



GDP Not Spoken For

Obama Had Nothing To Say About Yesterday's GDP Report Showing The Economy Is Barely Avoiding A Double-Dip Recession

"The U.S. Economy Grew At A Much Slower Clip Than Initially Estimated, A Possible Blow To President Obama's Reelection Hopes." (Vicki Needham, "Economic Growth Slips To 1.3 Percent," [The Hill](#), 9/27/12)

9/27/12)

THE ONLY ANNOUNCEMENT THE PRESIDENT'S PRESS SECRETARY HAD YESTERDAY WAS ON THE NFL REFEREE LOCKOUT – NOTHING ON THE DISMAL GDP REPORT

Jay Carney On Obama's Reaction To The Resolution Of The NFL Referee Lockout: "The President Is Very Pleased ... It's A Great Day For America." JAY CARNEY: "The only announcement I have is on what might be the most dominant topic of the week for the vast majority of the American people, and that is the replacement referees. The President is very pleased that the two sides have come together to resolve their differences and ensure that going forward, when we watch our favorite teams play in the NFL, we can focus on the players and the game rather than on the officiating. It's a great day for America." (Press Gaggle Aboard Air Force One, 9/27/12)

Jay Carney On The President's Reaction To GDP Being Revised Down To A Dismal 1.3 Percent: "..." (Press Gaggle Aboard Air Force One, 9/27/12)

DEFYING EXPECTATIONS, GDP WAS REVISED DOWN SHARPLY FROM AN ALREADY WEAK 1.7 PERCENT TO A DANGEROUSLY LOW 1.3 PERCENT

Real GDP For The Second Quarter Was Revised Down Sharply From 1.7 Percent To 1.3 Percent.

"Real gross domestic product -- the output of goods and services produced by labor and property located in the United States -- increased at an annual rate of 1.3 percent in the second quarter of 2012 (that is, from the first quarter to the second quarter), according to the "third" estimate released by the Bureau of Economic Analysis. ...The GDP estimate released today is based on more complete source data than were available for the "second" estimate issued last month. In the second estimate, the increase in real GDP was 1.7percent (see 'Revisions' on page 3)." (Press Release, "National Income And Product Accounts – Gross Domestic Product: Second Quarter 2012 (Third Estimate); Corporate Profits: Second Quarter 2012 (Revised Estimate)," [Bureau Of Economic Analysis](#), 9/27/12)

The Second Quarter GDP Revision Was "Far Weaker Than Previously Believed ... Well Below Expectations..." "The US economy grew 1.3 percent in the second quarter of the year, far weaker than

previously believed, Commerce Department data released Thursday showed. The Commerce Department's third estimate of gross domestic product growth for the April-June period was well below expectations that the annual growth rate would hold unchanged at the prior estimate of 1.7 percent." ("US Economy Grew Only 1.3% In Q2: Official," [Agence France Presse](#), 9/27/12)

- **"Thursday's Report Underscored That The Recovery Has Proved Insufficient To Pull Down The Unemployment Rate, Which Has Been Stuck Between 8.1 Percent And 8.3 Percent All Year."** (Annie Lowery, "Last Quarter's Growth Is Revised Down Sharply," [The New York Times](#), 9/28/12)
- **"New Durable Goods Orders In August Fell By The Most Since The Recession And A Separate Reading On The Broader U.S. Economy Came In Much Weaker Than Expected."** ("Durable Goods Orders Sink Even As Jobless Claims Fall," [Reuters](#), 9/27/12)

Reuters: "Downward Revision To U.S. Q2 GDP More Severe Than Any Of 70 Economists Polled By Reuters (+1.3% From +1.7%, Lowest Polled +1.4%)." (Reuters Polls, [Twitter Feed](#), 9/27/12)

"Growth Is Still Frustratingly Slow, And Economists Often Say The Economy Needs To Expand At Least 3% A Year To Bring The Unemployment Rate Down Significantly." (Annalyn Censky, "GDP Report: Economic Growth Revised Lower," [CNNMoney](#), 9/27/12)

"The Economic Slowdown In Spring Was Worse Than Most Thought – And The Current Quarter Isn't Looking That Much Stronger As Manufacturing Is Weakening." (Don Lee, "GDP Revised Lower, Manufacturing Orders Fall," *Los Angeles Times*' [Money & Co.](#), 9/27/12)

- **"The Economy Grew At A 2% Annual Rate In The First Quarter, Which Is Hardly Robust And Not Strong Enough To Bring Down Unemployment."** "Most analysts were expecting the government's third and final report for the second quarter to show that gross domestic product – or total value of goods and services produced -- expanded by 1.7%. The economy grew at a 2% annual rate in the first quarter, which is hardly robust and not strong enough to bring down unemployment." (Don Lee, "GDP Revised Lower, Manufacturing Orders Fall," *Los Angeles Times*' [Money & Co.](#), 9/27/12)

