

GDP and the Economy

Third Estimates for the Fourth Quarter of 2024

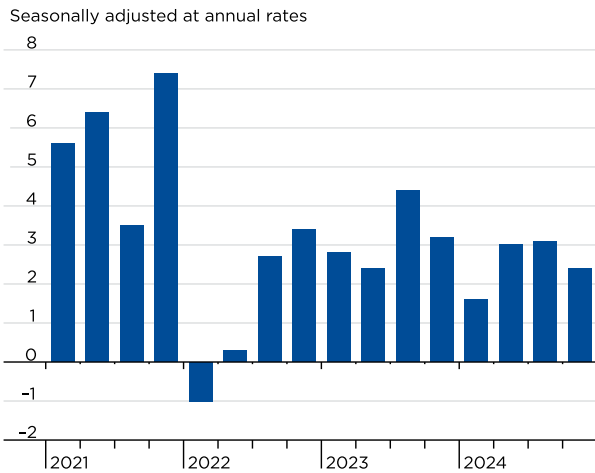
April 2, 2025

This article reflects GDP statistics published on March 27, 2025. Refer to the GDP product page for the [latest statistics](#).

Real gross domestic product (GDP) increased at an annual rate of 2.4 percent in the fourth quarter of 2024, according to the “third” estimate of the National Income and Product Accounts (chart 1 and table 1).¹ With the third estimate, real GDP growth was revised up 0.1 percentage point from the “second” estimate issued in February. In the third quarter, real GDP increased 3.1 percent.

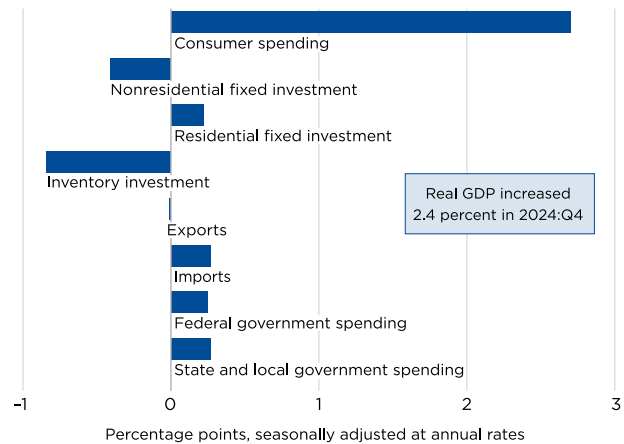
Real GDP increased 2.8 percent in 2024 (from the 2023 annual level to the 2024 annual level), compared with an increase of 2.9 percent in 2023 (see “[Real GDP 2024](#)”).

Chart 1. Real GDP: Percent Change From Preceding Quarter



GDP Gross domestic product
U.S. Bureau of Economic Analysis

Chart 2. Real GDP: Contributions to the Percent Change in 2024:Q4



GDP Gross domestic product
U.S. Bureau of Economic Analysis

GDP by Expenditure

The increase in fourth-quarter real GDP primarily reflected an increase in consumer spending that was partly offset by decreases in inventory investment and nonresidential fixed investment. Imports, which are a subtraction in the calculation of GDP, decreased (chart 2 and table 1).²

- The increase in consumer spending reflected increases in both services and goods. Within services, the leading contributors to the increase were health care and “other services.” Within goods, the leading contributors to the increase were motor vehicles and parts, recreational goods and vehicles, and “other nondurable goods.”
 - Within health care, both outpatient services and hospital and nursing home services (notably, hospital services) increased.
 - Within other services, the increase was led by net foreign travel and communication services.
 - The increase in motor vehicles and parts was led by new light trucks.
 - The increase in recreational goods and vehicles was led by video, audio, photographic, and information processing equipment and media.
 - The increase in other nondurable goods was led by recreational items.
- The decrease in inventory investment was led by a decrease in retail trade.
- Within nonresidential fixed investment, the decrease was led by equipment. Within equipment, the decrease was led by transportation equipment and computers and peripheral equipment.
- Within imports, an increase in goods (notably, capital goods, except automotive) was partly offset by a decrease in services (notably, travel).

Compared to the third quarter, the deceleration in real GDP in the fourth quarter primarily reflected downturns in exports and nonresidential fixed investment that were partly offset by an upturn in residential fixed investment and an acceleration in consumer spending. Imports turned down.

Real gross domestic income (GDI)—which measures output of the economy as the costs incurred and the incomes earned in the production of goods and services (as measured by GDP)—increased 4.5 percent at an annual rate in the fourth quarter, compared with an increase of 1.4 percent in the third quarter. The average of real GDP and real GDI—a supplemental measure of U.S. economic activity that equally weights GDP and GDI—increased 3.5 percent, compared with an increase of 2.2 percent.

Table 1. Real Gross Domestic Product 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)				
			2024									
			Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	
1	GDP¹	100.0	1.6	3.0	3.1	2.4	1.6	3.0	3.1	2.4		
2	Personal consumption expenditures	68.1	1.9	2.8	3.7	4.0	1.30	1.90	2.48	2.70		
3	Goods	21.4	-1.2	3.0	5.6	6.2	-0.25	0.63	1.18	1.30		
4	Durable goods	7.5	-1.8	5.5	7.6	12.4	-0.13	0.40	0.54	0.87		
5	Nondurable goods	13.9	-0.8	1.7	4.6	3.1	-0.12	0.23	0.63	0.42		
6	Services	46.8	3.4	2.7	2.8	3.0	1.55	1.27	1.31	1.41		
7	Gross private domestic investment	17.8	3.6	8.3	0.8	-5.6	0.64	1.47	0.16	-1.03		
8	Fixed investment	17.7	6.5	2.3	2.1	-1.1	1.14	0.42	0.38	-0.20		
9	Nonresidential	13.7	4.5	3.9	4.0	-3.0	0.61	0.53	0.55	-0.41		
10	Structures	3.1	6.3	0.2	-5.0	2.9	0.20	0.01	-0.16	0.09		
11	Equipment	5.1	0.3	9.8	10.8	-8.7	0.02	0.49	0.54	-0.47		
12	Intellectual property products	5.5	7.5	0.7	3.1	-0.5	0.40	0.04	0.17	-0.03		
13	Residential	4.0	13.7	-2.8	-4.3	5.5	0.53	-0.11	-0.18	0.22		
14	Change in private inventories	0.0	---	---	---	---	-0.49	1.05	-0.22	-0.84		
15	Net exports of goods and services	-3.1	---	---	---	---	-0.61	-0.90	-0.43	0.26		
16	Exports	10.8	1.9	1.0	9.6	-0.2	0.21	0.12	1.01	-0.01		
17	Goods	6.9	-0.2	0.9	10.3	-4.6	-0.02	0.07	0.70	-0.33		
18	Services	3.9	6.1	1.2	8.4	8.5	0.23	0.05	0.31	0.32		
19	Imports	13.9	6.1	7.6	10.7	-1.9	-0.82	-1.01	-1.44	0.27		
20	Goods	11.1	6.5	8.4	10.7	-4.9	-0.69	-0.90	-1.14	0.57		
21	Services	2.9	4.8	4.3	11.0	10.9	-0.13	-0.12	-0.29	-0.30		
22	Government consumption expenditures and gross investment	17.2	1.8	3.1	5.1	3.1	0.30	0.52	0.86	0.52		
23	Federal	6.5	-0.4	4.3	8.9	4.0	-0.02	0.27	0.55	0.25		
24	National defense	3.7	-2.5	6.4	13.9	4.8	-0.09	0.23	0.48	0.18		
25	Nondefense	2.7	2.6	1.5	2.6	2.9	0.07	0.04	0.07	0.08		
26	State and local	10.7	3.1	2.3	2.9	2.5	0.32	0.25	0.31	0.27		
Addenda:												
27	GDI ²	---	3.0	2.0	1.4	4.5	---	---	---	---		
28	Average of GDP and GDI	---	2.3	2.5	2.2	3.5	---	---	---	---		
29	Final sales of domestic product	---	2.1	1.9	3.3	3.3	---	---	---	---		
30	Goods	29.9	-3.6	5.2	4.7	0.7	-1.12	1.56	1.41	0.23		
31	Services	61.3	3.2	2.4	3.2	3.0	1.91	1.48	1.92	1.81		
32	Structures	8.8	9.9	-0.6	-2.9	4.7	0.85	-0.05	-0.26	0.41		

