

GDP GROWTH RATE REVISED UP

“Second” estimate of third-quarter GDP released

Real gross domestic product (GDP) increased 2.1 percent in the third quarter of 2015, according to the “second” estimate released by the Bureau of Economic Analysis. The growth rate was revised up 0.6 percentage point from the “advance” estimate released in October. In the second quarter, real GDP increased 3.9 percent.

GDP highlights

The third-quarter increase in real GDP mainly reflected a rise in consumer spending. Spending on nondurable and durable goods increased. Spending on services also increased, notably on health care.

Business investment, state and local government spending, residential investment, and exports also contributed to the increase in real GDP.

These contributions to real GDP growth were partly offset by a decline in inventory investment, notably in manufacturing. Also, imports, a subtraction in the calculation of GDP, increased.



Real final sales of domestic product—GDP less inventory investment—increased 2.7 percent in the third quarter, compared with a 3.9 percent increase in the second quarter.

Revisions

The revision to real GDP growth reflected an upward revision to private inventory investment that was partly offset by downward revisions to consumer spending and to exports.

Corporate profits

Corporate profits decreased 1.1 percent at a quarterly rate in the third quarter after increasing 3.5 percent in the second quarter.

- Profits of domestic nonfinancial corporations increased 1.2 percent after increasing 1.9 percent.
- Profits of domestic financial corporations decreased 2.2 percent after increasing 9.6 percent.
- Profits from the rest of the world decreased 7.4 percent after increasing 2.9 percent.

Over the last 4 quarters, corporate profits decreased 4.7 percent.



BEA data—including GDP, personal income, the balance of payments, foreign direct investment, the input-output accounts, and economic data for states, local areas, and industries—are available on the BEA Web site: www.bea.gov. [E-mail](#) alerts are also available.

NOTE: The “third” estimate of GDP for the third quarter of 2015 and a revised estimate of corporate profits will be released on December 22, 2015.