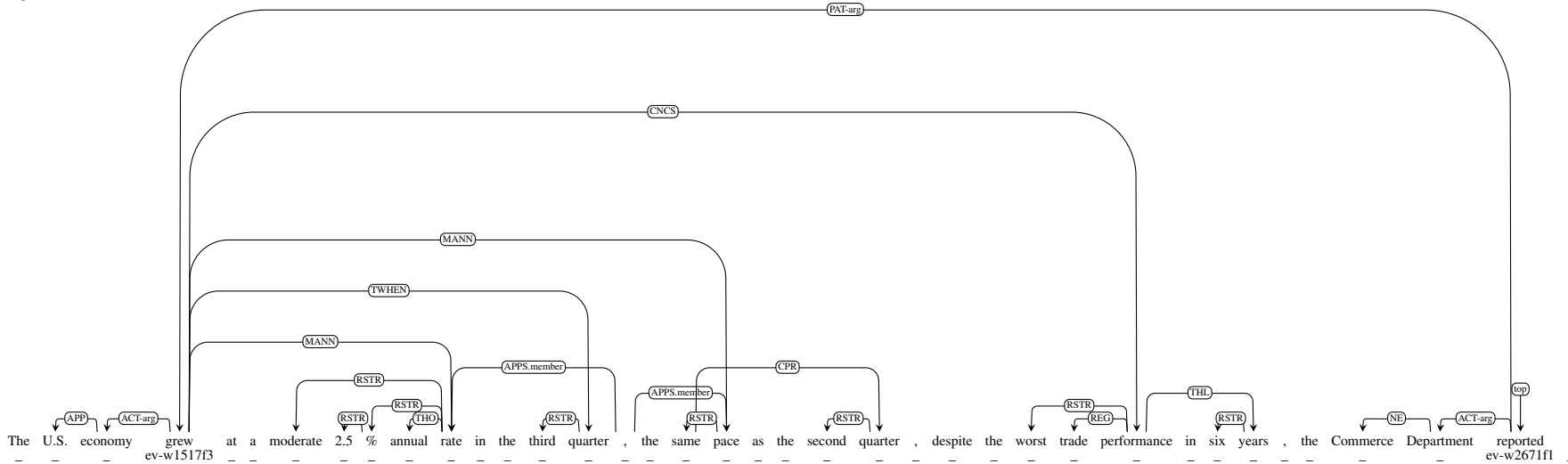
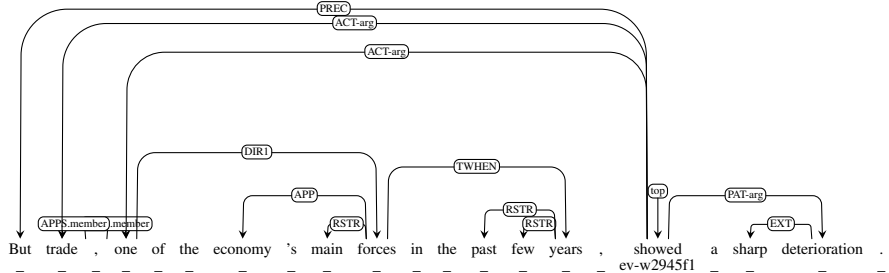


[20795001]



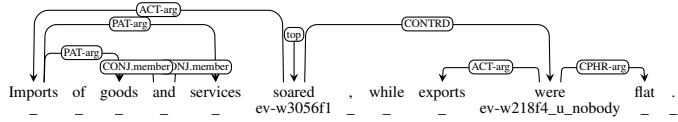
The U.S. economy grew at a moderate 2.5 % annual rate in the third quarter , the same pace as the second quarter , despite the worst trade performance in six years , the Commerce Department reported ev-w1517f3

[20795003]



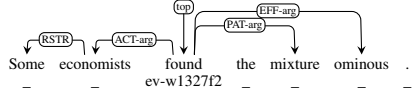
But trade , one of the economy 's main forces in the past few years , showed a sharp deterioration . ev-w2945f1

[20795004]



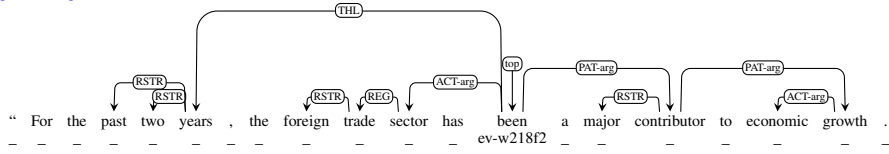
Imports of goods and services soared , while exports were flat . ev-w3056f1