GDI Gross domestic income

GDP Gross domestic product

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.

GDP by Industry

The third estimate of GDP includes estimates of GDP by industry, or value added—a measure of an industry's contribution to GDP. In the fourth quarter, private goods-producing industries increased 2.3 percent, private services-producing industries increased 2.4 percent, and government increased 2.7 percent (chart 3 and table 2). Overall, 16 of 22 industry groups contributed to the fourth-quarter increase in real GDP (chart 4).

- Within private goods-producing industries, the increase was led by construction and nondurable-goods manufacturing (mainly chemical products).
- Within private services-producing industries, the largest contributors to the increase were real estate and rental and leasing (led by real estate); professional, scientific, and technical services; and health care and social assistance (led by ambulatory health care services).
- The increase in government reflected an increase in state and local government.

Chart 3. Real GDP by Sector: Percent Change From Preceding Period

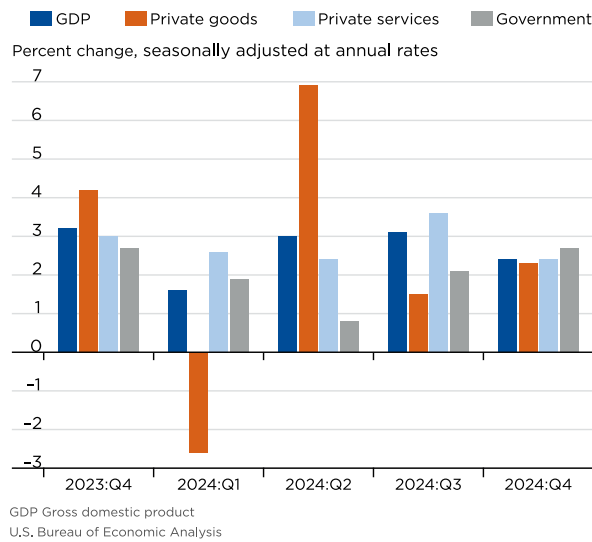


Table 2. Real Gross Domestic Product by Industry Group and Related Measures

[Seasonally adjusted at annual rates]

