Taking Account...

Table Layouts for Annual Revisions Available

On July 27, 2007, the Bureau of Economic Analysis (BEA) will release its annual revision of the national income and product accounts (NIPAs). On July 31, 2007, BEA will release its annual revision of its personal income and outlays accounts. BEA has made available the format of the annual revision news release tables, which will include the entire range of the revised estimates.

Users who download data directly from BEA news releases will be able to use the table formats (in ASCII format) to prepare for the annual revision.

The news releases for both the NIPAs and personal income and outlays will incorporate revisions for annual estimates for 2004, 2005, and 2006 and for quarterly estimates for the first quarter of 2004 through the first quarter of 2007. The personal income and outlays release will also incorporate revised monthly estimates from January 2004 through May 2007.

For the NIPAs, the tables included in the news release will include annual estimates for 2003–2006 and quarterly estimates for the fourth quarter of 2003 (or earlier) through the second quarter of 2007 for most tables. Several special tables (tables 1A, 1B, 2A, 4A, and 12C) will provide comparisons of the revised estimates with previously published estimates. The format of the annual revision news release tables is available at <www.bea.gov/national/txt/gdp2007.txt>.

For the personal income and outlays accounts, tables will include annual estimates for 2003–2006, quarterly estimates for the fourth quarter of 2003 or the first quarter of 2004 through the second quarter of 2007, and monthly estimates for December 2003 or January 2004 through June 2007. Comparisons with previously published estimates will be included in tables 12, 13, and 14. The new personal income and outlays annual revision news release tables format is available at <www.bea.gov/national/txt/pi2007.txt>.

With the August 31, 2007, news release, the tables will return to their usual formats.

New Method to Allocate the Statistical Discrepancy

Longtime users of BEA's accounts understand that gross domestic product (GDP) and gross domestic income (GDI), while equal in theory, differ in reality because of measurement issues. The difference is known as the statistical discrepancy. The GDP-by-industry accounts traditionally treated this discrepancy as a separate industry, so the sum of nominal value added of all industries added up to nominal GDP. With the comprehensive revision of the annual industry accounts released in June 2004, BEA began distributing the discrepancy to industries as part of the reconciliation of the benchmark input-output (I-O) and GDP-by-industry accounts.

In a recent paper, BEA economist Baoline Chen proposed a generalized least squares (GLS) method to incorporate all available information on initial data in reconciling the benchmark I-O and the GDP-by-industry accounts. The goal of the proposed method was to calculate industry distributions of the discrepancy based on the reliability of the initial estimates.

The results show that using the proposed GLS method to reconcile different accounts produces statistically meaningful balanced estimates. The study also demonstrates that reconciling a large system of disaggregated accounts is empirically feasible and computationally efficient.

The paper is available at <www.bea.gov/papers/working_papers.htm>.