



NEWS RELEASE



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GROSS DOMESTIC PRODUCT: FIRST QUARTER 2006 (PRELIMINARY) CORPORATE PROFITS: FIRST QUARTER 2006 (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 5.3 percent in the first quarter of 2006, according to preliminary estimates released by the Bureau of Economic Analysis. In the fourth quarter, real GDP increased 1.7 percent.

The GDP estimates released today are based on more complete source data than were available for the advance estimates issued last month. In the advance estimates, the increase in real GDP was 4.8 percent (see "Revisions" on page 3).

The increase in real GDP in the first quarter primarily reflected positive contributions from personal consumption expenditures (PCE), exports, equipment and software, and federal government spending. Imports, which are a subtraction in the calculation of GDP, increased.

The acceleration in real GDP growth in the first quarter primarily reflected an upturn in PCE for durable goods, an acceleration in exports, an upturn in federal government spending, and an acceleration in equipment and software that were partly offset by a downturn in private inventory investment.

Final sales of computers contributed 0.05 percentage point to the first-quarter growth in real GDP after contributing 0.33 percentage point to the fourth-quarter growth. Motor vehicle output subtracted 0.11 percentage point from the first-quarter growth in real GDP after subtracting 0.64 percentage point from the fourth-quarter growth.

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

This new release is available on BEA's Web site at www.bea.gov/bea/rels.htm.

The price index for gross domestic purchases, which measures prices paid by U.S. residents, increased 2.8 percent in the first quarter, 0.1 percentage point more than in the advance estimate; this index increased 3.7 percent in the fourth quarter. Excluding food and energy prices, the price index for gross domestic purchases increased 3.2 percent in the first quarter, the same increase as in the fourth. About 0.2 percentage point of the first-quarter increase in the index was accounted for by the pay raise for federal civilian and military personnel, which is treated as an increase in the price index of employee services purchased by the federal government.

Real personal consumption expenditures increased 5.2 percent in the first quarter, compared with an increase of 0.9 percent in the fourth. Real nonresidential fixed investment increased 13.1 percent, compared with an increase of 4.5 percent. Nonresidential structures increased 11.3 percent, compared with an increase of 3.1 percent. Equipment and software increased 13.8 percent, compared with an increase of 5.0 percent. Real residential fixed investment increased 3.1 percent, compared with an increase of 2.8 percent.

Real exports of goods and services increased 14.7 percent in the first quarter, compared with an increase of 5.1 percent in the fourth. Real imports of goods and services increased 12.8 percent, compared with an increase of 12.1 percent.

Real federal government consumption expenditures and gross investment increased 10.5 percent in the first quarter, in contrast to a decrease of 2.6 percent in the fourth. National defense increased 9.6 percent, in contrast to a decrease of 8.9 percent. Nondefense increased 12.2 percent, compared with an increase of 11.7 percent. Real state and local government consumption expenditures and gross investment increased 0.8 percent, compared with an increase of 0.2 percent.

The real change in private inventories subtracted 0.14 percentage point from the first-quarter change in real GDP, after adding 1.89 percentage points to the fourth-quarter change. Private businesses increased inventories \$32.3 billion in the first quarter, following an increase of \$37.9 billion in the fourth quarter and a decrease of \$13.3 billion in the third.

Real final sales of domestic product -- GDP less change in private inventories -- increased 5.5 percent in the first quarter, in contrast to a decrease of 0.2 percent in the fourth.

Gross domestic purchases

Real gross domestic purchases -- purchases by U.S. residents of goods and services wherever produced -- increased 5.5 percent in the first quarter, compared with an increase of 2.9 percent in the fourth.

Gross national product

Real gross national product -- the goods and services produced by the labor and property supplied by U.S. residents -- increased 5.2 percent in the first quarter, compared with an increase of 0.7 percent in the fourth. GNP includes, and GDP excludes, net receipts of income from the rest of the world, which decreased \$3.1 billion in the first quarter after decreasing \$25.6 billion in the fourth; in the first quarter, receipts increased \$28.1 billion, and payments increased \$31.2 billion.

Current-dollar GDP

Current-dollar GDP -- the market value of the nation's output of goods and services -- increased 8.8 percent, or \$271.3 billion, in the first quarter to a level of \$13,037.4 billion. In the fourth quarter, current-dollar GDP increased 5.2 percent, or \$160.4 billion.

Revisions

The preliminary estimate of the first-quarter increase in real GDP is 0.5 percentage point, or \$13.3 billion, more than the advance estimate issued last month. The upward revision to the percentage change in real GDP primarily reflected upward revisions to private inventory investment and to exports that were partly offset by downward revisions to personal consumption expenditures for services and to equipment and software.

	<u>Advance</u>	<u>Preliminary</u>
	(Percent change from preceding quarter)	
Real GDP.....	4.8	5.3
Current-dollar GDP.....	8.2	8.8
Gross domestic purchases price index...	2.7	2.8

Corporate Profits

Profits from current production (corporate profits with inventory valuation and capital consumption adjustments) increased \$116.5 billion in the first quarter, compared with an increase of \$185.8 billion in the fourth. Current-production cash flow (net cash flow with inventory valuation and capital consumption adjustments) -- the internal funds available to corporations for investment -- increased \$84.6 billion in the first quarter, compared with an increase of \$43.1 billion in the fourth.

Fourth-quarter profits from current production were reduced by \$22.9 billion because of Hurricane Wilma, reflecting the net benefits paid by domestic insurance companies and the uninsured losses of corporate property.

Taxes on corporate income increased \$23.2 billion in the first quarter, compared with an increase of \$56.8 billion in the fourth. Profits after tax with inventory valuation and capital consumption adjustments increased \$93.3 billion in the first quarter, compared with an increase of \$129.0 billion in the fourth. Dividends increased \$13.4 billion, compared with an increase of \$15.3 billion; current-production undistributed profits increased \$79.9 billion, compared with an increase of \$113.8 billion.

Domestic profits of financial corporations increased \$67.1 billion in the first quarter, compared with an increase of \$104.9 billion in the fourth. Domestic profits of nonfinancial corporations increased \$40.5 billion, compared with an increase of \$95.5 billion. In the first quarter, real gross corporate value added increased, and profits per unit of real value added increased. The increase in unit profits reflected an increase in unit prices that was partly offset by increases in both unit labor and nonlabor costs that corporations incurred.

The rest-of-the-world component of profits increased \$8.9 billion in the first quarter, in contrast to a decrease of \$14.5 billion in the fourth. 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 first-quarter increase was accounted for by a larger increase in receipts than in payments.

Profits before tax increased \$89.8 billion in the first quarter, compared with an increase of \$177.5 billion in the fourth. 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 \$6.9 billion in the first quarter (from -\$50.7 billion to -\$43.8 billion), compared with an increase of \$21.4 billion in the fourth. The inventory valuation adjustment increased \$19.6 billion (from -\$40.4 billion to -\$20.8 billion), in contrast to a decrease of \$12.9 billion.

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Summary BEA estimates are available on recorded messages at the time of public release at the following telephone numbers:

(202) 606-5306 Gross domestic product
(202) 606-5303 Personal income and outlays

Annual Revision of the National Income and Product Accounts

The annual revision of the national income and product accounts, covering the first quarter of 2003 through the first quarter of 2006, will be released along with the “advance” estimates of GDP for the second quarter of 2006 on July 28. An article describing the revision will appear in the August 2006 issue of the *Survey of Current Business*.

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Next release – June 29, 2006, at 8:30 A.M. EDT for:
Gross Domestic Product: First Quarter 2006 (Final)
Corporate Profits: First Quarter 2006 (Final)