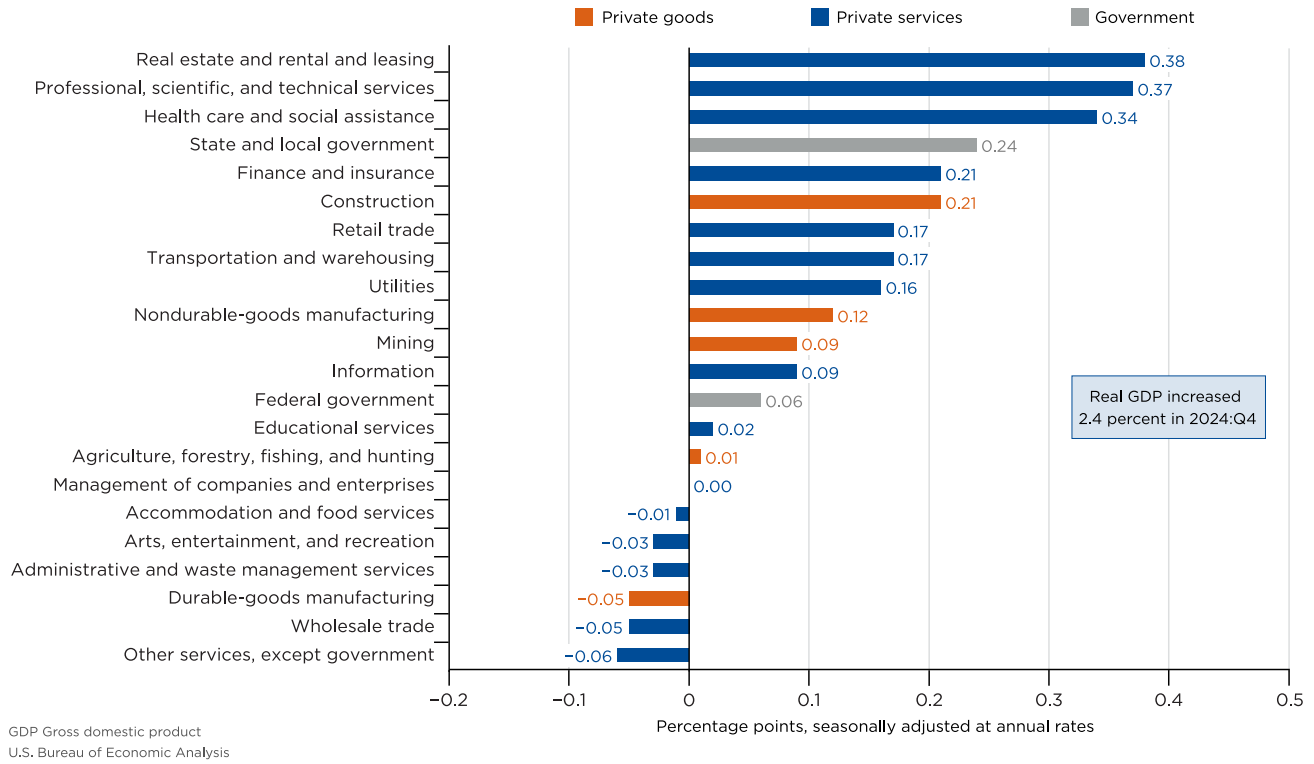
Line	Series	Share of current-dollar GDP (percent)	Change from preceding period (percent)				Contribution to percent change in real GDP (percentage points)			
			2024							
			Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
1	GDP¹	100.0	1.6	3.0	3.1	2.4	1.6	3.0	3.1	2.4
2	Private industries	88.7	1.6	3.3	3.2	2.4	1.40	2.90	2.83	2.12
3	Agriculture, forestry, fishing, and hunting	0.9	5.6	23.8	-7.8	0.8	0.05	0.18	-0.07	0.01
4	Mining	1.3	-10.5	-4.9	1.3	7.2	-0.16	-0.06	0.02	0.09
5	Utilities	1.5	-9.1	5.6	-1.0	11.5	-0.15	0.09	-0.01	0.16
6	Construction	4.5	8.3	5.2	-0.2	4.8	0.36	0.23	-0.01	0.21
7	Manufacturing	9.9	-6.5	8.2	3.2	0.7	-0.68	0.79	0.33	0.07
8	Durable goods	5.3	-10.4	5.8	3.0	-0.9	-0.60	0.31	0.16	-0.05
9	Nondurable Goods	4.6	-1.8	10.9	3.5	2.5	-0.09	0.48	0.16	0.12
10	Wholesale trade	5.8	4.0	2.3	3.2	-0.9	0.23	0.14	0.19	-0.05
11	Retail trade	6.3	6.7	-0.6	18.7	2.7	0.42	-0.03	1.10	0.17
12	Transportation and warehousing	3.3	0.9	0.4	4.2	5.1	0.03	0.01	0.14	0.17
13	Information	5.4	2.0	1.6	6.2	1.7	0.11	0.08	0.33	0.09
14	Finance, insurance, real estate, rental, and leasing	21.3	-0.1	3.8	0.7	2.8	-0.02	0.80	0.15	0.59
15	Finance and insurance	7.5	-2.5	6.6	0.3	2.8	-0.18	0.48	0.03	0.21
16	Real estate and rental and leasing	13.8	1.1	2.3	0.9	2.8	0.16	0.32	0.13	0.38
17	Professional and business services	13.2	4.2	1.9	2.0	2.6	0.55	0.25	0.27	0.34
18	Professional, scientific, and technical services	8.2	5.7	2.8	3.6	4.6	0.45	0.23	0.29	0.37
19	Management of companies and enterprises	1.9	7.6	-2.5	2.1	0.1	0.13	-0.05	0.04	0.00
20	Administrative and waste management services	3.2	-1.1	2.0	-2.0	-1.0	-0.03	0.06	-0.06	-0.03
21	Educational services, health care, and social assistance	8.8	4.8	3.9	4.7	4.2	0.41	0.33	0.40	0.37
22	Educational services	1.1	2.4	-6.1	4.9	1.9	0.03	-0.07	0.05	0.02
23	Health care and social assistance	7.6	5.2	5.4	4.6	4.6	0.38	0.40	0.35	0.34
24	Arts, entertainment, recreation, accommodation, and food services	4.4	6.7	3.1	-0.6	-0.9	0.29	0.14	-0.03	-0.04
25	Arts, entertainment, and recreation	1.2	19.3	24.6	-2.2	-2.3	0.19	0.25	-0.03	-0.03
26	Accommodation and food services	3.3	2.8	-3.5	0.0	-0.4	0.09	-0.12	0.00	-0.01
27	Other services, except government	2.1	-0.7	-1.8	1.9	-2.8	-0.01	-0.04	0.04	-0.06
28	Government	11.3	1.9	0.8	2.1	2.7	0.21	0.09	0.23	0.30
29	Federal	3.6	1.2	1.1	1.1	1.8	0.04	0.04	0.04	0.06
30	State and local	7.7	2.2	0.6	2.5	3.1	0.17	0.05	0.19	0.24
	Addenda:									
31	Private goods-producing industries ²	16.5	-2.6	6.9	1.5	2.3	-0.44	1.14	0.26	0.38
32	Private services-producing industries ³	72.2	2.6	2.4	3.6	2.4	1.84	1.77	2.57	1.74

GDP Gross domestic product

1. The GDP estimates under the contribution columns are also percent changes.
2. Consists of agriculture, forestry, fishing, and hunting; mining; construction; and manufacturing.
3. Consists of utilities; wholesale trade; retail trade; transportation and warehousing; information; finance, insurance, real estate, rental, and leasing; professional and business services; educational services, health care, and social assistance; arts, entertainment, recreation, accommodation, and food services; and other services, except government.

Note. Percent changes are from these GDP by industry tables: “Value Added by Industry as a Percentage of Gross Domestic Product,” “Percent Changes in Chain-Type Quantity Indexes for Value Added by Industry,” and “Contributions to Percent Change in Real Gross Domestic Product by Industry.”

Chart 4. Contributions to Percent Change in Real GDP by Industry Group, 2024:Q4



Gross Output by Industry

Real gross output—principally a measure of an industry's sales or receipts, which includes sales to final users in the economy (GDP) and sales to other industries (intermediate inputs)—increased 1.7 percent in the fourth quarter (chart 5 and table 3). Private goods-producing industries increased 0.3 percent, private services-producing industries increased 2.0 percent, and government increased 3.1 percent. Overall, 17 of 22 industry groups contributed to the increase in real gross output.

Chart 5. Real Gross Output by Sector: Percent Change From Preceding Period

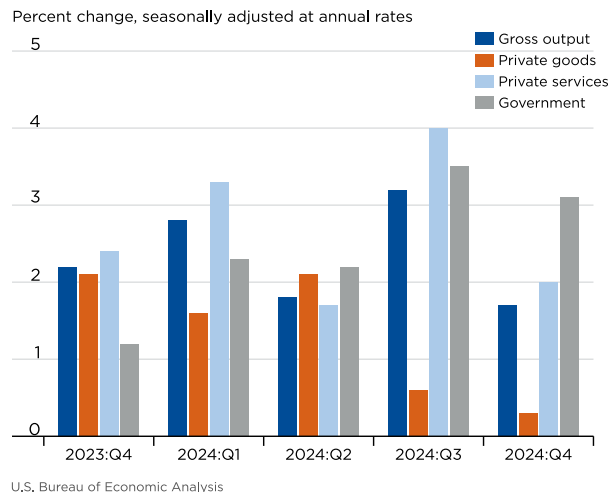


Table 3. Real Gross Output by Industry Group and Related Measures

[Seasonally adjusted at annual rates]

