

# GDP and the Economy

## Third Estimates for the Second Quarter of 2023

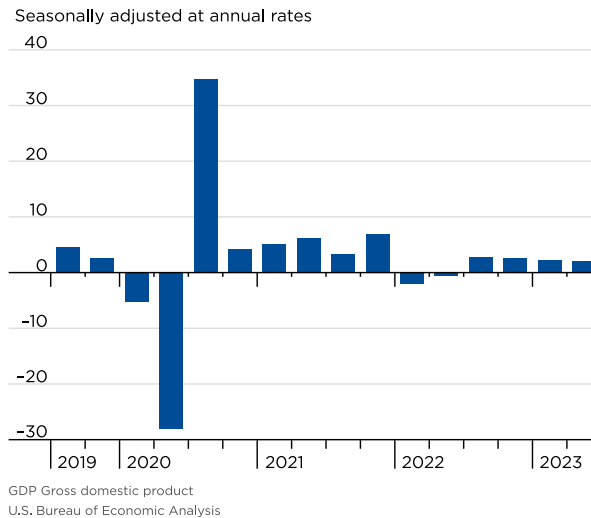
October 5, 2023

*This article reflects GDP statistics published on September 28, 2023. Refer to the GDP product page for the [latest statistics](#).*

Real gross domestic product (GDP) increased at an annual rate of 2.1 percent in the second quarter of 2023, according to the “third” estimate of the National Income and Product Accounts (chart 1 and table 1).<sup>1</sup> With the third estimate, real GDP growth was the same as previously estimated from the second estimate issued in August. In the first quarter, real GDP increased 2.2 percent (revised).

Estimates have been updated based on the results of the 16th comprehensive update of the National Economic Accounts. Refer to “[Comprehensive Update of the National Economic Accounts](#)” below.

**Chart 1. Real GDP: Percent Change From Preceding Quarter**



## GDP by Expenditure

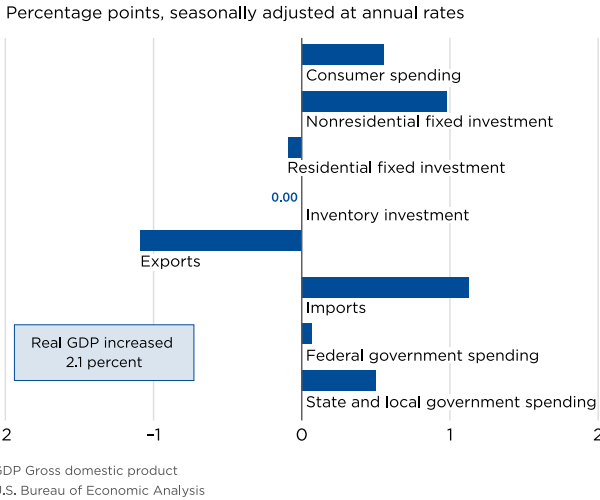
The increase in second-quarter real GDP reflected increases in nonresidential fixed investment, consumer spending, state and local government spending, federal government spending, and private inventory investment that were partly offset by decreases in exports and residential fixed investment. Imports, which are a subtraction in the calculation of GDP, decreased (chart 2 and table 1).<sup>2</sup>

- The increase in nonresidential fixed investment reflected increases in structures, equipment, and intellectual property products. The increase in structures was led by manufacturing structures. The increase in equipment was led by transportation equipment, primarily reflecting increases in trucks, buses, and truck trailers as well as aircraft. The increase in intellectual property products was led by software.
- The increase in consumer spending reflected increases in both services and goods. Within services, the leading contributors to the increase were health care as well as financial services and insurance. Within goods, the increase was led by recreational goods and vehicles as well as gasoline and other energy goods.
- The increase in state and local government spending primarily reflected increases in gross investment in structures and compensation of state and local government employees.
- The increase in federal government spending primarily reflected an increase in defense spending. The increase in defense spending was led by gross investment in equipment.
- Within private inventory investment, an increase in farm inventories was offset by a decrease in nonfarm inventories. Within nonfarm, decreases in construction, mining, and utilities as well as wholesale trade were partly offset by an increase in retail trade industries.
- Within exports, a decrease in goods was partly offset by an increase in services. Within goods, the decrease was led by nondurable industrial supplies and materials; consumer goods, except food and automotive; and foods, feeds, and beverages. Within services, the increase was led by travel.
- The decrease in residential fixed investment was led by a decrease in new residential improvements that was partly offset by increases in new construction for both multifamily and single-family homes. The increase in new single-family construction was the first increase since the first quarter of 2022.
- Within imports, both goods and services decreased. Within goods, the leading contributors to the decrease were consumer goods, except food and automotive; nondurable industrial supplies and materials; and capital goods, except automotive. Within services imports, the leading contributor to the decrease was other business services.