[20795005]



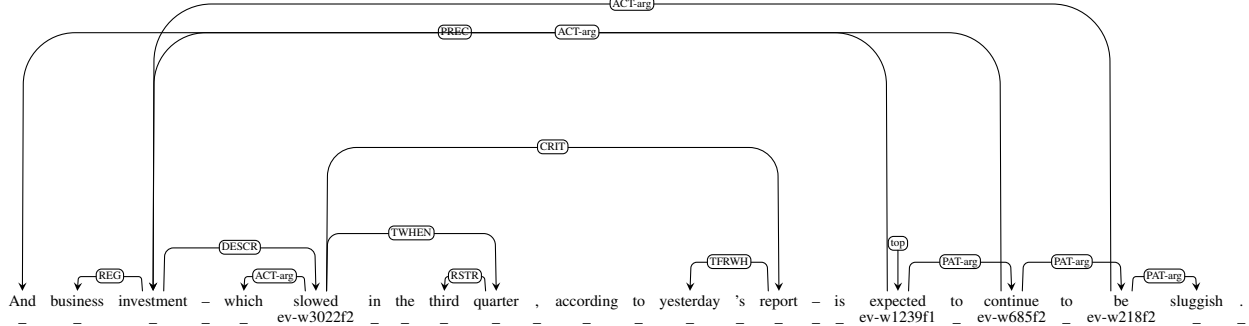
Some economists found the mixture ominous . ev-w1327f2

[20795006]



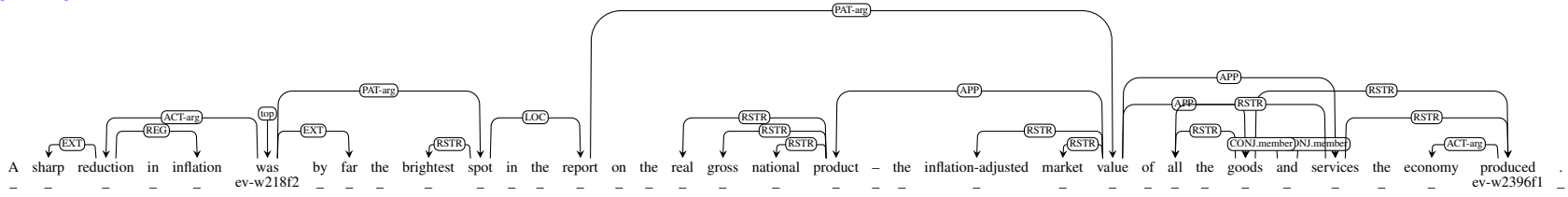
" For the past two years , the foreign trade sector has been a major contributor to economic growth . ev-w218f2

[20795010]



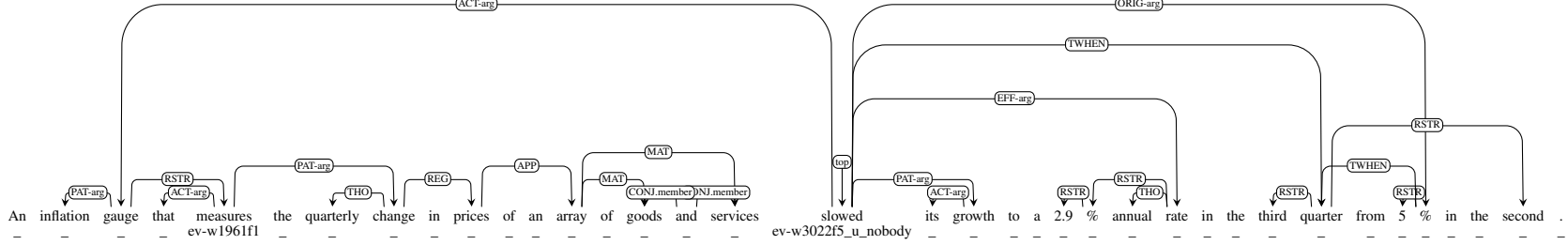
And business investment - which slowed in the third quarter , according to yesterday 's report - is expected to continue to be sluggish . ev-w3022f2

[20795011]



