



# NEWS RELEASE



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Lisa Mataloni: (202) 606-5304 (GDP) [gdpniwd@bea.gov](mailto:gdpniwd@bea.gov)  
Andrew Hodge: (202) 606-5564 (Profits) [cpniwd@bea.gov](mailto:cpniwd@bea.gov)  
Recorded message: (202) 606-5306

## **GROSS DOMESTIC PRODUCT: SECOND QUARTER 2011 (SECOND ESTIMATE) CORPORATE PROFITS: SECOND QUARTER 2011 (PRELIMINARY)**

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 1.0 percent in the second quarter of 2011, (that is, from the first quarter to the second quarter), according to the "second" estimate released by the Bureau of Economic Analysis. In the first quarter, real GDP increased 0.4 percent.

The GDP estimates released today are based on more complete source data than were available for the "advance" estimate issued last month. In the advance estimate, the increase in real GDP was 1.3 percent (see "Revisions" on page 3).

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

The acceleration in real GDP in the second quarter primarily reflected a deceleration in imports, an upturn in federal government spending, and an acceleration in nonresidential fixed investment that were partly offset by decelerations in PCE and in exports and a downturn in private inventory investment.

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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 are annualized. "Real" estimates are in chained (2005) dollars. Price indexes are chain-type measures.

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Final sales of computers added 0.11 percentage point to the second-quarter change in real GDP after adding 0.08 percentage point to the first-quarter change. Motor vehicle output subtracted 0.15 percentage point from the second-quarter change in real GDP after adding 1.08 percentage points to the first-quarter change.

The price index for gross domestic purchases, which measures prices paid by U.S. residents, increased 3.3 percent in the second quarter, 0.1 percentage point more than in the advance estimate; this index increased 4.0 percent in the first quarter. Excluding food and energy prices, the price index for gross domestic purchases increased 2.6 percent in the second quarter, compared with an increase of 2.4 percent in the first.

Real personal consumption expenditures increased 0.4 percent in the second quarter, compared with an increase of 2.1 percent in the first. Real nonresidential fixed investment increased 9.9 percent, compared with an increase of 2.1 percent. Nonresidential structures increased 15.7 percent, in contrast to a decrease of 14.3 percent. Equipment and software increased 7.9 percent, compared with an increase of 8.7 percent. Real residential fixed investment increased 3.4 percent, in contrast to a decrease of 2.4 percent.

Real exports of goods and services increased 3.1 percent in the second quarter, compared with an increase of 7.9 percent in the first. Real imports of goods and services increased 1.9 percent, compared with an increase of 8.3 percent.

Real federal government consumption expenditures and gross investment increased 2.0 percent in the second quarter, in contrast to a decrease of 9.4 percent in the first. National defense increased 7.1 percent, in contrast to a decrease of 12.6 percent. Nondefense decreased 7.5 percent, compared with a decrease of 2.7 percent. Real state and local government consumption expenditures and gross investment decreased 2.8 percent, compared with a decrease of 3.4 percent.

The change in real private inventories subtracted 0.23 percentage point from the second-quarter change in real GDP, after adding 0.32 percentage point to the first-quarter change. Private businesses increased inventories \$40.6 billion in the second quarter, following increases of \$49.1 billion in the first quarter and of \$38.3 billion in the fourth.

Real final sales of domestic product -- GDP less change in private inventories -- increased 1.2 percent in the second quarter, after increasing less than 0.1 percent.

### **Gross domestic purchases**

Real gross domestic purchases -- purchases by U.S. residents of goods and services wherever produced -- increased 0.9 percent in the second quarter, compared with an increase of 0.7 percent in the first.

**Gross national product**

Real gross national product -- the goods and services produced by the labor and property supplied by U.S. residents -- increased 1.7 percent in the second quarter, compared with an increase of 1.5 percent in the first. GNP includes, and GDP excludes, net receipts of income from the rest of the world, which increased \$24.3 billion in the second quarter after increasing \$36.6 billion in the first; in the second quarter, receipts increased \$29.0 billion, and payments increased \$4.7 billion.

**Current-dollar GDP**

Current-dollar GDP -- the market value of the nation's output of goods and services -- increased 3.5 percent, or \$129.0 billion, in the second quarter to a level of \$14,996.8 billion. In the first quarter, current-dollar GDP increased 3.1 percent, or \$112.8 billion.

**Revisions**

The "second" estimate of the second-quarter increase in real GDP is 0.3 percentage point, or \$9.6 billion, lower than the advance estimate issued last month, primarily reflecting downward revisions to private inventory investment and to exports that were partly offset by upward revisions to nonresidential fixed investment and to personal consumption expenditures (PCE).

	<u>Advance Estimate</u>	<u>Second Estimate</u>
	(Percent change from preceding quarter)	
Real GDP.....	1.3	1.0
Current-dollar GDP.....	3.7	3.5
Gross domestic purchases price index...	3.2	3.3

### **Corporate Profits**

Profits from current production (corporate profits with inventory valuation and capital consumption adjustments) increased \$57.3 billion in the second quarter, compared with an increase of \$19.0 billion in the first quarter. Current-production cash flow (net cash flow with inventory valuation adjustment) -- the internal funds available to corporations for investment -- increased \$83.8 billion in the second quarter, compared with an increase of \$21.1 billion in the first.

Taxes on corporate income decreased \$3.0 billion in the second quarter, in contrast to an increase of \$17.6 billion in the first. Profits after tax with inventory valuation and capital consumption adjustments increased \$60.3 billion in the second quarter, compared with an increase of \$1.4 billion in the first. Dividends increased \$13.6 billion compared with an increase of \$19.0 billion; current-production undistributed profits increased \$46.7 billion, in contrast to a decrease of \$17.6 billion.

Domestic profits of financial corporations decreased \$54.2 billion in the second quarter, compared with a decrease of \$38.7 billion in the first. Domestic profits of nonfinancial corporations increased \$84.4 billion in the second quarter, compared with an increase of \$19.7 billion in the first. In the second quarter, real gross value added of nonfinancial corporations increased, and profits per unit of real value added increased. The increase in unit profits reflected an increase in unit prices and decreases in both the unit labor and nonlabor costs corporations incurred.

The rest-of-the-world component of profits increased \$27.1 billion in the second quarter, compared with an increase of \$37.9 billion in the first. 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 second-quarter increase was accounted for by a larger increase in receipts than in payments.

Profits before tax increased \$8.7 billion in the second quarter, compared with an increase of \$134.6 billion in the first. 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 \$8.2 billion in the second quarter (from \$115.4 billion to \$107.2 billion), compared with a decrease of \$89.8 billion in the first. The inventory valuation adjustment increased \$56.7 billion (from -\$116.0 billion to -\$59.3 billion), in contrast to a decrease of \$25.7 billion.

