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Economic Analysis

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**GROSS DOMESTIC PRODUCT: FOURTH QUARTER 2001 (PRELIMINARY)**

Real gross domestic product -- the output of goods and services produced by labor and property located in the United States -- increased at an annual rate of 1.4 percent in the fourth quarter of 2001, according to preliminary estimates released by the Bureau of Economic Analysis. In the third quarter, real GDP decreased 1.3 percent.

The GDP estimates released today are based on more complete source data than were available for the advance estimates issued last month. In the advance estimates, the increase in real GDP was 0.2 percent (see "Revisions" on page 3).

The increase in real GDP in the fourth quarter reflected positive contributions from personal consumption expenditures (PCE) and from government spending that were partly offset by negative contributions from private inventory investment, from nonresidential fixed investment, from exports, and from residential investment. Imports, which are a subtraction in the calculation of GDP, decreased in the fourth quarter.

The upturn in real GDP growth in the fourth quarter reflected accelerations in PCE and in government spending, and a smaller decrease in exports that were partly offset by larger decreases in inventory investment and in nonresidential fixed investment, and a downturn in residential investment. There was also a smaller decrease in imports in the fourth quarter.

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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 price index for gross domestic purchases, which measures prices paid by U.S. residents, increased 0.4 percent in the fourth quarter, the same as in the advance estimate; this index decreased 0.1 percent in the third quarter. Excluding food and energy prices, the price index for gross domestic purchases increased 1.9 percent in the fourth quarter, compared with an increase of 0.6 percent in the third. The fourth-quarter upturn in the price index also reflected an acceleration in PCE services prices associated with the treatment of insurance payments resulting from the September 11<sup>th</sup> terrorist attacks. The increase in benefit payments is treated as a reduction in the average net premiums paid for insurance services. Excluding the insurance-related price effects, the gross domestic purchases price index decreased 0.3 in the fourth, following an increase of 0.6 percent in the third.

Real personal consumption expenditures increased 6.0 percent in the fourth quarter, compared with an increase of 1.0 percent in the third. Real nonresidential fixed investment decreased 13.1 percent, compared with a decrease of 8.5 percent. Nonresidential structures decreased 32.6 percent, compared with a decrease of 7.5 percent. Equipment and software decreased 4.8 percent, compared with a decrease of 8.8 percent. Real residential fixed investment decreased 5.0 percent, in contrast to an increase of 2.4 percent.

Real exports of goods and services decreased 12.2 percent in the fourth quarter, compared with a decrease of 18.8 percent in the third. Real imports of goods and services decreased 6.9 percent, compared with a decrease of 13.0 percent.

Real federal government consumption expenditures and gross investment increased 11.6 percent in the fourth quarter, compared with an increase of 3.6 percent in the third. National defense increased 9.4 percent, compared with an increase of 3.2 percent. Nondefense increased 15.7 percent, compared with an increase of 4.2 percent. Real state and local government consumption expenditures and gross investment increased 9.4 percent, in contrast to a decrease of 1.3 percent.

The real change in private inventories subtracted 2.19 percentage points from the fourth-quarter change in real GDP, after subtracting 0.81 percentage point from the third-quarter change. Private businesses reduced inventories \$120.0 billion in the fourth quarter, following decreases of \$61.9 billion in the third quarter and \$38.3 billion in the second.

Real final sales of domestic product -- GDP less change in private inventories -- increased 3.6 percent in the fourth quarter, in contrast to a decrease of 0.5 percent in the third.

### **Gross domestic purchases**

Real gross domestic purchases -- purchases by U.S. residents of goods and services wherever produced -- increased 1.7 percent in the fourth quarter, in contrast to a decrease of 1.0 percent in the third.

### **Current-dollar GDP**

Current-dollar GDP -- the market value of the nation's output of goods and services -- increased 1.1 percent, or \$28.3 billion, in the fourth quarter to a level of \$10,253.2 billion. In the third quarter, current-dollar GDP increased 0.9 percent, or \$22.3 billion.

## **Revisions**

The preliminary estimate of the fourth-quarter increase in real GDP is 1.2 percentage points, or \$27.1 billion, higher than the advance estimate issued last month. The upward revision to the change in real GDP primarily reflected a downward revision to imports of goods and an upward revision to personal consumption expenditures for nondurable goods (see the Technical Note).

	<u>Advance</u>	<u>Preliminary</u>
	(Percent change from preceding quarter)	
Real GDP.....	0.2	1.4
Current-dollar GDP.....	- .1	1.1
Gross domestic purchases price index.....	.4	.4

## **2001 GDP (Revised)**

Real GDP increased 1.2 percent in 2001 (that is, from the 2000 annual level to the 2001 annual level), compared with an increase of 4.1 percent in 2000.

The major contributors to the increase in real GDP in 2001 were personal consumption expenditures (PCE) and government spending. The contributions of these components were partly offset by negative contributions of private inventory investment, exports, and private fixed investment. Imports, which are a subtraction in the calculation of GDP, decreased in 2001.

The deceleration in real GDP in 2001 primarily reflected downturns in private fixed investment and in exports, a deceleration in PCE, and a larger decrease in private inventory investment. There was also a downturn in imports in 2001.

The price index for gross domestic purchases increased 1.7 percent in 2001, compared with an increase of 2.6 percent in 2000.

Current-dollar GDP increased 3.4 percent, or \$332.7 billion, in 2001. Current-dollar GDP increased 6.5 percent, or \$604.3 billion, in 2000.

During 2001 (that is, measured from the fourth quarter of 2000 to the fourth quarter of 2001), real GDP increased 0.4 percent. Real GDP increased 2.8 percent during 2000. The price index for gross domestic purchases increased 1.1 percent during 2001, compared with an increase of 2.5 percent during 2000.

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Next release -- March 28, 2002, at 8:30 A.M. EST for:  
Gross Domestic Product: Fourth Quarter 2001 (Final)  
Corporate Profits: Fourth Quarter 2001

