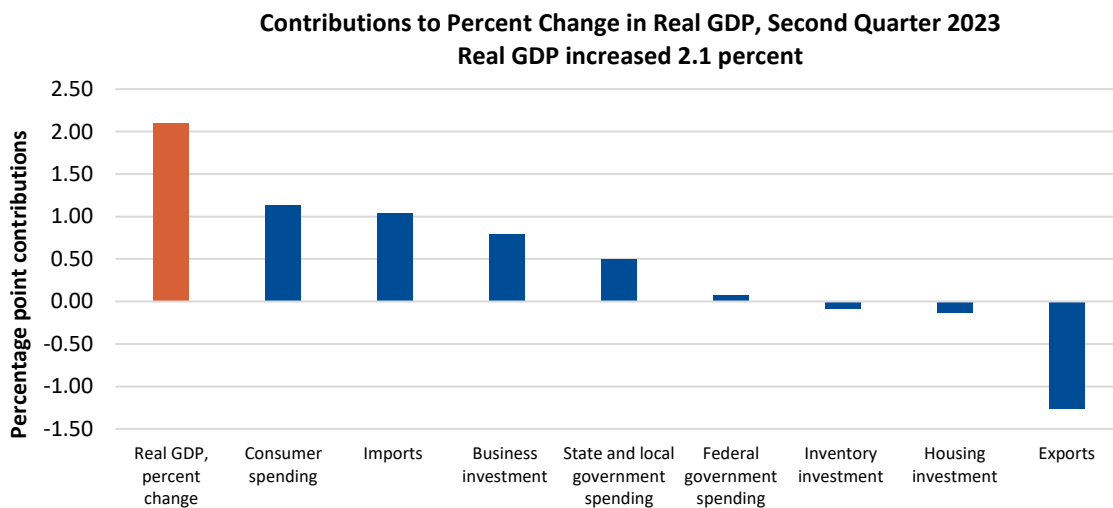


## Gross Domestic Product (Second Estimate) Corporate Profits (Preliminary Estimate) Second Quarter 2023

Real gross domestic product (GDP) increased at an annual rate of 2.1 percent in the second quarter of 2023, according to the “second” estimate. In the first quarter, real GDP increased 2.0 percent. The increase in the second quarter primarily reflected increases in consumer spending and business investment that were partly offset by a decrease in exports. Imports, which are a subtraction in the calculation of GDP, decreased.



Note. Imports are a subtraction in the calculation of GDP; thus, a decrease in imports results in a positive contribution to GDP.

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Seasonally adjusted annual rates

- The increase in consumer spending reflected increases in both services (led by housing and utilities; transportation services; and health care) and goods (led by recreational goods and vehicles as well as gasoline and other energy goods).
- The increase in business investment reflected increases in equipment, structures, and intellectual property products.
- The decrease in exports reflected a decrease in goods (led by industrial supplies and materials; consumer goods, except food and automotive; and foods, feeds, and beverages) that was partly offset by an increase in services (led by travel).

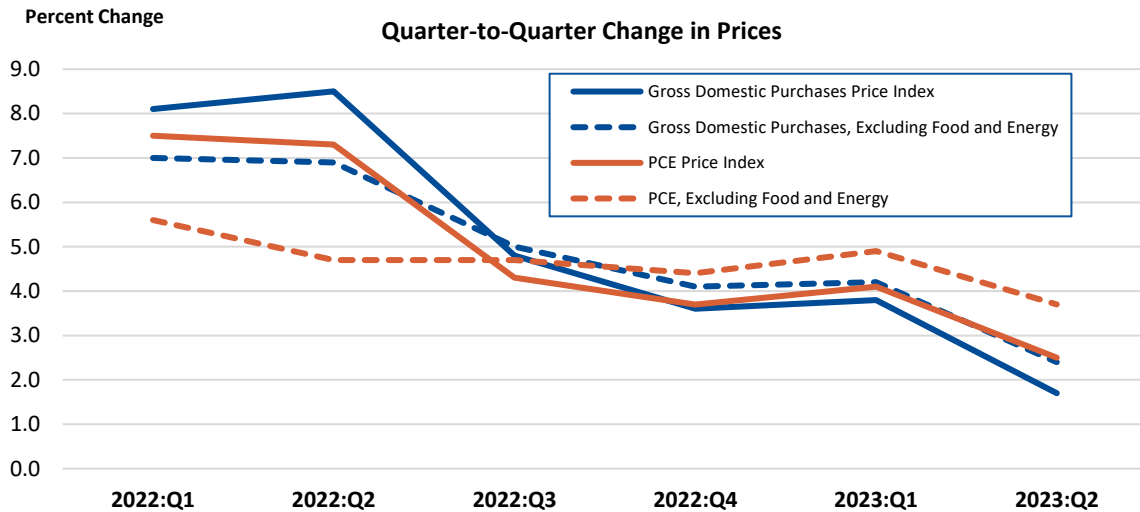
Compared to the first quarter, the acceleration in GDP in the second quarter primarily reflected a smaller decrease in inventory investment and an acceleration in business investment. These movements

