

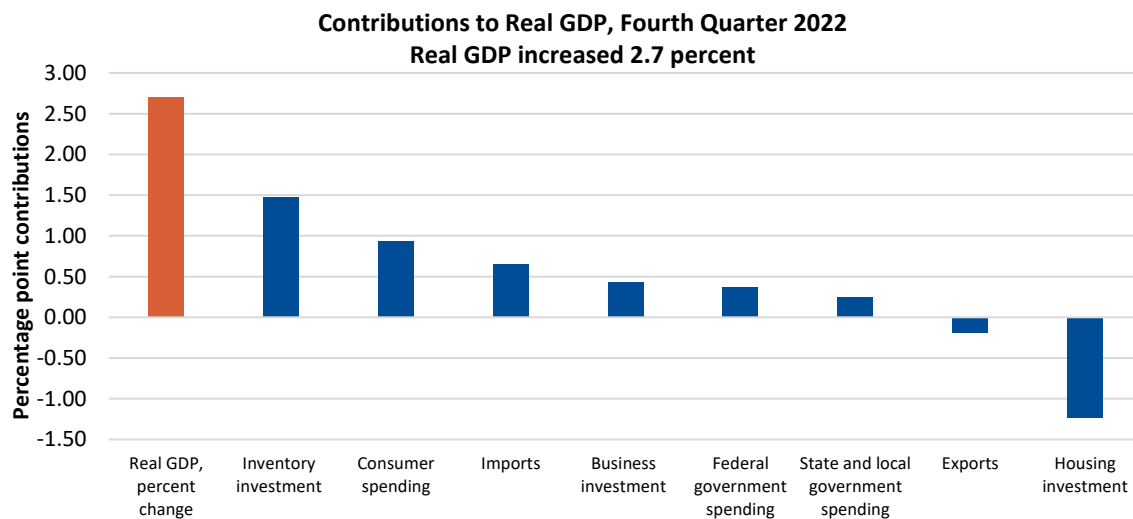
Gross Domestic Product, Fourth Quarter 2022 and Year 2022 (Second Estimate)

Real gross domestic product (GDP) increased at an annual rate of 2.7 percent in the fourth quarter of 2022, after increasing 3.2 percent in the third quarter. The increase in the fourth quarter primarily reflected increases in inventory investment and consumer spending that were partly offset by a decrease in housing investment.

The deceleration in the fourth quarter, compared to the third quarter, primarily reflected a downturn in exports and decelerations in consumer spending, business investment, and state and local government spending. These movements were partly offset by an upturn in inventory investment, a smaller decrease in housing investment, and an acceleration in federal government spending. Imports decreased less in the fourth quarter than in the third quarter. For more details, including source data, refer to the [Technical Note](#).

GDP highlights

The fourth-quarter increase in real GDP reflected increases in inventory investment, consumer spending, business investment, federal government spending, and state and local government spending that were partly offset by decreases in housing investment and exports. Imports, which are a subtraction in the calculation of GDP, decreased.



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Seasonally adjusted annual rates

- The increase in private inventory investment was led by manufacturing (mainly petroleum and coal products) as well as mining, utilities, and construction industries (led by utilities).

BEA data—including GDP, personal income, the balance of payments, foreign direct investment, the input-output accounts, and regional economic data—are available at www.bea.gov. E-mail alerts are also available. The “third” estimate of GDP, along with estimates for corporate profits and GDP by industry, for the fourth quarter of 2022 will be released on March 30, 2023.

- The increase in consumer spending reflected an increase in services (led by health care as well as housing and utilities) that was partly offset by a decrease in goods (led by “other” durable goods, specifically jewelry).
- The decrease in housing investment was led by new single-family housing construction and brokers’ commissions.

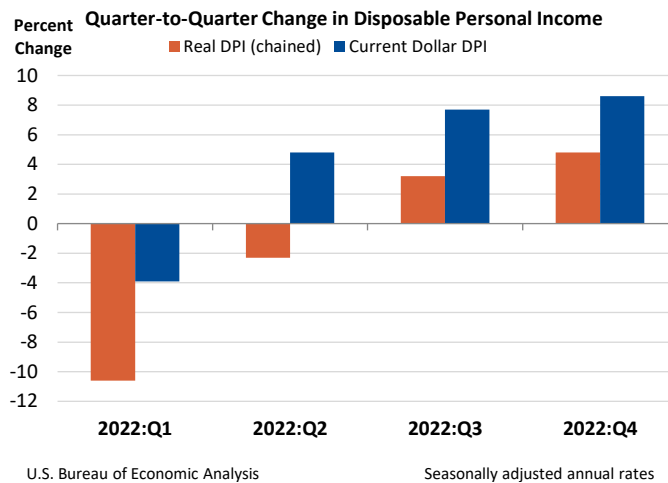
Updates to GDP

Real GDP was revised down 0.2 percentage point from the “advance” estimate and primarily reflected a downward revision to consumer spending (both goods and services) that was partly offset by an upward revision to business investment. The price index for gross domestic product increased 3.9 percent in the fourth quarter, an upward revision of 0.4 percentage point from the previous estimate.

