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Bureau of  
Economic Analysis

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**GROSS DOMESTIC PRODUCT: THIRD QUARTER 2001 (ADVANCE)**

Real gross domestic product -- the output of goods and services produced by labor and property located in the United States -- decreased at an annual rate of 0.4 percent in the third quarter of 2001, according to advance estimates released by the Bureau of Economic Analysis. In the second quarter, real GDP increased 0.3 percent.

The Bureau emphasized that the third-quarter "advance" estimates are based on source data that are incomplete or subject to further revision by the source agency (see the box on page 3). The third-quarter "preliminary" estimates, based on more comprehensive data, will be released on November 30, 2001.

The major contributors to the decrease in real GDP in the third quarter were exports, equipment and software, nonresidential structures, and private inventory investment. The negative contributions of these components were largely offset by positive contributions from personal consumption expenditures (PCE) and federal government spending. Imports, which are a subtraction in the calculation of GDP, decreased sharply.

The national income and product accounts (NIPA's) show the composition of production and the distribution of incomes earned in production; thus, the NIPA's include the economic effects of the terrorist attacks on September 11, 2001, and of natural disasters such as hurricanes and earthquakes. Most of the effects of disasters on GDP and on other NIPA aggregates are reflected in the usual source data, such as the Census Bureau's monthly data on retail sales. For certain components, however, BEA prepares adjustments to account for the effects of a disaster not captured in the source data. Because most of the effects of the terrorist attacks are embedded in the source data and cannot easily be separated out, BEA will not attempt to quantify the total impact of the attacks on GDP or on other major aggregates. Additional information is available in the Technical Note available on BEA's Web site at <[www.bea.doc.gov](http://www.bea.doc.gov)>.

NOTE.--Quarterly estimates are expressed at seasonally adjusted annual rates, unless otherwise specified. Quarter-to-quarter dollar changes are differences between these published estimates. Percent changes are calculated from unrounded data and annualized. "Real" estimates are in chained (1996) dollars. Price indexes are chain-type measures.

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The downturn in real GDP growth in the third quarter primarily reflected decelerations in PCE and in state and local government spending, a larger decrease in exports, and a deceleration in residential fixed investment that were partly offset by a smaller decrease in equipment and software and an acceleration in federal government spending. There was also a much larger decrease in imports in the third quarter than in the second.

The price index for gross domestic purchases, which measures prices paid by U.S. residents, decreased 0.3 percent in the third quarter, in contrast to an increase of 1.3 percent in the second. Excluding food and energy prices, the price index for gross domestic purchases increased 0.4 percent in the third quarter, compared with an increase of 0.9 percent in the second. The third-quarter downturn in the price index also reflected a deceleration in PCE services prices associated with the treatment of insurance payments resulting from the September 11 attacks. The increase in benefit payments is treated as a reduction in the average net premiums paid for insurance services (see the Technical Note).

Real personal consumption expenditures increased 1.2 percent in the third quarter, compared with an increase of 2.5 percent in the second. Durable goods purchases increased 1.7 percent, compared with an increase of 7.0 percent. Nondurable goods increased 0.6 percent, compared with an increase of 0.3 percent. Services expenditures increased 1.4 percent, compared with an increase of 2.8 percent.

Real nonresidential fixed investment decreased 11.9 percent in the third quarter, compared with a decrease of 14.6 percent in the second. Nonresidential structures decreased 12.1 percent, compared with a decrease of 12.2 percent. Equipment and software decreased 11.8 percent, compared with a decrease of 15.4 percent. Real residential fixed investment increased 1.9 percent, compared with an increase of 5.9 percent.

Real exports of goods and services decreased 16.6 percent in the third quarter, compared with a decrease of 11.9 percent in the second. Real imports of goods and services decreased 15.2 percent, compared with a decrease of 8.4 percent.

Real federal government consumption expenditures and gross investment increased 4.6 percent in the third quarter, compared with an increase of 1.8 percent in the second. National defense increased 5.0 percent, compared with an increase of 2.3 percent. Nondefense increased 3.9 percent, compared with an increase of 0.9 percent. Real state and local government consumption expenditures and gross investment increased 0.4 percent, compared with an increase of 6.6 percent.

The real change in private inventories subtracted 0.37 percentage point from the third-quarter change in real GDP, after subtracting 0.42 percentage point from the second-quarter change. Private businesses reduced inventories \$50.4 billion in the third quarter, following decreases of \$38.3 billion in the second quarter and \$27.1 billion in the first.

Real final sales of domestic product -- GDP less change in private inventories -- was unchanged in the third quarter, compared with an increase of 0.7 percent in the second.

### **Gross domestic purchases**

Real gross domestic purchases -- purchases by U.S. residents of goods and services wherever produced -- decreased 0.7 percent in the third quarter, in contrast to an increase of 0.4 percent in the second.

### **Disposition of personal income**

Current-dollar personal income increased \$62.7 billion in the third quarter, compared with an increase of \$74.4 billion in the second. Personal tax and nontax payments decreased \$154.4 billion, in contrast to an increase of \$6.2 billion. The sharp downturn in tax payments reflected tax refund checks and reductions in various income tax rates associated with the Economic Growth and Tax Reconciliation Act of 2001.

Disposable personal income -- personal income less personal tax and nontax payments -- increased \$217.1 billion in the third quarter, compared with an increase of \$68.2 billion in the second. Real disposable personal income increased 12.8 percent, compared with an increase of 2.4 percent.

Personal outlays increased \$11.9 billion in the third quarter, compared with an increase of \$65.5 billion in the second. Personal saving -- disposable personal income less personal outlays -- was \$286.7 billion in the third quarter, compared with \$81.5 billion in the second. The personal saving rate -- saving as a percentage of disposable personal income -- increased from 1.1 percent in the second quarter to 3.8 percent in the third.

### **Current-dollar GDP**

Current-dollar GDP -- the market value of the nation's output of goods and services -- increased 1.8 percent, or \$45.1 billion, in the third quarter to a level of \$10,247.7 billion. In the second quarter, current-dollar GDP increased 2.4 percent, or \$60.9 billion.

Information on the assumptions used for unavailable source data is provided in a technical note that is posted with the news release on BEA's and STAT-USA's Web sites. Within a few days after the release, a detailed "Key Source Data and Assumptions" file is posted on the Web sites. In the middle of each month, an analysis of the current quarterly estimates of GDP and related series is made available on the Web sites; click on [Survey of Current Business](#), "Business Situation."

BEA's major national, international, regional, and industry estimates; the Survey of Current Business; and BEA news releases are available without charge on BEA's Web site:

<[www.bea.doc.gov](http://www.bea.doc.gov)>

STAT-USA maintains an Internet site that contains BEA estimates, the Survey of Current Business, and BEA news releases. For information about STAT-USA, go to <[www.stat-usa.gov](http://www.stat-usa.gov)>, or call (202) 482-1986. Subscriptions for single-user unlimited access to STAT-USA's Internet information are \$75.00 for 3 months or \$175.00 for 1 year.

Summary BEA estimates are available on recorded messages at the time of public release at the following telephone numbers:

(202) 606-5306	Gross domestic product
606-5303	Personal income and outlays
606-5362	U.S. international transactions

Most of BEA's estimates and analyses are published in the Survey of Current Business, BEA's monthly journal. Subscriptions and single copies of the printed Survey are for sale by the Superintendent of Documents, U.S. Government Printing Office. Internet: <[bookstore.gpo.gov](http://bookstore.gpo.gov)>; phone: 202-512-1800; fax: 202-512-2550; mail: Stop SSOP, Washington, DC 20402-0001.

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Next release -- November 30, 2001, at 8:30 A.M. EST for:  
Gross Domestic Product: Third Quarter 2001 (Preliminary)  
Corporate Profits: Third Quarter 2001

### **Comparisons of Revisions to GDP**

Quarterly estimates of GDP are released on the following schedule: "Advance" estimates, based on source data that are incomplete or subject to further revision by the source agency, are released near the end of the first month after the end of the quarter; as more detailed and more comprehensive data become available, "preliminary" and "final" estimates are released near the end of the second and third months, respectively. The "latest" estimates reflect the results of both annual and comprehensive revisions.

Annual revisions are usually carried out each summer and cover the quarters of the most recent calendar year and of the 2 preceding years. Comprehensive (or benchmark) revisions are carried out at about 5-year intervals and incorporate definitional and classificational changes that update the accounts to portray more accurately the evolving U.S. economy and statistical changes that update the accounts to reflect the introduction of new and improved methodologies and the incorporation of newly available and revised source data.

The table below shows comparisons of the revisions between quarterly percent changes of GDP for the different vintages of the estimates. These comparisons can be used to assess the likely size of future revisions. For example, two-thirds of the revisions between the quarterly change in the advance estimate of real GDP and that in the final estimate were within a range of -0.6 to +0.9 percentage point. Thus, based on past history, the third-quarter change in real GDP now estimated at -0.4 percent at an annual rate, is not likely to be revised below -1.0 percent or above 0.5 percent in the next two releases.

#### **Revisions Between Quarterly Percent Changes of GDP: Vintage Comparisons** [Annual rates]

Vintages compared	Average without regard to sign	Range	
		Two-thirds of revisions	Nine-tenths of revisions
<b><u>Current-dollar GDP</u></b>			
Advance to preliminary.....	0.6	-0.5 to 0.8	-0.9 to 1.4
Advance to final.....	.7	- .6 to 1.0	-1.0 to 1.6
Preliminary to final.....	.3	- .3 to .4	- .6 to .7
Advance to latest.....	1.3	- .6 to 2.0	-1.9 to 3.7
Preliminary to latest.....	1.2	-1.0 to 1.6	-1.6 to 3.0
Final to latest.....	1.2	-0.9 to 1.8	-1.7 to 2.9
<b><u>Real GDP</u></b>			
Advance to preliminary.....	0.5	-0.5 to 0.7	-0.9 to 1.2
Advance to final.....	.6	- .6 to .9	- .9 to 1.3
Preliminary to final.....	.3	- .3 to .4	- .5 to .6
Advance to latest.....	1.4	-1.1 to 2.0	-1.6 to 3.2
Preliminary to latest.....	1.4	-1.1 to 1.9	-1.7 to 3.1
Final to latest.....	1.4	-1.1 to 2.1	-1.8 to 3.0

NOTE.--These comparisons are based on the period from 1978 through 2000 for the first three comparisons in each group and on the period from 1978 through 1998 for the last three comparisons in each group.