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](http://www.bea.gov). E-mail alerts are also available. The “third” estimate of GDP and an updated estimate of Corporate Profits for the second quarter of 2023 will be released on September 28, 2023, along with the comprehensive update of the National Economic Accounts.

were partly offset by a downturn in exports and decelerations in consumer spending and federal government spending. Imports turned down.

**Prices**

Gross domestic purchases prices, the prices of goods and services purchased by U.S. residents, increased 1.7 percent in the second quarter after increasing 3.8 percent in the first quarter. Excluding food and energy, prices increased 2.4 percent after increasing 4.2 percent.



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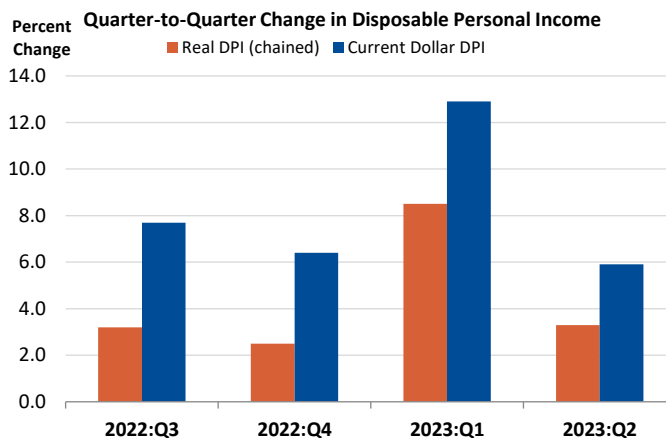
Seasonally adjusted annual rates

Personal consumption expenditure (PCE) prices increased 2.5 percent in the second quarter after increasing 4.1 percent in the first quarter. Excluding food and energy, the PCE “core” price index increased 3.7 percent after increasing 4.9 percent.

**Personal income and saving**

Real disposable personal income (DPI)—personal income adjusted for taxes and inflation—increased 3.3 percent in the second quarter after increasing 8.5 percent in the first quarter.

Current-dollar DPI increased 5.9 percent in the second quarter, following an increase of 12.9 percent in the first quarter. The increase in the second quarter primarily reflected increases in compensation, personal income receipts on assets, personal current transfer receipts, and rental income of persons as well as a decrease in personal current taxes, which are a subtraction in the calculation of DPI.



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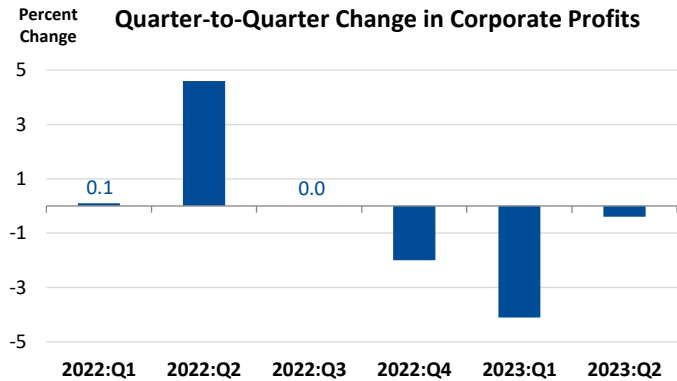
Seasonally adjusted annual rates

Personal saving as a percentage of DPI was 4.5 percent in the second quarter, compared with 4.3 percent in the first quarter.

**Corporate profits from current production**

Profits decreased 0.4 percent at a quarterly rate in the second quarter after decreasing 4.1 percent in the first quarter.

- Profits of domestic financial corporations decreased 12.1 percent after decreasing 2.3 percent.
- Profits of domestic nonfinancial corporations increased 0.9 percent after decreasing 5.0 percent.
- Profits from the rest of the world (net) increased 4.4 percent after decreasing 2.0 percent.



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Seasonally adjusted quarterly rates

Corporate profits decreased 6.5 percent in the second quarter from one year ago.

**Updates to GDP**

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

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