

## Economic Indicators

Seasonally Adjusted Annual Rates — Dollar Figures in Billions

	Annual % Change					2005					E2006				
	2004	E2005	E2006	2004	E2005	E2006	10	20	A30	E40	10	20	30	40	
<b>Gross Domestic Product</b>															
GDP (current dollars)	\$11,734.3	\$12,485.4	\$13,233.3	7.0	6.4	6.0	\$12,198.8	\$12,378.0	\$12,589.6	\$12,775.4	\$12,988.6	\$13,162.9	\$13,313.1	\$13,468.7	
Annual rate of increase (%)	7.0	6.4	6.0	-	-	-	7.0	6.0	7.0	6.0	6.8	5.5	4.6	4.8	
Annual rate of increase—real GDP (%)	4.2	3.6	3.3	-	-	-	3.8	3.3	3.8	3.0	3.6	3.3	3.0	2.9	
Annual rate of increase—GDP deflator (%)	2.6	2.8	2.6	-	-	-	3.1	2.6	3.1	2.8	3.1	2.1	1.6	1.8	
<b>*Components of Real GDP</b>															
Personal consumption expenditures	\$7,588.6	\$7,850.8	\$8,076.4	3.9	3.5	2.9	\$7,764.9	\$7,829.5	\$7,904.7	\$7,904.2	\$7,962.1	\$8,037.2	\$8,115.5	\$8,190.8	
% change	3.9	3.5	2.9	-	-	-	3.5	3.4	3.9	(0.0)	3.0	3.8	4.0	3.8	
Durable goods	1,089.9	1,139.3	1,148.5	6.0	4.5	0.8	1,122.3	1,143.9	1,173.5	1,117.3	1,117.2	1,135.5	1,158.8	1,182.5	
Nondurable goods	2,200.4	2,291.4	2,369.7	4.7	4.1	3.4	2,265.6	2,285.9	2,300.6	2,313.6	2,337.8	2,360.3	2,380.9	2,399.7	
Services	4,310.9	4,436.1	4,569.7	3.0	2.9	3.0	4,392.0	4,417.6	4,452.5	4,482.5	4,514.8	4,551.1	4,588.5	4,624.5	
Nonresidential fixed investment	1,186.7	1,288.4	1,423.2	9.4	8.6	10.5	1,252.2	1,279.0	1,298.4	1,324.2	1,374.9	1,417.4	1,443.4	1,457.1	
% change	9.4	8.6	10.5	-	-	-	5.7	8.8	6.2	8.2	16.2	12.9	7.5	3.8	
Producers durable equipment	947.6	1,051.0	1,149.7	11.9	10.9	9.4	1,014.2	1,040.9	1,063.3	1,085.8	1,114.3	1,138.7	1,162.2	1,183.5	
Residential fixed investment	552.9	591.6	569.2	10.3	7.0	(3.8)	574.8	590.0	597.0	604.7	596.3	577.9	557.8	545.0	
% change	10.3	7.0	(3.8)	-	-	-	9.6	11.0	4.8	5.3	(5.4)	(11.8)	(13.2)	(8.8)	
Net change in business inventories	52.0	17.6	27.5	-	-	-	58.2	(1.7)	(16.6)	30.7	32.4	27.1	24.7	25.9	
Gov't purchases of goods & services	1,952.3	1,994.3	2,041.1	2.2	2.2	2.3	1,971.9	1,984.1	1,999.9	2,021.2	2,028.4	2,035.8	2,045.1	2,054.9	
Federal	723.7	744.8	766.2	5.2	2.9	2.9	731.8	736.1	749.9	761.4	764.2	766.2	766.7	767.8	
State & local	1,228.4	1,249.3	1,274.7	0.4	1.7	2.0	1,239.8	1,247.8	1,249.8	1,259.6	1,264.1	1,269.4	1,278.3	1,286.9	