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

	2003	2004	2005 ^r	Seasonally adjusted at annual rates															
				2002			2003				2004				2005				2006
				II	III	IV	I	II	III	IV	I	II	III	IV	I	II	III	IV ^r	I ^r
Gross domestic product (GDP)	2.7	4.2	3.5	2.2	2.4	0.2	1.7	3.7	7.2	3.6	4.3	3.5	4.0	3.3	3.8	3.3	4.1	1.7	5.3
Personal consumption expenditures	2.9	3.9	3.5	2.4	2.3	1.4	2.5	3.6	5.8	3.1	4.7	1.9	4.4	4.3	3.5	3.4	4.1	.9	5.2
Durable goods	6.6	6.0	4.5	3.6	11.5	-5.2	3.6	15.1	19.8	-3	4.4	4	10.8	5.5	2.6	7.9	9.3	-16.6	20.5
Nondurable goods	3.2	4.7	4.4	1.3	.3	3.6	3.2	1.9	8.3	3.1	6.6	2.6	3.9	5.5	5.3	3.6	3.5	5.0	5.7
Services	2.0	3.0	2.9	2.6	1.3	1.8	1.9	2.3	2.0	3.8	3.8	1.8	3.4	3.6	2.8	2.3	3.3	2.6	2.2
Gross private domestic investment	3.9	11.9	6.1	1.9	5.8	-1.0	-4	2.7	17.5	12.0	10.1	20.9	4.6	6.8	8.6	-3.7	5.3	16.1	8.3
Fixed investment	3.6	9.7	8.1	-1.4	-7	-1.4	.8	8.8	14.8	6.9	6.9	15.1	8.4	7.2	7.0	9.5	8.0	3.9	9.3
Nonresidential	1.3	9.4	8.6	-6.1	-2.0	-5.0	-1.1	8.4	11.2	4.4	7.9	13.5	11.8	10.4	5.7	8.8	8.5	4.5	13.1
Structures	-4.2	2.2	2.0	-19.0	-15.5	-5.3	-8.4	13.3	-1	1.3	-3.5	8.8	1.4	4.7	-2.0	2.7	2.2	3.1	11.3
Equipment and software	3.2	11.9	10.9	-9	3.3	-4.9	1.6	6.7	15.4	5.5	12.0	15.2	15.5	12.4	8.3	10.9	10.6	5.0	13.8
Residential	8.4	10.3	7.1	9.5	2.0	6.4	4.7	9.6	21.9	11.5	5.2	17.8	2.6	1.6	9.5	10.8	7.3	2.8	3.1
Change in private inventories																			
Net exports of goods and services																			
Exports	1.8	8.4	6.9	10.6	2.9	-3.1	-2.9	-2.1	11.5	19.1	5.0	6.9	5.5	7.1	7.5	10.7	2.5	5.1	14.7
Goods	1.8	8.9	7.3	14.2	2.2	-9.1	1.5	0	9.1	17.2	7.5	7.9	8.2	3.7	5.3	16.0	3.2	8.0	20.8
Services	1.7	7.4	6.0	2.7	4.6	11.7	-11.9	-6.6	17.2	23.7	-4	4.8	-6	15.5	12.5	-4	1.0	-1.4	1.5
Imports	4.6	10.7	6.3	12.5	5.7	9.0	-2.5	3.3	4.1	16.5	12.0	14.5	4.7	11.3	7.4	-3	2.4	12.1	12.8
Goods	4.9	11.0	6.9	16.0	6.5	8.1	-2.6	6.3	.9	17.7	12.4	14.7	4.7	13.0	8.2	-1.1	3.5	13.5	13.9
Services	3.0	9.6	3.6	-3.0	1.7	14.0	-2.2	-10.2	21.4	10.7	10.0	13.7	4.6	3.1	3.7	4.4	-3.2	4.8	6.9
Government consumption expenditures and gross investment	2.8	2.2	1.8	4.8	2.3	4.8	-3	7.2	.5	.5	3.3	2.3	1.8	.9	1.9	2.5	2.9	-8	4.3
Federal	6.9	5.2	2.3	12.5	3.0	10.2	.3	22.1	-2.0	3.1	10.7	3.2	3.6	-6	2.4	2.4	7.4	-2.6	10.5
National defense	8.8	7.0	2.6	11.5	4.1	14.8	-3.6	37.4	-6.5	7.9	13.8	.8	9.0	-3.3	3.0	3.7	10.0	-8.9	9.6
Nondefense	3.4	1.8	1.8	14.1	1.2	2.1	8.0	-2.4	7.2	-5.8	4.9	8.1	-6.4	5.2	1.1	-2	2.4	11.7	12.2
State and local .....	.6	.4	1.5	1.0	1.9	2.0	-6	-3	2.0	-9	-7	1.8	.8	1.8	1.6	2.6	.2	.2	.8
Addenda:																			
Final sales of domestic product	2.7	3.9	3.8	1.7	1.4	.1	1.9	4.6	6.9	2.8	3.8	2.6	4.6	3.3	3.5	5.6	4.6	-2	5.5
Gross domestic purchases	3.0	4.7	3.6	2.7	2.8	1.7	1.5	4.2	6.5	3.9	5.2	4.7	3.9	4.1	4.0	2.1	4.0	2.9	5.5
Final sales to domestic purchasers	3.0	4.4	3.9	2.2	1.8	1.6	1.7	5.0	6.1	3.2	4.8	3.8	4.5	4.1	3.7	4.2	4.5	1.1	5.7
Gross national product (GNP)	3.0	4.0	3.3	1.8	2.9	1.0	1.5	4.5	7.2	4.5	3.8	2.2	4.0	2.9	3.9	3.2	4.4	.7	5.2
Disposable personal income	2.4	3.4	1.3	1.9	-1.6	.2	2.5	4.5	7.2	1.0	3.6	1.2	2.8	9.1	-3.4	.2	-1.4	5.1	2.1
Current-dollar measures:																			
GDP	4.8	7.0	6.4	3.7	3.9	2.4	4.8	4.8	9.3	5.5	8.1	7.5	5.3	6.1	7.0	6.0	7.6	5.2	8.8
Final sales of domestic product	4.8	6.6	6.8	3.2	3.0	2.4	5.1	5.7	8.8	4.8	7.5	6.6	6.1	6.2	6.7	8.3	8.1	3.2	9.0
Gross domestic purchases	5.3	7.7	6.9	5.2	4.4	3.9	5.7	4.6	8.6	5.6	9.7	9.0	5.9	7.4	7.0	5.5	8.4	6.7	8.5
Final sales to domestic purchasers	5.3	7.4	7.2	4.8	3.6	3.8	5.9	5.4	8.2	4.9	9.2	8.1	6.6	7.4	6.7	7.6	8.9	4.8	8.7
GNP	5.1	6.8	6.2	3.3	4.4	3.2	4.6	5.7	9.2	6.4	7.7	6.1	5.4	5.7	7.0	5.9	7.8	4.2	8.6
Disposable personal income	4.3	6.1	4.2	4.7	.2	1.9	5.6	5.2	9.4	2.3	7.6	5.1	4.3	12.5	-1.3	3.5	2.3	8.1	4.1

^r Revised. Revisions include changes to series affected by the introduction of revised wage and salary estimates for the fourth quarter of 2005.

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

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

	2003	2004	2005	Seasonally adjusted at annual rates															
				2002			2003				2004				2005				2006
				II	III	IV	I	II	III	IV	I	II	III	IV	I	II	III	IV	I ^r
Percent change at annual rate:																			
Gross domestic product	2.7	4.2	3.5	2.2	2.4	0.2	1.7	3.7	7.2	3.6	4.3	3.5	4.0	3.3	3.8	3.3	4.1	1.7	5.3
Percentage points at annual rates:																			
Personal consumption expenditures	2.05	2.71	2.48	1.64	1.57	.97	1.70	2.55	4.13	2.15	3.27	1.33	3.05	3.01	2.44	2.35	2.85	.62	3.63
Durable goods .....	.57	.51	.37	.31	.98	-.47	.31	1.23	1.64	-.03	.38	.03	.88	.45	.22	.64	.76	-1.47	1.51
Motor vehicles and parts .....	.19	.06	-.03	.02	.89	-.75	.22	.53	.77	-.43	-.02	-.19	.44	.11	-.31	.27	.45	-1.92	.59
Furniture and household equipment .....	.26	.34	.28	.23	.06	.21	.03	.48	.63	.30	.31	.24	.34	.21	.32	.17	.37	.33	.67
Other .....	.11	.10	.13	.07	.02	.07	.06	.22	.23	.10	.08	-.02	.10	.14	.20	.20	-.06	.12	.26
Nondurable goods .....	.63	.94	.90	.26	.06	.70	.63	.37	1.65	.61	1.31	.53	.78	1.09	1.07	.74	.73	1.02	1.18
Food .....	.25	.48	.49	.18	0	.20	.38	.05	.69	.20	.88	.27	.32	.63	.50	.42	.61	.50	.63
Clothing and shoes .....	.14	.17	.17	.04	-.05	.31	-.04	.27	.33	.04	.37	-.09	.17	.25	.15	.20	.08	.27	.22
Gasoline, fuel oil, and other energy goods .....	.01	.03	.04	.06	.04	-.04	-.01	-.04	.12	.07	-.04	.03	.02	.07	.21	-.11	-.11	.03	-.02
Other .....	.22	.26	.21	-.01	.07	.23	.29	.09	.51	.31	.11	.33	.28	.14	.20	.23	.15	.21	.35
Services .....	.85	1.27	1.21	1.07	.54	.74	.76	.94	.84	1.57	1.58	.77	1.39	1.47	1.15	.97	1.36	1.08	.94
Housing .....	.07	.30	.24	-.03	-.11	-.07	.08	.13	.24	.31	.39	.27	.29	.29	.23	.22	.20	.16	.19
Household operation .....	.05	.07	.10	.29	-.11	.19	.01	-.06	-.02	.25	.07	-.07	.04	.34	.07	-.02	.17	0	-.48
Electricity and gas .....	.02	.03	.06	.25	-.07	.23	-.05	-.13	-.07	.22	.02	-.11	-.05	.37	.02	-.08	.10	.03	-.48
Other household operation .....	.03	.05	.04	.04	-.04	-.04	.07	.07	.05	.03	.05	.05	.10	-.03	.05	.06	.08	-.02	0
Transportation	0	.03	.04	-.04	-.07	-.01	.07	-.05	.02	.13	-.01	0	-.01	.06	.06	.05	.11	.13	.13
Medical care .....	.49	.49	.56	.67	.59	.59	.45	.42	.31	.59	.37	.56	.64	.54	.53	.50	.66	.58	.60
Recreation .....	.10	.11	.06	.07	.04	.16	.04	.15	.07	.21	.17	0	.10	.02	.14	.02	.02	.10	.10
Other .....	.14	.26	.21	.12	.20	-.12	.10	.35	.22	.19	.44	.02	.33	.29	.11	.18	.26	.20	.40
Gross private domestic investment .....	.58	1.82	1.00	.30	.87	-.14	-.03	.42	2.53	1.78	1.52	3.10	.75	1.11	1.42	-.63	.87	2.54	1.41
Fixed investment .....	.54	1.47	1.29	-.23	-.12	-.21	.13	1.26	2.15	1.03	1.04	2.22	1.31	1.13	1.12	1.51	1.31	.65	1.56
Nonresidential .....	.13	.92	.88	-.66	-.21	-.52	-.10	.79	1.08	.43	.76	1.29	1.15	1.04	.58	.90	.88	.48	1.37
Structures	-.11	.06	.05	-.58	-.44	-.14	-.22	.32	0	.03	-.09	.22	.04	.12	-.05	.07	.06	.09	.31
Equipment and software .....	.24	.86	.82	-.09	.23	-.38	.12	.47	1.09	.40	.85	1.07	1.12	.92	.64	.83	.82	.39	1.05
Information processing equipment and software .....	.19	.49	.48	.06	.23	-.38	.21	.20	.79	.52	.61	.38	.31	.34	.72	.53	.42	.32	.66
Computers and peripheral equipment .....	.09	.19	.24	-.06	.16	-.04	.07	.10	.21	.17	.20	.18	.16	.27	.31	.23	.11	.28	.13
Software .....	.06	.11	.17	.15	.12	-.17	.04	.04	.29	.15	.08	.05	.10	.09	.22	.29	.14	.09	.10
Other .....	.05	.19	.08	-.03	-.05	-.17	.10	.05	.29	.20	.33	.16	.05	-.02	.18	.01	.17	-.06	.44
Industrial equipment	0	.04	.09	-.12	.08	.01	.15	-.12	-.04	-.14	.19	-.05	.30	.06	.23	-.27	.20	.16	-.04
Transportation equipment	-.03	.15	.17	-.16	-.07	-.02	-.25	.36	.01	-.16	-.04	.56	.23	.39	-.16	.33	.18	-.19	.38
Other equipment .....	.08	.18	.09	.14	0	.02	.01	.04	.33	.18	.09	.18	.28	.13	-.14	.23	.02	.10	.06
Residential .....	.41	.55	.41	.43	.09	.30	.23	.47	1.07	.59	.28	.93	.15	.09	.54	.62	.43	.17	.19
Change in private inventories .....	.05	.35	-.29	.53	.98	.08	-.16	-.84	.38	.75	.48	.87	-.56	-.03	.29	-2.14	-.43	1.89	-.14
Farm .....	.03	.03	-.07	-.39	.31	.03	.17	-.21	-.07	.19	-.20	.45	-.01	-.28	-.11	-.09	-.02	.02	-.02
Nonfarm .....	.02	.32	-.22	.92	.67	.04	-.33	-.63	.45	.57	.68	.42	-.55	.25	.40	-2.05	-.42	1.87	-.13
Net exports of goods and services	-.46	-.73	-.29	-.62	-.49	-1.52	.08	-.66	.48	-.47	-1.16	-1.37	-.17	-.98	-.40	1.11	-.12	-1.36	-.55
Exports .....	.17	.80	.70	.96	.27	-.31	-.29	-.20	1.04	1.69	.49	.67	.53	.70	1.07	.26	.52	1.47	1.47
Goods .....	.12	.59	.51	.88	.14	-.64	.09	0	.58	1.05	.50	.53	.55	.25	.37	1.08	.23	.56	1.42
Services .....	.05	.22	.18	.08	.13	.33	-.38	-.20	.46	.64	-.01	.14	-.02	.44	.37	-.01	.03	-.05	.05
Imports	-.63	-1.53	-.98	-1.58	-.76	-1.21	.37	-.46	-.56	-2.16	-1.65	-2.03	-.70	-1.68	-1.14	.04	-.38	-1.88	-2.02
Goods	-.56	-1.30	-.89	-1.65	-.72	-.90	.32	-.71	-.10	-1.91	-1.41	-1.71	-.59	-1.60	-1.05	.15	-.46	-1.76	-1.85
Services	-.07	-.23	-.09	.07	-.04	-.31	.05	.26	-.46	-.25	-.23	-.32	-.11	-.08	-.10	-.11	.09	-.12	-.17
Government consumption expenditures and gross investment .....	.53	.41	.34	.88	.43	.89	-.05	1.37	.11	.10	.62	.43	.35	.17	.35	.47	.54	-.15	.82
Federal .....	.45	.36	.16	.76	.20	.64	.03	1.40	-.14	.21	.71	.22	.25	-.04	.17	.17	.52	-.18	.71
National defense .....	.37	.32	.12	.45	.17	.59	-.15	1.46	-.31	.35	.60	.04	.41	-.16	.14	.17	.46	-.44	.43
Consumption expenditures .....	.33	.26	.11	.29	.07	.67	-.19	1.35	-.34	.32	.46	.01	.39	-.26	.34	.04	.37	-.49	.40
Gross investment .....	.04	.06	.01	.16	.10	-.08	.04	.11	.03	.03	.14	.02	.02	.10	-.20	.13	.09	.05	.04
Nondefense .....	.08	.04	.04	.31	.03	.05	.18	-.06	.17	-.14	.11	.19	-.16	.12	.03	-.01	.06	.26	.28
Consumption expenditures .....	.08	.04	.02	.21	.11	.07	.18	-.19	.29	-.10	.11	.04	-.04	.08	.02	-.09	.08	.14	.23
Gross investment	0	0	.02	.10	-.08	-.02	0	.14	-.12	-.04	0	.15	-.12	.04	.01	.08	-.02	.12	.05
State and local .....	.08	.05	.17	.12	.23	.25	-.08	-.04	.25	-.11	-.09	.21	.10	.21	.19	.31	.03	.03	.10
Consumption expenditures .....	.06	.04	.11	.24	.17	.15	-.02	-.01	-.01	.02	0	.07	.14	.16	.08	.08	.17	.09	.12
Gross investment .....	.02	.01	.06	-.12	.06	.10	-.07	-.03	.26	-.13	-.08	.14	-.04	.05	.11	.23	-.14	-.06	-.02
Addenda:																			
Goods	1.10	2.06	1.49	.49	1.69	-1.74	1.38	.75	5.19	.96	2.29	1.53	2.10	1.26	1.41	1.58	1.70	.73	3.39
Services	1.30	1.59	1.54	1.95	.98	1.65	.41	2.15	.78	2.20	1.90	.71	1.75	1.82	1.86	1.80	2.09	.65	1.56
Structures .....	.31	.57	.49	-.26	-.29	.29	-.08	.76	1.28	.41	.06	1.26	.13	.23	.53	.85	.35	.28	.36

