

## Gross Domestic Product (Third Estimate), Corporate Profits (Revised), and GDP by Industry, Third Quarter 2020

Real gross domestic product (GDP) increased at an annual rate of 33.4 percent in the third quarter of 2020, as efforts continued to reopen businesses and resume activities that were postponed or restricted due to COVID-19. The change was 0.3 percentage point higher than the “second” estimate released in November. In the second quarter of 2020, real GDP decreased 31.4 percent. For more details, including source data, see the [Technical Note](#) and “[Federal Recovery Programs and BEA Statistics](#)”.

### Third-quarter GDP highlights

The third-quarter increase in real GDP reflected increases in consumer spending, inventory investment, exports, business investment, and housing investment that were partially offset by a decrease in government spending. Imports, a subtraction in the calculation of GDP, increased.

The increase in consumer spending reflected increases in services (led by health care) and goods (led by clothing and footwear as well as motor vehicles and parts). The increase in inventory investment reflected an increase in retail trade inventories (led by motor vehicle dealers). The decrease in government spending was in federal as well as state and local government.

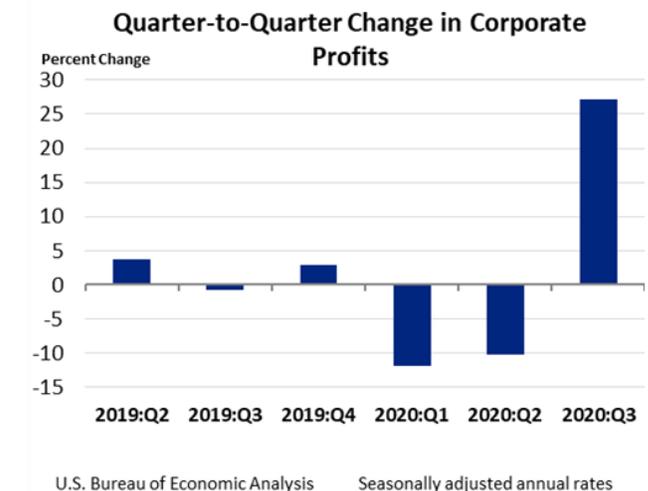
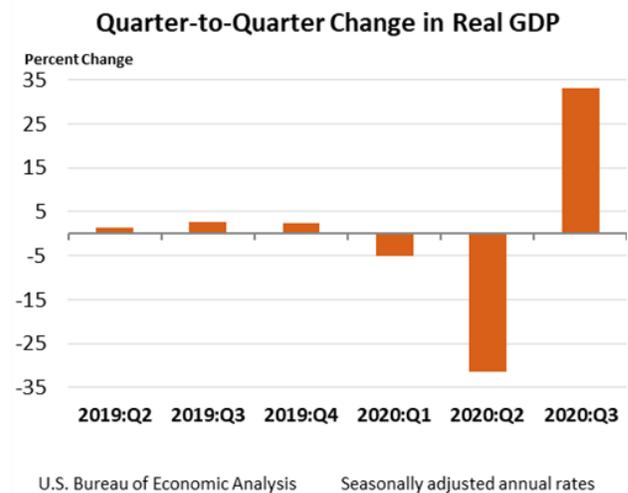
### Updates to GDP

The revision to GDP primarily reflected upward revisions to consumer spending and business investment that were partly offset by a downward revision to exports.

### Corporate profits from current production

Profits increased 27.4 percent at a quarterly rate in the third quarter after decreasing 10.3 percent in the second quarter. Corporate profits increased 3.5 percent in the third quarter from one year ago. Profits were boosted by provisions from the Paycheck Protection Program.

- Profits of **domestic nonfinancial corporations** increased 44.3 percent after decreasing 12.9 percent.
- Profits of **domestic financial corporations** increased 2.6 percent after increasing 6.1 percent.
- Profits from the **rest of the world** increased 13.4 percent after decreasing 18.9 percent.

