



NEWS RELEASE



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GROSS DOMESTIC PRODUCT: FOURTH QUARTER AND ANNUAL 2010 (THIRD ESTIMATE) CORPORATE PROFITS: FOURTH QUARTER AND ANNUAL 2010

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 3.1 percent in the fourth quarter of 2010, (that is, from the third quarter to the fourth quarter), according to the "third" estimate released by the Bureau of Economic Analysis. In the third quarter, real GDP increased 2.6 percent.

The GDP estimate released today is based on more complete source data than were available for the "second" estimate issued last month. In the second estimate, the increase in real GDP was 2.8 percent (see "Revisions" on page 3).

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

The fourth-quarter acceleration in real GDP primarily reflected a sharp downturn in imports, an acceleration in PCE, an upturn in residential fixed investment, and an acceleration in exports that were partly offset by downturns in private inventory investment, in federal government spending, and in state and local government spending, and a deceleration in nonresidential fixed investment.

Final sales of computers added 0.35 percentage point to the fourth-quarter change in real GDP after adding 0.29 percentage point to the third-quarter change. Motor vehicle output subtracted 0.27 percentage point from the fourth-quarter change in real GDP after adding 0.49 percentage point to the third-quarter change.

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.

This news release is available on [BEA's Web site](#) along with the [Technical Note](#) and [Highlights](#) related to this release.

The price index for gross domestic purchases, which measures prices paid by U.S. residents, increased 2.1 percent in the fourth quarter, the same increase as in the second estimate; this index increased 0.7 percent in the third quarter. Excluding food and energy prices, the price index for gross domestic purchases increased 1.1 percent in the fourth quarter, compared with an increase of 0.4 percent in the third.

Real personal consumption expenditures increased 4.0 percent in the fourth quarter, compared with an increase of 2.4 percent in the third. Durable goods increased 21.1 percent, compared with an increase of 7.6 percent. Nondurable goods increased 4.1 percent, compared with an increase of 2.5 percent. Services increased 1.5 percent, compared with an increase of 1.6 percent.

Real nonresidential fixed investment increased 7.7 percent in the fourth quarter, compared with an increase of 10.0 percent in the third. Nonresidential structures increased 7.6 percent, in contrast to a decrease of 3.5 percent. Equipment and software increased 7.7 percent, compared with an increase of 15.4 percent. Real residential fixed investment increased 3.3 percent, in contrast to a decrease of 27.3 percent.

Real exports of goods and services increased 8.6 percent in the fourth quarter, compared with an increase of 6.8 percent in the third. Real imports of goods and services decreased 12.6 percent, in contrast to an increase of 16.8 percent.

Real federal government consumption expenditures and gross investment decreased 0.3 percent in the fourth quarter, in contrast to an increase of 8.8 percent in the third. National defense decreased 2.2 percent, in contrast to an increase of 8.5 percent. Nondefense increased 3.7 percent, compared with an increase of 9.5 percent. Real state and local government consumption expenditures and gross investment decreased 2.6 percent, in contrast to an increase of 0.7 percent.

The change in real private inventories subtracted 3.42 percentage points from the fourth-quarter change in real GDP, after adding 1.61 percentage points to the third-quarter change. Private businesses increased inventories \$16.2 billion in the fourth quarter, following increases of \$121.4 billion in the third quarter and \$68.8 billion in the second.

Real final sales of domestic product -- GDP less change in private inventories -- increased 6.7 percent in the fourth quarter, compared with an increase of 0.9 percent in the third.

Gross domestic purchases

Real gross domestic purchases -- purchases by U.S. residents of goods and services wherever produced -- decreased 0.2 percent in the fourth quarter, in contrast to an increase of 4.2 percent in the third.

Gross national product

Real gross national product -- the goods and services produced by the labor and property supplied by U.S. residents -- increased 2.8 percent in the fourth quarter, compared with an increase of 2.3 percent in the third. GNP includes, and GDP excludes, net receipts of income from the rest of the world, which decreased \$10.5 billion in the fourth quarter after decreasing \$7.1 billion in the third; in the fourth quarter, receipts increased \$21.1 billion, and payments increased \$31.5 billion.

Current-dollar GDP

Current-dollar GDP -- the market value of the nation's output of goods and services -- increased 3.5 percent, or \$126.3 billion, in the fourth quarter to a level of \$14,871.4 billion. In the third quarter, current-dollar GDP increased 4.6 percent, or \$166.4 billion.

Revisions

The upward revision to the percent change in real GDP primarily reflected upward revisions to private inventory investment and to nonresidential fixed investment that were partly offset by a downward revision to exports of goods and services.

	<u>Advance Estimate</u>	<u>Second Estimate</u>	<u>Third Estimate</u>
	(Percent change from preceding quarter)		
Real GDP.....	3.2	2.8	3.1
Current-dollar GDP.....	3.4	3.2	3.5
Gross domestic purchases price index...	2.1	2.1	2.1

2010 GDP

Real GDP increased 2.9 percent in 2010 (that is, from the 2009 annual level to the 2010 annual level), in contrast to a decrease of 2.6 percent in 2009.

The increase in real GDP in 2010 primarily reflected positive contributions from private inventory investment, exports, personal consumption expenditures (PCE), nonresidential fixed investment, and federal government spending. Imports, which are a subtraction in the calculation of GDP, increased.

The upturn in real GDP primarily reflected upturns in exports, in nonresidential fixed investment, in PCE, and in private inventory investment and a smaller decrease in residential fixed investment that were partly offset by an upturn in imports.

The price index for gross domestic purchases increased 1.3 percent in 2010, in contrast to a decrease of 0.2 percent in 2009.

Current-dollar GDP increased 3.8 percent, or \$541.4 billion, in 2010. In contrast, current-dollar GDP decreased 1.7 percent, or \$250.1 billion, in 2009.

During 2010 (that is, measured from the fourth quarter of 2009 to the fourth quarter of 2010), real GDP increased 2.8 percent. Real GDP increased 0.2 percent during 2009. The price index for gross domestic purchases increased 1.2 percent during 2010, compared with an increase of 0.5 percent during 2009.

Corporate Profits

Profits from current production (corporate profits with inventory valuation and capital consumption adjustments) increased \$38.2 billion in the fourth quarter, compared with an increase of \$26.0 billion in the third quarter. Current-production cash flow (net cash flow with inventory valuation adjustment) -- the internal funds available to corporations for investment -- increased \$36.9 billion in the fourth quarter, in contrast to a decrease of \$68.4 billion in the third.

Taxes on corporate income decreased \$1.3 billion in the fourth quarter, in contrast to an increase of \$23.8 billion in the third. Profits after tax with inventory valuation and capital consumption adjustments increased \$39.5 billion in the fourth quarter, compared with an increase of \$2.2 billion in the third. Dividends increased \$8.9 billion, compared with an increase of \$8.1 billion; current-production undistributed profits increased \$30.6 billion, in contrast to a decrease of \$5.9 billion.