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

	Billions of current dollars						Billions of chained (2000) dollars								
	2005	Seasonally adjusted at annual rates					2005	Seasonally adjusted at annual rates					Change from preceding period		
		2005				2006		2005	2005				2006	2005	2006
		I	II	III	IV	I ^r			I	II	III	IV	I ^r		
Gross domestic product	12,487.1	12,198.8	12,378.0	12,605.7	12,766.1	13,037.4	11,134.8	10,999.3	11,089.2	11,202.3	11,248.3	11,394.7	379.1	46.0	146.4
Personal consumption expenditures	8,745.7	8,535.8	8,677.0	8,844.0	8,926.2	9,084.4	7,856.9	7,764.9	7,829.5	7,907.9	7,925.4	8,026.7	268.3	17.5	101.3
Durable goods	1,026.5	1,017.3	1,035.5	1,050.9	1,002.1	1,047.9	1,138.4	1,122.3	1,143.9	1,169.7	1,117.7	1,171.1	48.5	-52.0	53.4
Motor vehicles and parts	446.8	449.6	458.5	468.7	410.5	432.3	452.8	455.0	463.3	477.3	415.5	434.4	-4.2	-61.8	18.9
Furniture and household equipment	373.2	366.9	370.0	374.9	381.1	398.1	485.0	469.2	475.9	490.5	504.4	532.3	42.1	13.9	27.9
Other	206.4	200.8	207.0	207.2	210.5	217.6	211.3	206.5	212.9	211.0	214.7	223.0	15.5	3.7	8.3
Non-durable goods	2,564.4	2,476.6	2,533.7	2,604.9	2,642.5	2,686.7	2,297.9	2,265.6	2,285.9	2,305.8	2,334.2	2,367.0	97.5	28.4	32.8
Food	1,218.6	1,184.2	1,207.1	1,229.9	1,253.3	1,281.8	1,081.1	1,060.9	1,072.2	1,088.7	1,102.8	1,120.3	52.0	14.1	17.5
Clothing and shoes	345.4	340.5	344.9	343.9	352.3	358.3	376.5	367.9	374.4	377.2	386.7	394.2	21.5	9.5	7.5
Gasoline, fuel oil, and other energy goods	310.6	275.2	296.4	338.3	332.6	327.0	204.9	207.7	205.2	203.0	203.5	203.2	3.5	.5	-3.3
Other	689.8	676.8	685.3	692.8	704.2	719.6	639.7	631.2	637.7	641.9	648.0	658.1	23.0	6.1	10.1
Services	5,154.9	5,041.8	5,107.8	5,188.3	5,281.6	5,349.7	4,436.4	4,392.0	4,417.6	4,453.5	4,482.6	4,507.6	125.5	29.1	25.0
Housing	1,281.5	1,260.6	1,275.3	1,288.2	1,301.8	1,318.9	1,103.7	1,095.6	1,101.4	1,106.6	1,111.0	1,116.3	25.3	4.4	5.3
Household operation	481.8	465.3	471.4	484.4	506.1	497.6	416.3	414.3	413.8	418.5	418.5	405.8	10.7	0	-12.7
Electricity and gas	201.7	189.5	192.4	202.1	222.9	212.0	155.0	155.2	153.2	155.5	156.1	145.3	5.8	.6	-10.8
Other household operation	280.1	275.8	279.0	282.3	283.2	285.7	261.0	258.8	260.5	262.7	262.0	262.1	4.7	-.7	-.1
Transportation	321.2	312.3	318.5	324.1	329.9	336.7	287.3	284.6	286.3	287.6	290.6	294.4	3.9	3.0	3.8
Medical care	1,510.0	1,470.5	1,492.6	1,522.0	1,554.7	1,578.4	1,291.6	1,269.1	1,282.3	1,299.6	1,315.2	1,331.2	58.1	15.6	16.0
Recreation	355.2	350.3	353.1	356.6	360.7	365.6	308.6	307.7	308.3	308.9	309.4	312.1	6.2	.5	2.7
Other	1,205.3	1,182.8	1,196.8	1,213.0	1,228.4	1,252.4	1,027.8	1,019.5	1,024.3	1,031.1	1,036.5	1,047.1	21.1	5.4	10.6
Gross private domestic investment	2,105.0	2,058.5	2,054.4	2,099.5	2,207.5	2,273.4	1,919.8	1,902.9	1,885.0	1,909.4	1,981.9	2,021.7	110.0	72.5	39.8
Fixed investment	2,086.1	1,998.7	2,058.5	2,119.2	2,168.0	2,239.8	1,897.1	1,842.2	1,884.7	1,921.5	1,940.0	1,983.8	142.0	18.5	43.8
Nonresidential	1,329.8	1,280.1	1,313.5	1,348.9	1,376.7	1,432.8	1,289.0	1,252.2	1,279.0	1,305.2	1,319.7	1,361.0	102.3	14.5	41.3
Structures	335.1	315.9	325.6	340.2	359.0	381.1	253.4	251.0	252.7	254.1	256.0	263.0	5.0	1.9	7.0
Equipment and software	994.7	964.3	987.9	1,008.7	1,017.7	1,051.7	1,050.8	1,014.2	1,040.9	1,067.5	1,080.6	1,116.0	103.2	13.1	35.4
Information processing equipment and software	488.9	474.6	486.6	494.5	500.1	517.1	590.6	565.1	584.6	600.2	612.4	638.2	68.2	12.2	25.8
Computers and peripheral equipment	105.7	102.7	105.6	105.0	109.6	109.3	.....	.....	.....	.....	.....	.....	.....	.....	.....
Software	197.8	188.3	197.3	201.3	204.3	208.1	209.9	199.8	209.1	213.7	216.9	220.1	21.1	3.2	3.2
Other	185.4	183.6	183.6	188.2	186.2	199.8	198.7	196.3	196.5	202.1	200.1	215.1	9.8	-2.0	15.0
Industrial equipment	161.3	161.3	154.9	161.3	167.5	167.2	149.1	150.9	143.2	148.8	153.6	152.3	9.7	4.8	-1.3
Transportation equipment	171.5	163.8	172.8	177.9	171.6	185.5	157.0	148.8	158.1	163.3	157.9	168.8	18.3	-5.4	10.9
Other equipment	172.9	164.6	173.7	175.0	178.5	181.8	159.9	153.9	160.6	161.1	163.9	165.5	9.9	2.8	1.6
Residential	756.3	718.5	745.0	770.3	791.4	806.9	601.9	584.1	599.3	610.0	614.2	618.8	40.1	4.2	4.6
Change in private inventories	18.9	59.9	-4.2	-19.7	39.4	33.7	20.3	58.2	-1.7	-13.3	37.9	32.3	-31.7	51.2	-5.6
Farm	-8.4	-6.5	-8.5	-9.5	-8.9	-9.6	-3.7	-2.3	-4.2	-4.5	-3.7	-4.5	-6.0	.8	-8.8
Nonfarm	27.2	66.4	4.3	-10.2	48.3	43.3	25.0	61.8	3.4	-8.1	43.0	38.1	-24.9	51.1	-4.9
Net exports of goods and services	-726.5	-697.5	-691.0	-730.4	-787.1	-794.2	-633.1	-645.4	-614.2	-617.5	-655.2	-669.9	-31.8	-37.7	-14.7
Exports	1,301.2	1,253.2	1,297.1	1,314.6	1,339.8	1,394.5	1,195.3	1,165.3	1,195.4	1,202.7	1,217.6	1,260.2	77.4	14.9	42.6
Goods	905.6	865.4	904.7	914.8	937.4	989.2	841.1	810.7	841.3	847.9	864.4	906.2	57.5	16.5	41.8
Services	395.6	387.7	392.5	399.9	402.4	405.3	354.1	354.3	353.9	354.8	353.5	354.8	20.0	-1.3	1.3
Imports	2,027.7	1,950.6	1,988.1	2,045.1	2,126.9	2,188.7	1,810.7	1,809.6	1,820.2	1,872.9	1,930.1	2,019.1	109.1	52.7	57.2
Goods	1,700.7	1,627.6	1,661.8	1,718.6	1,794.8	1,849.3	1,553.0	1,537.3	1,532.9	1,546.1	1,595.8	1,648.7	100.3	49.7	52.9
Services	327.0	323.0	326.3	326.4	332.1	339.4	276.7	274.8	277.7	275.5	278.7	283.4	9.6	3.2	4.7
Government consumption expenditures and gross investment	2,362.9	2,302.0	2,337.6	2,392.7	2,419.6	2,473.8	1,987.1	1,971.9	1,984.1	1,998.1	1,994.1	2,015.2	34.8	-4.0	21.1
Federal	877.7	860.2	869.8	892.2	888.5	924.7	740.5	731.8	736.1	749.5	744.6	763.4	16.8	-4.9	18.8
National defense	587.1	575.3	582.5	601.7	589.1	611.0	493.6	487.3	491.7	503.6	492.0	503.3	12.3	-11.6	11.3
Consumption expenditures	515.9	508.9	512.3	528.6	514.0	534.4	424.1	421.9	422.9	432.2	419.6	429.7	10.8	-12.6	10.1
Gross investment	71.2	66.4	70.2	73.1	75.1	76.7	70.0	65.3	69.2	72.0	73.5	74.7	1.5	1.5	1.2
Nondefense	290.6	285.0	287.3	290.5	299.4	313.6	246.6	244.3	244.2	245.6	252.5	259.9	4.4	6.9	7.4
Consumption expenditures	253.7	250.7	250.5	254.3	259.1	271.7	210.6	210.4	208.2	210.1	213.7	219.7	2.0	3.6	6.0
Gross investment	36.9	34.3	36.8	36.3	40.3	41.9	36.3	33.8	36.3	35.6	39.4	40.8	2.9	3.8	1.4
State and local	1,485.2	1,441.7	1,467.7	1,500.4	1,531.1	1,549.2	1,246.3	1,239.8	1,247.8	1,248.5	1,249.3	1,251.9	17.9	.8	2.6
Consumption expenditures	1,193.0	1,159.0	1,175.7	1,205.7	1,231.7	1,245.1	991.1	986.8	988.8	993.3	995.6	998.7	11.6	2.3	3.1
Gross investment	292.2	282.7	292.0	294.7	299.4	304.1	255.4	253.2	259.4	255.4	253.7	253.2	6.5	-1.7	-5.5
Residual .....	.....	.....	.....	.....	.....	.....	-63.6	-48.0	-60.1	-69.6	-77.1	-99.0	.....	.....	.....
Addenda:															
Final sales of domestic product	12,468.3	12,138.9	12,382.1	12,625.4	12,726.7	13,003.8	11,112.8	10,940.3	11,089.2	11,214.4	11,207.5	11,357.9	410.4	-6.9	150.4
Gross domestic purchases	13,213.7	12,896.3	13,069.0	13,336.1	13,553.3	13,831.6	11,759.1	11,635.4	11,694.8	11,811.2	11,895.0	12,056.6	410.4	83.8	161.6
Final sales to domestic purchasers	13,194.8	12,836.4	13,073.1	13,355.8	13,513.8	13,798.0	11,737.0	11,576.2	11,694.6	11,823.0	11,854.1	12,019.7			