Compared to the first quarter, the deceleration in GDP in the second quarter primarily reflected a deceleration in consumer spending, a downturn in exports, and a deceleration in federal government spending. These movements were partly offset by an upturn in inventory investment, an acceleration in business investment, and a smaller decrease in housing investment. Imports turned down.

Real gross domestic income (GDI)—the sum of incomes earned and costs incurred in the production of GDP—increased 0.7 percent at an annual rate in the second quarter, compared with an increase of 0.5 percent in the first quarter. The average of real GDP and real GDI—a supplemental measure of U.S. economic activity that equally weights GDP and GDI—increased 1.4 percent at an annual rate in the second quarter as well as in the first quarter.

## Chart 2. Real GDP: Contributions to the Percent Change in 2023:Q2



**Table 1. Real Gross Domestic Product by Expenditure and Related Measures**

[Seasonally adjusted at annual rates]

Line	Series	Share of current-dollar GDP (percent)	Change from preceding period (percent)				Contribution to percent change in real GDP (percentage points)			
		2023	2022		2023		2022		2023	
		Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
1	<b>Gross domestic product (GDP)<sup>1</sup></b>	<b>100.0</b>	<b>2.7</b>	<b>2.6</b>	<b>2.2</b>	<b>2.1</b>	<b>2.7</b>	<b>2.6</b>	<b>2.2</b>	<b>2.1</b>
2	<b>Personal consumption expenditures</b>	<b>68.1</b>	<b>1.6</b>	<b>1.2</b>	<b>3.8</b>	<b>0.8</b>	<b>1.05</b>	<b>0.79</b>	<b>2.54</b>	<b>0.55</b>
3	Goods	22.7	-0.7	0.0	5.1	0.5	-0.18	-0.01	1.14	0.11
4	Durable goods	8.1	0.9	-1.0	14.0	-0.3	0.08	-0.08	1.07	-0.03
5	Nondurable goods	14.6	-1.6	0.5	0.5	0.9	-0.26	0.07	0.07	0.14
6	Services	45.4	2.8	1.8	3.1	1.0	1.23	0.80	1.40	0.44
7	<b>Gross private domestic investment</b>	<b>17.7</b>	<b>-7.6</b>	<b>3.4</b>	<b>-9.0</b>	<b>5.2</b>	<b>-1.45</b>	<b>0.62</b>	<b>-1.69</b>	<b>0.90</b>
8	Fixed investment	17.6	-4.3	-5.4	3.1	5.2	-0.79	-0.99	0.53	0.90
9	Nonresidential	13.7	4.7	1.7	5.7	7.4	0.62	0.24	0.76	0.98
10	Structures	3.1	-1.3	6.5	30.3	16.1	-0.03	0.17	0.77	0.46
11	Equipment	5.1	5.6	-5.0	-4.1	7.7	0.28	-0.26	-0.21	0.38
12	Intellectual property products	5.5	7.1	6.1	3.8	2.7	0.37	0.32	0.20	0.15
13	Residential	3.9	-26.4	-24.9	-5.3	-2.2	-1.41	-1.23	-0.22	-0.09
14	Change in private inventories	0.1	---	---	---	---	-0.66	1.61	-2.22	0.00
15	<b>Net exports of goods and services</b>	<b>-3.0</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>2.58</b>	<b>0.26</b>	<b>0.58</b>	<b>0.04</b>
16	Exports	10.9	16.2	-3.5	6.8	-9.3	1.80	-0.41	0.76	-1.09
17	Goods	7.3	21.5	-6.3	12.0	-16.0	1.63	-0.52	0.89	-1.31
18	Services	3.7	4.9	3.1	-3.5	6.2	0.17	0.11	-0.13	0.22
19	Imports	13.9	-4.8	-4.3	1.3	-7.6	0.77	0.66	-0.18	1.13
20	Goods	11.3	-7.3	-4.4	1.9	-6.5	0.98	0.55	-0.22	0.78
21	Services	2.6	8.1	-3.9	-1.2	-12.2	-0.21	0.11	0.04	0.35
22	<b>Government consumption expenditures and gross investment</b>	<b>17.3</b>	<b>2.9</b>	<b>5.3</b>	<b>4.8</b>	<b>3.3</b>	<b>0.49</b>	<b>0.90</b>	<b>0.82</b>	<b>0.57</b>
23	Federal	6.4	1.2	9.8	5.2	1.1	0.07	0.59	0.33	0.07
24	National defense	3.6	-0.3	7.7	1.9	2.3	-0.01	0.27	0.07	0.08
25	Nondefense	2.8	3.3	12.6	9.5	-0.4	0.08	0.32	0.26	-0.01
26	State and local	10.8	3.8	2.8	4.6	4.7	0.41	0.31	0.49	0.50
<b>Addenda:</b>										
27	Gross domestic income (GDI) <sup>2</sup>	---	2.7	-3.0	0.5	0.7	---	---	---	---
28	Average of GDP and GDI	---	2.7	-0.3	1.4	1.4	---	---	---	---
29	Final sales of domestic product	---	3.4	1.0	4.6	2.1	---	---	---	---
30	Goods	31.4	7.9	6.2	-1.3	0.9	2.44	1.95	-0.40	0.29
31	Services	60.1	2.5	2.5	3.2	1.9	1.49	1.48	1.92	1.13
32	Structures	8.5	-13.5	-9.6	8.9	7.7	-1.27	-0.86	0.72	0.63

