

## GDP GROWTH MODERATES IN FIRST QUARTER

*“Third” Estimate of GDP*

Real gross domestic product (GDP) increased 2.7 percent in the first quarter of 2010 after increasing 5.6 percent in the fourth quarter, according to estimates released today by the Bureau of Economic Analysis. The first-quarter growth rate was revised down 0.3 percentage point from the second estimate released in May.

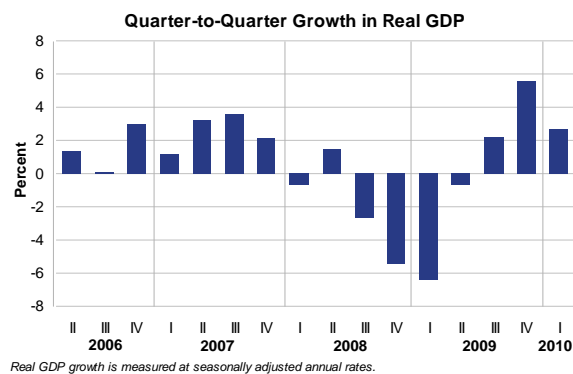
### GDP highlights

The moderation in real GDP growth primarily reflected a sharp slowdown in inventory investment as well as slow-downs in exports and business investment in equipment and software. In addition, housing turned down.

These contributions to the slowdown in real GDP growth were partly offset by a strong pick up in consumer spending, especially for durable goods.

### Revisions

The downward revision to real GDP growth mainly reflected downward revisions to consumer spending and net exports. These revisions were partly offset by an upward revision to inventory investment.



### Corporate Profits

First-quarter corporate profits rose 8.0 percent at a quarterly rate. Nonfinancial corporate profits increased 10.7 percent, and financial corporate profits rose 2.7 percent. Profits from the rest of the world grew 8.5 percent.



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 “advance” estimate of GDP for the second quarter of 2010 will be released on July 30, 2010, along with the annual revision of the GDP accounts.