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

	1999	2000	2001 <sup>r</sup>	Seasonally adjusted at annual rates															
				1998				1999				2000				2001			
				I	II	III	IV	I	II	III	IV	I	II	III	IV	I	II	III	IV <sup>r</sup>
<b>Gross domestic product (GDP)</b> .....	<b>4.1</b>	<b>4.1</b>	<b>1.2</b>	<b>6.1</b>	<b>2.2</b>	<b>4.1</b>	<b>6.7</b>	<b>3.1</b>	<b>1.7</b>	<b>4.7</b>	<b>8.3</b>	<b>2.3</b>	<b>5.7</b>	<b>1.3</b>	<b>1.9</b>	<b>1.3</b>	<b>0.3</b>	<b>-1.3</b>	<b>1.4</b>
<b>Personal consumption expenditures</b> .....	<b>5.0</b>	<b>4.8</b>	<b>3.1</b>	<b>5.1</b>	<b>6.2</b>	<b>3.8</b>	<b>5.1</b>	<b>4.9</b>	<b>5.7</b>	<b>4.4</b>	<b>5.7</b>	<b>5.9</b>	<b>3.6</b>	<b>4.3</b>	<b>3.1</b>	<b>3.0</b>	<b>2.5</b>	<b>1.0</b>	<b>6.0</b>
Durable goods .....	12.5	9.5	6.7	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	.9	39.2
Nondurable goods .....	4.7	4.7	1.8	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	2.4
Services .....	3.7	4.0	3.0	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	1.2	1.8
<b>Gross private domestic investment</b> .....	<b>6.6</b>	<b>6.8</b>	<b>-8.0</b>	<b>32.5</b>	<b>-6.7</b>	<b>11.8</b>	<b>14.1</b>	<b>7.6</b>	<b>-5.8</b>	<b>9.8</b>	<b>17.9</b>	<b>-6</b>	<b>19.5</b>	<b>-2.8</b>	<b>-2.3</b>	<b>-12.3</b>	<b>-12.1</b>	<b>-10.5</b>	<b>-23.3</b>
Fixed investment .....	7.8	7.6	-1.9	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	-5.7	-11.0
Nonresidential .....	8.2	9.9	-3.1	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	-8.5	-13.1
Structures .....	-2.0	6.2	1.0	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	-7.5	-32.6
Equipment and software .....	11.8	11.1	-4.4	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	-8.8	-4.8
Residential .....	6.7	.8	1.5	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	2.4	-5.0
Change in private inventories .....																			
<b>Net exports of goods and services</b> .....																			
Exports .....	3.2	9.5	-4.6	.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	-18.8	-12.2
Goods .....	3.9	11.3	-5.7	-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	-19.4	-10.1
Services .....	1.6	5.3	-2.1	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	-17.2	-16.8
Imports .....	10.5	13.4	-2.7	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	-13.0	-6.9
Goods .....	12.4	13.5	-2.8	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	-10.0	-3.4
Services .....	1.1	12.6	-2.4	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	-29.1	-26.3
<b>Government consumption expenditures and gross investment</b> .....	<b>3.3</b>	<b>2.7</b>	<b>3.6</b>	<b>-2.5</b>	<b>7.5</b>	<b>2.0</b>	<b>4.1</b>	<b>2.0</b>	<b>1.2</b>	<b>4.4</b>	<b>8.5</b>	<b>-1.1</b>	<b>4.4</b>	<b>-1.8</b>	<b>3.3</b>	<b>5.3</b>	<b>5.0</b>	<b>.3</b>	<b>10.1</b>
Federal .....	2.2	1.7	2.7	-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	3.6	11.6
National defense .....	2.1	.1	4.7	-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	3.2	9.4
Nondefense .....	2.3	4.6	-9	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	4.2	15.7
State and local .....	3.9	3.2	4.0	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	-1.3	9.4
<b>Addenda:</b>																			
Final sales of domestic product .....	4.3	4.3	2.3	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	-5	3.6
Gross domestic purchases .....	5.0	4.8	1.3	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	-1.0	1.7
Final sales to domestic purchasers .....	5.2	4.9	2.3	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	-3	3.9	
Gross national product (GNP) .....	4.0	4.1		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	-1.3	
Disposable personal income .....	2.5	3.5	3.6	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	12.3	-7.9
<b>Current-dollar measures:</b>																			
GDP .....	5.5	6.5	3.4	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	.9	1.1
Final sales of domestic product .....	5.8	6.7	4.5	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	1.7	3.4
Gross domestic purchases .....	6.6	7.5	2.9	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	-1.2	2.0
Final sales to domestic purchasers .....	6.8	7.7	4.0	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	-4	4.2
GNP .....	5.5	6.5		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	.9	
Disposable personal income .....	4.1	6.2	5.5	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	12.1	-7.2

<sup>r</sup> revised  
See "Explanatory Note" at the end of the tables.

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

	1999	2000	2001 <sup>r</sup>	Seasonally adjusted at annual rates															
				1998				1999				2000				2001			
				I	II	III	IV	I	II	III	IV	I	II	III	IV	I	II	III	IV <sup>r</sup>
<b>Percent change at annual rate:</b>																			
<b>Gross domestic product</b> .....	<b>4.1</b>	<b>4.1</b>	<b>1.2</b>	<b>6.1</b>	<b>2.2</b>	<b>4.1</b>	<b>6.7</b>	<b>3.1</b>	<b>1.7</b>	<b>4.7</b>	<b>8.3</b>	<b>2.3</b>	<b>5.7</b>	<b>1.3</b>	<b>1.9</b>	<b>1.3</b>	<b>0.3</b>	<b>-1.3</b>	<b>1.4</b>
<b>Percentage points at annual rates:</b>																			
<b>Personal consumption expenditures</b> .....	<b>3.35</b>	<b>3.28</b>	<b>2.09</b>	<b>3.39</b>	<b>3.99</b>	<b>2.56</b>	<b>3.42</b>	<b>3.22</b>	<b>3.77</b>	<b>2.98</b>	<b>3.96</b>	<b>3.94</b>	<b>2.50</b>	<b>2.88</b>	<b>2.14</b>	<b>2.05</b>	<b>1.72</b>	<b>.67</b>	<b>4.06</b>
Durable goods .....	.97	.77	.54	.53	1.21	.33	1.74	.56	1.19	.72	1.09	1.46	-.21	.65	-.17	.83	.56	.07	2.83
Nondurable goods .....	.93	.94	.36	1.08	1.13	.62	1.03	1.07	.83	.53	1.51	1.01	.95	.84	.12	.49	.06	.12	.48
Services .....	1.45	1.57	1.19	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	.48	.75
<b>Gross private domestic investment</b> .....	<b>1.14</b>	<b>1.19</b>	<b>-1.41</b>	<b>4.99</b>	<b>-1.18</b>	<b>1.98</b>	<b>2.38</b>	<b>1.28</b>	<b>-1.06</b>	<b>1.66</b>	<b>2.99</b>	<b>-0.8</b>	<b>3.25</b>	<b>-5.1</b>	<b>-4.2</b>	<b>-2.28</b>	<b>-2.16</b>	<b>-1.79</b>	<b>-4.07</b>
Fixed investment .....	1.29	1.28	-.33	2.85	1.84	.64	2.10	1.16	1.06	1.22	.84	2.24	1.49	.44	.09	.33	-1.74	-.97	-1.88
Nonresidential .....	1.01	1.25	-.39	2.45	1.49	.20	1.71	.73	.94	1.25	.76	1.88	1.52	.91	.13	-.02	-1.99	-1.08	-1.66
Structures .....	-.07	.19	.03	.15	.45	-.09	.11	-.21	-.14	-.22	.13	.26	.35	.45	.24	.39	-.44	-.26	-1.23
Equipment and software .....	1.08	1.06	-.42	2.29	1.04	.29	1.61	.94	1.07	1.47	.63	1.63	1.17	.46	-.11	-.41	-1.55	-.82	-.43
Residential .....	.28	.04	.06	.40	.36	.44	.39	.42	1.13	-.03	.08	.36	-.03	-.47	-.05	.35	.25	.10	-.23
Change in private inventories .....	-.15	-.09	-1.08	2.14	-3.02	1.34	.28	.12	-2.12	.44	2.15	-2.32	1.76	-.95	-.50	-2.61	-.42	-.81	-2.19
<b>Net exports of goods and services</b> .....	<b>-.98</b>	<b>-.79</b>	<b>-1.13</b>	<b>-1.85</b>	<b>-1.83</b>	<b>-.78</b>	<b>.17</b>	<b>-1.79</b>	<b>-1.18</b>	<b>-.76</b>	<b>-.15</b>	<b>-1.32</b>	<b>-.84</b>	<b>-.70</b>	<b>-.39</b>	<b>.63</b>	<b>-.12</b>	<b>-.27</b>	<b>-.35</b>
Exports .....	.35	1.01	-.50	.07	-.46	-.24	1.66	-.77	.43	.99	1.27	.95	1.42	1.13	-.46	-.13	-1.37	-2.13	-1.27
Goods .....	.30	.85	-.44	-.02	-.72	.04	1.33	-.64	.32	.93	1.08	.64	1.11	1.36	-.58	-.19	-1.45	-1.55	-.73
Services .....	.05	.17	-.07	.09	.25	-.08	.32	-.13	.11	.06	.19	.31	.31	-.22	.12	.06	.08	-.58	-.54
Imports .....	-1.33	-1.81	.37	-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	1.86	.92
Goods .....	-1.31	-1.54	.33	-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	1.20	.38
Services .....	-.02	-.26	.04	-.41	-.14	-.15	0	.18	-.04	-.16	-.23	-.41	-.26	-.36	0	-.11	.05	.66	.54
<b>Government consumption expenditures and gross investment</b> .....	<b>.58</b>	<b>.47</b>	<b>.63</b>	<b>-.43</b>	<b>1.27</b>	<b>.35</b>	<b>.73</b>	<b>.35</b>	<b>.21</b>	<b>.77</b>	<b>1.50</b>	<b>-.20</b>	<b>.78</b>	<b>-.32</b>	<b>.58</b>	<b>.92</b>	<b>.87</b>	<b>.05</b>	<b>1.75</b>
Federal .....	.13	.10	.16	-.64	.71	-.24	.32	-.23	.05	.43	.85	-.84	.90	-.66	.27	.19	.11	.21	.67
National defense .....	.08	0	.18	-.79	.47	.21	-.03	-.14	-.14	.48	.55	-.87	.56	-.42	.38	.28	.09	.12	.35
Nondefense .....	.05	.10	-.02	.15	.24	-.45	.35	-.09	.19	-.05	.30	.03	.34	-.24	-.11	-.09	.02	.09	.31
State and local .....	.44	.37	.47	.21	.56	.60	.40	.58	.16	.34	.65	.64	-.12	.34	.31	.76	-.16	1.08	