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Next release -- September 29, 2011, at 8:30 A.M. EDT for:  
Gross Domestic Product: Second Quarter 2011 (Third Estimate)  
Corporate Profits: Second Quarter 2011 (Revised)

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

	2008	2009	2010	Seasonally adjusted at annual rates															
				2007		2008				2009				2010				2011	
				III	IV	I	II	III	IV	I	II	III	IV	I	II	III	IV	I <sup>r</sup>	II <sup>r</sup>
<b>Gross domestic product (GDP) ...</b>	<b>-0.3</b>	<b>-3.5</b>	<b>3.0</b>	<b>3.0</b>	<b>1.7</b>	<b>-1.8</b>	<b>1.3</b>	<b>-3.7</b>	<b>-8.9</b>	<b>-6.7</b>	<b>-0.7</b>	<b>1.7</b>	<b>3.8</b>	<b>3.9</b>	<b>3.8</b>	<b>2.5</b>	<b>2.3</b>	<b>0.4</b>	<b>1.0</b>
<b>Personal consumption expenditures .....</b>	<b>-0.6</b>	<b>-1.9</b>	<b>2.0</b>	<b>1.8</b>	<b>1.2</b>	<b>-1.0</b>	<b>-0.1</b>	<b>-3.8</b>	<b>-5.1</b>	<b>-1.5</b>	<b>-1.9</b>	<b>2.3</b>	<b>0.4</b>	<b>2.7</b>	<b>2.9</b>	<b>2.6</b>	<b>3.6</b>	<b>2.1</b>	<b>0.4</b>
Goods .....	-2.5	-3.0	4.3	3.0	1.0	-5.6	0.5	-7.7	-12.6	0.1	-2.3	7.6	0.5	6.4	3.8	4.8	8.3	4.7	-1.4
Durable goods .....	-4.9	-5.4	7.2	5.2	2.3	-9.6	-2.9	-12.3	-25.4	2.4	-4.0	20.3	-4.8	9.9	7.8	8.8	17.2	11.7	-5.1
Nondurable goods .....	-1.2	-1.8	2.9	1.9	0.4	-3.3	2.3	-5.4	-5.8	-1.0	-1.5	2.0	3.1	4.8	1.9	3.0	4.3	1.6	0.4
Services .....	0.4	-1.4	0.9	1.1	1.3	1.5	-0.5	-1.7	-1.2	-2.3	-1.7	-0.1	0.4	1.0	2.5	1.6	1.3	0.8	1.4
<b>Gross private domestic investment .....</b>	<b>-10.2</b>	<b>-25.0</b>	<b>17.9</b>	<b>-3.0</b>	<b>-9.3</b>	<b>-12.2</b>	<b>-6.0</b>	<b>-16.5</b>	<b>-33.9</b>	<b>-46.7</b>	<b>-22.8</b>	<b>2.9</b>	<b>36.8</b>	<b>31.5</b>	<b>26.4</b>	<b>9.2</b>	<b>-7.1</b>	<b>3.8</b>	<b>6.4</b>
Fixed investment .....	-7.1	-18.8	2.6	-1.4	-4.9	-8.3	-5.2	-12.3	-25.2	-32.2	-17.0	0.7	-3.8	1.2	19.5	2.3	7.5	1.2	8.7
Nonresidential .....	-0.8	-17.8	4.4	9.1	5.4	-0.8	-2.3	-9.9	-22.9	-31.3	-15.8	-3.3	-3.7	6.0	18.6	11.3	8.7	2.1	9.9
Structures .....	6.4	-21.2	-15.8	24.3	7.4	0.8	9.4	-3.7	-10.2	-32.1	-33.3	-20.1	-30.8	-24.7	7.5	4.2	10.5	-14.3	15.7
Equipment and software .....	-4.3	-16.0	14.6	2.5	4.4	-1.7	-7.9	-13.1	-29.3	-30.8	-4.2	6.4	11.7	21.7	23.2	14.1	8.1	8.7	7.9
Residential .....	-23.9	-22.2	-4.3	-24.1	-29.3	-28.5	-14.5	-20.0	-33.2	-35.4	-21.3	17.8	-3.8	-15.3	22.8	-27.7	2.5	-2.4	3.4
Change in private inventories .....																			
<b>Net exports of goods and services .....</b>																			
Exports .....	6.1	-9.4	11.3	15.7	11.6	5.5	12.7	-3.5	-21.4	-29.0	-0.5	13.9	23.5	7.2	10.0	10.0	7.8	7.9	3.1
Goods .....	6.3	-12.0	14.4	12.7	9.9	9.3	14.1	-2.4	-27.4	-34.9	-2.9	21.3	28.4	12.1	11.8	8.9	9.2	10.6	2.7
Services .....	5.6	-3.5	5.0	23.0	15.7	-2.7	9.5	-6.2	-5.6	-14.7	4.7	0.1	13.7	-2.7	6.1	12.6	4.7	1.7	3.9
Imports .....	-2.7	-13.6	12.5	1.0	-5.2	1.4	-2.5	-6.6	-14.9	-34.0	-15.0	16.3	17.4	12.5	21.6	12.3	-2.3	8.3	1.9
Goods .....	-3.8	-15.6	14.8	0.3	-5.5	-0.6	-2.2	-9.1	-18.5	-37.1	-17.9	19.6	21.8	14.4	26.0	12.4	-0.5	9.5	1.9
Services .....	3.6	-3.5	2.9	4.4	-4.0	13.0	-4.2	8.2	5.6	-19.3	-2.5	4.2	0.4	4.6	3.3	11.6	-10.4	2.2	1.6
<b>Government consumption expenditures and gross investment .....</b>	<b>2.6</b>	<b>1.7</b>	<b>0.7</b>	<b>3.5</b>	<b>1.2</b>	<b>3.1</b>	<b>1.7</b>	<b>4.3</b>	<b>1.6</b>	<b>-1.7</b>	<b>5.9</b>	<b>1.3</b>	<b>-0.9</b>	<b>-1.2</b>	<b>3.7</b>	<b>1.0</b>	<b>-2.8</b>	<b>-5.9</b>	<b>-0.9</b>
Federal .....	7.2	6.0	4.5	9.6	1.1	9.7	4.9	11.7	9.1	-3.3	14.4	5.9	2.2	2.8	8.8	3.2	-3.0	-9.4	2.0
National defense .....	7.5	5.8	3.3	10.2	0.0	8.2	5.4	17.6	8.3	-7.5	16.3	8.2	-1.3	0.5	6.0	5.7	-5.9	-12.6	7.1
Nondefense .....	6.5	6.5	7.1	8.2	3.4	13.0	3.9	-0.1	10.9	6.5	10.4	1.0	9.9	7.8	14.7	-1.8	3.1	-2.7	-7.5
State and local .....	0.0	-0.9	-1.8	0.2	1.3	-0.6	-0.1	0.1	-2.8	-0.8	0.9	-1.5	-2.9	-3.9	0.4	-0.5	-2.7	-3.4	-2.8
<b>Addenda:</b>																			
Final sales of domestic product .....	0.2	-2.6	1.4	3.3	2.5	-1.1	1.5	-3.0	-7.4	-4.2	-0.2	1.4	-0.2	0.8	3.0	1.7	4.2	0.0	1.2
Gross domestic purchases .....	-1.5	-4.4	3.4	1.3	-0.5	-2.1	-0.7	-4.2	-8.3	-8.6	-2.8	2.2	3.5	4.8	5.6	3.1	0.9	0.7	0.9
Final sales to domestic purchasers .....	-1.0	-3.6	1.8	1.6	0.2	-1.4	-0.5	-3.6	-6.9	-6.2	-2.3	1.9	-0.3	1.7	4.9	2.3	2.7	0.4	1.1
Gross national product (GNP) .....	0.0	-3.6	3.3	4.8	3.2	-2.3	1.3	-3.2	-10.8	-6.2	-0.5	2.3	4.0	3.8	4.5	2.8	1.7	1.5	1.7
Disposable personal income .....	2.4	-2.3	1.8	1.6	2.2	5.9	8.2	-8.8	-0.2	-3.8	0.3	-5.4	-0.6	4.9	5.6	2.3	1.5	1.2	1.0
<b>Current-dollar measures:</b>																			
GDP .....	1.9	-2.5	4.2	4.3	3.6	0.6	4.0	-0.6	-8.4	-5.2	-1.1	1.9	4.9	5.5	5.4	3.9	4.2	3.1	3.5
Final sales of domestic product .....	2.4	-1.6	2.6	4.6	4.4	1.5	4.0	0.2	-7.4	-2.5	-0.5	1.8	1.0	2.3	4.5	3.1	6.1	2.5	3.7
Gross domestic purchases .....	1.8	-4.5	5.0	3.4	3.2	1.9	3.9	-0.3	-12.0	-10.4	-2.4	3.9	5.6	7.0	6.2	4.0	2.9	4.9	4.3
Final sales to domestic purchasers .....	2.2	-3.7	3.3	3.6	4.0	2.7	3.9	0.4	-11.0	-7.9	-1.8	3.7	1.9	3.8	5.3	3.2	4.8	4.3	4.4
GNP .....	2.2	-2.6	4.4	6.2	5.2	0.0	4.1	-0.1	-10.4	-4.8	-0.9	2.6	5.1	5.4	6.1	4.1	3.5	4.2	4.3
Disposable personal income .....	5.8	-2.1	3.6	3.9	6.5	10.0	13.1	-4.9	-5.8	-5.4	2.2	-2.6	2.2	6.8	5.9	3.3	3.5	5.2	4.2

