B on page 3).

Other measures of profitability—such as BEA's measure of corporate profits from current production—declined in 2015 after having increased consecutively for the last 6 years. The measures presented in this article exclude the volatile financial sector and compare returns of nonfinancial corporations with their assets rather than with gross domestic product.

Industry returns

Rates of return can also be calculated for industry sectors using statistics from the IEAs, which provide annual statistics for 71 industries that together account for all U.S. economic activity. Similar to the method used to calculate the rates for nonfinancial corporations, the rates of return for industry sectors are calculated as the net operating surplus divided by the net stock of produced assets. For nonfinancial industries,

1. See Stephanie H. McCulla and Shelly Smith, "The 2016 Annual Update of the National Income and Product Accounts," *SURVEY OF CURRENT BUSINESS* 96 (August 2016) and Donald D. Kim, Erich H. Strassner, and David B. Washausen, "Industry Economic Accounts: Results of the Comprehensive Revision," *SURVEY* 94 (February 2014).

2. Produced assets refer to the net stock of capital plus inventories valued at current (replacement) cost.

3. Corporate profits and net interest are based on tabulations of "company" data rather than "establishment" data. As a result, net operating surplus of nonfinancial corporations includes the income earned by the corporation's financial services-producing establishments, and it excludes income earned by the nonfinancial establishments of financial corporations.

4. The previously published estimates for 2014 decreased. The updated estimate reflects updated estimates of both net operating surplus and produced assets.

Chart 1. Rates of Return and Shares of Net Value Added for Nonfinancial Corporations, 1960–2015

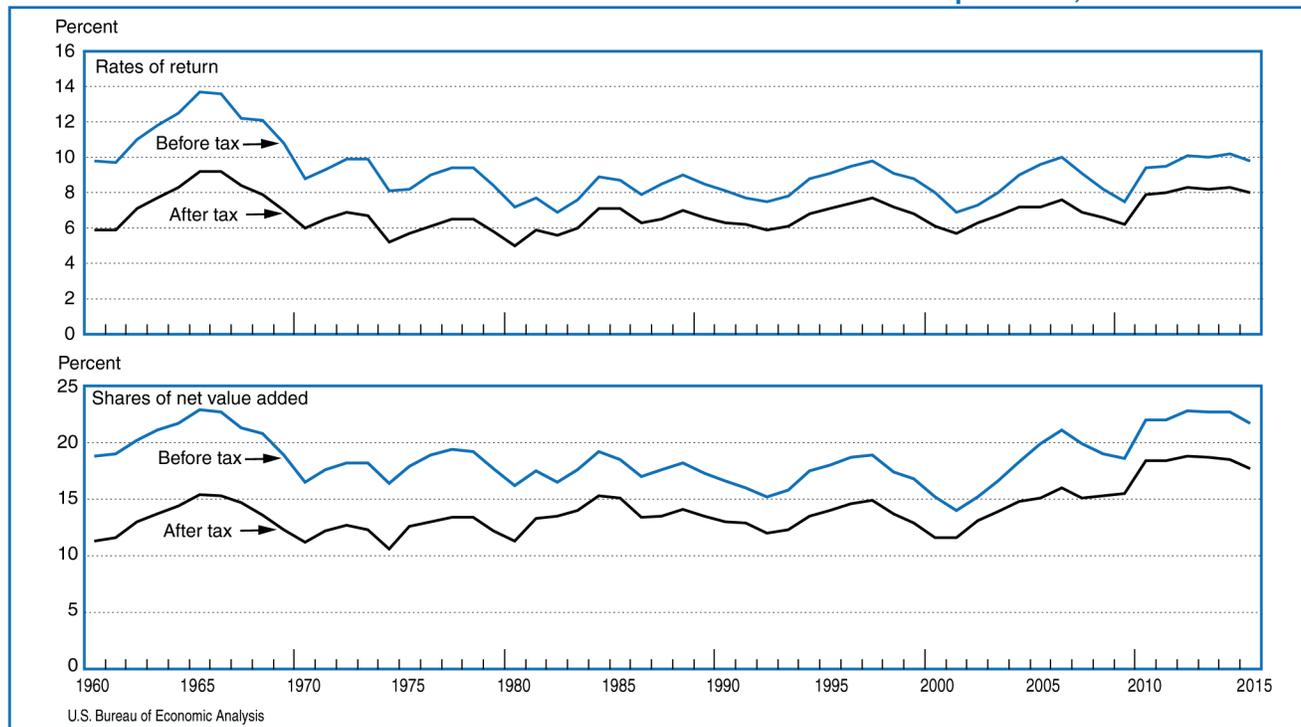


Table A. Rates of Return for Domestic Nonfinancial Corporations and Nonfinancial Industries, 1998–2015