<sup>r</sup> revised  
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								
	2001 <sup>r</sup>	Seasonally adjusted at annual rates					2001 <sup>r</sup>	Seasonally adjusted at annual rates					Change from preceding period		
		2000	2001					2000	2001				2001 <sup>r</sup>	2001	
			IV	I	II	III			IV <sup>r</sup>	IV	I	II		III	IV <sup>r</sup>
Gross domestic product (GDP) .....	10,205.6	10,027.9	10,141.7	10,202.6	10,224.9	10,253.2	9,332.3	9,303.9	9,334.5	9,341.7	9,310.4	9,342.7	108.3	-31.3	32.3
Personal consumption expenditures .....	7,063.5	6,871.4	6,977.6	7,044.6	7,057.6	7,174.0	6,449.8	6,341.1	6,388.5	6,428.4	6,443.9	6,538.5	192.0	15.5	94.6
Durable goods .....	858.2	818.7	838.1	844.7	840.6	909.5	955.5	899.4	922.4	938.1	940.2	1,021.3	60.0	2.1	81.1
Motor vehicles and parts .....	375.1	343.2	358.6	362.3	360.3	419.4	375.0	343.9	357.0	361.9	361.5	419.5	26.7	-4	58.0
Furniture and household equipment .....	310.3	307.4	308.4	310.0	308.3	314.7	403.2	383.8	391.0	400.5	403.7	417.6	26.2	3.2	13.9
Other .....	172.8	168.0	171.1	172.5	172.1	175.4	179.9	175.4	177.5	179.5	179.3	183.4	7.1	-2	4.1
Nondurable goods .....	2,055.0	2,025.1	2,047.1	2,062.3	2,057.5	2,053.1	1,883.2	1,866.8	1,878.0	1,879.4	1,882.0	1,893.3	33.3	2.6	11.3
Food .....	991.6	971.4	982.0	987.0	993.5	1,003.8	886.2	886.4	887.3	886.1	883.8	887.6	4.9	-2.3	3.8
Clothing and shoes .....	322.1	323.5	325.7	322.4	318.5	321.9	345.1	339.9	342.7	344.1	344.7	349.1	9.8	.6	4.4
Gasoline, fuel oil, and other energy goods ....	179.4	189.4	188.9	194.0	179.7	155.0	151.8	150.9	152.6	150.1	152.6	151.9	1.5	2.5	-7
Gasoline and oil .....	162.7	170.1	169.5	177.3	163.4	140.5	139.1	137.2	138.9	137.7	140.1	139.8	2.5	2.4	-3
Fuel oil and coal .....	16.7	19.3	19.4	16.7	16.3	14.5	12.8	13.8	13.8	12.6	12.7	12.3	-1.0	.1	-4
Other .....	561.9	540.8	550.5	559.0	565.8	572.4	502.2	491.4	497.3	501.4	503.0	507.2	17.7	1.6	4.2
Services .....	4,150.2	4,027.5	4,092.4	4,137.6	4,159.4	4,211.4	3,633.1	3,588.8	3,605.1	3,629.8	3,640.4	3,657.1	105.4	10.6	16.7
Housing .....	1,015.9	978.0	992.8	1,008.2	1,022.9	1,039.6	867.0	856.6	861.3	864.9	868.4	873.2	16.9	3.5	4.8
Household operation .....	412.1	408.1	420.1	414.5	412.2	401.5	387.1	393.4	392.3	387.0	388.0	381.0	9.5	1.0	-7.0
Electricity and gas .....	154.8	156.9	164.4	157.9	154.3	142.8	134.6	144.4	140.1	135.0	134.0	129.4	-1.8	-1.0	-4.6
Other household operation .....	257.3	251.3	255.7	256.7	257.9	258.7	253.1	248.7	252.3	252.7	254.7	252.6	12.1	2.0	-2.1
Transportation .....	278.3	278.8	280.5	279.8	277.5	275.5	252.6	253.8	254.4	254.2	252.0	249.7	1.3	-2.2	-2.3
Medical care .....	1,061.4	1,020.0	1,039.8	1,054.6	1,065.4	1,085.9	935.6	915.0	921.6	932.1	940.2	948.4	31.7	8.1	8.2
Recreation .....	270.9	260.9	267.3	271.0	270.9	274.4	232.3	228.5	232.2	232.8	231.2	232.9	5.3	-1.6	1.7
Other .....	1,111.6	1,081.7	1,092.0	1,109.3	1,110.6	1,134.5	957.5	941.3	942.8	957.7	959.7	969.9	40.4	2.0	10.2
Gross private domestic investment .....	1,634.0	1,780.3	1,722.8	1,669.9	1,624.8	1,518.6	1,631.1	1,778.3	1,721.0	1,666.2	1,620.5	1,516.6	-141.8	-45.7	-103.9
Fixed investment .....	1,692.7	1,741.6	1,748.3	1,706.5	1,682.6	1,633.3	1,683.0	1,732.1	1,740.3	1,696.4	1,671.6	1,623.8	-33.2	-24.8	-47.8
Nonresidential .....	1,246.6	1,318.2	1,311.2	1,260.2	1,231.0	1,183.8	1,308.6	1,374.5	1,373.9	1,320.9	1,292.0	1,247.5	-42.1	-28.9	-44.5
Structures .....	330.5	330.9	345.8	338.6	334.3	303.5	275.4	283.3	291.7	282.3	276.8	250.8	2.6	-5.5	-26.0
Nonresidential buildings, including farm	224.6	235.1	241.3	230.4	218.6	208.1	186.3	199.1	202.0	191.6	180.8	170.8	-8.6	-10.8	-10.0
Utilities .....	57.1	57.5	60.5	59.4	54.3	54.3	52.7	53.5	56.1	55.0	49.9	49.9	4.2	-5.1	0
