

# GDP and the Economy

## Advance Estimates for the Fourth Quarter of 2010

REAL GROSS domestic product (GDP) increased 3.2 percent at an annual rate in the fourth quarter of 2010, according to the advance estimates of the national income and product accounts (NIPAs) (chart 1 and table 1).<sup>1</sup> In the third quarter, real GDP increased 2.6 percent. For the year 2010, real GDP increased 2.9 percent after decreasing 2.6 percent in 2009 (see page 6).

The acceleration in real GDP in the fourth quarter primarily reflected a sharp downturn in imports, an acceleration in consumer spending, and an upturn in residential fixed investment that were partly offset by downturns in inventory investment and in federal government spending and a deceleration in nonresidential fixed investment.<sup>2</sup>

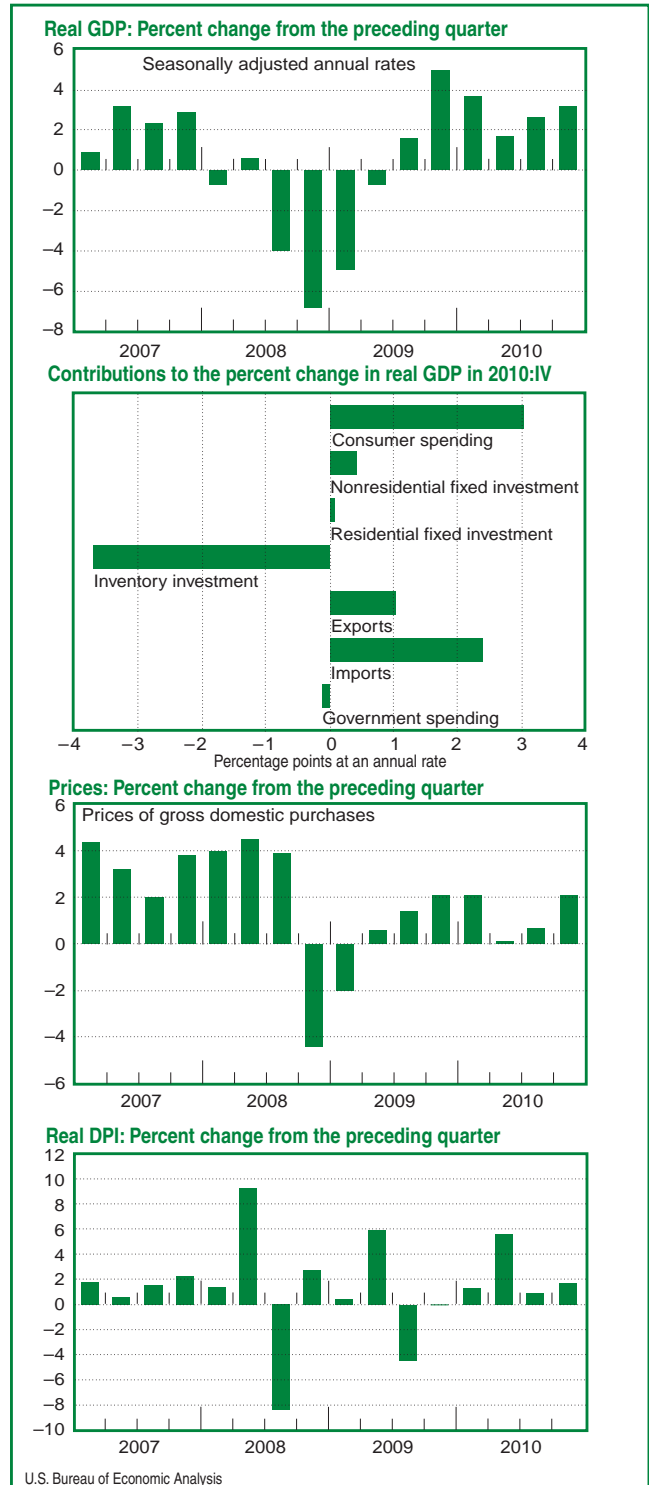
- Prices of goods and services purchased by U.S. residents increased 2.1 percent in the fourth quarter after increasing 0.7 percent in the third quarter (see page 3). Energy prices and food prices both accelerated. Excluding food and energy, gross domestic purchases prices increased 1.1 percent after increasing 0.4 percent.
- Real disposable personal income (DPI) increased 1.7 percent in the fourth quarter after increasing 0.9 percent in the third quarter, mainly reflecting an acceleration in current-dollar DPI, which in turn reflected an acceleration in personal income (see page 4); personal current taxes increased about the same rate in the fourth quarter as in the third quarter. The PCE implicit price deflator that is used to deflate DPI increased 1.8 percent after increasing 0.8 percent.
- The personal saving rate, personal saving as a percentage of current-dollar DPI, was 5.4 percent in the fourth quarter; in the third quarter, it was 5.9 percent.