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

	2003	2004	2005	Seasonally adjusted at annual rates															
				2002			2003				2004				2005				2006
				II	III	IV	I	II	III	IV	I	II	III	IV	I	II	III	IV	I ^r
Gross domestic product (GDP)	2.0	2.6	2.8	1.5	1.6	2.2	3.1	1.1	1.8	1.9	3.6	3.9	1.5	2.7	3.1	2.6	3.3	3.5	3.3
Personal consumption expenditures	1.9	2.6	2.8	2.8	1.8	1.7	3.0	.6	2.0	1.3	3.9	3.8	1.5	3.1	2.3	3.3	3.7	2.9	2.0
Durable goods	-3.5	-1.9	-5	-1.9	-1.8	-2.7	-4.3	-4.3	-4.4	-4.1	.1	-1	-2.4	.6	.9	-5	-3.0	-8	-8
Nondurable goods	2.0	3.3	3.7	5.4	.9	1.2	5.6	-2.4	3.1	.6	6.0	6.6	.1	4.5	1.3	5.7	7.9	.8	1.1
Services	3.0	3.2	3.1	2.6	3.0	2.8	3.4	3.2	2.8	2.8	3.6	3.3	2.9	3.0	3.0	2.9	3.1	4.6	2.9
Gross private domestic investment	1.6	3.1	3.1	.5	.2	2.9	2.9	-5	1.7	3.7	3.4	4.6	3.2	2.3	2.6	2.7	3.7	5.2	3.9
Fixed investment	1.7	3.2	3.1	.5	.2	3.0	3.1	-5	1.7	3.9	3.5	4.6	3.0	2.2	2.6	2.7	4.0	5.4	4.2
Nonresidential .....	.3	1.3	2.1	-2	-4	1.1	.1	-1.0	1.2	1.9	1.2	1.8	.9	1.1	3.1	1.9	2.5	3.8	3.7
Structures	3.5	5.5	10.1	5.2	4.3	5.1	4.0	.3	2.9	4.6	7.1	6.8	6.6	5.6	10.3	9.9	16.5	20.3	14.2
Equipment and software	-9	-1	-4	-2.1	-2.0	-.3	-1.2	-1.4	.6	1.0	-8	.2	-.9	-.4	.9	-.7	-1.8	-1.3	.3
Residential	4.8	6.7	4.8	2.2	1.5	7.0	9.3	.3	2.7	7.6	8.0	9.7	6.9	4.2	1.6	4.3	6.5	8.3	4.9
Change in private inventories																			
Net exports of goods and services																			
Exports	2.1	3.6	3.7	2.8	3.0	.6	4.1	1.0	.9	2.9	5.9	4.8	1.7	4.3	4.6	3.7	2.9	2.7	2.3
Goods	2.0	3.7	3.1	2.2	3.3	.5	3.6	1.6	-.7	4.1	6.5	5.3	1.0	3.8	4.5	2.9	1.3	2.1	2.6
Services	2.5	3.1	5.0	4.3	2.1	.7	5.2	-.3	4.6	.1	4.4	3.7	3.2	5.6	4.7	5.4	6.7	4.0	1.5
Imports	3.4	5.0	6.1	10.3	3.5	.6	11.2	-4.4	2.6	1.1	9.6	6.6	5.7	6.8	2.9	8.2	9.4	4.4	-6
Goods	2.9	5.0	6.4	10.8	2.6	.4	11.9	-6.7	2.5	.5	10.1	7.9	5.4	6.9	1.9	9.9	10.6	4.8	-1.1
Services	5.8	4.9	4.6	7.6	8.1	1.4	8.0	7.5	3.2	4.2	7.5	.3	7.4	6.5	7.9	-.2	3.4	2.2	2.1
Government consumption expenditures and gross investment	3.7	3.7	4.8	2.9	2.6	3.6	8.9	0	2.5	1.4	6.2	5.0	3.2	4.1	5.7	3.7	6.7	5.4	4.8
Federal	3.9	4.2	3.6	.5	1.0	4.6	9.9	1.3	1.2	1.2	9.7	4.9	2.2	2.6	7.0	2.1	3.0	.9	6.2
National defense	4.4	4.0	3.6	1.3	2.4	6.9	9.3	1.1	1.3	1.5	7.8	5.6	2.8	2.7	6.6	1.4	3.5	.9	5.6
Nondefense	3.0	4.6	3.8	-.8	-1.4	.5	11.0	1.6	1.0	.7	13.7	3.6	1.2	2.5	7.9	3.6	2.1	.9	7.3
State and local	3.7	3.4	5.4	4.2	3.4	3.0	8.4	-.7	3.2	1.6	4.2	5.0	3.7	4.9	4.9	4.7	9.0	8.2	3.9
Addenda:																			
Final sales of domestic product	2.0	2.6	2.8	1.5	1.6	2.3	3.1	1.1	1.8	1.9	3.6	3.8	1.4	2.7	3.1	2.6	3.3	3.5	3.3
Gross domestic purchases	2.2	2.9	3.2	2.5	1.7	2.2	4.1	.4	2.0	1.7	4.2	4.1	2.0	3.2	2.9	3.3	4.2	3.7	2.8
Final sales to domestic purchasers	2.2	2.9	3.2	2.5	1.7	2.2	4.1	.4	2.0	1.7	4.2	4.1	2.0	3.2	2.9	3.3	4.3	3.7	2.8
Gross national product (GNP)	2.0	2.6	2.8	1.5	1.6	2.2	3.1	1.1	1.8	1.9	3.6	3.8	1.5	2.7	3.1	2.6	3.3	3.5	3.3
Implicit price deflators:																			
GDP	2.0	2.6	2.8	1.4	1.5	2.2	3.1	1.1	1.9	1.8	3.7	3.9	1.3	2.7	3.0	2.6	3.3	3.5	3.3
Gross domestic purchases	2.2	2.9	3.2	2.4	1.6	2.2	4.1	.4	2.1	1.6	4.3	4.1	1.9	3.2	2.9	3.3	4.2	3.7	2.8
GNP	2.0	2.6	2.8	1.5	1.5	2.3	3.1	1.1	1.9	1.8	3.7	3.8	1.3	2.7	3.0	2.6	3.3	3.5	3.3

