

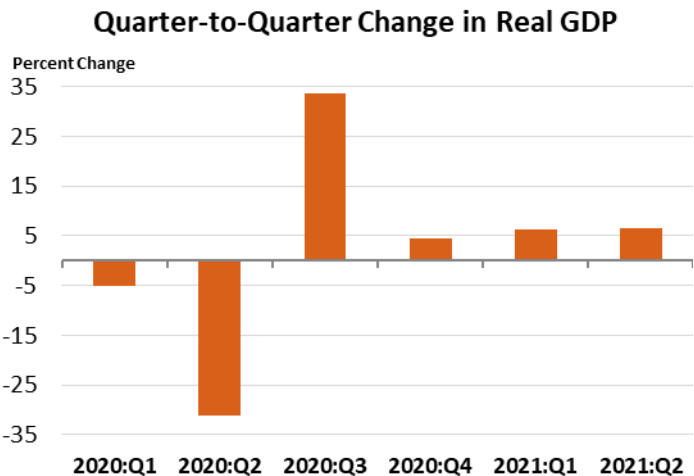
## Gross Domestic Product (Second Estimate) Corporate Profits (Preliminary Estimate) Second Quarter 2021

Real gross domestic product (GDP) increased at an annual rate of 6.6 percent in the second quarter of 2021, reflecting the continued economic recovery, reopening of establishments, and continued government response related to the COVID-19 pandemic. The increase was revised up 0.1 percentage point from the “advance” estimate released in July. In the second quarter, government assistance payments in the form of loans to businesses and grants to state and local governments increased, while social benefits to households, such as the direct economic impact payments, declined. In the first quarter of 2021, real GDP increased 6.3 percent. For more details, including source data, see the [Technical Note](#) and [Federal Recovery Programs and BEA Statistics](#).

### GDP highlights

The second-quarter increase in real GDP reflected increases in consumer spending, business investment, exports, and state and local government spending that were partly offset by decreases in inventory investment, housing investment, and federal government spending. Imports, a subtraction in the calculation of GDP, increased.

- The increase in consumer spending reflected increases in services (led by food services and accommodations) and goods (led by other nondurable goods, notably pharmaceutical products, as well as clothing and footwear).
- The increase in business investment reflected increases in intellectual property products (led by research and development as well as software) and equipment (led by transportation equipment).



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- The increase in exports reflected an increase in goods (led by non-automotive capital goods) and services (led by travel).
- The decrease in inventory investment was led by a decrease in retail inventories.
- The decrease in federal government spending primarily reflected a decrease in nondefense spending on intermediate goods and services. In the second quarter, nondefense services decreased as the processing and administration of [Paycheck Protection Program \(PPP\)](#) loan applications by banks on behalf of the federal government declined.

BEA data—including GDP, personal income, the balance of payments, foreign direct investment, the input-output accounts, and regional economic data—are available at [www.bea.gov](http://www.bea.gov). [E-mail](#) alerts are also available. The “third” estimate of GDP, along with an updated estimate of Corporate Profits and an estimate of GDP by Industry, for the second quarter of 2021 will be released on September 30, 2021.

### Updates to GDP

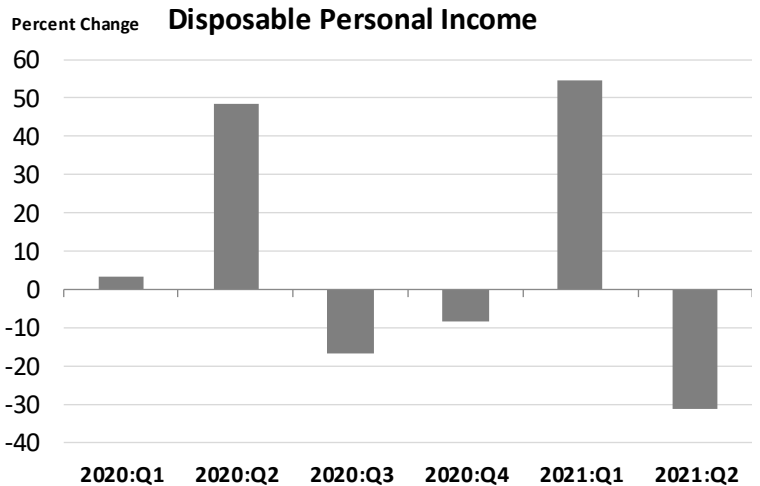
The update reflects upward revisions to business investment and exports that were partly offset by downward revisions to private inventory investment, housing investment, and state and local government spending. Imports, which are a subtraction in the calculation of GDP, were revised down.

