

The US Economy Grew



Exercise 1

Vocabulary

gross

ADJECTIVE

without deduction of tax or other contributions

Within 10 years, they had a **gross** profit margin of 50%.

uncertainty

NOUN

epistemic situations involving unknown information

Uncertainty is a discouragement to investment.

As you grow older, some of those **uncertainties** are settled one way or another.

quarter-on-quarter

NOUN

a technique that calculates the change between two antecedent fiscal quarters

Revenue should trend modestly lower **quarter-on-quarter**.

residential

NOUN

designed for people to live in

The land is currently zoned for **residential** use.

Exercise 2

Article

The US Economy Grew

The US economy grew 2.1% in 2022, according to the first calculation on the country's annual gross domestic product published on Thursday by the Bureau of Economic Analysis (BEA).

According to this statistic, US GDP increased by 0.7% compared to the previous quarter, which would mean an annual growth rate of 2.9%. This seven-tenths increase takes place, the BEA points out, in the context of moderate inflation, low unemployment, ongoing uncertainties in the supply chain and rising interest rates.

Quarter-over-quarter growth has slowed slightly, it was one tenth higher in the third quarter, which is attributed to the decline in exports and in the pace of non-residential fixed investment, state and local government spending and consumer spending, the BEA notes.

These declines were partially offset by a rebound in private investment in inventories, an acceleration in federal government spending and a smaller decline in residential fixed investment. Imports decreased less in the fourth quarter than in the third.

The data for the fourth quarter are still incomplete, the BEA explained, and this estimate could vary, so the definitive data will not be known until the end of March.

Although with a much lower growth than that registered in 2021 (5.9%), the United States closes the year with 2.1% annual growth, having forgotten the fear of a recession after the first two quarters of decrease.

There were increases in consumer spending, exports, private inventory investment and non-residential fixed investment, which were partially offset by decreases in residential fixed investment and federal government spending.

Exercise 3

Questions

1. How many percent has the GDP of the USA increased?
2. Why did its GPA increase at such a rate?
3. How are imports affected from the third to fourth quarter?

Exercise 4

Discussion

1. Why are growth of imports, exports, and other factors of the trading system needed to be tracked?
2. How do imports and exports work? How to identify a net export of an economy?
3. How did the USA come up with 2.1%? What are the usual factors?

Exercise 5

Further Discussion

1. Which country nowadays do you think has the most economic development?
2. What are the common reasons which affect the economic rate?
3. Which products and services your country usually exports and imports?