

# **NEWS RELEASE**



## EMBARGOED UNTIL RELEASE AT 8:30 A.M. EST, THURSDAY, DECEMBER 20, 2007

(202) 606-5304 (GDP) (202) 606-5564 (Profits) Virginia H. Mannering: BEA 07-59

Andrew Hodge:

Recorded message: (202) 606-5306

# GROSS DOMESTIC PRODUCT: THIRD QUARTER 2007 (FINAL) **CORPORATE PROFITS: THIRD QUARTER 2007 (FINAL)**

Real gross domestic product -- the output of goods and services produced by labor and property located in the United States -- increased at an annual rate of 4.9 percent in the third quarter of 2007, according to final estimates released by the Bureau of Economic Analysis. In the second quarter, real GDP increased 3.8 percent.

The GDP estimates released today are based on more complete source data than were available for the preliminary estimates issued last month. In the preliminary estimates, the increase in real GDP was also 4.9 percent (see "Revisions" on page 3).

The increase in real GDP in the third quarter primarily reflected positive contributions from exports, personal consumption expenditures (PCE), private inventory investment, nonresidential structures, federal government spending, equipment and software, and state and local government spending that were partly offset by a negative contribution from residential fixed investment. Imports, which are a subtraction in the calculation of GDP, increased.

The acceleration in real GDP growth in the third quarter primarily reflected accelerations in exports, in PCE, and in private inventory investment that were partly offset by an upturn in imports, a larger decrease in residential fixed investment, and a deceleration in nonresidential structures.

Final sales of computers contributed 0.28 percentage point to the third-quarter growth in real GDP after contributing 0.21 percentage point to the second-quarter growth. Motor vehicle output contributed 0.36 percentage point to the third-quarter growth in real GDP after contributing 0.03 percentage point to the second-quarter growth.

NOTE.--Quarterly estimates are expressed at seasonally adjusted annual rates, unless otherwise specified. Quarter-to-quarter dollar changes are differences between these published estimates. Percent changes are calculated from unrounded data and annualized. "Real" estimates are in chained (2000) dollars. Price indexes are chain-type measures.

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- 2 -

The price index for gross domestic purchases, which measures prices paid by U.S. residents, increased 1.8 percent in the third quarter, 0.2 percentage point more than the preliminary estimate; this index increased 3.8 percent in the second quarter. Excluding food and energy prices, the price index for gross domestic purchases increased 1.9 percent in the third quarter, compared with an increase of 1.5 percent in the second.

<u>Real personal consumption expenditures</u> increased 2.8 percent in the third quarter, compared with an increase of 1.4 percent in the second. <u>Real nonresidential fixed investment</u> increased 9.3 percent, compared with an increase of 11.0 percent. Nonresidential structures increased 16.4 percent, compared with an increase of 26.2 percent. Equipment and software increased 6.2 percent, compared with an increase of 4.7 percent. <u>Real residential fixed investment</u> decreased 20.5 percent, compared with a decrease of 11.8 percent.

<u>Real exports of goods and services</u> increased 19.1 percent in the third quarter, compared with an increase of 7.5 percent in the second. <u>Real imports of goods and services</u> increased 4.4 percent, in contrast to a decrease of 2.7 percent.

<u>Real federal government consumption expenditures and gross investment</u> increased 7.1 percent in the third quarter, compared with an increase of 6.0 percent in the second. National defense increased 10.1 percent, compared with an increase of 8.5 percent. Nondefense increased 1.1 percent, compared with an increase of 0.9 percent. <u>Real state and local government consumption expenditures and gross</u> investment increased 1.9 percent, compared with an increase of 3.0 percent.

The <u>real change in private inventories</u> added 0.89 percentage point to the third-quarter change in real GDP, after adding 0.22 percentage point to the second-quarter change. Private businesses increased inventories \$30.6 billion in the third quarter, following increases of \$5.8 billion in the second quarter and \$0.1 billion in the first.

<u>Real final sales of domestic product</u> -- GDP less change in private inventories -- increased 4.0 percent in the third quarter, compared with an increase of 3.6 percent in the second.

## **Gross domestic purchases**

Real gross domestic purchases -- purchases by U.S. residents of goods and services wherever produced -- increased 3.3 percent in the third quarter, compared with an increase of 2.4 percent in the second.

## **Gross national product**

Real gross national product -- the goods and services produced by the labor and property supplied by U.S. residents -- increased 5.8 percent in the third quarter, compared with an increase of 4.0 percent in the second. GNP includes, and GDP excludes, net receipts of income from the rest of the world, which increased \$25.9 billion in the third quarter after increasing \$5.8 billion in the second; in the third quarter, receipts increased \$32.0 billion, and payments increased \$6.1 billion.

- 3 -

## **Current-dollar GDP**

Current-dollar GDP -- the market value of the nation's output of goods and services -- increased 6.0 percent, or \$201.7 billion, in the third quarter to a level of \$13,970.5 billion. In the second quarter, current-dollar GDP increased 6.6 percent, or \$216.9 billion.

## **Revisions**

The final estimate of the third-quarter increase in real GDP is the same as the preliminary estimate, primarily reflecting a small upward revision to personal consumption expenditures that was offset by a small downward revision to private nonfarm inventory investment.

	<u>Advance</u>	<b>Preliminary</b>	<u>Final</u>
	(Percent chang	e from preceding	g quarter)
Real GDP	3.9	4.9	4.9
Current-dollar GDP	4.7	5.9	6.0
Gross domestic purchases price index	1.6	1.6	1.8

## **Corporate Profits**

Profits from current production (corporate profits with inventory valuation and capital consumption adjustments) decreased \$20.5 billion in the third quarter, in contrast to an increase of \$94.7 billion in the second quarter. Current-production cash flow (net cash flow with inventory valuation and capital consumption adjustments) -- the internal funds available to corporations for investment -- decreased \$21.1 billion in the third quarter, in contrast to an increase of \$37.4 billion in the second.

Taxes on corporate income decreased \$20.7 billion in the third quarter, in contrast to an increase of \$37.6 billion in the second. Profits after tax with inventory valuation and capital consumption adjustments increased \$0.3 billion in the third quarter, compared with an increase of \$57.0 billion in the second. Dividends increased \$23.5 billion, compared with an increase of \$24.8 billion; current-production undistributed profits decreased \$23.3 billion, in contrast to an increase of \$32.2 billion.

Domestic profits of financial corporations decreased \$32.5 billion in the third quarter, in contrast to an increase of \$52.7 billion in the second. Domestic profits of nonfinancial corporations decreased \$14.4 billion in the third quarter, in contrast to an increase of \$25.3 billion in the second. In the third quarter, real gross value added of nonfinancial corporations increased, and profits per unit of real product decreased. The decrease in unit profits reflected a decrease in unit prices and an increase in unit labor costs that were partly offset by a decrease in unit nonlabor costs.

The rest-of-the-world component of profits increased \$26.4 billion in the third quarter, compared with an increase of \$16.7 billion in the second. This measure is calculated as (1) receipts by U.S. residents of earnings from their foreign affiliates plus dividends received by U.S. residents from unaffiliated foreign corporations minus (2) payments by U.S. affiliates of earnings to their foreign parents plus dividends paid by U.S. corporations to unaffiliated foreign residents. The third-quarter increase was accounted for by a larger increase in receipts than in payments.

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- 4 -

Profits before tax with inventory valuation adjustment is the best available measure of industry profits because estimates of the capital consumption adjustment by industry do not exist. This measure reflects depreciation-accounting practices used for federal income tax returns. According to this measure, domestic profits of financial and nonfinancial corporations decreased in the third quarter. The decrease in nonfinancial corporations reflected a decrease in manufacturing that was partly offset by increases in all the other industries shown. Within manufacturing, the decrease was more than accounted for by petroleum.

Profits before tax decreased \$51.8 billion in the third quarter, in contrast to an increase of \$115.7 billion in the second. The before-tax measure of profits does not reflect, as does profits from current production, the capital consumption and inventory valuation adjustments. These adjustments convert depreciation of fixed assets and inventory withdrawals reported on a tax-return, historical-cost basis to the current-cost measures used in the national income and product accounts. The capital consumption adjustment decreased \$3.0 billion in the third quarter (from -\$234.4 billion to -\$237.4 billion), compared with a decrease of \$6.5 billion in the second. The inventory valuation adjustment increased \$34.4 billion (from -\$54.7 billion to -\$20.3 billion), in contrast to a decrease of \$14.5 billion.

\* \* \*

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Next release -- January 30, 2008 at 8:30 A.M. EST for: Gross Domestic Product: Fourth Quarter 2007 (Advance)

## Release dates in 2008

## Gross domestic product

	2007: IV and 2007 annual	2008: I	2008: II	2008: III
Advance	January 30	April 30	July 31	October 30
Preliminary	February 28	May 29	August 28	November 25
Final	March 27	June 26	September 26	December 23
Corporate Profits				
Preliminary	••••	May 29	August 28	November 25
Final	March 27	June 26	September 26	December 23

Table 1.—Real Gross Domestic Product and Related Measures: Percent Change From Preceding Period