### Personal income and saving

Real disposable personal income (DPI)—personal income adjusted for taxes and inflation—decreased 31.0 percent in the second quarter after increasing 54.7 percent (revised) in the first quarter.

The decrease in current-dollar DPI primarily reflected a decrease in government social benefits related to pandemic relief programs, notably direct economic impact payments to households established by the Coronavirus Response and Relief Supplemental Appropriations Act and the American Rescue Plan Act. Personal saving as a percent of DPI was 10.3 percent in the second quarter, compared with 20.5 percent (revised) in the first quarter.

### Quarter-to-Quarter Change in Real



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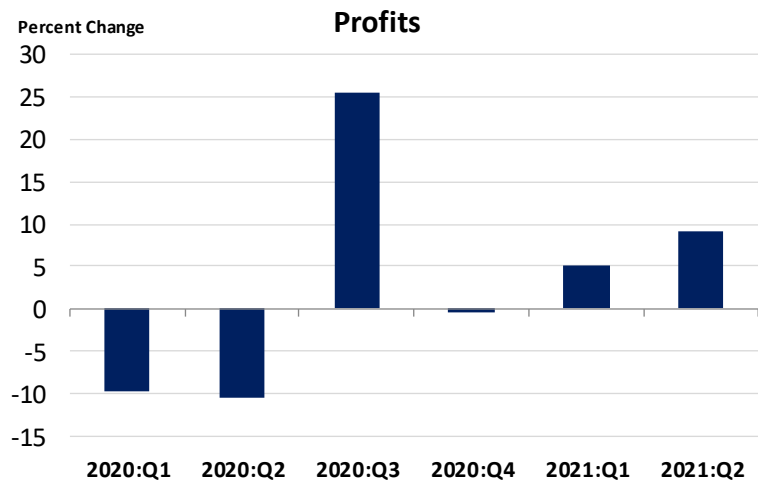
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### Corporate profits from current production

Profits increased 9.2 percent at a quarterly rate in the second quarter after increasing 5.1 percent in the first quarter. Corporate profits increased 43.4 percent in the second quarter from one year ago.

- Profits of domestic nonfinancial corporations increased 10.6 percent after increasing 9.1 percent.
- Profits of domestic financial corporations increased 11.1 percent after increasing 0.3 percent.
- Profits from the rest of the world increased 2.4 percent after decreasing 2.2 percent.

### Quarter-to-Quarter Change in Corporate



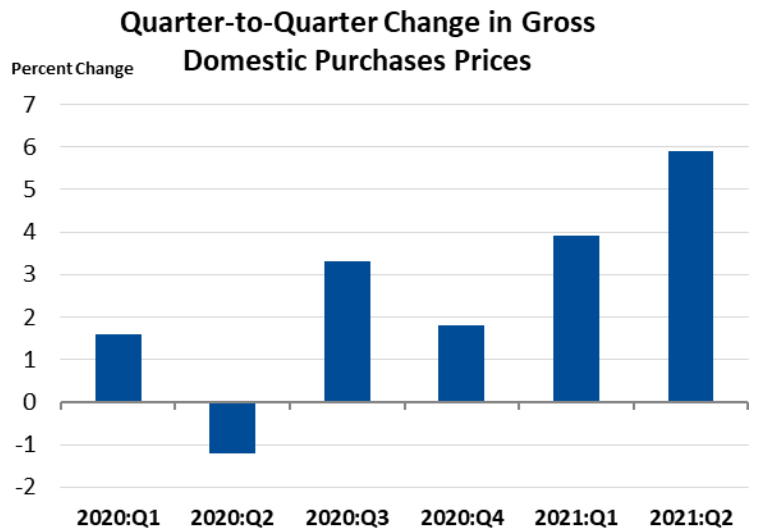
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Seasonally adjusted quarterly rates

**Prices**

Prices of goods and services purchased by U.S. residents increased 5.8 percent in the second quarter after increasing 3.9 percent in the first quarter.

- Energy prices increased 20.9 percent in the second quarter while food prices increased 2.1 percent.
- Excluding food and energy, prices increased 5.6 percent in the second quarter after increasing 3.2 percent in the first quarter.



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Seasonally adjusted annual rates