[Percent]

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Nonfinancial corporations—after tax	7.2	6.8	6.1	5.7	6.3	6.7	7.2	7.2	7.6	6.9	6.6	6.2	7.9	8.0	8.3	8.2	8.3	8.0
Nonfinancial corporation—before tax	9.1	8.8	8.0	6.9	7.3	8.0	9.0	9.6	10.0	9.1	8.2	7.5	9.4	9.5	10.1	10.0	10.2	9.8
Total nonfinancial industries	13.3	13.3	12.4	11.7	12.1	13.2	14.1	14.1	13.6	13.2	12.6	11.7	13.3	13.3	13.3	13.6	13.3	13.0
Agriculture, forestry, fishing, and hunting	11.9	11.4	12.4	12.2	8.9	12.9	15.6	13.5	10.5	10.7	11.7	9.1	12.3	15.9	13.7	15.7	11.5	7.4
Mining.....	-1.7	-0.8	3.1	3.5	1.1	3.7	4.8	6.6	6.3	7.1	10.5	5.5	8.0	10.5	9.5	10.3	11.2	3.5
Utilities.....	4.9	5.9	5.1	5.1	3.7	4.0	4.3	3.4	4.3	3.7	3.1	3.5	4.0	3.6	2.9	2.8	3.1	2.9
Construction.....	72.7	70.9	71.5	71.4	70.4	78.6	90.3	96.0	90.1	82.6	59.7	57.6	58.1	59.4	65.5	69.1	72.4	77.7
Manufacturing	13.2	12.9	12.1	9.9	10.7	12.5	14.0	14.8	15.7	15.1	12.8	12.5	14.7	14.9	15.3	15.2	14.9	15.1
Durable goods manufacturing	10.2	8.8	8.3	3.8	5.4	7.6	8.5	9.7	9.9	9.4	7.1	4.7	8.7	8.8	9.3	10.0	10.1	10.5
Nondurable goods manufacturing	17.1	18.3	17.2	18.1	17.5	18.7	20.7	21.0	22.7	21.8	19.5	21.4	21.5	21.5	21.8	20.8	20.1	20.0
Wholesale trade	17.8	17.0	17.0	15.4	15.2	16.8	19.0	19.6	19.6	20.1	20.3	19.6	22.3	20.6	21.4	21.8	22.4	23.1
Retail trade.....	13.7	12.5	11.4	11.1	11.1	11.3	10.3	10.1	9.3	7.4	6.3	7.9	8.8	8.3	9.1	9.2	9.3	10.0
Transportation and warehousing.....	4.5	3.7	3.6	3.7	2.9	4.7	6.0	6.7	8.4	6.3	7.0	6.1	8.3	8.2	7.8	8.2	8.4	8.3
Information	11.8	11.8	5.5	6.2	10.9	11.6	14.6	14.5	13.0	14.3	15.3	13.9	14.9	12.9	12.3	13.7	11.7	12.3
Real estate and rental and leasing ¹	38.0	36.9	31.3	32.8	31.1	28.9	24.7	22.4	25.4	20.2	23.5	21.5	22.0	21.6	22.0	21.2	20.7	21.4
Professional and business services ²	48.4	46.2	37.9	39.1	43.0	43.7	43.5	41.0	37.8	38.8	43.4	38.4	39.5	39.0	38.3	35.9	35.8	39.1
Educational services, health care, and social assistance	5.4	5.3	5.3	5.6	5.5	5.2	4.9	4.0	3.8	3.0	3.9	4.5	4.5	4.1	3.9	3.2	3.0	3.6
Arts, entertainment, recreation, accommodation, and food services	15.0	14.8	14.0	8.9	9.5	10.5	10.7	10.2	9.9	9.2	8.0	8.2	9.7	9.8	10.7	11.5	11.7	13.0
Other services, except government	24.8	24.4	24.1	16.6	17.4	13.9	13.3	13.6	12.8	10.2	7.9	8.4	9.7	9.1	9.7	9.5	9.4	10.0

1. The housing component of real estate and rental and leasing is excluded from these estimates to allow for better comparison with nonfinancial corporate returns.

2. To preserve the nonfinancial focus of this article, management of companies and enterprises is excluded from this sector.

net operating surplus as a share of net value added is calculated as net operating surplus divided by net value added. The balance for each published sector represents the share of net value added attributable to compensation of employees and taxes on production and imports less subsidies.

Similar to the net operating surplus of nonfinancial corporations, the net operating surplus of nonfinancial industries reflects corporate profits from current pro-

duction, business transfer payments (net), and net interest payments. However, it also reflects proprietors' income, which includes the income of sole proprietorships and partnerships. For this article the housing component of the real estate sector, which includes owner-occupied housing, is excluded from the nonfinancial industry statistics to allow for a better comparison with the nonfinancial corporate returns data, which do not reflect home ownership.