Mining exploration, shafts, and wells ....	38.7	30.5	36.9	42.0	42.0	33.8	28.4	24.8	28.3	30.4	30.0	25.0	4.9	-4	-5.0
Other structures .....	10.1	7.8	7.1	6.7	19.4	7.2	8.9	7.0	6.3	5.9	17.0	6.2	2.2	11.1	-10.8
Equipment and software .....	916.1	987.3	965.4	921.7	896.8	880.4	1,039.3	1,099.3	1,087.7	1,043.2	1,019.4	1,006.9	-48.1	-23.8	-12.5
Information processing equipment and	427.3	486.5	460.4	431.1	412.9	404.9	587.3	641.8	620.9	588.1	572.1	568.1	-22.2	-16.0	-4.0
software .....	87.7	114.0	102.9	89.6	78.5	79.7	288.2	317.6	314.4	287.3	265.7	285.3	-2.1	-21.6	19.6
Computers and peripheral equipment .....	189.2	193.3	190.5	189.0	189.8	187.6	192.0	196.0	192.9	191.1	193.1	190.9	4.4	2.0	-2.2
Software .....	150.4	179.3	167.1	152.5	144.6	137.6	164.0	193.2	180.8	165.9	158.1	151.2	-22.5	-7.8	-6.9
Other .....	162.1	170.1	175.8	166.4	156.0	150.3	157.3	165.6	170.7	161.2	151.3	146.0	-5.3	-9.9	-5.3
Industrial equipment .....	178.1	180.1	179.0	175.7	177.7	179.9	175.6	176.2	177.4	174.4	174.0	176.5	-17.1	-4	2.5
Transportation equipment .....	148.6	150.5	150.3	148.5	150.2	145.3	141.0	144.4	143.3	141.1	142.3	137.4	-3.8	1.2	-4.9
Other .....	446.1	423.4	437.0	446.2	451.6	449.5	376.8	365.3	372.9	378.3	380.5	375.7	5.4	2.2	-4.8
<b>Residential</b> .....	<b>436.5</b>	<b>413.9</b>	<b>427.5</b>	<b>436.7</b>	<b>442.1</b>	<b>439.9</b>	<b>367.2</b>	<b>355.8</b>	<b>363.3</b>	<b>368.6</b>	<b>370.9</b>	<b>366.0</b>	<b>5.4</b>	<b>2.3</b>	<b>-4.9</b>
Structures .....	229.6	216.4	226.5	229.6	231.6	230.7	191.9	185.0	191.1	192.8	193.3	190.2	1.0	.5	-3.1
Single family .....	31.3	27.9	29.6	31.0	31.7	32.8	24.3	22.2	23.3	24.2	24.7	25.1	1.6	.5	.4
Multifamily .....	175.7	169.7	171.4	176.1	178.7	176.5	151.0	148.7	149.0	151.6	152.9	150.6	2.6	1.3	-2.3
Other .....	9.6	9.5	9.5	9.6	9.5	9.6	9.7	9.6	9.7	9.7	9.7	9.8	.1	0	.1
Equipment .....	-58.6	38.7	-25.5	-36.6	-57.8	-114.7	-61.8	42.8	-27.1	-38.3	-61.9	-120.0	-112.4	-23.6	-58.1
Change in private inventories .....	-1.6	.9	.7	-1.2	-1.9	-4.2	-2.6	3.0	.2	-2.5	-2.9	-5.3	-6	-4	-2.4
Farm .....	3.4	-9.0	2.6	8.0	2.5	.5	2.9	-6.8	1.9	6.8	2.4	.5	4.7	-4.4	-1.9
Construction, mining, and utilities .....	-32.0	12.0	-13.6	-33.4	-42.5	-38.4	-34.8	12.9	-15.0	-35.6	-47.0	-41.6	-47.9	-11.4	5.4
Manufacturing .....	-12.4	12.3	-3.3	2.2	-17.8	-30.7	-12.9	12.5	-3.0	2.6	-18.9	-32.3	-34.1	-21.5	-13.4
Wholesale trade .....	-17.4	19.6	-15.6	-13.4	1.3	-42.1	-17.1	19.3	-15.3	-13.2	1.2	-41.2	-32.0	14.4	-42.4
Retail trade .....	1.4	2.8	3.6	1.2	.6	.2	1.4	2.8	3.6	1.2	.5	.2	-4.1	-7	-3
Other industries .....	-331.2	-390.6	-363.8	-347.4	-294.4	-319.3	-410.2	-421.1	-404.5	-406.7	-411.0	-418.5	-11.1	-4.3	-7.5
Net exports of goods and services .....	1,049.4	1,121.0	1,117.4	1,079.6	1,020.6	980.2	1,080.8	1,147.5	1,144.1	1,108.3	1,052.2	1,018.6	-52.4	-56.1	-33.6
Exports .....	736.3	799.7	794.2	754.4	710.7	686.0	788.8	849.5	844.4	805.2	762.9	742.8	-47.3	-42.3	-20.1
Goods .....	48.6	47.4	49.3	48.1	47.8	49.5	61.4	59.8	62.1	61.1	59.4	62.7	1.4	-1.7	3.3
Foods, feeds, and beverages .....	155.8	170.9	166.0	157.8	151.8	147.7	163.1	172.1	168.7	162.7	160.2	160.6	-5.1	-2.5	.4
Industrial supplies and materials .....	323.6	365.9	367.3	332.8	305.0	289.3	358.0	404.3	405.2	367.3	338.2	321.2	-36.9	-29.1	-17.0
Capital goods, except automotive .....	74.6	77.2	71.8	76.3	77.4	73.1	72.6	75.4	70.0	74.2	75.2	71.1	-5.7	1.0	-4.1
Automotive vehicles, engines, and parts ...	89.8	90.7	94.0	93.6	86.0	85.6	89.4	90.1	93.5	93.3	85.6	85.0	-4	-7.7	-6
Consumer goods, except automotive .....	43.8	47.6	45.8	45.8	42.8	40.9	45.3	49.0	47.1	47.0	44.2	42.8	-6	-2.8	-1.4
Other .....	313.1	321.3	323.2	325.2	309.8	294.2	292.9	300.5	301.8	303.6	289.6	276.6	-6.4	-14.0	-13.0
Services .....	1,380.7	1,511.6	1,481.2	1,427.0	1,315.0	1,299.5	1,491.0	1,568.5	1,548.6	1,515.0	1,41				

