

GDP ACCELERATES IN THE THIRD QUARTER

Corporate Profits Grow

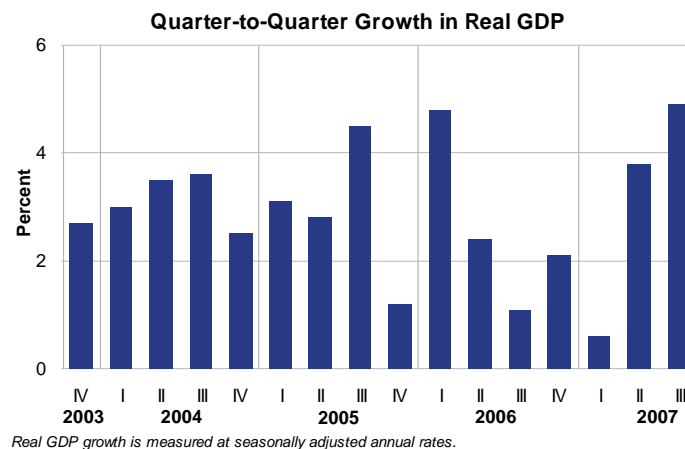
The economy grew at an annual rate of 4.9 percent in the third quarter, compared with 3.8 percent in the second, according to the “preliminary” estimates released by the Bureau of Economic Analysis. The third-quarter growth rate was revised up from the “advance” estimate of 3.9 percent.

Gross Domestic Product (GDP)

The acceleration in GDP growth reflected accelerations in exports, consumer spending, and inventory investment. In contrast, import growth resumed after a decline in the second quarter, and housing investment declined more than in the second quarter.

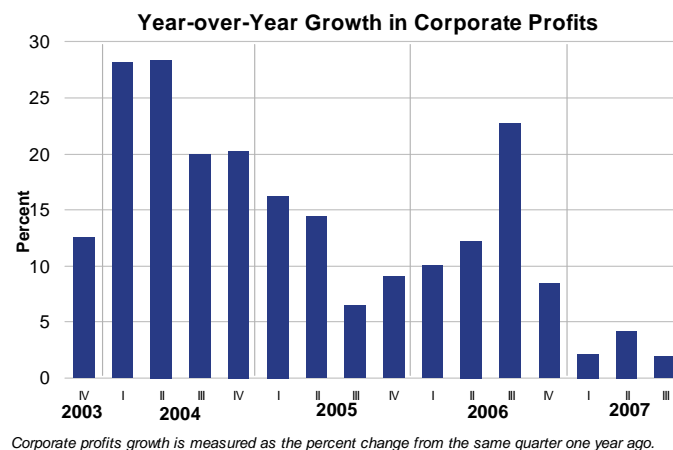
Revision

The upward revision to GDP growth resulted from newly available data that show greater increases in inventory investment and net exports.



Corporate Profits

Third-quarter corporate profits increased 1.9 percent from the same quarter a year ago. Net profits earned abroad increased 35 percent, while domestic profits declined 4 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. [E-mail](#) alerts are also available.

NOTE: Additional information that becomes available in the coming weeks will be incorporated in a “final” estimate of third-quarter GDP on December 20, 2007. A revised estimate of corporate profits will also be released.