Line	Series	Change from preceding period (percent)			
		2024			
		Q1	Q2	Q3	Q4
1	All industries	2.8	1.8	3.2	1.7
2	Private industries	2.9	1.8	3.1	1.6
3	Agriculture, forestry, fishing, and hunting	1.0	-0.7	-4.7	0.3
4	Mining	-3.8	2.0	-1.8	0.7
5	Utilities	-1.2	10.3	-2.6	0.5
6	Construction	7.6	1.5	0.0	3.7
7	Manufacturing	0.2	2.6	1.5	-0.9
8	Durable goods	-3.7	4.6	3.5	-3.1
9	Nondurable goods	4.2	0.6	-0.5	1.4
10	Wholesale trade	1.1	-0.5	5.9	1.7
11	Retail trade	2.7	-0.6	12.3	6.4
12	Transportation and warehousing	-0.4	1.1	4.4	6.1
13	Information	4.5	2.3	7.9	1.0
14	Finance, insurance, real estate, rental, and leasing	4.1	1.1	0.4	0.3
15	Finance and insurance	6.3	0.8	1.8	-3.2
16	Real estate and rental and leasing	2.6	1.3	-0.6	2.8
17	Professional and business services	2.7	2.4	3.3	1.8
18	Professional, scientific, and technical services	2.8	3.6	3.8	3.6
19	Management of companies and enterprises	7.7	1.1	5.7	-0.1
20	Administrative and waste management services	-0.3	0.6	1.0	-1.1
21	Educational services, health care, and social assistance	6.7	4.5	6.1	3.2
22	Educational services	4.0	2.0	1.8	0.5
23	Health care and social assistance	7.1	4.8	6.7	3.6
24	Arts, entertainment, recreation, accommodation, and food services	1.9	0.2	0.7	3.8
25	Arts, entertainment, and recreation	12.8	16.8	1.0	6.8
26	Accommodation and food services	-1.3	-4.5	0.5	2.8
27	Other services, except government	3.8	2.1	7.8	-3.3
28	Government	2.3	2.2	3.5	3.1
29	Federal	1.4	1.9	7.1	3.2
30	State and local	2.7	2.3	2.1	3.0
Addenda:					
31	Private goods-producing industries ¹	1.6	2.1	0.6	0.3
32	Private services-producing industries ²	3.3	1.7	4.0	2.0

1. Consists of agriculture, forestry, fishing, and hunting; mining; construction; and manufacturing.
2. Consists of utilities; wholesale trade; retail trade; transportation and warehousing; information; finance, insurance, real estate, rental, and leasing; professional and business services; educational services, health care, and social assistance; arts, entertainment, recreation, accommodation, and food services; and other services, except government.

Note. Percent changes are from the table "[Percent Changes in Chain-Type Quantity Indexes for Gross Output by Industry.](#)"

Prices

The U.S. Bureau of Economic Analysis' (BEA's) featured measure of inflation for the U.S. economy, the price index for gross domestic purchases (goods and services purchased by U.S. residents), increased 2.2 percent in the fourth quarter after increasing 1.9 percent in the third quarter (chart 6 and table 4).

Within gross domestic purchases, food prices increased 2.8 percent in the fourth quarter after increasing 1.3 percent in the third quarter. Prices for energy goods and services decreased 4.2 percent after decreasing 12.6 percent. Excluding food and energy, gross domestic purchases prices increased 2.3 percent after decreasing 2.4 percent.

The price index for personal consumption expenditures (PCE) increased 2.4 percent in the fourth quarter after increasing 1.5 percent in the third quarter. The increase in PCE prices reflected an increase in prices for services that was partly offset by a decrease in prices for goods.

- Within services, increases were widespread. The leading contributors were housing and utilities (mainly housing), financial services and insurance (mainly banking and other financial services), and health care (led by hospitals).
- Within goods, the leading contributors to the decrease were gasoline and “other energy goods” (mainly motor vehicle fuels, lubricants, and fluids) and recreational goods and vehicles (led by video, audio, photographic, and information processing equipment and media).

Excluding food and energy, the “core” PCE price index increased 2.6 percent in the fourth quarter, following an increase of 2.2 percent in the third quarter.

Chart 6. Prices for Gross Domestic Purchases

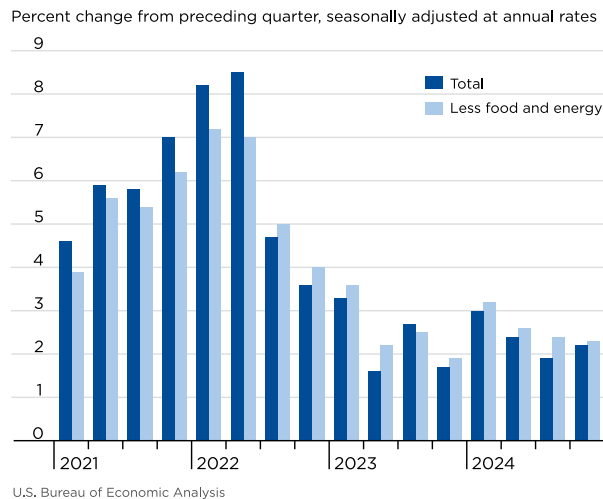


Table 4. Prices for Gross Domestic Purchases

[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)			
		2024							
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
1	Gross domestic purchases¹	3.0	2.4	1.9	2.2	3.0	2.4	1.9	2.2
2	Personal consumption expenditures	3.4	2.5	1.5	2.4	2.25	1.67	1.02	1.57
3	Goods	-0.5	0.7	-1.6	-0.4	-0.10	0.15	-0.33	-0.07
4	Durable goods	-0.5	-2.6	-2.4	-0.1	-0.03	-0.18	-0.17	0.00
5	Nondurable goods	-0.5	2.5	-1.2	-0.5	-0.07	0.33	-0.16	-0.07
6	Services	5.3	3.4	3.0	3.7	2.36	1.52	1.35	1.64
7	Gross private domestic investment	0.9	2.5	3.0	1.6	0.16	0.44	0.53	0.28
8	Fixed investment	0.9	2.6	3.2	1.6	0.16	0.45	0.55	0.27
9	Nonresidential	1.3	2.3	3.1	1.5	0.18	0.31	0.42	0.20
10	Structures	-2.0	0.3	1.9	-0.6	-0.06	0.01	0.06	-0.02
11	Equipment	3.8	1.7	2.5	1.0	0.19	0.08	0.12	0.05
12	Intellectual property products	1.0	4.0	4.4	3.2	0.06	0.21	0.23	0.17
13	Residential	-0.4	3.5	3.5	1.9	-0.02	0.14	0.13	0.07
14	Change in private inventories	---	---	---	---	0.00	-0.01	-0.02	0.00
15	Government consumption expenditures and gross investment	3.7	2.1	2.4	2.1	0.62	0.34	0.40	0.35
16	Federal	3.6	2.8	2.4	2.7	0.22	0.17	0.15	0.17
17	National defense	3.8	2.7	1.9	2.3	0.13	0.09	0.07	0.08
18	Nondefense	3.2	3.0	3.2	3.1	0.09	0.08	0.08	0.08
19	State and local	3.9	1.6	2.4	1.8	0.40	0.17	0.25	0.19
Addenda:									
20	Gross domestic purchases:								
	Food	2.3	-0.5	1.3	2.8	0.12	-0.02	0.07	0.14
21	Energy goods and services	-1.3	2.5	-12.6	-4.2	-0.03	0.06	-0.34	-0.11
22	Excluding food and energy	3.2	2.6	2.4	2.3	2.95	2.41	2.22	2.17
	Personal consumption expenditures:								
23	Food and beverages purchased for off-premises consumption	2.1	-0.4	1.6	2.7	---	---	---	---
24	Energy goods and services	-1.2	2.4	-12.4	-4.2	---	---	---	---
25	Excluding food and energy	3.7	2.8	2.2	2.6	---	---	---	---
26	Gross domestic product	3.0	2.5	1.9	2.3	---	---	---	---
27	Exports of goods and services	2.5	2.7	-0.9	0.2	---	---	---	---
28	Imports of goods and services	2.6	2.1	-0.2	-0.3	---	---	---	---

