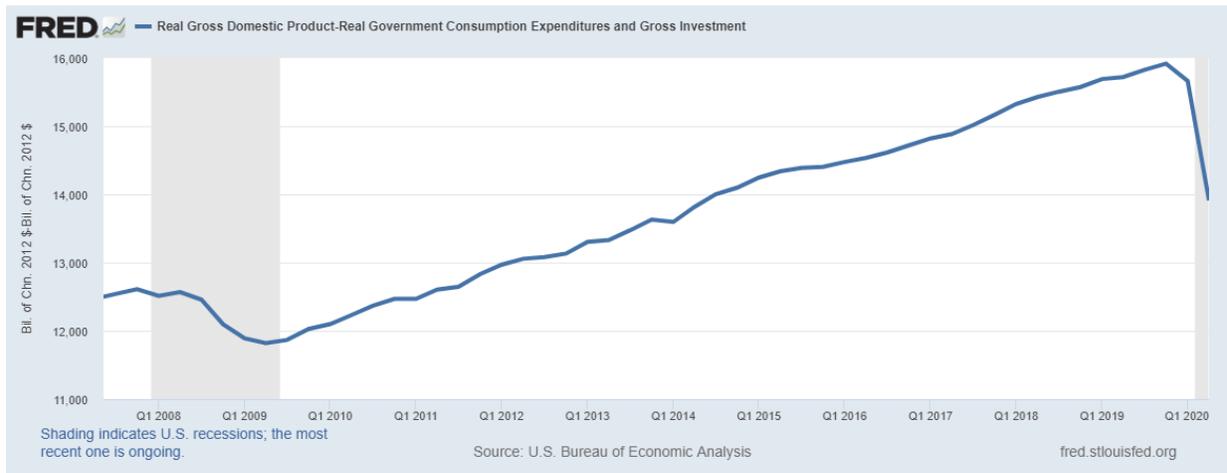


Overview of U.S. Economic Growth

Overview: The U.S. Bureau of Economic Analysis [recently released](#) the second estimate of real (inflation-adjusted) gross domestic product (GDP) in Q2:2020. The latest figures show GDP contracted by 5% (annualized) in Q1:2020 and 31.7% in Q2:2020 for a total GDP loss of \$2 trillion this year. The Federal Reserve Bank of Atlanta’s [GDPNow](#) running estimate of real GDP indicates it could increase by 28.9% in Q3:2020 (as of August 28) depending on COVID-19 responses. The U.S. private economy has lost \$2 trillion this year from COVID-19 and resulting lockdowns by state and local governments, but it will keep improving as states reopen.

Details: The U.S. economic expansion ended in February 2020 due to COVID-19 responses but appears to be expanding again in the third quarter with partial reopenings. The following data provide a comparison of real GDP and real private GDP (excluding the government sector) over time: 1) Q2:2009 for dated trough of the last recession in June, 2) Q1:2017 for start of Trump administration, 3) Q4:2019 for dated peak of the last expansion, 4) Q1:2020 for dated start of the recession in February, 5) Q2:2020 for latest reported data.

	Q3:2009	Q1:2017	Q4:2019	Q1:2020	Q2:2020
Real Gross Domestic Product	\$15.2T	\$18.0T	\$19.3T	\$19.0T	\$17.3T
Annualized Growth	+1.5%	+2.3%	+2.4%	-5.0%	-31.7%
Real Private GDP	\$11.9T	\$14.8T	\$15.9T	\$15.7T	\$13.9T
Annualized Growth	+1.6%	+2.8%	+2.4%	-6.2%	-37.8%



The average annualized growth per quarter during the last expansion (June 2009 to January 2020) was 2.3% in real GDP and 2.9% in real private GDP. Breaking this expansion into periods of the Obama (Q3:2009-Q4:2016) and Trump (Q1:2017-Q4:2019) administrations, the former averaged 2.3% in real GDP and 3.0% in real private GDP while the latter was 2.5% and 2.6%, respectively. Since the start of the current U.S. recession that was dated February 2020, the economy has contracted by \$2 trillion in terms of either real GDP or real private GDP, which has reduced the economy to the lowest level since Q4:2014 for real GDP and since Q2:2014 for real private GDP. The Atlanta Fed’s [GDPNow](#) estimate of real GDP growth of 28.9% in Q3:2020 is a good sign.

Recommendations to improve the economy and the livelihoods of Americans:

- Safely reopen society by ending state and local government-mandated lockdowns.
- Get businesses operating and workers working again, such as with [TPPF’s Recovery Act](#).
- Rein in excessive government spending and end unnecessary regulations.