Uses of Some Important Statistics Provided by the Bureau of Economic Analysis (BEA)

BEA is the source of accurate, objective, and transparently constructed official measures of the U.S. economy. It draws from a variety of other statistical agencies and some private sources to produce the most closely watched and widely used principal economic indicators. Among these are:

Gross Domestic Product (GDP) is the measure of the total value of all final goods and services produced within the United States during a given period of time.

- GDP accounts are used by the Office of Budget and Management and the Congressional Budget Office and Congress to prepare federal budget projections.
- GDP accounts are used by the Federal Reserve Board to formulate monetary policy. Real GDP growth is one of the most important variables guiding monetary policy.
- GDP is followed by Wall Street and influences the stock market because it is a prime indicator of economic activity.
- The business community relies on accurate GDP measures to prepare forecasts that provide the basis for production, investment, and employment planning.
- GDP-by-industry accounts are used to examine changes in the structure of the U.S. economy and the importance of specific industries and their contributions to overall GDP.

Input-Output (I-O) accounts provide detailed, consistent information on the flow of goods and services that make up the production processes of industries. For each year beginning with 1998, the accounts show how industries interact as they provide inputs to, and use outputs from, each other to produce GDP.

- I-O accounts inform policy decisions when they are used to measure the regional and industry-specific economic impacts of proposed changes in public investments or public programs.
- I-O accounts are used by communities and economic development entities to identify economically related industry clusters and those "key" or "target" industries most likely to enhance a specified economy.
- I-O accounts are used by planners and policy decision makers to estimate the differential effects of events (like natural disasters, worker strikes, or terrorist attacks on industries within a region or across regions.

International Trade and Investment data track transactions with foreigners, including trade in goods and services, receipts and payments of income, capital-account transactions, and transactions in financial assets and liabilities in order to calculate balance of payments and the international investment status of the U.S., including U.S. direct investment abroad, foreign investment in the U.S., and the transactions across countries of multinational companies. These measures are used by:

- Trade policy officials to negotiate international trade agreements.
- Analysts and policymakers to assess the impact of international investment and trade (e.g., globalization) on the U.S. economy.
- Business managers to assess market size, judge market direction, and assess their market shares.
- Trade association officials to identify key export markets, and to assist in deliberations on trade or investment agreements.
- Federal Government agencies to calculate international price indexes and understand behavior of multinational companies.