<sup>r</sup> Revised. Revisions include changes to series affected by the incorporation of revised wage and salary estimates for the first quarter of 2011. 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**

	2008	2009	2010	Seasonally adjusted at annual rates															
				2007		2008				2009				2010				2011	
				III	IV	I	II	III	IV	I	II	III	IV	I	II	III	IV	I	II <sup>r</sup>
<b>Gross domestic product (GDP) .....</b>	<b>2.2</b>	<b>1.1</b>	<b>1.2</b>	<b>1.3</b>	<b>1.9</b>	<b>2.5</b>	<b>2.5</b>	<b>3.1</b>	<b>0.5</b>	<b>1.7</b>	<b>-0.4</b>	<b>0.3</b>	<b>1.1</b>	<b>1.5</b>	<b>1.5</b>	<b>1.4</b>	<b>1.9</b>	<b>2.5</b>	<b>2.4</b>
<b>Personal consumption expenditures .....</b>	<b>3.3</b>	<b>0.2</b>	<b>1.8</b>	<b>2.2</b>	<b>4.2</b>	<b>3.9</b>	<b>4.5</b>	<b>4.3</b>	<b>-5.6</b>	<b>-1.7</b>	<b>1.9</b>	<b>3.0</b>	<b>2.8</b>	<b>1.9</b>	<b>0.3</b>	<b>1.0</b>	<b>1.9</b>	<b>3.9</b>	<b>3.2</b>
Goods .....	3.1	-2.6	1.6	0.6	5.3	4.8	4.8	7.0	-17.8	-6.3	4.1	5.6	2.5	2.1	-3.4	0.8	3.4	8.0	5.1
Durable goods .....	-1.9	-1.8	-1.7	-2.5	-1.5	-1.3	-2.7	-1.1	-3.5	-2.1	-0.1	-2.7	0.5	-2.1	-2.4	-2.5	-2.4	-0.6	1.7
Nondurable goods .....	5.7	-2.9	3.2	2.3	9.1	8.1	8.8	11.1	-23.8	-8.3	6.1	9.8	3.5	4.1	-3.9	2.4	6.2	12.4	6.7
Services .....	3.4	1.6	1.9	3.1	3.7	3.4	4.4	3.0	1.2	0.6	0.9	1.8	2.9	1.7	2.2	1.1	1.2	1.9	2.3
<b>Gross private domestic investment .....</b>	<b>1.1</b>	<b>-1.0</b>	<b>-1.6</b>	<b>-0.1</b>	<b>0.4</b>	<b>0.3</b>	<b>1.2</b>	<b>2.4</b>	<b>6.9</b>	<b>-2.2</b>	<b>-6.4</b>	<b>-5.8</b>	<b>-1.7</b>	<b>-1.2</b>	<b>0.0</b>	<b>0.9</b>	<b>1.7</b>	<b>2.1</b>	<b>2.4</b>
Fixed investment .....	1.2	-1.2	-1.4	-0.1	0.4	0.9	1.4	3.3	2.9	-2.3	-5.3	-4.4	-1.0	-1.3	-0.5	0.5	0.8	1.4	2.5
Nonresidential .....	2.0	-0.6	-1.6	-0.1	0.4	1.9	2.2	5.1	5.3	-2.2	-5.2	-4.7	-2.0	-1.7	0.2	0.5	0.4	1.4	2.6
Structures .....	4.9	-2.6	-1.1	3.3	4.8	5.2	3.9	7.7	8.2	-5.6	-12.0	-10.0	-1.5	1.3	2.4	2.5	3.6	5.0	6.9
Equipment and software .....	0.5	0.5	-1.8	-1.6	-1.8	0.2	1.3	3.7	3.6	-0.2	-1.3	-2.2	-2.5	-3.1	-0.7	-0.3	-0.8	0.2	1.1
Residential .....	-1.2	-3.4	-0.4	0.1	0.7	-1.6	-1.1	-2.8	-5.2	-2.9	-5.9	-3.1	3.1	0.5	-3.0	0.6	2.5	1.5	2.1
Change in private inventories .....																			
<b>Net exports of goods and services .....</b>																			
Exports .....	4.7	-5.4	4.4	2.6	5.8	7.8	10.7	6.0	-22.0	-11.9	0.1	5.0	5.5	4.8	5.0	0.6	8.6	11.0	8.7
Goods .....	5.0	-6.8	4.9	2.2	6.1	8.9	13.3	5.7	-27.1	-14.4	2.1	5.1	5.3	5.5	5.5	0.6	11.5	12.9	9.6
Services .....	4.1	-2.2	3.2	3.7	5.1	5.4	4.7	6.7	-8.9	-6.7	-3.8	4.6	5.8	3.5	3.9	0.6	2.2	6.5	6.3
Imports .....	10.6	-10.6	6.1	6.8	17.0	16.8	21.0	10.6	-36.7	-29.2	6.6	14.4	11.5	8.3	-2.2	-2.2	8.4	19.1	12.7
Goods .....	11.6	-12.4	6.8	6.9	19.3	19.2	22.7	11.6	-40.8	-33.4	8.5	17.1	12.5	9.9	-2.9	-3.0	8.9	22.3	14.1
Services .....	5.8	-2.2	2.7	6.6	5.9	5.1	12.6	5.5	-11.6	-7.9	-0.8	4.0	7.1	1.0	0.8	1.6	5.8	4.2	5.2
<b>Government consumption expenditures and gross investment .....</b>	<b>4.9</b>	<b>-0.3</b>	<b>2.2</b>	<b>2.9</b>	<b>4.7</b>	<b>7.9</b>	<b>6.6</b>	<b>4.2</b>	<b>-5.4</b>	<b>-1.8</b>	<b>0.0</b>	<b>1.2</b>	<b>2.0</b>	<b>4.7</b>	<b>1.3</b>	<b>0.9</b>	<b>3.1</b>	<b>5.4</b>	<b>4.1</b>
Federal .....	3.2	-0.2	2.4	0.4	2.3	7.5	4.1	1.7	-4.7	1.2	-2.0	1.4	2.3	5.6	1.3	1.1	2.0	5.3	3.7
National defense .....	3.6	-0.7	2.4	0.9	3.1	7.5	5.3	2.0	-5.8	0.2	-2.5	1.1	2.5	5.7	1.3	0.9	2.5	6.3	3.8
Nondefense .....	2.3	0.9	2.4	-0.6	0.8	7.6	1.5	1.1	-2.3	3.5	-1.0	2.2	1.9	5.5	1.2	1.5	1.1	3.4	3.6
State and local .....	5.9	-0.4	2.1	4.4	6.2	8.2	8.1	5.7	-5.7	-3.6	1.3	1.0	1.7	4.1	1.3	0.7	3.8	5.5	4.4
<b>Addenda:</b>																			
Final sales of domestic product .....	2.2	1.0	1.2	1.3	1.9	2.6	2.5	3.2	0.0	1.7	-0.3	0.4	1.2	1.4	1.4	1.4	1.8	2.4	2.4
Gross domestic purchases .....	3.2	-0.1	1.5	2.0	3.7	4.1	4.5	4.0	-4.0	-1.9	0.5	1.6	2.1	2.1	0.5	1.0	2.1	4.0	3.3
Final sales to domestic purchasers .....	3.3	-0.1	1.5	2.0	3.7	4.2	4.5	4.1	-4.4	-1.8	0.6	1.7	2.2	2.1	0.4	0.9	2.0	3.9	3.3
Gross national product (GNP) .....	2.2	1.1	1.1	1.3	1.9	2.5	2.5	3.1	0.4	1.7	-0.4	0.3	1.1	1.5	1.4	1.4	1.9	2.5	2.4
<b>Implicit price deflators:</b>																			
GDP .....	2.2	1.1	1.2	1.3	1.9	2.4	2.7	3.2	0.5	1.5	-0.4	0.2	1.0	1.5	1.6	1.3	1.8	2.7	2.5
Gross domestic purchases .....	3.3	-0.1	1.5	2.1	3.8	4.0	4.6	4.1	-4.0	-2.0	0.5	1.6	2.0	2.1	0.6	0.9	2.0	4.2	3.4
GNP .....	2.2	1.0	1.1	1.3	1.9	2.4	2.7	3.2	0.4	1.5	-0.4	0.2	1.0	1.5	1.5	1.3	1.8	2.7	2.5