									Se	asonally	adiuste	ed at an	nual rate	es					
	2004	2005	2006	2003		20	04			20				20	06			2007	
				IV	I	II	III	IV	I	II	III	IV	I	II	III	IV	I	II	r
Gross domestic product (GDP)	3.6	3.1	2.9	2.7	3.0	3.5	3.6	2.5	3.1	2.8	4.5	1.2	4.8	2.4	1.1	2.1	0.6	3.8	4.9
Personal consumption expenditures Durable goods Nondurable goods Services	3.6 6.3 3.5 3.2	3.2 4.9 3.6 2.7	3.1 3.8 3.6 2.7	2.3 .7 1.8 2.8	<b>4.4</b> 5.8 4.6 4.1	2.4 1.9 1.5 3.0	<b>3.5</b> 7.8 3.1 2.9	<b>4.2</b> 7.0 4.9 3.4	2.4 2.2 3.5 1.9	3.5 11.3 3.7 1.8	<b>4.1</b> 6.2 2.5 4.4	1.2 -13.0 4.7 2.6	<b>4.4</b> 16.6 4.5 2.1	2.4 .8 2.3 2.7	2.8 5.6 3.2 2.0	3.9 3.9 4.3 3.7	3.7 8.8 3.0 3.1	1.4 1.7 5 2.3	2.8 4.5 2.2 2.8
Gross private domestic investment  Fixed investment Nonresidential  Structures  Equipment and software  Residential  Change in private inventories	9.7 7.3 5.8 1.3 7.4 10.0	5.6 6.9 7.1 .5 9.6 6.6	2.7 2.4 6.6 8.4 5.9 -4.6	9.3 5.5 2.8 -4.7 5.6 10.6	2.1 2 -2.6 3 -3.4 4.0	20.7 12.9 10.7 6.1 12.4 16.7	8.0 9.3 12.3 3.6 15.5 4.2	6.4 7.3 10.3 2 14.3 2.4	5.3 4.0 3.3 2.1 3.8 5.3	-3.9 7.9 5.0 -1.6 7.4 13.1	7.0 8.0 8.6 -6.3 14.5 6.9	13.4 2.3 3.4 4.8 3.1 .5	4.3 7.9 13.3 15.0 13.0 7	.6 -1.9 4.2 16.4 1 -11.7	-4.1 -4.7 5.1 10.8 2.9 -20.4	-14.1 -7.1 -1.4 7.4 -4.9 -17.2	-8.2 -4.4 2.1 6.4 .3 -16.3	4.6 3.2 11.0 26.2 4.7 -11.8	5.0 7 9.3 16.4 6.2 -20.5
Net exports of goods and services  Exports Goods Services Imports Goods Services Services	9.7 9.0 11.5 11.3 11.3 11.5	6.9 7.5 5.4 5.9 6.6 2.3	8.4 9.9 4.8 5.9 6.0 5.2	20.8 19.8 23.1 17.6 17.2 19.6	10.0 7.4 16.2 12.3 11.5 16.5	6.5 7.2 5.1 15.2 16.6 8.9	3.1 6.2 -3.4 4.8 5.5 1.8	10.0 7.2 16.8 13.8 14.5 10.5	6.0 5.8 6.5 2.1 3.2 -3.5	9.5 13.6 .9 .8 1.0 5	2.1 1.9 2.6 2.1 2.5 0	10.6 12.6 6.3 16.2 17.3 10.3	11.5 15.5 2.9 6.9 6.5 9.5	5.7 6.5 3.9 .9 1.1 1	5.7 7.4 2.0 5.4 6.2 1.3	14.3 9.6 26.0 1.6 6 14.2	1.1 .9 1.6 3.9 4.2 2.3	7.5 6.6 9.6 -2.7 -2.9 -1.7	19.1 26.2 4.0 4.4 4.8 1.7
Government consumption expenditures and gross investment Federal National defense Nondefense State and local	1.4 4.2 5.8 1.1 2	. <b>7</b> 1.5 1.5 1.3	1.8 2.2 1.9 2.8 1.6	. <b>7</b> 3.1 8.1 -6.0 6	1.5 6.1 8.1 2.3 –1.0	1.3 2.4 2.0 3.2 .7	1.6 6.2 10.9 -2.7 -1.1	<b>-1.8</b> -4.6 -9.7 6.5 1	1.3 2.8 4.6 8 .4	1.2 .7 2.6 -3.0 1.5	<b>3.2</b> 8.6 10.0 5.8 0	<b>-1.9</b> -6.2 -11.7 5.8 .7	4.9 8.4 6.8 11.9 2.9	1.0 -1.6 2.3 -8.8 2.5	. <b>8</b> .9 –1.5 6.0 .7	<b>3.5</b> 7.3 16.9 –10.0 1.3	5 -6.3 -10.8 3.8 3.0	<b>4.1</b> 6.0 8.5 .9 3.0	3.8 7.1 10.1 1.1 1.9
Addenda:  Final sales of domestic product  Gross domestic purchases  Final sales to domestic purchasers  Gross national product (GNP)  Disposable personal income	3.3 4.1 3.8 3.8 3.6	3.3 3.1 3.3 3.0 1.7	2.8 2.8 2.7 2.8 3.1	2.1 3.0 2.5 3.5 1.7	2.6 3.6 3.2 3.6 3.7	2.4 4.8 3.7 2.6 2.4	3.8 3.8 4.0 3.9 2.9	2.7 3.4 3.6 1.5 7.5	2.9 2.6 2.4 3.6 -3.3	4.8 1.9 3.7 2.7 2.5	4.6 4.3 4.5 5.1 –1.2	5 2.5 .8 0 6.6	5.4 4.5 5.0 5.2 4.9	2.0 1.9 1.5 2.4 .2	1.0 1.3 1.2 .5 1.7	3.5 .8 2.1 2.6 6.2	1.3 1.1 1.7 .7 5.4	3.6 2.4 2.1 4.0 8	4.0 3.3 2.5 5.8 4.5
Current-dollar measures: GDP Final sales of domestic product Gross domestic purchases Final sales to domestic purchasers GNP Disposable personal income	6.6 6.2 7.3 7.0 6.8 6.4	6.4 6.6 6.9 7.1 6.3 4.7	6.1 6.1 6.1 6.1 6.0 5.9	4.9 4.4 4.9 4.4 5.8 3.2	6.8 6.4 8.0 7.6 7.4 7.3	7.4 6.2 9.2 8.0 6.5 6.3	6.0 6.1 6.7 6.8 6.3 4.9	5.9 6.0 7.2 7.3 4.8 10.8	7.1 6.9 6.3 6.1 7.6 –1.2	5.5 7.5 5.5 7.4 5.4 6.0	8.1 8.3 9.1 9.3 8.7 3.0	4.8 3.0 6.3 4.6 3.5 9.6	8.4 9.0 7.3 7.9 8.8 6.7	6.0 5.5 6.2 5.7 6.0 4.5	3.4 3.8 3.7 2.8 4.4	3.8 5.2 .9 2.1 4.3 5.2	4.9 5.5 4.9 5.5 4.9 9.1	6.6 6.3 6.2 6.0 6.8 3.4	6.0 5.1 5.1 4.3 6.9 6.4

 $<sup>\</sup>begin{array}{ll} r & \text{Revised} \\ \text{See "Explanatory Note" at the end of the tables.} \end{array}$ 

Table 2.—Contributions to Percent Change in Real Gross Domestic Product

20	04 20	005	Seasonally adjusted at annual rates 5 2006 2003 2004 2005 2006 2007																
			2000	2003		20	04			200	05			20	06			2007	
				IV	ı	II	III	IV	Ι	II	III	IV	ı	II	III	IV	ı	П	r
Percent change at annual rate:																			
Gross domestic product	3.6	3.1	2.9	2.7	3.0	3.5	3.6	2.5	3.1	2.8	4.5	1.2	4.8	2.4	1.1	2.1	0.6	3.8	4.9
Percentage points at annual rates:																			ı
Personal consumption expenditures	.56 2	2.24	2.15	1.59	3.12	1.73	2.46	2.93	1.68	2.40	2.82	.84	3.00	1.63	1.88	2.68	2.56	1.00	2.01
Durable goods	.53	.40	.31	.06	.49	.16	.64	.57	.18	.90	.51	-1.13	1.23	.07	.43	.30	.67	.14	.35
Motor vehicles and parts Furniture and household equipment	.08	0 .31	11 .35	29 .27	.09 .29	11 .27	.17 .36	.23 .25	27 .31	.48 .28	.20 .39	-1.57 .35	.48 .54	04 .17	.16 .24	.25	.35 .28	10 .13	17 .31
Other	.10	.09	.07	.08	.11	0	.10	.09	.13	.14	08	.35 .09	.54 .22	06	.04	.05	.04	.11	.20
Nondurable goods	.71	.72	.74	.36	.92	.31	.62	.97	.71	.74	.50	.93	.91	.47	.64	.86	.61	10	.46
Food	.31	.38	.38 .13	.02 02	.59 .31	.10 13	.21 .15	.60 .23	.31 .18	.38 .27	.49 0	.40 .29	.47 .11	.13 .05	.24 .14	.68 .10	.16 .22	14 .06	.13 .17
Gasoline, fuel oil, and other energy goods	.03 -	02	01	.06	0	.04	03	0	.05	11	11	.06	.02	.02	.05	15	.06	12	02
Other	.24	.19	.23	.30	.03	.29	.29	.14	.17	.20	.13	.18	.31	.27	.20	.23	.17	.10	.18
Services	. <b>32</b> 1	1. <b>12</b> .33	1.11 .28	<b>1.18</b> .40	<b>1.71</b> .35	<b>1.25</b> .25	<b>1.21</b> .29	<b>1.39</b> .31	. <b>79</b> .36	. <b>76</b> .36	<b>1.81</b> .36	<b>1.05</b> .30	. <b>86</b> .30	1.10 .23	. <b>81</b> .18	<b>1.52</b> .20	<b>1.28</b> .26	. <b>96</b> .29	<b>1.20</b> .27
Household operation	.10	.08	03	.17	.13	.06	.06	.15	.04	02	.33	22	40	.17	.16	.13	.04	.05	.23
Electricity and gasOther household operation	.02	.04	05 .02	.12 .05	.04 .08	05 .11	05 .12	.15 .01	.03 .01	04 .02	.29 .04	21 01	42 .02	.14 .03	.17 01	.07 .07	.03 .01	.02 .03	.21 .02
Transportation	.04	.03	.03	.02	.04	.08	.02	.06	.02	.01	.01	.03	.06	03	.06	.11	.07	.11	.09
Medical care Recreation	.36	.41	.40 .09	.28 .16	.33 .21	.45 .12	.52 .09	.40	.27 .09	.38	.53 .06	.53 .08	.49 .07	.26 .02	.12 .19	.34	.47 .06	.28 .03	.27 .10
Other	.36	.21	.34	.15	.66	.29	.22	.44	0	0	.53	.32	.34	.45	.17	.44	.39	.19	.24
Gross private domestic investment	.48	.91	.45	1.39	.30	3.00	1.26	1.04	.89	64	1.15	2.13	.78	.13	70	-2.50	-1.36	.71	.77
		1.09	.39	.83	07	1.88	1.41	1.14	.68	1.26	1.28	.38	1.27	32	80	-1.19	70	.49	11
Nonresidential Structures	.56 .03	.70 .01	.68 .24	.29 12	28 01	1.00 .15	1.16 .09	1.00	.36 .06	.51 04	.87 17	.35 .12	1.31	.44 .45	.53 .31	15 .23	.22 .20	1.12 .78	.96 .52
Equipment and software	.53	.69	.44	.41	27	.85	1.07	1.01	.30	.55	1.04	.23	.92	01	.21	38	.02	.34	.44
Information processing equipment and	.33	.34	.27	.70	.04	.15	.24	.41	.46	.32	.32	.26	.48	.05	.24	06	.56	.36	.24
software	.08	.17	.12	.21	16	.04	.19	.24	.13	.19	.11	.23	.06	.03	.09	.03	.25	.08	.08
Software	.14	.10	.06	.20 .29	.14	0	.11	.17	.07	.14	.02	.05	.08	.03	.05	.04 12	.14	.16	.07
Other Industrial equipment	.12	.08	.10 .05	22	.05 14	.12 .09	06 .19	.06	.26 .15	01 12	.19 .23	01 .11	.34 08	09 .17	.10 04	12	.18 04	.11 .19	.09 .10
Transportation equipment	.16	.13	.09	13	07	.52	.43	.40	34	.14	.40	21	.46	24	.10	18	20	32	.03
Other equipmentResidential	.07 .53	.12	.04 29	.07 .55	10 .21	.09 .89	.20 .24	.13 .14	.04 .32	.21 .75	.09 .42	.07 .03	.06 05	0 76	09 -1.33	05 -1.04	30 93	.11 62	.07 –1.08
Change in private inventories		18	.06	.56	.37	1.12	14	11	.21	-1.90	14	1.74	49	.46	.10	-1.31	65	.22	.89
Farm	.06 -	07	0	05	.28	.37	32	14	25	.13	.12	.01	04	23	.10	.25	.04	05	.01
Nonfarm		11	.06	.60	.08	.75	.18	.03	.46	-2.04	26	1.73	45	.69	.01	-1.56	69	.27	.87
3	.68 - .93	23	08	47 1.01	75	-1.50	42	-1.07	.26	.83	10	-1.41	.13	.49	25	1.25	51	1.32	1.38
Exports	.60	. <b>70</b> .53	. <b>88</b> .73	<b>1.81</b> 1.20	. <b>95</b> .49	. <b>64</b> .48	. <b>31</b> .42	. <b>97</b> .49	. <b>60</b> .40	. <b>95</b> .92	. <b>22</b> .14	<b>1.07</b> .87	<b>1.19</b> 1.10	. <b>61</b> .49	. <b>62</b> .56	<b>1.51</b> .73	. <b>13</b> .07	. <b>85</b> .53	<b>2.10</b> 1.96
Services	.33	.17	.16	.61	.46	.16	11	.49	.20	.03	.08	.20	.10	.13	.07	.78	.05	.33	.14
		92	96	-2.29	-1.70	-2.14	73	-2.04	34	12	32	-2.47	-1.07	12	88	26	63	.47	72
		86 06	83 13	-1.86 43	-1.32 37	-1.92 21	69 05	-1.78 26	43 .09	13 .01	32 0	-2.22 26	83 24	12 0	84 03	.09 35	57 06	.42 .05	67 05
Government consumption expenditures and	.27													10			09	.79	
gross investment	.29	.14	.35 .15	.14 .21	.29 .41	.25 .17	.30 .43	35 33	.25 .19	.22	.60 .59	37 46	.92 .57	.18 11	.14	.66 .50	46	.41	.74 .50
Federal	.27	.07	.09	.35	.36	.09	.49	48	.22	.12	.46	59	.31	.11	07	.74	54	.39	.47
Consumption expenditures	.21	.04	.05	.31	.35	.03	.34	45	.26	.01	.41	57	.30	05	0	.60	40	.35	.39
Gross investment	.06	.03	.04 .06	.05 14	.01 .06	.06 .08	.15 06	04 .15	05 02	.11 07	.05 .13	02 .13	.01 .27	.15 22	07 .14	.15 24	14 .08	.04 .02	.08 .03
Consumption expenditures	.02	.01	.05	12	.07	.03	04	.12	02	08	.07	.06	.23	15	.13	23	.14	02	.04
	)	.02	.02	03	02	.05	03	.03	0	.01	.06	.07	.04	07	.01	02	06	.04	01
State and local	. <b>02</b> .01	. <b>04</b> .07	. <b>19</b> .13	<b>07</b> .07	<b>12</b> 04	. <b>09</b> .02	<b>13</b> .04	<b>01</b> .11	. <b>05</b> .02	. <b>17</b> .09	. <b>01</b> .12	. <b>09</b> .09	. <b>35</b> .15	. <b>29</b> .11	. <b>08</b> .18	. <b>16</b> .19	. <b>36</b> .20	. <b>37</b> .19	. <b>24</b> .13
		03	.06	15	08	.07	17	12	.03	.08	11	0	.20	.18	10	03	.17	.18	.11
Addenda:	_	ا , , ا	1.50	0.4		1 10	0.07	1.0	1.00	1 00	1.00		2.05	1 45	10/			1,-	0.40
		1.36 1.36	1.53 1.36	.81 1.63	.68 2.17	1.10 1.27	2.06 1.40	1.18 1.41	1.32 1.34	1.23 .82	1.83 2.50	.49 .56	2.95 1.39	1.45 1.15	1.06 1.15	.36 2.50	.06 1.21	1.65 1.85	3.48 1.86
Structures	.51	.35	01	.22	.10	1.11	.14	03	.42	.76	.14	.14	.48	16	-1.14	77	68	.32	43
Motor vehicle output Final sales of computers	.14	.14	04 .13	23 .15	.29 28	21 04	.87 .13	34 .29	.18 .24	.16 .31	.92 .15	-1.21 .22	.51 .05	37 .13	.44	74 .16	.18 01	.03 .21	.36 .28
r Revised	.07	.22	.13	.13	.20	.04	.13	.27	.24	.31	. 13	.22	.00	.13	.03	.10	.01	.21	.20

