

## GDP GROWTH PICKS UP IN THIRD QUARTER

*Advance Estimate of GDP*

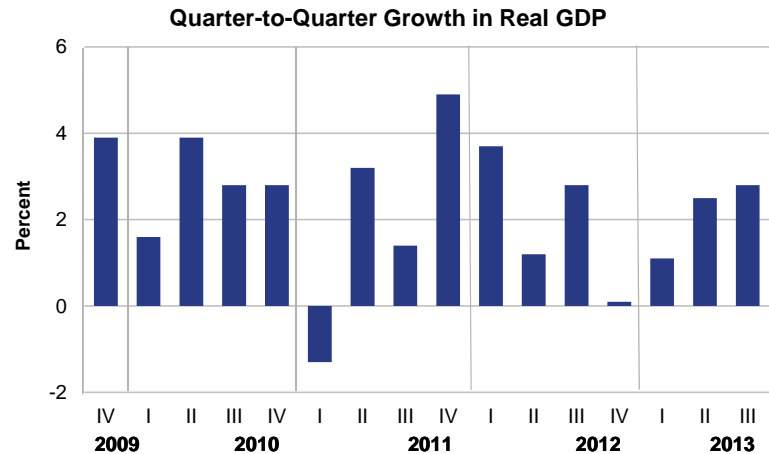
Real gross domestic product (GDP) increased 2.8 percent in the third quarter of 2013, according to the “advance” estimate released by the Bureau of Economic Analysis. In the second quarter, the growth rate was 2.5 percent.

### GDP growth

The third-quarter growth reflected the following:

- Imports decelerated. Nonauto consumer goods turned down, and autos and auto parts decelerated. In contrast, nonpetroleum industrial supplies turned up.
- Inventory investment picked up. Wholesale trade, especially durable goods, more than accounted for the pick up. Manufacturing inventory investment also accelerated.
- State and local government spending accelerated. Investment in structures turned up.

In contrast, the following decelerated in the third quarter: exports (mainly nonauto consumer goods and nonauto capital goods), business investment (mainly information processing equipment), and consumer spending (mainly housing and utilities as well as health care).



*Real GDP growth is measured at seasonally adjusted annual rates*

### Personal income and personal saving

Real disposable personal income (DPI), which adjusts for taxes and inflation, increased 2.5 percent in the third quarter after increasing 3.5 percent in the second quarter. The slowdown in real DPI reflected an upturn in consumer prices that was partly offset by an acceleration in current-dollar DPI.

Personal saving as a percent of DPI was 4.7 percent in the third quarter, compared with 4.5 percent in the second quarter.

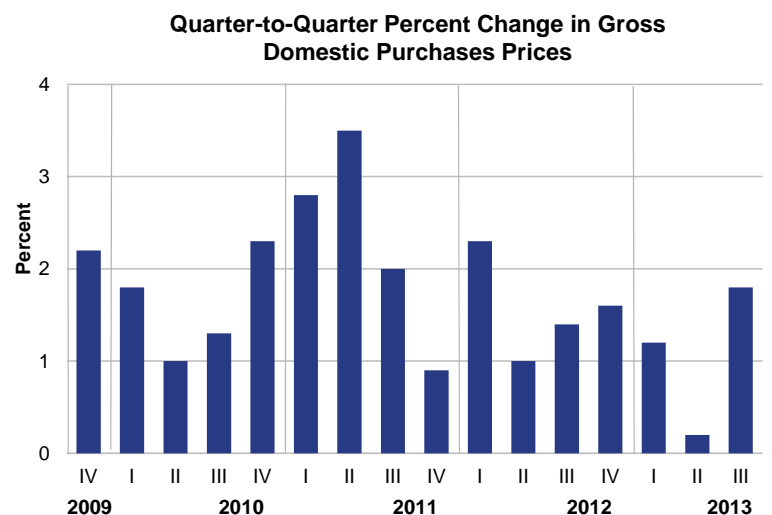
### Prices

Prices of goods and services purchased by U.S. residents accelerated in the third quarter, increasing 1.8 percent after increasing 0.2 percent in the second quarter.

Energy goods and services prices turned up, accounting for much of the third-quarter pickup in gross domestic purchases prices. In particular, consumer spending on gasoline and other energy goods turned up.

Food prices accelerated modestly.

Prices less food and energy increased 1.5 percent after increasing 0.8 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 “second” estimate of GDP and a preliminary estimate of corporate profits for the third quarter will be released on December 5, 2013.