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

Table 5.—Real Gross Domestic Product, Quantity Indexes

[Index numbers, 2000=100]

	2003	2004	2005	Seasonally adjusted				
				2005				2006
				I	II	III	IV	I ^r
Gross domestic product	105.130	109.562	113.424	112.044	112.959	114.112	114.580	116.071
Personal consumption expenditures	108.416	112.601	116.582	115.217	116.176	117.338	117.598	119.102
Durable goods	119.134	126.245	131.864	129.999	132.499	135.492	129.468	135.645
Nondurable goods	107.938	113.000	118.008	116.351	117.392	118.413	119.875	121.557
Services	106.493	109.725	112.919	111.789	112.440	113.353	114.094	114.730
Gross private domestic investment	93.195	104.286	110.621	109.645	108.615	110.023	114.201	116.495
Fixed investment	95.297	104.534	112.990	109.722	112.252	114.443	115.544	118.153
Nonresidential	88.063	96.314	104.622	101.633	103.806	105.935	107.116	110.462
Structures	77.621	79.314	80.925	80.145	80.680	81.123	81.753	83.966
Equipment and software	92.154	103.126	114.355	110.376	113.274	116.170	117.600	121.450
Residential	113.989	125.714	134.678	130.695	134.100	136.484	137.434	138.471
Change in private inventories								
Exports of goods and services	94.064	101.970	109.028	106.295	109.037	109.710	111.070	114.956
Imports of goods and services	105.205	116.495	123.892	122.698	122.620	123.340	126.908	130.788
Government consumption expenditures and gross investment	111.009	113.398	115.420	114.537	115.248	116.063	115.830	117.056
Federal	118.839	125.038	127.945	126.446	127.188	129.491	128.657	131.896
State and local	107.042	107.487	109.058	108.489	109.183	109.246	109.313	109.541
Addenda:								
Final sales of domestic product	105.564	109.650	113.856	112.088	113.613	114.896	114.825	116.366
Gross domestic purchases	106.285	111.301	115.325	114.112	114.695	115.836	116.658	118.243
Final sales to domestic purchasers	106.708	111.394	115.750	114.164	115.332	116.598	116.905	118.538
Gross national product	105.370	109.637	113.296	111.977	112.851	114.076	114.282	115.734

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

Table 6.—Price Indexes for Gross Domestic Product

[Index numbers, 2000=100]

	2003	2004	2005	Seasonally adjusted				
				2005				2006
				I	II	III	IV	I ^r
Gross domestic product	106.310	109.102	112.176	110.950	111.655	112.567	113.532	114.456
Personal consumption expenditures (PCE)	105.520	108.246	111.313	109.936	110.832	111.846	112.637	113.186
Durable goods	92.372	90.631	90.168	90.648	90.527	89.839	89.659	89.489
Nondurable goods	104.151	107.634	111.596	109.327	110.854	112.985	113.218	113.521
Services	109.246	112.695	116.195	114.803	115.633	116.508	117.834	118.692
Gross private domestic investment	103.311	106.555	109.836	108.427	109.164	110.169	111.586	112.660
Fixed investment	103.432	106.697	109.970	108.522	109.254	110.318	111.787	112.934
Nonresidential	99.764	101.025	103.161	102.244	102.715	103.358	104.327	105.291
Structures	113.889	120.124	132.228	125.876	128.886	133.914	140.234	144.955
Equipment and software	95.133	95.022	94.661	95.067	94.910	94.491	94.174	94.235
Residential	112.379	119.935	125.661	123.062	124.359	126.335	128.889	130.445
Change in private inventories								
Exports of goods and services	101.398	104.999	108.867	107.559	108.534	109.323	110.052	110.673
Imports of goods and services	99.610	104.571	110.937	107.783	109.925	112.413	113.626	113.458
Government consumption expenditures and gross investment	109.460	113.505	118.915	116.747	117.820	119.751	121.343	122.763
Federal	109.740	114.354	118.525	117.550	118.168	119.056	119.327	121.132
State and local	109.303	113.022	119.170	116.291	117.635	120.186	122.568	123.756
Addenda:								
PCE excluding food and energy	105.082	107.156	109.311	108.617	109.083	109.450	110.095	110.641
Market-based PCE ¹	105.009	107.422	110.336	108.948	109.860	110.917	111.619	112.087
Market-based PCE excluding food and energy ¹	104.348	105.898	107.678	107.106	107.506	107.797	108.302	108.745
Final sales of domestic product	106.330	109.124	112.196	110.963	111.667	112.589	113.563	114.499
Gross domestic purchases	105.863	108.899	112.401	110.883	111.785	112.953	113.981	114.764
Final sales to domestic purchasers	105.883	108.921	112.421	110.898	111.798	112.976	114.013	114.806
Gross national product	106.304	109.094	112.158	110.933	111.638	112.550	113.514	114.436
Implicit price deflators:								
Gross domestic product	106.305	109.099	112.145	110.905	111.622	112.527	113.494	114.417
Final sales of domestic product	106.330	109.124	112.197	110.956	111.659	112.582	113.556	114.491
Gross domestic purchases	105.858	108.896	112.370	110.837	111.750	112.911	113.941	114.723
Final sales to domestic purchasers	105.883	108.920	112.421	110.886	111.787	112.965	114.001	114.795
Gross national product	106.299	109.091	112.129	110.890	111.607	112.512	113.477	114.399

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

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

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005 ^r
Gross domestic product (GDP)	1.9	-0.2	3.3	2.7	4.0	2.5	3.7	4.5	4.2	4.5	3.7	0.8	1.6	2.7	4.2	3.5
Personal consumption expenditures	2.0	.2	3.3	3.3	3.7	2.7	3.4	3.8	5.0	5.1	4.7	2.5	2.7	2.9	3.9	3.5
Durable goods	-3	-5.6	5.9	7.8	8.4	4.4	7.8	8.6	11.3	11.7	7.3	4.3	7.1	6.6	6.0	4.5
Nondurable goods	1.6	-2	2.0	2.7	3.5	2.2	2.6	2.7	4.0	4.6	3.8	2.0	2.5	3.2	4.7	4.4
Services	2.9	1.7	3.5	2.8	2.9	2.6	2.9	3.3	4.2	4.0	4.5	2.4	1.9	2.0	3.0	2.9
Gross private domestic investment	-3.4	-8.1	8.1	8.9	13.6	3.1	8.9	12.4	9.8	7.8	5.7	-7.9	-2.6	3.9	11.9	6.1
Fixed investment	-2.1	-6.5	5.9	8.6	9.3	6.5	9.0	9.2	10.2	8.3	6.5	-3.0	-5.2	3.6	9.7	8.1
Nonresidential .....	.5	-5.4	3.2	8.7	9.2	10.5	9.3	12.1	11.1	9.2	8.7	-4.2	-9.2	1.3	9.4	8.6
Structures	1.5	-11.1	-6.0	-7	1.8	6.4	5.6	7.3	5.1	-4	6.8	-2.3	-17.1	-4.2	2.2	2.0
Equipment and software	0	-2.6	7.3	12.5	11.9	12.0	10.6	13.8	13.3	12.7	9.4	-4.9	-6.2	3.2	11.9	10.9
Residential	-8.6	-9.6	13.8	8.2	9.6	-3.2	8.0	1.9	7.6	6.0	.8	.4	4.8	8.4	10.3	7.1
Change in private inventories																
Net exports of goods and services																
Exports	9.0	6.6	6.9	3.2	8.7	10.1	8.4	11.9	2.4	4.3	8.7	-5.4	-2.3	1.8	8.4	6.9
Goods	8.4	6.9	7.5	3.3	9.7	11.7	8.8	14.3	2.2	3.8	11.2	-6.1	-4.0	1.8	8.9	7.3
Services	10.5	6.0	5.5	3.2	6.3	7.2	5.9	2.9	5.6	2.9	-3.7	1.9	1.7	7.4	6.0	
Imports	3.6	-6	7.0	8.8	11.9	8.0	8.7	13.6	11.6	11.5	13.1	-2.7	3.4	4.6	10.7	6.3
Goods	3.0	-1	9.3	10.1	13.3	9.0	9.3	14.4	11.7	12.4	13.5	-3.2	3.7	4.9	11.0	6.9
Services	6.5	-2.6	-2.6	2.9	5.7	3.3	5.5	9.4	11.4	6.9	11.1	-3	2.1	3.0	9.6	3.6
Government consumption expenditures and gross investment	3.2	1.1	.5	-9	0	.5	1.0	1.9	1.9	3.9	2.1	3.4	4.4	2.8	2.2	1.8
Federal	2.0	-2	-1.7	-4.2	-3.7	-2.7	-1.2	-1.0	-1.1	2.2	.9	3.9	7.0	6.9	5.2	2.3
National defense	0	-1.1	-5.0	-5.6	-4.9	-3.8	-1.4	-2.8	-2.1	1.9	-5	3.9	7.4	8.8	7.0	2.6
Nondefense	8.3	2.4	6.9	-7	-1.2	-4	-7	2.6	.7	2.8	3.5	3.9	6.3	3.4	1.8	1.8
State and local	4.1	2.1	2.2	1.4	2.6	2.6	2.3	3.6	3.6	4.7	2.7	3.2	3.1	.6	.4	1.5
Addenda:																
Final sales of domestic product	2.1	.1	3.0	2.6	3.4	3.0	3.7	4.0	4.2	4.5	3.8	1.6	1.2	2.7	3.9	3.8
Gross domestic purchases	1.4	-8	3.3	3.2	4.4	2.4	3.8	4.8	5.3	5.3	4.4	.9	2.2	3.0	4.7	3.6
Final sales to domestic purchasers	1.6	-6	3.1	3.2	3.8	2.8	3.8	4.3	5.3	5.4	4.5	1.8	1.8	3.0	4.4	3.9
Gross national product	2.0	-3	3.3	2.7	3.9	2.6	3.7	4.4	4.0	4.6	3.7	.8	1.5	3.0	4.0	3.3
Real disposable personal income	1.9	.5	3.4	1.0	2.7	2.8	3.0	3.5	5.8	3.0	4.8	1.9	3.1	2.4	3.4	1.3
Price indexes:																
Gross domestic purchases	4.1	3.3	2.3	2.2	2.1	2.1	1.8	1.4	.6	1.6	2.5	2.0	1.6	2.2	2.9	3.2
Gross domestic purchases excluding food and energy	3.7	3.5	2.6	2.3	2.2	2.2	1.5	1.3	1.0	1.4	1.9	1.9	1.9	1.8	2.4	2.5
GDP	3.9	3.5	2.3	2.3	2.1	2.0	1.9	1.7	1.1	1.4	2.2	2.4	1.7	2.0	2.6	2.8
GDP excluding food and energy	3.7	3.6	2.5	2.4	2.2	2.1	1.7	1.7	1.2	1.5	2.0	2.1	2.1	1.8	2.5	2.7
Personal consumption expenditures	4.6	3.6	2.9	2.3	2.1	2.1	2.2	1.7	.9	1.7	2.5	2.1	1.4	1.9	2.6	2.8

^r Revised. Revisions include changes to series affected by the introduction of revised wage and salary estimates for the fourth quarter of 2005.