**Table 1.—Real Gross Domestic Product and Related Measures: Percent Change From Preceding Period**  
[Percent]

	1998	1999	2000	Seasonally adjusted at annual rates															
				1997	1998				1999				2000				2001		
					IV	I	II	III	IV	I	II	III	IV	I	II	III	IV	I	II
Gross domestic product (GDP) .....	4.3	4.1	4.1	2.8	6.1	2.2	4.1	6.7	3.1	1.7	4.7	8.3	2.3	5.7	1.3	1.9	1.3	0.3	-0.4
Personal consumption expenditures .....	4.8	5.0	4.8	3.3	5.1	6.2	3.8	5.1	4.9	5.7	4.4	5.7	5.9	3.6	4.3	3.1	3.0	2.5	1.2
Durable goods .....	10.5	12.5	9.5	6.3	7.0	16.6	4.2	24.0	7.1	15.7	9.0	13.7	19.0	-2.5	8.2	-2.1	10.6	7.0	1.7
Nondurable goods .....	4.1	4.7	4.7	.6	5.6	6.0	3.2	5.2	5.6	4.3	2.6	7.6	5.1	4.7	4.2	.6	2.4	.3	.6
Services .....	4.0	3.7	4.0	4.2	4.5	4.3	4.1	1.5	4.1	4.5	4.3	3.2	3.7	4.4	3.5	5.6	1.8	2.8	1.4
Gross private domestic investment .....	11.8	6.6	6.8	8.8	32.5	-6.7	11.8	14.1	7.6	-5.8	9.8	17.9	-6	19.5	-2.8	-2.3	-12.3	-12.1	-10.7
Fixed investment .....	11.4	7.8	7.6	4.4	18.7	11.7	3.8	13.1	7.1	6.5	7.3	4.8	13.9	8.8	2.5	.5	1.9	-9.7	-8.4
Nonresidential .....	12.5	8.2	9.9	3.9	21.6	12.5	1.5	14.4	6.0	7.7	10.2	5.8	15.8	12.2	7.1	1.0	-2	-14.6	-11.9
Structures .....	6.8	-2.0	6.2	7.0	4.9	14.9	-2.7	3.3	-6.5	-4.3	-7.0	4.0	8.8	11.8	15.2	7.6	12.3	-12.2	-12.1
Equipment and software .....	14.6	11.8	11.1	2.9	28.0	11.6	3.0	18.4	10.5	11.9	16.2	6.4	18.1	12.4	4.7	-1.1	-4.1	-15.4	-11.8
Residential .....	8.0	6.7	.8	5.8	10.4	9.2	11.1	9.3	10.3	3.0	-8	1.6	8.5	-8	-10.4	-1.1	8.5	5.9	1.9
Change in private inventories .....																			
Net exports of goods and services .....																			
Exports .....	2.1	3.2	9.5	-8	.5	-4.0	-2.2	16.3	-6.8	4.2	9.7	12.1	9.0	13.5	10.6	-4.0	-1.2	-11.9	-16.6
Goods .....	2.1	3.9	11.3	.2	-2	-8.6	.5	18.8	-8.1	4.4	13.1	14.8	8.5	14.9	18.3	-6.9	-2.4	-17.3	-18.2
Services .....	2.3	1.6	5.3	-3.3	2.4	8.0	-8.4	10.5	-3.9	3.8	2.0	6.0	10.3	9.9	-6.7	3.7	1.8	2.4	-12.9
Imports .....	11.8	10.5	13.4	6.4	15.9	11.3	4.2	12.2	8.4	13.3	13.8	10.5	17.1	16.4	13.0	-5	-5.0	-8.4	-15.2
Goods .....	11.7	12.4	13.5	6.0	14.9	12.2	3.7	14.8	12.0	15.5	14.9	10.4	16.5	17.2	12.3	-6	-6.7	-9.5	-12.6
Services .....	11.9	1.1	12.6	8.3	21.3	6.7	7.0	.1	-8.2	1.8	7.9	11.0	20.6	12.4	17.1	0	4.9	-2.0	-29.0
Government consumption expenditures and gross investment .....	1.9	3.3	2.7	.1	-2.5	7.5	2.0	4.1	2.0	1.2	4.4	8.5	-1.1	4.4	-1.8	3.3	5.3	5.0	1.8
Federal .....	-8	2.2	1.7	-3.7	-9.7	12.2	-3.9	5.3	-3.7	.8	7.2	14.5	-12.8	15.9	-10.4	4.6	3.2	1.8	4.6
National defense .....	-1.8	2.1	.1	-2.2	-17.6	12.6	5.3	-8	-3.5	-3.5	12.8	14.3	-20.0	15.4	-10.4	10.5	7.5	2.3	5.0
Nondefense .....	1.1	2.3	4.6	-6.6	7.2	11.4	-18.8	17.7	-4.1	9.1	-2.1	14.9	1.6	16.6	-10.4	-5.1	-4.3	.9	3.9
State and local .....	3.4	3.9	3.2	2.3	1.7	5.0	5.3	3.4	5.2	1.4	2.9	5.4	5.6	-1.1	3.0	2.7	6.4	6.6	.4
Addenda:																			
Final sales of domestic product .....	4.2	4.3	4.3	2.0	4.0	5.4	2.8	6.5	3.0	3.9	4.2	6.1	4.8	3.9	2.3	2.4	4.0	.7	0
Gross domestic purchases .....	5.4	5.0	4.8	3.6	7.9	4.0	4.8	6.4	4.8	2.9	5.3	8.2	3.5	6.3	2.0	2.2	.7	.4	-7
Final sales to domestic purchasers .....	5.3	5.2	4.9	2.9	5.8	7.3	3.5	6.2	4.7	5.1	4.9	6.0	4.6	2.9	2.7	3.2	.8	.8	-3
Gross national product (GNP) .....	4.2	4.0	4.1	2.5	6.4	2.1	3.3	7.0	3.3	1.7	4.3	8.7	1.8	5.8	1.3	2.8	.8	.3	.....
Disposable personal income .....	5.4	2.5	3.5	4.9	8.1	6.0	3.7	2.4	1.4	2.0	2.1	3.0	3.3	5.8	2.6	4.2	2.7	2.4	12.8
Current-dollar measures:																			
GDP .....	5.6	5.5	6.5	4.2	7.2	3.3	5.6	7.8	4.9	3.0	6.1	10.0	6.3	8.0	3.3	3.7	4.6	2.4	1.8
Final sales of domestic product .....	5.5	5.8	6.7	3.5	5.2	6.5	4.3	7.6	4.7	5.4	5.7	8.0	8.8	6.1	4.3	4.3	7.3	2.9	2.2
Gross domestic purchases .....	6.3	6.6	7.5	5.0	8.0	4.7	6.0	7.6	6.5	4.8	7.4	10.4	8.0	8.5	4.4	4.0	3.4	1.7	-9
Final sales to domestic purchasers .....	6.2	6.8	7.7	4.3	6.0	8.0	4.7	7.4	6.3	7.1	7.0	8.4	10.5	6.6	5.3	4.5	6.0	2.1	-6
GNP .....	5.4	5.5	6.5	4.0	7.5	3.1	4.8	8.1	5.2	3.0	5.7	10.4	5.7	8.1	3.2	4.6	4.0	2.4	.....
Disposable personal income .....	6.5	4.1	6.2	6.3	8.8	7.0	5.1	3.8	2.7	4.1	4.3	5.5	7.5	8.1	5.1	6.3	6.0	3.8	12.3

See "Explanatory Note" at the end of the tables.