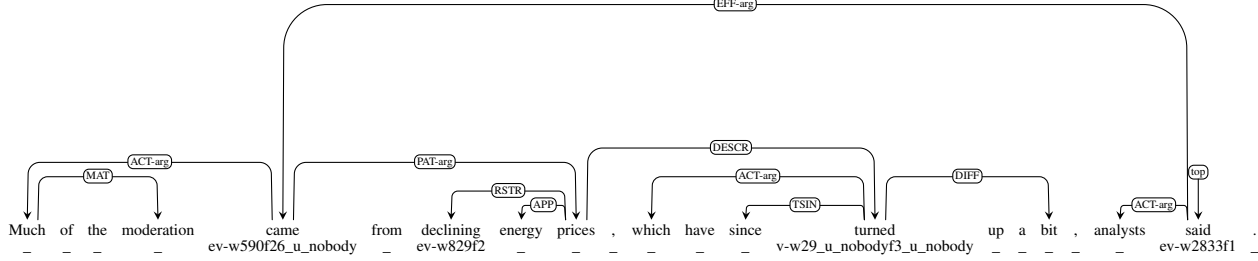
A sharp reduction in inflation was by far the brightest spot in the report on the real gross national product - the inflation-adjusted market value of all the goods and services the economy produced . ev-w218f2

[20795012]



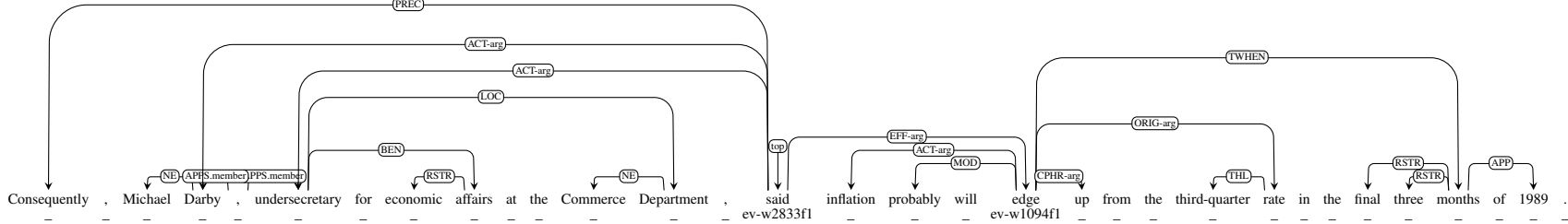
An inflation gauge that measures the quarterly change in prices of an array of goods and services slowed its growth to a 2.9 % annual rate in the third quarter from 5 % in the second . ev-w1961f1

[20795013]



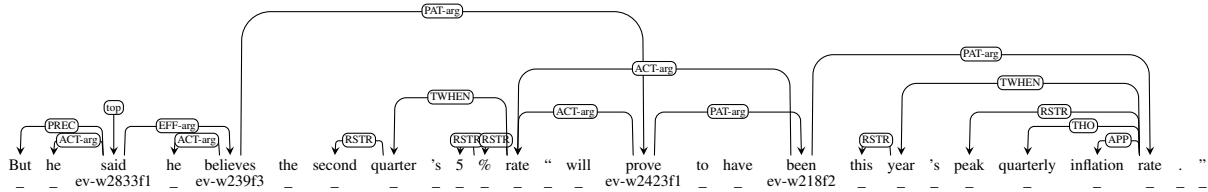
Much of the moderation came from declining energy prices , which have since turned up a bit , analysts said . ev-w590f26_u_nobody

[20795014]

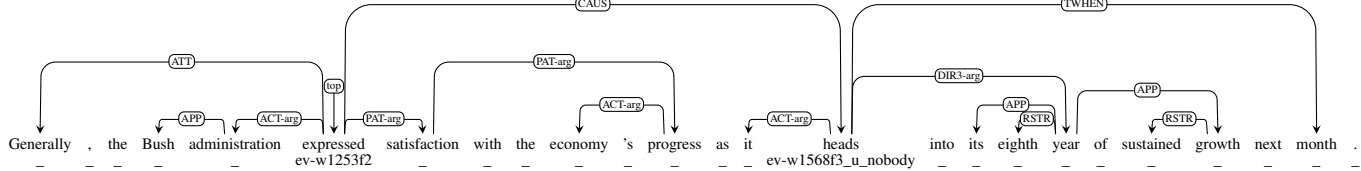


Consequently , Michael Darby , undersecretary for economic affairs at the Commerce Department , said inflation probably will edge up from the third-quarter rate in the final three months of 1989 . ev-w2833f1