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

	2002			2003				2004				2005				2006
	II	III	IV	I	II	III	IV	I	II	III	IV	I	II	III	IV ^r	I ^r
Gross domestic product (GDP)	1.3	2.2	1.9	1.6	2.0	3.2	4.0	4.7	4.6	3.8	3.8	3.6	3.6	3.6	3.2	3.6
Personal consumption expenditures (PCE)	3.1	3.2	1.9	2.1	2.4	3.3	3.8	4.3	3.9	3.5	3.8	3.5	3.9	3.8	2.9	3.4
Durable goods	8.9	11.0	1.2	3.2	6.0	7.9	9.2	9.4	5.8	3.7	5.2	4.7	6.7	6.3	.2	4.3
Nondurable goods	3.0	2.4	2.1	2.1	2.2	4.2	4.1	4.9	5.1	4.0	4.6	4.3	4.6	4.5	4.4	4.5
Services	2.0	2.0	1.9	1.9	1.8	2.0	2.5	3.0	2.9	3.2	3.1	2.9	3.0	3.0	2.8	2.6
Gross private domestic investment	-5.4	-1.4	4.9	1.5	1.7	4.4	7.7	10.5	15.1	11.8	10.4	10.1	4.0	4.1	6.3	6.2
Fixed investment	-5.8	-4.9	-2.5	-7	1.8	5.6	7.7	9.3	10.9	9.3	9.4	9.4	8.0	7.9	7.1	7.7
Nonresidential	-9.8	-8.7	-6.5	-3.5	0	3.2	5.6	7.9	9.2	9.4	10.9	10.3	9.2	8.3	6.9	8.7
Structures	-17.4	-22.0	-14.9	-12.2	-4.5	-5	1.2	2.6	1.5	1.9	2.7	3.1	1.7	1.9	1.5	4.8
Equipment and software	-6.8	-3.2	-3.4	-3	1.6	4.4	7.2	9.8	11.9	12.0	13.8	12.8	11.7	10.5	8.7	10.0
Residential	4.3	4.4	7.0	5.6	5.6	10.5	11.8	11.9	13.9	9.1	6.6	7.7	6.1	7.2	7.6	5.9
Change in private inventories																
Net exports of goods and services																
Exports	-4.0	1.6	3.8	1.7	-1.3	.7	6.0	8.1	10.5	9.0	6.1	6.7	7.7	6.9	6.4	8.1
Goods	-4.9	1.1	1.1	1.9	-1.5	.2	6.7	8.3	10.4	10.1	6.8	6.2	8.2	6.9	8.0	11.8
Services	-2.0	2.8	10.2	1.4	-1.0	1.9	4.5	7.8	10.9	6.4	4.6	7.9	6.5	6.9	2.8	.1
Imports	2.1	6.4	9.7	6.0	3.8	3.4	5.1	8.8	11.7	11.8	10.6	9.4	5.7	5.1	5.3	6.6
Goods	3.2	7.2	9.9	6.8	4.5	3.1	5.3	9.2	11.2	12.3	11.1	10.1	6.1	5.8	5.9	7.2
Services	-3.0	2.4	8.8	2.4	.5	5.0	4.2	7.3	13.8	9.7	7.7	6.2	3.9	2.0	2.4	3.1
Government consumption expenditures and gross investment	4.0	4.9	4.0	2.9	3.5	3.0	1.9	2.9	1.7	2.0	2.1	1.7	1.8	2.0	1.6	2.2
Federal	6.7	7.5	7.8	6.4	8.6	7.2	5.5	8.1	3.6	5.1	4.2	2.1	1.9	2.9	2.3	4.3
National defense	7.4	7.9	8.4	6.5	12.2	9.2	7.5	12.1	3.7	7.8	4.9	2.3	3.0	3.3	1.7	3.3
Nondefense	5.5	6.8	6.8	6.2	2.1	3.6	1.6	.8	3.5	0	2.8	1.8	-2	2.1	3.6	6.4
State and local	2.6	3.6	2.1	1.1	.7	.8	0	0	.5	.2	.9	1.5	1.7	1.5	1.2	1.0
Addenda:																
Final sales of domestic product	1.2	1.7	.8	1.3	2.0	3.3	4.0	4.5	4.0	3.4	3.6	3.5	4.2	4.3	3.3	3.8
Gross domestic purchases	1.9	2.8	2.7	2.2	2.5	3.4	4.0	4.9	5.1	4.4	4.5	4.2	3.5	3.5	3.2	3.6
Final sales to domestic purchasers	1.9	2.3	1.6	1.9	2.5	3.6	4.0	4.7	4.5	4.1	4.3	4.1	4.1	4.1	3.3	3.8
Gross national product	1.0	2.3	1.6	1.8	2.4	3.5	4.4	5.0	4.4	3.6	3.2	3.2	3.5	3.6	3.0	3.4
Real disposable personal income	4.6	1.4	2.9	.7	1.4	3.6	3.8	4.1	3.2	2.1	4.1	2.3	2.1	1.0	.1	1.5
Price indexes:																
Gross domestic purchases	1.4	1.6	1.9	2.6	2.1	2.1	2.0	2.1	3.0	3.0	3.4	3.1	2.9	3.4	3.5	3.5
Gross domestic purchases excluding food and energy	1.9	1.9	1.7	1.9	1.7	1.7	1.7	1.9	2.5	2.6	2.7	2.6	2.4	2.5	2.7	2.7
GDP	1.6	1.6	1.7	2.1	2.0	2.1	2.0	2.1	2.8	2.7	2.9	2.8	2.5	2.9	3.1	3.2
GDP excluding food and energy	2.1	2.0	1.9	2.0	1.8	1.8	1.7	1.9	2.5	2.6	2.8	2.7	2.5	2.7	2.9	3.0
PCE	1.2	1.5	1.8	2.3	1.8	1.8	1.7	1.9	2.7	2.6	3.1	2.7	2.5	3.1	3.0	3.0
PCE excluding food and energy	1.8	1.9	1.6	1.5	1.3	1.2	1.3	1.7	2.0	2.0	2.2	2.2	2.0	1.9	2.0	1.9
Market-based PCE ¹ .....	.9	1.1	1.7	2.3	1.7	1.8	1.6	1.7	2.5	2.3	2.8	2.4	2.4	3.1	3.0	2.9
Market-based PCE excluding food and energy ¹	1.5	1.5	1.4	1.3	1.2	1.1	1.0	1.3	1.5	1.5	1.7	1.8	1.6	1.6	1.7	1

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

[Billions of dollars]

	2003	2004	2005 ^r	Seasonally adjusted at annual rates				
				2005				2006
				I	II	III	IV ^r	I ^r
Gross domestic product	10,971.2	11,734.3	12,487.1	12,198.8	12,378.0	12,605.7	12,766.1	13,037.4
Plus: Income receipts from the rest of the world	343.7	415.4	507.6	462.3	489.4	520.8	558.0	593.6
Less: Income payments to the rest of the world	275.6	361.7	474.0	422.9	453.9	476.6	542.6	582.0
Equals: Gross national product	11,039.3	11,788.0	12,520.8	12,238.2	12,413.5	12,650.0	12,781.6	13,049.0
Less: Consumption of fixed capital	1,331.3	1,435.3	1,574.1	1,448.4	1,457.2	1,863.8	1,526.9	1,524.0
Less: Statistical discrepancy	47.1	76.8	55.0	39.4	78.3	44.3	58.0	33.3
Equals: National income	9,660.9	10,275.9	10,891.7	10,750.4	10,878.0	10,741.9	11,196.7	11,491.7
Compensation of employees	6,321.1	6,687.6	7,113.1	7,001.7	7,060.2	7,177.6	7,212.9	7,329.5
Wage and salary accruals	5,111.1	5,389.4	5,712.3	5,629.9	5,672.3	5,762.3	5,784.6	5,867.4
Supplements to wages and salaries	1,210.0	1,298.1	1,400.8	1,371.8	1,387.9	1,415.3	1,428.3	1,462.1
Proprietors' income with inventory valuation and capital consumption adjustments	810.2	889.6	938.7	917.9	936.6	932.4	967.7	977.9
Rental income of persons with capital consumption adjustment	131.7	134.2	72.9	118.0	104.4	-11.1	80.3	69.1
Corporate profits with inventory valuation and capital consumption adjustments	1,031.8	1,161.5	1,351.9	1,288.2	1,347.5	1,293.1	1,478.9	1,595.4
Net interest and miscellaneous payments	528.5	505.5	498.3	498.3	488.7	497.6	508.5	538.5
Taxes on production and imports less subsidies	754.8	809.4	848.0	833.2	848.0	853.4	857.2	881.9
Business current transfer payments	81.6	91.1	80.2	99.0	99.6	21.8	100.3	104.8
Current surplus of government enterprises	1.3	-3.0	-11.3	-6.1	-7.0	-22.8	-9.1	-5.5
Addendum:								
Gross domestic income	10,924.2	11,657.5	12,432.2	12,159.4	12,299.7	12,561.4	12,708.2	13,004.1

^r Revised. Revisions include changes to series affected by the introduction of revised wage and salary estimates for the fourth quarter of 2005.