1. The GDP estimates under the contribution columns are also percent changes.

2. GDI is deflated by the implicit price deflator for GDP.

Note. Percent changes are from National Income and Product Accounts (NIPA) tables 1.1.1 and 1.2.1, contributions are from NIPA tables 1.1.2 and 1.2.2, and shares are from NIPA table 1.1.10 or are calculated from NIPA table 1.2.5.

## Prices

The U.S. Bureau of Economic Analysis' (BEA's) featured measure of inflation in the U.S. economy—the price index for gross domestic purchases (goods and services purchased by U.S. residents)—increased 1.4 percent in the second quarter after increasing 3.6 percent in the first quarter (table 2 and chart 3).

Within gross domestic purchases, food prices increased 0.1 percent in the second quarter after increasing 3.8 percent in the first quarter. Prices for energy goods and services decreased 15.6 percent after decreasing 11.4 percent. Excluding food and energy, gross domestic purchases prices increased 2.1 percent after increasing 4.1 percent.

The price index for personal consumption expenditures (PCE) increased 2.5 percent in the second quarter after increasing 4.2 percent in the first quarter. The increase in PCE prices reflected increases in prices for both services and goods.

- Within services, price increases were widespread. The leading contributors were housing and utilities (more than accounted for by housing), health care (led by hospitals), other services (led by professional and other services) as well as food services and accommodations (led by food services). Partly offsetting these increases was a decrease in transportation services (led by air transportation).
- Within goods, the leading contributors to the increase were other nondurable goods (led by pharmaceuticals) and motor vehicles and parts (led by used light trucks). These increases were partly offset by a decrease in gasoline and other energy goods (led by gasoline).

Excluding food and energy, the “core” PCE price index increased 3.7 percent in the second quarter after increasing 5.0 percent in the first quarter.

**Table 2. Prices for Gross Domestic Purchases**

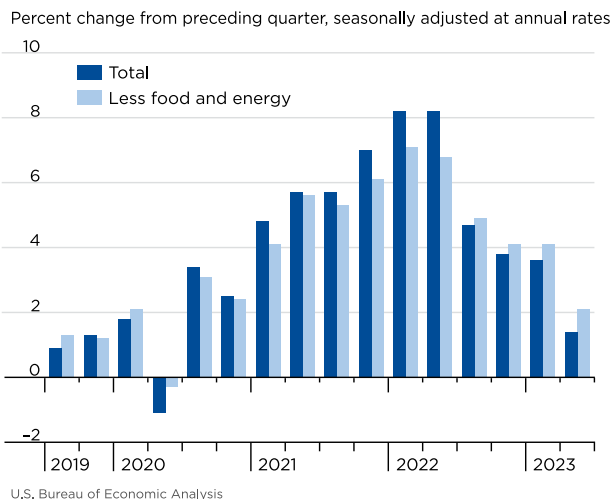
[Percent change at annual rates; based on seasonally adjusted index numbers (2017=100)]

