

## GDP REVISED UP IN THE FIRST QUARTER

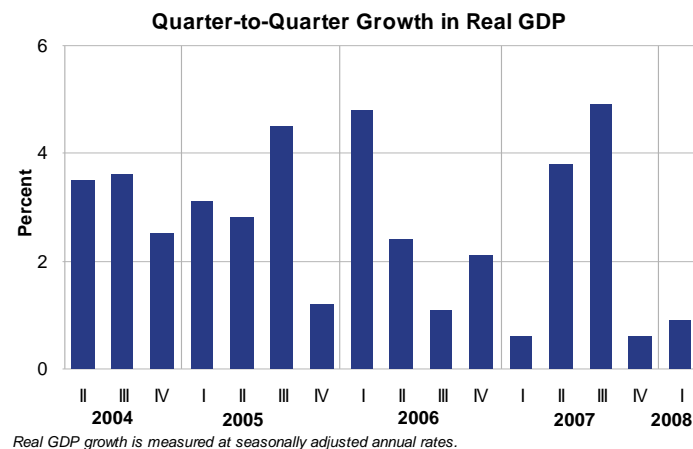
### *Corporate Profits Growth Slows*

The economy grew at an annual rate of 0.9 percent in the first quarter, compared with 0.6 percent in the fourth quarter, according to the “preliminary” estimates released by the Bureau of Economic Analysis. The gross domestic product (GDP) growth rate was revised up from the “advance” estimate of 0.6 percent. BEA also released first-quarter corporate profits estimates.

### Gross Domestic Product

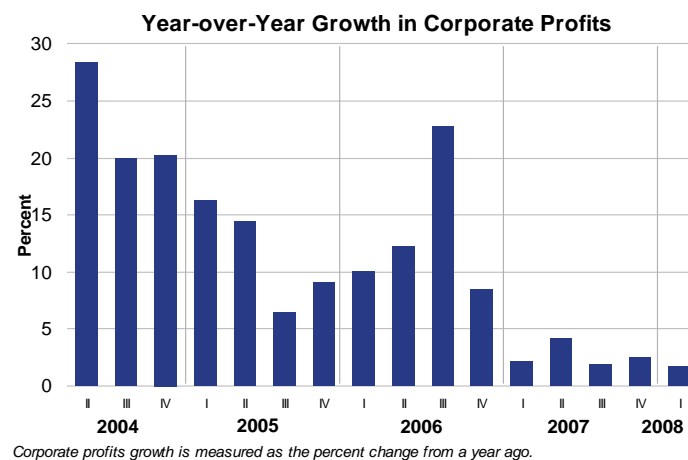
The continued slow growth in GDP reflected the same factors embodied in the advance estimate: a decline in housing and continued weakness in consumer spending.

The revision to the first-quarter growth rate reflected lower imports that were mostly offset by lower inventory investment. Lower imports implies that domestic production was higher. Also, the decrease in nonresidential construction was less than in the advance estimate.



### Corporate Profits

Year-over-year growth in the first-quarter was 1.7 percent, compared with 2.5 percent in the fourth quarter. The first-quarter increase reflected an increase in profits from foreign affiliates of U.S. companies. In contrast, profits of domestic corporations declined.



BEA data—including GDP, personal income, the balance of payments, foreign direct investment, the input-output accounts, and economic data for states, local areas, and industries—are available on the BEA Web site: [www.bea.gov](http://www.bea.gov). [E-mail](#) alerts are also available.

NOTE: Additional information that becomes available in the coming weeks will be incorporated in a “final” estimate of first-quarter GDP on June 26, 2008. A revised estimate of corporate profits will also be released.