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

	Billions of current dollars						Billions of chained (1996) dollars										
	2001 <sup>r</sup>	Seasonally adjusted at annual rates					2001 <sup>r</sup>	Seasonally adjusted at annual rates					Change from preceding period				
		2000	2001					2000	2001					2001 <sup>r</sup>	2001		
			IV	I	II	III			IV <sup>r</sup>	IV	I	II	III		IV <sup>r</sup>	III	IV <sup>r</sup>
<b>Government consumption expenditures and gross investment .....</b>	<b>1,839.3</b>	<b>1,766.8</b>	<b>1,805.2</b>	<b>1,835.4</b>	<b>1,836.9</b>	<b>1,879.9</b>	<b>1,628.6</b>	<b>1,582.8</b>	<b>1,603.4</b>	<b>1,623.0</b>	<b>1,624.1</b>	<b>1,663.7</b>	<b>56.0</b>	<b>1.1</b>	<b>39.6</b>		
<b>Federal .....</b>	<b>615.7</b>	<b>594.2</b>	<b>605.3</b>	<b>609.9</b>	<b>615.7</b>	<b>631.9</b>	<b>560.4</b>	<b>547.9</b>	<b>552.2</b>	<b>554.7</b>	<b>559.6</b>	<b>575.1</b>	<b>14.5</b>	<b>4.9</b>	<b>15.5</b>		
National defense .....	399.1	382.4	392.9	396.1	399.6	407.8	365.4	353.8	360.3	362.4	365.3	373.5	16.4	2.9	8.2		
Consumption expenditures .....	342.3	325.3	338.3	339.5	343.1	348.3	307.2	296.0	304.4	304.6	307.5	312.4	12.7	2.9	4.9		
Gross investment .....	56.8	57.1	54.6	56.7	56.5	59.6	58.6	58.4	56.1	58.2	58.1	61.8	3.9	-1	3.7		
Nondefense .....	216.6	211.8	212.4	213.8	216.1	224.1	195.0	194.0	191.8	192.3	194.3	201.5	-1.7	2.0	7.2		
Consumption expenditures .....	171.8	168.8	169.2	170.6	170.6	176.8	151.2	151.8	149.5	150.0	149.8	155.3	-3.0	-2	5.5		
Gross investment .....	44.8	43.0	43.2	43.2	45.5	47.2	44.4	42.6	42.9	42.8	45.2	46.9	1.5	2.4	1.7		
<b>State and local .....</b>	<b>1,223.6</b>	<b>1,172.6</b>	<b>1,199.8</b>	<b>1,225.5</b>	<b>1,221.2</b>	<b>1,248.0</b>	<b>1,067.4</b>	<b>1,034.3</b>	<b>1,050.5</b>	<b>1,067.4</b>	<b>1,063.8</b>	<b>1,088.0</b>	<b>41.1</b>	<b>-3.6</b>	<b>24.2</b>		
Consumption expenditures .....	984.2	950.0	966.7	981.3	991.2	997.7	851.3	830.5	839.1	846.9	855.9	863.3	29.9	9.0	7.4		
Gross investment .....	239.4	222.7	233.1	244.2	230.0	250.3	216.4	203.9	211.6	221.0	207.9	225.1	11.4	-13.1	17.2		
<b>Residual .....</b>	<b>.....</b>	<b>.....</b>	<b>.....</b>	<b>.....</b>	<b>.....</b>	<b>.....</b>	<b>-76.0</b>	<b>-96.6</b>	<b>-89.0</b>	<b>-75.6</b>	<b>-57.8</b>	<b>-80.4</b>	<b>5.5</b>	<b>17.8</b>	<b>-22.6</b>		
<b>Addenda:</b>																	
Final sales of domestic product .....	10,264.2	9,989.2	10,167.2	10,239.1	10,282.7	10,367.9	9,375.2	9,256.7	9,347.8	9,364.8	9,352.5	9,435.6	208.2	-12.3	83.1		
Gross domestic purchases .....	10,536.8	10,418.5	10,505.6	10,549.9	10,519.3	10,572.6	9,715.5	9,694.4	9,710.4	9,720.4	9,695.1	9,736.0	120.8	-25.3	40.9		
Final sales to domestic purchasers .....	10,595.5	10,379.8	10,531.0	10,586.5	10,577.1	10,687.3	9,758.8	9,647.1	9,723.8	9,743.7	9,737.5	9,829.9	221.1	-6.2	92.4		
<b>Gross domestic product .....</b>	<b>10,205.6</b>	<b>10,027.9</b>	<b>10,141.7</b>	<b>10,202.6</b>	<b>10,224.9</b>	<b>10,253.2</b>	<b>9,332.3</b>	<b>9,303.9</b>	<b>9,334.5</b>	<b>9,341.7</b>	<b>9,310.4</b>	<b>9,342.7</b>	<b>108.3</b>	<b>-31.3</b>	<b>32.3</b>		
Plus: Income receipts from the rest of the world .....		402.1	378.9	346.9	321.3			374.3	350.3	319.6	296.2			-23.4			
Less: Income payments to the rest of the world .....		397.9	389.4	358.6	332.4			365.8	355.2	325.7	301.8			-23.9			
<b>Equals: Gross national product .....</b>	<b>.....</b>	<b>10,032.1</b>	<b>10,131.3</b>	<b>10,190.9</b>	<b>10,213.8</b>	<b>.....</b>	<b>.....</b>	<b>9,311.7</b>	<b>9,329.1</b>	<b>9,335.5</b>	<b>9,304.9</b>	<b>.....</b>	<b>.....</b>	<b>-30.6</b>	<b>.....</b>		
Net domestic product .....	8,854.3	8,751.1	8,841.9	8,861.1	8,818.2	8,896.3	7,981.6	8,031.2	8,030.6	8,001.5	7,922.5	7,971.9	-8.4	-79.0	49.4		