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.

Note on Prices

The U.S. Bureau of Economic Analysis (BEA) 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.

Updates

The increase in fourth-quarter real GDP was revised up 0.1 percentage point from the second estimate. The updated estimates primarily reflected a downward revision to imports, upward revisions to nonresidential fixed investment, exports, and state and local government spending as well as downward revisions to consumer spending and private inventory investment (table 5).

- Within imports, the revision was led by services, notably, charges for the use of intellectual property and financial services.
- Within nonresidential fixed investment, the revision reflected an upward revision to structures, led by new commercial and health care structures.
- For exports, the revision was led by an upward revision to services, mainly charges for the use of intellectual property.
- Within state and local government spending, the upward revision was led by gross investment in structures, mainly new educational structures.
- The downward revision to consumer spending reflected a downward revision to services that was partly offset by an upward revision to goods. Within services, the downward revision was led by final consumption expenditures of nonprofit institutions, led by nonprofit hospitals.
- Within private inventory investment, the downward revision was led by construction, mining, and utilities.

Table 5. “Second” and “Third” Estimates for the Fourth Quarter of 2024

[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	GDP¹	2.3	2.4	0.1	2.3	2.4	0.1
2	Personal consumption expenditures	4.2	4.0	-0.2	2.79	2.70	-0.09
3	Goods	6.1	6.2	0.1	1.27	1.30	0.03
4	Durable goods	12.1	12.4	0.3	0.86	0.87	0.01
5	Nondurable goods	3.0	3.1	0.1	0.41	0.42	0.01
6	Services	3.3	3.0	-0.3	1.53	1.41	-0.12
7	Gross private domestic investment	-5.7	-5.6	0.1	-1.05	-1.03	0.02
8	Fixed investment	-1.4	-1.1	0.3	-0.24	-0.20	0.04
9	Nonresidential	-3.2	-3.0	0.2	-0.45	-0.41	0.04
10	Structures	1.1	2.9	1.8	0.04	0.09	0.05
11	Equipment	-9.0	-8.7	0.3	-0.49	-0.47	0.02
12	Intellectual property products	0.0	-0.5	-0.5	0.00	-0.03	-0.03
13	Residential	5.4	5.5	0.1	0.21	0.22	0.01
14	Change in private inventories	---	---	---	-0.81	-0.84	-0.03
15	Net exports of goods and services	---	---	---	0.12	0.26	0.14
16	Exports	-0.5	-0.2	0.3	-0.05	-0.01	0.04
17	Goods	-4.8	-4.6	0.2	-0.34	-0.33	0.01
18	Services	7.7	8.5	0.8	0.29	0.32	0.03
19	Imports	-1.2	-1.9	-0.7	0.17	0.27	0.10
20	Goods	-5.0	-4.9	0.1	0.58	0.57	-0.01
21	Services	15.3	10.9	-4.4	-0.41	-0.30	0.11
22	Government consumption expenditures and gross investment	2.9	3.1	0.2	0.49	0.52	0.03
23	Federal	4.0	4.0	0.0	0.25	0.25	0.00
24	National defense	4.7	4.8	0.1	0.17	0.18	0.01
25	Nondefense	2.9	2.9	0.0	0.08	0.08	0.00
26	State and local	2.2	2.5	0.3	0.23	0.27	0.04
Addenda:							
27	Final sales of domestic product	3.2	3.3	0.1	---	---	---
28	GDI ²	---	4.5	---	---	---	---
29	Average of GDP and GDI	---	3.5	---	---	---	---
30	Gross domestic purchases price index	2.3	2.2	-0.1	---	---	---
31	GDP price index	2.4	2.3	-0.1	---	---	---

GDI Gross domestic income

GDP Gross domestic product

Note. Percent changes are from National Income and Product Account (NIPA) tables 1.1.1, contributions to percent change are from NIPA table 1.1.2, and shares are from NIPA table 1.1.10.

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

Corporate Profits

Measured in current dollars, profits from current production (corporate profits with the inventory valuation adjustment (IVA) and the capital consumption adjustment (CCAdj)) increased \$204.7 billion, or 5.4 percent at a quarterly rate, in the fourth quarter after decreasing \$15.0 billion, or 0.4 percent, in the third quarter (table 6). Profits of domestic financial corporations increased \$69.4 billion, profits of domestic nonfinancial corporations increased \$53.1 billion, and rest-of-the-world profits increased \$82.2 billion.

Table 6. Corporate Profits
[Seasonally adjusted]

Line	Series	Billions of dollars (annual rate)					Percent change from preceding quarter (quarterly rate)			
		Level	Change from preceding quarter				2024			
			Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
		Current production measures:								
1	Corporate profits with IVA and CCAdj	4,007.0	-65.1	132.5	-15.0	204.7	-1.7	3.6	-0.4	5.4
2	Domestic industries	3,487.8	-67.5	151.2	27.9	122.5	-2.1	4.7	0.8	3.6
3	Financial	718.7	57.4	42.5	3.0	69.4	10.5	7.0	0.5	10.7
4	Nonfinancial	2,769.1	-124.9	108.8	24.9	53.1	-4.6	4.2	0.9	2.0
5	Rest of the world	519.2	2.3	-18.8	-42.9	82.2	0.5	-3.8	-8.9	18.8
6	Receipts from the rest of the world	1,049.1	25.7	4.4	-61.5	97.2	2.6	0.4	-6.1	10.2
7	Less: Payments to the rest of the world	529.9	23.4	23.1	-18.7	15.0	4.8	4.5	-3.5	2.9
8	Less: Taxes on corporate income	694.9	0.0	27.6	-2.0	21.2	0.0	4.3	-0.3	3.1
9	Equals: Profits after tax	3,312.0	-65.1	104.9	-13.1	183.5	-2.1	3.5	-0.4	5.9
10	Net dividends	1,993.6	35.0	0.3	-13.2	10.8	1.8	0.0	-0.7	0.5
11	Undistributed profits from current production	1,318.4	-100.1	104.6	0.1	172.7	-8.8	10.0	0.0	15.1
12	Net cash flow with IVA	3,954.3	-92.5	169.8	15.6	217.8	-2.5	4.8	0.4	5.8

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](#) 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.

