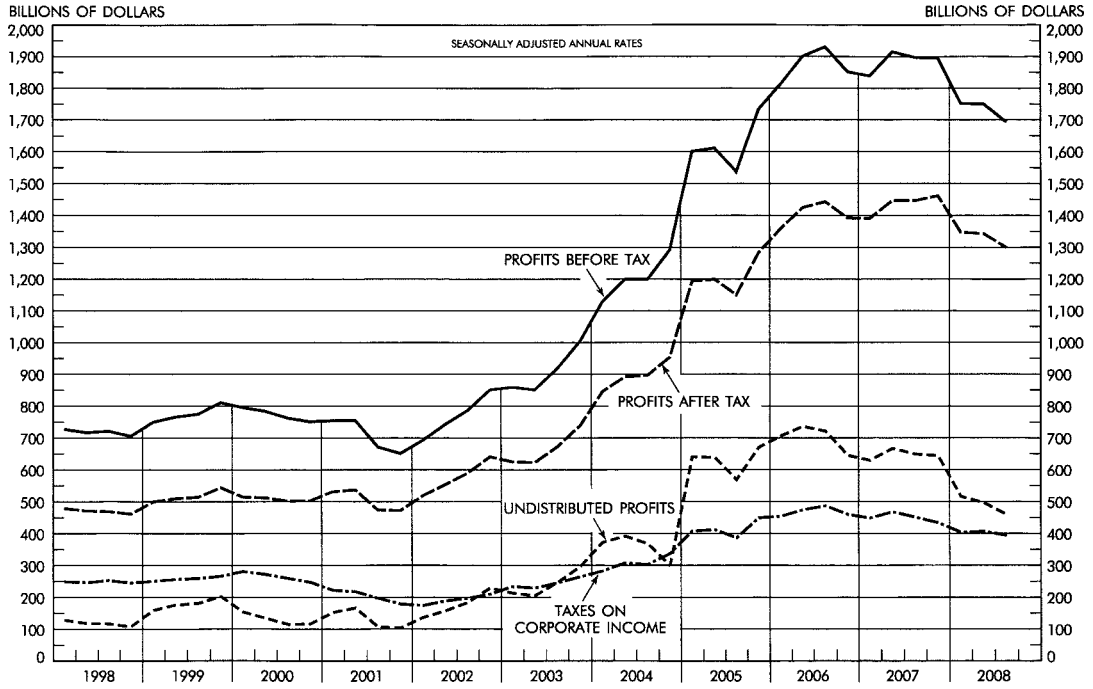
CORPORATE PROFITS

In the third quarter of 2008, according to current estimates, corporate profits before tax fell $56.3 billion (annual rate) and profits after tax fell $43.1 billion.



SOURCE: DEPARTMENT OF COMMERCE

COUNCIL OF ECONOMIC ADVISERS

[Billions of dollars; quarterly data at seasonally adjusted annual rates]