<sup>r</sup> revised

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]

	1999	2000	2001 <sup>r</sup>	Seasonally adjusted at annual rates															
				1998				1999				2000				2001			
				I	II	III	IV	I	II	III	IV	I	II	III	IV	I	II	III	IV <sup>r</sup>
Gross domestic product (GDP) .....	1.4	2.3	2.2	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	2.3	-0.2
Personal consumption expenditures .....	1.6	2.7	1.9	.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	-2	.7
Durable goods .....	-2.5	-1.6	-1.8	-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	-1.6
Nondurable goods .....	2.3	3.7	1.5	-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	-1.5	-3.2
Services .....	2.2	3.1	2.8	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	.9	3.2
Gross private domestic investment .....	-2	1.1	.5	-2.5	-1.1	-6	-3	.2	.1	-3	.5	2.7	.7	1.8	.7	0	.4	.2	-3
Fixed investment .....	-1	1.2	.5	-2.1	-1.2	-6	-3	.3	.1	-2	.5	2.8	.8	1.9	.8	-4	.6	.3	-3
Nonresidential .....	-1.4	.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	-.5	-1.6
Structures .....	2.5	4.1	4.5	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	2.7	.8
Equipment and software .....	-2.6	-1.1	-2.2	-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	-1.7	-2.4
Residential .....	3.8	4.5	3.4	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	2.5	3.3
Change in private inventories .....																			
Net exports of goods and services .....																			
Exports .....	-6	1.8	-3	-3.9	-2.0	-3.0	-1.4	-.9	.5	1.1	2.1	2.4	2.2	1.3	.5	-1	-1.0	-1.7	-3.1
Goods .....	-1.4	1.1	-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	-3.5
Services .....	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	-.5	-2.4
Imports .....	.6	4.3	-3.3	-10.6	-4.2	-4.7	-.2	-2.3	5.4	6.0	5.3	6.1	.7	4.4	.4	-3.0	-6.0	-17.1	2.5
Goods .....	.2	4.8	-3.1	-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	-7.1	-11.1
Services .....	2.7	1.7	-4.5	-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	-57.9	147.1
Government consumption expenditures and gross investment .....	2.8	3.9	2.0	.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	-4
Federal .....	2.4	2.9	1.6	.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	-.5
National defense .....	2.3	2.8	1.6	.9	.2	1.5	.9	5.4	1.4	1.9	2.1	6.9	.4	2.2	1.0	3.6	1.0	.3	-.9
Nondefense .....	2.5	3.0	1.7	0	2.8	1.1	2.5	4.1	2.1	2.3	1.0	9.2	.6	.6	-.7	5.8	1.7	0	0
State and local .....	2.9	4.4	2.2	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	-3
Addenda:																			
Final sales of domestic product .....	1.4	2.3	2.2	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	-.2
Gross domestic purchases .....	1.5	2.6	1.7	.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	-.1	.4
Final sales to domestic purchasers .....	1.5	2.6	1.7	.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	-.1	.4
Gross national product (GNP) .....	1.4	2.3		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	2.3	
Implicit price deflators:																			
GDP .....	1.4	2.3	2.2	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	2.2	-.3
Gross domestic purchases .....	1.5	2.6	1.7	.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	-.1	.3
GNP .....	1.4	2.3		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	2.2	

<sup>r</sup> revised

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

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

[Index numbers, 1996=100]

	1999	2000	2001 <sup>r</sup>	Seasonally adjusted				
				2000	2001			
					IV	I	II	III
<b>Gross domestic product:</b>								
Chain-type quantity index .....	113.35	118.06	119.44	119.08	119.47	119.56	119.16	119.58
Chain-type price index .....	104.66	107.04	109.36	107.78	108.65	109.22	109.83	109.76
Implicit price deflator .....	104.65	107.04	109.36	107.78	108.65	109.21	109.82	109.75
<b>Personal consumption expenditures:</b>								
Chain-type quantity index .....	113.96	119.48	123.15	121.07	121.98	122.74	123.03	124.84
Chain-type price index .....	104.72	107.52	109.52	108.37	109.23	109.59	109.53	109.73
<b>Durable goods:</b>								
Chain-type quantity index .....	132.66	145.27	155.00	145.90	149.63	152.17	152.51	165.67
Chain-type price index .....	93.04	91.53	89.84	91.03	90.86	90.05	89.41	89.05
<b>Nondurable goods:</b>								
Chain-type quantity index .....	112.22	117.52	119.64	118.60	119.31	119.40	119.56	120.28
Chain-type price index .....	103.67	107.55	109.13	108.49	109.01	109.74	109.33	108.45
<b>Services:</b>								
Chain-type quantity index .....	111.36	115.78	119.24	117.78	118.32	119.13	119.48	120.02
Chain-type price index .....	107.80	111.10	114.24	112.24	113.53	114.00	114.27	115.17
<b>Private fixed investment:</b>								
Chain-type quantity index .....	131.56	141.52	138.78	142.83	143.51	139.89	137.84	133.90
Chain-type price index .....	98.92	100.11	100.58	100.55	100.46	100.60	100.67	100.59
<b>Nonresidential:</b>								
Chain-type quantity index .....	136.60	150.17	145.49	152.81	152.75	146.86	143.65	138.70
Chain-type price index .....	95.61	95.74	95.26	95.91	95.44	95.41	95.29	94.90
<b>Residential:</b>								
Chain-type quantity index .....	117.56	118.55	120.29	116.62	119.03	120.76	121.47	119.92
Chain-type price index .....	109.57	114.46	118.36	115.88	117.19	117.95	118.67	119.64
<b>Exports of goods and services:</b>								
Chain-type quantity index .....	118.38	129.63	123.64	131.27	130.88	126.78	120.37	116.53
Chain-type price index .....	95.65	97.33	97.08	97.70	97.67	97.42	97.00	96.23
<b>Imports of goods and services:</b>								
Chain-type quantity index .....	140.35	159.09	154.81	162.86	160.79	157.30	151.92	149.22
Chain-type price index .....	91.78	95.73	92.53	96.37	95.65	94.19	89.87	90.42
<b>Government consumption expenditures and gross investment:</b>								
Chain-type quantity index .....	107.72	110.60	114.53	111.31	112.76	114.14	114.22	117.01
Chain-type price index .....	106.58	110.71	112.94	111.63	112.58	113.09	113.10	112.99
<b>Federal:</b>								
Chain-type quantity index .....	100.97	102.68	105.42	103.07	103.88	104.35	105.27	108.19
Chain-type price index .....	105.09	108.12	109.86	108.46	109.62	109.96	110.02	109.87
<b>State and local:</b>								
Chain-type quantity index .....	111.71	115.26	119.89	116.17	117.99	119.88	119.48	122.19
Chain-type price index .....	107.42	112.14	114.64	113.37	114.22	114.82	114.79	114.71
<b>Addenda:</b>								
<b>Final sales of domestic product:</b>								
Chain-type quantity index .....	112.96	117.78	120.46	118.93	120.10	120.32	120.16	121.23
Chain-type price index .....	104.76	107.16	109.49	107.92	108.77	109.34	109.95	109.89
Implicit price deflator .....	104.75	107.16	109.48	107.91	108.77	109.34	109.95	109.88
<b>Gross domestic purchases:</b>								
Chain-type quantity index .....	115.85	121.42	122.95	122.68	122.88	123.01	122.69	123.21
Chain-type price index .....	103.99	106.70	108.46	107.47	108.19	108.54	108.51	108.61
Implicit price deflator .....	103.98	106.69	108.45	107.47	108.19	108.53	108.50	108.59
<b>Final sales to domestic purchasers:</b>								
Chain-type quantity index .....	115.47	121.16	123.97	122.55	123.52	123.78	123.70	124.87
Chain-type price index .....	104.08	106.81	108.58	107.60	108.31	108.65	108.63	108.73
Implicit price deflator .....	104.08	106.81	108.57	107.60	108.30	108.65	108.62	108.72
<b>Gross national product:</b>								
Chain-type quantity index .....	113.05	117.69	.....	118.90	119.13	119.21	118.82	.....
Chain-type price index .....	104.62	107.00	.....	107.74	108.60	109.16	109.77	.....
Implicit price deflator .....	104.62	106.99	.....	107.74	108.60	109.16	109.77	.....