1. "Real" estimates are in chained (2005) 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. More information can be found at [www.bea.gov/about/infoqual.htm](http://www.bea.gov/about/infoqual.htm) and [www.bea.gov/faq/national/gdp\\_accuracy.htm](http://www.bea.gov/faq/national/gdp_accuracy.htm). Quarterly estimates are expressed at seasonally adjusted annual rates, which assumes that a rate of activity for a quarter is maintained for a year.

2. In this article, "consumer spending" refers to "personal consumption expenditures (PCE)," "inventory investment" refers to "change in private inventories," and "government spending" refers to "government consumption expenditures and gross investment."

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**Chart 1. GDP, Prices, Disposable Personal Income (DPI)**



## Real GDP Overview

Table 1. Real Gross Domestic Product and Components

[Seasonally adjusted at annual rates]

	Share of current-dollar GDP (percent)	Change from preceding period (percent)					Contribution to percent change in real GDP (percentage points)			
	2010	2010					2010			
	IV	I	II	III	IV	I	II	III	IV	
<b>Gross domestic product</b> <sup>1</sup> .....	<b>100.0</b>	<b>3.7</b>	<b>1.7</b>	<b>2.6</b>	<b>3.2</b>	<b>3.7</b>	<b>1.7</b>	<b>2.6</b>	<b>3.2</b>	
<b>Personal consumption expenditures</b> .....	<b>70.8</b>	<b>1.9</b>	<b>2.2</b>	<b>2.4</b>	<b>4.4</b>	<b>1.33</b>	<b>1.54</b>	<b>1.67</b>	<b>3.04</b>	
Goods.....	23.8	5.7	3.4	4.1	10.1	1.29	0.79	0.94	2.26	
Durable goods.....	7.6	8.8	6.8	7.6	21.6	0.62	0.49	0.54	1.48	
Nondurable goods.....	16.1	4.2	1.9	2.5	5.0	0.67	0.31	0.39	0.78	
Services.....	47.0	0.1	1.6	1.6	1.7	0.03	0.75	0.74	0.78	
<b>Gross private domestic investment</b> .....	<b>12.1</b>	<b>29.1</b>	<b>26.2</b>	<b>15.0</b>	<b>-22.5</b>	<b>3.04</b>	<b>2.88</b>	<b>1.80</b>	<b>-3.20</b>	
Fixed investment.....	12.0	3.3	18.9	1.5	4.2	0.39	2.06	0.18	0.50	
Nonresidential.....	9.8	7.8	17.2	10.0	4.4	0.71	1.51	0.93	0.43	
Structures.....	2.6	-17.8	-0.5	-3.5	0.8	-0.53	-0.01	-0.09	0.02	
Equipment and software.....	7.2	20.4	24.8	15.4	5.8	1.24	1.52	1.02	0.41	
Residential.....	2.2	-12.3	25.7	-27.3	3.4	-0.32	0.55	-0.75	0.08	
Change in private inventories.....	0.0	.....	.....	.....	.....	2.64	0.82	1.61	-3.70	
<b>Net exports of goods and services</b> .....	<b>-3.3</b>	.....	.....	.....	.....	<b>-0.31</b>	<b>-3.50</b>	<b>-1.70</b>	<b>3.44</b>	
Exports.....	12.9	11.4	9.1	6.8	8.5	1.30	1.08	0.82	1.04	
Goods.....	9.1	14.0	11.5	5.8	10.0	1.09	0.93	0.49	0.85	
Services.....	3.9	5.8	3.9	8.9	5.1	0.21	0.15	0.33	0.19	
Imports.....	16.2	11.2	33.5	16.8	-13.6	-1.61	-4.58	-2.53	2.40	
Goods.....	13.5	12.0	40.5	17.4	-15.5	-1.41	-4.46	-2.16	2.29	
Services.....	2.8	7.8	4.3	14.2	-3.8	-0.20	-0.12	-0.37	0.11	
<b>Government consumption expenditures and gross investment</b> .....	<b>20.4</b>	<b>-1.6</b>	<b>3.9</b>	<b>3.9</b>	<b>-0.6</b>	<b>-0.32</b>	<b>0.80</b>	<b>0.79</b>	<b>-0.11</b>	
Federal.....	8.3	1.8	9.1	8.8	-0.2	0.15	0.72	0.71	-0.01	
National defense.....	5.6	0.4	7.4	8.5	-2.0	0.02	0.40	0.46	-0.11	
Nondefense.....	2.7	5.0	12.8	9.5	3.7	0.13	0.32	0.25	0.10	
State and local.....	12.1	-3.8	0.6	0.7	-0.9	-0.48	0.08	0.09	-0.10	