Period	Profits (before tax) with inventory valuation adjustment [1]								Profits before tax	Taxes on corporate income	Profits after tax			Inventory valuation adjustment
	Total [2]	Domestic industries												
		Total	Financial	Nonfinancial							Total	Net dividends	Undistributed profits	
				Total [3]	Manufacturing	Utilities	Wholesale	Retail						
1998	738.5	635.5	165.9	469.6	173.5	.....	52.3	73.4	718.3	248.3	470.0	351.6	118.3	20.2
1998 [4]	738.5	635.5	165.4	470.1	157.0	32.7	53.2	66.4	718.3	248.3	470.0	351.6	118.3	20.2
1999	776.8	655.3	194.3	461.1	150.6	33.1	55.5	65.2	775.9	258.6	517.2	337.4	179.9	1.0
2000	759.3	613.6	200.2	413.4	144.3	24.4	59.7	59.6	773.4	265.2	508.2	377.9	130.3	−14.1
2001	719.2	549.5	227.6	322.0	52.6	24.7	52.1	71.0	707.9	204.1	503.8	370.9	132.9	11.3
2002	766.2	610.4	276.4	334.0	48.2	10.6	49.3	79.4	768.4	192.6	575.8	399.2	176.6	−2.2
2003	894.5	729.0	317.3	411.8	76.0	11.6	55.2	86.8	908.1	243.3	664.8	424.7	240.1	−13.6
2004	1,161.6	968.2	348.9	619.3	152.7	18.6	79.2	91.1	1,204.7	307.4	897.3	539.5	357.8	−43.1
2005	1,582.8	1,343.3	425.3	918.1	243.8	28.9	97.3	120.4	1,620.6	413.7	1,206.9	577.4	629.5	−37.8
2006	1,834.2	1,566.7	478.8	1,087.9	304.3	55.6	107.5	132.3	1,873.7	468.9	1,404.8	702.1	702.7	−39.5
2007	1,835.1	1,490.5	449.9	1,040.6	316.6	58.5	102.6	132.3	1,886.3	450.4	1,435.9	788.7	647.3	−51.2
2008 *p*	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	837.2	.....	.....
2005: I	1,555.3	1,321.2	470.0	851.1	242.7	27.1	90.4	102.3	1,600.7	407.2	1,193.5	553.0	640.6	−45.4
II	1,594.0	1,360.8	437.3	923.4	239.3	28.4	109.5	126.7	1,612.0	412.0	1,200.1	561.6	638.5	−18.0
III	1,497.1	1,244.2	362.3	881.9	241.6	21.7	85.5	114.8	1,536.3	386.4	1,149.9	581.4	568.4	−39.1
IV	1,684.6	1,447.2	431.4	1,015.8	251.6	38.2	103.8	137.8	1,733.3	449.2	1,284.1	613.4	670.6	−48.7
2006: I	1,778.7	1,528.3	470.0	1,058.3	279.2	44.9	102.3	133.5	1,813.8	453.8	1,359.9	652.8	707.1	−35.0
II	1,841.6	1,571.9	493.1	1,078.8	305.8	53.5	94.5	126.0	1,900.1	474.8	1,425.2	688.8	736.4	−58.5
III	1,887.2	1,626.7	473.3	1,153.4	333.5	62.5	128.3	132.1	1,929.9	487.2	1,442.6	720.9	721.7	−42.7
IV	1,829.3	1,540.0	478.8	1,061.2	298.9	61.4	104.9	137.5	1,851.1	459.8	1,391.4	745.8	645.6	−21.8
2007: I	1,794.7	1,496.6	454.1	1,042.5	317.0	57.2	108.2	132.8	1,838.9	448.5	1,390.4	761.5	629.0	−44.2
II	1,859.5	1,556.7	492.7	1,064.0	350.8	54.7	112.7	145.9	1,914.8	468.5	1,446.3	779.2	667.1	−55.3
III	1,866.1	1,509.7	460.3	1,049.3	306.6	58.7	109.1	126.0	1,897.1	451.1	1,446.1	797.6	648.5	−31.0
IV	1,820.2	1,398.9	392.4	1,006.5	292.1	63.2	80.2	124.5	1,894.3	433.5	1,460.9	816.4	644.5	−74.1
2008: I	1,641.5	1,243.1	412.8	830.2	240.5	46.2	49.2	112.0	1,750.9	402.9	1,348.0	832.5	515.5	−109.4
II	1,596.0	1,222.5	383.2	839.3	214.9	56.7	59.4	92.7	1,750.0	406.8	1,343.2	846.4	496.7	−154.0
III	1,602.8	1,224.4	308.8	915.6	272.6	59.1	92.1	86.2	1,693.7	393.5	1,300.1	841.1	459.1	−90.9
IV *p*	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	828.7	.....	.....

[1] See p. 4 for profits with inventory valuation and capital consumption adjustments.
[2] Includes rest of the world, not shown separately.
[3] Includes industries not shown separately.
[4] Data by industry beginning 1998 are based on the 1997 North American Industry Classification System (NAICS) and are not directly comparable with data for prior years shown, which are based on the 1987 Standard Industrial Classification (SIC).

Source: Department of Commerce, Bureau of Economic Analysis.

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