Table B. Net Operating Surplus Shares Of Net Value Added for Domestic Nonfinancial Corporations and Nonfinancial Industries, 1998–2015
[Percent]

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Nonfinancial corporations—after tax	13.7	12.9	11.6	11.6	13.1	13.9	14.8	15.1	16.0	15.1	15.3	15.5	18.4	18.4	18.8	18.7	18.5	17.7
Nonfinancial corporations—before tax	17.4	16.8	15.2	14.0	15.2	16.6	18.3	19.9	21.1	19.9	19.0	18.6	22.0	22.0	22.8	22.7	22.7	21.7
Total nonfinancial industries	24.8	24.7	23.0	22.7	23.8	25.5	26.8	27.6	27.0	27.0	26.8	26.4	28.6	28.5	28.3	28.8	28.1	27.3
Agriculture, forestry, fishing, and hunting	70.3	75.5	78.4	77.3	61.8	73.5	73.6	79.4	67.0	63.9	66.2	60.4	68.0	73.8	68.9	72.1	64.8	53.5
Mining	-24.6	-10.5	25.8	28.9	13.5	33.9	40.7	50.0	49.7	52.3	58.6	46.7	53.3	57.4	54.0	57.1	58.8	32.3
Utilities	38.9	42.2	38.4	40.2	31.0	33.4	35.9	31.8	36.3	33.1	31.0	34.1	37.5	35.5	32.1	31.5	34.2	32.6
Construction	28.9	28.8	28.8	28.7	29.2	31.8	34.9	36.8	35.6	34.2	28.5	30.6	30.8	30.8	32.1	32.6	32.7	33.6
Manufacturing	26.9	26.6	25.3	22.8	25.0	28.2	30.6	32.5	34.3	34.3	32.0	33.6	37.3	37.4	38.0	38.3	37.7	37.8
Durable goods manufacturing	20.0	17.6	16.6	8.9	13.0	17.4	18.8	21.2	21.7	21.3	17.9	14.1	22.9	22.8	23.6	25.1	25.0	25.5
Nondurable goods manufacturing	36.9	38.9	37.7	39.6	39.6	41.5	44.9	46.3	49.4	49.6	48.0	51.5	51.7	52.5	53.1	52.6	51.7	51.6
Wholesale trade	20.7	20.1	20.0	18.7	18.4	19.8	21.9	23.1	23.7	24.7	25.7	26.2	28.2	26.6	27.6	28.3	28.6	29.0
Retail trade	20.1	19.0	17.6	17.7	17.9	18.4	17.5	17.7	17.1	14.5	13.2	16.5	17.5	16.6	17.9	18.1	18.1	18.9
Transportation and warehousing	14.4	12.0	11.6	12.3	10.0	15.2	18.2	19.9	23.9	18.7	21.3	20.2	25.2	24.4	23.4	24.2	24.5	24.0
Information	34.0	32.3	18.0	20.8	33.8	35.5	41.0	41.8	40.3	43.2	45.9	44.5	47.1	43.7	42.3	44.1	39.7	40.8
Real estate and rental and leasing ¹	67.0	67.8	65.9	68.6	67.5	66.0	62.4	60.7	64.6	59.8	65.4	64.5	64.4	63.3	63.7	63.4	62.8	63.9
Professional and business services ²	22.5	22.1	18.8	20.1	22.7	23.6	23.6	22.4	21.0	21.4	23.7	23.0	23.2	22.3	21.4	20.3	19.8	20.6
Educational services, health care, and social assistance	7.5	7.5	7.4	7.8	7.5	7.0	6.8	5.9	5.7	4.7	6.0	6.8	6.6	6.1	5.7	4.7	4.5	5.2
Arts, entertainment, recreation, accommodation, and food services	19.4	20.3	21.7	18.9	21.0	20.4	20.6	20.0	20.1	18.2	16.4	16.8	18.0	18.2	18.5	18.8	18.5	19.6
Other services, except government	30.5	30.7	30.4	23.8	24.5	20.9	20.5	22.1	21.8	18.3	15.0	15.9	17.8	16.5	17.0	16.7	16.3	16.9