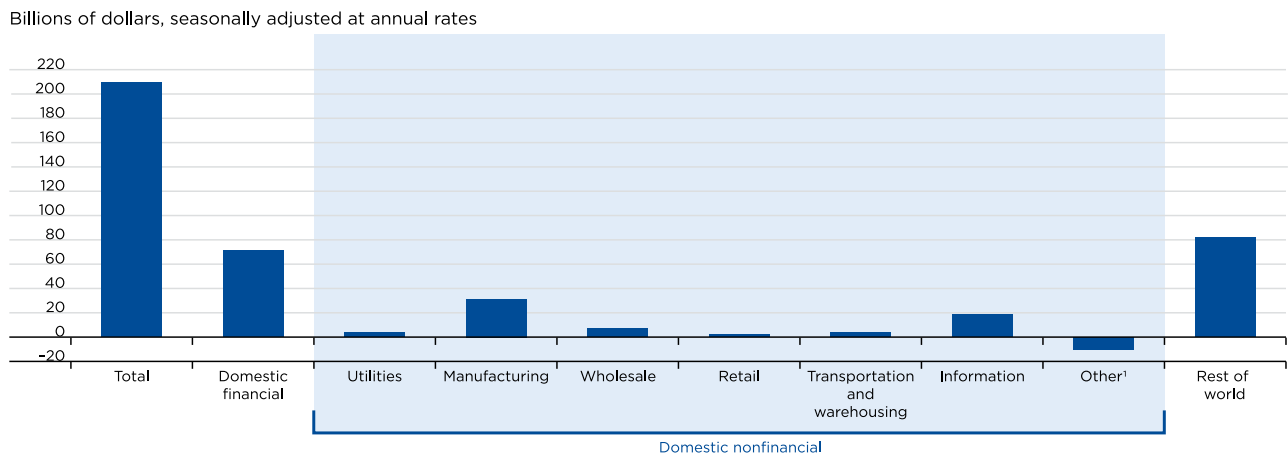
Third, to remove the effects of tax accounting on depreciation, BEA adds a capital consumption adjustment (CCAdj). CCAdj is defined as the difference between capital consumption allowances (tax return depreciation) and consumption of fixed capital (the decline in the value of the stock of assets due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

Corporate Profits by Industry

Industry profits (corporate profits by industry with IVA) increased \$209.2 billion, or 5.1 percent at a quarterly rate, in the fourth quarter after decreasing \$8.6 billion, or 0.2 percent, in the third quarter (chart 7 and table 7). Domestic profits increased \$127.0 billion in the fourth quarter, primarily reflecting an increase in domestic 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 S&P 500 index—increased \$228.4 billion in the fourth quarter after decreasing \$10.0 billion in the third quarter.

Chart 7. Corporate Profits With Inventory Valuation Adjustment in 2024:Q4, Change From Preceding Quarter



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

Table 7. 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							
			2024							
		Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
	Industry profits:									
1	Corporate profits with IVA	4,285.4	17.8	138.9	-8.6	209.2	0.5	3.5	-0.2	5.1
2	Domestic industries	3,766.3	15.4	157.7	34.3	127.0	0.4	4.6	1.0	3.5
3	Financial	822.5	63.9	44.7	5.6	71.0	10.0	6.4	0.8	9.4
4	Nonfinancial	2,943.8	-48.5	113.0	28.7	56.0	-1.7	4.1	1.0	1.9
5	Utilities	61.6	7.7	9.3	-9.0	3.7	15.4	16.2	-13.5	6.4
6	Manufacturing	722.4	-86.7	51.3	-4.0	31.4	-11.9	8.0	-0.6	4.5
7	Wholesale trade	288.7	-17.9	1.8	-4.2	6.9	-5.9	0.6	-1.5	2.5
8	Retail trade	404.8	-2.9	5.8	22.7	2.4	-0.8	1.6	6.0	0.6
9	Transportation and warehousing	131.6	2.8	0.1	-1.3	3.5	2.2	0.0	-1.0	2.7
10	Information	296.7	20.3	22.3	5.3	18.6	8.8	8.9	1.9	6.7
11	Other nonfinancial	1,038.0	28.3	22.4	19.3	-10.5	2.9	2.2	1.9	-1.0
12	Rest of the world	519.2	2.3	-18.8	-42.9	82.2	0.5	-3.8	-8.9	18.8
	Addenda:									
13	Profits before tax (without IVA and CCAj)	4,326.3	75.3	125.7	-12.0	249.6	1.9	3.2	-0.3	6.1
14	Profits after tax (without IVA and CCAj)	3,631.4	75.3	98.1	-10.0	228.4	2.3	3.0	-0.3	6.7
15	IVA	-40.9	-57.5	13.2	3.4	-40.4	---	---	---	---
16	CCAj	-278.5	-82.9	-6.4	-6.4	-4.5	---	---	---	---

CCAj 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](#).

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 (CCAj) for each industry. However, estimates of the CCAj are only available for two broad categories: total financial industries and total nonfinancial industries. For more information about BEA's methodology, see "Corporate Profits" in *NIPA Handbook: Concepts and Methods of the U.S. National Income and Product Accounts* on BEA's website.

Real GDP 2024

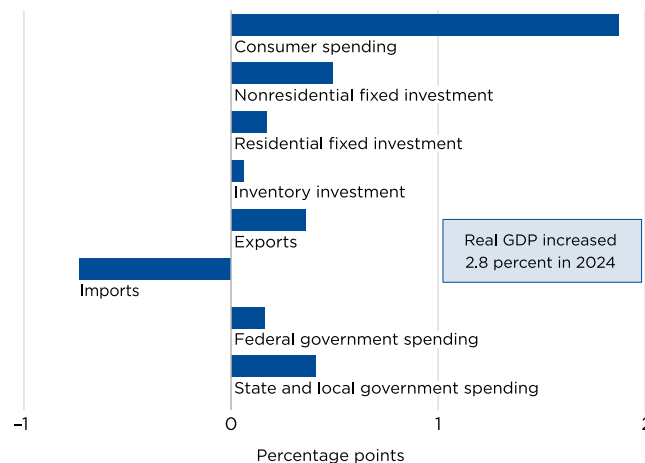
Real GDP increased 2.8 percent in 2024 (from the 2023 annual level to the 2024 annual level), compared with an increase of 2.9 percent in 2023. The increase in real GDP in 2024 reflected increases in consumer spending, nonresidential fixed investment, state and local government spending, and exports. Imports increased (chart 8 and table 8).