Line	Series	Change from preceding period (percent)				Contribution to percent change in gross domestic purchases prices (percentage points)			
		2022		2023		2022		2023	
		Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
<b>1</b>	<b>Gross domestic purchases<sup>1</sup></b>	<b>4.7</b>	<b>3.8</b>	<b>3.6</b>	<b>1.4</b>	<b>4.7</b>	<b>3.8</b>	<b>3.6</b>	<b>1.4</b>
<b>2</b>	<b>Personal consumption expenditures</b>	<b>4.7</b>	<b>4.1</b>	<b>4.2</b>	<b>2.5</b>	<b>3.09</b>	<b>2.72</b>	<b>2.73</b>	<b>1.63</b>
3	Goods	2.9	0.1	0.7	0.2	0.68	0.04	0.16	0.05
4	Durable goods	2.9	-1.6	-0.9	0.1	0.23	-0.13	-0.07	0.01
5	Nondurable goods	2.9	1.0	1.6	0.3	0.45	0.16	0.23	0.04
6	Services	5.6	6.3	6.0	3.6	2.41	2.69	2.57	1.58
<b>7</b>	<b>Gross private domestic investment</b>	<b>6.7</b>	<b>2.8</b>	<b>3.2</b>	<b>-0.1</b>	<b>1.15</b>	<b>0.49</b>	<b>0.56</b>	<b>-0.02</b>
8	Fixed investment	6.6	3.6	4.2	0.0	1.13	0.61	0.71	-0.01
9	Nonresidential	6.0	3.2	6.4	0.2	0.76	0.41	0.81	0.03
10	Structures	16.1	7.0	7.2	0.9	0.39	0.18	0.20	0.03
11	Equipment	5.6	5.9	7.9	-1.1	0.27	0.29	0.38	-0.06
12	Intellectual property products	1.7	-1.1	4.5	1.1	0.09	-0.06	0.24	0.06
13	Residential	8.4	4.9	-2.6	-0.9	0.37	0.20	-0.10	-0.03
14	Change in private inventories	---	---	---	---	0.02	-0.12	-0.15	-0.01
<b>15</b>	<b>Government consumption expenditures and gross investment</b>	<b>2.8</b>	<b>3.2</b>	<b>1.5</b>	<b>-1.1</b>	<b>0.48</b>	<b>0.54</b>	<b>0.26</b>	<b>-0.18</b>
16	Federal	4.8	4.1	4.1	2.1	0.30	0.25	0.26	0.13
17	National defense	2.9	3.6	3.3	1.9	0.10	0.13	0.12	0.07
18	Nondefense	7.5	4.7	5.2	2.3	0.20	0.13	0.14	0.06
19	State and local	1.7	2.7	0.0	-2.9	0.18	0.29	0.00	-0.31
<b>Addenda:</b>									
Gross domestic purchases:									
20	Food	13.6	7.2	3.8	0.1	0.66	0.37	0.20	0.00
21	Energy goods and services	-11.9	-11.9	-11.4	-15.6	-0.39	-0.40	-0.36	-0.46
22	Excluding food and energy	4.9	4.1	4.1	2.1	4.44	3.78	3.72	1.90
Personal consumption expenditures:									
23	Food and beverages purchased for off-premises consumption	12.9	7.1	3.8	0.0	---	---	---	---
24	Energy goods and services	-12.3	-10.3	-9.8	-15.6	---	---	---	---
25	Excluding food and energy	5.0	4.7	5.0	3.7	---	---	---	---
26	Gross domestic product	4.4	3.9	3.9	1.7	---	---	---	---
27	Exports of goods and services	-9.3	-5.6	0.1	-3.9	---	---	---	---
28	Imports of goods and services	-4.3	-4.3	-1.3	-4.8	---	---	---	---

1. The estimated prices for gross domestic purchases under the contribution columns are also percent changes.

Note. Most percent changes are from National Income and Product Accounts (NIPA) table 1.6.7; percent changes for personal consumption expenditures (PCE) for food and energy goods and services and for PCE excluding food and energy are from NIPA table 2.3.7. Contributions are from NIPA table 1.6.8. Gross domestic product, export, and import prices are from NIPA table 1.1.7.

### Chart 3. Prices for Gross Domestic Purchases



#### Note on Prices

The U.S. Bureau of Economic Analysis' (BEA's) gross domestic purchases price index is the most comprehensive index of prices paid by U.S. residents for all goods and services, regardless of whether those goods and services were produced domestically or imported. It is derived from the prices of personal consumption expenditures (PCE), private investment, and government consumption expenditures and gross investment.

The gross domestic product (GDP) price index measures the prices of goods and services produced in the United States, including the prices of goods and services produced for export. The difference between the gross domestic purchases price index and the GDP price index reflects the differences between imports prices (included in the gross domestic purchases index) and exports prices (included in the GDP price index). For other measures that are affected by import and export prices, see the FAQ [“How do the effects of dollar depreciation show up in the GDP accounts?”](#) on BEA's website.

