

GDP RISES 2.8 PERCENT IN THIRD QUARTER

“Second” Estimate of GDP

Real gross domestic product (GDP) increased 2.8 percent in the third quarter of 2009, following a 0.7 percent decrease in the second quarter, according to the Bureau of Economic Analysis. The third-quarter growth rate was revised down 0.7 percentage point from the “advance” estimate released in October. The revision mainly reflected an upward revision to imports, which means that production that was attributed to domestic activity now is attributed to imports.

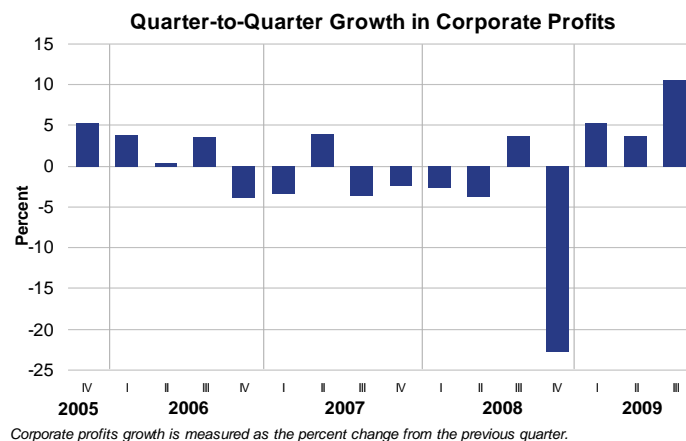
Gross Domestic Product (GDP)

- Consumer spending turned up. Spending for new cars and trucks was particularly strong, reflecting the federal “cash for clunkers” program of July and August.
- Housing rose for the first time in 15 quarters.
- Inventory investment contributed to growth for the first time since the third quarter of 2008.
- Exports rose for the first time since the second quarter of 2008.



Corporate Profits

Third-quarter corporate profits rose 10.6 percent at a quarterly rate. Nonfinancial corporate profits increased slightly. Financial corporate profits rose 36 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 the “third” estimate of GDP for the third quarter of 2009 that will be released on December 22, 2009. A revised estimate of corporate profits will also be released.