Domestic profits of financial corporations increased \$57.7 billion in the fourth quarter, compared with an increase of \$34.6 billion in the third. Domestic profits of nonfinancial corporations decreased \$10.1 billion in the fourth quarter, in contrast to an increase of \$0.3 billion in the third. In the fourth quarter, real gross value added of nonfinancial corporations increased, and profits per unit of real gross value added decreased. The decrease in unit profits reflected a decrease in unit prices that more than offset a slight decrease in unit labor costs. Unit nonlabor costs were unchanged.

The rest-of-the-world component of profits decreased \$9.4 billion in the fourth quarter, compared with a decrease of \$8.9 billion in the third. 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 fourth-quarter decrease was accounted for by a larger increase in payments than in receipts.

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 and is affected by the bonus depreciation provisions of the Tax Relief, Unemployment Insurance Reauthorization and Job Creation Act of 2010 (see below). According to this measure, domestic profits of financial corporations increased and profits of nonfinancial corporations decreased. The decrease in nonfinancial corporations reflected decreases in all industries shown, except for small increases in some detailed manufacturing industries. The largest decrease was in wholesale trade.

Profits before tax decreased \$48.3 billion in the fourth quarter, in contrast to an increase of \$57.5 billion in the third. 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 increased \$153.5 billion in the fourth quarter (from -\$169.3 billion to -\$15.8 billion), compared with an increase of \$1.4 billion in the third. The inventory valuation adjustment decreased \$66.8 billion (from -\$36.4 billion to -\$103.2 billion), compared with a decrease of \$32.9 billion.

Provisions of the Tax Relief, Unemployment Insurance Reauthorization and Job Creation Act of 2010

The Tax Relief, Unemployment Insurance Reauthorization and Job Creation Act of 2010, signed into law December 17, 2010, provided a retroactive increase in bonus depreciation from 50 percent to 100 percent for qualified purchases made between September 9, 2010 and December 31, 2011.

Profits from current production are not affected because they do not depend on the depreciation-accounting practices used for federal income tax returns; rather, they are based on depreciation of fixed assets valued at current cost and using consistent depreciation profiles based on used-asset prices. The additional depreciation provided for by the Act is estimated to have increased tax-based depreciation expenses of corporations in the fourth quarter by \$156.0 billion (annual rate) and reduced profits before tax, which is based on earnings reported on tax returns, by the same amount. The capital consumption adjustment, which is the difference between the depreciation specified in the tax code and the depreciation underlying profits from current production, also increased by the same amount because the Act raised tax depreciation by \$156.0 billion. (Fourth-quarter profits tax liability was reduced by \$36.1 billion, and profits after tax were reduced by \$119.9 billion.)

As with corporate profits from current production, nonfarm proprietors' income with capital consumption and inventory valuation adjustments (table 10) was not affected by the provisions of the act; nonfarm proprietors' income without these adjustments was reduced, and the related capital consumption adjustment was increased by the same amount. The other major national income and product account components and aggregates shown in this release were not affected.

Further information is available in [FAQ #955](#): "How did the Small Business Jobs and Credit Act of 2010 and the Tax Relief, Unemployment Insurance Reauthorization and Job Creation Act of 2010 impact the current quarterly estimates of the capital consumption adjustment for domestic business in 2010?"

Corporate profits in 2010

Profits from current production increased 29.2 percent in 2010, in contrast to a decrease of 0.4 percent in 2009. Domestic profits increased 37.0 percent, compared with an increase of 6.4 percent. The rest-of-the-world component of profits increased 8.9 percent, in contrast to a decrease of 14.3 percent.

Taxes on corporate income increased 63.4 percent in 2010, in contrast to a decrease of 17.3 percent in 2009. Profits after tax with inventory valuation and capital consumption adjustments increased 20.4 percent, compared with an increase of 5.1 percent. Dividends increased 1.9 percent, in contrast to a decrease of 9.9 percent; current-production undistributed profits increased 67.3 percent, compared with an increase of 81.3 percent.

According to the measure of profits before tax with inventory valuation adjustment, domestic profits of both financial and nonfinancial corporations increased in 2010. The increase in nonfinancial corporations reflected increases in all industries shown except chemical products and food and beverage and tobacco products. Within manufacturing, the largest increase was in computer and electronic products.

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Next release -- April 28, 2011, at 8:30 A.M. EDT for:
Gross Domestic Product: First Quarter 2011 (Advance Estimate)