BEA also produces price indexes for all the components of GDP. The PCE price index is a measure of the total cost of consumer goods and services, including durable goods, nondurable goods, and services. PCE prices for food, for energy goods and services, and for all items except food and energy are also estimated and reported.

Because prices for food and for energy can be volatile, the price measure that excludes food and energy is often used as a measure of underlying, or “core,” inflation. The core PCE price index includes purchased meals and beverages, such as restaurant meals and pet food. (See [“What is the core PCE price index?”](#) on BEA's website.)

BEA also prepares a supplemental PCE price index, the “market-based” PCE price index, that is based on market transactions for which there are corresponding price measures. This index excludes many imputed expenditures, such as financial services furnished without payment, that are included in PCE and in the PCE price index. BEA also prepares a market-based measure that excludes food and energy.

## Corporate Prices

Measured in current dollars, profits from current production (corporate profits with the inventory valuation adjustment (IVA) and the capital consumption adjustment (CCAdj)) increased \$6.9 billion, or 0.2 percent at a quarterly rate, in the second quarter. Domestic profits of financial corporations decreased \$54.2 billion, domestic profits of nonfinancial corporations increased \$39.0 billion, and rest-of-the-world profits (net) increased \$22.1 billion in the second quarter. In the first quarter, profits decreased \$83.3 billion, or 2.6 percent (table 3).

**Table 3. Corporate Profits**  
[Seasonally adjusted]

Line	Series	Billions of dollars (annual rate)					Percent change from preceding quarter (quarterly rate)			
		Level	Change from preceding quarter				2022		2023	
			2023	2022		2023		Q3	Q4	Q1
		Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
	<b>Current production measures:</b>									
1	Corporate profits with IVA and CCAdj	3,172.1	39.3	-50.9	-83.3	6.9	1.2	-1.5	-2.6	0.2
2	Domestic industries	2,658.0	27.4	-60.5	-75.3	-15.2	1.0	-2.2	-2.7	-0.6
3	Financial	443.5	3.2	-46.6	17.3	-54.2	0.6	-8.8	3.6	-10.9
4	Nonfinancial	2,214.4	24.2	-13.9	-92.7	39.0	1.1	-0.6	-4.1	1.8
5	Rest of the world	514.1	11.9	9.6	-7.9	22.1	2.5	2.0	-1.6	4.5
6	Receipts from the rest of the world	1,012.4	-2.8	-1.6	13.1	25.8	-0.3	-0.2	1.3	2.6
7	Less: Payments to the rest of the world	498.3	-14.7	-11.2	21.1	3.7	-2.9	-2.3	4.5	0.7
9	Less: Taxes on corporate income	570.3	-2.7	3.6	28.2	-6.3	-0.5	0.7	5.1	-1.1
10	Equals: Profits after tax	2,601.8	42.0	-54.5	-111.5	13.2	1.5	-2.0	-4.1	0.5
11	Net dividends	1,855.8	-65.0	-15.8	0.4	15.6	-3.4	-0.8	0.0	0.8
12	Undistributed profits from current production	746.0	107.1	-38.7	-111.8	-2.4	13.5	-4.3	-13.0	-0.3
13	Net cash flow with IVA	3,204.0	202.2	8.6	8.5	32.3	6.8	0.3	0.3	1.0

**CCAdj** Capital consumption adjustment

**IVA** Inventory valuation adjustment

Note. Levels of these and other profits series are shown in National Income and Product Accounts tables [1.12](#) and [6.16D](#).



## Note on Measuring Corporate Profits

Corporate profits is a widely followed economic indicator used to gauge corporate health, assess investment conditions, and analyze the effect on corporations of economic policies and conditions. In addition, corporate profits is an important component in key measures of income.

The U.S. Bureau of Economic Analysis' (BEA's) measure of corporate profits aims to capture the income earned by corporations from current production in a manner that is fully consistent with the National Income and Product Accounts (NIPAs). The measure is defined as receipts arising from current production less associated expenses. Receipts exclude income in the form of dividends and capital gains, and expenses exclude bad debts, natural resource depletion, and capital losses.

Because direct estimates of NIPA-consistent corporate profits are unavailable, BEA derives these estimates in three steps.

