

REAL GDP DECLINES 6.3 PERCENT IN FOURTH QUARTER

Corporate Profits Decline Sharply

Real gross domestic product (GDP) declined 6.3 percent in the fourth quarter of 2008 after declining 0.5 percent in the third quarter, according to the “final” estimates from the Bureau of Economic Analysis.

Gross Domestic Product

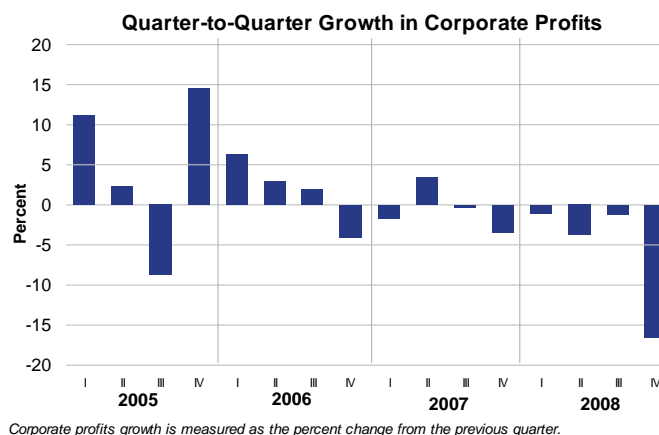
The decrease in real GDP reflected:

- A sharp downturn in exports
- A continuing decline in consumer spending
- A larger decrease in business investment, mainly in equipment and software
- A continuing decline in housing



Corporate Profits

Fourth-quarter profits fell 16.5 percent, the largest decline since the fourth quarter of 1953. Financial corporate profits fell 59 percent; nonfinancial corporate profits fell 11 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: The “advance” estimate of GDP for the first quarter of 2009 will be released on April 29, 2009.