r Revised See "Explanatory Note" at the end of the tables.

Table 3.—Gross Domestic Product and Related Measures: Level and Change From Preceding Period

-															
		Bi	llions of cu	urrent dolla	irs				E	Billions of c	chained (20	000) dollars	5		
	2007		Seas at	onally adji annual rat	usted tes		2007			sonally adju annual rat			Change	from pred period	ceding
	2006		06		2007	I	2006		006		2007	T	2006	200	
		III	IV	I	II	r		III	IV		II	r		II	III r
Gross domestic product	13,194.7	13,266.9	13,392.3	13,551.9	13,768.8	'	11,319.4	11,336.7	1	11,412.6	11,520.1		316.0	107.5	138.8
Personal consumption expenditures  Durable goods	9,224.5	9,305.7 1,053.8	9,373.7 1,056.5	9,540.5 1,074.0	9,674.0 1,074.7	9,785.7 1,081.6	8,044.1 1,180.5	8,063.8 1,186.3	8,141.2 1,197.6		8,244.3 1,228.4	8,302.2 1,241.9	240.5 43.1	28.6 5.2	57.9 13.5
Motor vehicles and parts Furniture and household equipment Other	434.2 404.1 210.6	437.6 405.1 211.1	434.8 409.0 212.8	444.5 414.2 215.3	441.5 414.5 218.8	437.5 418.6 225.6	437.3 550.9 213.9	439.5 555.4 213.6	439.6 566.9 215.2	451.5 579.9 216.6	448.2 585.9 220.2	442.3 601.0 227.2	-14.0 58.7 8.4	-3.3 6.0 3.6	-5.9 15.1 7.0
Nondurable goods	<b>2,688.0</b> 1,259.3	<b>2,732.4</b> 1,263.2	<b>2,705.4</b> 1,291.7	<b>2,759.4</b> 1,312.2	<b>2,822.7</b> 1,322.7	<b>2,846.3</b> 1,342.4	<b>2,337.7</b> 1,091.8	<b>2,343.9</b> 1,091.4	<b>2,368.8</b> 1,110.7	<b>2,386.6</b> 1,115.3	<b>2,383.8</b> 1,111.4	<b>2,396.8</b> 1,115.0	<b>82.3</b> 41.8	<b>-2.8</b> -3.9	<b>13.0</b> 3.6
Food	357.2 340.1 731.4	359.6 373.1 736.5	363.2 306.3 744.3	371.1 320.9 755.1	368.4 373.6 758.1	372.4 365.9 765.6	391.1 198.6 666.2	393.3 199.9 669.5	397.0 197.0 676.5	405.1 198.2 681.7	407.5 195.9 684.7	413.7 195.6 690.2	18.5 6 27.1	2.4 -2.3 3.0	6.2 3 5.5
Services	<b>5,487.6</b> 1,381.3	<b>5,519.5</b> 1,392.5	<b>5,611.8</b> 1,413.9	<b>5,707.1</b> 1,435.1	<b>5,776.5</b> 1,455.4	<b>5,857.8</b> 1,474.9	<b>4,545.5</b> 1,148.3	<b>4,554.0</b> 1,151.0	<b>4,595.5</b> 1,156.6	<b>4,630.7</b> 1,163.7	<b>4,656.7</b> 1,171.6	<b>4,689.5</b> 1,178.9	<b>118.2</b> 30.0	<b>26.0</b> 7.9	<b>32.8</b> 7.3
Household operation Electricity and gas	501.6 209.8	503.3 211.3	509.7 212.7	520.0 220.6	526.2 223.5	533.3 227.3	412.9 148.5	415.4 150.9	419.1 152.5	420.1 153.1	421.6 153.6	427.9 158.5	-3.6 -4.7	1.5 .5	6.3 4.9
Other household operation	291.8	292.1	297.0	299.4	302.7	305.9	265.1	264.7	266.8	267.1	268.1	268.8	2.0	1.0	.7
Transportation  Medical care	340.6 1,587.7	342.5 1,596.1	346.8 1,617.9	349.6 1,656.9	355.1 1,674.6	362.5 1,695.0	291.2 1,300.3	291.0 1,301.4	294.1 1,310.5	296.0 1,323.2	299.2 1,330.8	301.7 1,338.0	3.4 42.1	3.2 7.6	2.5 7.2
Recreation Other	381.0 1,295.3	384.4 1,300.5	392.8 1,330.7	395.3 1,350.1	400.2 1,365.0	404.6 1,387.5	321.3 1,069.9	321.9 1,071.6	330.3 1,083.5	332.0 1,094.1	332.7 1,099.3	335.6 1,105.8	9.7 36.2	.7 5.2	2.9 6.5
Gross private domestic investment	2,209.2	2,224.1	2,152.4	2,117.3	2,139.1	2,162.9	1,919.5	1,928.2	1,856.2	1,816.9	1,837.4	1,859.9	50.2	20.5	22.5
Fixed investment  Nonresidential  Structures	<b>2,162.5</b> 1,397.7 405.1	<b>2,161.3</b> 1,415.2 416.1	2,132.4 1,417.1 428.4	<b>2,118.9</b> 1,431.4 439.6	<b>2,133.9</b> 1,469.1 464.5	<b>2,127.5</b> 1,500.1 483.1	<b>1,874.7</b> 1,306.8 268.6	<b>1,869.6</b> 1,319.4 273.3	<b>1,835.5</b> 1,314.8 278.3	1,815.2 1,321.7 282.6	<b>1,829.3</b> 1,356.6 299.5	<b>1,826.0</b> 1,387.3 311.1	<b>43.3</b> 81.0 20.8	<b>14.1</b> 34.9 16.9	<b>-3.3</b> 30.7 11.6
Equipment and software Information processing equipment and	992.6	999.1	988.7	991.8	1,004.5	1,017.1	1,050.6	1,057.6	1,044.4	1,045.3	1,057.4	1,073.5	58.8	12.1	16.1
software	480.9 91.3 203.3	484.9 91.6 204.9	480.5 90.4 205.9	497.6 96.6 210.5	507.7 96.6 216.1	512.6 95.7 218.5	595.9 213.0	602.0	599.6 215.1	623.3	638.5 225.6	648.7	41.6 7.3	15.2 5.7	10.2 2.4
Other	186.2	188.4	184.3	190.5	195.0	198.4	204.8	207.1	202.6	209.2	213.4	216.8	13.3	4.2	3.4
Industrial equipment Transportation equipment	166.7 171.9	169.2 172.4	167.5 168.0	168.1 162.9	176.0 153.3	180.6 153.3	149.6 155.2	150.9 156.3	148.4 150.9	147.3 144.8	152.9 135.3	156.0 136.3	5.3 10.1	5.6 -9.5	3.1 1.0
Other equipment Residential	173.2 764.8	172.6 746.1	172.7 715.3	163.2 687.5	167.5 664.8	170.5 627.3	156.2 569.5	155.2 555.0	153.7 529.4	144.8 506.3	148.0 490.7	150.2 463.3	4.3 -27.6	3.2 -15.6	2.2 -27.4
Change in private inventories Farm Nonfarm	<b>46.7</b> -1.2 47.8	<b>62.8</b> -3.7 66.5	<b>20.0</b> 4.7 15.3	<b>-1.6</b> 5.5 -7.0	5.1 4.0 1.1	<b>35.4</b> 3.8 31.6	<b>40.3</b> 9 41.7	<b>53.9</b> -2.9 57.6	17.4 3.8 13.6	. <b>1</b> 5.0	<b>5.8</b> 3.6 1.3	<b>30.6</b> 4.1 26.0	<b>7.1</b> 5 7.7	<b>5.7</b> -1.4 7.1	<b>24.8</b> .5 24.7
Net exports of goods and services	-762.0	-799.1	-705.3	-714.2	-714.2	-694.7	-624.5	-633.8	-597.3	-612.1	-573.9	-533.1	-6.5	38.2	40.8
Exports	1,467.6	1,484.5	1,531.9	1,549.9	1,598.7	1,685.7	1,304.1	1,306.6	1,350.9	1,354.7	1,379.5	1,441.2	100.7	24.8	61.7
Goods Services	1,030.5 437.1	1,047.8 436.7	1,072.3 459.6	1,084.0 465.9	1,115.2 483.5	1,191.3 494.4	927.4 377.1	933.7 373.4	955.4 395.6	957.6 397.2	973.1 406.4	1,031.4 410.4	83.9 17.3	15.5 9.2	58.3 4.0
Imports	2,229.6		2,237.2	2,264.0	2,312.9	2,380.4	1,928.6	1,940.4	1,948.2	1,966.8	1,953.4	1,974.3	107.1	-13.4	20.9
Goods Services	1,880.4 349.2	1,933.3 350.3	1,879.9 357.3	1,902.7 361.4	1,947.2 365.7	2,007.3 373.2	1,646.9 283.8	1,661.0 281.9	1,658.7 291.4	1,675.6 293.1	1,663.4 291.9	1,683.2 293.1	93.3 14.0	-12.2 -1.2	19.8 1.2
Government consumption expenditures and gross investment	2,523.0		2,571.4	2,608.3	2,670.0	2,716.5	1,981.4	1,980.2	1,997.2	1,994.7	2,014.8	2,033.6	35.1	20.1	18.8
Federal	932.5	932.0	949.7	946.6	969.5	990.3	742.3	739.2	752.3	740.2	751.0	764.0	15.8	10.8	13.0
National defense  Consumption expenditures	624.3 544.8		645.2 561.5	634.8 555.7	654.5 573.8	673.5 589.6	491.5 416.6	486.4 412.6	505.8 427.7	491.6 417.4	501.7 426.2	513.9 436.0	9.1 4.9	10.1 8.8	12.2 9.8
Gross investment	79.5 308.2	78.7	83.7 304.5	79.1	80.7	83.9	76.6	75.5	80.1	75.6	77.0	79.6	4.9	1.4	2.6
Nondefense  Consumption expenditures  Gross investment	268.0 40.2	311.3 271.3 40.0	264.9 39.6	311.7 274.0 37.7	315.0 276.0 39.1	316.8 278.1 38.6	250.7 212.6 38.5	252.7 214.8 38.3	246.1 208.8 37.8	248.4 212.5 35.9	248.9 212.0 37.2	249.6 213.1 36.8	6.8 4.7 2.3	.5 5 1.3	.7 1.1 –.4
State and local Consumption expenditures Gross investment	<b>1,590.5</b> 1,276.5 314.0	<b>1,604.1</b> 1,287.7 316.4	<b>1,621.7</b> 1,300.8 320.9	<b>1,661.7</b> 1,326.7 335.0	<b>1,700.5</b> 1,355.9 344.5	<b>1,726.2</b> 1,374.3 351.9	<b>1,239.0</b> 990.9 248.0	<b>1,240.9</b> 992.7 248.1	<b>1,244.9</b> 997.5 247.3	<b>1,254.2</b> 1,002.5 251.5	<b>1,263.5</b> 1,007.4 256.0	<b>1,269.6</b> 1,010.7 258.8	<b>19.4</b> 13.2 6.2	<b>9.3</b> 4.9 4.5	<b>6.1</b> 3.3 2.8
Residual							-93.4	-99.3	-108.2	-130.7	-136.3	-149.4			
Addenda: Final sales of domestic product Gross domestic purchases Final sales to domestic purchasers	13,956.7	13,204.1 14,065.9 14,003.2	14,097.6	14,266.1	13,763.6 14,483.0 14,477.9	14,665.1	11,937.1	11,963.6			11,512.8 12,088.9 12,081.4	12,188.3	309.0 324.0 317.0	101.2 70.2 64.0	113.6 99.4 74.2
Gross domestic product Plus: Income receipts from the rest of the world Less: Income payments to the rest of the world Equals: Gross national product	13,194.7 691.4 633.4 13,252.7	<b>13,266.9</b> 709.7 664.7	13,392.3 733.8 673.7 13,452.4	<b>13,551.9</b> 752.2 689.0	<b>13,768.8</b> 814.2 743.5	<b>13,970.5</b> 855.6 754.4	<b>11,319.4</b> 595.0 543.6	<b>11,336.7</b> 607.9 568.0	<b>11,395.5</b> 628.3 575.1		<b>11,520.1</b> 684.3 623.5	<b>11,658.9</b> 716.3 629.6	<b>316.0</b> 112.5 122.8 <b>305.4</b>	<b>107.5</b> 46.1 40.3 <b>113.3</b>	138.8 32.0 6.1 164.6
Net domestic product	11,579.5	11,638.1	11,737.9	11,881.0	12,085.4	12,279.6	9,872.8	9,884.7	9,928.3	9,937.7	10,037.2	10,167.8	358.1	99.5	130.6
r Revised	-														