<sup>r</sup> revised

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



Table 6.—Real Gross Domestic Product: Historical Perspective

[Percent change from preceding year]

	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001 <sup>r</sup>
<b>Gross domestic product (GDP)</b> .....	3.4	3.4	4.2	3.5	1.8	-0.5	3.0	2.7	4.0	2.7	3.6	4.4	4.3	4.1	4.1	1.2
<b>Personal consumption expenditures</b> .....	4.2	3.3	4.0	2.7	1.8	-2	2.9	3.4	3.8	3.0	3.2	3.6	4.8	5.0	4.8	3.1
Durable goods .....	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	6.7
Nondurable goods .....	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	1.8
Services .....	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	3.0
<b>Gross private domestic investment</b> .....	-7	2.5	2.7	3.7	-3.1	-8.6	8.5	8.7	13.2	3.0	9.0	12.1	11.8	6.6	6.8	-8.0
Fixed investment .....	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	-1.9
Nonresidential .....	-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	-3.1
Structures .....	-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	1.0
Equipment and software .....	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	-4.4
Residential .....	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	1.5
Change in private inventories .....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
<b>Net exports of goods and services</b> .....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Exports .....	7.4	11.2	16.1	11.8	8.7	6.5	6.2	3.3	8.9	10.3	8.2	12.3	2.1	3.2	9.5	-4.6
Goods .....	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	-5.7
Services .....	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	-2.1
Imports .....	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	-2.7
Goods .....	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	-2.8
Services .....	.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	-2.4
<b>Government consumption expenditures and gross investment</b> .....	5.4	3.0	1.2	2.8	3.3	1.2	.5	-8	.1	.5	1.1	2.4	1.9	3.3	2.7	3.6
Federal .....	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	2.7
National defense .....	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	4.7
Nondefense .....	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	-9
State and local .....	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	4.0
<b>Addenda:</b>																
Final sales of domestic product .....	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	2.3
Gross domestic purchases .....	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	1.3
Final sales to domestic purchasers .....	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	2.3
Gross national product .....	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 .....	3.2	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	3.6
Gross domestic purchases price index .....	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	1.7
GDP price index .....	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	2.2
Personal consumption expenditures price index .....	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	1.9

r revised

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

	1998				1999				2000				2001			
	I	II	III	IV	I	II	III	IV	I	II	III	IV	I	II	III	IV <sup>r</sup>
<b>Gross domestic product (GDP)</b> .....	4.7	3.8	3.8	4.8	4.0	3.9	4.0	4.4	4.2	5.2	4.4	2.8	2.5	1.2	0.5	0.4
<b>Personal consumption expenditures</b> .....	4.2	5.3	4.6	5.0	5.0	4.9	5.0	5.2	5.4	4.9	4.9	4.2	3.5	3.2	2.4	3.1
Durable goods .....	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	4.0	13.5
Nondurable goods .....	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	1.4
Services .....	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	2.8	1.9
<b>Gross private domestic investment</b> .....	16.4	8.3	10.7	12.1	6.4	6.6	6.2	7.0	4.9	11.4	8.0	3.1	-1	-7.5	-9.4	-14.7
Fixed investment .....	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	-3.4	-6.3
Nonresidential .....	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	-5.8	-9.2
Structures .....	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	-5	-11.5
Equipment and software .....	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	-7.5	-8.4
Residential .....	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	3.9	2.8
Change in private inventories .....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
<b>Net exports of goods and services</b> .....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Exports .....	6.7	1.4	-1.7	2.3	.4	2.5	5.5	4.5	8.7	11.1	11.3	7.0	4.4	-2.0	-9.2	-11.2
Goods .....	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	-11.8	-12.6
Services .....	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	-2.7	-7.9
Imports .....	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	-6.8	-8.4
Goods .....	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	-6.8	-7.4
Services .....	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	-14.4
<b>Government consumption expenditures and gross investment</b> .....	1.5	1.8	1.7	2.7	3.9	2.3	2.9	4.0	3.2	4.0	2.4	1.2	2.8	2.9	3.4	5.1
Federal .....	-1.3	-9	-1.6	.6	2.3	-4	2.3	4.5	1.9	5.5	.9	-1.4	2.9	-4	3.3	5.0
National defense .....	-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	5.8	5.6
Nondefense .....	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	-1.1	3.9
State and local .....	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	3.5	5.2
<b>Addenda:</b>																
Final sales of domestic product .....	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	1.6	1.9
Gross domestic purchases .....	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	.6	.4
Final sales to domestic purchasers .....	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	1.9
Gross national product .....	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	.6	.....
Real disposable personal income .....	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	5.3	2.1
Gross domestic purchases price index .....	.8	.8	.8	.8	1.1	1.4	1.6	1.9	2.6	2.6	2.7	2.5	2.2	2.0	1.4	1.1
GDP price index .....	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	1.8
Personal consumption expenditures price index .....	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	1.6	1.3

r revised

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

[Billions of dollars]

