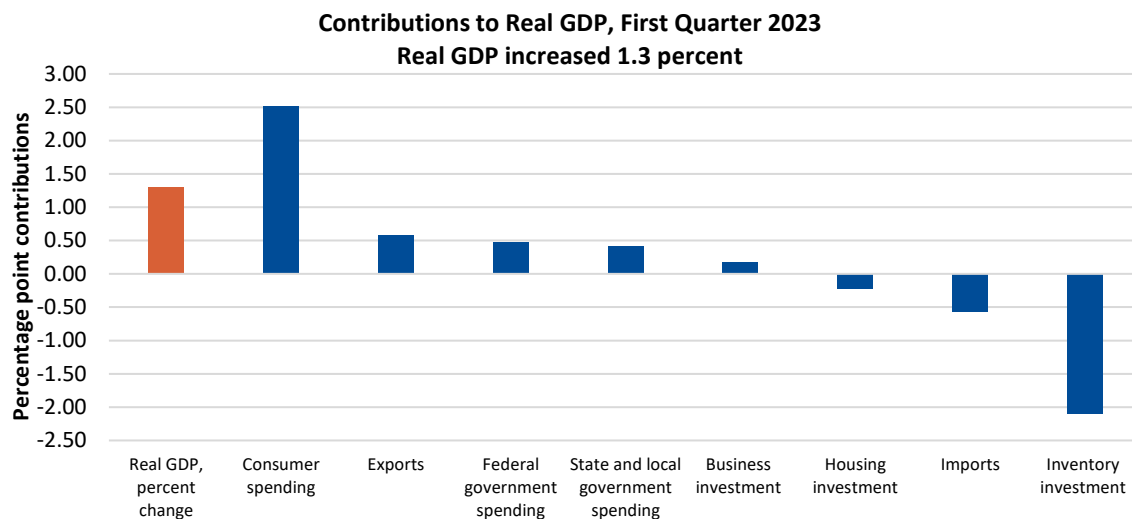


Gross Domestic Product (Second Estimate) Corporate Profits (Preliminary Estimate) First Quarter 2023

Real gross domestic product (GDP) increased at an annual rate of 1.3 percent in the first quarter of 2023, according to the “second” estimate. In the fourth quarter of 2022, real GDP increased 2.6 percent. The GDP estimate for the first quarter was revised up 0.2 percentage point from the “advance” estimate, primarily reflecting an upward revision to inventory investment.



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Seasonally adjusted annual rates

The increase in the first quarter primarily reflected an increase in consumer spending that was partly offset by a decrease in inventory investment.

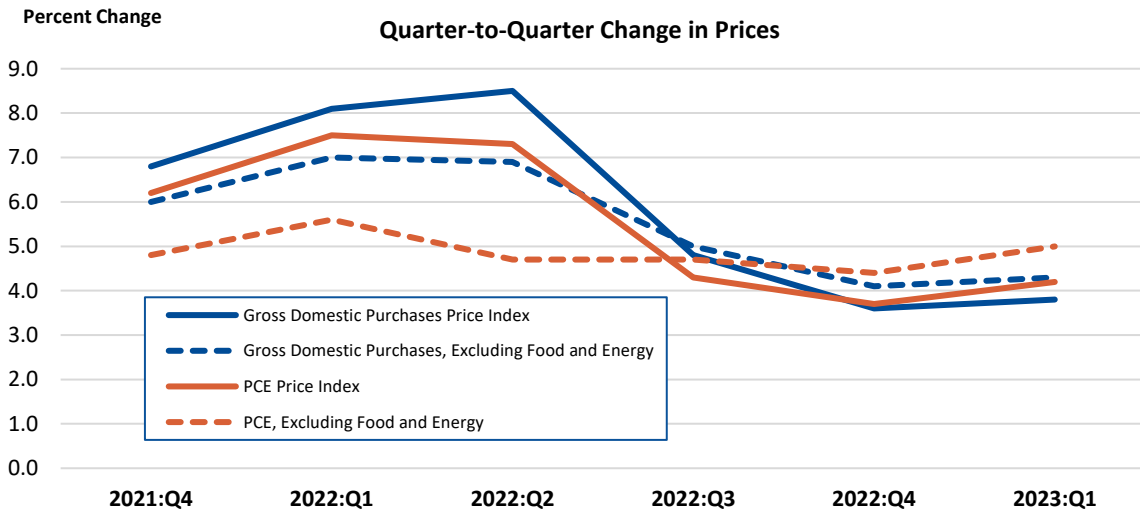
- The increase in consumer spending reflected increases in both goods (led by motor vehicles and parts) and services (led by health care, food services and accommodations, as well as financial services and insurance).
- The decrease in inventory investment primarily reflected decreases in wholesale trade and manufacturing.