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

NOTE: Percent changes are from NIPA table 1.1.1, contributions are from NIPA table 1.1.2, and shares are from NIPA table 1.1.10.

Table 2. Real Gross Domestic Product (GDP) by Type of Product

[Seasonally adjusted at annual rates]

	Share of current-dollar GDP (percent)	Change from preceding period (percent)					Contribution to percent change in real GDP (percentage points)			
	2010	2010					2010			
	IV	I	II	III	IV	I	II	III	IV	
<b>Gross domestic product</b> <sup>1</sup> .....	<b>100.0</b>	<b>3.7</b>	<b>1.7</b>	<b>2.6</b>	<b>3.2</b>	<b>3.7</b>	<b>1.7</b>	<b>2.6</b>	<b>3.2</b>	
Final sales of domestic product.....	100.0	1.1	0.9	0.9	7.1	1.09	0.90	0.95	6.87	
Change in private inventories.....	0.0	.....	.....	.....	.....	2.64	0.82	1.61	-3.70	
Goods.....	28.1	19.5	-0.8	7.4	8.5	4.90	-0.20	1.99	2.31	
Services.....	65.0	0.0	1.9	1.8	1.1	0.02	1.21	1.15	0.72	
Structures.....	6.9	-15.2	10.6	-7.9	2.0	-1.18	0.71	-0.58	0.14	
<b>Addenda:</b>										
Motor vehicle output.....	2.1	42.3	-2.7	25.0	-14.2	0.74	-0.06	0.49	-0.34	
GDP excluding motor vehicle output.....	97.9	3.0	1.8	2.1	3.6	2.99	1.78	2.07	3.51	
Final sales of computers.....	0.7	19.2	5.3	65.1	62.0	0.10	0.03	0.29	0.31	
GDP excluding final sales of computers.....	99.3	3.7	1.7	2.3	2.9	3.63	1.69	2.27	2.86	

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

NOTE: Percent changes are from NIPA table 1.2.1, contributions are from NIPA table 1.2.2, and shares are calculated from NIPA table 1.2.5.

Consumer spending increased 4.4 percent in the fourth quarter, the largest percentage increase since the first quarter of 2006. In the third quarter of 2010, it increased 2.4 percent. The largest contributors to the fourth-quarter pickup were an acceleration in motor vehicles and parts and upturns in financial services and insurance and in clothing and footwear.

Nonresidential fixed investment slowed, reflecting a slowdown in equipment and software. The main contributors to the slowdown in equipment and software were a downturn in transportation equipment and a slowdown in "other" equipment.

Residential investment turned up, mainly reflecting an upturn in "other" structures, specifically in brokers' commissions and in improvements.

Inventory investment turned down sharply and subtracted 3.70 percentage points from real GDP growth, primarily reflecting downturns in retail trade and in wholesale trade inventories.

Exports picked up, reflecting an acceleration in exports of goods. The acceleration in goods exports mainly reflected an upturn in industrial supplies and materials and a pickup in foods, feeds, and beverages. Exports of services slowed.

Imports turned down sharply, reflecting downturns in imports of both goods and services. The largest contributor to the downturn in goods imports was a downturn in petroleum and products.

Federal government spending turned down, reflecting a downturn in defense spending and a slowdown in nondefense spending.