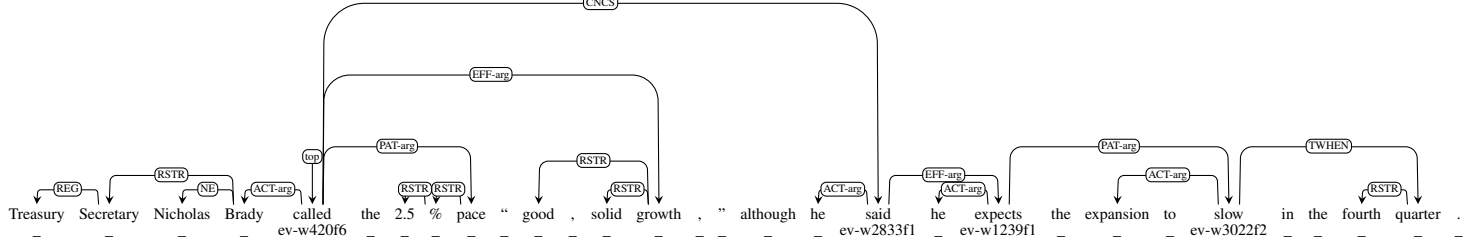
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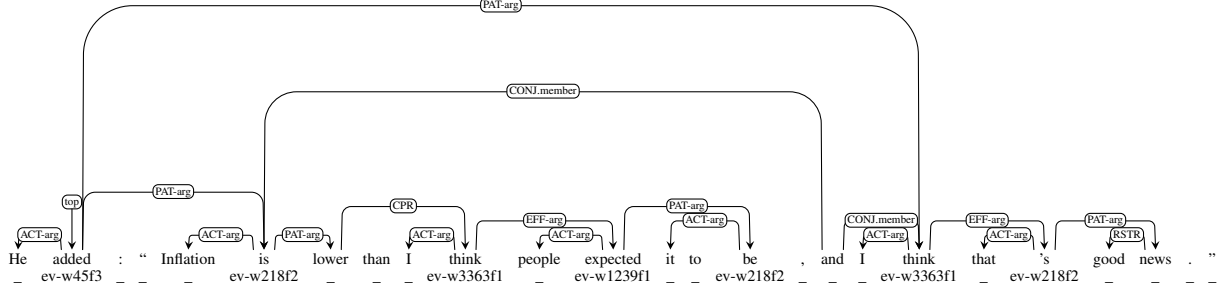
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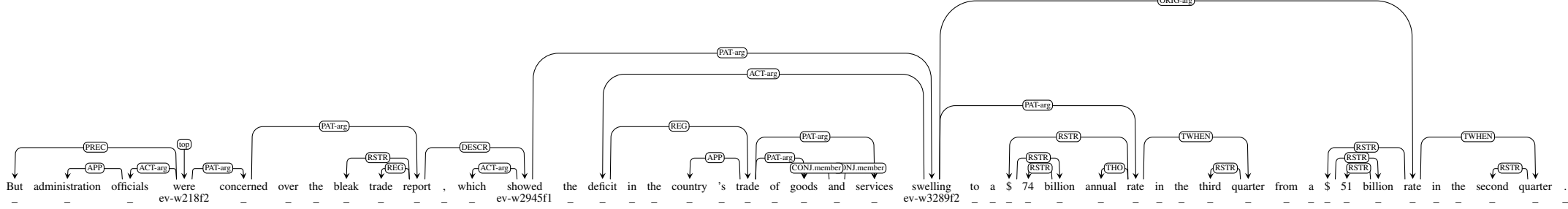
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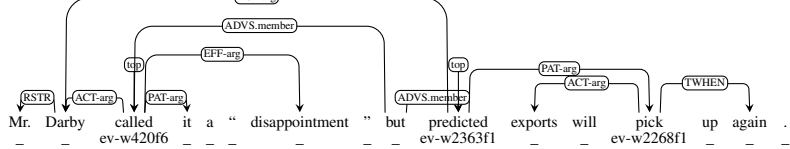
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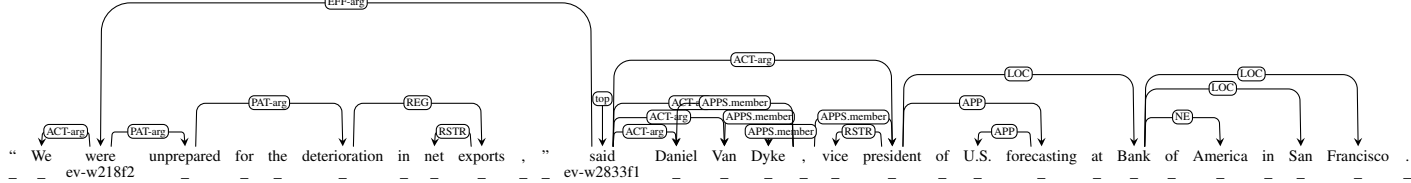