Personal income and saving

Real disposable personal income (DPI)—personal income adjusted for taxes and inflation—increased 4.8 percent in the fourth quarter after increasing 3.2 percent (revised) in the third quarter.

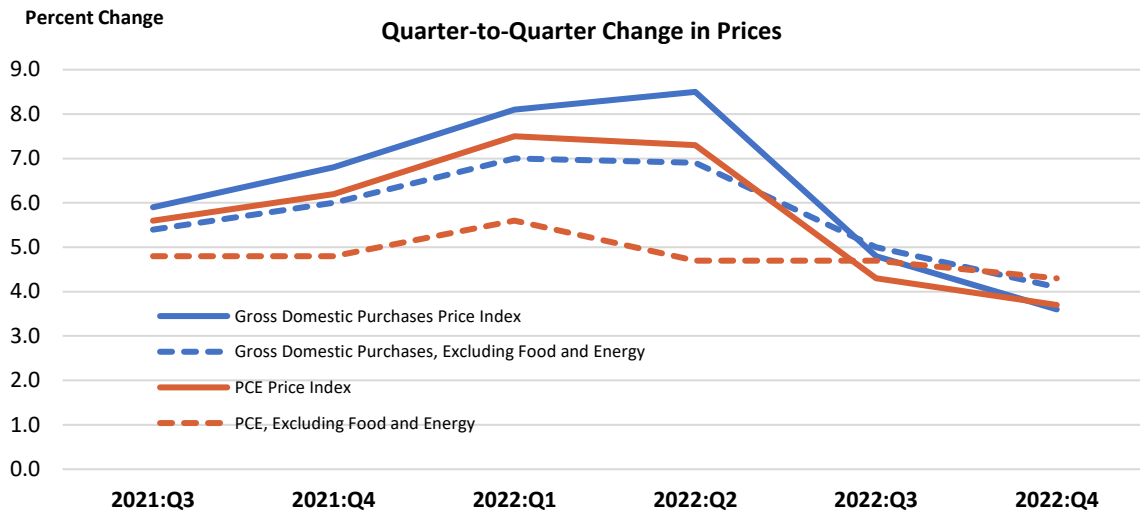
Current-dollar DPI increased 8.6 percent in the fourth quarter, following an increase of 7.7 percent (revised). The increase in current-dollar DPI for the fourth quarter primarily reflected increases in compensation and personal current transfer receipts.



Personal saving as a percentage of DPI was 3.9 percent in the fourth quarter, compared with 3.2 percent (revised) in the third quarter.

Prices

Gross domestic purchases prices, the prices of goods and services purchased by U.S. residents, increased 3.6 percent in the fourth quarter after increasing 4.8 percent in the third quarter. Excluding food and energy, prices increased 4.1 percent after increasing 5.0 percent.



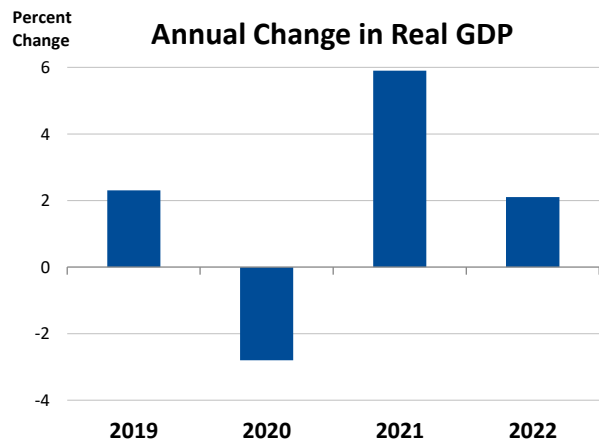
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Seasonally adjusted annual rates

Personal consumption expenditure (PCE) prices increased 3.7 percent in the fourth quarter after increasing 4.3 percent. Excluding food and energy, the PCE “core” price index increased 4.3 percent after increasing 4.7 percent.

Year 2022 highlights

Real GDP increased 2.1 percent (from the 2021 annual level to the 2022 annual level), compared to an increase of 5.9 percent in 2021. The increase primarily reflected increases in consumer spending, exports, and inventory investment that were partly offset by a decrease in housing investment.



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