**Table 2.—Contributions to Percent Change in Real Gross Domestic Product**

	1998	1999	2000	Seasonally adjusted at annual rates															
				1997	1998				1999				2000				2001		
					IV	I	II	III	IV	I	II	III	IV	I	II	III	IV	I	II
Percent change at annual rate:																			
Gross domestic product .....	4.3	4.1	4.1	2.8	6.1	2.2	4.1	6.7	3.1	1.7	4.7	8.3	2.3	5.7	1.3	1.9	1.3	0.3	-0.4
Percentage points at annual rates:																			
Personal consumption expenditures .....	3.18	3.35	3.28	2.20	3.39	3.99	2.56	3.42	3.22	3.77	2.98	3.96	3.94	2.50	2.88	2.14	2.05	1.72	.83
Durable goods .....	.80	.97	.77	.48	.53	1.21	.33	1.74	.56	1.19	.72	1.09	1.46	-.21	.65	-.17	.83	.56	.14
Nondurable goods .....	.81	.93	.94	.12	1.08	1.13	.62	1.03	1.07	.83	.53	1.51	1.01	.95	.84	.12	.49	.06	.12
Services .....	1.57	1.45	1.57	1.61	1.77	1.64	1.62	.66	1.59	1.75	1.72	1.35	1.47	1.75	1.38	2.19	.73	1.10	.58
Gross private domestic investment .....	1.96	1.14	1.19	1.42	4.99	-1.18	1.98	2.38	1.28	-1.06	1.66	2.99	-.08	3.25	-.51	-.42	-2.28	-2.16	-1.82
Fixed investment .....	1.80	1.29	1.28	.69	2.85	1.84	.64	2.10	1.16	1.06	1.22	.84	2.24	1.49	.44	.09	.33	-1.74	-1.45
Nonresidential .....	1.49	1.01	1.25	.47	2.45	1.49	.20	1.71	.73	.94	1.25	.76	1.88	1.52	.91	.13	-.02	-1.99	-1.53
Structures .....	.21	-.07	.19	.21	.15	.45	-.09	.11	-.21	-.14	-.22	.13	.26	.35	.45	.24	.39	-.44	-.42
Equipment and software .....	1.27	1.08	1.06	.26	2.29	1.04	.29	1.61	.94	1.07	1.47	.63	1.63	1.17	.46	-.11	-.41	-1.55	-1.11
Residential .....	.32	.28	.04	.22	.40	.36	.44	.39	.42	.13	-.03	.08	.36	-.03	-.47	-.05	.35	.25	.08
Change in private inventories .....	.15	-.15	-.09	.73	2.14	-3.02	1.34	.28	.12	-2.12	.44	2.15	-2.32	1.76	-.95	-.50	-2.61	-.42	-.37
Net exports of goods and services .....	-1.20	-.98	-.79	-.88	-1.85	-1.83	-.78	.17	-1.79	-1.18	-.76	-.15	-1.32	-.84	-.70	-.39	.63	-.12	.32
Exports .....	.24	.35	1.01	-.10	.07	-.46	-.24	1.66	-.77	.43	.99	1.27	.95	1.42	1.13	-.46	-.13	-1.37	-1.87
Goods .....	.17	.30	.85	.02	-.02	-.72	.04	1.33	-.64	.32	.93	1.08	.64	1.11	1.36	-.58	-.19	-1.45	-1.44
Services .....	.07	.05	.17	-.11	.09	.25	-.28	.32	-.13	.11	.06	.19	.31	.31	-.22	.12	.06	.08	-.43
Imports .....	-1.44	-1.33	-1.81	-.79	-1.92	-1.36	-.53	-1.49	-1.02	-1.62	-1.76	-1.43	-2.26	-2.26	-1.84	.07	.76	1.25	2.19
Goods .....	-1.20	-1.31	-1.54	-.62	-1.51	-1.23	-.39	-1.48	-1.20	-1.58	-1.60	-1.20	-1.85	-2.00	-1.48	.07	.87	1.21	1.53
Services .....	-.24	-.02	-.26	-.17	-.41	-.14	-.15	0	.18	-.04	-.16	-.23	-.41	-.26	-.36	0	-.11	.05	.66
Government consumption expenditures and gross investment .....	.34	.58	.47	.03	-.43	1.27	.35	.73	.35	.21	.77	1.50	-.20	.78	-.32	.58	.92	.87	.32
Federal .....	-.05	.13	.10	-.24	-.64	.71	-.24	.32	-.23	.05	.43	.85	-.84	.90	-.66	.27	.19	.11	.27
National defense .....	-.07	.08	0	-.09	-.79	.47	.21	-.03	-.14	-.48	.55	-.87	.56	-.42	.38	.28	.09	.19	.19
Nondefense .....	.02	.05	.10	-.15	.15	.24	-.45	.35	-.09	.19	-.05	.30	.03	.34	-.24	-.11	-.09	.02	.08
State and local .....	.39	.44	.37	.27	.21	.56	.60	.40	.58	.16	.34	.65	.64	-.12	.34	.31	.73	.76	.05

See "Explanatory Note" at the end of the tables.

Table 3.—Gross Domestic Product and Related Measures: Level and Change From Preceding Period

	Billions of current dollars						Billions of chained (1996) dollars								
	2000	Seasonally adjusted at annual rates					2000	Seasonally adjusted at annual rates					Change from preceding period		
		2000		2001				2000		2001			2000	2001	
		III	IV	I	II	III		III	IV	I	II	III		II	III
Gross domestic product (GDP)	9,872.9	9,937.5	10,027.9	10,141.7	10,202.6	10,247.7	9,224.0	9,260.1	9,303.9	9,334.5	9,341.7	9,333.4	367.5	7.2	-8.3
Personal consumption expenditures	6,728.4	6,785.5	6,871.4	6,977.6	7,044.6	7,059.0	6,257.8	6,292.1	6,341.1	6,388.5	6,428.4	6,447.8	289.4	39.9	19.4
Durable goods	819.6	825.4	818.7	838.1	844.7	842.2	895.5	904.1	899.4	922.4	938.1	942.0	77.7	15.7	3.9
Motor vehicles and parts	346.8	349.6	343.2	358.6	362.3	360.7	348.3	351.2	343.9	357.0	361.9	361.9	20.7	4.9	0
Furniture and household equipment	307.3	309.4	307.4	308.4	310.0	309.7	377.0	381.3	383.8	391.0	400.5	405.5	42.3	9.5	5.0
Other	165.5	166.3	168.0	171.1	172.5	171.9	172.8	174.3	175.4	177.5	179.5	179.1	16.5	2.0	-4
Nondurable goods	1,989.6	2,012.4	2,025.1	2,047.1	2,062.3	2,057.8	1,849.9	1,864.1	1,866.8	1,878.0	1,879.4	1,882.1	83.5	1.4	2.7
Food	957.5	967.2	971.4	982.0	987.0	997.5	881.3	886.2	886.4	887.3	886.1	887.3	33.5	-1.2	1.2
Clothing and shoes	319.1	321.6	323.5	325.7	322.4	315.7	335.3	339.8	339.9	342.7	344.1	341.7	23.2	1.4	-2.4
Gasoline, fuel oil, and other energy goods	183.2	186.8	189.4	188.9	194.0	174.7	150.3	151.5	150.9	152.6	150.1	148.3	-1.0	-2.5	-1.8
Gasoline and oil	165.3	168.7	170.1	169.5	177.3	161.8	136.6	137.6	137.2	138.9	137.7	138.7	-1	-1.2	1.0
Fuel oil and coal	17.9	18.1	19.3	19.4	16.7	12.9	13.8	14.0	13.8	13.8	12.6	10.0	-8	-1.2	-2.6
Other	529.8	536.8	540.8	550.5	559.0	570.0	484.5	488.4	491.4	497.3	501.4	506.8	28.6	4.1	5.4
Services	3,919.2	3,947.7	4,027.5	4,092.4	4,137.6	4,158.9	3,527.7	3,540.2	3,588.8	3,605.1	3,629.8	3,642.6	134.5	24.7	12.8
Housing	958.8	964.4	978.0	992.8	1,008.2	1,023.5	850.1	851.9	856.6	861.3	864.9	869.0	18.5	3.6	4.1
Household operation	385.7	389.0	408.1	420.1	414.5	417.0	377.6	379.8	393.4	392.3	387.0	390.3	19.4	-5.3	3.3
Electricity and gas	141.4	142.6	156.9	164.4	157.9	155.4	136.4	135.8	144.4	140.1	135.0	135.1	4.2	-5.1	.1
Other household operation	244.2	246.4	251.3	255.7	256.7	261.6	241.0	243.9	248.7	252.3	252.7	256.0	15.2	.4	3.3
Transportation	272.8	274.4	278.8	280.5	279.8	277.2	251.3	251.7	253.8	254.4	254.2	252.2	7.3	-2	-2.0
Medical care	996.5	1,004.2	1,020.0	1,039.8	1,054.6	1,060.9	903.9	906.9	915.0	921.6	932.1	940.3	26.0	10.5	8.2
Recreation	256.2	258.1	260.9	267.3	271.0	271.4	227.0	227.2	228.5	232.2	232.8	231.7	7.5	.6	-1.1
Other	1,049.3	1,057.6	1,081.7	1,092.0	1,109.3	1,109.0	917.1	922.1	941.3	942.8	957.7	958.3	55.7	14.9	.6
Gross private domestic investment	1,767.5	1,788.4	1,780.3	1,722.8	1,669.9	1,622.6	1,772.9	1,788.8	1,778.3	1,721.0	1,666.2	1,619.6	112.8	-54.8	-46.6
Fixed investment	1,718.1	1,735.9	1,741.6	1,748.3	1,706.5	1,669.2	1,716.2	1,730.1	1,732.1	1,740.3	1,696.4	1,659.5	120.8	-43.9	-36.9
Nonresidential	1,293.1	1,314.9	1,318.2	1,311.2	1,260.2	1,219.7	1,350.7	1,371.1	1,374.5	1,373.9	1,320.9	1,279.8	122.1	-53.0	-41.1
Structures	313.6	321.1	330.9	345.8	338.6	329.7	272.8	278.2	283.3	291.7	282.3	273.3	15.9	-9.4	-9.0
Nonresidential buildings, including farm	227.0	231.0	235.1	241.3	230.4	212.9	194.9	197.5	199.1	202.0	191.6	176.5	9.4	-10.4	-15.1
Utilities	51.7	52.3	57.5	60.5	59.4	54.6	48.5	49.0	53.5	56.1	55.0	50.2	2.8	-1.1	-4.8
Mining exploration, shafts, and wells	27.6	30.1	30.5	36.9	42.0	42.9	23.5	25.3	24.8	28.3	30.4	30.5	3.5	2.1	.1
Other structures	7.3	7.8	7.8	7.1	6.7	19.3	6.7	7.1	7.0	6.3	5.9	16.9	.3	-4	11.0
Equipment and software	979.5	993.8	987.3	965.4	921.7	890.0	1,087.4	1,102.3	1,099.3	1,087.7	1,043.2	1,011.0	109.1	-44.5	-32.2
Information processing equipment and software	466.5	475.1	486.5	460.4	431.1	409.3	609.5	621.0	641.8	620.9	588.1	566.4	103.3	-32.8	-21.7
Computers and peripheral equipment	109.3	113.3	114.0	102.9	89.6	78.8	290.3	305.2	317.6	314.4	287.3	268.9	81.7	-27.1	-18.4
Software	183.1	186.8	193.3	190.5	189.0	184.4	187.6	189.7	196.0	192.9	191.1	186.6	20.3	-1.8	-4.5
Other	174.1	175.0	179.3	167.1	152.5	146.1	186.5	187.7	193.2	180.8	165.9	159.5	29.3	-14.9	-6.4
Industrial equipment	166.7	169.5	170.1	175.8	166.4	155.2	162.6	165.1	165.6	170.7	161.2	150.4	16.2	-9.5	-10.8
Transportation equipment	195.9	197.2	180.1	179.0	175.7	176.2	192.7	193.2	176.2	177.4	174.4	172.5	-4.9	-3.0	-1.9
Other	150.3	151.9	150.5	150.3	148.5	149.3	144.8	146.1	144.4	143.3	141.1	141.5	6.6	-2.2	.4
Residential	425.1	421.0	423.4	437.0	446.2	449.5	371.4	366.3	365.3	372.9	378.3	380.0	3.1	5.4	1.7
Structures	415.6	411.5	413.9	427.5	436.7	440.0	361.8	356.8	355.8	363.3	368.6	370.5	2.5	5.3	1.9
Single family	220.7	216.0	216.4	226.5	229.6	230.4	190.9	186.2	185.0	191.1	192.8	193.3	2.0	1.7	.5
Multifamily	28.1	26.8	27.9	29.6	31.0	31.0	22.7	21.5	22.2	23.3	24.2	24.2	-7	.9	0
Other	166.9	168.8	169.7	171.4	176.1	178.5	148.4	149.3	148.7	149.0	151.6	153.0	1.4	2.6	1.4
Equipment	9.4	9.4	9.5	9.5	9.6	9.5	9.6	9.6	9.6	9.7	9.7	9.6	.6	0	-1
Change in private inventories	49.4	52.5	38.7	-25.5	-36.6	-46.6	50.6	51.7	42.8	-27.1	-38.3	-50.4	-11.5	-11.2	-12.1
Farm	-1.8	-2.8	.9	.7	-1.2	-2.5	-2.0	-5.4	3.0	.2	-2.5	-3.5	-1	-2.7	-1.0
Construction, mining, and utilities	-2.5	-1	-9.0	2.6	8.0	4.3	-1.8	.1	-6.8	1.9	6.8	4.1	-1.2	4.9	-2.7
Manufacturing	12.4	11.8	12.0	-13.6	-33.4	-41.3	13.1	12.0	12.9	-15.0	-35.6	-45.7	-2	-20.6	-10.1
Wholesale trade	20.5	16.7	12.3	-3.3	2.2	-15.7	21.2	18.2	12.5	-3.0	2.6	-16.5	2.1	5.6	-19.1
Retail trade	15.1	19.0	19.6	-15.6	-13.4	7.7	14.9	18.7	19.3	-15.3	-13.2	7.5	-9.6	2.1	20.7
Other industries	5.6	7.9	2.8	3.6	1.2	.9	5.5	7.7	2.8	3.6	1.2	.9	-1.3	-2.4	-3
Net exports of goods and services	-364.0	-380.6	-390.6	-363.8	-347.4	-277.3	-399.1	-411.2	-421.1	-404.5	-406.7	-395.0	-82.2	-2.2	11.7
Exports	1,102.9	1,131.1	1,121.0	1,117.4	1,079.6	1,028.1	1,133.2	1,159.3	1,147.5	1,144.1	1,108.3	1,059.0	98.3	-35.8	-49.3
Goods	785.6	813.4	799.7	794.2	754.4	713.5	836.1	864.8	849.5	844.4	805.2	765.7	84.8	-39.2	-39.5
Foods, feeds, and beverages	47.5	48.9	47.4	49.3	48.1	47.5	60.0	63.0	59.8	62.1	61.1	59.1	3.4	-1.0	-2.0
Industrial supplies and materials	165.9	171.4	170.9	166.0	157.8	152.7	168.2	172.6	172.1	168.7	162.7	161.3	15.4	-6.0	-1.4
Capital goods, except automotive	357.0	374.5	365.9	367.3	332.8	307.0	394.9	413.6	404.3	405.2	367.3	340.1	52.8	-37.9	-27.2
Automotive vehicles, engines, and parts	80.2	80.6	77.2	71.8	76.3	76.2	78.3	78.6	75.4	70.0	74.2	74.1	4.4	4.2	-1
Consumer goods, except automotive	90.6	92.4	90.7	94.0	93.6	86.0	89.8	91.6	90.1	93.5	93.3	85.7	8.2	-2	-7.6
Other	44.5	45.5	47.6	45.8	45.8	44.1	45.9	47.1	49.0	47.1	47.0	45.5	1.3	-1	-1.5
Services	317.3	317.7	321.3	323.2	325.2	314.6	299.3	297.8	300.5	301.8	303.6	293.3	15.1	1.8	-10.3
Imports	1,466.9	1,511.8	1,511.6	1,481.2	1,427.0	1,305.4	1,532.3	1,570.6	1,568.5	1,548.6	1,515.0	1,454.0	180.6	-33.6	-61.0
Goods	1,244.9	1,283.0	1,284.0	1,248.7	1,197.8	1,135.4	1,315.6	1,348.0	1,345.9	1,322.8	1,290.1	1,247.4	156.4	-32.7	-42.7
Foods, feeds, and beverages	46.0	46.9	46.3	45.9											