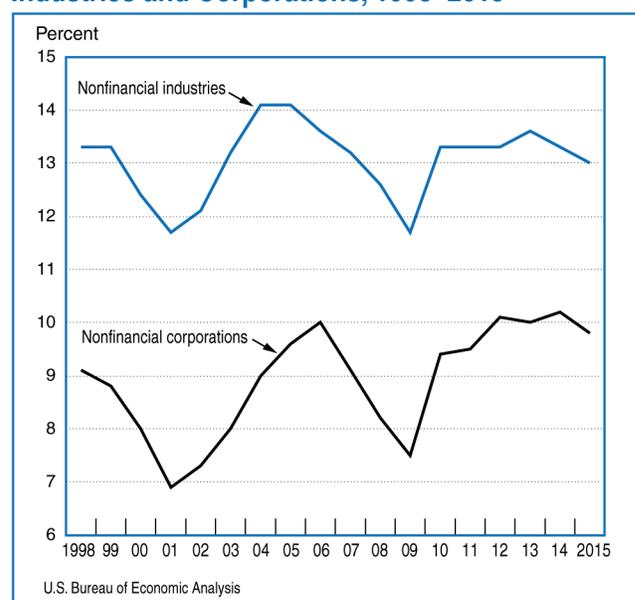
1. The housing component of real estate and rental and leasing is excluded from these estimates to allow for better comparison with nonfinancial corporate returns.

2. To preserve the nonfinancial focus of this article, management of companies and enterprises is excluded from this sector.

Much of the difference between the sum of the nonfinancial industries rates of return and the corresponding corporate rates of return can be attributed to the inclusion of proprietors' income in the industry net operating surplus. However, several statistical differences between the IEAs and the NIPAs also affect the estimates. Notably, all IEA statistics are presented on an establishment basis, whereas the NIPA measure of corporate nonfinancial net operating surplus is presented on a company basis. As a result, the nonfinancial industry measures reflect adjustments that (1) exclude the financial services-producing establishments of primarily nonfinancial corporations and (2) include the nonfinancial services-producing establishments of primarily financial corporations. In addition, the IEA net operating statistics also include a share of the NIPA statistical discrepancy. Despite the differences between the IEA nonfinancial industries aggregate rate of return and the NIPA nonfinancial corporate rate of return, the annual patterns of change of each are similar (chart 2).

The rates of return for nonfinancial industries declined 0.3 percentage point to 13.0 percent in 2015 from 13.3 percent in 2014 but remained above the trough reached in 2009 (table A). Net operating surplus as a share of net value added decreased 0.8 percentage point to 27.3 percent in 2015 (table B).

Chart 2. Rates of Return for Domestic Nonfinancial Industries and Corporations, 1998–2015



Specific industry groups

This article presents a disaggregation of the rates of return for several services industries—for example, transportation and warehousing, information, real estate and rental and leasing, and professional and business services among others (table A).

The decline in rates of return was led by lower rates of return in the agriculture, forestry, fishing, and hunting; mining; utilities; nondurable goods; and transportation and warehousing. All other sectors had higher rates of return in 2015 than in 2014. The mining sector had the largest decrease, 7.7 percentage points, decreasing to 3.5 percent in 2015 from 11.2 percent in 2014; returns in agriculture, forestry, fishing, and hunting decreased 4.1 percentage points in 2015. These declines were partly offset by increases in the rates of return for construction and the professional and business services sectors. Rates of return for construction increased for the sixth consecutive year and are consistently the highest among the nonfinancial industries.⁵

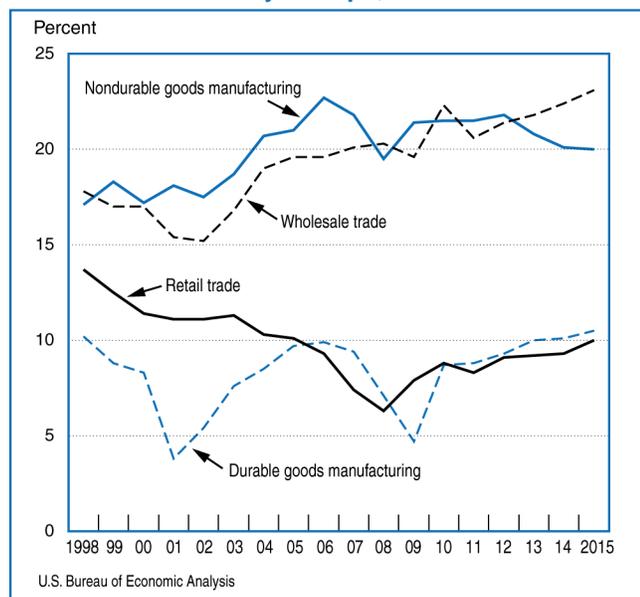
Highlights include the following (chart 3):

- Declines in returns to durable-goods manufacturing appear to have been procyclical over the last two business cycles.⁶ For example, returns declined for 4 consecutive years—from 10.2 percent in 1998

5. Measuring rates of return for the construction sector presents unique challenges. For example, the classification of produced assets is based on the owning industry rather than on the using industry. It is highly likely that the construction sector leases a significant amount of capital, which is not reflected in the produced assets and which would result in overstating the sector's rates of return.