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

	2008	2009	2010 ^r	Seasonally adjusted at annual rates															
				2007				2008				2009				2010			
				I	II	III	IV	I	II	III	IV	I	II	III	IV	I	II	III	IV ^r
Gross domestic product (GDP) ...	0.0	-2.6	2.9	0.9	3.2	2.3	2.9	-0.7	0.6	-4.0	-6.8	-4.9	-0.7	1.6	5.0	3.7	1.7	2.6	3.1
Personal consumption expenditures	-0.3	-1.2	1.7	2.4	1.5	1.7	1.4	-0.8	0.1	-3.5	-3.3	-0.5	-1.6	2.0	0.9	1.9	2.2	2.4	4.0
Goods	-2.5	-2.0	4.3	2.3	1.4	2.4	1.1	-5.8	0.3	-7.7	-10.8	1.8	-1.5	7.2	1.7	5.7	3.4	4.1	9.3
Durable goods	-5.2	-3.7	7.7	4.6	4.6	3.8	2.4	-10.8	-2.9	-12.0	-22.3	4.8	-3.1	20.1	-1.1	8.8	6.8	7.6	21.1
Nondurable goods	-1.1	-1.2	2.7	1.1	-0.2	1.7	0.5	-3.0	2.0	-5.5	-4.9	0.4	-0.7	1.7	3.1	4.2	1.9	2.5	4.1
Services	0.9	-0.8	0.5	2.4	1.6	1.4	1.5	1.9	0.0	-1.3	0.6	-1.6	-1.7	-0.5	0.5	0.1	1.6	1.6	1.5
Gross private domestic investment	-9.5	-22.6	17.1	-3.6	9.5	-2.9	-9.4	-9.4	-7.6	-12.5	-36.8	-42.2	-18.5	11.8	26.7	29.1	26.2	15.0	-18.7
Fixed investment	-6.4	-18.3	3.9	-1.0	3.7	-1.2	-4.8	-6.2	-4.6	-11.9	-24.9	-35.4	-10.1	0.7	-1.3	3.3	18.9	1.5	6.8
Nonresidential	0.3	-17.1	5.7	6.8	11.1	9.4	5.7	2.0	-1.6	-8.6	-22.7	-35.2	-7.5	-1.7	-1.4	7.8	17.2	10.0	7.7
Structures	5.9	-20.4	-13.7	10.7	28.0	24.3	7.4	-0.1	7.5	-3.6	-8.9	-41.0	-20.2	-12.4	-29.2	-17.8	-0.5	-3.5	7.6
Equipment and software	-2.4	-15.3	15.3	5.1	4.3	2.9	4.8	3.0	-6.0	-11.1	-29.5	-31.6	0.2	4.2	14.6	20.4	24.8	15.4	7.7
Residential	-24.0	-22.9	-3.0	-16.4	-12.0	-24.1	-29.3	-27.9	-14.0	-22.6	-32.6	-36.2	-19.7	10.6	-0.8	-12.3	25.7	-27.3	3.3
Change in private inventories																			
Net exports of goods and services																			
Exports	6.0	-9.5	11.7	6.4	6.8	15.8	11.6	5.7	13.2	-5.0	-21.9	-27.8	-1.0	12.2	24.4	11.4	9.1	6.8	8.6
Goods	6.3	-12.0	14.7	12.9	7.6	12.8	9.9	9.6	14.5	-4.3	-26.6	-34.1	-3.7	18.7	31.7	14.0	11.5	5.8	11.1
Services	5.3	-3.9	5.7	-6.9	4.9	23.0	15.7	-2.8	10.2	-6.6	-9.8	-12.3	4.7	0.1	10.2	5.8	3.9	8.9	3.0
Imports	-2.6	-13.8	12.6	4.6	4.6	5.0	-10.6	-1.4	2.9	-0.1	-22.9	-35.3	-10.6	21.9	4.9	11.2	33.5	16.8	-12.6
Goods	-3.5	-15.8	14.8	6.8	4.8	5.1	-11.8	-3.3	4.6	-1.0	-28.3	-38.9	-10.6	27.4	6.2	12.0	40.5	17.4	-14.2
Services	2.4	-4.2	3.5	-6.3	3.6	4.4	-4.0	9.4	-6.0	5.0	11.7	-16.8	-10.9	1.5	-0.5	7.8	4.3	14.2	-4.1
Government consumption expenditures and gross investment	2.8	1.6	1.0	-0.5	3.4	3.5	1.2	2.3	3.3	5.3	1.5	-3.0	6.1	1.6	-1.4	-1.6	3.9	3.9	-1.7
Federal	7.3	5.7	4.8	-4.8	7.1	9.6	1.1	6.9	7.8	14.2	8.1	-5.0	14.9	5.7	0.0	1.8	9.1	8.8	-0.3
National defense	7.5	5.4	3.9	-7.2	8.3	10.2	0.0	6.8	6.9	19.7	5.2	-8.4	16.8	9.0	-2.5	0.4	7.4	8.5	-2.2
Nondefense	6.7	6.5	6.6	0.5	4.7	8.2	3.4	6.9	9.6	3.0	14.8	2.6	10.9	-0.9	5.6	5.0	12.8	9.5	3.7
State and local	0.3	-0.9	-1.4	2.1	1.3	0.2	1.3	-0.3	0.8	0.3	-2.4	-1.7	1.0	-1.0	-2.3	-3.8	0.6	0.7	-2.6
Addenda:																			
Final sales of domestic product	0.5	-2.1	1.4	1.3	2.3	2.6	3.7	-0.2	1.1	-3.9	-4.6	-3.9	0.2	0.4	2.1	1.1	0.9	0.9	6.7
Gross domestic purchases	-1.1	-3.6	3.3	0.9	3.1	1.3	-0.4	-1.6	-0.5	-3.2	-7.7	-7.2	-2.1	3.0	3.0	3.9	5.1	4.2	-0.2
Final sales to domestic purchasers	-0.6	-3.1	1.9	1.3	2.2	1.6	0.4	-1.1	0.0	-3.1	-5.7	-6.3	-1.2	1.8	0.2	1.3	4.3	2.6	3.2
Gross national product (GNP)	0.3	-2.8	3.1	0.8	3.5	4.1	4.4	-0.9	0.1	-3.2	-8.6	-4.9	-0.5	2.6	4.9	4.4	1.8	2.3	2.8
Disposable personal income	1.7	0.6	1.4	1.8	0.6	1.5	2.2	1.4	9.2	-8.4	2.7	0.4	5.9	-4.4	0.0	1.3	5.6	1.0	1.9
Current-dollar measures:																			
GDP	2.2	-1.7	3.8	5.3	6.5	4.4	3.8	1.0	4.1	0.4	-7.9	-3.9	-0.4	2.3	4.7	4.8	3.7	4.6	3.5
Final sales of domestic product	2.7	-1.1	2.4	5.8	5.6	4.6	4.6	1.8	4.3	0.5	-6.1	-2.7	0.6	1.2	1.8	2.1	2.9	3.0	6.9
Gross domestic purchases	2.1	-3.8	4.6	5.4	6.3	3.4	3.4	2.1	4.2	0.6	-11.7	-9.2	-1.5	4.3	5.1	6.2	5.2	4.8	1.9
Final sales to domestic purchasers	2.5	-3.2	3.2	5.8	5.5	3.6	4.1	2.9	4.5	0.8	-10.1	-8.1	-0.5	3.3	2.2	3.5	4.4	3.2	5.2
GNP	2.5	-1.9	4.1	5.3	6.7	6.3	5.3	0.9	3.5	1.1	-9.8	-4.0	-0.2	3.4	4.6	5.5	3.8	4.4	3.1
Disposable personal income	5.1	0.7	3.1	5.8	4.1	3.9	6.5	5.4	14.3	-4.4	-3.3	-1.2	8.0	-1.6	2.7	3.4	5.5	1.7	3.6