Net exports	(601.3)	(625.8)	(635.4)	-	-	-	(645.4)	(614.2)	(611.8)	(631.9)	(634.2)	(634.9)	(636.0)	(636.3)	
Exports	1,117.9	1,194.3	1,268.8	8.4	6.8	6.2	1,165.3	1,195.4	1,197.6	1,218.9	1,239.4	1,258.2	1,277.0	1,300.7	
Imports	1,719.2	1,820.1	1,904.2	10.7	5.9	4.6	1,810.7	1,809.6	1,809.4	1,850.8	1,873.6	1,893.2	1,913.0	1,937.0	
<b>**Income &amp; Profits</b>															
Personal income	\$9,713.3	\$10,268.6	\$10,927.6	5.9	5.7	6.4	\$10,073.4	\$10,221.2	\$10,293.0	\$10,487.0	\$10,679.5	\$10,849.7	\$11,015.4	\$11,165.9	
Disposable personal income	8,664.2	9,056.6	9,623.9	6.1	4.5	6.3	8,902.0	9,008.6	9,070.2	9,245.6	9,417.7	9,559.9	9,698.4	9,819.8	
Savings rate (%)	1.7	(0.1)	0.8	-	-	-	0.5	0.1	(1.1)	0.1	0.7	0.8	0.9	0.7	
Corporate profits before taxes	1,059.4	1,424.7	1,499.1	13.0	34.5	5.2	1,378.3	1,412.2	1,352.1	1,556.3	1,542.9	1,500.8	1,484.9	1,467.7	
Corporate profits after taxes	788.2	1,050.0	1,092.8	11.8	33.2	4.1	1,015.7	1,039.7	998.3	1,146.3	1,127.0	1,093.0	1,081.6	1,069.6	
†Earnings per share (S&P 500)	58.55	69.16	77.92	20.2	18.1	12.7	60.32	63.36	66.31	69.16	72.83	74.99	77.28	77.92	
<b>†Prices &amp; Interest Rates</b>															
Consumer price index	2.7	3.4	2.5	-	-	-	2.4	4.2	5.1	3.2	2.4	1.2	1.2	1.3	
Treasury bills	1.4	3.2	4.4	-	-	-	2.5	2.9	3.4	3.9	4.3	4.4	4.4	4.4	
10-yr notes	4.3	4.3	5.2	-	-	-	4.3	4.2	4.2	4.6	5.0	5.1	5.3	5.5	
30-yr bonds	5.1	4.6	5.4	-	-	-	4.7	4.5	4.4	4.8	5.1	5.3	5.4	5.6	
New issue rate—corporate bonds	5.6	5.3	6.3	-	-	-	5.3	5.1	5.1	5.6	6.0	6.2	6.4	6.6	
<b>Other Key Indicators</b>															
Housing starts (1,000 units SAAR)	1,949.7	2,060.9	1,846.9	5.2	5.7	(10.4)	2,083.0	2,044.3	2,069.3	2,046.7	1,956.9	1,833.6	1,804.9	1,792.2	
Auto & truck sales (1,000,000 units)	16.9	16.8	16.3	1.3	(0.2)	(3.1)	16.5	17.2	17.9	15.7	15.9	16.2	16.5	16.6	
Unemployment rate (%)	5.5	5.1	4.9	-	-	-	5.3	5.1	5.0	5.0	4.9	4.9	4.9	4.9	
\$U.S. dollar	(8.2)	(2.0)	(2.5)	-	-	-	(2.6)	11.6	5.6	3.2	(7.4)	(5.9)	(7.8)	(6.8)	

Note: Annual changes are from prior year and quarterly changes are from prior quarter. Figures may not add to totals because of rounding. A—Advance data. P—Preliminary. E—Estimated. R—Revised. \*1996 Chain-weighted dollars. \*\*Current dollars. †Trailing 4 quarters. ‡Average for period. §Quarterly % changes at quarterly rates. This forecast prepared by Standard & Poor's.