6. The National Bureau of Economic Research (NBER) Business Cycle Dating Committee has determined the peak and trough of the last three business cycles as December 2007–June 2009, March 2001–November 2001, and July 1990–March 1991. The NBER business cycle reference dates are available on [NBER's Web site](#).

Chart 3. Rates of Return for Selected Domestic Nonfinancial Industry Groups, 1998–2015



to 3.8 percent in 2001—leading up to the 2001 recession. During the expansion that followed, returns increased for 5 consecutive years—from 3.8 percent in 2001 to 9.9 percent in 2006—before declining notably in 2008 along with real value added for durable-goods manufacturing and the overall economy. Returns rebounded sharply, more than doubling from the trough of 4.7 percent in 2009 to 10.5 percent in 2015.

- Returns to nondurable-goods manufacturing have remained at elevated levels and are less volatile than returns to durable-goods manufacturing. The peak-to-trough fall associated with the most recent full business cycle was 0.4 percentage points, compared with 4.7 percentage points for durable-goods manufacturing.
- Returns to retail trade trended downward for a full decade, from 1998 through 2008. Returns have continued to trend upward from a trough of 6.3 percent in 2008 to 10.0 percent in 2015, reflecting relatively large increases in net operating surplus in 2009, 2010, 2012, and 2015.
- Returns to wholesale trade remained at elevated levels through the recent business cycle, with increased returns for the fourth consecutive year since 2012.

Users may find these industry statistics for net operating surplus, produced assets, and rates of return helpful for comparative studies. For example, from 2008 to 2015, the retail trade sector had rates of return notably less than the overall rates for all nonfinancial industries. Conversely, returns to the manufacturing industry group consistently exceeded the nonfinancial industries aggregate over the same period.

Q ratios

Tobin's Q, or simply "Q," is the ratio of financial-market valuation of corporate assets to the current-cost value of the assets. A Q ratio above 1 indicates that financial markets value corporate assets above their replacement cost; as a Q ratio rises above 1, companies may be more inclined to make direct investments in plant and equipment. A value of Q below 1 indicates that the financial markets value corporate assets below the replacement cost; as Q falls below 1, companies may be more inclined to buy other companies for their capacity rather than make direct investments.

The three Q-type ratios for domestic nonfinancial corporations presented here are defined as follows:

- Q1 is calculated as the market value of outstanding equity divided by the net stock of produced assets.

- Q2 adds the book value of outstanding corporate bonds to the numerator used in Q1. The inclusion of bonds makes Q2 a more complete measure of invested capital, but including them at historical cost is clearly inconsistent with the underlying rationale for Q, which is to provide a comparison of market valuation with replacement cost.
- Q3 adds an estimate of the market value of outstanding corporate bonds and net liquid assets to the numerator used in Q1.⁷

All three Q ratios reached record highs in 1999 since BEA began reporting this series (chart 4 and table C). By 2008, all had reached record lows for the decade, falling below 1, partly reflecting the recession-related stock market declines. All three Q ratios decreased in 2015 after mostly increasing since the lows in 2008.

7. The market value of bonds outstanding is approximated by a procedure developed by James Tobin and Dan Sommers. In brief, the process begins with published book values of bonds outstanding and the assumption that a bond matures in 10 years and carries a coupon rate equal to the Baa rate that prevailed in the year the bond was issued. Net liquid assets are estimated as financial assets less liabilities other than municipal securities, corporate bonds, and mortgages. The data are from the Board of Governors of the Federal Reserve System, *Flow of Funds Accounts of the United States, statistical release Z.1* and "Selected Interest Rates," *statistical release H.15* (Washington, DC: Board of Governors).

