

## GDP GROWTH PICKS UP IN FOURTH QUARTER

*“Third” Estimate of GDP*

Real gross domestic product (GDP) increased 3.1 percent in the fourth quarter of 2010 after increasing 2.6 percent in the third quarter, according to estimates released today by the Bureau of Economic Analysis. The fourth-quarter growth rate was revised up 0.3 percentage point from the second estimate released in February.

### Fourth-quarter highlights

The following contributed to the acceleration in real GDP:

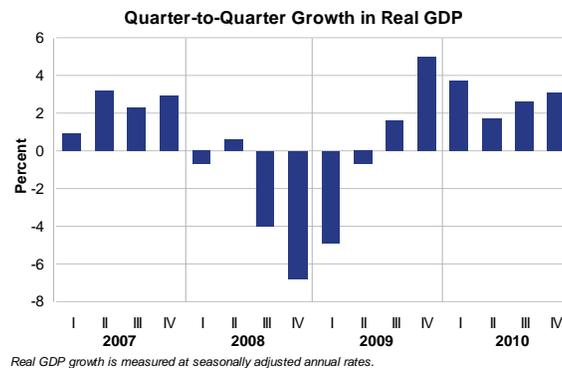
- Imports turned down, and exports picked up.
- Consumer spending accelerated. The 4.0 percent increase was the largest since the fourth quarter of 2006.
- Residential housing turned up.

These contributions to growth were partly offset by a large downturn in inventory investment.

Real final sales of domestic product—GDP less inventory investment—rose 6.7 percent in the fourth quarter compared with a 0.9 percent in the third quarter.

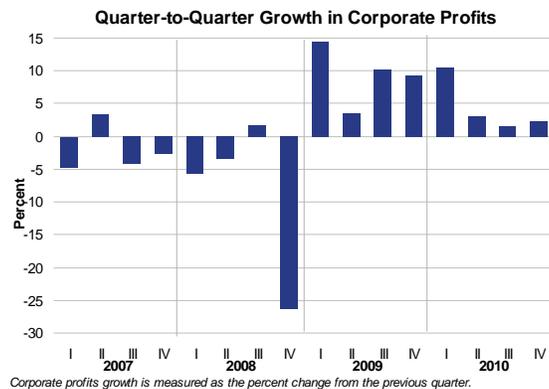
### Revisions

The 0.3 percentage point upward revision to GDP growth mainly reflected upward revisions to inventory investment and business investment (mainly in equipment and software) that were partly offset by a downward revision to exports of goods and services.



### Corporate Profits

Fourth-quarter corporate profits rose 2.3 percent at a quarterly rate, following a 1.6 percent rise in the third quarter. Financial corporate profits rose 15.6 percent, and nonfinancial profits fell 1.1 percent in the fourth quarter. Profits from the rest of the world fell 2.5 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 first quarter of 2011 will be released on April 28, 2011.