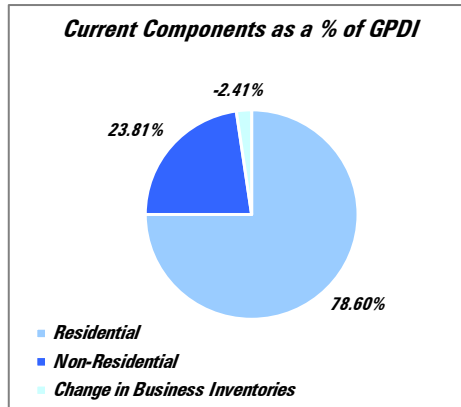
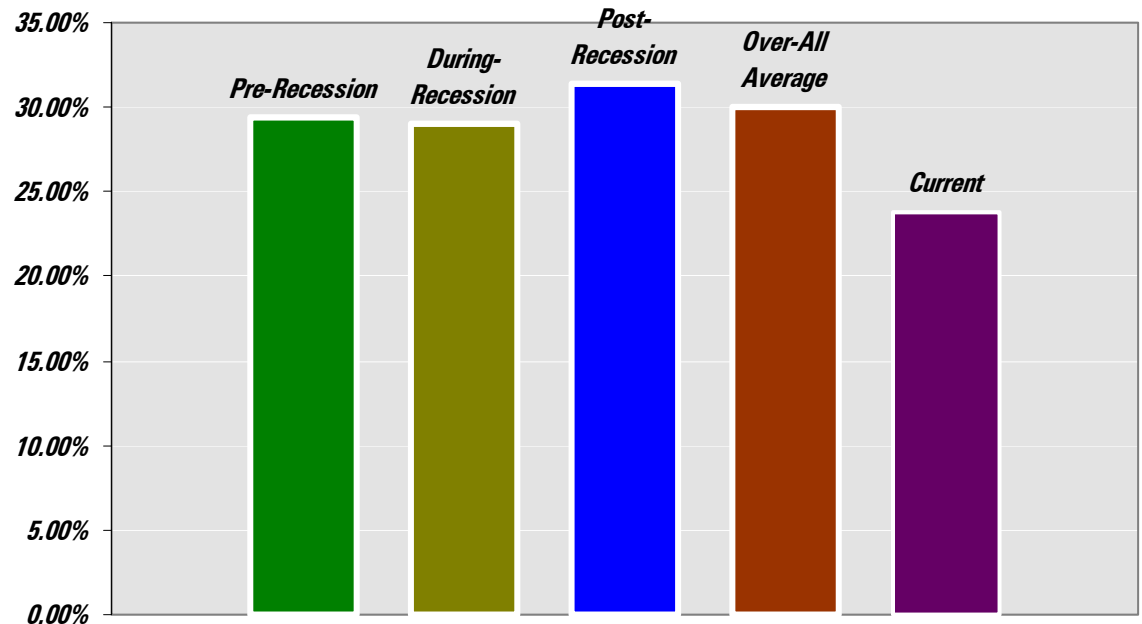


# Part III: GPDI During Recession

## Non-Residential Investment as a % of GPDI



**Non-Residential Investment During, Before, and After Recessions**



- Gross Private Domestic Investment is composed of change in business inventory, residential, and non-residential investment.
- Low non-residential investment indicates that businesses respond to recessions by spending less on construction, equipment, and software. A decrease in non-residential investment indicates that businesses anticipate deteriorating near to intermediate term economic conditions.
- A positive (or less negative) change in non-residential investment will indicate the expectation that near-term economic conditions warrant renewed capital expenditures.

Source: Federal Reserve Bank of St. Louis