- The increase in consumer spending reflected increases in both services and goods. Within services, the leading contributor to the increase was health care (both outpatient services and hospital and nursing home services). Within goods, the leading contributors were other nondurable goods (led by pharmaceuticals) and recreational goods and vehicles (led by information processing equipment).
- Within nonresidential fixed investment, the increase was led by intellectual property products (mainly software) and equipment (both information processing equipment and transportation equipment).
- Within state and local government spending, the increase was led by gross investment in structures and compensation of employees.
- Within exports, both services and goods increased. The increase in services was led by an increase in travel and “other business services.” The increase in goods was led by capital goods, except automotive.

The price index for gross domestic purchases increased 2.4 percent in 2024, compared with an increase of 3.3 percent in 2023. The PCE price index increased 2.5 percent, compared with an increase of 3.8 percent. Excluding food and energy prices, the PCE price index increased 2.8 percent, compared with an increase of 4.1 percent.

Real GDI increased 3.0 percent in 2024 after increasing 1.7 percent in 2023. The average of real GDP and real GDI increased 2.9 percent in 2024, compared with an increase of 2.3 percent in 2023.

Chart 8. Real GDP: Contributions to the Percent Change in 2024



GDP Gross domestic product
U.S. Bureau of Economic Analysis

Table 8. Real Gross Domestic Product and Related Measures, Annual

Line	Series	Share of current-dollar GDP (percent)	Change from preceding period (percent)		Contribution to percent change in real GDP (percentage points)	
		2024	2023	2024	2023	2024
1	GDP¹	100.0	2.9	2.8	2.9	2.8
2	Personal consumption expenditures	67.9	2.5	2.8	1.72	1.87
3	Goods	21.4	1.9	2.4	0.42	0.51
4	Durable goods	7.4	3.9	3.3	0.31	0.25
5	Nondurable goods	14.0	0.8	1.9	0.12	0.27
6	Services	46.5	2.9	2.9	1.30	1.35
7	Gross private domestic investment	18.1	0.1	4.0	0.02	0.73
8	Fixed investment	17.9	2.4	3.7	0.43	0.66
9	Nonresidential	13.8	6.0	3.6	0.81	0.49
10	Structures	3.1	10.8	3.5	0.32	0.11
11	Equipment	5.2	3.5	3.4	0.18	0.17
12	Intellectual property products	5.5	5.8	3.9	0.31	0.21
13	Residential	4.1	-8.3	4.2	-0.37	0.17
14	Change in private inventories	0.2	---	---	-0.41	0.06
15	Net exports of goods and services	-3.1	---	---	0.49	-0.37
16	Exports	10.9	2.8	3.3	0.31	0.36
17	Goods	7.1	2.3	2.2	0.17	0.16
18	Services	3.8	3.8	5.4	0.14	0.20
19	Imports	14.0	-1.2	5.3	0.17	-0.73
20	Goods	11.2	-1.8	4.8	0.22	-0.53
21	Services	2.8	1.6	7.4	-0.05	-0.20
22	Government consumption expenditures and gross investment	17.1	3.9	3.4	0.66	0.58
23	Federal	6.4	2.9	2.6	0.19	0.16
24	National defense	3.7	3.2	3.1	0.12	0.11
25	Nondefense	2.7	2.5	1.8	0.07	0.05
26	State and local	10.7	4.4	3.9	0.47	0.41
Addenda:						
27	GDI ²	---	1.7	3.0	---	---
28	Average of GDP and GDI	---	2.3	2.9	---	---

GDI Gross domestic income

GDP Gross domestic product

1. The GDP estimates under the contribution columns are also percent changes.
2. GDI is deflated by the implicit price deflator for GDP. It is not estimated with the fourth-quarter advance or second estimates.

Note. Percent changes are from National Income and Product Accounts (NIPA) table 1.1.1, contributions to percent change are from NIPA table 1.1.2, and shares are from NIPA table 1.1.10.

For GDP by industry in 2024, private goods-producing industries increased 3.4 percent, private services-producing industries increased 2.8 percent, and government increased 1.9 percent (table 9). Overall, 19 of 22 industry groups contributed to the increase (chart 9).

- Within private goods-producing industries, the leading contributors were nondurable-goods manufacturing and construction.
- Within private services-producing industries, the leading contributors to the increase were retail trade; health care and social assistance; and professional, scientific, and technical services.
- The increase in government reflected an increase in state and local government.

Table 9. Real Gross Domestic Product by Industry Group and Related Measures, Annual

Line	Series	Share of current-dollar GDP (percent)	Change from preceding period (percent)		Contribution to percent change in real GDP (percentage points)	
		2024	2023	2024	2023	2024
1	GDP	100.0	2.9	2.8	2.9	2.8
2	Private industries	88.7	3.0	2.9	2.67	2.58
3	Agriculture, forestry, fishing, and hunting	0.9	3.8	5.2	0.04	0.05
4	Mining	1.3	33.6	1.0	0.48	0.01
5	Utilities	1.5	4.9	0.0	0.08	0.00
6	Construction	4.5	-2.3	5.2	-0.10	0.23
7	Manufacturing	10.0	0.3	2.8	0.03	0.27
8	Durable goods	5.3	-0.9	-0.5	-0.05	-0.02
9	Nondurable Goods	4.7	1.6	6.6	0.08	0.29
10	Wholesale trade	5.8	-0.5	0.8	-0.03	0.05
11	Retail trade	6.3	10.9	9.0	0.67	0.56
12	Transportation and warehousing	3.3	1.5	1.8	0.05	0.06
13	Information	5.4	8.6	4.4	0.44	0.24
14	Finance, insurance, real estate, rental, and leasing	21.2	1.2	1.6	0.25	0.35
15	Finance and insurance	7.4	-0.9	1.9	-0.07	0.14
16	Real estate and rental and leasing	13.8	2.4	1.5	0.32	0.21
17	Professional and business services	13.2	2.6	2.7	0.34	0.35
18	Professional, scientific, and technical services	8.2	4.1	3.7	0.32	0.30
19	Management of companies and enterprises	1.8	1.6	2.1	0.03	0.04
20	Administrative and waste management services	3.2	-0.5	0.4	-0.02	0.01
21	Educational services, health care, and social assistance	8.7	4.7	4.3	0.39	0.37
22	Educational services	1.1	2.1	1.9	0.02	0.02
23	Health care and social assistance	7.6	5.1	4.7	0.37	0.35
24	Arts, entertainment, recreation, accommodation, and food services	4.4	3.0	1.3	0.13	0.06
25	Arts, entertainment, and recreation	1.2	4.3	5.5	0.05	0.06
26	Accommodation and food services	3.3	2.6	-0.1	0.08	0.00
27	Other services, except government	2.1	-5.0	-1.3	-0.11	-0.03
28	Government	11.3	2.1	1.9	0.24	0.22
29	Federal	3.6	0.3	0.7	0.01	0.03
30	State and local	7.7	3.0	2.5	0.23	0.19
	Addenda:					
31	Private goods-producing industries ¹	16.7	2.6	3.4	0.46	0.56
32	Private services-producing industries ²	72.0	3.1	2.8	2.21	2.02