<sup>r</sup> Revised  
See "Explanatory Note" at the end of the tables.

**Table 5. Real Gross Domestic Product, Quantity Indexes**  
[Index numbers, 2005=100]

	2008	2009	2010	Seasonally adjusted				
				2010			2011	
				II	III	IV	I	II <sup>r</sup>
<b>Gross domestic product</b> .....	<b>104.270</b>	<b>100.635</b>	<b>103.684</b>	<b>103.450</b>	<b>104.093</b>	<b>104.699</b>	<b>104.792</b>	<b>105.051</b>
<b>Personal consumption expenditures</b> .....	<b>104.637</b>	<b>102.657</b>	<b>104.741</b>	<b>104.355</b>	<b>105.038</b>	<b>105.962</b>	<b>106.511</b>	<b>106.625</b>
Goods.....	103.776	100.693	105.006	104.100	105.333	107.452	108.700	108.322
Durable goods.....	104.314	98.660	105.782	104.087	106.294	110.600	113.710	112.232
Nondurable goods.....	103.363	101.536	104.501	103.962	104.733	105.839	106.249	106.355
Services.....	105.067	103.644	104.628	104.496	104.912	105.250	105.453	105.813
<b>Gross private domestic investment</b> .....	<b>89.296</b>	<b>66.944</b>	<b>78.945</b>	<b>79.562</b>	<b>81.333</b>	<b>79.848</b>	<b>80.600</b>	<b>81.854</b>
Fixed investment.....	93.228	75.688	77.667	77.935	78.380	79.812	80.052	81.730
Nonresidential.....	114.125	93.755	97.913	97.081	99.725	101.822	102.342	104.776
Structures.....	132.595	104.426	87.883	87.261	88.169	90.399	86.974	90.198
Equipment and software.....	106.411	89.367	102.393	101.463	104.873	106.925	109.174	111.258
Residential.....	57.345	44.587	42.681	44.933	41.427	41.684	41.428	41.779
Change in private inventories.....								
<b>Exports of goods and services</b> .....	<b>126.376</b>	<b>114.479</b>	<b>127.444</b>	<b>126.049</b>	<b>129.101</b>	<b>131.551</b>	<b>134.061</b>	<b>135.073</b>
<b>Imports of goods and services</b> .....	<b>105.733</b>	<b>91.372</b>	<b>102.821</b>	<b>102.695</b>	<b>105.708</b>	<b>105.091</b>	<b>107.207</b>	<b>107.705</b>
<b>Government consumption expenditures and gross investment</b> ....	<b>105.381</b>	<b>107.161</b>	<b>107.886</b>	<b>108.193</b>	<b>108.457</b>	<b>107.691</b>	<b>106.076</b>	<b>105.843</b>
Federal.....	110.819	117.479	122.782	123.177	124.138	123.197	120.195	120.791
State and local.....	102.310	101.378	99.557	99.814	99.689	99.020	98.177	97.484
<b>Addenda:</b>								
Final sales of domestic product.....	104.991	102.224	103.626	103.334	103.762	104.841	104.850	105.172
Gross domestic purchases.....	102.303	97.796	101.160	101.057	101.828	102.064	102.237	102.458
Final sales to domestic purchasers.....	102.974	99.280	101.091	101.502	102.182	102.182	102.276	102.556
Gross national product.....	104.692	100.968	104.253	104.074	104.786	105.218	105.598	106.046

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

**Table 6. Price Indexes for Gross Domestic Product**  
[Index numbers, 2005=100]

	2008	2009	2010	Seasonally adjusted				
				2010			2011	
				II	III	IV	I	II <sup>r</sup>
<b>Gross domestic product</b> .....	<b>108.565</b>	<b>109.732</b>	<b>111.000</b>	<b>110.770</b>	<b>111.162</b>	<b>111.699</b>	<b>112.390</b>	<b>113.066</b>
<b>Personal consumption expenditures (PCE)</b> .....	<b>108.943</b>	<b>109.169</b>	<b>111.112</b>	<b>110.864</b>	<b>111.136</b>	<b>111.673</b>	<b>112.747</b>	<b>113.642</b>
Goods.....	105.912	103.209	104.837	104.286	104.497	105.367	107.412	108.751
Durable goods.....	94.628	92.901	91.348	91.639	91.058	90.507	90.362	90.745
Nondurable goods.....	112.567	109.301	112.748	111.704	112.379	114.092	117.463	119.381
Services.....	110.584	112.353	114.465	114.380	114.682	115.037	115.574	116.224
<b>Gross private domestic investment</b> .....	<b>107.501</b>	<b>106.401</b>	<b>104.743</b>	<b>104.510</b>	<b>104.755</b>	<b>105.199</b>	<b>105.755</b>	<b>106.374</b>
Fixed investment.....	107.587	106.305	104.843	104.693	104.826	105.035	105.412	106.072
Nonresidential.....	107.717	107.106	105.373	105.293	105.424	105.536	105.909	106.599
Structures.....	125.706	122.490	121.117	120.647	121.399	122.475	123.982	126.067
Equipment and software.....	101.000	101.496	99.634	99.677	99.595	99.406	99.446	99.730
Residential.....	106.296	102.637	102.214	101.784	101.941	102.563	102.958	103.491
Change in private inventories.....								
<b>Exports of goods and services</b> .....	<b>111.975</b>	<b>105.959</b>	<b>110.617</b>	<b>110.295</b>	<b>110.461</b>	<b>112.757</b>	<b>115.725</b>	<b>118.152</b>
<b>Imports of goods and services</b> .....	<b>119.237</b>	<b>106.571</b>	<b>113.032</b>	<b>112.610</b>	<b>111.994</b>	<b>114.271</b>	<b>119.370</b>	<b>122.980</b>
<b>Government consumption expenditures and gross investment</b> ....	<b>115.245</b>	<b>114.883</b>	<b>117.445</b>	<b>117.182</b>	<b>117.444</b>	<b>118.341</b>	<b>119.910</b>	<b>121.128</b>
Federal.....	111.225	111.000	113.653	113.444	113.759	114.331	115.827	116.879
State and local.....	117.666	117.214	119.704	119.404	119.627	120.757	122.372	123.706
<b>Addenda:</b>								
PCE excluding food and energy <sup>1</sup> .....	107.020	108.691	110.208	110.147	110.353	110.534	110.963	111.558
Market-based PCE <sup>2</sup> .....	108.909	109.201	110.857	110.554	110.894	111.394	112.498	113.479
Market-based PCE excluding food and energy <sup>2</sup> .....	106.666	108.647	109.763	109.667	109.943	110.025	110.391	111.040
Final sales of domestic product.....	108.576	109.703	110.981	110.761	111.140	111.647	112.315	112.996
Gross domestic purchases.....	109.858	109.803	111.438	111.190	111.456	112.048	113.147	114.066
Final sales to domestic purchasers.....	109.869	109.783	111.426	111.188	111.441	112.006	113.084	114.009
Gross national product.....	108.571	109.721	110.979	110.746	111.139	111.676	112.372	113.054
<b>Implicit price deflators:</b>								
Gross domestic product.....	108.582	109.729	110.992	110.793	111.156	111.644	112.398	113.094
Final sales of domestic product.....	108.576	109.703	110.981	110.757	111.136	111.642	112.311	112.992
Gross domestic purchases.....	109.875	109.799	111.429	111.213	111.451	111.996	113.155	114.094
Final sales to domestic purchasers.....	109.869	109.783	111.426	111.185	111.438	112.003	113.080	114.005
Gross national product.....	108.589	109.717	110.971	110.769	111.133	111.623	112.379	113.082

r Revised

1. Food excludes personal consumption expenditures for purchased meals and beverages, which are classified in food services.

