

## FIRST-QUARTER GDP REVISED DOWN

*“Second” estimate of GDP*

Real gross domestic product (GDP) decreased 0.7 percent in the first quarter of 2015, according to the “second” estimate released by the Bureau of Economic Analysis. The growth rate was revised down 0.9 percentage point from the “advance” estimate released in April. In the fourth quarter of 2014, real GDP increased 2.2 percent.

### GDP highlights

The first-quarter decline in real GDP reflected declines in the following:

- Goods exports, notably of capital goods and of autos and parts
- Business investment, notably in mining exploration, shafts, and wells
- State and local government spending

Offsetting these contributions to the decrease in first-quarter GDP:

- Consumer spending on services increased, notably on health care and on housing and utilities.
- Nonfarm inventory investment also rose, notably in wholesale trade durable goods-related industries.



### Revisions

The percent change in first-quarter real GDP was revised down, mainly reflecting an upward revision to imports and downward revisions to inventory investment and to consumer spending. Offsetting these revisions, residential investment was revised up. For more information, see the [technical note](#).

### Corporate profits

Corporate profits decreased 5.9 percent at a quarterly rate in the first quarter after decreasing 1.4 percent in the fourth quarter of 2014.

- Profits of domestic nonfinancial corporations decreased 7.7 percent after increasing 1.4 percent.
- Profits of domestic financial corporations decreased 0.6 percent after decreasing 2.7 percent.
- Profits from the rest of the world decreased 6.0 percent after decreasing 8.8 percent.

Over the last 4 quarters, corporate profits increased 3.7 percent.



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: The “third” estimate of GDP and a revised estimate of corporate profits for the first quarter of 2015 will be released on June 24, 2015.