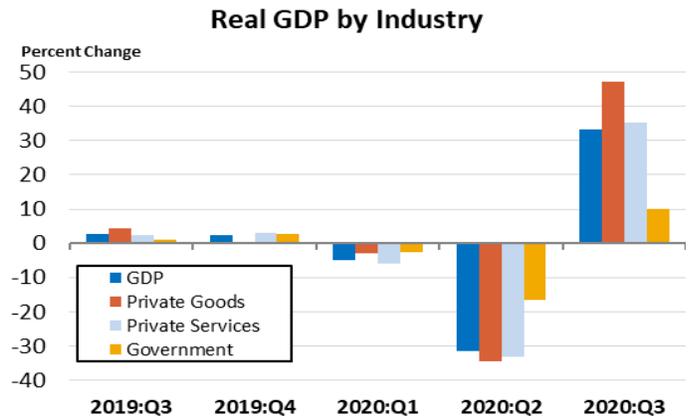


### Gross domestic product by industry

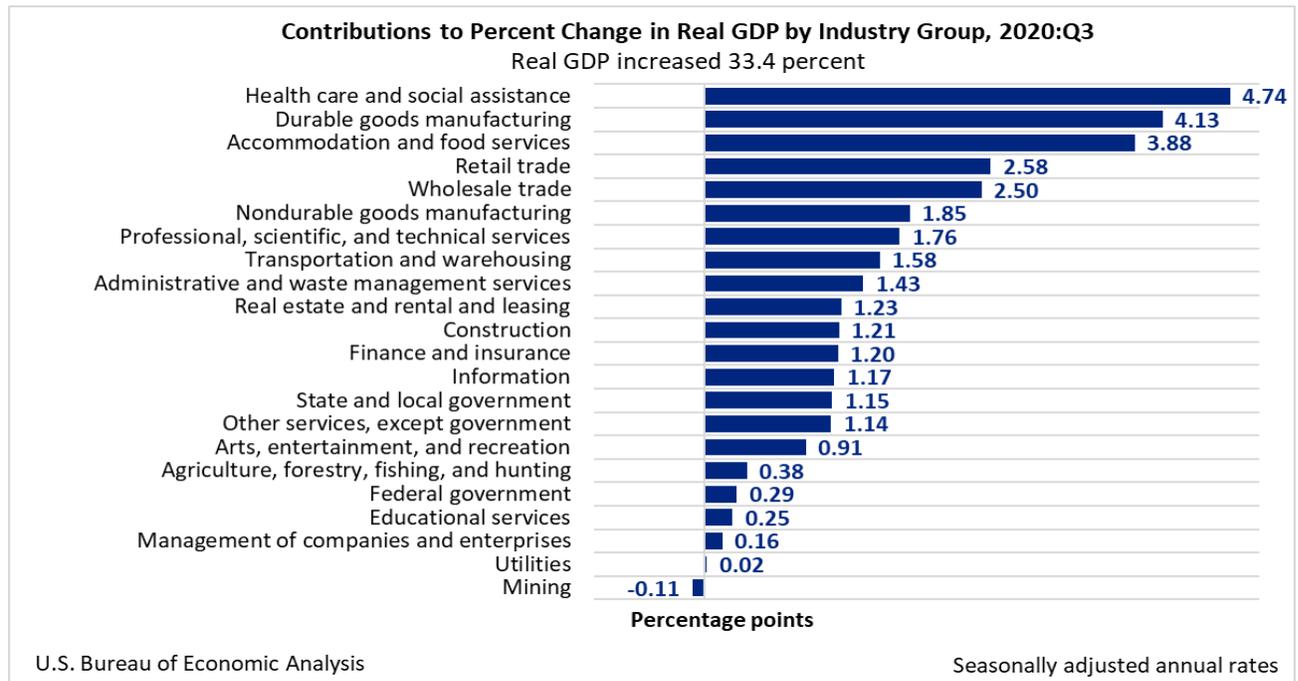
Today’s release includes estimates of GDP by industry, or value added—a measure of an industry’s contribution to GDP. Private goods-producing industries increased 47.2 percent, private services-producing industries increased 35.1 percent, and government increased 10.1 percent. Overall, 21 of 22 industry groups contributed to the third-quarter increase in real GDP. Mining decreased in the third quarter.

- The increase in private goods-producing industries largely reflected an increase in durable goods manufacturing (led by motor vehicles, bodies and trailers, and parts).
- The increase in private services-producing industries reflected increases in health care and social assistance (led by ambulatory health care); accommodation and food services (led by food services and drinking places); retail trade; and wholesale trade.
- The increase in government reflected an increase in state and local as well as federal.

Many industries received assistance through various provisions of the CARES Act. Estimates for subsidies associated with forgivable Paycheck Protection Program loans are available by industry in [“Paycheck Protection Program Subsidies by Industry in the National Accounts, 2020Q3”](#).



U.S. Bureau of Economic Analysis Seasonally adjusted annual rates



U.S. Bureau of Economic Analysis

Seasonally adjusted annual rates