First, BEA measures profits before taxes to reflect corporate income regardless of any redistributions of income through taxes. Estimates for the current quarter are based on corporate earnings reports from sources including the U.S. Census Bureau Quarterly Financial Report, Federal Deposit Insurance Corporation call reports, other regulatory reports, and tabulations from corporate financial reports. The estimates are benchmarked to Internal Revenue Service (IRS) data when these data are available for two reasons: (1) the IRS data are based on well-specified accounting definitions, and (2) they are comprehensive, covering all incorporated businesses—publicly traded and privately held—in all industries.

Second, to remove the effects of price changes on inventories valued at historical cost and of tax accounting for inventory withdrawals, BEA adds an inventory valuation adjustment that values inventories at current cost.

Third, to remove the effects of tax accounting on depreciation, BEA adds a capital consumption adjustment (CCAdj). CCAdj is defined as the difference between capital consumption allowances (tax return depreciation) and consumption of fixed capital (the decline in the value of the stock of assets due to wear and tear, obsolescence, accidental damage, and aging).

## Corporate Profits by Industry

Industry profits (corporate profits by industry with IVA) increased \$10.8 billion, or 0.3 percent at a quarterly rate, in the second quarter after increasing \$4.0 billion, or 0.1 percent, in the first quarter (table 4 and chart 4). Domestic profits decreased \$11.3 billion in the second quarter and primarily reflected decreases in financial industries and manufacturing.

Profits after tax (without IVA and CCAdj)—BEA's profits measure that is conceptually most like the profits for companies in the Standard & Poor's 500 Index—increased \$21.9 billion in the second quarter after increasing \$30.9 billion in the first quarter.

**Table 4. Corporate Profits by Industry**  
[Seasonally adjusted]

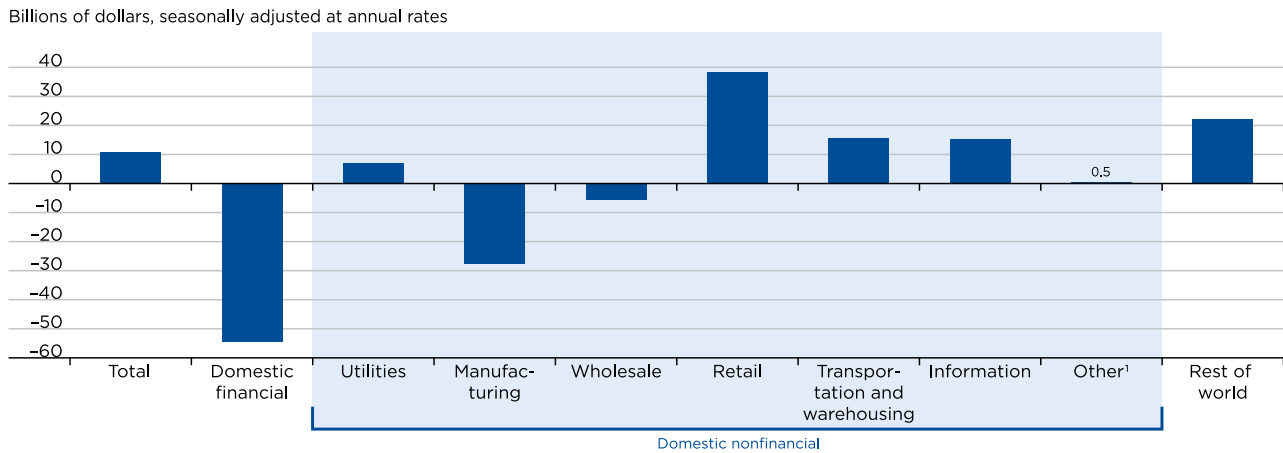
Line	Series	Billions of dollars (annual rate)					Percent change from preceding quarter (quarterly rate)			
		Level	Change from preceding quarter							
		2023	2022		2023		2022		2023	
		Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
	<b>Industry profits:</b>									
1	Corporate profits with IVA	3,513.6	72.9	-42.6	4.0	10.8	2.1	-1.2	0.1	0.3
2	Domestic industries	2,999.5	61.0	-52.2	11.9	-11.3	2.0	-1.7	0.4	-0.4
3	Financial	537.0	8.1	-46.0	26.9	-54.7	1.3	-7.5	4.8	-9.2
4	Nonfinancial	2,462.5	52.9	-6.1	-14.9	43.4	2.2	-0.3	-0.6	1.8
5	Utilities	49.7	8.7	-8.4	1.4	7.0	21.1	-17.0	3.5	16.4
6	Manufacturing	711.4	9.8	38.0	-18.6	-27.7	1.4	5.3	-2.5	-3.7
7	Wholesale trade	227.8	71.8	-3.0	-32.1	-5.6	36.5	-1.1	-12.1	-2.4
8	Retail trade	353.3	-4.9	15.0	13.5	38.3	-1.7	5.2	4.5	12.1
9	Transportation and warehousing	126.8	-3.7	-9.3	8.0	15.6	-3.1	-8.3	7.8	14.1
10	Information	187.7	2.5	8.2	-2.9	15.2	1.5	4.9	-1.6	8.8
11	Other nonfinancial	805.9	-31.4	-46.6	15.6	0.5	-3.6	-5.6	2.0	0.1
12	Rest of the world	514.1	11.9	9.6	-7.9	22.1	2.5	2.0	-1.6	4.5
	<b>Addenda:</b>									
13	Profits before tax (without IVA and CCAdj)	3,473.1	-138.0	-159.8	59.2	15.5	-3.7	-4.5	1.7	0.4
14	Profits after tax (without IVA and CCAdj)	2,902.9	-135.2	-163.4	31.0	21.8	-4.3	-5.4	1.1	0.8
15	IVA	40.5	210.9	117.3	-55.2	-4.8	---	---	---	---
16	CCAdj	-341.5	-33.6	-8.4	-87.3	-3.8	---	---	---	---

