

Technical Note

Gross Domestic Product First Quarter of 2017 (Third Estimate)

June 29, 2017

This technical note provides background information about the source data and estimating methods used to produce the estimates presented in the GDP news release. The complete set of estimates for the first quarter is available on BEA's Web site at www.bea.gov; release highlights are also posted on the Web site. In a few weeks, the *Survey of Current Business*, BEA's online monthly journal, will publish a more detailed analysis of the estimates ("GDP and the Economy").

Sources of Revision to Real GDP

Real GDP increased 1.4 percent (annual rate) in the first quarter of 2017, an upward revision of 0.2 percentage point from the second estimate. The revision primarily reflected upward revisions to consumer spending on services and to exports of goods. Partly offsetting these upward revisions was a downward revision to nonresidential fixed investment in structures.

- The upward revision to consumer spending on services primarily reflected upward revisions to financial services and insurance and to healthcare that were partly offset by a downward revision to transportation services. These revisions are mainly attributable to newly available information from the Census Bureau's Quarterly Services Report.
- The upward revision to exports of goods was primarily attributable to an upward revision to industrial supplies and materials based on the annual update of BEA's International Transactions Accounts, which were incorporated on a best-change basis.
- The downward revision to nonresidential fixed investment in structures reflected revised construction spending statistics, for both February and March, from the Census Bureau's Value of Construction Put in Place.

Gross Domestic Income and Corporate Profits

Real gross domestic income (GDI) increased 1.0 percent in the first quarter, an upward revision of 0.1 percentage point. Profits from current production decreased \$48.4 billion, or 2.3 percent (quarterly rate), in the first quarter. Domestic profits of financial corporations decreased \$27.9 billion, domestic profits of nonfinancial corporations decreased \$11.1 billion, and rest-of-the-world profits decreased \$9.4 billion.

Annual Update Scheduled for July 28

The annual update of the NIPAs will be released along with the “advance” estimate of GDP for the second quarter of 2017 on July 28. GDP will be revised for the most recent 3 years (2014 through 2016) and for the first quarter of 2017. For more information, see “Preview of the 2017 NIPA Annual Update” included in the May *Survey of Current Business* article on [“GDP and the Economy”](#). The August *Survey* will contain an article that describes the results.

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