r Revised

NOTE.—Users are cautioned that particularly for components that exhibit rapid change in prices relative to other prices in the economy, the chained-dollar estimates should not be used to measure the component's relative importance or its contribution to the growth rate of more aggregate series. For accurate estimates of the contributions to percent changes in real gross domestic product, use table 2.

See "Explanatory Note" at the end of the tables.

Table 4.—Price Indexes for Gross Domestic Product and Related Measures: Percent Change From Preceding Period

									Se	asonally	adjuste	d at ann	nual rate	es					
	2004	2005	2006	2003		20	04			20	05			20	06			2007	
				IV	I	II	III	IV	I	II	III	IV	I	II	III	IV	I	II	III r
Gross domestic product (GDP)	2.9	3.2	3.2	2.2	3.7	3.8	2.3	3.2	3.9	2.6	3.5	3.5	3.4	3.5	2.4	1.7	4.2	2.6	1.0
Personal consumption expenditures  Durable goods  Nondurable goods  Services	2.6 -1.8 3.3 3.2	<b>2.9</b> 7 3.7 3.4	2.8 -1.3 3.1 3.4	1.5 -3.5 .5 3.0	3.5 5 5.3 3.5	3.8 .3 6.2 3.4	<b>2.0</b> -2.5 1.4 3.1	3.0 .2 4.7 2.8	2.2 .1 .3 3.6	3.4 4 5.0 3.4	<b>4.3</b> -2.8 9.5 3.3	2.8 -1.1 .8 4.6	1.7 -1.0 .3 3.0	<b>4.3</b> 7 8.6 3.2	<b>2.6</b> -1.3 2.8 3.2	<b>9</b> -2.7 -7.9 3.0	3.5 -1.9 5.0 3.8	<b>4.3</b> -1.4 10.0 2.6	1.8 -1.8 1.1 2.8
Gross private domestic investment Fixed investment Nonresidential Structures Equipment and software Residential Change in private inventories	3.4 3.4 1.3 6.2 3 7.3	4.2 4.3 2.9 11.7 1 6.7	3.5 3.5 3.1 11.7 0 4.4	3.5 3.5 1.4 4.2 .4 7.7	4.1 4.1 1.1 6.8 8 9.8	4.7 4.7 2.4 7.6 .7 8.8	3.9 3.9 1.3 10.1 -1.7 8.5	3.9 3.9 2.5 12.0 6 6.2	5.2 5.3 4.5 12.8 1.8 6.6	2.8 2.9 2.4 8.7 .3 3.6	4.0 4.2 1.6 13.8 -2.5 8.7	5.8 6.0 4.6 17.6 .2 8.5	4.0 3.9 3.9 13.0 .6 3.9	2.5 2.4 2.8 10.7 2 1.8	1.6 1.5 1.9 5.6 .4 .8	2.2 2.0 2.0 4.6 .8 2.1	2.0 1.9 1.9 4.1 1.0 2.0	4 3 0 -1.1 .5 8	3 5 6 .5 -1.1 3
Net exports of goods and services  Exports  Goods  Services  Imports  Goods  Services	3.5 3.7 3.2 4.9 4.9 4.4	3.6 3.1 4.9 6.3 6.5 5.6	3.4 3.3 3.7 4.0 4.2 3.1	3.0 4.1 .7 .4 .5	5.5 6.3 3.9 9.2 10.0 4.9	4.8 5.2 3.8 7.3 7.9 4.7	1.9 1.0 3.8 5.3 5.0 6.7	4.2 3.6 5.5 6.9 7.0 6.0	4.6 4.3 5.0 2.2 2.0 3.5	3.6 3.0 4.9 9.7 10.1 7.7	2.5 1.3 5.2 10.3 10.9 7.5	3.0 2.3 4.8 4.3 4.9 1.3	2.7 3.0 2.2 –1.5 –1.9	6.0 6.3 5.5 10.1 10.4 8.4	4.6 5.2 3.3 4.7 5.3 1.4	8 .1 -2.7 -9.4 -10.1 -5.3	3.6 3.5 3.9 1.0 .7 2.3	5.3 5.1 5.8 11.9 13.0 6.7	3.8 3.2 5.1 7.5 7.7 6.5
Government consumption expenditures and gross investment Federal National defense Nondefense State and local	<b>4.5</b> 4.7 4.7 4.9 4.3	<b>5.8</b> 4.8 5.3 4.0 6.4	<b>4.9</b> 3.9 4.1 3.5 5.4	2.2 1.1 1.3 .6 2.9	7.2 11.6 10.6 13.8 4.6	<b>5.0</b> 5.5 5.6 5.2 4.7	4.8 2.5 2.9 1.4 6.2	5.7 2.6 3.1 1.7 7.6	<b>7.5</b> 11.5 12.2 10.1 5.2	<b>4.6</b> 2.3 2.5 1.8 6.1	6.4 3.4 3.5 3.2 8.1	<b>5.0</b> .8 1.3 2 7.6	<b>5.1</b> 9.1 9.3 8.9 2.7	5.7 4.0 4.2 3.5 6.7	3.0 1.3 1.6 .7 4.0	2.1 .5 1 1.7 3.1	<b>6.4</b> 5.3 5.0 5.9 7.0	<b>5.5</b> 3.8 4.1 3.3 6.5	3.2 1.6 1.9 1.1 4.2
Addenda: Final sales of domestic product Gross domestic purchases Final sales to domestic purchasers Gross national product (GNP)	2.9 3.1 3.1 2.9	3.2 3.7 3.7 3.2	3.2 3.3 3.3 3.1	2.2 1.9 1.9 2.2	3.7 4.3 4.3 3.7	3.8 4.2 4.2 3.8	2.3 2.8 2.7 2.3	3.2 3.6 3.6 3.2	3.9 3.6 3.6 3.9	2.6 3.5 3.5 2.6	3.5 4.6 4.6 3.5	3.5 3.7 3.7 3.5	3.4 2.7 2.7 3.4	3.5 4.2 4.2 3.5	2.3 2.5 2.5 2.4	1.7 .1 .1 1.7	4.2 3.8 3.8 4.2	2.7 3.8 3.8 2.6	1.0 1.8 1.7 1.0
Implicit price deflators: GDP	2.9 3.1 2.9	3.2 3.6 3.2	3.2 3.3 3.2	2.2 1.9 2.2	3.7 4.3 3.7	3.8 4.2 3.8	2.3 2.7 2.3	3.2 3.7 3.2	3.9 3.6 3.9	2.6 3.6 2.6	3.5 4.6 3.5	3.5 3.7 3.5	3.4 2.7 3.4	3.5 4.2 3.5	2.4 2.5 2.4	1.7 .1 1.7	4.2 3.8 4.2	2.6 3.8 2.6	1.0 1.7 1.0

r Revised See "Explanatory Note" at the end of the tables.