Table 3.—Gross Domestic Product and Related Measures: Level and Change From Preceding Period—Continued

	Billions of current dollars						Billions of chained (1996) dollars								
	2000	Seasonally adjusted at annual rates					2000	Seasonally adjusted at annual rates					Change from preceding period		
		2000		2001				2000		2001			2000	2001	
		III	IV	I	II	III		III	IV	I	II	III		II	III
Government consumption expenditures and gross investment .....	1,741.0	1,744.2	1,766.8	1,805.2	1,835.4	1,843.5	1,572.6	1,570.0	1,582.8	1,603.4	1,623.0	1,630.1	40.8	19.6	7.1
Federal .....	590.2	587.0	594.2	605.3	609.9	617.1	545.9	541.8	547.9	552.2	554.7	561.0	9.2	2.5	6.3
National defense .....	375.4	372.1	382.4	392.9	396.1	401.1	349.0	345.1	353.8	360.3	362.4	366.8	.4	2.1	4.4
Consumption expenditures .....	321.9	321.0	325.3	338.3	339.5	344.7	294.5	293.0	296.0	304.4	304.6	309.1	-2	.2	4.5
Gross investment .....	53.5	51.1	57.1	54.6	56.7	56.5	54.7	52.2	58.4	56.1	58.2	58.1	.6	2.1	-1
Nondefense .....	214.8	214.9	211.8	212.4	213.8	216.0	196.7	196.5	194.0	191.8	192.3	194.1	8.6	.5	1.8
Consumption expenditures .....	171.8	172.5	168.8	169.2	170.6	172.0	154.2	154.7	151.8	149.5	150.0	151.0	8.0	.5	1.0
Gross investment .....	43.0	42.4	43.0	43.2	43.2	43.9	42.9	42.2	42.6	42.9	42.8	43.6	.4	-1	.8
State and local .....	1,150.8	1,157.2	1,172.6	1,199.8	1,225.5	1,226.4	1,026.3	1,027.6	1,034.3	1,050.5	1,067.4	1,068.4	31.6	16.9	1.0
Consumption expenditures .....	929.0	936.6	950.0	966.7	981.3	991.0	821.4	824.6	830.5	839.1	846.9	855.6	26.9	7.8	8.7
Gross investment .....	221.8	220.6	222.7	233.1	244.2	235.4	205.0	203.1	203.9	211.6	221.0	212.9	4.6	9.4	-8.1
Residual .....							-81.5	-89.6	-96.6	-89.0	-75.6	-63.8	-42.7	13.4	11.8
Addenda:															
Final sales of domestic product .....	9,823.6	9,884.9	9,989.2	10,167.2	10,239.1	10,294.3	9,167.0	9,201.3	9,256.7	9,347.8	9,364.8	9,365.2	375.0	17.0	.4
Gross domestic purchases .....	10,236.9	10,318.1	10,418.5	10,505.6	10,549.9	10,525.1	9,594.7	9,641.5	9,694.4	9,710.4	9,720.4	9,704.5	439.8	10.0	-15.9
Final sales to domestic purchasers .....	10,187.5	10,265.6	10,379.8	10,531.0	10,586.5	10,571.7	9,537.7	9,582.5	9,647.1	9,723.8	9,743.7	9,736.6	447.4	19.9	-7.1
Gross domestic product .....	9,872.9	9,937.5	10,027.9	10,141.7	10,202.6	10,247.7	9,224.0	9,260.1	9,303.9	9,334.5	9,341.7	9,333.4	367.5	7.2	-8.3
Plus: Income receipts from the rest of the world .....	384.2	386.6	402.1	378.9	346.9		360.2	361.6	374.3	350.3	319.6		58.9	-30.7	
Less: Income payments to the rest of the world .....	396.3	404.7	397.9	389.4	358.6		367.0	373.7	365.8	355.2	325.7		62.3	-29.5	
Equals: Gross national product .....	9,860.8	9,919.4	10,032.1	10,131.3	10,190.9		9,216.4	9,247.2	9,311.7	9,329.1	9,335.5		363.4	6.4	
Net domestic product .....	8,631.7	8,683.2	8,751.1	8,841.9	8,861.1	8,840.8	7,990.0	8,015.7	8,031.2	8,030.6	8,001.5	7,945.2	293.0	-29.1	-56.3

NOTE.—Users are cautioned that particularly for components for which relative prices are changing rapidly, the use of chained-dollar estimates to calculate component shares or component contributions to real growth may be misleading even just a few years from the base year. For accurate estimates of the contributions to percent changes

in real GDP, use table 2.  
See "Explanatory Note" at the end of the tables.