**CCAdj**      Capital consumption adjustment

**IVA**        Inventory valuation adjustment

Note. Levels of these and other profits series are shown in National Income and Product Accounts tables [1.12](#), [1.14](#), [1.15](#), and [6.16D](#).

**Chart 4. Corporate Profits With Inventory Valuation Adjustment in 2023:Q2, Change From Preceding Quarter**



1. Other nonfinancial corporations includes the agriculture, mining, construction, and services industries.  
U.S. Bureau of Economic Analysis

### Note on Corporate Profits by Industry

Industry profits are corporate profits by industry with inventory valuation adjustment (IVA). The IVA removes the effect of price changes on inventories. The IVA is the difference between the cost of inventory withdrawals at acquisition cost and replacement cost. Ideally, the U.S. Bureau of Economic Analysis (BEA) would also add the capital consumption adjustment (CCAdj) for each industry. However, estimates of the CCAdj are only available for two broad categories: total financial industries and total nonfinancial industries. For more information about BEA's methodology, see "Chapter 13: Corporate Profits" in *NIPA Handbook: Concepts and Methods of the U.S. National Income and Product Accounts* on BEA's website.

## Updates

The updated estimates for the second quarter primarily reflected a downward revision to consumer spending that was partly offset by upward revisions to nonresidential fixed investment, exports, and private inventory investment. Imports were revised down (table 5).

- Within consumer spending, both services and goods were revised down.
  - Within services, the leading contributors to the downward revision were household utilities (both electric and gas) and transportation services (specifically motor vehicle maintenance and repair).
  - Within goods, the downward revision was led by furnishings and durable household equipment as well as clothing and footwear.
- Within nonresidential fixed investment, the upward revision was led by structures. The leading contributors to the upward revision were manufacturing structures and mining exploration, shafts, and wells.
- The revision to exports primarily reflected an upward revision to services, led by travel and transport services.
- Within private inventory investment, both farm and nonfarm inventory investment were revised up. For nonfarm, the leading contributor to the upward revision was manufacturing (led by other transportation equipment, chemical manufacturing, and petroleum and coal products).
- Within imports, the downward revision was led by other business services, which includes professional and management consulting services.

**Table 5. Second and Third Estimates for the Second Quarter of 2023**

[Seasonally adjusted at annual rates]