Before The Revisions, The Consensus View Was That The Economy Expanded At An Already "Lackluster" Pace Of 1.5 To 2 Percent. "Before Thursday's revision in the April-June figures, the consensus view was that the economy expanded in the July-September quarter at a lackluster pace of between 1.5 percent to 2 percent. They expected the final three months of the year will be about the same." (Martin Crutsinger, "US Economy Grew 1.3 Percent In Second Quarter," [The Associated Press](#), 9/27/12)

THE WORST RECOVERY SINCE WORLD WAR II DRAGS ON FOR ANOTHER DISAPPOINTING QUARTER

The Associated Press Headline: "Economic Recovery Is Weakest Since World War II." (Paul Wiseman, "Economic Recovery Is Weakest Since World War II," [The Associated Press](#), 8/16/12)

- **The Wall Street Journal: "Growth Is Extraordinary Weak For This Stage Of The Economic Recovery."** "Whether the economy is growing at a 1.7% rate or a 1.3% clip is essentially negligible to the average American. Either way, growth is extraordinary weak for this stage of the economic recovery." (Steven Russolillo, "GDP Revision, Durable Goods: Ouch!", [The Wall Street Journal](#), 9/27/12)

"The Recession That Ended Three Years Ago This Summer Has Been Followed By The Feeblest Economic Recovery Since The Great Depression." (Paul Wiseman, "Economic Recovery Is Weakest Since World War II," [The Associated Press](#), 8/16/12)

- **“Since World War II, 10 U.S. Recessions Have Been Followed By A Recovery That Lasted At Least Three Years. An Associated Press Analysis Shows That By Just About Any Measure, The One That Began In June 2009 Is The Weakest.”** (Paul Wiseman, “Economic Recovery Is Weakest Since World War II,” [The Associated Press](#), 8/16/12)
- **“The Ugliness Goes Well Beyond Unemployment, Which At 8.3 Percent Is The Highest This Long After A Recession Ended.”** (Paul Wiseman, “Economic Recovery Is Weakest Since World War II,” [The Associated Press](#), 8/16/12)
- **“Economic Growth Has Never Been Weaker In A Postwar Recovery.”** (Paul Wiseman, “Economic Recovery Is Weakest Since World War II,” [The Associated Press](#), 8/16/12)

James Pethokoukis: “U.S. Recovery Weakest Of Any In The World Since 1970.” (James Pethokoukis, “U.S. Recovery Weakest Of Any In the World Since 1970,” [AEIdeas](#), 7/31/12)

The U.S. Recovery Is Worst Than All That Of All Countries That Have Suffered A Recession Or A Financial Crisis Since 1970. “The Obama administration says one reason the U.S. economic recovery has been so slow is that it is still suffering from the aftermath of the financial crisis. But the U.S. is not the first country to suffer a recession and a financial crisis. And the U.S. recovery is doing worse than all of them.” (James Pethokoukis, “U.S. Recovery Weakest Of Any In the World Since 1970,” [AEIdeas](#), 7/31/12)

- **“And The U.S. Is In Dead Last After 12 Quarters From The Bottom.”** “In a new research note, JPMorgan points out that since 1970, Japan, Finland and Sweden have all gone through what the U.S. is currently going through. And all three of them had recoveries stronger than America’s. The above chart compares the economic recovery — as measured by real GDP per capita — of each nation at different points after the trough of their recessions. And the U.S. is in dead last after 12 quarters from the bottom.” (James Pethokoukis, “U.S. Recovery Weakest Of Any In the World Since 1970,” [AEIdeas](#), 7/31/12)

Bloomberg’s Mike McKee: “If This Were The Olympics We Would Be Performing Very Poorly. ... This Is The Worst Recovery Since The Mid 70’s And You Can Probably Go Back To The 40s.”

MCKEE: “If this were the Olympics we would be performing very poorly. Three years now on got the GDP report for the 2nd quarter. We’re three years into the recovery. Look how we’re doing. This is the worst recovery since the mid 70’s and you can probably go back to the 40s. According to Mike Feroli at JP Morgan, this recovery has been truly awful. It lags all of the rest. And not only that - we hold up Japan as the poster boy for bad recoveries, their lost decade. Well this far into the recovery for Japan we are performing even worse than they did. We are lower than Japan. Mike says we are not Japan, but one can always hope.” (Bloomberg’s [Surveillance](#), 8/1/12)