Table 4.—Chain-Type Price Indexes for Gross Domestic Product and Related Measures: Percent Change From Preceding Period

[Percent]

	1998	1999	2000	Seasonally adjusted at annual rates																
				1997	1998				1999				2000				2001			
					IV	I	II	III	IV	I	II	III	IV	I	II	III	IV	I	II	III
Gross domestic product (GDP) .....	1.2	1.4	2.3	1.4	1.1	1.0	1.4	1.1	1.7	1.4	1.4	1.8	3.8	2.1	1.9	1.8	3.3	2.1	2.1	
Personal consumption expenditures .....	1.1	1.6	2.7	1.3	.6	1.0	1.4	1.4	1.3	2.0	2.2	2.4	4.0	2.1	2.4	2.0	3.2	1.3	-4	
Durable goods .....	-2.4	-2.5	-1.6	-2.5	-1.6	-2.1	-2.7	-2.6	-3.3	-2.0	-1.8	-1.8	-1.8	-8	-2.2	-1.2	-7	-3.5	-2.8	
Nondurable goods .....	0	2.3	3.7	.9	-1.4	-.7	1.5	1.3	1.9	4.4	3.3	3.8	5.5	2.7	2.7	2.0	1.9	2.7	-1.4	
Services .....	2.3	2.2	3.1	2.4	2.1	2.5	2.1	2.3	2.0	1.7	2.5	2.6	4.5	2.4	3.2	2.6	4.7	1.7	.6	
Gross private domestic investment .....	-1.0	-.2	1.1	-.3	-2.5	-1.1	-.6	-.3	.2	-.1	-.3	.5	2.7	.7	1.8	.7	0	.4	-2	
Fixed investment .....	-.9	-.1	1.2	-.3	-2.1	-1.2	-.6	-.3	.3	.1	-.2	.5	2.8	.8	1.9	.8	-.4	.6	-.1	
Nonresidential .....	-2.1	-1.4	.1	-1.5	-3.2	-2.5	-2.0	-1.6	-1.0	-1.2	-1.4	-.4	1.0	.3	1.3	0	-1.9	-.1	-.4	
Structures .....	3.3	2.5	4.1	4.4	3.1	2.9	1.3	1.8	2.8	2.5	2.9	3.7	5.8	3.1	4.7	4.7	6.2	4.7	2.3	
Equipment and software .....	-3.9	-2.6	-1.1	-3.5	-5.3	-4.3	-3.1	-2.7	-2.3	-2.4	-2.8	-1.7	-.4	-.6	.2	-1.5	-4.6	-1.9	-1.4	
Residential .....	2.8	3.8	4.5	3.6	1.5	3.0	3.7	3.5	4.2	4.0	3.7	3.2	8.3	2.3	3.7	3.5	4.6	2.6	1.0	
Change in private inventories .....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	
Net exports of goods and services .....	-2.2	-.6	1.8	-1.7	-3.9	-2.0	-3.0	-1.4	-.9	.5	1.1	2.1	2.4	2.2	1.3	.5	-.1	-1.0	-1.4	
Exports .....	-3.1	-1.4	1.1	-2.7	-4.7	-3.0	-4.2	-2.3	-1.4	-.5	.7	2.3	1.2	1.4	.3	.4	-.4	-1.5	-2.2	
Goods .....	0	1.2	3.4	.8	-1.9	.5	0	.8	.4	3.0	2.0	1.6	5.4	4.2	3.7	.9	.5	.2	.4	
Imports .....	-5.4	.6	4.3	-2.5	-10.6	-4.2	-.7	-.2	-2.3	5.4	6.0	5.3	6.1	.7	4.4	.4	-3.0	-6.0	-17.4	
Goods .....	-6.0	.2	4.8	-2.6	-11.0	-5.7	-5.7	-1.1	-2.4	5.1	6.2	6.3	6.7	1.1	4.7	.9	-4.1	-6.4	-7.6	
Services .....	-2.3	2.7	1.7	-2.2	-8.6	3.3	.1	4.5	-1.4	7.2	4.9	.5	2.6	-1.5	2.8	-1.9	3.6	-3.6	-57.4	
Government consumption expenditures and gross investment .....	1.5	2.8	3.9	2.6	.8	1.2	1.8	1.7	3.3	3.6	3.5	3.2	6.8	2.6	2.6	1.9	3.5	1.8	0	
Federal .....	1.0	2.4	2.9	2.0	.6	1.1	1.4	1.4	4.9	1.6	2.0	1.7	7.7	.5	1.7	.4	4.4	1.2	.2	
National defense .....	.8	2.3	2.8	1.9	.9	.2	1.5	.9	5.4	1.4	1.9	2.1	6.9	.4	2.2	1.0	3.6	1.0	.1	
Nondefense .....	1.3	2.5	3.0	2.3	0	2.8	1.1	2.5	4.1	2.1	2.3	1.0	9.2	.6	.6	-.7	5.8	1.7	.2	
State and local .....	1.7	2.9	4.4	3.0	1.0	1.3	2.0	1.9	2.5	4.6	4.3	4.0	6.3	3.6	3.1	2.7	3.0	2.1	-.1	
Addenda:																				
Final sales of domestic product .....	1.3	1.4	2.3	1.4	1.2	1.0	1.4	1.1	1.7	1.4	1.4	1.8	3.8	2.2	1.9	1.8	3.2	2.1	2.2	
Gross domestic purchases .....	.8	1.5	2.6	1.3	.1	.7	1.1	1.2	1.5	2.0	2.0	2.2	4.2	1.9	2.3	1.7	2.7	1.3	-.3	
Final sales to domestic purchasers .....	.8	1.5	2.6	1.3	.2	.7	1.1	1.2	1.5	2.0	2.0	2.2	4.3	2.0	2.3	1.8	2.6	1.3	-.3	
Gross national product (GNP) .....	1.2	1.4	2.3	1.4	1.1	1.0	1.4	1.1	1.7	1.4	1.4	1.8	3.7	2.1	1.9	1.8	3.2	2.1	.....	
Implicit price deflators:																				
GDP .....	1.2	1.4	2.3	1.4	1.1	1.0	1.4	1.1	1.8	1.3	1.4	1.6	3.9	2.2	1.9	1.8	3.3	2.1	2.1	
Gross domestic purchases .....	.8	1.5	2.6	1.3	.1	.7	1.1	1.2	1.5	1.9	2.0	2.1	4.3	2.0	2.4	1.7	2.7	1.3	-.3	
GNP .....	1.2	1.4	2.3	1.4	1.1	1.0	1.4	1.1	1.8	1.3	1.4	1.6	3.8	2.2	1.9	1.8	3.2	2.1	.....	

See "Explanatory Note" at the end of the tables.



Table 5.—Quantity and Price Indexes for Gross Domestic Product

[Index numbers, 1996=100]

	1998	1999	2000	Seasonally adjusted				
				2000		2001		
				III	IV	I	II	III
<b>Gross domestic product:</b>								
Chain-type quantity index .....	108.91	113.35	118.06	118.52	119.08	119.47	119.56	119.46
Chain-type price index .....	103.20	104.66	107.04	107.31	107.78	108.65	109.22	109.80
Implicit price deflator .....	103.20	104.65	107.04	107.31	107.78	108.65	109.21	109.80
<b>Personal consumption expenditures:</b>								
Chain-type quantity index .....	108.52	113.96	119.48	120.14	121.07	121.98	122.74	123.11
Chain-type price index .....	103.03	104.72	107.52	107.85	108.37	109.23	109.59	109.49
<b>Durable goods:</b>								
Chain-type quantity index .....	117.87	132.66	145.27	146.66	145.90	149.63	152.17	152.80
Chain-type price index .....	95.40	93.04	91.53	91.29	91.03	90.86	90.05	89.41
<b>Nondurable goods:</b>								
Chain-type quantity index .....	107.14	112.22	117.52	118.43	118.60	119.31	119.40	119.57
Chain-type price index .....	101.31	103.67	107.55	107.96	108.49	109.01	109.74	109.34
<b>Services:</b>								
Chain-type quantity index .....	107.43	111.36	115.78	116.19	117.78	118.32	119.13	119.55
Chain-type price index .....	105.53	107.80	111.10	111.52	112.24	113.53	114.00	114.18
<b>Private fixed investment:</b>								
Chain-type quantity index .....	122.04	131.56	141.52	142.66	142.83	143.51	139.89	136.84
Chain-type price index .....	99.03	98.92	100.11	100.34	100.55	100.46	100.60	100.59
<b>Nonresidential:</b>								
Chain-type quantity index .....	126.29	136.60	150.17	152.44	152.81	152.75	146.86	142.30
Chain-type price index .....	96.95	95.61	95.74	95.90	95.91	95.44	95.41	95.30
<b>Residential:</b>								
Chain-type quantity index .....	110.17	117.56	118.55	116.95	116.62	119.03	120.76	121.32
Chain-type price index .....	105.58	109.57	114.46	114.89	115.88	117.19	117.95	118.25
<b>Exports of goods and services:</b>								
Chain-type quantity index .....	114.67	118.38	129.63	132.62	131.27	130.88	126.78	121.15
Chain-type price index .....	96.26	95.65	97.33	97.58	97.70	97.67	97.42	97.08
<b>Imports of goods and services:</b>								
Chain-type quantity index .....	127.03	140.35	159.09	163.07	162.86	160.79	157.30	150.97
Chain-type price index .....	91.27	91.78	95.73	96.27	96.37	95.65	94.19	89.78
<b>Government consumption expenditures and gross investment:</b>								
Chain-type quantity index .....	104.32	107.72	110.60	110.41	111.31	112.76	114.14	114.64
Chain-type price index .....	103.72	106.58	110.71	111.10	111.63	112.58	113.09	113.09
<b>Federal:</b>								
Chain-type quantity index .....	98.84	100.97	102.68	101.92	103.07	103.88	104.35	105.53
Chain-type price index .....	102.63	105.09	108.12	108.35	108.46	109.62	109.96	110.00
<b>State and local:</b>								
Chain-type quantity index .....	107.56	111.71	115.26	115.41	116.17	117.99	119.88	120.00
Chain-type price index .....	104.35	107.42	112.14	112.62	113.37	114.22	114.82	114.79
<b>Addenda:</b>								
<b>Final sales of domestic product:</b>								
Chain-type quantity index .....	108.33	112.96	117.78	118.22	118.93	120.10	120.32	120.33
Chain-type price index .....	103.28	104.76	107.16	107.44	107.92	108.77	109.34	109.93
Implicit price deflator .....	103.28	104.75	107.16	107.43	107.91	108.77	109.34	109.92
<b>Gross domestic purchases:</b>								
Chain-type quantity index .....	110.37	115.85	121.42	122.01	122.68	122.88	123.01	122.81
Chain-type price index .....	102.43	103.99	106.70	107.02	107.47	108.19	108.54	108.46
Implicit price deflator .....	102.43	103.98	106.69	107.02	107.47	108.19	108.53	108.46
<b>Final sales to domestic purchasers:</b>								
Chain-type quantity index .....	109.81	115.47	121.16	121.73	122.55	123.52	123.78	123.68
Chain-type price index .....	102.50	104.08	106.81	107.13	107.60	108.31	108.65	108.58
Implicit price deflator .....	102.50	104.08	106.81	107.13	107.60	108.30	108.65	108.58
<b>Gross national product:</b>								
Chain-type quantity index .....	108.65	113.05	117.69	118.08	118.90	119.13	119.21	.....
Chain-type price index .....	103.17	104.62	107.00	107.27	107.74	108.60	109.16	.....
Implicit price deflator .....	103.17	104.62	106.99	107.27	107.74	108.60	109.16	.....