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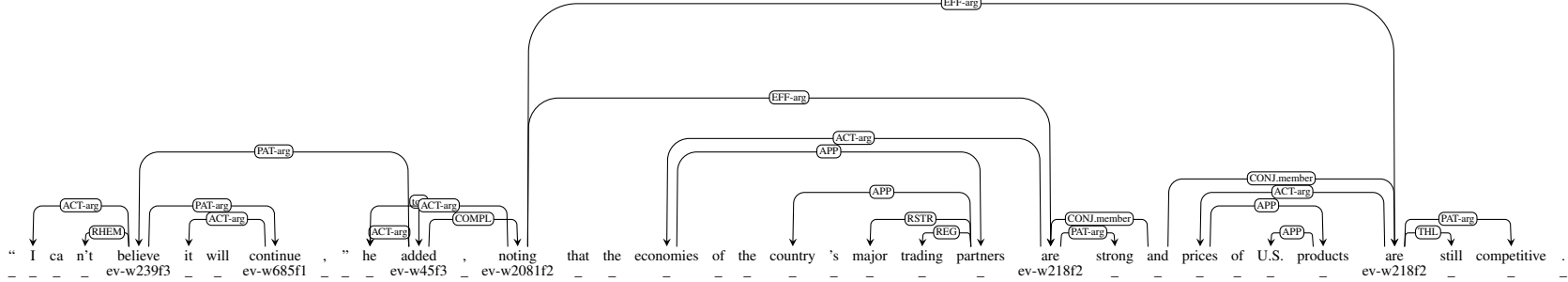
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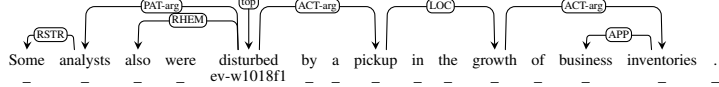
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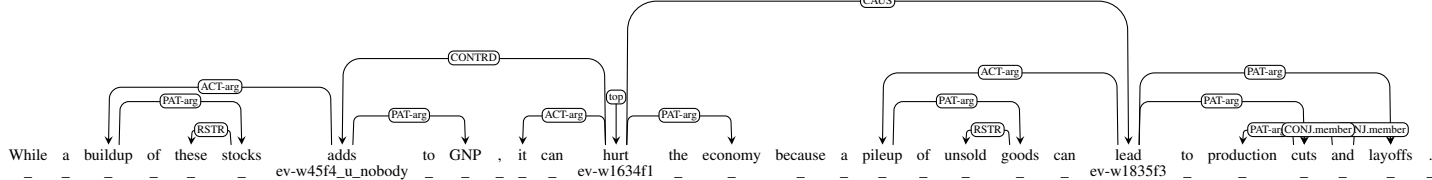
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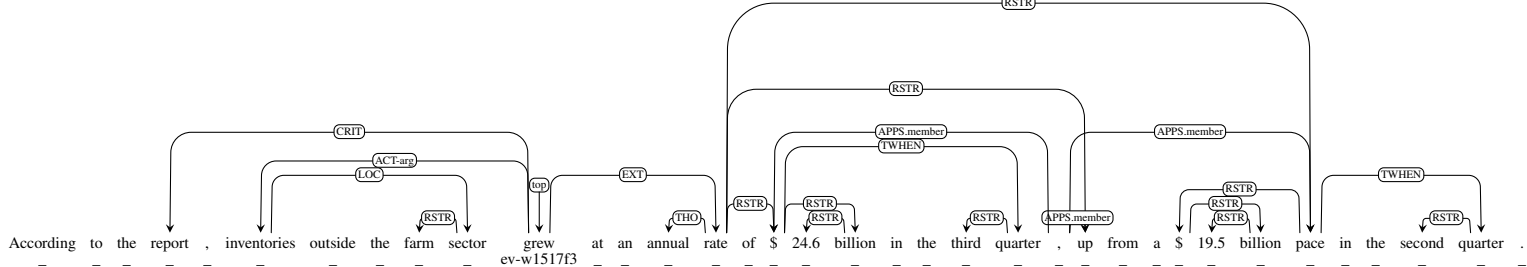
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