2. 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, financial services furnished without payment) and the final consumption expenditures of nonprofit institutions serving households. Percentage changes for these series are included in the addenda to table 8 and appendix table A.

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



**Table 9. Relation of Gross Domestic Product, Gross National Product, and National Income**  
[Billions of dollars]

	2008	2009	2010	Seasonally adjusted at annual rates				
				2010			2011	
				II	III	IV	I <sup>r</sup>	II <sup>r</sup>
<b>Gross domestic product</b> .....	<b>14,291.5</b>	<b>13,939.0</b>	<b>14,526.5</b>	<b>14,467.8</b>	<b>14,605.5</b>	<b>14,755.0</b>	<b>14,867.8</b>	<b>14,996.8</b>
Plus: Income receipts from the rest of the world.....	856.1	639.8	702.9	699.0	708.9	729.4	752.1	791.2
Less: Income payments to the rest of the world.....	686.9	487.5	513.5	502.8	501.6	545.0	525.0	534.2
<b>Equals: Gross national product</b> .....	<b>14,460.7</b>	<b>14,091.2</b>	<b>14,715.9</b>	<b>14,664.0</b>	<b>14,812.8</b>	<b>14,939.4</b>	<b>15,094.9</b>	<b>15,253.8</b>
Less: Consumption of fixed capital.....	1,854.1	1,866.2	1,874.9	1,866.9	1,878.2	1,896.1	1,914.3	1,939.9
Less: Statistical discrepancy.....	-2.4	77.4	0.8	-6.6	-7.4	24.5	-52.0	-73.2
<b>Equals: National income</b> .....	<b>12,609.1</b>	<b>12,147.6</b>	<b>12,840.1</b>	<b>12,803.7</b>	<b>12,942.1</b>	<b>13,018.8</b>	<b>13,232.6</b>	<b>13,387.1</b>
Compensation of employees.....	8,068.3	7,806.4	7,971.4	7,960.0	8,022.2	8,050.8	8,172.5	8,264.0
Wage and salary accruals.....	6,549.9	6,275.3	6,408.2	6,399.8	6,454.5	6,477.0	6,578.2	6,658.4
Supplements to wages and salaries.....	1,522.5	1,531.1	1,563.1	1,560.2	1,567.7	1,573.7	1,594.4	1,605.6
Proprietors' income with inventory valuation and capital consumption adjustments.....	1,097.9	941.2	1,036.4	1,025.6	1,057.0	1,081.5	1,095.6	1,105.4
Rental income of persons with capital consumption adjustment.....	231.6	305.9	350.2	349.1	352.8	354.8	385.0	397.0
Corporate profits with inventory valuation and capital consumption adjustments.....	1,248.4	1,362.0	1,800.1	1,785.8	1,833.1	1,857.4	1,876.4	1,933.7
Net interest and miscellaneous payments.....	870.1	656.7	564.3	569.2	550.1	548.7	556.6	527.8
Taxes on production and imports less subsidies.....	985.7	958.2	996.7	993.8	1,002.0	1,006.4	1,027.3	1,039.0
Business current transfer payments (net).....	123.0	132.0	136.7	135.7	140.9	135.7	134.7	134.8
Current surplus of government enterprises.....	-16.0	-14.9	-15.7	-15.5	-16.0	-16.5	-15.6	-14.5
<b>Addendum:</b>								
Gross domestic income.....	14,294.0	13,861.5	14,525.7	14,474.4	14,612.9	14,730.5	14,919.8	15,070.0

<sup>r</sup> Revised. Revisions include changes to series affected by the incorporation of revised wage and salary estimates for the first quarter of 2011.

**Table 10. Personal Income and Its Disposition**  
[Billions of dollars]

	2008	2009	2010	Seasonally adjusted at annual rates				
				2010			2011	
				II	III	IV	I <sup>r</sup>	II <sup>r</sup>
<b>Personal income</b> <sup>1</sup> .....	<b>12,460.2</b>	<b>11,930.2</b>	<b>12,373.5</b>	<b>12,325.6</b>	<b>12,453.2</b>	<b>12,577.6</b>	<b>12,846.9</b>	<b>12,994.9</b>
Compensation of employees, received.....	8,073.3	7,801.4	7,971.4	7,960.0	8,022.2	8,050.8	8,172.5	8,264.0
Wage and salary disbursements.....	6,550.9	6,270.3	6,408.2	6,399.8	6,454.5	6,477.0	6,578.2	6,658.4
Supplements to wages and salaries.....	1,522.5	1,531.1	1,563.1	1,560.2	1,567.7	1,573.7	1,594.4	1,605.6
Proprietors' income with inventory valuation and capital consumption adjustments.....	1,097.9	941.2	1,036.4	1,025.6	1,057.0	1,081.5	1,095.6	1,105.4
Farm.....	51.8	39.2	52.2	45.8	58.3	60.1	66.1	67.3
Nonfarm.....	1,046.1	902.0	984.2	979.7	998.7	1,021.4	1,029.5	1,038.0
Rental income of persons with capital consumption adjustment.....	231.6	305.9	350.2	349.1	352.8	354.8	385.0	397.0
Personal income receipts on assets.....	2,165.4	1,707.7	1,721.2	1,724.5	1,723.4	1,743.5	1,777.2	1,803.6
Personal interest income.....	1,382.0	1,108.9	1,003.4	1,014.1	983.9	989.6	1,004.7	1,017.2
Personal dividend income.....	783.4	598.8	717.7	710.4	739.4	753.9	772.5	786.4
Personal current transfer receipts.....	1,879.2	2,138.1	2,281.2	2,252.1	2,289.4	2,341.2	2,328.1	2,348.0
Less: Contributions for government social insurance, domestic.....	987.3	964.1	986.8	985.7	991.5	994.1	911.5	923.0
Less: Personal current taxes.....	1,435.7	1,141.4	1,193.9	1,175.4	1,212.8	1,240.9	1,365.9	1,394.5
<b>Equals: Disposable personal income</b> .....	<b>11,024.5</b>	<b>10,788.8</b>	<b>11,179.7</b>	<b>11,150.2</b>	<b>11,240.4</b>	<b>11,336.7</b>	<b>11,481.0</b>	<b>11,600.4</b>
Less: Personal outlays.....	10,432.2	10,236.3	10,586.9	10,527.0	10,614.8	10,748.6	10,902.1	10,992.6
<b>Equals: Personal saving</b> .....	<b>592.3</b>	<b>552.6</b>	<b>592.8</b>	<b>623.3</b>	<b>625.6</b>	<b>588.1</b>	<b>578.9</b>	<b>607.8</b>
Personal saving as a percentage of disposable personal income.....	5.4	5.1	5.3	5.6	5.6	5.2	5.0	5.2
<b>Addenda:</b>								
Personal income excluding current transfer receipts, billions of chained (2005) dollars <sup>2</sup> .....	9,712.3	8,969.7	9,083.0	9,086.5	9,145.7	9,166.7	9,329.8	9,369.1
Disposable personal income, billions of chained (2005) dollars <sup>2</sup> .....	10,119.5	9,882.7	10,061.6	10,057.8	10,114.4	10,152.0	10,183.2	10,208.1

<sup>r</sup> Revised. Revisions include changes to series affected by the incorporation of revised wage and salary estimates for the first quarter of 2011.