## Table 5.—Real Gross Domestic Product, Quantity Indexes

[Index numbers, 2000=100]

					Sea	sonally adjust	ed	
	2004	2005	2006	200	06		2007	
				III	IV	I	II	r
Gross domestic product	108.748	112.086	115.304	115.481	116.080	116.254	117.349	118.763
Personal consumption expenditures  Durable goods  Nondurable goods  Services	<b>112.197</b> 125.652 111.833 109.726	<b>115.791</b> 131.748 115.828 112.687	<b>119.359</b> 136.735 120.051 115.696	<b>119.652</b> 137.413 120.370 115.911	<b>120.801</b> 138.720 121.650 116.969	<b>121.906</b> 141.680 122.563 117.865	<b>122.331</b> 142.283 122.419 118.527	<b>123.190</b> 143.852 123.090 119.360
Gross private domestic investment  Fixed investment  Nonresidential  Structures  Equipment and software  Residential  Change in private inventories	102.003 102.012 92.873 78.760 98.505 125.343	107.709 109.080 99.490 79.127 107.935 133.608	110.607 111.657 106.062 85.770 114.332 127.433	111.106 111.354 107.090 87.270 115.100 124.190	106.955 109.325 106.711 88.849 113.662 118.462	104.690 108.113 107.277 90.241 113.753 113.301	105.875 108.956 110.109 95.639 115.075 109.791	107.172 108.756 112.597 99.330 116.821 103.665
Exports of goods and services	102.723	109.775	118.957	119.182	123.222	123.568	125.833	131.458
Imports of goods and services	116.546	123.425	130.683	131.483	132.014	133.272	132.363	133.780
Government consumption expenditures and gross investment  Federal  State and local	<b>112.210</b> 123.693 106.384	<b>113.050</b> 125.524 106.721	<b>115.092</b> 128.255 108.418	<b>115.022</b> 127.708 108.584	<b>116.007</b> 129.977 108.935	<b>115.865</b> 127.886 109.748	<b>117.028</b> 129.756 110.564	<b>118.121</b> 132.000 111.096
Addenda: Final sales of domestic product Gross domestic purchases Final sales to domestic purchasers Gross national product	108.804 110.444 110.505 109.031	112.360 113.894 114.166 112.265	115.526 117.071 117.292 115.363	115.565 117.331 117.421 115.422	116.550 117.562 118.021 116.152	116.916 117.871 118.515 116.344	117.953 118.560 119.146 117.493	119.117 119.535 119.878 119.163

Table 6.—Price Indexes for Gross Domestic Product

[Index numbers, 2000=100]

					Sea	sonally adjust	ed	
	2004	2005	2006	200	06		2007	
				III	IV	I	II	III r
Gross domestic product	109.462	113.005	116.568	117.030	117.527	118.750	119.527	119.837
Personal consumption expenditures (PCE)  Durable goods  Nondurable goods  Services	108.392 90.696 107.626 112.929	<b>111.588</b> 90.018 111.561 116.726	<b>114.675</b> 88.857 114.989 120.725	115.406 88.827 116.576 121.209	115.143 88.213 114.210 122.122	116.129 87.799 115.620 123.252	117.345 87.488 118.413 124.055	<b>117.873</b> 87.091 118.751 124.921
Gross private domestic investment  Fixed investment  Nonresidential  Structures  Equipment and software  Residential  Change in private inventories	106.686 106.845 100.896 120.912 94.600 120.587	111.155 111.404 103.778 135.013 94.527 128.653	115.090 115.352 106.961 150.806 94.485 134.288	115.335 115.592 107.267 152.344 94.470 134.390	115.958 116.162 107.789 154.071 94.667 135.076	116.532 116.718 108.301 155.637 94.892 135.736	116.426 116.636 108.293 155.199 95.002 135.459	116.325 116.498 108.140 155.392 94.751 135.367
Exports of goods and services	104.997	108.803	112.537	113.641	113.424	114.433	115.912	116.992
Imports of goods and services	104.526	111.117	115.610	117.689	114.834	115.114	118.408	120.572
Government consumption expenditures and gross investment Federal State and local	<b>114.754</b> 115.322 114.431	<b>121.435</b> 120.914 121.758	<b>127.334</b> 125.622 128.370	<b>128.076</b> 126.097 129.271	<b>128.757</b> 126.244 130.272	<b>130.765</b> 127.886 132.499	<b>132.527</b> 129.098 134.586	<b>133.588</b> 129.622 135.969
Addenda:  PCE excluding food and energy  Market-based PCE  Market-based PCE excluding food and energy  Market-based PCE excluding food energy  Market-base	107.338 107.386 105.857	109.670 110.307 107.667	112.130 113.168 109.717	112.519 113.926 110.072	113.052 113.456 110.507	113.730 114.472 111.161	114.116 115.784 111.498	114.682 116.186 111.917
Final sales of domestic product Gross domestic purchases Final sales to domestic purchasers Gross national product	109.487 109.235 109.259 109.456	113.040 113.225 113.261 112.999	116.603 116.920 116.956 116.558	117.065 117.575 117.612 117.022	117.553 117.609 117.636 117.515	118.773 118.702 118.727 118.740	119.555 119.809 119.838 119.518	119.860 120.330 120.355 119.824
Implicit price deflators: Gross domestic product Final sales of domestic product Gross domestic purchases Final sales to domestic purchasers Gross national product	109.462 109.487 109.234 109.259 109.455	113.000 113.040 113.221 113.261 112.994	116.567 116.603 116.919 116.956 116.558	117.026 117.061 117.573 117.610 117.019	117.522 117.550 117.606 117.634 117.511	118.745 118.770 118.700 118.725 118.736	119.519 119.551 119.804 119.837 119.512	119.826 119.857 120.321 120.354 119.814

r Revised See "Explanatory Note" at the end of the tables.

r Revised

1. This index is a supplemental measure that is based on household expenditures for which there are observable price measures. It excludes most implicit prices (for example, the services furnished without payment by financial intermediaries) and the expenses of nonprofit institutions. Percentage changes for these series are included in the addenda to table 8 and in appendix table A.

See "Explanatory Note" at the end of the tables.

Table 7.—Real Gross Domestic Product: Percent Change From Preceding Year

	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Gross domestic product (GDP)	-0.2	3.3	2.7	4.0	2.5	3.7	4.5	4.2	4.5	3.7	0.8	1.6	2.5	3.6	3.1	2.9
Personal consumption expenditures Durable goods Nondurable goods Services	.2 -5.6 2 1.7	3.3 5.9 2.0 3.5	3.3 7.8 2.7 2.8	3.7 8.4 3.5 2.9	2.7 4.4 2.2 2.6	<b>3.4</b> 7.8 2.6 2.9	3.8 8.6 2.7 3.3	5.0 11.3 4.0 4.2	5.1 11.7 4.6 4.0	<b>4.7</b> 7.3 3.8 4.5	2.5 4.3 2.0 2.4	<b>2.7</b> 7.1 2.5 1.9	<b>2.8</b> 5.8 3.2 1.9	3.6 6.3 3.5 3.2	<b>3.2</b> 4.9 3.6 2.7	3.1 3.8 3.6 2.7
Gross private domestic investment Fixed investment Nonresidential Structures Equipment and software Residential	-8.1 -6.5 -5.4 -11.1 -2.6 -9.6	8.1 5.9 3.2 -6.0 7.3 13.8	8.9 8.6 8.7 7 12.5 8.2	9.3 9.2 1.8 11.9 9.6	3.1 6.5 10.5 6.4 12.0 -3.2	9.0 9.3 5.6 10.6 8.0	12.4 9.2 12.1 7.3 13.8 1.9	9.8 10.2 11.1 5.1 13.3 7.6	7.8 8.3 9.2 4 12.7 6.0	<b>5.7</b> 6.5 8.7 6.8 9.4 .8	-7.9 -3.0 -4.2 -2.3 -4.9	-2.6 -5.2 -9.2 -17.1 -6.2 4.8	3.6 3.4 1.0 -4.1 2.8 8.4	9.7 7.3 5.8 1.3 7.4 10.0	<b>5.6</b> 6.9 7.1 .5 9.6 6.6	2.7 2.4 6.6 8.4 5.9 -4.6
Change in private inventories																
Net exports of goods and services  Exports Goods Services Imports Goods Services Country of the property of th	6.6 6.9 6.0 6 1 -2.6	6.9 7.5 5.5 7.0 9.3 –2.6	3.2 3.3 3.2 8.8 10.1 2.9	8.7 9.7 6.3 11.9 13.3 5.7	10.1 11.7 6.3 8.0 9.0 3.3	8.4 8.8 7.2 8.7 9.3 5.5	11.9 14.3 5.9 13.6 14.4 9.4	2.4 2.2 2.9 11.6 11.7 11.4	4.3 3.8 5.6 11.5 12.4 6.9	8.7 11.2 2.9 13.1 13.5 11.1	-5.4 -6.1 -3.7 -2.7 -3.2 3	-2.3 -4.0 1.9 3.4 3.7 2.1	1.3 1.8 0 4.1 4.9 0	9.7 9.0 11.5 11.3 11.3	6.9 7.5 5.4 5.9 6.6 2.3	8.4 9.9 4.8 5.9 6.0 5.2 <b>1.8</b>
Federal National defense Nondefense State and local	2 -1.1 2.4 2.1	.5 -1.7 -5.0 6.9 2.2	9 -4.2 -5.6 7 1.4	0 -3.7 -4.9 -1.2 2.6	.5 -2.7 -3.8 4 2.6	1.0 -1.2 -1.4 7 2.3	1.9 -1.0 -2.8 2.6 3.6	1.9 -1.1 -2.1 .7 3.6	3.9 2.2 1.9 2.8 4.7	2.1 .9 5 3.5 2.7	3.4 3.9 3.9 3.9 3.2	<b>4.4</b> 7.0 7.4 6.3 3.1	2.5 6.8 8.7 3.4	1.4 4.2 5.8 1.1 2	. <b>7</b> 1.5 1.5 1.3	2.2 1.9 2.8 1.6
Addenda: Final sales of domestic product Gross domestic purchases Final sales to domestic purchasers Gross national product Real disposable personal income	.1 8 6 3 .5	3.0 3.3 3.1 3.3 3.4	2.6 3.2 3.2 2.7 1.0	3.4 4.4 3.8 3.9 2.7	3.0 2.4 2.8 2.6 2.8	3.7 3.8 3.8 3.7 3.0	4.0 4.8 4.3 4.4 3.5	4.2 5.3 5.3 4.0 5.8	4.5 5.3 5.4 4.6 3.0	3.8 4.4 4.5 3.7 4.8	1.6 .9 1.8 .8 1.9	1.2 2.2 1.8 1.5 3.1	2.5 2.8 2.8 2.7 2.7	3.3 4.1 3.8 3.8 3.6	3.3 3.1 3.3 3.0 1.7	2.8 2.8 2.7 2.8 3.1
Price indexes: Gross domestic purchases Gross domestic purchases excluding food and energy GDP GDP excluding food and energy Personal consumption expenditures	3.3 3.5 3.5 3.6 3.6	2.3 2.6 2.3 2.5 2.9	2.2 2.3 2.3 2.4 2.3	2.1 2.2 2.1 2.2 2.1	2.1 2.2 2.0 2.1 2.1	1.8 1.5 1.9 1.7 2.2	1.4 1.3 1.7 1.7	.6 1.0 1.1 1.2 .9	1.6 1.4 1.4 1.5 1.7	2.5 1.9 2.2 2.0 2.5	2.0 1.9 2.4 2.1 2.1	1.6 1.9 1.7 2.1 1.4	2.3 1.9 2.1 1.9 2.0	3.1 2.7 2.9 2.7 2.6	3.7 3.1 3.2 3.2 2.9	3.3 2.9 3.2 3.1 2.8

