



**Technical Note**  
Gross Domestic Product  
Second Quarter of 2010 (Second Estimate)  
August 27, 2010

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 second quarter is available on BEA's Web site at [www.bea.gov](http://www.bea.gov); a brief summary of "highlights" is also posted on the Web site. In a few weeks, the estimates will be published in BEA's monthly journal, the *Survey of Current Business*, along with a more detailed analysis of the estimates ("GDP and the Economy").

### **Sources of Revision to Real GDP**

Real GDP increased 1.6 percent (annual rate) in the second quarter (that is, from the first quarter to the second), which was 0.8 percentage point less than last month's estimate. The downward revision to GDP reflected an upward revision to imports and downward revisions to inventory investment and to exports that were partly offset by an upward revision to consumer spending:

- The upward revision to imports reflected newly available Census goods data for June.
- The downward revision to inventory investment primarily reflected a downward revision to manufacturing inventories that was partly offset by an upward revision to mining, utilities, and construction inventories. The revision to manufacturing inventories reflected newly available Census manufacturing inventory data for June and revised data for May. The revision to mining, utilities, and construction inventories reflected newly available Census Quarterly Financial Report data on mining and newly available natural gas, coal, and petroleum stocks data from the Energy Information Administration (EIA).
- The downward revision to exports reflected newly available Census goods data for June.
- The upward revision to consumer spending primarily reflected newly available and revised electricity and natural gas usage and unit value data from EIA.

The price index for gross domestic purchases increased 0.1 percent in the second quarter, unrevised from the advance estimate.

### **Corporate Profits**

Profits from current production increased \$72.7 billion, or 4.6 percent (quarterly rate), in the second quarter, after increasing \$148.4 billion, or 10.5 percent, in the first.

### **Revisions to Wages and Salaries and Disposable Personal Income**

In addition to presenting revised estimates for the second quarter, today's release also presents revised estimates of first-quarter wages and salaries, personal taxes, and contributions for government social insurance. Wage and salary disbursements are now estimated to have increased \$6.5 billion in the first quarter, a downward revision of \$12.3

billion. The estimates reflect newly available wage and salary tabulations for the first quarter from the Bureau of Labor Statistics (BLS) quarterly census of employment and wages. (Last month's advance estimate of wages and salaries reflected BLS wage and salary tabulations for 16 states.) These tabulations are more comprehensive than the monthly employment and earnings data that were used for the earlier estimates--they include the pay of supervisors and irregular pay, such as bonuses and gains from the exercise of stock options.

Real disposable personal income is now estimated to have increased 1.3 percent in the first quarter and to have increased 4.4 percent in the second quarter. (The estimates that were available last month showed an increase of 1.7 percent in the first quarter and also an increase of 4.4 percent in the second.)

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**Table A.--SOURCE DATA FOR THE ADVANCE AND SECOND ESTIMATES OF GDP FOR THE SECOND QUARTER OF 2010**

This table shows the actual data used for the "second" estimate of GDP for the second quarter of 2010. For these key series, actual data for June were not available in time for inclusion in the advance GDP estimate released on July 30, 2010, and BEA made assumptions for these source data. The numbers in brackets show the June values that had been assumed for the advance estimate. For most series, the data incorporated for May and, in some cases, for April, were preliminary, and the numbers shown in brackets are the values used last month.

All series shown in the table are in billions of dollars, seasonally adjusted at annual rates, and are published by the Bureau of the Census.

	2010					
	Jan.	Feb.	Mar.	Apr.	May.	Jun.
<b>Private fixed investment:</b>						
Nonresidential structures:						
1 Value of new nonresidential construction put in place.....	281.5	275.9	275.1	274.1 {277.2}	270.6 {275.6}	269.3 {276.4}
Equipment and software:						
2 Manufacturers' shipments of complete aircraft.....	29.1	33.7	33.9	33.2	28.4 {27.2}	32.1 {31.4}
Residential structures:						
Value of new residential construction put in place:						
3 Single family.....	113.6	115.0	116.9	120.1 {120.6}	120.4 {121.5}	119.5 {118.3}
4 Multifamily.....	16.3	15.5	14.4	13.9 {13.9}	13.4 {13.1}	13.4 {12.7}
<b>Change in private inventories:</b>						
NOTE: Historical (January-April) data may reflect concurrent seasonal factors.						
5 Change in inventories for nondurable manufacturing.....	16.6 {16.9}	38.1 {38.0}	4.5 {4.9}	8.5 {8.9}	-65.2 {-60.8}	-44.0 {13.5}
5a Change in inventories for merchant wholesale and retail industries other than motor vehicles and equipment...	4.3 {4.9}	14.1 {14.6}	57.0 {56.0}	33.1 {30.7}	29.9 {34.0}	0.2 {22.0}
<b>Net exports:</b>						
Exports of goods:						
6 U.S. exports of goods, international-transactions-accounts basis.....	1204.4	1201.7	1261.8	1250.9	1287.7 {1286.4}	1259.7 {1278.6}
6a Excluding gold.....	1185.5	1186.8	1241.8	1234.1	1274.0 {1272.8}	1246.1 {1264.2}
Imports of goods:						
7 U.S. imports of goods, international-transactions-accounts basis.....	1771.5	1821.8	1890.1	1881.4	1939.7 {1939.9}	2004.1 {1976.9}
7a Excluding gold.....	1761.6	1813.2	1879.4	1868.6	1928.3 {1929.4}	1992.2 {1965.5}
8 Net exports of goods.....	-567.2	-620.1	-628.3	-630.5	-652.0 {-653.5}	-744.4 {-698.3}
8a Excluding gold.....	-576.2	-626.4	-637.6	-634.4	-654.3 {-656.6}	-746.2 {-701.3}
<b>Government:</b>						
State and local:						
Structures:						
9 Value of new construction put in place.....	265.0	261.3	269.6	273.9 {273.5}	273.6 {275.1}	276.7 {274.3}