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. The current-dollar measure is 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					
	2008	2009	2010	Seasonally adjusted at annual rates					2009	2010	Quarterly rates				Quarter one year ago
				2010			2011				2010		2011		2011
				II	III	IV	I	II			III	IV	I	II	II
<b>Corporate profits with inventory valuation and capital consumption adjustments</b> .....	<b>1,248.4</b>	<b>1,362.0</b>	<b>1,800.1</b>	<b>1,785.8</b>	<b>1,833.1</b>	<b>1,857.4</b>	<b>1,876.4</b>	<b>1,933.7</b>	<b>9.1</b>	<b>32.2</b>	<b>2.6</b>	<b>1.3</b>	<b>1.0</b>	<b>3.0</b>	<b>8.3</b>
Less: Taxes on corporate income.....	309.0	272.4	411.1	399.6	430.3	404.7	422.3	419.3	-11.9	50.9	7.7	-5.9	4.3	-0.7	4.9
<b>Equals: Profits after tax with inventory valuation and capital consumption adjustments</b> .....	<b>939.4</b>	<b>1,089.6</b>	<b>1,389.1</b>	<b>1,386.3</b>	<b>1,402.8</b>	<b>1,452.7</b>	<b>1,454.1</b>	<b>1,514.4</b>	<b>16.0</b>	<b>27.5</b>	<b>1.2</b>	<b>3.6</b>	<b>0.1</b>	<b>4.1</b>	<b>9.2</b>
Net dividends.....	786.9	620.0	737.3	729.3	760.5	774.8	793.8	807.4	-21.2	18.9	4.3	1.9	2.5	1.7	10.7
Undistributed profits with inventory valuation and capital consumption adjustments.....	152.5	469.6	651.7	657.0	642.3	677.9	660.3	707.0	207.9	38.8	-2.2	5.5	-2.6	7.1	7.6
<b>Addenda for corporate cash flow:</b>															
<b>Net cash flow with inventory valuation adjustment</b> .....	<b>1,245.2</b>	<b>1,583.6</b>	<b>1,699.0</b>	<b>1,750.5</b>	<b>1,688.9</b>	<b>1,704.9</b>	<b>1,726.0</b>	<b>1,809.8</b>	<b>27.2</b>	<b>7.3</b>	<b>-3.5</b>	<b>1.0</b>	<b>1.2</b>	<b>4.9</b>	<b>3.4</b>
Undistributed profits with inventory valuation and capital consumption adjustments.....	152.5	469.6	651.7	657.0	642.3	677.9	660.3	707.0	207.9	38.8	-2.2	5.5	-2.6	7.1	7.6
Consumption of fixed capital.....	1,028.5	1,030.4	1,027.1	1,023.5	1,028.5	1,038.3	1,048.0	1,063.3	0.2	-0.3	0.5	0.9	0.9	1.5	3.9
Less: Capital transfers paid (net).....	-64.2	-83.6	-20.2	-70.0	-18.0	11.3	-17.7	-39.4							
<b>Addenda:</b>															
Profits before tax (without inventory valuation and capital consumption adjustments).....	1,359.9	1,455.7	1,819.5	1,865.5	1,844.5	1,742.5	1,877.1	1,885.8	7.0	25.0	-1.1	-5.5	7.7	0.5	1.1
Profits after tax (without inventory valuation and capital consumption adjustments).....	1,050.9	1,183.3	1,408.4	1,465.9	1,414.2	1,337.8	1,454.8	1,466.5	12.6	19.0	-3.5	-5.4	8.7	0.8	0.0
Inventory valuation adjustment.....	-44.5	0.6	-39.1	-5.6	-32.0	-90.3	-116.0	-59.3							
Capital consumption adjustment.....	-67.1	-94.3	19.7	-74.1	20.5	205.2	115.4	107.2							

**Table 12. Corporate Profits by Industry: Level and Change From Preceding Period**

[Billions of dollars]

