Update on GDP Initiatives: Source Data Acceleration & Impacts on GDP

Presented to the BEA Advisory Committee
November 2016
Acceleration of Economic Indicator Data

Motivation for Earlier Release

• Minimize revisions to GDP
• Statistical Policy Directive Number 3 – release statistics at most 22 working days after reference month ends
• Responsive to the needs of data users
• Sufficient amount of data earlier without loss of quality
• Alignment with the strategic goals of the Census Bureau
International Trade Acceleration

Background

- International trade statistics were published approximately 50 days after the reference month ended prior to 2003
- Currently we are at approximately 35 days for the full report on Goods & Services

2002 and Prior
- Average Release Time
  - 50 Calendar days

2003 — 2012
- Average Release Time
  - 42 Calendar days

2013 to Present
- Average Release Time
  - 35 Calendar days
International Trade Acceleration
Advance Trade in Goods

• Accelerated Export & Import of Goods approximately one week before the full monthly release
• Created to provide data users with an earlier look at a high level, (1 digit Enduse) snapshot of the monthly trade
• Assists BEA by providing more comprehensive goods data for incorporation into their quarterly advance estimate of GDP (1st estimate)
• First released July 2015 (June 2015 statistics)
• In July 2016, combined with advance retail/wholesale inventories to become the monthly Advance Economic Indicators report
Retail & Wholesale Inventories Acceleration

Background

- Retail and wholesale Indicator releases roughly 6 weeks after the reference month
- Inventories used by BEA in Private Inventories component of GDP
- Inventories not available in time for Advance GDP release
- Census researched determined quality as the higher aggregate levels sufficient at earlier date to support release
Acceleration of Retail & Wholesale Inventories
Advance Economic Indicators Report

- First release July 28, 2016 in the new Advance Economic Indicators Report containing June 2016 retail/wholesale inventories
- “Snapshot” of the inventories at an earlier date with no change to methodology
- Released 7-12 working days prior to the MWTS/MRTS/MTIS release dates
- Developed to provide data users with earlier estimates of end-of-month inventories of retail and wholesale firms
- Enables BEA to incorporate indicator data into the Advance GDP release, thus reducing revisions to the GDP estimates
Quarterly Financial Report Acceleration

QFR Retail Release

- Historically QFR for Retail Trade was released one week after QFR for Manufacturing, Mining, Wholesale Trade and Select Service Industries to allow for more responses
- QFR accelerated Retail indicator one week earlier and is now released with the QFR for Manufacturing, Mining, Wholesale Trade and Select Service Industries
- Acceleration due to improvements in processing programs (estimation, imputation, and dissemination)
- First released June 2016
Service Sector Acceleration
Advanced Quarterly Services Survey

- Goal is to advance the release from 75 days to 50 days after the end of each quarter
- Developed to provide data users with earlier estimates of service economy statistics
- The benefits will enable BEA to incorporate the data into the second estimate of the quarterly GDP
- Current status:
  - The first advance QSS report is targeted for release with our 4th Quarter 2016 release in February 2017
- Future Improvement – Seasonal Adjustment Expansion:
  - Expand number of seasonally adjusted series from 12 to as many as 60
  - Proposing first public release for 4th Quarter 2017 release
2017 Censuses
Economic Census and Census of Governments

• Four elements of an efficient 2017 Economic Census and Census of Governments:
  – Move to 100% Internet collection to reduce cost and increase efficiency
  – Reduce the burden for businesses and governments
  – Automate operations to increase productivity
  – Improve data products to reflect our ever-changing U.S. economy
2017 Economic Census
Proposed Acceleration of Data Releases

• Plan to accelerate the 2017 Economic Census release of state data for the 2- and 3-digit NAICS levels
• Acceleration includes the release of preliminary state estimates in the Industry Series reports that are scheduled for release in May 2019
• Marks the first time releasing state data as part of the Industry Series, hence the 18 month earlier release schedule
• Will achieve through modifications to data review process
• Final state estimates will be released as part of the Geographic Area Series scheduled for release in June 2020
Big Data
Current Research Projects

- Researching third-party data to add detail to retail trade survey data
  - Request for Proposal issued November 1st, open through the end of the month
- Researching passive collection methods
  - Exploring system-to-system collections with partner companies
  - Working with third party collection companies
  - Using APIs to obtain Building Permit data
  - Developed of a public sector statistics web scraper; looking to expand
Thank you!

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