State and local government spending turned down, mainly reflecting a downturn in investment in structures.

Real final sales of domestic product, real GDP less inventory investment, increased 7.1 percent, the largest increase since the second quarter of 1984, and added 6.87 percentage points to real GDP growth.

Motor vehicle output turned down, decreasing 14.2 percent after increasing 25.0 percent.

Final sales of computers increased 62.0 percent after increasing 65.1 percent.

## Prices

**Table 3. Prices for Gross Domestic Purchases**

[Percent change at annual rates; based on seasonally adjusted index numbers (2005=100)]

	Change from preceding period (percent)				Contribution to percent change in gross domestic purchases prices (percentage points)			
	2010				2010			
	I	II	III	IV	I	II	III	IV
<b>Gross domestic purchases</b> <sup>1</sup> .....	<b>2.1</b>	<b>0.1</b>	<b>0.7</b>	<b>2.1</b>	<b>2.1</b>	<b>0.1</b>	<b>0.7</b>	<b>2.1</b>
<b>Personal consumption expenditures</b> .....	<b>2.1</b>	<b>0.0</b>	<b>0.8</b>	<b>1.8</b>	<b>1.43</b>	<b>-0.03</b>	<b>0.53</b>	<b>1.24</b>
Goods .....	2.6	-3.6	0.9	3.6	0.57	-0.83	0.21	0.80
Durable goods .....	-2.0	-1.6	-2.2	-2.4	-0.15	-0.11	-0.16	-0.17
Nondurable goods .....	4.7	-4.6	2.4	6.5	0.72	-0.72	0.37	0.98
Services .....	1.8	1.8	0.7	0.9	0.85	0.80	0.32	0.44
<b>Gross private domestic investment</b> .....	<b>-2.0</b>	<b>-0.7</b>	<b>0.5</b>	<b>2.3</b>	<b>0.85</b>	<b>0.80</b>	<b>0.32</b>	<b>0.44</b>
Fixed investment .....	-1.4	-0.7	0.1	1.0	-0.22	-0.09	0.06	0.28
Nonresidential .....	-1.9	0.0	0.2	0.8	-0.16	-0.08	0.02	0.12
Structures .....	0.9	2.0	2.9	3.2	-0.18	0.00	0.02	0.07
Equipment and software .....	-3.1	-0.8	-0.8	-0.1	0.02	0.05	0.07	0.08
Residential .....	0.6	-3.2	-0.1	2.1	-0.20	-0.05	-0.05	-0.01
Change in private inventories .....	.....	.....	.....	.....	-0.06	-0.01	0.05	0.17
<b>Government consumption expenditures and gross investment</b> .....	<b>4.6</b>	<b>0.9</b>	<b>0.3</b>	<b>3.1</b>	<b>0.89</b>	<b>0.17</b>	<b>0.07</b>	<b>0.60</b>
Federal .....	4.5	0.9	0.5	1.7	0.35	0.07	0.04	0.14
National defense .....	5.3	1.2	0.5	2.1	0.28	0.06	0.03	0.11
Nondefense .....	2.8	0.2	0.4	0.9	0.07	0.01	0.01	0.02
State and local .....	4.6	0.9	0.2	4.0	0.54	0.10	0.03	0.46
<b>Addenda:</b>								
Gross domestic purchases:								
Food .....	1.3	1.3	1.2	3.2	0.07	0.07	0.06	0.17
Energy goods and services .....	15.2	-17.4	5.2	27.4	0.58	-0.73	0.19	0.96
Excluding food and energy .....	1.6	0.8	0.4	1.1	1.45	0.72	0.40	0.99
Personal consumption expenditures (PCE):								
Food and beverages for off-premises consumption .....	1.8	1.6	0.3	1.5	.....	.....	.....	.....
Energy goods and services .....	16.4	-17.5	5.4	25.8	.....	.....	.....	.....
Excluding food and energy .....	1.2	1.0	0.5	0.4	.....	.....	.....	.....
"Market-based" PCE .....	1.7	-0.2	1.3	1.9	.....	.....	.....	.....
Excluding food and energy .....	0.7	1.0	1.1	0.3	.....	.....	.....	.....
Gross domestic product .....	1.0	1.9	2.1	0.3	.....	.....	.....	.....