See "Explanatory Note" at the end of the tables.

Table 6.—Real Gross Domestic Product: Historical Perspective

[Percent change from preceding year]

	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
<b>Gross domestic product (GDP)</b> .....	<b>3.8</b>	<b>3.4</b>	<b>3.4</b>	<b>4.2</b>	<b>3.5</b>	<b>1.8</b>	<b>-0.5</b>	<b>3.0</b>	<b>2.7</b>	<b>4.0</b>	<b>2.7</b>	<b>3.6</b>	<b>4.4</b>	<b>4.3</b>	<b>4.1</b>	<b>4.1</b>
<b>Personal consumption expenditures</b> .....	<b>5.0</b>	<b>4.2</b>	<b>3.3</b>	<b>4.0</b>	<b>2.7</b>	<b>1.8</b>	<b>-2</b>	<b>2.9</b>	<b>3.4</b>	<b>3.8</b>	<b>3.0</b>	<b>3.2</b>	<b>3.6</b>	<b>4.8</b>	<b>5.0</b>	<b>4.8</b>
Durable goods .....	9.9	9.1	1.7	5.8	2.1	-9	-6.6	5.3	8.2	7.6	4.6	5.6	6.6	10.5	12.5	9.5
Nondurable goods .....	2.7	3.6	2.4	3.2	2.7	1.4	-4	1.9	2.9	3.8	3.0	2.9	2.9	4.1	4.7	4.7
Services .....	5.2	3.3	4.3	4.1	2.8	2.8	1.4	2.9	2.7	3.0	2.7	2.8	3.3	4.0	3.7	4.0
<b>Gross private domestic investment</b> .....	<b>-9</b>	<b>-7</b>	<b>2.5</b>	<b>2.7</b>	<b>3.7</b>	<b>-3.1</b>	<b>-8.6</b>	<b>8.5</b>	<b>8.7</b>	<b>13.2</b>	<b>3.0</b>	<b>9.0</b>	<b>12.1</b>	<b>11.8</b>	<b>6.6</b>	<b>6.8</b>
Fixed investment .....	5.3	1.2	0	3.6	2.7	-1.8	-6.9	6.5	8.1	9.1	6.0	9.3	9.6	11.4	7.8	7.6
Nonresidential .....	6.7	-2.7	-1	5.4	5.5	.7	-4.9	3.4	8.4	8.9	9.8	10.0	12.2	12.5	8.2	9.9
Structures .....	7.3	-10.8	-3.6	1.3	2.5	1.5	-11.0	-6.1	.8	.8	4.8	7.1	9.1	6.8	-2.0	6.2
Equipment and software .....	6.4	2.0	1.7	7.5	7.0	.4	-2.0	7.4	11.3	11.9	11.5	11.0	13.3	14.6	11.8	11.1
Residential .....	1.4	12.0	.2	-5	-4.1	-8.6	-12.8	16.3	7.3	9.7	-3.6	7.4	2.0	8.0	6.7	.8
Change in private inventories .....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
<b>Net exports of goods and services</b> .....	<b>2.7</b>	<b>7.4</b>	<b>11.2</b>	<b>16.1</b>	<b>11.8</b>	<b>8.7</b>	<b>6.5</b>	<b>6.2</b>	<b>3.3</b>	<b>8.9</b>	<b>10.3</b>	<b>8.2</b>	<b>12.3</b>	<b>2.1</b>	<b>3.2</b>	<b>9.5</b>
Exports .....	3.4	5.1	11.1	18.8	12.6	8.2	7.1	6.8	3.0	9.7	11.9	8.7	14.5	2.1	3.9	11.3
Goods .....	.9	13.3	11.6	9.3	9.6	10.0	5.1	4.6	4.1	7.2	6.4	6.8	7.0	2.3	1.6	5.3
Services .....	6.5	8.4	6.1	3.8	3.9	3.8	-5	6.6	9.1	12.0	8.2	8.6	13.7	11.8	10.5	13.4
Imports .....	6.2	10.3	4.6	4.1	4.2	3.0	-1	9.3	10.1	13.3	9.0	9.4	14.2	11.7	12.4	13.5
Goods .....	7.6	.3	12.6	2.7	2.8	7.6	-2.3	-4.0	4.7	5.8	4.1	4.8	10.9	11.9	1.1	12.6
Services .....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
<b>Government consumption expenditures and gross investment</b> .....	<b>6.5</b>	<b>5.4</b>	<b>3.0</b>	<b>1.2</b>	<b>2.8</b>	<b>3.3</b>	<b>1.2</b>	<b>.5</b>	<b>-8</b>	<b>.1</b>	<b>.5</b>	<b>1.1</b>	<b>2.4</b>	<b>1.9</b>	<b>3.3</b>	<b>2.7</b>
Federal .....	7.6	5.5	3.7	-1.8	1.3	2.0	-3	-1.6	-3.9	-3.6	-2.7	-9	-4	-8	2.2	1.7
National defense .....	8.4	6.3	4.7	-8	-8	0	-1.1	-4.9	-5.4	-4.8	-3.7	-1.3	-2.6	-1.8	2.1	.1
Nondefense .....	5.4	3.1	.5	-5.2	8.4	8.3	1.8	7.1	-3	-1.0	-5	0	4.2	1.1	2.3	4.6
State and local .....	5.4	5.4	2.3	3.7	3.9	4.2	2.3	2.0	1.4	2.6	2.5	2.3	4.0	3.4	3.9	3.2
<b>Addenda:</b>																
Final sales of domestic product .....	5.0	3.8	3.0	4.3	3.3	2.0	-2	2.8	2.6	3.4	3.1	3.6	4.0	4.2	4.3	4.3
Gross domestic purchases .....	4.2	3.6	3.1	3.2	2.9	1.4	-1.1	3.1	3.3	4.4	2.5	3.7	4.7	5.4	5.0	4.8
Final sales to domestic purchasers .....	5.3	3.9	2.7	3.4	2.7	1.6	-9	2.8	3.2	3.8	3.0	3.7	4.3	5.3	5.2	4.9
Gross national product .....	3.5	3.2	3.3	4.2	3.5	1.9	-5	3.0	2.6	3.9	2.7	3.5	4.3	4.2	4.0	4.1
Real disposable personal income .....	3.3	3.2	2.1	4.4	2.6	2.2	.4	3.1	1.4	2.6	2.6	2.5	3.1	5.4	2.5	3.5
Gross domestic purchases price index .....	2.9	2.3	3.3	3.4	3.8	4.1	3.4	2.5	2.3	2.0	2.2	1.8	1.6	.8	1.5	2.6
GDP price index .....	3.2	2.2	3.0	3.4	3.8	3.9	3.6	2.4	2.4	2.1	2.2	1.9	1.9	1.2	1.4	2.3
Personal consumption expenditures price index .....	3.5	2.4	3.8	3.9	4.4	4.6	3.8	3.1	2.4	2.0	2.3	2.1	1.9	1.1	1.6	2.7

