



**Technical Note**  
Gross Domestic Product  
Third Quarter of 2010 (Second Estimate)  
November 23, 2010

This technical note provides background information about the source data and estimating methods used to produce the estimates presented in the GDP news release. The complete set of estimates for the third quarter is available on BEA's Web site at [www.bea.gov](http://www.bea.gov); a brief summary of "highlights" is also posted on the Web site. In a few weeks, the estimates will be published in BEA's monthly journal, the *Survey of Current Business*, along with a more detailed analysis of the estimates ("GDP and the Economy").

### **Sources of Revision to Real GDP**

The real GDP growth rate in the third quarter was revised from 2.0 percent to 2.5 percent (annual rate). Upward revisions to consumer spending, to exports, and to state and local government spending were partly offset by a downward revision to inventory investment.

- Consumer spending was revised up. The largest contributors to the revision were "gasoline and other energy goods" and "net purchases of used motor vehicles," based on newly available gasoline data for August from the Energy Information Administration (EIA) and on newly available retail sales and used motor vehicle registration data.
- Exports were revised up, primarily based on newly available Census goods data for September.
- State and local government spending was revised up. The revision was primarily to gross investment, reflecting newly available Census construction spending data for September and revised data for July and August.
- Inventory investment was revised down. The largest contributor was "mining, utilities, and construction" inventories, based on newly available Census Quarterly Financial Report data for mining and on newly available EIA data on natural gas, coal, and petroleum stocks for utilities.

The price index for gross domestic purchases increased 0.8 percent in the third quarter, the same increase as in the advance estimate.

### **Corporate Profits**

Profits from current production increased \$44.4 billion, or 2.8 percent (quarterly rate), in the third quarter, after increasing \$47.5 billion, or 3.0 percent, in the second.

## **Revisions to Wages and Salaries and Disposable Personal Income**

In addition to presenting revised estimates for the third quarter, today's release also presents revised estimates of second-quarter wages and salaries, personal taxes, and contributions for government social insurance. Wage and salary disbursements are now estimated to have increased \$97.4 billion in the second quarter, an upward revision of \$46.3 billion. These estimates reflect newly available wage and salary tabulations for the second quarter from the BLS quarterly census of employment and wages. These data are more comprehensive than the monthly employment and earnings data that were used for the earlier estimates—the QCEW data include irregular pay, such as bonuses and gains from the exercise of stock options.

Real disposable personal income is now estimated to have increased 5.6 percent in the second quarter and 0.9 percent in the third. (By comparison, the estimates that were available last month showed increases of 4.4 percent in the second quarter and 0.5 percent in the third.)

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**Table A.--SOURCE DATA FOR THE ADVANCE AND SECOND ESTIMATES OF GDP FOR THE THIRD QUARTER OF 2010**

This table shows the actual data used for the second estimate of GDP for the third quarter of 2010. For these key series, actual data for September were not available in time for inclusion in the advance GDP estimate released on October 29, 2010, and BEA made assumptions for these source data. The numbers in brackets show the September values that had been assumed for the advance estimate. For most series, the data incorporated for August and, in some cases, for July, were preliminary, and the numbers shown in brackets are the values used last month.

All series shown in the table are in billions of dollars, seasonally adjusted at annual rates, and are published by the Bureau of the Census.

	2010					
	Apr.	May	Jun.	Jul.	Aug.	Sep.
<b>Private fixed investment:</b>						
Nonresidential structures:						
1 Value of new nonresidential construction put in place.....	274.1	267.3	263.0	252.3 {263.5}	254.3 {259.7}	250.3 {261.6}
Equipment and software:						
2 Manufacturers' shipments of complete aircraft.....	33.2	28.4	32.1	47.9	40.0 {40.0}	31.8 {29.5}
Residential structures:						
Value of new residential construction put in place:						
3 Single family.....	120.1	119.5	117.7	115.1 {114.3}	110.5 {109.5}	107.7 {106.9}
4 Multifamily.....	13.9	13.2	13.3	13.8 {13.4}	12.5 {11.8}	12.9 {11.6}
<b>Change in private inventories:</b>						
NOTE: Historical (April-July) data may reflect concurrent seasonal factors.						
5 Change in inventories for nondurable manufacturing.....	4.9 {3.0}	-54.2 {-55.8}	-35.3 {-33.0}	43.9 {38.4}	-7.9 {-8.9}	23.2 {24.0}
5a Change in inventories for merchant wholesale and retail industries other than motor vehicles and equipment...	42.5 {37.6}	40.8 {36.9}	7.7 {4.2}	70.2 {66.1}	56.3 {51.6}	86.1 {92.2}
<b>Net exports:</b>						
Exports of goods:						
6 U.S. exports of goods, international-transactions-accounts basis.....	1249.4	1285.3	1258.7	1291.9	1290.4 {1292.4}	1290.7 {1275.4}
6a Excluding gold.....	1232.6	1271.6	1245.1	1274.7	1265.1 {1267.0}	1273.2 {1257.4}
Imports of goods:						
7 U.S. imports of goods, international-transactions-accounts basis.....	1882.4	1940.9	2005.4	1952.9	1999.9 {2000.3}	1973.2 {1981.9}
7a Excluding gold.....	1869.9	1929.5	1994.4	1942.8	1990.4 {1990.8}	1961.8 {1972.0}
8 Net exports of goods.....	-633.0	-655.7	-746.7	-661.0	-709.5 {-707.9}	-682.5 {-706.6}
8a Excluding gold.....	-637.0	-657.9	-749.3	-668.1	-725.3 {-723.8}	-688.6 {-714.6}
<b>Government:</b>						
State and local:						
Structures:						
9 Value of new construction put in place.....	273.9	270.8	276.7	278.9 {276.0}	285.3 {283.5}	287.6 {279.7}