Table 8.—Real Gross Domestic Product: Percent Change From Quarter One Year Ago

	2003		20	04			20	05			20	06			2007	
	IV	ı	II	III	IV	I	II	III	IV	I	II	III	IV	I	II	r
Gross domestic product (GDP)	3.7	4.1	4.1	3.2	3.1	3.2	3.0	3.2	2.9	3.3	3.2	2.4	2.6	1.5	1.9	2.8
Personal consumption expenditures (PCE)	3.4	4.0	3.7	3.2	3.7	3.1	3.4	3.5	2.8	3.3	3.0	2.7	3.4	3.2	2.9	3.0
Durable goods	8.3	9.8	6.1	4.0	5.6	4.7	7.0	6.6	1.2	4.6	2.1	2.0	6.6	4.7	5.0	4.7
Nondurable goods	3.9 2.2	4.1	3.9 3.2	2.8 3.2	3.5 3.3	3.3 2.8	3.8 2.5	3.6 2.9	3.6 2.7	3.8 2.7	3.5 3.0	3.7 2.4	3.6 2.6	3.2 2.9	2.5 2.8	2.3 3.0
Gross private domestic investment	7.0	7.9	12.2	9.8	9.1	9.9	3.8	3.6	5.3	5.0	6.2	3.4	-3.6	-6.6	-5.7	-3.5
Fixed investment	7.2	7.3	7.8	6.8	7.2	8.3	7.1	6.8	5.5	6.5	4.0	.8	-1.6	-4.5	-3.3	-2.3
Nonresidential	4.9	4.9	4.9	5.6	7.5	9.1	7.7	6.8	5.1	7.5	7.3	6.4	5.2	2.5	4.1	5.1
Structures	6.6	2.0 6.0	0 6.7	1.1	2.3 9.4	2.9	1.0 10.1	-1.6 9.9	3 7.1	2.7 9.4	7.1 7.4	11.6	12.3	10.2 5	12.4 .7	13.8 1.5
Equipment and software	11.7	11.6	13.2	7.3 8.8	6.7	11.4 7.0	6.2	6.9	6.4	4.8	-1.5	4.6 -8.5	2.5 -12.8	–.5 –16.5	. <i>1</i> -16.5	1.5
Change in private inventories																
Net exports of goods and services																
Exports	5.8	9.8	12.0	9.9	7.4	6.4	7.1	6.9	7.0	8.4	7.4	8.4	9.3	6.6	7.1	10.3
Goods	7.1 3.0	8.4 13.0	10.7 15.3	10.0 9.8	7.0 8.3	6.6 6.0	8.1 4.9	7.0 6.6	8.3 4.1	10.7 3.2	9.0 3.9	10.4 3.8	9.7 8.3	6.1 7.9	6.1 9.4	10.5 9.9
Services	4.8	9.3	12.1	12.4	11.5	8.8	5.3	4.6	5.1	6.3	6.4	7.2	3.7	2.9	2.0	1.7
Goods	5.3	9.3	11.3	12.6	11.9	9.8	5.9	5.2	5.8	6.6	6.7	7.6	3.2	2.7	1.7	1.3
Services	2.2	9.2	16.4	11.5	9.3	4.3	1.9	1.5	1.4	4.7	4.8	5.2	6.1	4.3	3.9	4.0
Government consumption expenditures and gross investment	1.7	2.5	1.3	1.3	.7	.6	.6	.9	.9	1.8	1.8	1.2	2.5	1.2	1.9	2.7
Federal	5.5	7.1	3.0	4.4	2.4	1.6	1.2	1.8	1.3	2.7	2.1	.3	3.7	0	1.8	3.4
National defense	7.5 1.9	10.8	3.1 2.8	7.2 9	2.5 2.3	1.7 1.5	1.8 1	1.6 2.1	1.1 1.9	1.6 5.0	1.5 3.4	-1.3 3.4	5.9 7	1.2 -2.5	2.8 0	5.7 -1.2
State and local	4	1	.3	5	4	0	.2	.5	.7	1.3	1.5	1.7	1.8	1.9	2.0	2.3
Addenda:																
Final sales of domestic product	3.7	4.0	3.5	2.7	2.8	2.9	3.5	3.7	2.9	3.5	2.8	1.9	3.0	1.9	2.3	3.1
Gross domestic purchases	3.6	4.3	4.5	3.8	3.9	3.7	2.9	3.1	2.8	3.3	3.3	2.5	2.1	1.2	1.4	1.9
Final sales to domestic purchasers	3.7 3.9	4.2 4.6	3.9 4.2	3.3 3.4	3.6 2.9	3.4 2.9	3.4 2.9	3.5 3.2	2.9 2.8	3.5 3.2	2.9 3.2	2.1 2.0	2.4 2.7	1.6 1.5	1.8 1.9	2.1 3.2
Real disposable personal income	3.7	4.2	3.5	2.7	4.1	2.3	2.3	1.3	1.1	3.1	2.6	3.3	3.2	3.4	3.1	3.8
Price indexes:																
Gross domestic purchases	2.2	2.2	3.1	3.3	3.7	3.5	3.4	3.8	3.8	3.6	3.8	3.3	2.4	2.6	2.5	2.3 2.2
Gross domestic purchases excluding food and energy	1.9	2.1	2.7	2.9	3.1	3.2	3.0	3.0	3.1	2.9	3.1	3.0	2.8	2.8	2.3	2.2
GDP excluding food and energy	2.2 1.9	2.3 2.1	2.9 2.7	3.0 2.9	3.2 3.2	3.3 3.3	3.0 3.1	3.3 3.2	3.4 3.3	3.2 3.1	3.5 3.3	3.2 3.2	2.7 2.9	2.9 2.9	2.7 2.5	2.4 2.3
PCE	1.9	2.0	2.7	2.7	3.1	2.8	2.6	3.2	3.2	3.1	3.3	2.9	1.9	2.3	2.3	2.3
PCE excluding food and energy	1.4	1.8	2.1	2.1	2.2	2.3	2.1	2.1	2.2	2.0	2.2	2.4	2.3	2.4	2.0	1.9
Market-based PCE 1	1.6	1.6	2.4	2.3	2.8	2.4	2.4	3.1	3.0	2.9	3.2	2.7	1.6	2.2	2.2	2.0
Market-based PCE excluding food and energy <sup>1</sup>	1.0	1.3	1.5	1.4	1.6	1.8	1.7	1.7	1.7	1.6	1.9	2.1	2.0	2.2	1.8	1.7

Table 9.—Relation of Gross Domestic Product, Gross National Product, and National Income

[Billions of dollars]

					Seasonally	adjusted at ar	nual rates	
	2004	2005	2006	200	)6		2007	
				III	IV	I	II	r
Gross domestic product	11,685.9	12,433.9	13,194.7	13,266.9	13,392.3	13,551.9	13,768.8	13,970.5
Plus: Income receipts from the rest of the world  Less: Income payments to the rest of the world	437.5 361.3	544.1 475.6	691.4 633.4	709.7 664.7	733.8 673.7	752.2 689.0	814.2 743.5	855.6 754.4
Equals: Gross national product	11,762.1	12,502.4	13,252.7	13,311.9	13,452.4	13,615.1	13,839.4	14,071.6
Less: Consumption of fixed capital Less: Statistical discrepancy	1,436.1 19.1	1,609.5 5.4	1,615.2 -18.1	1,628.8 -2.5	1,654.4 -46.6	1,670.9 -66.3	1,683.4 -40.8	1,690.9 74.8
Equals: National income  Compensation of employees  Wage and salary accruals  Supplements to wages and salaries  Proprietors' income with inventory valuation and capital consumption adjustments  Rental income of persons with capital consumption adjustment  Corporate profits with inventory valuation and capital consumption adjustments  Net interest and miscellaneous payments  Taxes on production and imports less subsidies  Business current transfer payments  Current surplus of government enterprises	10,306.8 6,656.4 5,379.5 1,276.9 911.6 118.4 1,231.2 491.2 819.2 83.0 -4.2	10,887.6 7,029.6 5,672.9 1,356.8 969.9 42.9 1,372.8 558.0 863.1 66.5 -15.1	11,655.6 7,448.3 6,025.7 1,422.6 1,006.7 54.5 1,553.7 598.5 917.6 90.2 -13.9	11,685.6 7,442.5 6,015.8 1,426.7 1,003.6 52.9 1,592.5 594.2 922.9 91.4 -14.5	11,844.6 7,649.9 6,203.0 1,446.9 1,009.8 50.9 1,531.2 596.0 931.1 91.8 -16.0	12,010.5 7,764.9 6,294.4 1,470.5 1,027.4 53.2 1,547.7 599.6 943.8 91.8 –17.8	12,196.8 7,826.9 6,343.9 1,483.0 1,038.4 62.1 1,642.4 592.4 956.8 92.8 -15.0	12,306.0 7,917.7 6,418.5 1,499.2 1,048.7 68.4 1,621.9 599.3 967.8 94.4 –12.2
Addendum: Gross domestic income	11,666.8	12,428.6	13,212.8	13,269.4	13,438.9	13,618.2	13,809.5	13,895.6

r Revised

## Table 10.—Personal Income and Its Disposition

[Billions of dollars]

					Seasonally	adjusted at ar	nnual rates	
	2004	2005	2006	200	)6		2007	
				III	IV	I	II	r
Personal income <sup>1</sup>	9,727.2	10,301.1	10,983.4	11,030.9	11,200.2	11,469.2	11,577.3	11,746.7
Compensation of employees, received Wage and salary disbursements Supplements to wages and salaries Proprietors' income with inventory valuation and capital consumption adjustments Farm Nonfarm Rental income of persons with capital consumption adjustment Personal income receipts on assets Personal interest income Personal dividend income Personal current transfer receipts	6,671.4 5,394.5 1,276.9 911.6 37.3 874.3 118.4 1,432.1 895.1 537.0 1,422.5	7,024.6 5,667.9 1,356.8 969.9 30.8 939.1 42.9 1,617.8 1,018.9 598.9 1,520.7	7,440.8 6,018.2 1,422.6 1,006.7 19.4 987.4 54.5 1,796.5 1,100.2 696.3 1,612.5	7,442.5 6,015.8 1,426.7 1,003.6 18.1 985.5 52.9 1,828.1 1,119.7 708.4 1,630.6	7,599.9 6,153.0 1,446.9 1,009.8 23.9 985.8 50.9 1,836.6 1,102.8 733.8 1,647.7	7,764.9 6,294.4 1,470.5 1,027.4 29.1 998.3 53.2 1,882.9 1,126.1 756.8 1,710.7	7,801.9 6,318.9 1,483.0 1,038.4 33.1 1,005.3 62.1 1,930.0 1,148.4 781.6 1,717.1	7,892.7 6,393.5 1,499.2 1,048.7 38.6 1,010.0 68.4 1,976.2 1,171.1 805.0 1,742.3
Less: Contributions for government social insurance	828.8	874.8	927.6	926.8	944.6	969.8	972.2	981.5
Less: Personal current taxes	1,046.3	1,209.1	1,354.3	1,355.2	1,401.0	1,454.7	1,477.6	1,489.2
Equals: Disposable personal income	8,680.9	9,092.0	9,629.1	9,675.8	9,799.2	10,014.5	10,099.7	10,257.5
Less: Personal outlays	8,499.2	9,047.4	9,590.3	9,677.1	9,757.2	9,917.5	10,069.2	10,200.9
Equals: Personal saving	181.7	44.6	38.8	-1.4	42.0	97.0	30.5	56.7
Personal saving as a percentage of disposable personal income	2.1	.5	.4	0	.4	1.0	.3	.6
Addendum: Disposable personal income, billions of chained (2000) dollars <sup>2</sup>	8,008.9	8,147.9	8,396.9	8,384.5	8,510.7	8,623.9	8,607.1	8,702.6

r Revised

1. Personal income is also equal to national income less corporate profits with inventory valuation and capital consumption adjustments, taxes on production and imports less subsidies, contributions for government social insurance, net interest and miscellaneous payments, business current transfer payments, current surplus of government enterprises, and wage accruals less disbursements, plus personal income receipts on assets, and personal current transfer receipts.