Compared to the fourth quarter, the deceleration in real GDP primarily reflected a downturn in inventory investment and a slowdown in business investment. These movements were partly offset by an acceleration in consumer spending, an upturn in exports, and a smaller decrease in housing investment. Imports turned up.

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 an updated estimate of Corporate Profits and an estimate of GDP by Industry, for the first quarter of 2023 will be released on June 29, 2023.

Prices

Gross domestic purchases prices, the prices of goods and services purchased by U.S. residents, increased 3.8 percent in the first quarter after increasing 3.6 percent in the fourth quarter. Excluding food and energy, prices increased 4.3 percent after increasing 4.1 percent.



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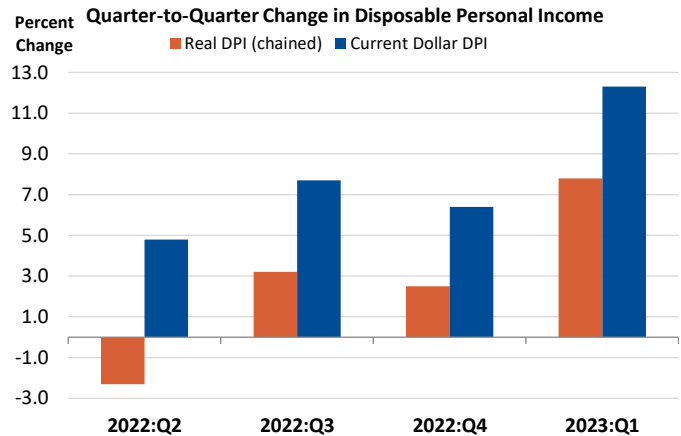
Seasonally adjusted annual rates

Personal consumption expenditures (PCE) prices increased 4.2 percent in the first quarter after increasing 3.7 percent in the fourth quarter. Excluding food and energy, the PCE “core” price index increased 5.0 percent after increasing 4.4 percent.

Personal income and saving

Real disposable personal income (DPI)—personal income adjusted for taxes and inflation—increased 7.8 percent in the first quarter after increasing 2.5 percent (revised) in the fourth quarter.

Current-dollar DPI increased 12.3 percent in the first quarter, following an increase of 6.4 percent (revised) in the fourth quarter. The increase in the first quarter primarily reflected increases in compensation and personal current transfer receipts as well as a decrease in personal current taxes, which are a subtraction in the calculation of DPI.



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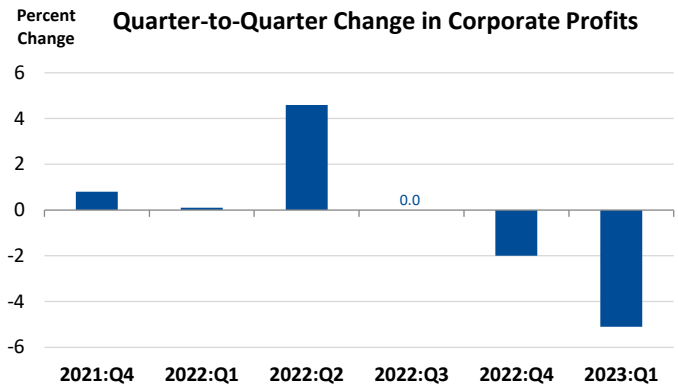
Seasonally adjusted annual rates

Personal saving as a percentage of DPI was 4.2 percent in the first quarter, compared with 3.4 percent (revised) in the fourth quarter.

Corporate profits from current production

Profits decreased 5.1 percent at a quarterly rate in the first quarter after decreasing 2.0 percent in the fourth quarter.

- Profits of domestic financial corporations decreased 6.3 percent after decreasing 12.8 percent.
- Profits of domestic nonfinancial corporations decreased 5.3 percent after decreasing 1.1 percent.
- Profits from the rest of the world (net) decreased 3.5 percent after increasing 4.8 percent.



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Seasonally adjusted quarterly rates

Corporate profits decreased 2.8 percent in the first quarter from one year ago.

Updates to GDP

The update from the “advance” estimate reflected upward revisions to inventory investment, state and local government spending, business investment, consumer spending, and exports that were partly offset by downward revisions to housing investment and federal government spending. Imports were revised up.

For additional details on the estimates, refer to the [Technical Note](#).