Line	Series	Change from preceding period (percent)			Contribution to percent change in real GDP (percentage points)		
		Second estimate	Third estimate	Third estimate minus second estimate	Second estimate	Third estimate	Third estimate minus second estimate
1	<b>Gross domestic product (GDP)<sup>1</sup></b>	2.1	2.1	0.0	2.1	2.1	0.0
2	<b>Personal consumption expenditures</b>	1.7	0.8	-0.9	1.14	0.55	-0.59
3	Goods	0.7	0.5	-0.2	0.15	0.11	-0.04
4	Durable goods	-0.3	-0.3	0.0	-0.02	-0.03	-0.01
5	Nondurable goods	1.2	0.9	-0.3	0.17	0.14	-0.03
6	Services	2.2	1.0	-1.2	0.99	0.44	-0.55
7	<b>Gross private domestic investment</b>	3.3	5.2	1.9	0.57	0.90	0.33
8	Fixed investment	3.9	5.2	1.3	0.66	0.90	0.24
9	Nonresidential	6.1	7.4	1.3	0.80	0.98	0.18
10	Structures	11.2	16.1	4.9	0.30	0.46	0.16
11	Equipment	7.7	7.7	0.0	0.38	0.38	0.00
12	Intellectual property products	2.2	2.7	0.5	0.12	0.15	0.03
13	Residential	-3.6	-2.2	1.4	-0.14	-0.09	0.05
14	Change in private inventories	---	---	---	-0.09	0.00	0.09
15	<b>Net exports of goods and services</b>	---	---	---	-0.22	0.04	0.26
16	Exports	-10.6	-9.3	1.3	-1.26	-1.09	0.17
17	Goods	-16.4	-16.0	0.4	-1.36	-1.31	0.05
18	Services	2.6	6.2	3.6	0.09	0.22	0.13
19	Imports	-7.0	-7.6	-0.6	1.04	1.13	0.09
20	Goods	-7.2	-6.5	0.7	0.87	0.78	-0.09
21	Services	-6.2	-12.2	-6.0	0.17	0.35	0.18
22	<b>Government consumption expenditures and gross investment</b>	3.3	3.3	0.0	0.58	0.57	-0.01
23	Federal	1.2	1.1	-0.1	0.08	0.07	-0.01
24	National defense	2.8	2.3	-0.5	0.10	0.08	-0.02
25	Nondefense	-0.7	-0.4	0.3	-0.02	-0.01	0.01
26	State and local	4.7	4.7	0.0	0.50	0.50	0.00
<b>Addenda:</b>							
27	Final sales of domestic product	2.2	2.1	-0.1	---	---	---
28	Gross domestic income (GDI) <sup>2</sup>	---	0.7	---	---	---	---
29	Average of GDP and GDI	---	1.4	---	---	---	---
30	Gross domestic purchases price index	1.7	1.4	-0.3	---	---	---
31	GDP price index	2.0	1.7	-0.3	---	---	---

1. The GDP estimates under the contribution columns are also percent changes.
2. GDI is deflated by the implicit price deflator for GDP.

## Information on Key Source Data, Assumptions, and Methodologies

A comprehensive table that presents the [key source data and assumptions](#) (under “Current Release”) that are used to prepare each vintage of the estimate of gross domestic product (GDP) for the current quarter is available on the U.S. Bureau of Economic Analysis (BEA) website. For the advance estimates that are released near the end of the month after the close of the quarter, the table shows the months of source data for the quarter that are available; for most components of GDP, 3 months of data are available. For the components for which only 2 months of source data are available, BEA's assumptions for the third month are shown. Second estimates are released near the end of the second month after the close of the quarter, and third estimates are released near the end of the third month after the close of the quarter. With each vintage, the table is updated to add newly available and revised source data that have been incorporated into the estimates.

For additional details about the source data and the methodologies that are used to prepare the estimates, see [NIPA Handbook: Concepts and Methods of the U.S. National Income and Product Accounts](#) on BEA's website.

## Comprehensive Update of the National Economic Accounts

BEA released the results of the 16th comprehensive update of the National Economic Accounts (NEAs), which includes the National Income and Product Accounts and the Industry Economic Accounts, on September 28. For more information, see the “[Technical Note](#).” More information on the 2023 comprehensive update is found in the “[Preview of the 2023 Comprehensive Update of the National Economic Accounts](#).” Most data are available through [BEA's Interactive Data Application](#) on the BEA website. Refer to [information on updates to the National Economic Accounts](#) for the complete table release schedule and a summary of results through 2022. A forthcoming *Survey of Current Business* article will describe the update in more detail.

1. “Real” estimates are in chained (2017) dollars, and price indexes are chain-type measures. Each GDP estimate for a quarter (advance, second, and third) incorporates increasingly comprehensive and improved source data; for more information, see “[The Revisions to GDP, GDI, and Their Major Components](#)” in the January 2018 *Survey of Current Business*. Quarterly estimates are expressed at seasonally adjusted annual rates, which reflect a rate of activity for a quarter as if it were maintained for a year.  
Note: This footnote has been updated since this article was originally published. On April 2, 2024, the reference year for chained dollars was corrected from 2012 to 2017, which reflects the results of the 2023 comprehensive update of the National Economic Accounts, released on September 28, 2023.
2. In this article, “consumer spending” refers to “personal consumption expenditures,” “inventory investment” refers to “change in private inventories,” and “government spending” refers to “government consumption expenditures and gross investment.”



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