Table 10.—Personal Income and Its Disposition

[Billions of dollars]

	2003	2004	2005 ^r	Seasonally adjusted at annual rates				
				2005				2006
				I	II	III	IV ^r	I ^r
Personal income ¹	9,169.1	9,713.3	10,237.7	10,073.4	10,185.7	10,250.4	10,441.1	10,593.7
Compensation of employees, received	6,321.1	6,687.6	7,113.1	7,001.7	7,060.2	7,177.6	7,212.9	7,329.5
Wage and salary disbursements	5,111.1	5,389.4	5,712.3	5,629.9	5,672.3	5,762.3	5,784.6	5,867.4
Supplements to wages and salaries	1,210.0	1,298.1	1,400.8	1,371.8	1,387.9	1,415.3	1,428.3	1,462.1
Proprietors' income with inventory valuation and capital consumption adjustments	810.2	889.6	938.7	917.9	936.6	932.4	967.7	977.9
Farm	27.7	35.8	20.8	24.7	19.6	18.0	21.0	15.1
Nonfarm	782.4	853.8	917.8	893.2	917.1	914.3	946.7	962.8
Rental income of persons with capital consumption adjustment	131.7	134.2	72.9	118.0	104.4	-11.1	80.3	69.1
Personal income receipts on assets	1,338.7	1,396.5	1,457.4	1,407.9	1,439.8	1,468.9	1,512.9	1,535.8
Personal interest income	917.6	905.9	945.7	915.4	936.0	951.2	980.1	989.6
Personal dividend income	421.1	490.6	511.7	492.5	503.8	517.6	532.9	546.2
Personal current transfer receipts	1,344.0	1,427.5	1,525.3	1,488.8	1,509.6	1,558.1	1,544.7	1,582.4
Less: Contributions for government social insurance	776.6	822.2	869.7	861.0	864.9	875.4	877.4	901.0
Less: Personal current taxes	999.9	1,049.1	1,207.7	1,171.4	1,206.0	1,220.4	1,233.1	1,292.1
Equals: Disposable personal income	8,169.2	8,664.2	9,029.9	8,902.0	8,979.7	9,030.0	9,208.0	9,301.6
Less: Personal outlays	7,996.3	8,512.5	9,072.1	8,854.6	9,001.2	9,173.9	9,258.5	9,421.4
Equals: Personal saving	172.8	151.8	-42.1	47.4	-21.5	-143.9	-50.5	-119.8
Personal saving as a percentage of disposable personal income	2.1	1.8	-5	.5	-2	-1.6	-5	-1.3
Addendum:								
Disposable personal income, billions of chained (2000) dollars ²	7,741.8	8,004.3	8,112.2	8,098.1	8,102.6	8,074.2	8,175.6	8,218.6

^r Revised. Revisions include changes to series affected by the introduction of revised wage and salary estimates for the fourth quarter of 2005.

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

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

Table 11.—Corporate Profits: Level and Percent Change

	Billions of dollars								Percent change from preceding period						
	2003	2004	2005	Seasonally adjusted at annual rates					2004	2005	Quarterly rates				Quarter one year ago
				2005				2006			2005			2006	
				I	II	III	IV				I	II	III			IV
Corporate profits with inventory valuation and capital consumption adjustments	1,031.8	1,161.5	1,351.9	1,288.2	1,347.5	1,293.1	1,478.9	1,595.4	12.6	16.4	4.6	-4.0	14.4	7.9	23.8
Less: Taxes on corporate income	232.1	271.1	378.1	362.6	372.5	360.3	417.1	440.3	16.8	39.5	2.7	-3.3	15.8	5.6	21.4
Equals: Profits after tax with inventory valuation and capital consumption adjustments	799.7	890.3	973.8	925.6	975.0	932.8	1,061.8	1,155.1	11.3	9.4	5.3	-4.3	13.8	8.8	24.8
Net dividends	423.2	493.0	514.2	494.9	506.3	520.1	535.4	548.8	16.5	4.3	2.3	2.7	2.9	2.5	10.9
Undistributed profits with inventory valuation and capital consumption adjustments	376.5	397.3	459.6	430.7	468.7	412.6	526.4	606.3	5.5	15.7	8.8	-12.0	27.6	15.2	40.8
Cash flow:															
Net cash flow with inventory valuation and capital consumption adjustments	1,130.8	1,196.9	1,303.3	1,239.2	1,280.9	1,324.9	1,368.0	1,452.6	5.8	8.9	3.4	3.4	3.3	6.2	17.2
Undistributed profits with inventory valuation and capital consumption adjustments	376.5	397.3	459.6	430.7	468.7	412.6	526.4	606.3	5.5	15.7	8.8	-12.0	27.6	15.2	40.8
Consumption of fixed capital	754.4	799.6	843.6	808.5	812.2	912.3	841.6	846.2	6.0	5.5	.5	12.3	-7.7	.5	4.7
Less: Inventory valuation adjustment	-13.3	-39.6	-31.5	-39.1	-18.9	-27.5	-40.4	-20.8							
Equals: Net cash flow	1,144.1	1,236.6	1,334.7	1,278.3	1,299.8	1,352.4	1,408.5	1,473.3	8.1	7.9	1.7	4.0	4.1	4.6	15.3
Addenda:															
Profits before tax (without inventory valuation and capital consumption adjustments)	937.2	1,059.3	1,438.3	1,378.3	1,412.2	1,392.6	1,570.1	1,659.9	13.0	35.8	2.5	-1.4	12.7	5.7	20.4
Profits after tax (without inventory valuation and capital consumption adjustments)	705.1	788.2	1,060.2	1,015.7	1,039.7	1,032.3	1,153.0	1,219.7	11.8	34.5	2.4	-7	11.7	5.8	20.1
Inventory valuation adjustment	-13.3	-39.6	-31.5	-39.1	-18.9	-27.5	-40.4	-20.8							
Capital consumption adjustment	107.9	141.8	-54.9	-51.0	-45.8	-72.1	-50.7	-43.8							

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

[Billions of dollars]

	Level								Change from preceding period						
	2003	2004	2005	Seasonally adjusted at annual rates					2004	2005	2005				2006
				2005				2006			II	III	IV	I	
				I	II	III	IV								
Corporate profits with inventory valuation and capital consumption adjustments	1,031.8	1,161.5	1,351.9	1,288.2	1,347.5	1,293.1	1,478.9	1,595.4	129.7	190.4	59.3	-54.4	185.8	116.5	
Domestic industries	855.8	976.6	1,146.3	1,094.8	1,150.3	1,069.9	1,270.3	1,377.9	120.8	169.7	55.5	-80.4	200.4	107.6	
Financial	330.9	322.7	347.7	377.6	350.7	278.8	383.7	450.8	-8.2	25.0	-26.9	-71.9	104.9	67.1	
Nonfinancial	524.9	653.9	798.6	717.1	799.6	791.1	886.6	927.1	129.0	144.7	82.5	-8.5	95.5	40.5	
Rest of the world	176.0	184.9	205.6	193.5	197.2	223.1	208.6	217.5	8.9	20.7	3.7	25.9	-14.5	8.9	
Receipts from the rest of the world	255.7	309.5	334.2	313.5	328.2	338.3	356.6	368.6	53.8	24.7	14.7	10.1	18.3	12.0	
Less: Payments to the rest of the world	79.7	124.6	128.5	120.1	131.0	115.1	148.0	151.1	44.9	3.9	10.9	-15.9	32.9	3.1	
Corporate profits with inventory valuation adjustment	923.9	1,019.7	1,406.8	1,339.2	1,393.3	1,365.1	1,529.7	1,639.2	95.8	387.1	54.1	-28.2	164.6	109.5	
Domestic industries	747.9	834.8	1,201.2	1,145.7	1,196.1	1,142.0	1,321.1	1,421.7	86.9	366.4	50.4	-54.1	179.1	100.6	
Financial	313.0	300.6	347.0	377.2	349.5	278.7	382.7	449.2	-12.4	46.4	-27.7	-70.8	104.0	66.5	
Federal Reserve banks	20.2	20.3	26.8	23.1	26.2	27.0	30.8	31.2	.1	6.5	3.1	.8	3.8	.4	
Other financial	292.8	280.3	320.3	354.2	323.2	251.7	352.0	418.0	-12.5	40.0	-31.0	-71.5	100.3	66.0	
Nonfinancial	434.9	534.2	854.2	768.5	846.6	863.3	938.3	972.5	99.3	320.0	78.1	16.7	75.0	34.2	
Utilities	11.4	12.1	27.4	23.7	26.4	19.7	39.6	.....	.7	15.3	2.7	-6.7	19.9	.....
Manufacturing	80.7	118.9	207.9	170.2	204.7	218.6	238.3	.....	38.2	89.0	34.5	13.9	19.7	.....
Durable goods	-4.1	34.8	55.9	35.5	59.9	62.0	66.2	.....	38.9	21.1	24.4	2.1	4.2	.....
Fabricated metal products	8.5	10.3	12.4	8.8	11.4	15.7	13.6	.....	1.8	2.1	2.6	4.3	-2.1	.....
Machinery	1.4	1.0	4.7	.9	2.9	7.6	7.2	.....	-4	3.7	2.0	4.7	-4	.....
Computer and electronic products	-16.1	-3.2	5.0	.5	4.2	6.7	8.5	.....	12.9	8.2	3.7	2.5	1.8	.....
Electrical equipment, appliances, and components	1.9	.3	4.5	-1.3	5.5	8.6	5.2	.....	-1.6	4.2	6.8	3.1	-3.4	.....
Motor vehicles, bodies and trailers, and parts	-11.6	-3.4	-22.2	-20.8	-15.7	-25.3	-27.0	.....	8.2	-18.8	5.1	-9.6	-1.7	.....
Other durable goods	11.9	29.9	51.6	47.3	51.6	48.8	58.7	.....	18.0	21.7	4.3	-2.8	9.9	.....
Nondurable goods	84.8	84.0	152.0	134.7	144.8	156.6	172.1	.....	-8	68.0	10.1	11.8	15.5	.....
Food and beverage and tobacco products	23.5	24.0	39.8	39.6	37.7	40.8	41.1	.....	.5	15.8	-1.9	3.1	3	.....
Petroleum and coal products	23.6	31.0	70.2	62.8	66.3	70.8	80.7	.....	7.4	39.2	3.5	4.5	9.9	.....
Chemical products	20.8	13.5	21.4	18.8	20.5	22.7	23.4	.....	-7.3	7.9	1.7	2.2	.7	.....
Other nondurable goods	16.9	15.6	20.7	13.5	20.3	22.3	26.9	.....	-1.3	5.1	6.8	2.0	4.6	.....
Wholesale trade	56.3	63.5	93.9	81.4	98.1	95.4	100.6	.....	7.2	30.4	16.7	-2.7	5.2	.....
Retail trade	87.7	90.0	115.2	104.6	109.1	116.9	130.4	.....	2.3	25.2	4.5	7.8	13.5	.....
Transportation and warehousing	8.1	8.4	28.2	22.9	27.9	32.9	29.1	.....	.3	19.8	5.0	5.0	-3.8	.....
Information	-1.9	17.0	51.1	46.7	53.5	50.2	54.0	.....	18.9	34.1	6.8	-3.3	3.8	.....
Other nonfinancial	192.4	224.3	330.4	318.9	326.9	329.6	346.4	.....	31.9	106.1	8.0	2.7	16.8	.....
Rest of the world	176.0	184.9	205.6	193.5	197.2	223.1	208.6	217.5	8.9	20.7	3.7	25.9	-14.5	8.9	