Table C. Q-type Ratios, 1960–2015

	Q1 ¹	Q2 ²	Q3 ³		Q1 ¹	Q2 ²	Q3 ³
1960	0.75	0.91	0.75	1988	0.50	0.68	0.62
1961	0.86	1.01	0.87	1989	0.58	0.76	0.72
1962	0.80	0.96	0.83	1990	0.52	0.70	0.66
1963	0.85	1.01	0.89	1991	0.68	0.87	0.81
1964	0.95	1.11	1.01	1992	0.73	0.92	0.88
1965	1.02	1.18	1.09	1993	0.77	0.99	0.91
1966	0.82	0.98	0.90	1994	0.73	0.95	0.83
1967	0.97	1.14	1.06	1995	0.92	1.13	1.00
1968	1.06	1.22	1.14	1996	0.92	1.14	0.98
1969	0.80	0.97	0.90	1997	1.12	1.34	1.16
1970	0.73	0.90	0.82	1998	1.34	1.58	1.36
1971	0.79	0.96	0.87	1999	1.67	1.91	1.63
1972	0.91	1.08	0.98	2000	1.34	1.59	1.25
1973	0.64	0.80	0.71	2001	1.13	1.40	1.05
1974	0.37	0.52	0.39	2002	0.83	1.10	0.75
1975	0.44	0.58	0.54	2003	1.06	1.33	0.98
1976	0.49	0.64	0.60	2004	1.12	1.37	1.01
1977	0.39	0.53	0.50	2005	1.08	1.31	0.95
1978	0.36	0.50	0.48	2006	1.13	1.35	0.98
1979	0.38	0.50	0.50	2007	1.14	1.35	0.99
1980	0.43	0.55	0.55	2008	0.67	0.88	0.60
1981	0.35	0.46	0.46	2009	0.85	1.07	0.73
1982	0.36	0.47	0.48	2010	0.98	1.21	0.85
1983	0.41	0.52	0.52	2011	0.93	1.17	0.82
1984	0.37	0.49	0.48	2012	1.01	1.25	0.93
1985	0.43	0.56	0.56	2013	1.28	1.54	1.18
1986	0.49	0.64	0.62	2014	1.37	1.63	1.28
1987	0.48	0.64	0.60	2015	1.28	1.56	1.18

1. Q1 is the market value of outstanding equity divided by the net stock of produced assets valued at current cost.
 2. Q2 is the market value of outstanding equity plus book value of outstanding corporate bonds divided by the net stock of produced assets valued at current cost.
 3. Q3 is the market value of outstanding equity plus market value of outstanding corporate bonds plus net liquid assets divided by the net stock of produced assets valued at current cost.

Chart 4. Q-Type Ratios and Market Capitalization of Domestic Nonfinancial Corporations, 1960–2015

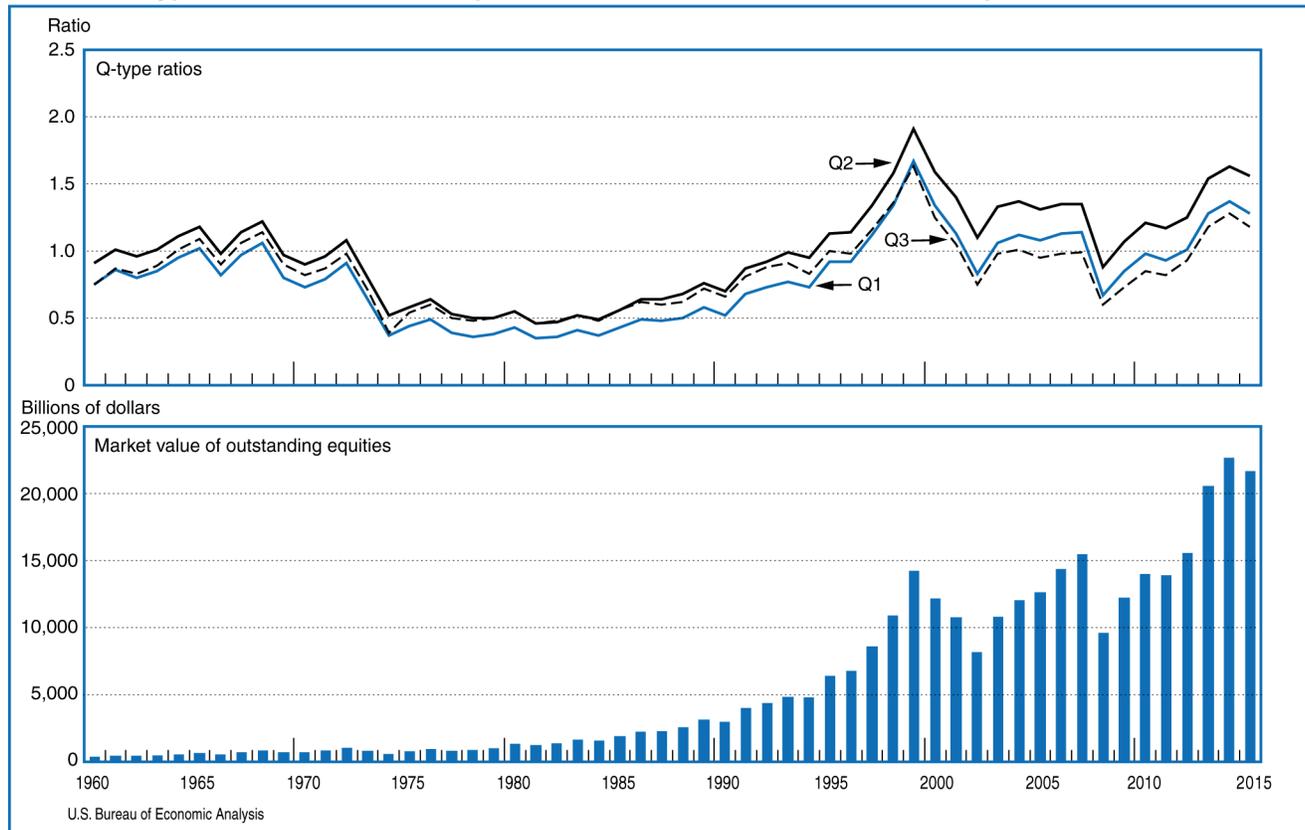


Table 1. Net Operating Surplus of Domestic Nonfinancial Corporations and Nonfinancial Industries, 1998–2015