^r Revised
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 ^r	Seasonally adjusted at annual rates															
				2007				2008				2009				2010			
				I	II	III	IV	I	II	III	IV	I	II	III	IV	I	II	III	IV ^r
Gross domestic product (GDP)	2.2	0.9	1.0	4.4	3.2	2.0	0.9	1.9	3.2	4.5	-1.2	1.1	0.3	0.7	-0.2	1.0	1.9	2.1	0.4
Personal consumption expenditures	3.3	0.2	1.7	4.0	3.5	2.3	4.2	3.9	4.6	4.4	-5.8	-1.6	1.9	2.9	2.7	2.1	0.0	0.8	1.7
Goods	3.2	-2.5	1.7	3.2	4.7	0.8	5.4	5.1	4.9	7.2	-17.7	-6.0	3.7	5.7	2.8	2.6	-3.6	0.9	3.4
Durable goods	-1.4	-1.6	-1.4	-1.8	-1.4	-2.1	-1.4	-0.7	-2.0	-0.7	-3.4	-2.1	0.1	-2.5	0.7	-2.0	-1.6	-2.2	-2.2
Nondurable goods	5.6	-2.9	3.2	6.1	8.1	2.3	9.1	8.1	8.3	11.0	-23.5	-7.9	5.4	9.7	3.8	4.7	-4.6	2.4	6.1
Services	3.4	1.5	1.7	4.4	2.9	3.1	3.7	3.3	4.5	3.0	0.7	0.5	1.1	1.7	2.7	1.8	1.8	0.7	0.9
Gross private domestic investment	0.7	-2.0	-1.7	2.1	0.1	-0.2	0.4	-0.2	1.0	1.9	4.8	-4.1	-6.7	-6.0	-0.7	-2.0	-0.7	0.5	2.6
Fixed investment	0.8	-1.7	-1.6	2.1	0.2	-0.2	0.2	0.0	1.3	2.8	2.2	-3.0	-5.7	-4.8	-1.0	-1.4	-0.7	0.1	1.2
Nonresidential	1.4	-1.2	-1.9	2.0	0.7	-0.3	0.2	0.6	2.1	4.5	4.3	-3.1	-5.7	-5.1	-2.4	-1.9	0.0	0.2	0.9
Structures	4.7	-2.6	-1.4	5.0	1.8	3.3	4.8	3.5	4.9	8.1	8.1	-5.6	-12.2	-10.5	-2.1	0.9	2.0	2.9	4.0
Equipment and software	-0.2	-0.5	-1.9	0.7	0.3	-2.0	-2.1	-0.9	0.8	2.6	2.2	-1.6	-2.0	-2.4	-2.5	-3.1	-0.8	-0.8	-0.2
Residential	-1.2	-3.4	-0.3	2.2	-1.2	0.1	0.7	-1.4	-1.1	-2.8	-5.2	-2.9	-6.0	-3.3	4.3	0.6	-3.2	-0.1	2.7
Change in private inventories																			
Net exports of goods and services	4.7	-5.4	4.2	3.4	4.4	2.6	5.8	7.8	10.6	5.7	-22.3	-11.5	0.7	4.6	4.6	5.1	4.8	0.2	8.4
Exports	4.8	-6.8	4.8	2.7	4.5	2.2	6.1	8.6	13.2	5.4	-27.5	-13.8	2.7	4.8	4.6	5.8	5.3	0.4	11.3
Goods	4.2	-2.2	2.9	5.1	4.2	3.7	5.1	5.8	4.8	6.4	-9.0	-6.6	-3.2	4.0	4.7	3.7	3.7	-0.2	1.8
Services	10.4	-10.7	6.5	3.9	4.0	2.8	24.3	19.4	16.6	2.2	-32.1	-27.3	2.3	8.6	21.8	12.4	-7.7	-8.1	18.7
Imports	11.3	-12.3	7.1	4.1	3.5	2.1	28.0	22.0	17.3	1.7	-34.6	-30.7	2.0	9.2	24.8	14.6	-9.6	-9.2	21.4
Goods	5.7	-2.8	3.7	2.8	6.8	6.6	5.9	6.2	13.4	4.8	-17.2	-10.2	3.8	6.2	9.2	2.5	1.6	-2.2	6.1
Services																			
Government consumption expenditures and gross investment	4.7	-0.3	1.9	8.4	4.6	2.9	4.7	7.3	6.5	3.9	-5.2	-1.7	0.6	0.4	1.5	4.6	0.9	0.3	3.1
Federal	3.1	-0.2	1.7	8.7	3.5	0.4	2.3	6.5	4.7	1.6	-4.2	0.7	-0.8	-0.1	1.5	4.5	0.9	0.5	1.8
National defense	3.6	-0.7	2.0	8.4	4.1	0.9	3.1	6.4	6.3	2.0	-5.9	0.1	-1.8	0.3	1.6	5.3	1.2	0.5	2.2
Nondefense	2.2	0.8	1.1	9.3	2.3	-0.6	0.8	6.6	1.6	0.6	-0.4	2.2	1.1	-1.0	1.5	2.8	0.2	0.4	1.0
State and local	5.6	-0.4	2.0	8.3	5.3	4.4	6.2	7.7	7.5	5.3	-5.8	-3.2	1.5	0.8	1.5	4.6	0.9	0.2	4.0
Addenda:																			
Final sales of domestic product	2.2	1.0	1.0	4.4	3.2	2.0	0.8	2.0	3.2	4.6	-1.5	1.3	0.4	0.8	-0.3	1.0	1.9	2.1	0.2
Gross domestic purchases	3.2	-0.2	1.3	4.4	3.2	2.0	3.8	4.0	4.5	3.9	-4.4	-2.0	0.6	1.4	2.1	2.1	0.1	0.7	2.1
Final sales to domestic purchasers	3.2	-0.2	1.4	4.5	3.2	2.0	3.7	4.0	4.5	4.1	-4.6	-1.9	0.7	1.5	2.0	2.2	0.1	0.6	1.9
Gross national product (GNP)	2.2	0.9	1.0	4.4	3.1	2.0	0.9	2.0	3.2	4.5	-1.3	1.1	0.3	0.8	-0.2	1.0	1.9	2.1	0.4
Implicit price deflators:																			
GDP	2.2	0.9	1.0	4.4	3.2	2.0	0.9	1.8	3.4	4.5	-1.2	1.0	0.3	0.7	-0.3	1.1	2.0	2.0	0.3
Gross domestic purchases	3.2	-0.2	1.3	4.4	3.1	2.1	3.8	3.8	4.7	4.0	-4.3	-2.2	0.5	1.3	2.0	2.2	0.1	0.6	2.1
GNP	2.2	0.9	1.0	4.4	3.1	2.0	0.9	1.8	3.4	4.5	-1.2	1.0	0.3	0.7	-0.3	1.0	1.9	2.0	0.4

^r 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 ^r	Seasonally adjusted				
				2009	2010			
					IV	I	II	III	IV^{r}
Gross domestic product	104.672	101.917	104.825	103.012	103.960	104.403	105.065	105.873
Personal consumption expenditures	105.057	103.797	105.609	104.126	104.608	105.178	105.801	106.848
Goods.....	103.462	101.416	105.741	102.533	103.952	104.837	105.898	108.278
Durable goods.....	102.798	99.011	106.586	100.870	103.025	104.735	106.673	111.910
Nondurable goods.....	103.698	102.487	105.293	103.247	104.321	104.823	105.476	106.551
Services.....	105.870	105.006	105.564	104.936	104.952	105.366	105.775	106.163
Gross private domestic investment	90.105	69.778	81.691	73.000	77.811	82.474	85.400	81.081
Fixed investment.....	94.096	76.835	79.855	76.198	76.826	80.219	80.517	81.858
Nonresidential.....	115.532	95.804	101.307	94.879	96.677	100.592	103.019	104.939
Structures.....	131.976	105.064	90.690	95.310	90.761	90.649	89.848	91.500
Equipment and software.....	108.681	92.035	106.078	94.895	99.408	105.067	108.898	110.939
Residential.....	57.324	44.220	42.905	44.092	42.670	45.177	41.719	42.054
Change in private inventories.....	.....	.....	.....	.....	.....	.....	.....	.....
Exports of goods and services	126.255	114.228	127.623	120.569	123.858	126.592	128.679	131.362
Imports of goods and services	106.113	91.418	102.972	93.874	96.401	103.613	107.718	104.155
Government consumption expenditures and gross investment	105.605	107.287	108.374	107.613	107.185	108.228	109.270	108.815
Federal.....	110.900	117.266	122.893	119.091	119.634	122.276	124.882	124.779
State and local.....	102.611	101.688	100.253	101.179	100.213	100.367	100.541	99.890
Addenda:								
Final sales of domestic product.....	105.399	103.212	104.673	103.676	103.948	104.181	104.424	106.139
Gross domestic purchases.....	102.756	99.045	102.264	99.829	100.797	102.070	103.117	103.071
Final sales to domestic purchasers.....	103.433	100.254	102.111	100.441	100.775	101.852	102.505	103.312
Gross national product.....	105.129	102.192	105.366	103.413	104.534	105.003	105.604	106.324