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

Note: Most percent changes are from NIPA table 1.6.7; percent changes for PCE for food and energy goods and services and for PCE excluding food and energy are calculated from index numbers in NIPA table 2.3.4. Contributions are from NIPA table 1.6.8.

Prices of goods and services purchased by U.S. residents, as measured by the price index for gross domestic purchases, picked up in the fourth quarter, increasing 2.1 percent after increasing 0.7 percent in the third.

Consumer prices accelerated, contributing 1.24 percentage points to the fourth-quarter increase in gross domestic purchases prices after contributing 0.53 percentage point. The acceleration mainly reflected an acceleration in prices paid for gasoline and other energy goods.

Prices paid for nonresidential fixed investment picked up somewhat, primarily reflecting an upturn in prices paid for transportation equipment.

Prices paid for residential investment turned up, increasing 2.1 percent after decreasing 0.1 percent.

Prices paid by government accelerated, mainly reflecting an acceleration in prices paid by state and local governments. A small pickup in prices paid by the federal government also contributed.

Consumer prices excluding food and energy, a measure of the "core" rate of inflation, slowed slightly, increasing 0.4 percent after increasing 0.5 percent.

The GDP price index increased 0.3 percent, 1.8 percentage points less than the percent change in the price index for gross domestic purchases, reflecting a larger increase in import prices (18.9 percent) than in export prices (8.1 percent).

**Note on Prices**

BEA's gross domestic purchases price index is the most comprehensive index of prices paid by U.S. residents for all goods and services. It is derived from the prices of personal consumption expenditures (PCE), private investment, and government consumption expenditures and gross investment.

BEA also produces price indexes for all 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, energy goods and services, and for all items except food and energy are also estimated and reported. Because prices for food and energy can be volatile, the price mea-

sure 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 [FAQ 518](#) on BEA's Web site.)

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 the PCE price index. BEA also prepares a market-based measure that excludes food and energy.

## Personal Income

**Table 4. Personal Income and Its Disposition**

(Billions of dollars; quarterly estimates are seasonally adjusted at annual rates)

	Level	Change from preceding period			
	2010	2010			
		IV	I	II	III
<b>Personal income</b> .....	<b>12,721.1</b>	<b>111.3</b>	<b>166.8</b>	<b>75.7</b>	<b>128.3</b>
Compensation of employees, received .....	8,102.1	26.7	111.8	63.1	69.1
Wage and salary disbursements .....	6,497.9	6.5	97.4	52.0	57.1
Private industries .....	5,312.9	-4.1	89.8	59.8	57.4
Goods-producing industries .....	1,070.3	-13.9	22.1	11.4	4.6
Manufacturing .....	681.5	-5.7	19.8	8.0	1.1
Services-producing industries .....	4,242.5	9.7	67.7	48.5	52.6
Trade, transportation, and utilities .....	1,026.3	-0.2	17.4	9.1	11.8
Other services-producing industries .....	3,216.2	10.1	50.2	39.4	40.8
Government .....	1,185.0	10.6	7.6	-7.8	-0.3
Supplements to wages and salaries .....	1,604.2	20.2	14.4	11.1	12.0
Proprietors' income with IVA and CCAdj .....	1,083.3	8.6	19.0	9.8	23.8
Farm .....	58.1	0.6	2.1	9.6	9.6
Nonfarm .....	1,025.1	8.1	16.8	0.2	14.1
Rental income of persons with CCAdj .....	309.9	9.9	6.1	5.0	6.1
Personal income receipts on assets .....	1,910.5	21.9	3.3	-24.7	20.8
Personal interest income .....	1,186.5	2.9	-3.4	-30.6	11.8
Personal dividend income .....	724.1	19.0	6.8	5.8	9.1
Personal current transfer receipts .....	2,333.0	57.3	40.6	30.3	16.6
Less: Contributions for government social insurance ..	1,017.7	13.0	14.1	7.9	7.9
Less: Personal current taxes .....	1,206.4	17.5	14.4	28.6	28.7
Equals: Disposable personal income .....	11,514.7	93.9	152.4	47.1	99.6
Less: Personal outlays .....	10,888.9	98.2	59.8	72.6	152.6
Equals: Personal saving .....	625.8	-4.2	92.5	-25.6	-52.9
<b>Addenda: Special factors in personal income</b>					
In government wages and salaries:					
Federal pay raise .....	7.3	7.2	0.1	0.0	0.0
Reservists' pay .....	6.8	0.2	-0.7	-1.5	-0.7
In supplements to wages and salaries:					
Employer contributions for social insurance .....	8.3	8.3	0.0	0.0	0.0
In personal current transfer receipts:					
Cost-of-living adjustments .....	0.0	0.0	0.0	0.0	0.0
Social security retroactive payments .....	2.5	-2.8	0.3	-0.3	2.5
Emergency unemployment compensation .....	52.8	20.6	-11.9	-8.5	-6.4
Medicare Part D coverage gap rebates .....	1.3	0.0	0.0	1.4	0.0
"Making Work Pay" and other ARRA tax credits .....	32.6	32.5	0.0	0.0	0.0
Other ARRA-related social benefit payments .....	25.8	-6.1	-9.0	-4.1	0.4
In contributions for government social insurance:					
Increase in taxable wage base .....	8.6	8.6	0.0	0.0	0.0
Changes in premiums for supplementary medical insurance .....	2.2	2.2	0.0	0.0	0.0
In personal current taxes:					
Federal tax law changes ("Making Work Pay") .....	-38.6	9.6	0.0	0.0	0.0
Refunds, settlements, and other .....	4.8	4.8	0.0	0.0	0.0

