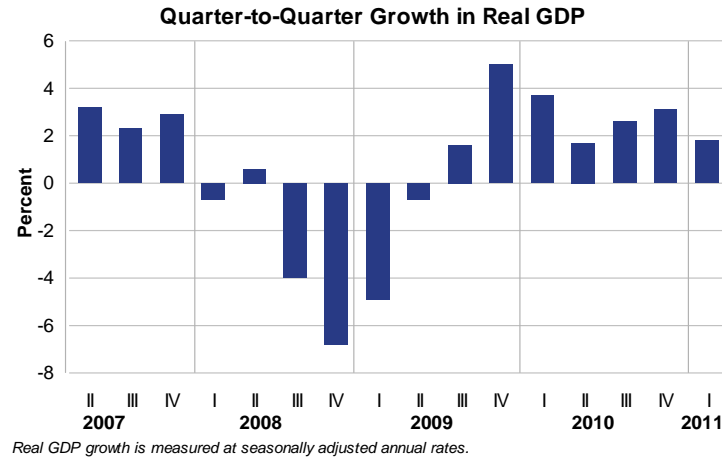


GDP GROWTH SLOWS IN THE FIRST QUARTER

"Advance" Estimate of GDP

Real gross domestic product (GDP) increased 1.8 percent in the first quarter of 2011 after increasing 3.1 percent in the fourth quarter, according to estimates released today by the Bureau of Economic Analysis.



First-quarter highlights

The following contributed to the slowdown in real GDP:

- Imports turned up strongly, and exports slowed.
- Consumer spending slowed.
- Government spending decreased much more than in the fourth quarter.
- Business investment slowed, mainly due to a downturn in structures investment.

These contributions to the slowdown in GDP were partly offset by a large upturn in inventory investment.

Prices

Prices of goods and services purchased by U.S. residents accelerated, rising 3.8 percent after rising 2.1 percent. Both food and energy prices accelerated sharply. Prices, less food and energy, rose 2.2 percent after rising 1.1 percent.

Personal income

Real disposable personal income—income adjusted for inflation and taxes—increased 2.9 percent in the first quarter, compared with 1.9 percent in the fourth quarter.

Personal saving

The personal saving rate—saving as a percent of disposable personal income—was 5.7 percent in the first quarter, compared with 5.6 percent in the fourth quarter.

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 second estimate of GDP for the first quarter of 2011 and an estimate of corporate profits will be released on May 26, 2011.