

## GDP GROWS IN SECOND QUARTER

*Advance Estimate of GDP*

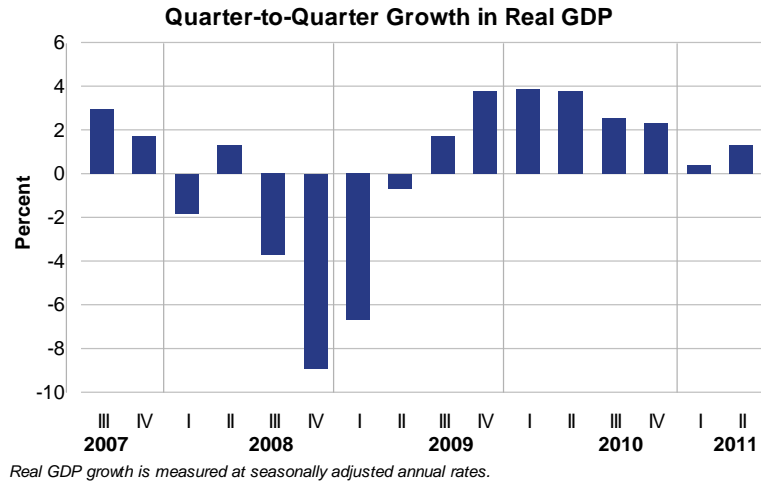
Real gross domestic product (GDP) increased 1.3 percent in the second quarter of 2011 after increasing 0.4 percent (revised) in the first quarter, according to estimates released today by the Bureau of Economic Analysis.

### Second-quarter GDP highlights

The following contributed to the pickup in real GDP growth:

- Imports slowed, reflecting mainly downturns in “petroleum and products” and in “autos, engines, and parts.”
- Federal government spending turned up, reflecting an upturn in national defense spending.
- Business investment picked up, reflecting an upturn in structures investment.

Offsetting these contributions to the pickup in GDP growth was a sharp slowdown in consumer spending, led by a downturn in motor vehicles and parts.



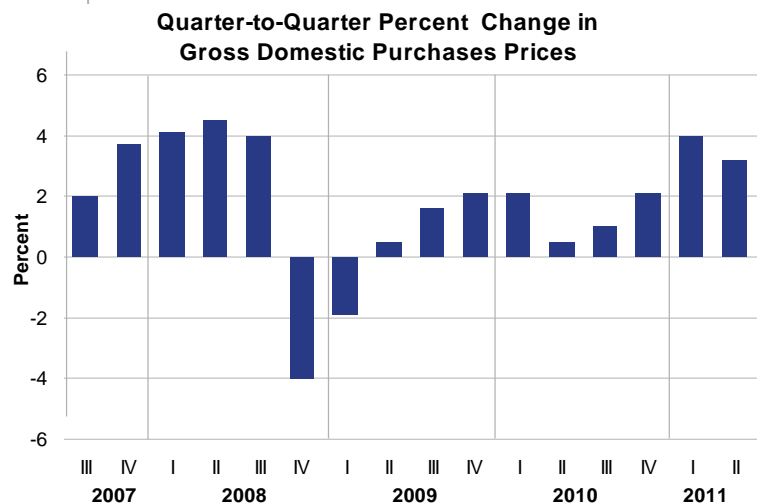
### Annual revision to GDP

Today, BEA also released the 2011 annual revision of the national economic accounts. The general economic picture from 2007 to 2010 was not significantly changed. However, the revised estimates show a sharper cyclical contraction in GDP during 2008 and the first half of 2009. Over the six quarters of the contraction, the cumulative decrease in GDP was 5.1 percent, compared with 4.1 percent in the previous estimates.

### Gross domestic purchases prices

Prices of goods and services purchased by U.S. residents slowed in the second quarter, increasing 3.2 percent after increasing 4.0 percent in the first quarter. Energy prices slowed, while food prices grew at about the same rate.

Excluding food and energy, prices rose 2.6 percent in the second quarter after rising 2.4 percent in the first quarter.



BEA data—including GDP, personal income, the balance of payments, foreign direct investment, the input-output accounts, and economic data for states, local areas, and industries—are available on the BEA Web site: [www.bea.gov](http://www.bea.gov). [E-mail](#) alerts are also available.

NOTE: The second estimate of GDP and an estimate of corporate profits for the second quarter of 2011 will be released August 26, 2011.