NOTE: Dollar levels are from NIPA tables 2.1 and 2.2B.  
IVA Inventory valuation adjustment

CCAdj Capital consumption adjustment

Personal income, which is measured in current dollars, accelerated in the fourth quarter, increasing \$128.3 billion after increasing \$75.7 billion. The acceleration reflected an upturn in personal interest income and an acceleration in nonfarm proprietors' income that were partly offset by a deceleration in personal current transfer receipts.

Wage and salary disbursements increased \$57.1 billion after increasing \$52.0 billion. The small acceleration primarily reflected a smaller decrease in government wage and salary disbursements.

Nonfarm proprietors' income increased \$14.1 billion after increasing \$0.2 billion. The largest contributors to the acceleration were real estate brokers' commissions and construction.

Personal interest income increased \$11.8 billion after decreasing \$30.6 billion. The upturn primarily reflected an upturn in interest rates.

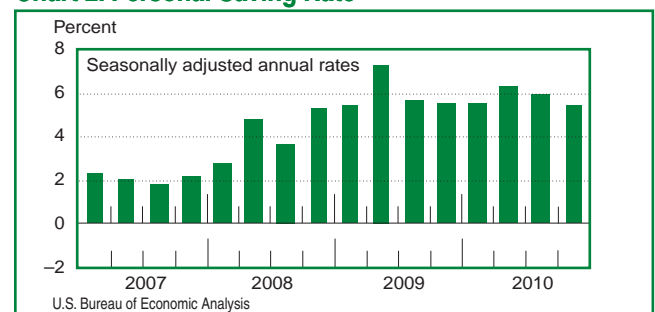
Personal current transfer receipts increased \$16.6 billion after increasing \$30.3 billion. The deceleration mainly reflected a deceleration in government social benefits to persons, the largest contributors to which were government unemployment insurance benefits and health insurance benefits (specifically Medicare).

Personal current taxes increased \$28.7 billion after increasing \$28.6 billion.

### Saving

Personal saving—disposable personal income less personal outlays—was \$625.8 billion in the fourth quarter, a decrease of \$52.9 billion. The decrease reflected a sharp increase of \$152.6 billion in personal outlays that exceeded the increase of \$99.6 billion in disposable personal income.

**Chart 2. Personal Saving Rate**



## Source Data for the Advance Estimates

**Table 5. Source Data and Key Assumptions for the Advance Estimates of GDP for the Fourth Quarter of 2010**

[Billions of dollars, seasonally adjusted at annual rates]