	Level									Change from preceding period					
	2008	2009	2010	Seasonally adjusted at annual rates					2009	2010	2010		2011		
				2010			2011				III	IV	I	II	
				II	III	IV	I	II			III	IV	I	II	
<b>Corporate profits with inventory valuation and capital consumption adjustments</b> .....	<b>1,248.4</b>	<b>1,362.0</b>	<b>1,800.1</b>	<b>1,785.8</b>	<b>1,833.1</b>	<b>1,857.4</b>	<b>1,876.4</b>	<b>1,933.7</b>	<b>113.6</b>	<b>438.1</b>	<b>47.3</b>	<b>24.3</b>	<b>19.0</b>	<b>57.3</b>	
<b>Domestic industries</b> .....	<b>841.8</b>	<b>1,001.6</b>	<b>1,418.2</b>	<b>1,395.2</b>	<b>1,437.8</b>	<b>1,484.5</b>	<b>1,465.7</b>	<b>1,495.8</b>	<b>159.8</b>	<b>416.6</b>	<b>42.6</b>	<b>46.7</b>	<b>-18.8</b>	<b>30.1</b>	
Financial.....	86.8	359.5	466.7	452.7	460.0	512.0	473.3	419.1	272.7	107.2	7.3	52.0	-38.7	-54.2	
Nonfinancial.....	755.0	642.1	951.5	942.5	977.8	972.6	992.3	1,076.7	-112.9	309.4	35.3	-5.2	19.7	84.4	
<b>Rest of the world</b> .....	<b>406.6</b>	<b>360.4</b>	<b>381.9</b>	<b>390.6</b>	<b>395.3</b>	<b>372.9</b>	<b>410.8</b>	<b>437.9</b>	<b>-46.2</b>	<b>21.5</b>	<b>4.7</b>	<b>-22.4</b>	<b>37.9</b>	<b>27.1</b>	
Receipts from the rest of the world.....	581.9	490.4	569.6	565.9	575.5	591.6	611.9	648.0	-91.5	79.2	9.6	16.1	20.3	36.1	
Less: Payments to the rest of the world.....	175.3	130.0	187.7	175.3	180.3	218.8	201.1	210.1	-45.3	57.7	5.0	38.5	-17.7	9.0	
<b>Corporate profits with inventory valuation adjustment</b> .....	<b>1,315.5</b>	<b>1,456.3</b>	<b>1,780.4</b>	<b>1,859.9</b>	<b>1,812.6</b>	<b>1,652.2</b>	<b>1,761.1</b>	<b>1,826.4</b>	<b>140.8</b>	<b>324.1</b>	<b>-47.3</b>	<b>-160.4</b>	<b>108.9</b>	<b>65.3</b>	
<b>Domestic industries</b> .....	<b>908.9</b>	<b>1,095.9</b>	<b>1,398.5</b>	<b>1,469.3</b>	<b>1,417.3</b>	<b>1,279.3</b>	<b>1,350.3</b>	<b>1,388.6</b>	<b>187.0</b>	<b>302.6</b>	<b>-52.0</b>	<b>-138.0</b>	<b>71.0</b>	<b>38.3</b>	
Financial.....	122.2	401.8	494.7	490.6	487.8	520.8	491.5	438.9	279.6	92.9	-2.8	33.0	-29.3	-52.6	
Federal Reserve banks.....	35.1	47.3	71.6	73.9	71.4	69.5	72.7	80.7	12.2	24.3	-2.5	-1.9	3.2	8.0	
Other financial.....	87.1	354.5	423.2	416.7	416.4	451.3	418.8	358.2	267.4	68.7	-0.3	34.9	-32.5	-60.6	
Nonfinancial.....	786.7	694.1	903.7	978.7	929.5	758.5	858.8	949.7	-92.6	209.6	-49.2	-171.0	100.3	90.9	
Utilities.....	30.7	22.2	25.0	18.2	28.0	7.1	14.9		-8.5	2.8	9.8	-20.9	7.8		
Manufacturing.....	195.5	125.2	217.1	237.3	227.2	187.7	217.6		-70.3	91.9	-10.1	-39.5	29.9		
Durable goods.....	56.8	20.5	95.0	100.4	95.2	84.5	90.8		-36.3	74.5	-5.2	-10.7	6.3		
Fabricated metal products.....	15.8	10.5	11.7	9.3	12.5	13.5	14.6		-5.3	1.2	3.2	1.0	1.1		
Machinery.....	16.6	7.8	15.3	14.3	16.8	16.9	20.0		-8.8	7.5	2.5	0.1	3.1		
Computer and electronic products.....	12.2	15.4	39.5	37.4	39.0	41.9	29.0		3.2	24.1	1.6	2.9	-12.9		
Electrical equipment, appliances, and components.....	4.6	8.4	7.0	9.3	7.6	2.4	4.3		3.8	-1.4	-1.7	-5.2	1.9		
Motor vehicles, bodies and trailers, and parts.....	-33.1	-45.1	-12.7	-6.9	-9.9	-19.1	-12.0		-12.0	32.4	-3.0	-9.2	7.1		
Other durable goods.....	40.7	23.6	34.1	36.9	29.2	28.8	34.8		-17.1	10.5	-7.7	-0.4	6.0		
Non-durable goods.....	138.6	104.7	122.1	136.9	132.0	103.2	126.9		-33.9	17.4	-4.9	-28.8	23.7		
Food and beverage and tobacco products.....	29.9	41.5	37.8	40.8	39.6	29.6	33.5		11.6	-3.7	-1.2	-10.0	3.9		
Petroleum and coal products.....	77.8	9.4	36.0	52.8	31.7	28.4	37.9		-68.4	26.6	-21.1	-3.3	9.5		
Chemical products.....	23.9	38.3	34.7	29.4	45.5	35.0	36.1		14.4	-3.6	16.1	-10.5	1.1		
Other non-durable goods.....	7.1	15.5	13.7	13.9	15.2	10.2	19.3		8.4	-1.8	1.3	-5.0	9.1		
Wholesale trade.....	86.3	83.3	85.8	111.0	89.4	49.5	71.6		-3.0	2.5	-21.6	-39.9	22.1		
Retail trade.....	81.6	106.0	122.6	125.4	119.0	117.3	120.2		24.4	16.6	-6.4	-1.7	2.9		
Transportation and warehousing.....	31.9	23.5	34.4	37.7	39.3	28.2	23.5		-8.4	10.9	1.6	-11.1	-4.7		
Information.....	75.1	81.2	87.7	93.5	86.6	79.1	98.9		6.1	6.5	-6.9	-7.5	19.8		
Other nonfinancial.....	285.7	252.8	331.2	355.6	340.0	289.6	312.0		-32.9	78.4	-15.6	-50.4	22.4		
<b>Rest of the world</b> .....	<b>406.6</b>	<b>360.4</b>	<b>381.9</b>	<b>390.6</b>	<b>395.3</b>	<b>372.9</b>	<b>410.8</b>	<b>437.9</b>	<b>-46.2</b>	<b>21.5</b>	<b>4.7</b>	<b>-22.4</b>	<b>37.9</b>	<b>27.1</b>	

NOTE. Estimates in this table are based on the 2002 North American Industry Classification System (NAICS).

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

	2008	2009	2010	Seasonally adjusted at annual rates				
				2010			2011	
				II	III	IV	I <sup>r</sup>	II
				Billions of dollars				
<b>Gross value added of nonfinancial corporate business</b> .....	<b>6,991.4</b>	<b>6,592.0</b>	<b>6,902.0</b>	<b>6,876.6</b>	<b>6,953.9</b>	<b>6,966.5</b>	<b>7,078.3</b>	<b>7,239.4</b>
Consumption of fixed capital .....	864.3	862.2	856.8	853.9	857.7	865.4	873.4	885.7
<b>Net value added</b> .....	<b>6,127.1</b>	<b>5,729.8</b>	<b>6,045.2</b>	<b>6,022.6</b>	<b>6,096.2</b>	<b>6,101.1</b>	<b>6,205.0</b>	<b>6,353.8</b>
Compensation of employees .....	4,441.2	4,178.2	4,263.0	4,247.5	4,299.8	4,315.9	4,386.5	4,446.4
Wage and salary accruals .....	3,681.4	3,436.4	3,513.4	3,499.0	3,548.2	3,562.4	3,621.5	3,676.0
Supplements to wages and salaries .....	759.8	741.7	749.6	748.5	751.6	753.4	765.0	770.4
Taxes on production and imports less subsidies .....	615.2	587.4	614.3	612.3	617.1	620.7	633.2	641.6
Net operating surplus .....	1,070.8	964.2	1,167.8	1,162.8	1,179.4	1,164.6	1,185.3	1,265.8
Net interest and miscellaneous payments .....	257.7	243.7	130.9	135.5	114.9	106.5	106.6	102.8
Business current transfer payments (net) .....	58.1	78.3	85.4	84.8	86.7	85.5	86.3	86.4
Corporate profits with inventory valuation and capital consumption adjustments .....	755.0	642.1	951.5	942.5	977.8	972.6	992.3	1,076.7
Taxes on corporate income .....	227.4	175.0	229.3	232.0	239.4	212.4	238.5	251.7
Profits after tax with inventory valuation and capital consumption adjustments .....	527.7	467.1	722.3	710.5	738.3	760.2	753.8	825.0
Net dividends .....	474.1	349.0	398.8	376.2	406.0	432.3	422.0	460.4
Undistributed profits with inventory valuation and capital consumption adjustments .....	53.5	118.1	323.5	334.3	332.3	327.9	331.8	364.6
<b>Addenda:</b>								
Profits before tax (without inventory valuation and capital consumption adjustments).....	831.2	693.5	942.8	984.3	961.5	848.9	974.8	1,009.0
Profits after tax (without inventory valuation and capital consumption adjustments).....	603.8	518.5	713.5	752.3	722.0	636.5	736.3	757.3
Inventory valuation adjustment .....	-44.5	0.6	-39.1	-5.6	-32.0	-90.3	-116.0	-59.3
Capital consumption adjustment .....	-31.7	-52.0	47.8	-36.2	48.3	214.1	133.6	127.0
	Billions of chained (2005) dollars							
<b>Gross value added of nonfinancial corporate business</b> <sup>1</sup> .....	<b>6,521.2</b>	<b>6,110.9</b>	<b>6,442.7</b>	<b>6,441.6</b>	<b>6,477.8</b>	<b>6,455.9</b>	<b>6,526.7</b>	<b>6,646.0</b>
Consumption of fixed capital <sup>2</sup> .....	798.9	805.4	805.4	802.5	805.9	811.3	816.3	821.9
Net value added <sup>3</sup> .....	5,722.3	5,305.5	5,637.3	5,639.1	5,671.9	5,644.6	5,710.4	5,824.1
	Dollars; quarters seasonally adjusted							
<b>Price, costs, and profits per unit of real gross value added of nonfinancial corporate business:</b>								
<b>Price per unit of real gross value added of nonfinancial corporate business</b> <sup>4</sup> .....	<b>1.072</b>	<b>1.079</b>	<b>1.071</b>	<b>1.068</b>	<b>1.073</b>	<b>1.079</b>	<b>1.085</b>	<b>1.089</b>
Compensation of employees (unit labor cost) .....	0.681	0.684	0.662	0.659	0.664	0.669	0.672	0.669
Unit nonlabor cost .....	0.276	0.290	0.262	0.262	0.259	0.259	0.260	0.258
Consumption of fixed capital .....	0.133	0.141	0.133	0.133	0.132	0.134	0.134	0.133
Taxes on production and imports less subsidies plus business current transfer payments (net) .....	0.103	0.109	0.109	0.108	0.109	0.109	0.110	0.110
Net interest and miscellaneous payments .....	0.040	0.040	0.020	0.021	0.018	0.016	0.016	0.015
Corporate profits with inventory valuation and capital consumption adjustments (unit profits from current production).....	0.116	0.105	0.148	0.146	0.151	0.151	0.152	0.162
Taxes on corporate income .....	0.035	0.029	0.036	0.036	0.037	0.033	0.037	0.038
Profits after tax with inventory valuation and capital consumption adjustments .....	0.081	0.076	0.112	0.110	0.114	0.118	0.116	0.124