Table 7.—Real Gross Domestic Product: Percent Change From Quarter One Year Ago

	1997	1998				1999				2000				2001		
	IV	I	II	III	IV	I	II	III	IV	I	II	III	IV	I	II	III
<b>Gross domestic product (GDP)</b> .....	<b>4.3</b>	<b>4.7</b>	<b>3.8</b>	<b>3.8</b>	<b>4.8</b>	<b>4.0</b>	<b>3.9</b>	<b>4.0</b>	<b>4.4</b>	<b>4.2</b>	<b>5.2</b>	<b>4.4</b>	<b>2.8</b>	<b>2.5</b>	<b>1.2</b>	<b>0.8</b>
<b>Personal consumption expenditures</b> .....	<b>4.1</b>	<b>4.2</b>	<b>5.3</b>	<b>4.6</b>	<b>5.0</b>	<b>5.0</b>	<b>4.9</b>	<b>5.0</b>	<b>5.2</b>	<b>5.4</b>	<b>4.9</b>	<b>4.9</b>	<b>4.2</b>	<b>3.5</b>	<b>3.2</b>	<b>2.5</b>
Durable goods .....	8.8	8.0	13.1	8.4	12.7	12.7	12.5	13.8	11.3	14.3	9.5	9.3	5.3	3.4	5.8	4.2
Nondurable goods .....	2.5	3.2	4.5	3.8	5.0	5.0	4.6	4.4	5.0	4.9	5.0	5.4	3.6	3.0	1.9	1.0
Services .....	3.9	4.0	4.2	4.3	3.6	3.5	3.5	3.6	4.0	3.9	3.9	3.7	4.3	3.8	3.4	2.9
<b>Gross private domestic investment</b> .....	<b>12.1</b>	<b>16.4</b>	<b>8.3</b>	<b>10.7</b>	<b>12.1</b>	<b>6.4</b>	<b>6.6</b>	<b>6.2</b>	<b>7.0</b>	<b>4.9</b>	<b>11.4</b>	<b>8.0</b>	<b>3.1</b>	<b>-1</b>	<b>-7.5</b>	<b>-9.5</b>
Fixed investment .....	9.7	12.2	12.2	9.5	11.7	8.9	7.6	8.4	6.4	8.0	8.6	7.4	6.3	3.4	-1.3	-4.1
Nonresidential .....	11.8	14.4	14.1	9.6	12.3	8.5	7.3	9.5	7.4	9.8	10.9	10.2	8.9	4.9	-2.0	-6.7
Structures .....	6.5	6.1	10.7	5.8	4.9	1.9	-2.6	-3.7	-3.6	.2	4.1	9.9	10.8	11.7	5.1	-1.7
Equipment and software .....	13.7	17.4	15.2	10.9	14.9	10.8	10.8	14.2	11.2	13.1	13.2	10.3	8.3	2.8	-4.3	-8.3
Residential .....	3.5	5.8	6.8	9.1	10.0	10.0	8.4	5.3	3.4	3.0	2.0	-5	-1.2	-1.2	.5	3.7
Change in private inventories .....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
<b>Net exports of goods and services</b> .....	<b>8.5</b>	<b>6.7</b>	<b>1.4</b>	<b>-1.7</b>	<b>2.3</b>	<b>.4</b>	<b>2.5</b>	<b>5.5</b>	<b>4.5</b>	<b>8.7</b>	<b>11.1</b>	<b>11.3</b>	<b>7.0</b>	<b>4.4</b>	<b>-2.0</b>	<b>-8.6</b>
Exports .....	11.6	8.0	.7	-2.1	2.2	.1	3.5	6.5	5.6	10.1	12.8	14.1	8.3	5.4	-2.9	-11.5
Goods .....	1.4	3.5	3.2	-5	2.9	1.3	.3	3.0	1.9	5.5	7.0	4.6	4.1	2.0	.2	-1.5
Services .....	14.3	14.5	12.6	9.4	10.8	9.0	9.5	11.9	11.5	13.6	14.4	14.2	11.3	5.6	-5	-7.4
Imports .....	14.4	14.5	12.3	9.1	11.3	10.6	11.4	14.3	13.2	14.3	14.7	14.0	11.1	5.1	-1.5	-7.5
Goods .....	14.0	14.3	14.6	10.6	8.5	1.2	0	.2	2.8	10.1	12.9	15.2	12.2	8.4	4.8	-7.6
Services .....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
<b>Government consumption expenditures and gross investment</b> .....	<b>2.4</b>	<b>1.5</b>	<b>1.8</b>	<b>1.7</b>	<b>2.7</b>	<b>3.9</b>	<b>2.3</b>	<b>2.9</b>	<b>4.0</b>	<b>3.2</b>	<b>4.0</b>	<b>2.4</b>	<b>1.2</b>	<b>2.8</b>	<b>2.9</b>	<b>3.8</b>
Federal .....	.1	-1.3	-9	-1.6	.6	2.3	-4	2.3	4.5	1.9	5.5	.9	-1.4	2.9	-4	3.5
National defense .....	-1.4	-2.8	-2.4	-1.1	-8	3.2	-7	1.0	4.7	-1	4.5	-1.4	-2.2	5.3	2.1	6.3
Nondefense .....	3.1	1.6	1.9	-2.5	3.3	.5	0	4.8	4.2	5.7	7.5	5.1	.2	-1.3	-4.8	-1.2
State and local .....	3.7	3.1	3.3	3.6	3.8	4.7	3.8	3.2	3.7	3.8	3.2	3.2	2.5	2.7	4.6	4.0
<b>Addenda:</b>																
Final sales of domestic product .....	3.9	4.0	4.4	3.6	4.7	4.4	4.0	4.4	4.3	4.7	4.7	4.3	3.4	3.2	2.4	1.8
Gross domestic purchases .....	5.0	5.7	5.2	5.1	5.8	5.0	4.7	4.8	5.3	5.0	5.8	5.0	3.5	2.8	1.3	.7
Final sales to domestic purchasers .....	4.6	5.0	5.7	4.9	5.7	5.4	4.9	5.2	5.2	5.5	5.3	4.9	4.0	3.4	2.4	1.6
Gross national product .....	4.1	4.7	3.7	3.6	4.7	3.9	3.8	4.0	4.5	4.1	5.1	4.4	2.9	2.6	1.3	.....
Real disposable personal income .....	3.8	5.1	5.7	5.7	5.0	3.4	2.4	2.0	2.1	2.6	3.5	3.7	4.0	3.8	3.0	5.4
Gross domestic purchases price index .....	1.4	.8	.8	.8	.8	1.1	1.4	1.6	1.9	2.6	2.6	2.7	2.5	2.2	2.0	1.3
GDP price index .....	1.8	1.4	1.2	1.2	1.1	1.3	1.4	1.4	1.6	2.1	2.3	2.4	2.4	2.3	2.3	2.3
Personal consumption expenditures price index .....	1.5	1.1	1.0	1.1	1.1	1.3	1.5	1.7	2.0	2.7	2.7	2.7	2.6	2.4	2.2	1.5

**Table 8.—Relation of Gross Domestic Product, Gross National Product, and National Income**

[Billions of dollars]

	1998	1999	2000	Seasonally adjusted at annual rates				
				2000		2001		
				III	IV	I	II	III
<b>Gross domestic product</b> .....	<b>8,781.5</b>	<b>9,268.6</b>	<b>9,872.9</b>	<b>9,937.5</b>	<b>10,027.9</b>	<b>10,141.7</b>	<b>10,202.6</b>	<b>10,247.7</b>
Plus: Income receipts from the rest of the world .....	286.1	313.8	384.2	386.6	402.1	378.9	346.9	.....
Less: Income payments to the rest of the world .....	289.6	320.5	396.3	404.7	397.9	389.4	358.6	.....
<b>Equals: Gross national product</b> .....	<b>8,778.1</b>	<b>9,261.8</b>	<b>9,860.8</b>	<b>9,919.4</b>	<b>10,032.1</b>	<b>10,131.3</b>	<b>10,190.9</b>	.....
Less: Consumption of fixed capital .....	1,072.0	1,151.4	1,241.3	1,254.3	1,276.8	1,299.9	1,341.5	1,406.9
Less: Indirect business tax and nontax liability .....	681.3	713.1	762.7	767.6	775.6	785.7	792.3	794.7
Less: Business transfer payments .....	38.0	41.3	43.9	44.0	44.4	44.3	44.5	44.5
Less: Statistical discrepancy .....	-31.0	-72.7	-130.4	-156.3	-150.0	-120.5	-143.2	.....
Plus: Subsidies less current surplus of government enterprises .....	23.5	33.3	37.6	37.3	38.7	47.8	52.2	71.4
<b>Equals: National income</b> .....	<b>7,041.4</b>	<b>7,462.1</b>	<b>7,980.9</b>	<b>8,047.2</b>	<b>8,124.0</b>	<b>8,169.7</b>	<b>8,207.9</b>	.....
Compensation of employees .....	4,989.6	5,310.7	5,715.2	5,759.3	5,868.9	5,955.7	6,010.8	6,043.9
Wage and salary accruals .....	4,192.1	4,477.4	4,837.2	4,875.8	4,973.2	5,049.4	5,099.8	5,129.4
Supplements to wages and salaries .....	797.5	833.4	878.0	883.5	895.7	906.3	911.0	914.5
Proprietors' income with inventory valuation and capital consumption adjustments .....	623.8	672.0	715.0	719.3	725.2	735.2	745.3	752.3
Rental income of persons with capital consumption adjustment .....	138.6	147.7	141.6	138.3	141.7	139.6	139.0	143.6
Corporate profits with inventory valuation and capital consumption adjustments .....	777.4	825.2	876.4	895.0	847.6	789.8	759.8	.....
Net interest .....	511.9	506.5	532.7	535.3	540.6	549.4	553.0	.....
<b>Addendum:</b>								
Gross domestic income .....	8,812.5	9,341.3	10,003.4	10,093.7	10,178.0	10,262.2	10,345.7	.....

**Table 9.—Personal Income and Its Disposition**

[Billions of dollars]

	1998	1999	2000	Seasonally adjusted at annual rates				
				2000		2001		
				III	IV	I	II	III
<b>Personal income</b> <sup>1</sup> .....	<b>7,426.0</b>	<b>7,777.3</b>	<b>8,319.2</b>	<b>8,381.5</b>	<b>8,519.6</b>	<b>8,640.2</b>	<b>8,714.6</b>	<b>8,777.3</b>
Wage and salary disbursements .....	4,192.8	4,472.2	4,837.2	4,875.8	4,973.2	5,049.4	5,099.8	5,129.4
Other labor income .....	490.6	509.7	534.2	537.9	544.9	549.3	552.2	555.3
Proprietors' income with inventory valuation and capital consumption adjustments .....	623.8	672.0	715.0	719.3	725.2	735.2	745.3	752.3
Farm .....	25.6	26.6	30.6	31.6	31.7	29.8	28.7	31.8
Nonfarm .....	598.2	645.4	684.4	687.6	693.5	705.4	716.6	720.5
Rental income of persons with capital consumption adjustment .....	138.6	147.7	141.6	138.3	141.7	139.6	139.0	143.6
Personal dividend income .....	348.3	343.1	379.2	385.8	396.6	404.8	411.9	420.0
Personal interest income .....	964.4	950.0	1,000.6	1,009.2	1,013.1	1,010.9	1,001.0	991.3
Transfer payments to persons .....	983.7	1,019.6	1,069.1	1,074.6	1,089.0	1,123.1	1,139.4	1,160.0
Less: Personal contributions for social insurance .....	316.3	337.1	357.7	359.4	364.1	372.1	374.0	374.6
Less: Personal tax and nontax payments .....	1,070.4	1,159.2	1,288.2	1,300.2	1,329.8	1,345.2	1,351.4	1,197.0
<b>Equals: Disposable personal income</b> .....	<b>6,355.6</b>	<b>6,618.0</b>	<b>7,031.0</b>	<b>7,081.3</b>	<b>7,189.8</b>	<b>7,295.0</b>	<b>7,363.2</b>	<b>7,580.3</b>
Less: Personal outlays .....	6,054.1	6,457.2	6,963.3	7,026.9	7,115.1	7,216.2	7,281.7	7,293.6
<b>Equals: Personal saving</b> .....	<b>301.5</b>	<b>160.9</b>	<b>67.7</b>	<b>54.5</b>	<b>74.7</b>	<b>78.8</b>	<b>81.5</b>	<b>286.7</b>
<b>Addenda:</b>								
Disposable personal income, billions of chained (1996) dollars <sup>2</sup> .....	6,168.6	6,320.0	6,539.2	6,566.5	6,634.9	6,679.0	6,719.2	6,923.9
Personal saving as a percentage of disposable personal income .....	4.7	2.4	1.0	.8	1.0	1.1	1.1	3.8