(Billions of dollars)

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Nonfinancial corporations	738.7	751.9	723.9	656.3	719.3	815.0	964.1	1,118.7	1,269.3	1,225.8	1,172.2	1,073.5	1,352.5	1,419.1	1,561.3	1,605.8	1,683.3	1,665.2
Total nonfinancial industries	1,369.9	1,452.2	1,432.4	1,424.0	1,533.2	1,730.2	1,959.7	2,141.7	2,233.3	2,325.5	2,350.8	2,193.8	2,486.5	2,582.9	2,686.0	2,839.3	2,878.4	2,898.7
Agriculture, forestry, fishing, and hunting	53.0	51.1	57.4	57.5	43.1	65.5	84.1	77.6	64.1	68.9	78.5	60.7	83.1	116.0	105.4	125.8	98.1	64.2
Mining	-9.4	-4.4	17.3	21.9	7.9	27.9	42.0	72.4	85.0	105.5	163.8	82.8	117.3	161.4	153.2	181.0	202.2	62.0
Utilities	47.5	58.4	52.6	56.0	41.7	47.0	55.4	47.5	63.4	58.2	53.4	62.6	74.0	70.7	60.6	60.0	69.0	65.4
Construction	104.8	114.4	126.4	133.3	137.3	159.5	195.8	229.7	236.9	232.5	175.6	165.6	156.9	158.2	177.7	191.3	208.3	233.6
Durable goods manufacturing	141.1	127.1	125.8	59.0	85.9	120.2	137.3	164.2	176.5	176.9	139.5	93.3	170.4	178.7	194.8	213.9	221.5	236.0
Nondurable goods manufacturing	182.1	203.4	200.0	215.5	212.5	233.2	271.1	293.5	337.2	347.2	329.8	368.5	379.6	397.9	418.7	416.1	415.6	423.8
Wholesale trade	109.2	109.5	116.4	106.9	105.2	119.1	143.6	163.3	179.8	198.0	210.2	199.9	228.1	225.4	248.0	264.5	279.4	296.0
Retail trade	121.2	118.8	115.8	118.5	123.7	133.7	130.8	139.6	138.5	117.0	103.7	127.2	140.0	135.9	153.5	161.4	167.4	184.4
Transportation and warehousing	32.9	28.4	29.1	31.0	24.9	40.5	54.0	63.2	82.6	64.3	75.6	67.0	90.4	92.3	91.9	99.7	105.6	109.5
Information	114.2	121.5	62.1	75.5	137.4	148.9	194.2	204.9	197.2	230.6	255.7	236.5	259.7	236.3	232.0	261.4	231.3	251.9
Real estate and rental and leasing ¹	139.3	163.7	163.6	186.9	202.0	215.0	206.1	232.3	210.2	262.7	253.6	231.4	261.1	281.7	308.3	335.7	338.8	358.9
Professional and business services ²	163.8	175.3	162.8	182.9	212.7	229.0	244.7	250.4	250.2	274.2	324.3	295.6	308.2	312.4	316.0	305.5	313.7	350.7
Educational services, health care, and social assistance	41.8	44.2	46.4	52.9	54.7	54.8	56.9	51.4	52.8	45.5	62.8	76.1	75.7	71.9	69.8	59.3	58.6	71.9
Arts, entertainment, recreation, accommodation, and food services	56.6	65.2	76.4	67.0	79.0	80.4	86.8	87.6	93.3	88.2	79.2	78.8	88.0	93.0	100.7	108.0	111.6	127.9
Other services, except government	71.7	75.6	80.2	59.3	65.4	55.4	56.9	64.0	65.5	55.6	45.3	47.8	54.1	51.3	55.5	55.7	57.2	62.6

1. The housing component of real estate and rental and leasing is excluded from these estimates to allow for better comparison with nonfinancial corporate returns.

2. To preserve the nonfinancial focus of this article, management of companies and enterprises is excluded from this sector.