^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 ^r	Seasonally adjusted				
				2009	2010			
					IV	I	II	III	IV^{r}
Gross domestic product	108.598	109.618	110.668	109.693	109.959	110.485	111.060	111.166
Personal consumption expenditures (PCE)	109.061	109.258	111.117	110.333	110.901	110.888	111.102	111.578
Goods.....	106.262	103.634	105.397	105.120	105.784	104.812	105.058	105.932
Durable goods.....	95.340	93.782	92.456	93.603	93.121	92.755	92.235	91.714
Nondurable goods.....	112.484	109.262	112.724	111.651	112.949	111.638	112.315	113.996
Services.....	110.566	112.233	114.156	113.102	113.620	114.116	114.314	114.574
Gross private domestic investment	106.977	104.873	103.045	103.466	102.952	102.765	102.895	103.568
Fixed investment.....	107.053	105.260	103.627	104.030	103.661	103.487	103.523	103.835
Nonresidential.....	106.984	105.700	103.719	104.144	103.639	103.636	103.689	103.913
Structures.....	125.460	122.187	120.467	119.017	119.291	119.887	120.755	121.933
Equipment and software.....	100.083	99.620	97.702	98.721	97.954	97.764	97.574	97.518
Residential.....	106.361	102.736	102.394	102.712	102.869	102.030	101.994	102.684
Change in private inventories.....	.....	.....	.....	.....	.....	.....	.....	.....
Exports of goods and services	111.874	105.877	110.327	107.424	108.771	110.060	110.122	112.353
Imports of goods and services	118.685	105.987	112.835	111.222	114.514	112.234	109.892	114.699
Government consumption expenditures and gross investment	115.009	114.644	116.814	115.067	116.358	116.606	116.706	117.586
Federal.....	111.119	110.895	112.749	111.141	112.375	112.615	112.756	113.250
State and local.....	117.349	116.892	119.275	117.434	118.760	119.014	119.083	120.242
Addenda:								
PCE excluding food and energy ¹	107.151	108.774	110.203	109.551	109.887	110.171	110.318	110.436
Market-based PCE ²	109.016	109.372	111.082	110.356	110.824	110.763	111.127	111.614
Market-based PCE excluding food and energy ²	106.778	108.826	110.008	109.445	109.626	109.903	110.214	110.288
Final sales of domestic product.....	108.608	109.647	110.715	109.736	110.020	110.552	111.117	111.171
Gross domestic purchases.....	109.813	109.614	111.084	110.265	110.838	110.852	111.034	111.612
Final sales to domestic purchasers.....	109.823	109.649	111.130	110.309	110.900	110.917	111.086	111.617
Gross national product.....	108.605	109.612	110.663	109.691	109.957	110.478	111.052	111.165
Implicit price deflators:								
Gross domestic product.....	108.619	109.615	110.659	109.665	109.952	110.488	111.045	111.141
Final sales of domestic product.....	108.608	109.647	110.716	109.734	110.018	110.550	111.116	111.169
Gross domestic purchases.....	109.834	109.611	111.075	110.238	110.831	110.854	111.018	111.587
Final sales to domestic purchasers.....	109.823	109.649	111.131	110.308	110.899	110.915	111.085	111.616
Gross national product.....	108.626	109.609	110.654	109.664	109.950	110.479	111.036	111.140

^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 ^r	Seasonally adjusted at annual rates				
				2009	2010			
					IV	I	II	III	IV^{r}
Gross domestic product	14,369.1	14,119.0	14,660.4	14,277.3	14,446.4	14,578.7	14,745.1	14,871.4
Plus: Income receipts from the rest of the world.....	839.2	629.8	706.2	664.7	693.7	696.1	704.0	730.8
Less: Income payments to the rest of the world.....	664.7	483.6	517.9	499.1	502.6	500.8	515.5	552.8
Equals: Gross national product	14,543.6	14,265.3	14,848.7	14,442.8	14,637.6	14,774.0	14,933.6	15,049.3
Less: Consumption of fixed capital.....	1,849.2	1,861.1	1,868.9	1,852.2	1,852.4	1,860.4	1,871.9	1,890.7
Less: Statistical discrepancy.....	136.6	179.1	151.6	175.2	164.2	131.1	181.0	130.0
Equals: National income	12,557.8	12,225.0	12,828.2	12,415.5	12,621.0	12,782.6	12,880.7	13,028.7
Compensation of employees.....	8,060.8	7,811.7	7,991.1	7,831.4	7,858.1	7,969.9	8,036.2	8,100.3
Wage and salary accruals.....	6,554.0	6,279.1	6,405.0	6,284.9	6,291.4	6,388.8	6,443.7	6,496.2
Supplements to wages and salaries.....	1,506.8	1,532.6	1,586.1	1,546.5	1,566.7	1,581.1	1,592.4	1,604.1
Proprietors' income with inventory valuation and capital consumption adjustments.....	1,102.0	1,011.9	1,055.0	1,022.1	1,030.7	1,049.7	1,059.5	1,080.2
Rental income of persons with capital consumption adjustment.....	222.0	274.0	300.9	282.8	292.7	298.8	303.8	308.4
Corporate profits with inventory valuation and capital consumption adjustments.....	1,262.8	1,258.0	1,624.8	1,418.2	1,566.6	1,614.1	1,640.1	1,678.3
Net interest and miscellaneous payments.....	812.8	784.3	738.1	765.6	765.9	736.2	719.6	730.6
Taxes on production and imports less subsidies.....	992.3	964.4	999.5	976.8	988.5	976.2	1,002.2	1,011.1
Business current transfer payments (net).....	121.7	134.0	132.1	129.8	130.5	130.8	133.4	133.5
Current surplus of government enterprises.....	-16.7	-13.2	-13.3	-11.3	-12.1	-13.1	-14.2	-13.7
Addendum:								
Gross domestic income.....	14,232.5	13,939.9	14,508.8	14,102.1	14,282.2	14,447.6	14,564.1	14,741.4