GDP Gross domestic product

1. Consists of agriculture, forestry, fishing, and hunting; mining; construction; and manufacturing.
2. Consists of utilities; wholesale trade; retail trade; transportation and warehousing; information; finance, insurance, real estate, rental, and leasing; professional and business services; educational services, health care, and social assistance; arts, entertainment, recreation, accommodation, and food services; and other services, except government.

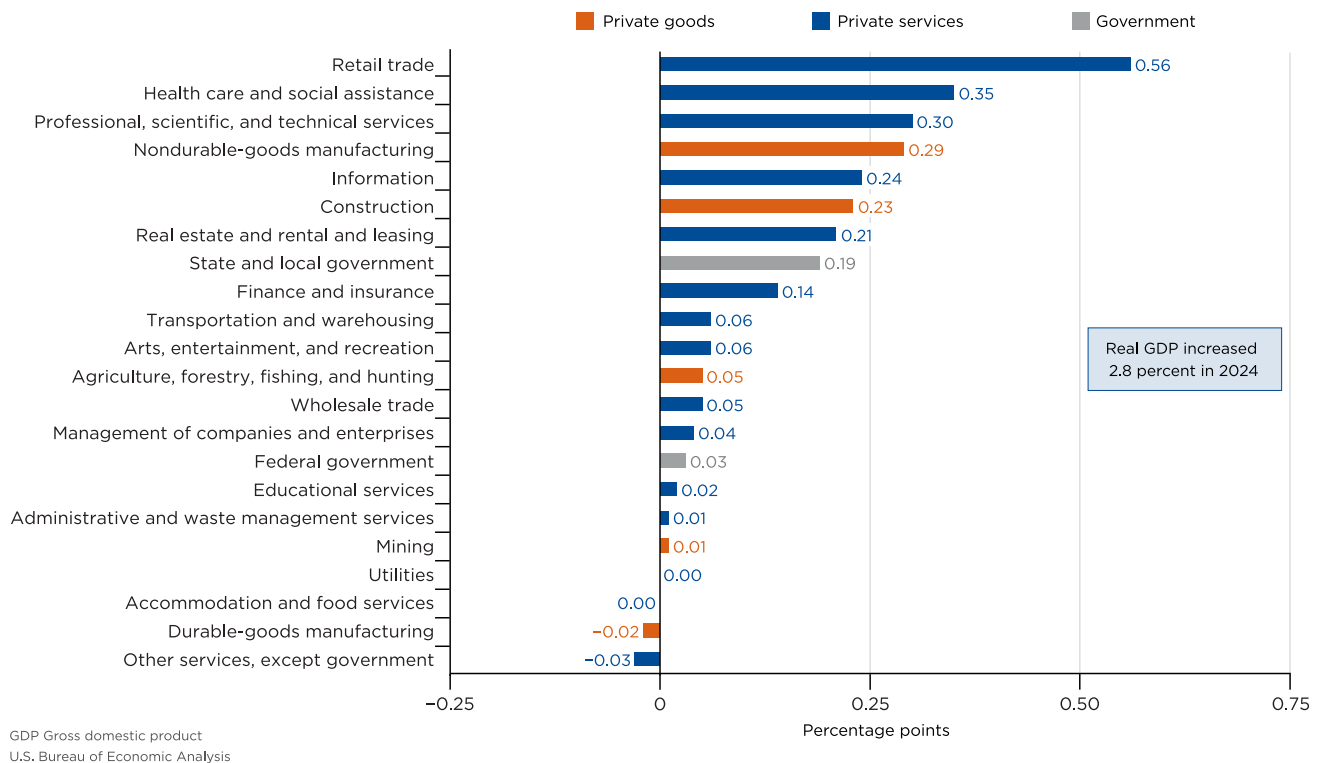
Note. Percent changes are from these GDP by industry tables: “Value Added by Industry as a Percentage of Gross Domestic Product,” “Percent Changes in Chain-Type Quantity Indexes for Value Added by Industry,” and “Contributions to Percent Change in Real Gross Domestic Product by Industry.”

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.

Chart 9. Contributions to Percent Change in Real GDP by Industry Group, 2024



Impact of Hurricane Milton on Fourth-Quarter 2024 Estimates

Hurricane Milton made landfall as a Category 3 hurricane just south of Tampa Bay, FL, on October 9, 2024, bringing damage from high winds, including significant tornado activity, and extensive inland flooding.

This disaster disrupted usual consumer and business activities and prompted emergency services and remediation activities. The responses to this disaster are included, but not separately identified, in the source data that BEA uses to prepare the estimates of GDP; consequently, it is not possible to estimate the overall impact of Hurricane Milton on fourth-quarter GDP. The destruction of fixed assets, such as residential and nonresidential structures, does not directly affect GDP or personal income. BEA estimates of disaster losses are presented in [National Income and Product Accounts table 5.1](#), “Saving and Investment by Sector.” BEA’s preliminary estimates show that Hurricane Milton resulted in losses of \$27.0 billion in privately owned fixed assets (\$108.0 billion at an annual rate) and \$3.0 billion in state and local government-owned fixed assets (\$12.0 billion at an annual rate).

For additional information, refer to [“How are the measures of production and income in the national accounts affected by a disaster?”](#) and [“How are the fixed assets accounts \(FAAs\) and consumption of fixed capital \(CFC\) impacted by disasters?”](#).

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 Dennis J. Fixler, Eva de Francisco, and Ian Schaaf, [“Revisions to Gross Domestic Product, Gross Domestic Income, and Their Major Components,”](#) *Survey of Current Business* (August 27, 2024). 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.
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.”



Subscribe to the SCB

The *Survey of Current Business* is published by the U.S. Bureau of Economic Analysis. Guidelines for citing BEA information.

Survey of Current Business

bea.gov/scb
scb@bea.gov