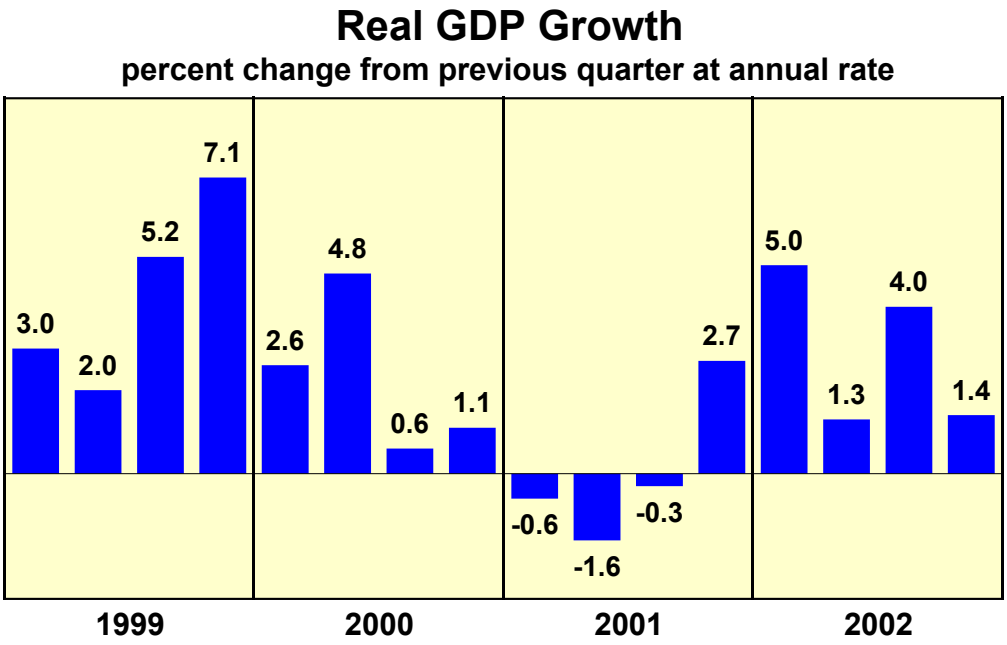
U.S. ECONOMY UPDATE

GDP & Corporate Profits Q4:2002 (Final) — *March 27, 2003*

FACTS

	Q4/Q4		2001				2002			
	2001	***2002***	*Q1*	*Q2*	*Q3*	*Q4*	*Q1*	*Q2*	*Q3*	***Q4***
Real GDP - Annual rate percent change	0.1	**2.9**	-0.6	-1.6	-0.3	2.7	5.0	1.3	4.0	**1.4**
Contributions to percent change										
Domestic final sales	1.7	**2.6**	2.1	0.0	0.0	4.4	3.2	1.4	3.4	**2.7**
Net exports	-0.1	**-0.9**	0.5	-0.4	-0.2	-0.3	-0.8	-1.4	0.0	**-1.6**
Inventory investment	-1.5	**1.2**	-3.3	-1.1	-0.1	-1.4	2.6	1.3	0.6	**0.3**
Prices - Annual rate percent change										
Gross dom. purch. (GDP+imports-exports)	1.3	**1.6**	3.3	1.7	-0.2	0.4	1.2	2.3	1.2	**1.8**
			Percent change at quarterly rate							
Corporate Profits with IVA and CCAdj	8.2	**-1.9**	-5.8	2.1	-4.7	18.1	-1.7	-1.6	-1.8	**3.2**



RECENT NEWS

- **U.S. Economy Expanded at 1.4% Rate in Fourth Quarter** (Bloomberg)
- **Economy Closed Out 2002 on Weak Note** (Reuters)

DATA LINK

- **Bureau of Economic Analysis** (http://www.bea.gov/)

Treasury Office of Economic Policy