	1999	2000	2001 <sup>r</sup>	Seasonally adjusted at annual rates				
				2000	2001			
					IV	I	II	III
Gross domestic product .....	9,268.6	9,872.9	10,205.6	10,027.9	10,141.7	10,202.6	10,224.9	10,253.2
Plus: Income receipts from the rest of the world .....	313.8	384.2	.....	402.1	378.9	346.9	321.3	.....
Less: Income payments to the rest of the world .....	320.5	396.3	.....	397.9	389.4	358.6	332.4	.....
Equals: Gross national product .....	9,261.8	9,860.8	.....	10,032.1	10,131.3	10,190.9	10,213.8	.....
Less: Consumption of fixed capital .....	1,151.4	1,241.3	1,351.3	1,276.8	1,299.9	1,341.5	1,406.7	1,357.0
Less: Indirect business tax and nontax liability .....	713.1	762.7	794.2	775.6	785.7	792.3	793.9	804.7
Less: Business transfer payments .....	41.3	43.9	44.7	44.4	44.3	44.5	44.7	45.2
Less: Statistical discrepancy .....	-72.7	-130.4	.....	-150.0	-120.5	-143.2	-149.7	.....
Plus: Subsidies less current surplus of government enterprises .....	33.3	37.6	54.8	38.7	47.8	52.2	71.5	47.9
Equals: National income .....	7,462.1	7,980.9	.....	8,124.0	8,169.7	8,207.9	8,189.6	.....
Compensation of employees .....	5,310.7	5,715.2	6,010.0	5,868.9	5,955.7	6,010.8	6,037.7	6,035.8
Wage and salary accruals .....	4,477.4	4,837.2	5,098.2	4,973.2	5,049.4	5,099.8	5,123.4	5,120.2
Supplements to wages and salaries .....	833.4	878.0	911.8	895.7	906.3	911.0	914.2	915.6
Proprietors' income with inventory valuation and capital consumption adjustments .....	672.0	715.0	743.5	725.2	735.2	745.3	752.7	740.7
Rental income of persons with capital consumption adjustment .....	147.7	141.6	142.7	141.7	139.6	139.0	144.0	148.3
Corporate profits with inventory valuation and capital consumption adjustments .....	825.2	876.4	.....	847.6	789.8	759.8	697.0	.....
Net interest .....	506.5	532.7	.....	540.6	549.4	553.0	558.3	.....
Addendum:								
Gross domestic income .....	9,341.3	10,003.4	.....	10,178.0	10,262.2	10,345.7	10,374.6	.....

<sup>r</sup> revised

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

[Billions of dollars]

	1999	2000	2001 <sup>r</sup>	Seasonally adjusted at annual rates				
				2000	2001			
					IV	I	II	III
<b>Personal income</b> <sup>1</sup> .....	<b>7,777.3</b>	<b>8,319.2</b>	<b>8,723.9</b>	<b>8,519.6</b>	<b>8,640.2</b>	<b>8,714.6</b>	<b>8,771.8</b>	<b>8,768.8</b>
Wage and salary disbursements .....	4,472.2	4,837.2	5,098.2	4,973.2	5,049.4	5,099.8	5,123.4	5,120.2
Other labor income .....	509.7	534.2	553.9	544.9	549.3	552.2	555.4	558.5
Proprietors' income with inventory valuation and capital consumption adjustments .....	672.0	715.0	743.5	725.2	735.2	745.3	752.7	740.7
Farm .....	26.6	30.6	27.6	31.7	29.8	28.7	32.3	19.7
Nonfarm .....	645.4	684.4	715.9	693.5	705.4	716.6	720.5	721.0
Rental income of persons with capital consumption adjustment .....	147.7	141.6	142.7	141.7	139.6	139.0	144.0	148.3
Personal dividend income .....	343.1	379.2	416.3	396.6	404.8	411.9	420.0	428.4
Personal interest income .....	950.0	1,000.6	993.9	1,013.1	1,010.9	1,001.0	991.5	972.1
Transfer payments to persons .....	1,019.6	1,069.1	1,148.7	1,089.0	1,123.1	1,139.4	1,159.0	1,173.5
Less: Personal contributions for social insurance .....	337.1	357.7	373.3	364.1	372.1	374.0	374.2	372.8
Less: Personal tax and nontax payments .....	1,159.2	1,288.2	1,306.2	1,329.8	1,345.2	1,351.4	1,195.5	1,332.8
<b>Equals: Disposable personal income</b> .....	<b>6,618.0</b>	<b>7,031.0</b>	<b>7,417.6</b>	<b>7,189.8</b>	<b>7,295.0</b>	<b>7,363.2</b>	<b>7,576.4</b>	<b>7,436.0</b>
Less: Personal outlays .....	6,457.2	6,963.3	7,299.1	7,115.1	7,216.2	7,281.7	7,291.0	7,407.4
<b>Equals: Personal saving</b> .....	<b>160.9</b>	<b>67.7</b>	<b>118.5</b>	<b>74.7</b>	<b>78.8</b>	<b>81.5</b>	<b>285.3</b>	<b>28.6</b>
<b>Addenda:</b>								
Disposable personal income, billions of chained (1996) dollars <sup>2</sup> .....	6,320.0	6,539.2	6,773.2	6,634.9	6,679.0	6,719.2	6,917.5	6,777.3
Personal saving as a percentage of disposable personal income .....	2.4	1.0	1.6	1.0	1.1	1.1	3.8	.4

<sup>r</sup> revised

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]

	1999	2000	2001 <sup>r</sup>	Seasonally adjusted at annual rates															
				1998				1999				2000				2001			
				I	II	III	IV	I	II	III	IV	I	II	III	IV	I	II	III	IV <sup>r</sup>
<b>GDP and related aggregates:</b>																			
GDP .....	4.1	4.1	1.2	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	-1.3	1.4
Goods .....	5.5	5.8	-1.5	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	-4.4	1.7
Services .....	3.2	3.3	2.8	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	1.8	2.6
Structures .....	3.4	2.3	2.2	4.7	10.5	7.0	5.7	5.9	-2.5	-3.4	5.3	9.1	-2.1	-2	2.2	12.3	2.0	-7.1	-6.4
Motor vehicle output .....	12.0	-7	-4.7	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	8.5	9.8
GDP less motor vehicle output .....	3.8	4.3	1.4	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	-1.7	1.1
Final sales of computers <sup>1</sup> .....	42.4	52.3	8.7	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	-10.7	29.6
GDP less final sales of computers .....	3.8	3.7	1.1	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	-1.2	1.2
Farm product <sup>2</sup> .....	5.7	13.7	-2.0	-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	6.8	10.9
Nonfarm business less housing product <sup>3</sup> .....	4.7	4.6	.9	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	-2.2	1.2
<b>Price indexes:</b>																			
GDP .....	1.4	2.3	2.2	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	2.3	-2
GDP less food and energy .....	1.4	2.2	1.8	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	2.8	.2
GDP less final sales of computers .....	1.8	2.5	2.5	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	2.5	-1
Gross domestic purchases .....	1.5	2.6	1.7	.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	-1	.4
Gross domestic purchases less food and energy .....	1.4	2.0	1.5	.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	.6	1.9
Gross domestic purchases less final sales of computers .....	1.9	2.9	2.0	.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	.2	.6
Personal consumption expenditures .....	1.6	2.7	1.9	.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	-2	.7
Personal consumption expenditures less food and energy .....	1.5	1.9	1.6	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	.5	2.6

<sup>r</sup> revised

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 government.

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 1999-2000 annual percent change in real GDP uses prices for 1999 and 2000 as weights, and the 1999-2000 annual percent change in GDP prices uses quantities for 1999 and 2000 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.