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

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

	2003	2004	2005 ^r	Seasonally adjusted at annual rates				
				2005				2006
				I	II	III	IV ^r	I
Billions of dollars								
Gross value added of nonfinancial corporate business	5,595.7	5,995.4	6,465.3	6,282.8	6,414.0	6,528.0	6,636.5	6,783.7
Consumption of fixed capital	652.6	690.3	729.1	697.5	700.4	792.8	725.7	729.0
Net value added	4,943.1	5,305.1	5,736.2	5,585.3	5,713.6	5,735.2	5,910.8	6,054.7
Compensation of employees	3,703.2	3,906.8	4,173.3	4,105.4	4,140.5	4,214.7	4,232.5	4,306.1
Wage and salary accruals	3,007.8	3,168.6	3,375.3	3,323.6	3,349.9	3,408.6	3,419.2	3,471.8
Supplements to wages and salaries	695.4	738.3	798.0	781.8	790.6	806.1	813.4	834.3
Taxes on production and imports less subsidies	486.5	519.1	549.7	537.7	547.9	553.7	559.8	569.7
Net operating surplus	753.4	879.2	1,013.2	942.2	1,025.2	966.8	1,118.5	1,178.9
Net interest and miscellaneous payments	166.2	164.9	171.5	167.0	167.3	172.8	179.0	190.5
Business current transfer payments	62.4	60.4	43.1	58.0	58.4	2.9	52.9	61.3
Corporate profits with inventory valuation and capital consumption adjustments	524.9	653.9	798.6	717.1	799.6	791.1	886.6	927.1
Taxes on corporate income	126.5	165.9	254.7	231.9	248.6	258.0	280.3	282.6
Profits after tax with inventory valuation and capital consumption adjustments	398.3	487.9	543.9	485.2	550.9	533.1	606.3	644.6
Net dividends	295.5	361.2	252.5	306.7	297.6	181.7	224.0	489.3
Undistributed profits with inventory valuation and capital consumption adjustments	102.8	126.7	291.4	178.5	253.4	351.4	382.3	155.3
Addenda:								
Profits before tax (without inventory valuation and capital consumption adjustments)	448.1	573.9	885.7	807.6	865.5	890.8	978.8	993.3
Profits after tax (without inventory valuation and capital consumption adjustments)	321.6	407.9	630.9	575.6	616.9	632.8	698.5	710.7
Inventory valuation adjustment	-13.3	-39.6	-31.5	-39.1	-18.9	-27.5	-40.4	-20.8
Capital consumption adjustment	90.0	119.7	-55.6	-51.3	-47.0	-72.2	-51.7	-45.4
Billions of chained (2000) dollars								
Gross value added of nonfinancial corporate business ¹	5,418.2	5,714.1	6,077.2	5,943.3	6,046.0	6,121.9	6,197.6	6,284.9
Consumption of fixed capital ²	629.4	656.5	686.9	660.2	663.6	745.2	678.6	675.9
Net value added ³	4,788.8	5,057.6	5,390.3	5,283.1	5,382.4	5,376.6	5,519.0	5,609.0
Dollars								
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	1.033	1.049	1.064	1.057	1.061	1.066	1.071	1.079
Compensation of employees (unit labor cost) .....	.683	.684	.687	.691	.685	.688	.683	.685
Unit nonlabor cost .....	.252	.251	.246	.245	.244	.249	.245	.246
Consumption of fixed capital .....	.120	.121	.120	.117	.116	.130	.117	.116
Taxes on production and imports less subsidies plus business current transfer payments .....	.101	.101	.098	.100	.100	.091	.099	.100
Net interest and miscellaneous payments .....	.031	.029	.028	.028	.028	.028	.029	.030
Corporate profits with inventory valuation and capital consumption adjustments (unit profits from current production) .....	.097	.114	.131	.121	.132	.129	.143	.148
Taxes on corporate income .....	.023	.029	.042	.039	.041	.042	.045	.045
Profits after tax with inventory valuation and capital consumption adjustments .....	.074	.085	.089	.082	.091	.087	.098	.103

^r Revised. Revisions include changes to series affected by the introduction of revised wage and salary estimates for the fourth quarter of 2005.

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

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

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

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

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

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

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

	2003	2004	2005	Seasonally adjusted at annual rates															
				2002			2003				2004				2005				2006
				II	III	IV	I	II	III	IV	I	II	III	IV	I	II	III	IV	I ^r
Gross domestic product (GDP) and related aggregates:																			
GDP	2.7	4.2	3.5	2.2	2.4	0.2	1.7	3.7	7.2	3.6	4.3	3.5	4.0	3.3	3.8	3.3	4.1	1.7	5.3
Goods	3.4	6.5	4.7	1.5	5.2	-5.2	4.3	2.3	16.8	2.9	7.2	4.7	6.6	3.9	4.4	5.0	5.3	2.3	11.0
Services	2.2	2.7	2.7	3.4	1.7	2.9	.7	3.7	1.3	3.8	3.3	1.2	3.0	3.2	3.2	1.5	3.6	1.1	2.7
Structures	3.2	5.7	4.8	-2.7	-3.0	3.1	-9	8.2	13.6	4.1	.6	13.1	1.2	2.2	5.2	8.4	3.3	2.6	3.3
Motor vehicle output	3.8	4.6	3.4	5.7	11.6	.5	.3	-2.5	22.6	-3.6	14.4	-7.3	3.0	8.8	4.3	-3	17.6	-17.2	-3.5
GDP excluding motor vehicle output	2.7	4.2	3.5	2.1	2.0	.2	1.8	3.9	6.7	3.8	3.9	3.9	4.0	3.1	3.8	3.4	3.7	2.4	5.6
Final sales of computers ¹	20.2	20.4	39.6	.7	29.3	15.3	7.1	14.4	78.0	11.9	10.2	10.3	13.3	56.5	54.9	45.4	20.3	45.9	5.6
GDP excluding final sales of computers	2.6	4.1	3.3	2.2	2.2	.1	1.7	3.6	6.8	3.5	4.2	3.4	3.9	3.0	3.5	3.0	4.0	1.3	5.3
Farm gross value added ²	8.4	0	-8.0	133.6	63.9	34.2	-22.3	27.0	-34.1	-13.1	89.8	-31.5	-11.3	-17.1	7.3	-31.1	20.9	36.7	3.2
Nonfarm business gross value added ³	3.3	4.8	4.2	1.4	3.1	.1	2.0	4.7	10.4	2.8	4.2	4.6	4.6	3.9	4.3	4.4	4.7	1.5	6.5
Price indexes:																			
GDP	2.0	2.6	2.8	1.5	1.6	2.2	3.1	1.1	1.8	1.9	3.6	3.9	1.5	2.7	3.1	2.6	3.3	3.5	3.3
GDP excluding food and energy	1.8	2.5	2.7	1.8	1.6	2.0	2.6	.9	1.6	1.7	3.3	3.4	2.0	2.6	2.9	2.4	2.8	3.4	3.3
GDP excluding final sales of computers	2.2	2.7	3.0	1.7	1.7	2.4	3.2	1.2	2.0	1.9	3.7	3.9	1.6	2.9	3.3	2.8	3.5	3.7	3.5
Gross domestic purchases	2.2	2.9	3.2	2.5	1.7	2.2	4.1	.4	2.0	1.7	4.2	4.1	2.0	3.2	2.9	3.3	4.2	3.7	2.8
Gross domestic purchases excluding food and energy	1.8	2.4	2.5	1.7	1.6	1.8	2.5	1.0	1.7	1.8	3.4	3.2	2.0	2.4	3.0	2.1	2.5	3.2	3.2
Gross domestic purchases excluding final sales of computers to domestic purchasers	2.4	3.0	3.4	2.6	1.9	2.4	4.3	.5	2.2	1.8	4.3	4.3	2.2	3.4	3.1	3.5	4.5	3.9	3.0
Personal consumption expenditures (PCE)	1.9	2.6	2.8	2.8	1.8	1.7	3.0	.6	2.0	1.3	3.9	3.8	1.5	3.1	2.3	3.3	3.7	2.9	2.0
PCE excluding food and energy	1.3	2.0	2.0	1.8	1.9	1.2	1.1	1.0	1.5	1.4	2.7	2.5	1.5	2.3	2.4	1.7	1.4	2.4	2.0
Market-based PCE ⁴	1.9	2.3	2.7	2.8	1.7	1.7	3.1	.5	1.9	.9	3.4	3.7	1.1	2.8	2.1	3.4	3.9	2.6	1.7
Market-based PCE excluding food and energy ⁴	1.2	1.5	1.7	1.6	1.7	1.2	.8	1.0	1.4	.9	1.9	2.0	1.1	1.8	2.2	1.5	1.1	1.9	1.6

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. This index is a supplemental measure that is based on household expenditures for which there are observable price measures. It excludes most implicit prices (for example, the services furnished without payment by financial intermediaries) and the expenses of nonprofit institutions.

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

Explanatory Note: NIPA Measures of Quantities and Prices

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

Annual changes in quantities and prices are calculated using a Fisher formula that incorporates weights from two adjacent years. (Quarterly changes in quantities and prices are calculated using a Fisher formula that incorporates weights from two adjacent quarters; quarterly indexes are adjusted for consistency to the annual indexes before percent changes are calculated.) For example, the 2003-04 annual percent change in real GDP uses prices for 2003 and 2004 as weights, and the 2003-04 annual percent change in GDP prices uses quantities for 2003 and 2004 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, and 8. Contributions by major components to changes in real GDP are presented in table 2.

Measures of real GDP and its major components are also presented in dollar-denominated form, designated “chained (2000) dollar estimates.” For most series, these estimates, which are presented in table 3, are computed by multiplying the current-dollar value in 2000 by a corresponding quantity index number and then dividing by 100. For example, if a current-dollar GDP component equaled \$100 in 2000 and if real output for this component increased 10 percent in 2001, then the chained (2000) dollar value of this component in 2001 would be \$110 (= \$100 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.