2. Equals disposable personal income deflated by the implicit price deflator for personal consumption expenditures.

Table 11.—Corporate Profits: Level and Percent Change

				Billions	of dollars			Percent change from preceding period								
						onally ad annual ra						Quarter	ly rates		Quarter one year ago	
	2004	2005	2006	2006			2007		2005	2006	2006		2007		2007	
				III	IV	I	II	r			IV	I	II	r	r	
Corporate profits with inventory valuation and capital consumption adjustments	1,231.2	1,372.8	1,553.7	1,592.5	1,531.2	1,547.7	1,642.4	1,621.9	11.5	13.2	-3.8	1.1	6.1	-1.2	1.8	
Less: Taxes on corporate income	307.4	392.9	453.9	470.4	452.4	452.5	490.1	469.4	27.8	15.5	-3.8	0	8.3	-4.2	2	
Equals: Profits after tax with inventory valuation and capital consumption adjustments  Net dividends  Undistributed profits with inventory valuation and capital consumption adjustments	<b>923.9</b> 539.5 384.4	<b>979.9</b> 601.4 378.6	<b>1,099.8</b> 698.9 400.9	<b>1,122.1</b> 711.1 411.1	<b>1,078.8</b> 736.4 342.4	<b>1,095.2</b> 759.4 335.8	<b>1,152.2</b> 784.2 368.0	<b>1,152.5</b> 807.7 344.7	<b>6.1</b> 11.5 –1.5	<b>12.2</b> 16.2	<b>-3.9</b> 3.6 -16.7	<b>1.5</b> 3.1 –1.9	<b>5.2</b> 3.3 9.6	<b>0</b> 3.0 -6.3	<b>2.7</b> 13.6 –16.1	
Cash flow:  Net cash flow with inventory valuation and capital consumption adjustments  Undistributed profits with inventory valuation and capital consumption adjustments  Consumption of fixed capital	<b>1,181.5</b> 384.4 797.1	<b>1,235.4</b> 378.6 856.8	<b>1,290.9</b> 400.9 890.0	<b>1,308.3</b> 411.1 897.3	<b>1,251.3</b> 342.4 908.9	<b>1,251.5</b> 335.8 915.7	<b>1,288.9</b> 368.0 920.8	<b>1,267.8</b> 344.7 923.1	<b>4.6</b> -1.5 7.5	<b>4.5</b> 5.9 3.9	<b>-4.4</b> -16.7 1.3	<b>0</b> -1.9 .7	<b>3.0</b> 9.6 .6	<b>-1.6</b> -6.3	<b>-3.1</b> -16.1 2.9	
Less: Inventory valuation adjustment	-43.1	-36.2	-36.3	-35.2	-21.0	-40.2	-54.7	-20.3								
Equals: Net cash flow	1,224.6	1,271.6	1,327.2	1,343.6	1,272.2	1,291.7	1,343.6	1,288.1	3.8	4.4	-5.3	1.5	4.0	-4.1	-4.1	
Addenda:  Profits before tax (without inventory valuation and capital consumption adjustments)  Profits after tax (without inventory valuation and capital consumption adjustments)  Inventory valuation adjustment  Capital consumption adjustment	1,204.7 897.3 -43.1 69.7	1,579.6 1,186.7 -36.2 -170.6	1,805.8 1,351.9 -36.3 -215.8				1,931.5 1,441.4 -54.7 -234.4		31.1 32.2	14.3	-3.4 -3.2	1.5 2.0	6.4 5.7	-2.7 -2.2	1.5 2.1	

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Table 12.—Corporate Profits by Industry: Level and Change From Preceding Period [Billions of dollars]

		[-····	ons or ac											
				Le	vel	Change from preceding period								
				Seasonally adjusted at annual rates							2006		2007	
	2004	2005	2006	2006			2007		2005	2006	n.,			
				III	III IV		I II		III r		IV	ı	l II	r
Corporate profits with inventory valuation and capital consumption adjustments	1,231.2	1,372.8	1,553.7	1,592.5	1,531.2	1,547.7	1,642.4	1,621.9	141.6	180.9	-61.3	16.5	94.7	-20.5
Domestic industries Financial Nonfinancial	<b>1,037.8</b> 356.2 681.6	<b>1,154.6</b> 405.5 749.1	<b>1,296.4</b> 482.2 814.3	<b>1,342.8</b> 476.3 866.4	<b>1,253.5</b> 495.6 757.9	<b>1,249.8</b> 468.7 781.1	<b>1,327.8</b> 521.4 806.4	<b>1,280.9</b> 488.9 792.0	<b>116.8</b> 49.3 67.5	<b>141.8</b> 76.7 65.2	<b>-89.3</b> 19.3 -108.5	<b>-3.7</b> -26.9 23.2	<b>78.0</b> 52.7 25.3	<b>-46.9</b> -32.5 -14.4
Rest of the world	<b>193.4</b> 316.4 123.0	<b>218.2</b> 358.7 140.6	<b>257.3</b> 419.8 162.5	<b>249.8</b> 425.9 176.1	<b>277.8</b> 438.7 160.9	<b>297.9</b> 448.7 150.8	<b>314.6</b> 482.6 168.0	<b>341.0</b> 510.2 169.1	<b>24.8</b> 42.3 17.6	<b>39.1</b> 61.1 21.9	<b>28.0</b> 12.8 –15.2	<b>20.1</b> 10.0 –10.1	<b>16.7</b> 33.9 17.2	<b>26.4</b> 27.6 1.1
Corporate profits with inventory valuation adjustment	1,161.6	1,543.4	1,769.5	1,816.2	1,768.2	1,775.6	1,876.8	1,859.4	381.8	226.1	-48.0	7.4	101.2	-17.4
Domestic industries Financial Federal Reserve banks Other financial	968.2 348.9 20.0 328.9	1,325.2 423.6 26.6 397.1	<b>1,512.2</b> 505.3 33.8 471.4	<b>1,566.4</b> 500.3 35.9 464.4	<b>1,490.4</b> 521.0 34.8 486.2	1,477.7 493.0 38.5 454.5	<b>1,562.1</b> 546.4 39.2 507.2	<b>1,518.3</b> 514.2 38.4 475.8	<b>357.0</b> 74.7 6.6 68.2	<b>187.0</b> 81.7 7.2 74.3	<b>-76.0</b> 20.7 -1.1 21.8	<b>-12.7</b> -28.0 3.7 -31.7	<b>84.4</b> 53.4 .7 52.7	<b>-43.8</b> -32.2 8 -31.4
Nonfinancial Utilities Manufacturing Durable goods Fabricated metal products Machinery Computer and electronic products Electrical equipment, appliances, and components Motor vehicles, bodies and trailers, and parts Other durable goods	619.3 18.6 152.7 38.3 11.9 7.2 -4.9 .3 -7.6 31.3	901.6 28.4 251.2 85.1 17.3 16.0 10.1 -3.7 .1 45.3	1,006.9 35.7 293.4 95.9 20.3 19.3 7.7 -1.9 -1.1 51.7	1,066.1 37.8 319.5 101.8 19.3 18.3 7.1 -1.6 -1.4 60.1	969.5 37.8 280.2 107.2 22.5 18.7 6.2 .2 1.3 58.3	984.7 36.4 298.9 113.0 23.3 21.8 9.0 1.3 4.6 52.9	1,015.7 41.2 347.0 117.2 22.2 22.5 7.7 .7 12.3 51.8	1,004.1 46.4 296.8 128.5 26.5 22.3 8.5 2.4 12.1 56.7	282.3 9.8 98.5 46.8 5.4 8.8 15.0 -4.0 7.7 14.0	105.3 7.3 42.2 10.8 3.0 3.3 -2.4 1.8 -1.2 6.4	-96.6 0 -39.3 5.4 3.2 .4 9 1.8 2.7 -1.8	15.2 -1.4 18.7 5.8 .8 3.1 2.8 1.1 3.3 -5.4	31.0 4.8 48.1 4.2 -1.1 .7 -1.3 6 7.7 -1.1	-11.6 5.2 -50.2 11.3 4.3 2 .8 1.7 2 4.9
Nondurable goods	114.5 24.2 48.9 25.4 16.0	166.0 27.8 89.8 29.7 18.7	197.5 29.2 110.4 37.6 20.3	217.6 30.4 128.7 40.6 17.9	173.0 31.8 85.2 31.7 24.3	185.9 30.1 94.9 41.0 20.0	229.8 35.4 136.5 41.8 16.1	168.3 34.3 70.6 43.4 20.0	51.5 3.6 40.9 4.3 2.7	31.5 1.4 20.6 7.9 1.6	-44.6 1.4 -43.5 -8.9 6.4	12.9 -1.7 9.7 9.3 -4.3	43.9 5.3 41.6 .8 -3.9	-61.5 -1.1 -65.9 1.6 3.9
Wholesale trade Retail trade Transportation and warehousing Information Other nonfinancial	79.2 91.1 14.1 43.9 219.7	95.2 114.4 28.2 74.8 309.5	97.0 124.5 41.9 85.4 329.0	118.1 126.9 47.7 81.5 334.5	91.1 132.1 40.0 91.5 296.7	97.8 134.3 39.1 109.5 268.7	104.9 134.4 45.8 92.9 249.5	109.8 140.2 55.4 100.8 254.7	16.0 23.3 14.1 30.9 89.8	1.8 10.1 13.7 10.6 19.5	-27.0 5.2 -7.7 10.0 -37.8	6.7 2.2 9 18.0 -28.0	7.1 .1 6.7 -16.6 -19.2	4.9 5.8 9.6 7.9 5.2
Rest of the world	193.4	218.2	257.3	249.8	277.8	297.9	314.6	341.0	24.8	39.1	28.0	20.1	16.7	26.4

