



4 Windows: \$1,200

4 tires :: \$8000

Work: \$10,000

1car:\$30,000

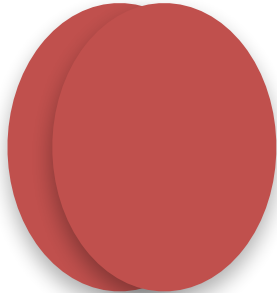
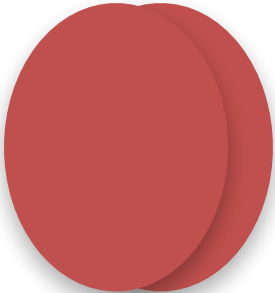
**\$42,000**

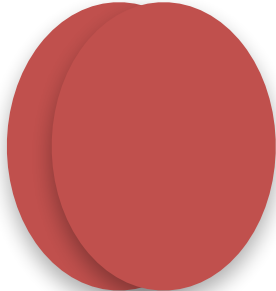
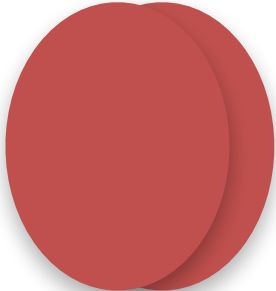


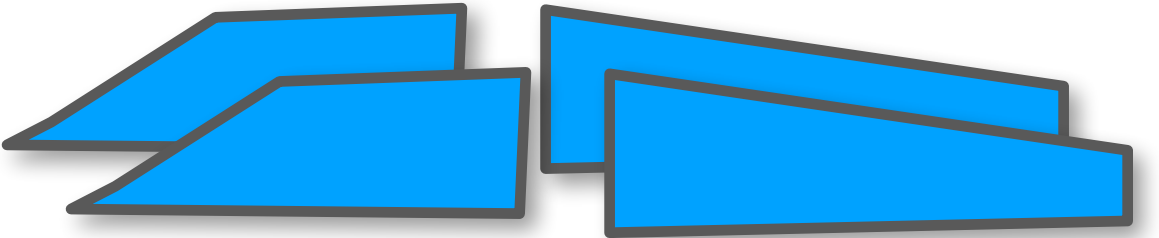
Total Sales of  
New Goods

Include **twice** the value of the  
tires, windows and work...



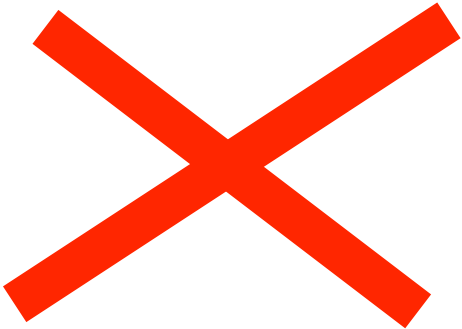






GDP = Total purchases of new goods...

GDP **excludes** sales  
of intermediate  
goods to avoid  
double counting.



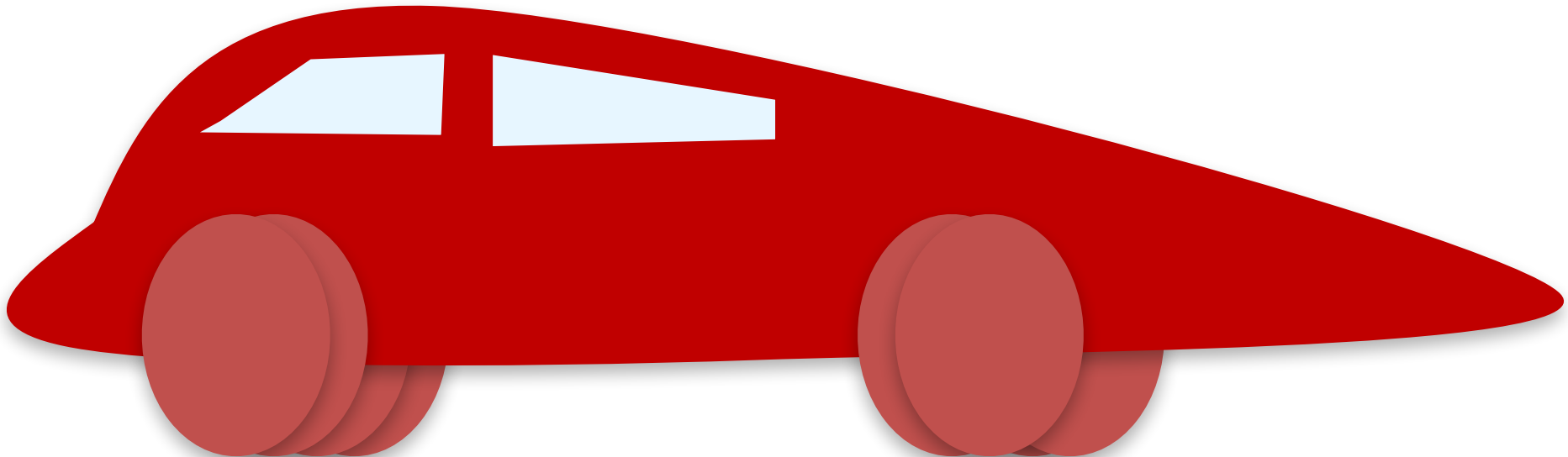


GDP only includes purchases of  
new final goods





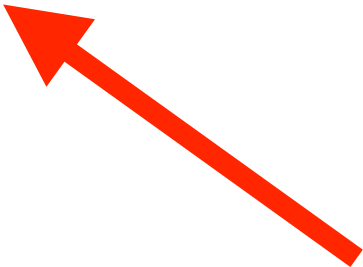






Intermediate  
Goods and  
Services

Final Good



4 Windows : \$1,200

+

4 tires : \$800

+

Work: \$10,000

+

1 car: \$30,000

=

~~\$42,000~~



GDP only includes purchases of  
**new final** goods

# Intermediate Good