<sup>r</sup> Revised. Revisions include changes to series affected by the incorporation of revised wage and salary estimates for the first quarter of 2011.

1. The current-dollar gross value added is deflated using the gross value added chain-type price index for nonfinancial 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 2005 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 2002 North American Industry Classification System (NAICS).

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

	2008	2009	2010	Seasonally adjusted at annual rates															
				2007		2008				2009				2010				2011	
				III	IV	I	II	III	IV	I	II	III	IV	I	II	III	IV	I	II <sup>r</sup>
<b>Gross domestic product (GDP) and related aggregates:</b>																			
GDP.....	-0.3	-3.5	3.0	3.0	1.7	-1.8	1.3	-3.7	-8.9	-6.7	-0.7	1.7	3.8	3.9	3.8	2.5	2.3	0.4	1.0
Goods.....	-0.8	-5.9	11.7	6.2	5.5	-4.4	4.5	-8.2	-23.9	-10.6	3.7	7.9	18.3	20.9	4.0	7.9	5.9	4.9	0.0
Services.....	1.0	-0.5	1.1	2.9	2.3	1.1	0.2	-0.9	-0.7	-1.8	0.5	0.0	1.2	0.3	2.6	1.5	1.0	-0.1	1.3
Structures.....	-7.7	-16.9	-8.8	-4.7	-10.9	-12.0	0.1	-8.3	-17.4	-27.1	-20.6	-3.9	-17.8	-18.6	15.0	-8.0	1.0	-13.1	2.4
Motor vehicle output.....	-18.6	-24.5	27.4	-2.0	-14.6	-14.1	-25.4	-26.0	-58.1	-55.3	18.8	128.2	10.1	40.1	15.7	14.9	-17.4	59.2	-5.9
GDP excluding motor vehicle output.....	0.2	-3.0	2.6	3.1	2.2	-1.4	2.1	-3.0	-7.4	-5.5	-1.0	0.2	3.7	3.3	3.5	2.2	2.9	-0.7	1.2
Final sales of computers <sup>1</sup> .....	20.1	1.3	20.5	55.0	39.3	7.3	30.0	-2.8	1.1	17.1	-13.8	-11.7	2.5	37.0	12.7	72.7	64.2	14.7	19.7
GDP excluding final sales of computers.....	-0.4	-3.5	2.9	2.7	1.5	-1.8	1.2	-3.7	-8.9	-6.8	-0.6	1.8	3.8	3.8	3.7	2.2	2.1	0.3	0.9
Farm gross value added <sup>2</sup> .....	12.6	15.1	-0.5	-19.3	41.9	48.4	-11.5	-16.5	79.6	15.1	5.9	41.8	-36.7	0.3	17.7	21.4	-29.8	-31.8	-9.0
Nonfarm business gross value added <sup>3</sup> .....	-1.5	-5.1	4.0	3.4	0.9	-3.6	0.4	-5.2	-12.7	-8.7	-1.1	1.4	5.6	5.2	4.6	3.5	3.8	0.9	1.3
Gross domestic income <sup>4</sup> .....	-0.4	-4.0	3.6	-1.3	1.4	2.6	-1.1	-2.6	-9.8	-7.0	-2.1	1.3	4.8	6.3	3.8	2.5	1.5	2.4	1.5
<b>Price indexes:</b>																			
GDP.....	2.2	1.1	1.2	1.3	1.9	2.5	2.5	3.1	0.5	1.7	-0.4	0.3	1.1	1.5	1.5	1.4	1.9	2.5	2.4
GDP excluding food and energy <sup>5</sup> .....	2.4	0.8	1.4	1.7	2.7	3.2	2.4	2.7	-0.5	0.3	0.6	0.9	1.8	1.8	1.3	0.8	1.3	2.5	2.6
GDP excluding final sales of computers.....	2.3	1.2	1.2	1.4	2.0	2.6	2.6	3.2	0.6	1.8	-0.3	0.4	1.2	1.5	1.5	1.5	2.0	2.6	2.5
Gross domestic purchases.....	3.2	-0.1	1.5	2.0	3.7	4.1	4.5	4.0	-4.0	-1.9	0.5	1.6	2.1	2.1	0.5	1.0	2.1	4.0	3.3
Gross domestic purchases excluding food and energy <sup>5</sup> .....	2.6	0.8	1.2	1.9	2.8	3.4	3.1	2.7	-0.1	0.0	0.6	0.6	1.7	1.6	1.1	0.8	1.2	2.4	2.6
Gross domestic purchases excluding final sales of computers to domestic purchasers.....	3.4	0.0	1.6	2.1	3.9	4.3	4.6	4.2	-3.9	-1.8	0.6	1.7	2.2	2.1	0.5	1.0	2.2	4.1	3.4
Personal consumption expenditures (PCE).....	3.3	0.2	1.8	2.2	4.2	3.9	4.5	4.3	-5.6	-1.7	1.9	3.0	2.8	1.9	0.3	1.0	1.9	3.9	3.2
PCE excluding food and energy <sup>5</sup> .....	2.3	1.6	1.4	2.1	2.8	2.5	2.4	2.0	1.0	1.0	2.1	1.5	2.2	1.1	1.3	0.8	0.7	1.6	2.2
Market-based PCE <sup>6</sup> .....	3.4	0.3	1.5	1.9	4.4	4.3	4.2	5.0	-5.9	-1.3	2.0	2.9	2.2	1.5	-0.1	1.2	1.8	4.0	3.5
Market-based PCE excluding food and energy <sup>6</sup> .....	2.3	1.9	1.0	1.7	2.8	2.8	1.7	2.4	1.7	1.9	2.2	1.2	1.4	0.6	0.9	1.0	0.3	1.3	2.4

<sup>r</sup> Revised

1. For some components of final sales of computers, includes 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.

4. Gross domestic income deflated by the implicit price deflator for gross domestic product. Includes changes due to the incorporation of revised wage and salary estimates for the first quarter of 2011.

5. Food excludes personal consumption expenditures for purchased meals and beverages, which are classified in food services.

6. 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, financial services furnished without payment) and the final consumption expenditures of nonprofit institutions serving households.

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 2005 -- 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 2007-08 annual percent change in real GDP uses prices for 2007 and 2008 as weights, and the 2007-08 annual percent change in GDP prices uses quantities for 2007 and 2008 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 the percent change 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 (2005) dollar estimates.” For most series, these estimates, which are presented in table 3, are computed by multiplying the current-dollar value in 2005 by a corresponding quantity index number and then dividing by 100. For example, if a current-dollar GDP component equaled \$100 in 2005 and if real output for this component increased 10 percent in 2006, then the chained (2005) dollar value of this component in 2006 would be \$110 (= \$100 x 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.