# Economy expands at rate of 4.1%

## Growth is fastest since late 2011, beats earlier estimates

Associated Press

WASHINGTON — The U.S. economy grew at a solid 4.1 percent annual rate from July through September, the fastest pace since late 2011 and significantly higher than previously believed. Much of the upward revision came from stronger consumer spending.

The Commerce Department's final look at growth in the summer was up from a previous estimate of 3.6 percent. Four-fifths of the revision came from stronger consumer spending, primarily in health care.

The 4.1 percent third-quarter growth rate came after the economy expanded at a 2.5 percent rate in the second quarter. Much of the acceleration reflected a buildup in business stockpiles.

Economists expect growth has slowed to between 2 and 2.5 percent in the current quarter, in part because they believe inventory growth has slowed.

The third-quarter rise in the gross domestic product, the economy's total output of goods and services, was the best performance since a 4.9 percent increase in the final three months of 2011.

Still, analysts expect that for the year, the GDP will only expand by around 1.7 percent, down from the 2.8 percent growth of 2012. Much of that drop-off occurred because consumer spending was depressed by higher taxes.