^r Revised

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

	2008	2009	2010 ^r	Seasonally adjusted at annual rates				
				2009	2010			
					IV	I	II	III	IV^{r}
Personal income ¹	12,391.1	12,174.9	12,546.7	12,239.0	12,350.3	12,517.1	12,595.5	12,724.0
Compensation of employees, received.....	8,065.8	7,806.7	7,991.1	7,831.4	7,858.1	7,969.9	8,036.2	8,100.3
Wage and salary disbursements.....	6,559.0	6,274.1	6,405.0	6,284.9	6,291.4	6,388.8	6,443.7	6,496.2
Supplements to wages and salaries.....	1,506.8	1,532.6	1,586.1	1,546.5	1,566.7	1,581.1	1,592.4	1,604.1
Proprietors' income with inventory valuation and capital consumption adjustments.....	1,102.0	1,011.9	1,055.0	1,022.1	1,030.7	1,049.7	1,059.5	1,080.2
Farm.....	50.8	30.5	44.9	36.2	36.8	38.9	48.5	55.5
Nonfarm.....	1,051.2	981.5	1,010.1	985.9	994.0	1,010.8	1,011.0	1,024.7
Rental income of persons with capital consumption adjustment.....	222.0	274.0	300.9	282.8	292.7	298.8	303.8	308.4
Personal income receipts on assets.....	2,109.3	1,919.7	1,907.6	1,889.2	1,911.1	1,914.4	1,889.7	1,915.0
Personal interest income.....	1,314.7	1,222.3	1,194.9	1,205.8	1,208.7	1,205.3	1,174.7	1,190.9
Personal dividend income.....	794.6	697.4	712.7	683.4	702.4	709.2	715.0	724.2
Personal current transfer receipts.....	1,879.2	2,132.8	2,296.4	2,188.2	2,245.5	2,286.1	2,316.4	2,337.7
Less: Contributions for government social insurance, domestic.....	987.2	970.3	1,004.4	974.8	987.8	1,001.9	1,010.2	1,017.6
Less: Personal current taxes.....	1,438.2	1,140.0	1,166.8	1,117.2	1,134.7	1,149.1	1,178.2	1,205.1
Equals: Disposable personal income	10,952.9	11,034.9	11,379.9	11,121.7	11,215.6	11,368.0	11,417.3	11,518.9
Less: Personal outlays.....	10,505.0	10,379.6	10,720.7	10,505.7	10,603.9	10,663.7	10,736.3	10,878.9
Equals: Personal saving	447.9	655.3	659.2	616.0	611.8	704.3	681.0	640.0
Personal saving as a percentage of disposable personal income.....	4.1	5.9	5.8	5.5	5.5	6.2	6.0	5.6
Addenda:								
Personal income excluding current transfer receipts, billions of chained (2005) dollars ²	9,638.5	9,191.1	9,224.8	9,109.7	9,111.7	9,226.6	9,252.1	9,308.7
Disposable personal income, billions of chained (2005) dollars ²	10,042.9	10,099.8	10,241.4	10,080.4	10,113.3	10,251.9	10,276.6	10,323.8

^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. 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	
				2009	2010						2010	2010	2010	2010	2010	2010
					IV	I	II	III									IV
Corporate profits with inventory valuation and capital consumption adjustments	1,262.8	1,258.0	1,624.8	1,418.2	1,566.6	1,614.1	1,640.1	1,678.3	-0.4	29.2	10.5	3.0	1.6	2.3	18.3	
Less: Taxes on corporate income	308.4	254.9	416.6	319.1	403.2	405.6	429.4	428.1	-17.3	63.4	26.4	0.6	5.9	-0.3	34.2	
Equals: Profits after tax with inventory valuation and capital consumption adjustments	954.4	1,003.1	1,208.2	1,099.2	1,163.3	1,208.5	1,210.7	1,250.2	5.1	20.4	5.8	3.9	0.2	3.3	13.7	
Net dividends	797.7	718.9	732.7	708.5	720.3	728.4	736.5	745.4	-9.9	1.9	1.7	1.1	1.1	1.2	5.2	
Undistributed profits with inventory valuation and capital consumption adjustments	156.7	284.2	475.5	390.6	443.0	480.1	474.2	504.8	81.3	67.3	13.4	8.4	-1.2	6.5	29.2	
Addenda for corporate cash flow:																
Net cash flow with inventory valuation adjustment	1,239.4	1,427.9	1,538.2	1,484.0	1,517.3	1,578.4	1,510.0	1,546.9	15.2	7.7	2.2	4.0	-4.3	2.4	4.2	
Undistributed profits with inventory valuation and capital consumption adjustments	156.7	284.2	475.5	390.6	443.0	480.1	474.2	504.8	81.3	67.3	13.4	8.4	-1.2	6.5	29.2	
Consumption of fixed capital	1,018.5	1,019.8	1,017.5	1,010.8	1,008.0	1,013.7	1,019.0	1,029.1	0.1	-0.2	-0.3	0.6	0.5	1.0	1.8	
Less: Capital transfers paid (net)	-64.1	-123.9	-45.2	-82.6	-66.3	-84.6	-16.8	-13.0								
Addenda:																
Profits before tax (without inventory valuation and capital consumption adjustments)	1,333.2	1,316.7	1,801.1	1,548.4	1,772.9	1,788.2	1,845.7	1,797.4	-1.2	36.8	14.5	0.9	3.2	-2.6	16.1	
Profits after tax (without inventory valuation and capital consumption adjustments)	1,024.8	1,061.8	1,384.5	1,229.3	1,369.7	1,382.6	1,416.3	1,369.3	3.6	30.4	11.4	0.9	2.4	-3.3	11.4	
Inventory valuation adjustment	-44.1	11.9	-44.9	-67.2	-36.4	-3.5	-36.4	-103.2								
Capital consumption adjustment	-26.3	-70.6	-131.4	-63.0	-169.9	-170.7	-169.3	-15.8								