	2010					
	July	August	Sept.	Oct.	Nov.	Dec. <sup>1</sup>
<b>Private fixed investment:</b>						
Nonresidential structures:						
Value of new nonresidential construction put in place .....	252.3	253.3	258.3	256.3	256.1	256.2
Equipment and software:						
Manufacturers' shipments of complete aircraft .....	47.9	40.0	32.3	34.9	31.3	32.0
Residential structures:						
Value of new residential construction put in place:						
Single family .....	115.1	110.2	107.2	106.4	107.1	106.1
Multifamily .....	13.8	13.1	13.8	13.6	14.0	13.9
<b>Change in private inventories:</b>						
Change in inventories for nondurable manufacturing .....	46.8	-5.0	43.5	41.2	25.8	36.1
Change in inventories for merchant wholesale and retail industries other than motor vehicles and equipment .....	69.9	55.7	92.1	95.0	-8.9	90.0
<b>Net exports:<sup>2</sup></b>						
Exports of goods:						
U.S. exports of goods, international-transactions-accounts basis .....	1,292.4	1,290.9	1,293.5	1,346.1	1,361.9	1,373.1
Excluding gold .....	1,275.2	1,265.6	1,275.9	1,326.2	1,346.9	1,357.8
Imports of goods:						
U.S. imports of goods, international-transactions-accounts basis .....	1,952.6	1,999.5	1,978.5	1,958.8	1,976.0	2,040.9
Excluding gold .....	1,942.5	1,990.0	1,967.2	1,945.6	1,959.5	2,024.0
Net exports of goods .....	-660.2	-708.6	-685.1	-612.7	-614.1	-667.8
Excluding gold .....	-667.3	-724.4	-691.3	-619.5	-612.6	-666.3
<b>State and local government structures:</b>						
Value of new construction put in place .....	278.9	285.0	285.0	283.5	283.1	283.3

1. Assumption.

2. Nonmonetary gold is included in balance-of-payments exports and imports, but it is

not used directly in estimating exports and imports in the national income and product accounts.

### Source Data and Key Assumptions for the Advance Estimates of GDP

While the advance estimates of many components of GDP are based on 3 months of source data, some estimates are based on only 2 months of data. For the following items, the number of months for which data are available is shown in parentheses.

*Personal consumption expenditures:* sales of retail stores (3), unit auto and truck sales (3), and consumers' shares of auto and truck sales (2);

*Nonresidential fixed investment:* unit auto and truck sales (3), construction spending (value put in place) (2), manufacturers' shipments of machinery and equipment excluding aircraft (3), shipments of civilian aircraft (2), and exports and imports of machinery and equipment (2);

*Residential investment:* construction spending (value put in place) (2), single-family housing starts (3), sales of new homes (3), and sales of existing houses (3);

*Change in private inventories:* trade and nondurable-goods manufacturing inventories (2), durable-goods manufacturing inventories (3), and unit auto and truck inventories (3);

*Net exports of goods and services:* exports and imports of goods and services (2);

*Government consumption expenditures and gross investment:* federal outlays (3), state and local government con-

struction spending (value put in place) (2), and state and local government employment (3);

*Compensation:* employment, average hourly earnings, and average weekly hours (3); and

*GDP prices:* consumer price indexes (3), producer price indexes (3), and values and quantities of petroleum imports (2).

#### Unavailable source data

When source data were unavailable, BEA made various assumptions for December, including the following (table 5):

- A very slight increase in nonresidential structures,
  - A small increase in aircraft shipments,
  - A small decrease in single-family structures and a very slight decrease in multifamily structures,
  - An increase in inventories of nondurable-goods manufacturing industries and a large increase in nonmotor vehicle merchant wholesale and retail trade industries,
  - An increase in exports of goods excluding gold and a much larger increase in imports of goods excluding gold, and
  - A slight increase in state and local government structures.
- A more comprehensive list is available on BEA's Web.

