* Macroadvisors considers the “indirect effect” of federal compensation on consumption as an added effect beyond just the 1:1 contribution of “G” to GDP . Intuitively, it would have a secondary effect on GDP since federal compensation is also a part of labor income and thus consumption. We don’t do such an adjustment, and I don’t think the Fed does either.
* Macroadvisor’s deals with the contribution of taxes and transfers to personal consumption differently than we do. We basically take total PCE, add outlays \* MPCs, and subtract taxes \* MPCs, and then calculate the growth rate from there. I think Macroadvisors takes the change in transfers, outlays, etc.
* Macroadvisor’s FI separates out unemployment benefits from other transfer payments. It’s not entirely clear to me why they do this.
* Macroadvisor’s annualized their numbers differently. We’re taking our fraction to the fourth power; they are multiplying by four.
* Macroadvisors doesn’t consider corporate taxes/capital gains at all. The Fed uses both in their measure. Currently, we’re using corporate taxes without making any adjustments for capital gains.
* For personal taxes, Macroadvisor’s splits up labor income from asset income. We don’t.
* Taking Contribution to GDP = [share] \* [growth rate], when we calculate the “share” we only consider the share in the previous quarter. Macroadvisors and the Fed average together the share in the current quarter and the share in the previous quarter. Making this change *barely* changes our data (it’s really insignificant), so I’d propose just being consistent with Macro/the Fed.