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				
				2009	2010						2010	2010	2010	2010	2010
					IV	I	II	III								IV
Corporate profits with inventory valuation and capital consumption adjustments	1,262.8	1,258.0	1,624.8	1,418.2	1,566.6	1,614.1	1,640.1	1,678.3	-4.8	366.8	148.4	47.5	26.0	38.2	
Domestic industries	851.5	905.7	1,241.0	1,055.7	1,178.1	1,222.7	1,257.7	1,305.3	54.2	335.3	122.4	44.6	35.0	47.6	
Financial	128.0	242.4	366.8	332.4	337.6	334.2	368.8	426.5	114.4	124.4	5.2	-3.4	34.6	57.7	
Nonfinancial	723.5	663.3	874.2	723.2	840.4	888.6	888.9	878.8	-60.2	210.9	117.2	48.2	0.3	-10.1	
Rest of the world	411.3	352.3	383.8	362.6	388.5	391.3	382.4	373.0	-59.0	31.5	25.9	2.8	-8.9	-9.4	
Receipts from the rest of the world	571.8	480.6	568.5	529.1	561.4	557.5	566.3	589.0	-91.2	87.9	32.3	-3.9	8.8	22.7	
Less: Payments to the rest of the world	160.5	128.3	184.7	166.5	172.9	166.1	183.9	216.0	-32.2	56.4	6.4	-6.8	17.8	32.1	
Corporate profits with inventory valuation adjustment	1,289.1	1,328.6	1,756.2	1,481.2	1,736.5	1,784.7	1,809.3	1,694.1	39.5	427.6	255.3	48.2	24.6	-115.2	
Domestic industries	877.8	976.3	1,372.4	1,118.6	1,348.0	1,393.4	1,427.0	1,321.1	98.5	396.1	229.4	45.4	33.6	-105.9	
Financial	139.9	258.0	387.9	346.7	362.7	359.4	393.7	435.8	118.1	129.9	16.0	-3.3	34.3	42.1	
Federal Reserve banks	35.1	47.3	58.1	49.6	56.9	60.3	59.0	56.3	12.2	10.8	7.3	3.4	-1.3	-2.7	
Other financial	104.9	210.6	329.7	297.1	305.8	299.1	334.6	379.4	105.7	119.1	8.7	-6.7	35.5	44.8	
Nonfinancial	737.9	718.4	984.5	771.9	985.3	1,034.0	1,033.3	885.4	-19.5	266.1	213.4	48.7	-0.7	-147.9	
Utilities	28.3	30.0	33.0	26.4	41.5	32.8	35.2	22.5	1.7	3.0	15.1	-8.7	2.4	-12.7	
Manufacturing	183.7	150.9	259.6	170.9	250.4	277.1	269.2	241.5	-32.8	108.7	79.5	26.7	-7.9	-27.7	
Durable goods	51.4	53.3	150.1	83.9	140.1	147.0	160.5	152.9	1.9	96.8	56.2	6.9	13.5	-7.6	
Fabricated metal products	16.6	16.4	18.9	12.0	17.4	17.0	19.6	21.5	-0.2	2.5	5.4	-0.4	2.6	1.9	
Machinery	15.6	12.4	25.9	14.3	19.9	23.3	29.1	31.5	-3.2	13.5	5.6	3.4	5.8	2.4	
Computer and electronic products	8.9	13.4	53.1	24.1	44.8	51.2	54.6	61.6	4.5	39.7	20.7	6.4	3.4	7.0	
Electrical equipment, appliances, and components	3.6	6.1	8.3	6.3	9.2	9.6	9.4	5.3	2.5	2.2	2.9	0.4	-0.2	-4.1	
Motor vehicles, bodies and trailers, and parts	-34.6	-23.5	5.9	-4.6	5.7	8.4	9.8	-0.1	11.1	29.4	10.3	2.7	1.4	-9.9	
Other durable goods	41.3	28.5	38.0	31.8	43.2	37.6	38.1	33.1	-12.8	9.5	11.4	-5.6	0.5	-5.0	
Non-durable goods	132.3	97.5	109.4	87.0	110.3	130.1	108.7	88.6	-34.8	11.9	23.3	19.8	-21.4	-20.1	
Food and beverage and tobacco products	28.4	35.4	33.0	31.5	36.6	35.1	34.0	26.3	7.0	-2.4	5.1	-1.5	-1.1	-7.7	
Petroleum and coal products	78.2	15.7	33.8	9.7	33.5	55.2	22.7	23.7	-62.5	18.1	23.8	21.7	-32.5	1.0	
Chemical products	22.2	36.4	32.3	35.1	28.7	30.6	38.4	31.6	14.2	-4.1	-6.4	1.9	7.8	-6.8	
Other non-durable goods	3.4	10.1	10.4	10.7	11.6	9.2	13.6	7.0	6.7	0.3	0.9	-2.4	4.4	-6.6	
Wholesale trade	84.0	80.4	83.5	73.0	91.5	107.7	90.2	44.7	-3.6	3.1	18.5	16.2	-17.5	-45.5	
Retail trade	75.0	99.0	125.1	97.1	129.1	126.7	123.2	121.2	24.0	26.1	32.0	-2.4	-3.5	-2.0	
Transportation and warehousing	28.1	24.7	46.1	29.5	39.4	52.4	54.3	38.2	-3.4	21.4	9.9	13.0	1.9	-16.1	
Information	75.2	83.5	109.3	109.0	112.9	104.9	114.6	104.7	8.3	25.8	3.9	-8.0	9.7	-9.9	
Other nonfinancial	263.6	250.0	328.0	266.0	320.4	332.5	346.6	312.6	-13.6	78.0	54.4	12.1	14.1	-34.0	
Rest of the world	411.3	352.3	383.8	362.6	388.5	391.3	382.4	373.0	-59.0	31.5	25.9	2.8	-8.9	-9.4	

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				
				2009	2010			
					IV	I	II	III ^r	IV
Billions of dollars								
Gross value added of nonfinancial corporate business	6,990.5	6,625.2	6,937.5	6,667.8	6,804.4	6,923.0	6,986.2	7,036.7
Consumption of fixed capital	878.8	879.0	876.2	870.7	868.2	872.9	877.5	886.2
Net value added	6,111.7	5,746.3	6,061.3	5,797.1	5,936.2	6,050.0	6,108.6	6,150.5
Compensation of employees	4,435.3	4,193.6	4,293.5	4,192.4	4,205.1	4,271.7	4,327.3	4,369.8
Wage and salary accruals	3,684.9	3,441.0	3,515.5	3,434.6	3,437.6	3,496.1	3,545.5	3,582.6
Supplements to wages and salaries	750.5	752.5	778.0	757.9	767.6	775.6	781.8	787.2
Taxes on production and imports less subsidies	615.3	590.2	611.7	598.3	604.8	609.0	613.4	619.6
Net operating surplus	1,061.1	962.5	1,156.1	1,006.4	1,126.3	1,169.3	1,167.9	1,161.0
Net interest and miscellaneous payments	271.3	220.1	203.0	205.3	208.3	202.3	199.2	202.2
Business current transfer payments (net)	66.2	79.1	78.9	77.8	77.5	78.3	79.8	80.0
Corporate profits with inventory valuation and capital consumption adjustments	723.5	663.3	874.2	723.2	840.4	888.6	888.9	878.8
Taxes on corporate income	226.4	170.3	282.1	201.8	265.2	287.4	293.6	282.3
Profits after tax with inventory valuation and capital consumption adjustments	497.1	492.9	592.1	521.4	575.3	601.1	595.3	596.5
Net dividends	482.8	511.4	521.3	497.3	515.5	499.1	538.7	531.7
Undistributed profits with inventory valuation and capital consumption adjustments	14.4	-18.5	70.8	24.1	59.7	102.0	56.6	64.8
Addenda:								
Profits before tax (without inventory valuation and capital consumption adjustments).....	782.0	706.4	1,029.4	839.1	1,021.8	1,037.5	1,069.7	988.6
Profits after tax (without inventory valuation and capital consumption adjustments).....	555.6	536.1	747.3	637.3	756.6	750.1	776.1	706.3
Inventory valuation adjustment	-44.1	11.9	-44.9	-67.2	-36.4	-3.5	-36.4	-103.2
Capital consumption adjustment	-14.4	-55.1	-110.3	-48.7	-144.9	-145.4	-144.4	-6.5
Billions of chained (2005) dollars								
Gross value added of nonfinancial corporate business ¹	6,520.3	6,141.7	6,494.3	6,266.5	6,431.3	6,501.5	6,486.0	6,558.2
Consumption of fixed capital ²	819.9	830.5	842.3	830.3	833.6	838.4	844.9	852.3
Net value added ³	5,700.4	5,311.2	5,652.0	5,436.2	5,597.7	5,663.1	5,641.2	5,705.9
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	1.072	1.079	1.068	1.064	1.058	1.065	1.077	1.073
Compensation of employees (unit labor cost)	0.680	0.683	0.661	0.669	0.654	0.657	0.667	0.666
Unit nonlabor cost	0.282	0.288	0.272	0.280	0.273	0.271	0.273	0.273
Consumption of fixed capital	0.135	0.143	0.135	0.139	0.135	0.134	0.135	0.135
Taxes on production and imports less subsidies plus business current transfer payments (net)	0.105	0.109	0.106	0.108	0.106	0.106	0.107	0.107
Net interest and miscellaneous payments	0.042	0.036	0.031	0.033	0.032	0.031	0.031	0.031
Corporate profits with inventory valuation and capital consumption adjustments (unit profits from current production).....	0.111	0.108	0.135	0.115	0.131	0.137	0.137	0.134
Taxes on corporate income	0.035	0.028	0.043	0.032	0.041	0.044	0.045	0.043
Profits after tax with inventory valuation and capital consumption adjustments	0.076	0.080	0.091	0.083	0.089	0.092	0.092	0.091