Table 13.—Gross Value Added of Nonfinancial Domestic Corporate Business

				Seasonally adjusted at annual rates									
	2004	2005	2006	20	06		2007						
				III	IV	1	II	r					
	Billions of dollars												
Gross value added of nonfinancial corporate business	5,956.4	6,319.4	6,689.4	6,739.1	6,784.5	6,865.0	6,938.0	6,988.4					
Consumption of fixed capital	. 687.4	742.3	772.8	779.5	789.8	795.7	800.1	802.0					
Net value added	. 5,269.0	5,577.1	5,916.6	5,959.6	5,994.7	6,069.3	6,138.0	6,186.4					
Compensation of employees Wage and salary accruals Supplements to wages and salaries Taxes on production and imports less subsidies Net operating surplus Net interest and miscellaneous payments Business current transfer payments Corporate profits with inventory valuation and capital consumption adjustments Taxes on corporate income Profits after tax with inventory valuation and capital consumption adjustments Net dividends Undistributed profits with inventory valuation and capital consumption adjustments  Addenda: Profits before tax (without inventory valuation and capital consumption adjustments) Profits after tax (without inventory valuation and capital consumption adjustments) Inventory valuation adjustment Capital consumption adjustment	3,159,7 705,5 523,9 879,9 138,9 59,3 681,6 191,0 490,7 123,7 662,4 471,4	4,078.5 3,334.8 743.6 558.7 940.0 132.5 58.3 749.1 263.4 485.7 199.2 286.5 937.8 674.4 -36.2 -152.5	4,316.7 3,543.8 772.9 584.9 1,015.0 133.2 67.6 814.3 288.2 526.0 448.6 77.4 1,043.2 755.0 -36.3 -192.7	4,306.4 3,532.3 774.1 587.3 1,065.9 132.3 67.2 866.4 300.6 565.8 463.2 102.6 1,101.4 800.7 -35.2 -199.7	4,442.1 3,657.5 784.6 592.1 960.5 133.6 68.9 757.9 285.2 472.7 753.2 -59.5	4,494.1 3,695.5 798.6 599.7 975.6 136.0 58.5 781.1 298.6 482.5 483.7 -1.2 1,024.9 726.3 -40.2 -203.6	4,528.3 3,726.5 801.8 607.8 1,001.8 136.2 59.2 806.4 321.6 484.7 491.1 -6.4 1,070.5 748.8 -54.7 -209.4	4,583.3 3,773.9 809.5 614.2 988.8 136.9 60.0 792.0 310.0 482.0 478.0 4.0					
	Billions of chained (2000) dollars												
Gross value added of nonfinancial corporate business 1	. 5,652.3	5,806.6	6,012.1	6,039.7	6,076.2	6,089.6	6,133.4	6,202.3					
Consumption of fixed capital <sup>2</sup> Net value added <sup>3</sup>		682.4 5,124.2	686.9 5,325.3	690.4 5,349.2	698.1 5,378.1	701.7 5,387.9	705.1 5,428.3	708.5 5,493.8					
		Dollars; quarters seasonally adjusted											
Price, costs, and profits per unit of real gross value added of nonfinancial corporate business:													
Price per unit of real gross value added of nonfinancial corporate business 4	. 1.054	1.088	1.113	1.116	1.117	1.127	1.131	1.127					
Compensation of employees (unit labor cost)		.702	.718	.713	.731	.738	.738	.739					
Unit nonlabor cost  Consumption of fixed capital  Taxes on production and imports less subsidies plus business current transfer payments  Net interest and miscellaneous payments	122	.257 .128 .106 .023	.260 .129 .109 .022	.259 .129 .108 .022	.261 .130 .109 .022	.261 .131 .108 .022	.261 .130 .109 .022	.260 .129 .109 .022					
Corporate profits with inventory valuation and capital consumption adjustments (unit profits from current production)  Taxes on corporate income  Profits after tax with inventory valuation and capital consumption adjustments	034	.129 .045 .084	.135 .048 .087	.143 .050 .094	.125 .047 .078	.128 .049 .079	.131 .052 .079	.128 .050 .078					

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1. The current-dollar gross value added is deflated using the gross value added chain-type price index for non-financial industries from the GDP-by-industry accounts. For periods when this price index is not available, the chain-type price index for GDP goods and structures is used.

2. Chained-dollar consumption of fixed capital of nonfinancial corporate business is calculated as the product of

the chain-type quantity index and the 2000 current-dollar value of the corresponding series, divided by 100.

3. Chained-dollar net value added of nonfinancial corporate business is the difference between the gross value added and the consumption of fixed capital.

4. The deflator for gross value added of nonfinancial corporate business divided by 100.

NOTE.—Estimates in this table are based on the 1997 North American Industry Classification System (NAICS).

Appendix Table A.—Real Gross Domestic Product and Related Aggregates and Price Indexes: Percent Change From Preceding Period

				Seasonally adjusted at annual rates													-		
	2004	2005	2006	2003 2004					2005				2006				2007		
				IV	I	II	III	IV	I	II	Ш	IV	I	II	III	IV	ı	II	$\prod r$
Gross domestic product (GDP) and related aggregates: GDP	3.6	3.1	2.9	2.7	3.0	3.5	3.6	2.5	3.1	2.8	4.5	1.2	4.8	2.4	1.1	2.1	0.6	3.8	4.9
Goods Services Structures	4.7 2.8 5.2	4.3 2.3 3.4	5.0 2.3 1	2.5 2.8 2.2	2.1 3.8 1.0	3.4 2.2 11.5	6.6 2.4 1.3	3.7 2.4 3	4.2 2.3 4.0	3.9 1.4 7.3	5.8 4.4 1.2	1.5 1.0 1.2	9.6 2.4 4.3	4.6 2.0 –1.4	3.4 2.0 –9.9	1.1 4.4 –7.0	.2 2.1 –6.2	5.4 3.1 3.0	11.7 3.1 -4.2
Motor vehicle outputGDP excluding motor vehicle output	4.0 3.6	4.2 3.0	-1.3 3.0	-6.5 3.0	8.8 2.8	-6.1 3.8	29.0 2.8	-9.6 3.0	5.4 3.0	4.7 2.7	30.6 3.6	-30.5 2.5	17.0 4.4	-10.9 2.9	15.1 .6	-21.6 2.9	6.2 .4	1.0 3.9	13.1 4.7
Final sales of computers <sup>1</sup> GDP excluding final sales of computers	5.4 3.6	35.1 2.9	19.4 2.8	20.0 2.5	-31.0 3.3	-6.6 3.6	19.8 3.5	50.1 2.3	39.5 2.8	51.7 2.5	21.8 4.3	34.2 1.0	7.3 4.8	20.7 2.3	5.1 1.0	27.0 1.9	-1.3 .6	35.7 3.6	49.8 4.6
Farm gross value added 2	8.1	5.9	.6	-36.1	149.5	-30.8	18.9	40.8	-10.9	14.0	-3.0	6.0	-8.9	17.5	-12.4	.8	-12.5	14.8	9.6
Nonfarm business gross value added <sup>3</sup>	4.1	3.6	3.2	1.6	2.6	5.0	3.8	2.6	3.9	3.2	5.6	.9	5.7	2.4	.8	2.6	.3	4.2	5.6
Price indexes: GDPGDP excluding food and energyGDP excluding final sales of computers	2.9 2.7 3.0	3.2 3.2 3.4	3.2 3.1 3.3	2.2 2.1 2.3	3.7 3.5 3.8	3.8 3.4 3.8	2.3 2.8 2.4	3.2 3.1 3.4	3.9 4.1 4.1	2.6 2.6 2.7	3.5 2.9 3.6	3.5 3.5 3.7	3.4 3.4 3.5	3.5 3.2 3.6	2.4 2.6 2.5	1.7 2.4 1.8	4.2 3.3 4.3	2.6 1.6 2.8	1.0 1.7 1.2
Gross domestic purchases	3.1	3.7	3.3	1.9	4.3	4.2	2.8	3.6	3.6	3.5	4.6	3.7	2.7	4.2	2.5	.1	3.8	3.8	1.8
Gross domestic purchases excluding food and energy	2.7 3.2	3.1 3.9	2.9 3.5	2.0 2.0	3.5 4.4	3.4 4.3	2.6 2.9	2.8 3.9	4.0 3.8	2.6 3.7	2.7 4.8	3.2 3.9	3.2 2.9	3.2 4.5	2.5 2.7	2.3	3.1 3.9	1.5 4.0	1.9 1.9
Personal consumption expenditures (PCE) PCE excluding food and energy Market-based PCE 4 Market-based PCE excluding food and energy 4	2.6 2.1 2.3 1.5	2.9 2.2 2.7 1.7	2.8 2.2 2.6 1.9	1.5 1.6 .9	3.5 2.4 3.2 1.8	3.8 2.7 3.4 1.9	2.0 1.7 1.5 1.1	3.0 2.1 2.9 1.8	2.2 2.6 1.9 2.3	3.4 2.1 3.1 1.5	4.3 1.7 4.3 1.2	2.8 2.4 2.6 1.9	1.7 2.0 1.5 1.8	4.3 2.9 4.3 2.6	2.6 2.3 2.4 2.1	9 1.9 -1.6 1.6	3.5 2.4 3.6 2.4	4.3 1.4 4.7 1.2	1.8 2.0 1.4 1.5

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1. Some components of final sales of computers include computer parts.

2. Farm output less intermediate goods and services purchased.

3. Consists of GDP less gross value added of farm, of households and institutions, and of general government.

<sup>4.</sup> This index is a supplemental measure that is based on household expenditures for which there are observable price measures. It excludes most implicit prices (for example, the services furnished without payment by financial intermediaries) and the expenses of nonprofit institutions. See "Explanatory Note" at the end of the tables.

### **Explanatory Note: NIPA Measures of Quantities and Prices**

Current-dollar GDP is a measure of the market value of goods, services, and structures produced in the economy in a particular period. Changes in current-dollar GDP can be decomposed into quantity and price components. Quantities, or "real" measures, and prices are expressed as index numbers with the reference year -- at present, the year 2000 -- equal to 100.

Annual changes in quantities and prices are calculated using a Fisher formula that incorporates weights from two adjacent years. (Quarterly changes in quantities and prices are calculated using a Fisher formula that incorporates weights from two adjacent quarters; quarterly indexes are adjusted for consistency to the annual indexes before percent changes are calculated.) For example, the 2005-06 annual percent change in real GDP uses prices for 2005 and 2006 as weights, and the 2005-06 annual percent change in GDP prices uses quantities for 2005 and 2006 as weights. These annual changes are "chained" (multiplied) together to form time series of quantity and price indexes. Percent changes in Fisher indexes are not affected by the choice of reference year. (BEA also publishes a measure of the price level known as the implicit price deflator (IPD), which is calculated as the ratio of the current-dollar value to the corresponding chained-dollar value, multiplied by 100. The values of the IPD are very close to the values of the corresponding "chain-type" price index.)

Index numbers of quantity and price indexes for GDP and its major components are presented in this release in tables 5 and 6. Percent changes from the preceding period are presented in tables 1, 4, 7, 8, and Appendix Table A. Contributions by major components to changes in real GDP are presented in table 2.

Measures of real GDP and its major components are also presented in dollar-denominated form, designated "chained (2000) dollar estimates." For most series, these estimates, which are presented in table 3, are computed by multiplying the current-dollar value in 2000 by a corresponding quantity index number and then dividing by 100. For example, if a current-dollar GDP component equaled \$100 in 2000 and if real output for this component increased 10 percent in 2001, then the chained (2000) dollar value of this component in 2001 would be  $$110 (= $100 \times 110 / 100)$ . Percent changes calculated from chained-dollar estimates and from chain-type quantity indexes are the same; any differences will be small and due to rounding.

Chained-dollar values for the detailed GDP components will not necessarily sum to the chained-dollar estimate of GDP (or to any intermediate aggregate). This is because the relative prices used as weights for any period other than the reference year differ from those of the reference year. A measure of the extent of such differences is provided by a "residual" line, which indicates the difference between GDP (or other major aggregate) and the sum of the most detailed components in the table. For periods close to the reference year, when there usually has not been much change in the relative prices that are used as weights, the residuals tend to be small, and the chained-dollar estimates can be used to approximate the contributions to growth and to aggregate the detailed estimates. For periods further from the reference year, the residuals tend to be larger, and the chained-dollar estimates are less useful for analyses of contributions to growth. Thus, the contributions to percent change shown in table 2 provide a better measure of the composition of GDP growth. In particular, for components for which relative prices are changing rapidly, calculation of contributions using chained-dollar estimates may be misleading even just a few years from the reference year.

*Reference:* "Chained-Dollar Indexes: Issues, Tips on Their Use, and Upcoming Changes," November 2003 *Survey*, pp. 8-16.