1. Personal income is also equal to national income less corporate profits with inventory valuation and capital consumption adjustments, net interest, contributions for social insurance, and wage accruals less disbursements, plus personal interest income, personal dividend income, government transfer payments to persons, and business transfer payments to persons.

2. Equals disposable personal income deflated by the implicit price deflator for personal consumption expenditures.

**Appendix Table A.—Real Gross Domestic Product and Related Aggregates and Price Indexes: Percent Change From Preceding Period**  
[Percent]

	1998	1999	2000	Seasonally adjusted at annual rates															
				1997	1998				1999				2000				2001		
				IV	I	II	III	IV	I	II	III	IV	I	II	III	IV	I	II	III
<b>GDP and related aggregates:</b>																			
GDP .....	4.3	4.1	4.1	2.8	6.1	2.2	4.1	6.7	3.1	1.7	4.7	8.3	2.3	5.7	1.3	1.9	1.3	0.3	-0.4
Goods .....	5.9	5.5	5.8	3.1	12.7	-3.1	6.1	13.2	2.1	.9	7.6	15.2	1.8	8.2	2.1	-2.4	-2.6	-3.6	-2.7
Services .....	2.9	3.2	3.3	2.6	1.9	4.8	2.2	2.5	3.2	3.1	4.1	4.2	1.7	5.3	1.1	4.9	2.2	2.7	2.4
Structures .....	5.9	3.4	2.3	2.5	4.7	10.5	7.0	5.7	5.9	-2.5	-3.4	5.3	9.1	-2.1	-2.2	2.2	12.3	2.0	-7.0
Motor vehicle output .....	8.1	12.0	-7	20.9	1.3	-9.9	-5.9	77.2	-4.2	1.5	23.0	5.5	-4.0	-1.4	-12.8	-20.0	-16.9	24.7	5.1
GDP less motor vehicle output .....	12.2	3.8	4.3	2.1	6.3	2.7	4.5	4.7	3.4	1.7	4.0	8.4	2.6	6.0	1.9	2.8	2.0	-.4	-5
Final sales of computers <sup>1</sup> .....	39.3	42.4	52.3	12.4	42.9	36.5	42.9	54.9	20.5	54.8	61.1	33.4	66.8	66.3	39.1	30.0	9.0	-26.5	-11.6
GDP less final sales of computers .....	4.0	3.8	3.7	2.7	5.8	1.9	3.8	6.3	2.9	1.3	4.2	8.1	1.8	5.2	1.0	1.6	1.2	.6	-3
Farm product <sup>2</sup> .....	-3.2	5.7	13.7	-9.2	-19.0	-7.4	11.2	5.5	5.2	18.8	-14.1	19.2	28.3	8.7	17.8	8.5	-10.9	-21.9	3.7
Nonfarm business less housing product <sup>3</sup> .....	5.1	4.7	4.6	3.5	7.9	2.0	4.3	8.4	3.6	1.4	5.3	10.0	2.0	6.6	1.2	1.8	1.4	-.5	-.9
<b>Price indexes:</b>																			
GDP .....	1.2	1.4	2.3	1.4	1.1	1.0	1.4	1.1	1.7	1.4	1.4	1.8	3.8	2.1	1.9	1.8	3.3	2.1	2.1
GDP less food and energy .....	1.4	1.4	2.2	1.5	1.3	1.2	1.5	1.1	1.6	1.4	1.5	1.9	3.4	2.0	1.9	1.6	2.2	1.2	2.6
GDP less final sales of computers .....	1.6	1.8	2.5	1.7	1.5	1.4	1.9	1.4	2.1	1.6	1.6	2.1	4.0	2.4	2.1	1.9	3.8	2.3	2.4
Gross domestic purchases .....	.8	1.5	2.6	1.3	.1	.7	1.1	1.2	1.5	2.0	2.0	2.2	4.2	1.9	2.3	1.7	2.7	1.3	-3
Gross domestic purchases less food and energy .....	1.1	1.4	2.0	1.2	.9	1.1	1.3	1.2	1.6	1.3	1.4	1.7	3.3	1.7	1.7	1.3	2.3	.9	.4
Gross domestic purchases less final sales of computers .....	1.2	1.9	2.9	1.7	.6	1.1	1.6	1.6	1.9	2.3	2.4	2.5	4.5	2.2	2.6	2.0	3.3	1.6	0
Personal consumption expenditures .....	1.1	1.6	2.7	1.3	.6	1.0	1.4	1.4	1.3	2.0	2.2	2.4	4.0	2.1	2.4	2.0	3.2	1.3	-.4
Personal consumption expenditures less food and energy .....	1.5	1.5	1.9	1.2	1.6	1.7	1.6	1.5	1.4	1.2	1.5	1.8	2.9	1.7	1.6	1.5	2.6	.7	.3

1. For some components of final sales of computers, includes computer parts.

2. Farm output less intermediate goods and services purchased.

3. Consists of GDP less gross product of farm, of housing, of households and institutions, and of general govern-

ment.

See "Explanatory Note" at the end of the tables.

## Explanatory Note: Measures of Output and Prices

This note describes the calculation of chain-type quantity and price indexes used in the NIPA's.

Changes in current-dollar GDP measure changes in the market value of goods, services, and structures produced in the economy in a particular period. These changes can be decomposed into quantity and price components. Quantities, or "real" measures, and prices are expressed as index numbers with the reference year--at present, the year 1996--equal to 100.

The annual changes in quantities and prices are calculated using a Fisher formula that incorporates weights from two adjacent years. (Quarterly changes in quantities and prices are calculated using a Fisher formula that incorporates weights from two adjacent quarters; quarterly indexes are adjusted for consistency to the annual indexes before percent changes are calculated.) For example, the 1997-98 annual percent change in real GDP uses prices for 1997 and 1998 as weights, and the 1997-98 annual percent change in GDP prices uses quantities for 1997 and 1998 as weights. These annual changes are "chained" (multiplied) together to form time series of quantity and price indexes. The Fisher formula also produces percent changes in quantities and prices that are not affected by the choice of reference years. In addition, because the changes in quantities and prices calculated in this way are symmetric, in general, the product of a quantity index and the corresponding price index equals the current-dollar index. (BEA also publishes a measure of the price level known as the "implicit price deflator (IPD)," which is calculated as the ratio of current-dollar value to the corresponding chained-dollar value, multiplied by 100. The values of the IPD are very close to the values of the corresponding "chain-type" price index for all periods.)

Chain-type quantity and price indexes for GDP and its major components are presented in this release as index numbers in table 5 and in the form of percentage changes from the preceding period in tables 1, 4, 6A, and 6B. Contributions by major components to changes in real GDP are presented in table 2. BEA also prepares measures of real GDP and its components in a dollar-denominated form, designated "chained (1996) dollar estimates." For GDP and most other series, these estimates, which are presented in table 3, are computed by multiplying the 1996 current-dollar value by a corresponding quantity index number and then dividing by 100. For example, if a current-dollar GDP component equaled \$100 in 1996 and if real output for this component increased 10 percent in 1997, then the chained (1996) dollar value of this component in 1997 would be \$110 ( $\$100 \times 1.10$ ).

For analyses of changes over time in an aggregate or in a component, the percentage changes calculated from the chained-dollar estimates and from the chain-type quantity indexes are the same; any differences will be small and due to rounding. However, because the relative prices used as weights for any period other than the reference year differ from those used for the reference year, the chained-dollar values for the detailed GDP components will not necessarily sum to the chained-dollar estimate of GDP or to any intermediate aggregate. A measure of the extent of such differences is provided by a "residual" line, which indicates the difference between GDP (or another major aggregate) and the sum of the most detailed components in the table. For periods close to the reference year, when there usually has not been much change in the relative prices that are used as weights for the chain-type index, the residuals tend to be small, and the chained (1996) dollar estimates can be used to approximate the contributions to growth and to aggregate the detailed estimates. As one moves further from the reference year, the residual tends to become larger, and the chained-dollar estimates become less useful for analyses of contributions to growth. Thus, the contributions to percent change shown in table 2 provide a better measure of the composition of GDP growth. In particular, for components for which relative prices are changing rapidly, calculation of contributions using chained-dollar estimates may be misleading even just a few years from the reference year.

References: "A Preview of the 1999 Comprehensive Revision of the NIPA's: Statistical Changes," October 1999 Survey, pp. 6-17; "A Guide to the NIPA's," March 1998 Survey, pp. 36-40; "BEA's Chain Indexes, Time Series, and Measures of Long-Term Economic Growth," May 1997 Survey, pp. 58-68.