Table 2. Produced Assets of Domestic Nonfinancial Corporations and Nonfinancial Industries, 1998–2015

(Billions of dollars)

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Nonfinancial corporations	8,104.7	8,540.0	9,084.1	9,545.0	9,858.0	10,177.3	10,769.0	11,701.4	12,683.6	13,539.3	14,265.3	14,351.3	14,349.7	14,943.3	15,499.5	16,041.1	16,575.2	16,959.7
Total nonfinancial industries	10,563.7	11,192.1	11,956.3	12,414.9	12,862.9	13,337.0	14,480.2	15,822.3	17,099.6	18,122.6	19,052.1	18,400.8	19,019.4	19,866.0	20,506.6	21,323.5	22,040.3	22,400.7
Agriculture, forestry, fishing, and hunting	443.4	453.7	470.4	473.7	492.3	520.5	556.5	596.5	622.2	661.3	678.1	655.3	698.7	757.5	778.4	821.2	879.0	857.8
Mining	545.8	539.5	585.6	663.5	736.5	790.5	944.2	1,239.4	1,438.4	1,521.2	1,608.4	1,421.3	1,505.6	1,566.9	1,643.9	1,789.2	1,831.5	1,718.0
Utilities	972.5	1,004.6	1,062.8	1,117.3	1,160.2	1,210.4	1,341.5	1,433.4	1,532.1	1,653.1	1,810.1	1,776.0	1,896.9	2,033.7	2,117.0	2,177.6	2,261.5	2,269.4
Construction	152.4	170.4	183.3	190.2	199.9	205.9	227.6	251.1	274.9	288.0	300.2	275.2	265.3	267.2	271.4	282.4	293.1	308.0
Manufacturing	2,500.3	2,622.6	2,743.9	2,774.1	2,810.0	2,853.3	3,000.6	3,183.1	3,353.9	3,584.3	3,725.9	3,671.7	3,788.6	3,964.6	4,068.4	4,206.2	4,325.1	4,402.6
Durable goods manufacturing	1,416.8	1,485.3	1,559.1	1,578.3	1,579.3	1,584.1	1,652.1	1,740.7	1,831.1	1,924.0	2,011.3	1,941.4	1,981.6	2,066.8	2,122.1	2,165.9	2,230.5	2,261.4
Nondurable goods manufacturing	1,083.5	1,137.3	1,184.9	1,195.8	1,230.7	1,269.1	1,348.5	1,442.4	1,522.8	1,660.3	1,714.4	1,730.4	1,806.9	1,897.8	1,946.3	2,040.4	2,094.6	2,141.2
Wholesale trade	626.4	664.3	704.3	687.1	699.3	721.8	789.6	876.1	953.6	1,018.7	1,048.9	988.1	1,056.3	1,131.6	1,189.9	1,230.5	1,264.5	1,296.7
Retail trade	914.8	983.1	1,056.2	1,086.5	1,151.2	1,211.5	1,338.1	1,434.6	1,538.4	1,619.3	1,667.9	1,571.9	1,602.2	1,659.0	1,715.1	1,775.3	1,815.6	1,860.1
Transportation and warehousing	752.9	782.2	822.2	852.6	860.3	871.2	920.3	962.4	1,010.0	1,042.5	1,106.0	1,077.3	1,099.2	1,154.5	1,194.5	1,232.8	1,294.5	1,352.0
Information	991.9	1,071.6	1,186.5	1,253.1	1,272.3	1,294.4	1,359.7	1,458.5	1,585.4	1,638.7	1,702.4	1,695.4	1,791.6	1,861.9	1,897.9	1,944.0	2,005.1	2,082.2
Real estate and rental and leasing ¹	778.0	855.9	926.7	963.2	994.6	1,022.9	1,121.2	1,231.0	1,349.4	1,434.7	1,516.3	1,444.2	1,440.6	1,478.2	1,526.2	1,586.3	1,647.3	1,705.0
Professional and business services ²	354.5	404.4	454.0	481.9	507.7	539.5	584.4	637.0	687.5	726.1	768.2	770.7	789.0	813.4	835.0	860.0	835.0	860.0
Educational services, health care, and social assistance	799.4	852.2	910.5	967.5	1,031.2	1,098.0	1,209.7	1,332.8	1,466.3	1,570.0	1,681.4	1,667.3	1,706.3	1,778.7	1,838.2	1,924.3	1,985.8	2,043.6
Arts, entertainment, recreation, accommodation, and food services	432.1	466.6	504.7	536.4	561.3	587.3	638.1	695.1	755.4	805.3	857.0	829.3	821.6	832.6	850.9	889.7	931.8	965.1
Other services, except government	299.4	321.0	345.2	367.8	386.1	409.8	448.7	491.2	532.1	559.4	581.3	557.1	557.4	566.2	576.0	598.1	619.5	632.4

1. The housing component of real estate and rental and leasing is excluded from these estimates to allow for better comparison with nonfinancial corporate returns.

2. To preserve the nonfinancial focus of this article, management of companies and enterprises is excluded from this sector.