^r Revised. Revisions include changes to series affected by the incorporation of revised wage and salary estimates for the third quarter of 2010.

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 ^r	Seasonally adjusted at annual rates															
				2007				2008				2009				2010			
				I	II	III	IV	I	II	III	IV	I	II	III	IV	I	II	III	IV ^r
Gross domestic product (GDP) and related aggregates:																			
GDP.....	0.0	-2.6	2.9	0.9	3.2	2.3	2.9	-0.7	0.6	-4.0	-6.8	-4.9	-0.7	1.6	5.0	3.7	1.7	2.6	3.1
Goods.....	-0.5	-3.8	11.1	2.0	6.3	3.3	9.6	-1.2	-0.1	-10.8	-18.6	-2.4	-0.4	6.8	23.9	19.5	-0.8	7.4	9.1
Services.....	1.5	-0.2	0.8	1.5	2.0	3.0	2.5	1.5	1.1	-0.2	0.0	-1.5	0.8	-0.2	0.8	0.0	1.9	1.8	0.8
Structures.....	-7.9	-16.6	-7.1	-5.5	3.1	-4.7	-10.9	-12.3	-0.2	-9.4	-16.9	-31.9	-13.4	-0.1	-15.9	-15.2	10.6	-7.9	1.2
Motor vehicle output.....	-18.6	-24.7	26.1	10.2	4.4	-2.0	-14.6	-8.4	-35.1	-20.7	-58.0	-51.1	-2.0	145.5	13.7	42.3	-2.7	25.0	-11.6
GDP excluding motor vehicle output.....	0.5	-2.1	2.4	0.6	3.2	2.4	3.5	-0.5	1.7	-3.6	-5.2	-3.8	-0.7	0.0	4.8	3.0	1.8	2.1	3.5
Final sales of computers ¹	26.5	5.0	19.1	2.1	12.2	56.0	37.2	19.6	36.0	5.5	12.0	7.8	-10.5	-4.0	17.3	19.2	5.3	65.1	72.8
GDP excluding final sales of computers.....	-0.1	-2.7	2.8	0.9	3.2	2.0	2.7	-0.8	0.4	-4.1	-6.9	-4.9	-0.6	1.6	5.0	3.7	1.7	2.3	2.8
Farm gross value added ²	13.3	6.1	2.6	-9.4	-15.6	-19.3	41.9	55.4	-14.5	6.7	13.8	16.3	-7.3	19.3	-13.9	-0.8	24.6	5.8	-14.4
Nonfarm business gross value added ³	-1.1	-3.8	3.7	0.3	4.2	2.5	2.5	-2.5	-0.3	-6.2	-9.5	-6.4	-0.2	1.4	6.7	5.0	1.6	3.8	4.4
Gross domestic income ⁴	-0.8	-2.9	3.1	-2.3	0.2	-2.0	2.5	0.8	-2.5	-2.6	-6.9	-4.9	-1.6	0.0	6.7	4.1	2.7	1.2	4.6
Price indexes:																			
GDP.....	2.2	0.9	1.0	4.4	3.2	2.0	0.9	1.9	3.2	4.5	-1.2	1.1	0.3	0.7	-0.2	1.0	1.9	2.1	0.4
GDP excluding food and energy ⁵	2.3	0.8	1.2	4.1	2.0	1.7	2.7	2.9	2.5	2.7	-0.6	0.3	0.8	0.6	1.5	1.7	1.0	0.6	1.2
GDP excluding final sales of computers.....	2.3	1.0	1.0	4.5	3.3	2.1	1.0	2.0	3.3	4.6	-1.1	1.2	0.4	0.9	-0.2	1.0	2.0	2.2	0.4
Gross domestic purchases.....	3.2	-0.2	1.3	4.4	3.2	2.0	3.8	4.0	4.5	3.9	-4.4	-2.0	0.6	1.4	2.1	2.1	0.1	0.7	2.1
Gross domestic purchases excluding food and energy ⁵	2.6	0.7	1.1	3.8	2.0	1.9	2.8	3.1	3.2	2.6	-0.4	-0.2	0.8	0.4	1.5	1.6	0.8	0.4	1.1
Gross domestic purchases excluding final sales of computers to domestic purchasers.....	3.3	-0.1	1.4	4.6	3.3	2.2	3.9	4.1	4.6	4.1	-4.3	-1.9	0.7	1.5	2.1	2.2	0.1	0.7	2.2
Personal consumption expenditures (PCE).....	3.3	0.2	1.7	4.0	3.5	2.3	4.2	3.9	4.6	4.4	-5.8	-1.6	1.9	2.9	2.7	2.1	0.0	0.8	1.7
PCE excluding food and energy ⁵	2.3	1.5	1.3	2.9	1.7	2.2	2.8	2.6	2.6	2.2	0.6	0.9	2.3	1.5	2.1	1.2	1.0	0.5	0.4
Market-based PCE ⁶	3.4	0.3	1.6	3.7	3.7	2.0	4.5	4.1	4.5	5.2	-6.0	-1.1	1.9	3.0	2.2	1.7	-0.2	1.3	1.8
Market-based PCE excluding food and energy ⁶	2.3	1.9	1.1	2.5	1.6	1.7	2.9	2.5	2.1	2.8	1.5	1.9	2.3	1.3	1.4	0.7	1.0	1.1	0.3

^r 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.

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.