**Real GDP for 2010**

**Table 6. Real Gross Domestic Product and Components**

	Share of current-dollar GDP (percent)	Change from preceding period (percent)		Contribution to percent change in real GDP (percentage points)	
		2010	2009	2010	2009
<b>Gross domestic product <sup>1</sup></b> .....	<b>100.0</b>	<b>-2.6</b>	<b>2.9</b>	<b>-2.6</b>	<b>2.9</b>
<b>Personal consumption expenditures</b> .....	<b>70.6</b>	<b>-1.2</b>	<b>1.8</b>	<b>-0.84</b>	<b>1.27</b>
Goods.....	23.4	-2.0	4.3	-0.46	1.00
Durable goods.....	7.4	-3.7	7.7	-0.27	0.56
Nondurable goods.....	15.9	-1.2	2.8	-0.18	0.45
Services .....	47.2	-0.8	0.5	-0.38	0.27
<b>Gross private domestic investment</b> .....	<b>12.4</b>	<b>-22.6</b>	<b>16.7</b>	<b>-3.24</b>	<b>1.84</b>
Fixed investment .....	12.0	-18.3	3.8	-2.69	0.46
Nonresidential .....	9.6	-17.1	5.5	-1.96	0.53
Structures.....	2.6	-20.4	-14.0	-0.81	-0.43
Equipment and software.....	7.0	-15.3	15.1	-1.15	0.97
Residential .....	2.3	-22.9	-3.0	-0.74	-0.07
Change in private inventories.....	0.5	.....	.....	-0.55	1.38
<b>Net exports of goods and services</b> .....	<b>-3.5</b>	.....	.....	<b>1.13</b>	<b>-0.48</b>
Exports.....	12.5	-9.5	11.7	-1.18	1.34
Goods.....	8.7	-12.0	14.6	-1.04	1.12
Services .....	3.8	-3.9	5.8	-0.15	0.22
Imports.....	16.0	-13.8	12.6	2.32	-1.82
Goods.....	13.3	-15.8	14.6	2.20	-1.72
Services .....	2.8	-4.2	3.5	0.12	-0.09
<b>Government consumption expenditures and gross investment</b> .....	<b>20.5</b>	<b>1.6</b>	<b>1.1</b>	<b>0.32</b>	<b>0.23</b>
Federal.....	8.3	5.7	4.8	0.43	0.39
National defense .....	5.6	5.4	3.9	0.27	0.22
Nondefense .....	2.7	6.5	6.6	0.16	0.17
State and local .....	12.2	-0.9	-1.3	-0.11	-0.16

1. The estimates of GDP under the contribution columns are also percent changes.  
 Note: Percent changes are from NIPA table 1.1.1, contributions are from NIPA table 1.1.2, and shares are from NIPA table 1.1.10.

Real GDP increased 2.9 percent in 2010 after decreasing 2.6 percent in 2009. The upturn primarily reflected upturns in exports, nonresidential fixed investment, consumer spending, and inventory investment as well as a smaller decrease in residential fixed investment that were partly offset by an upturn in imports.

The upturn in consumer spending added 1.27 percentage points to real GDP growth after subtracting 0.84 percentage point and reflected upturns in durable goods, in services, and in nondurable goods.

The upturn in nonresidential fixed investment added 0.53 percentage point to real GDP growth and reflected an upturn in equipment and software and a smaller decrease in structures.

Residential fixed investment subtracted 0.07 percentage point from real GDP growth in 2010.

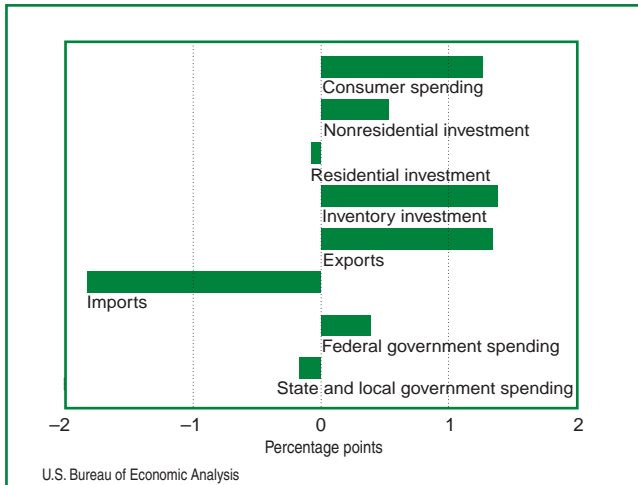
The upturn in inventory investment added 1.38 percentage points to real GDP growth after subtracting 0.55 percentage point.

The upturn in exports added 1.34 percentage points to real GDP growth, reflecting widespread upturns in exports of goods. Exports of services also turned up.

The upturn in imports subtracted 1.82 percentage points from real GDP growth, reflecting widespread upturns in imports of goods. Imports of services also turned up.

Government spending slowed, reflecting a larger decrease in state and local government spending and a slowdown in federal government spending.

**Chart 3. Contributions to the Change in Real GDP in 2010**



**Chart 4. Key Contributors to Real GDP Growth**

