

GDP INCREASES IN THIRD QUARTER

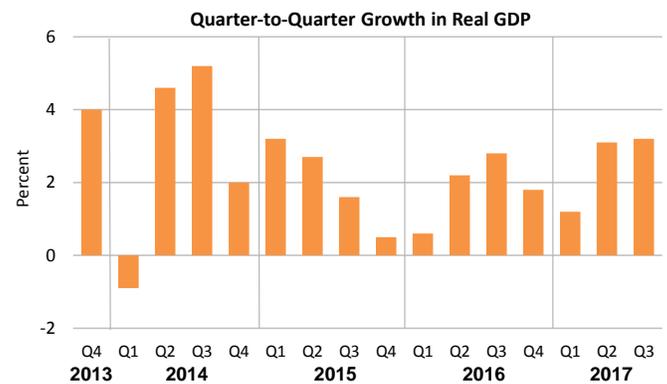
“Third” estimate of GDP

Real gross domestic product (GDP) increased 3.2 percent in the third quarter of 2017, according to the “third” estimate released by the Bureau of Economic Analysis. The growth rate was 0.1 percentage point less than the “second” estimate released in November. In the second quarter of 2017, real GDP increased 3.1 percent.

GDP highlights

The increase in real GDP reflected increases in consumer spending, inventory investment, business investment, and exports. Imports, which are a subtraction from GDP, decreased.

The increase in consumer spending reflected increases in spending on both goods and services. The increase in goods was primarily attributable to motor vehicles. The increase in services primarily reflected increases in health care, financial services and insurance, and food services and accommodations.



Real GDP growth is measured at seasonally adjusted annual rates.

The increase in inventory investment primarily reflected increases in wholesale trade and in manufacturing industries. The increase in business investment reflected increases in equipment and intellectual property products; these increases were partly offset by a decrease in structures.

Updates to GDP

The revision to third quarter GDP growth mainly reflected a downward revision to consumer spending. For more information see the technical note.

Corporate profits

Corporate profits increased 4.3 percent at a quarterly rate in the third quarter of 2017 after increasing 0.7 percent in the second quarter.

- Profits of domestic nonfinancial corporations increased 0.8 percent after increasing 4.9 percent.
- Profits of domestic financial corporations increased 10.8 percent after decreasing 7.1 percent.
- Profits from the rest of the world increased 7.7 percent after decreasing 2.5 percent.



Corporate profits growth is measured as the percent change from the previous quarter.

Year-over-year, corporate profits increased 5.3 percent.