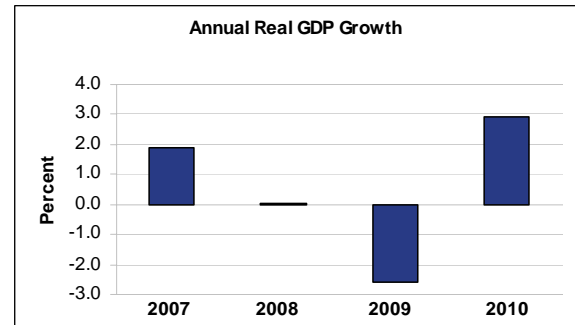


GDP GROWTH PICKS UP IN FOURTH QUARTER

Annual Growth in 2010 Turns Up

Real gross domestic product (GDP) increased 3.2 percent in the fourth quarter of 2010 after increasing 2.6 percent in the third quarter, according to advance estimates released today by the Bureau of Economic Analysis. Real GDP rose 2.9 percent in 2010 after falling 2.6 percent in 2009.



Fourth-quarter highlights

The following contributed to the acceleration in real GDP growth:

- Net exports turned up, reflecting a downturn in imports and a pickup in exports.
- Consumer spending accelerated. The 4.4 percent increase in the fourth quarter was the biggest increase since the first quarter of 2006.
- Residential housing turned up.

These contributions were partly offset by a large downturn in inventory investment.

Real final sales of domestic product—GDP less the change in private inventories—rose 7.1 percent in the fourth quarter, compared with a 0.9 percent rise in the third quarter. The fourth-quarter increase was the largest since the second quarter of 1984.

Prices

Prices of goods and services purchased by U.S. residents picked up, increasing 2.1 percent in the fourth quarter after increasing 0.7 percent in the third quarter. Energy prices and food prices both accelerated. Prices, less food and energy, increased 1.1 percent in the fourth quarter, compared with a 0.4 percent increase in the third quarter.

2010 highlights

Real GDP rose 2.9 percent in 2010. In 2009, real GDP declined 2.6 percent. The upturn in 2010 economic growth mainly reflected upturns in exports, nonresidential fixed investment (notably in equipment and software), consumer spending, and inventory investment.

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 estimates of GDP for the fourth quarter of 2010 will be released on February 25, 2011.