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# US Economy Surges 2.8% Driven by Strong Consumer Spending

## Description

WASHINGTON (AP) — The U.S. economy grew at a strong rate of 2.8% from July to September. This growth happened because people are still spending money, even with high interest rates.

The Commerce Department reported that the economy's total output of goods and services slowed a little from 3% in the second quarter. However, this is still good news as people look at the economy during the presidential elections.

Consumer spending, which makes up about 70% of the economy, increased to 3.7%, up from 2.8%. Exports also grew by 8.9%.

But, business investment went down. Spending on buildings like houses and offices dropped, but equipment spending went up.

Inflation is also calming down. The Federal Reserve's favorite measure of inflation rose only 1.5% last quarter, down from 2.5%. This is the lowest rate in more than four years.

President Joe Biden said the economy has improved a lot since he took office. Many people feel positive about spending, as shown by a recent rise in consumer confidence.

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## Vocabulary List:

1. **Economy** /i'kɒnəmi/ (noun): The system of production and distribution and consumption.
2. **Consumer** /kən'sju:mə/ (noun): A person who purchases goods and services for personal use.
3. **Inflation** /ɪn'fleɪʃən/ (noun): Increase in prices and fall in the purchasing value of money.
4. **Investment** /ɪn'vestmənt/ (noun): The action or process of investing money for profit.
5. **Exports** /'ɛkspɔ:ts/ (noun): Goods and services sold to another country.
6. **Confidence** /'kɒnfɪdəns/ (noun): The feeling or belief that one can rely on someone or something.

## Comprehension Questions

### Multiple Choice

1. What was the growth rate of the U.S. economy from July to September?



- Option: 2.8%
- Option: 3.2%
- Option: 3.7%
- Option: 2.1%

2. What percentage of the economy does consumer spending make up?

- Option: 60%
- Option: 70%
- Option: 80%
- Option: 50%

3. By how much did consumer spending increase from the previous quarter?

- Option: 0.9%
- Option: 1.2%
- Option: 0.5%
- Option: 0.1%

4. Which type of investment decreased according to the text?

- Option: Business investment
- Option: Equipment spending
- Option: Building spending
- Option: Infrastructure investment

5. What was the inflation rate in the last quarter as per the Federal Reserve's measure?

- Option: 1.5%
- Option: 2.0%
- Option: 2.5%
- Option: 1.0%

6. Who mentioned that the economy has improved a lot since taking office?

- Option: Joe Biden
- Option: Donald Trump
- Option: Barack Obama
- Option: George Bush

### True-False

7. The U.S. economy grew at a rate of 3% in the second quarter.



8. Business investment increased during the period in question.
9. Equipment spending went down according to the text.
10. The inflation rate decreased compared to the previous quarter.
11. President Joe Biden mentioned a recent decline in consumer confidence.
12. Consumer spending comprises around 80% of the economy.

### Gap-Fill

13. The U.S. economy grew at a rate of \_\_\_\_\_ from July to September.
14. Consumer spending makes up about \_\_\_\_\_ of the economy.
15. Inflation as per the Federal Reserve's measure rose only \_\_\_\_\_ last quarter.
16. President Joe Biden mentioned that the economy has improved a lot since he took \_\_\_\_\_.
17. Spending on buildings like houses and offices \_\_\_\_\_ during the period in question.
18. Exports grew by \_\_\_\_\_ according to the information provided.

### Answer

**Multiple Choice:** 1. 2.8% 2. 70% 3. 1.2% 4. Building spending 5. 1.5% 6. Joe Biden

**True-False:** 7. False 8. False 9. False 10. True 11. False 12. False

**Gap-Fill:** 13. 2.8% 14. 70% 15. 1.5% 16. office 17. dropped 18. 8.9%

### Vocabulary quizzes

**Multiple Choice ( Select the Correct answer for each question. )**

1. Which term describes something having great worth or significance?



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- Option: Unemployment  
Option: Volatile  
Option: Valuable  
Option: Earnings
2. What term is used to refer to activities related to the production of goods in factories?  
Option: Strike  
Option: Artificial  
Option: Industrial  
Option: Unemployment
3. Which term is defined as a general increase in prices and fall in the purchasing value of money?  
Option: Confidence  
Option: Inflation  
Option: Consumer  
Option: Economy
4. What term refers to the action or process of investing money for profit or material result?  
Option: Tariffs  
Option: Investment  
Option: Confidence  
Option: Consumer
5. Which term describes the wealth and resources of a country in terms of the production and consumption of goods and services?  
Option: Economy  
Option: Disrupt  
Option: Nondairy  
Option: Premarket
6. What term describes products that do not contain any dairy ingredients?  
Option: Earnings  
Option: Necrotizing  
Option: Nondairy  
Option: Volatile
7. Which term refers to the belief in the reliability truth or ability of someone or something?  
Option: Important  
Option: Confidence  
Option: Adjust  
Option: Reckitt
8. Which term describes the quality of being committed to a task or purpose?



- Option: Nutritionally
- Option: Dedication
- Option: Tariffs
- Option: Earnings

9. What are substances added to something in small quantities to improve or preserve it?

- Option: Exports
- Option: Additives
- Option: Strike
- Option: Economy

10. Which term is likely associated with a company or brand name in the context of business or industry?

- Option: Economy
- Option: Reckitt
- Option: Volatile
- Option: Important

**Gap-Fill ( Fill in the blanks with the correct word from the vocabulary list. )**

11. \_\_\_\_\_ is the state of being without a job.
12. Employees may go on a \_\_\_\_\_ to protest against workplace conditions.
13. \_\_\_\_\_ are taxes imposed on imports or exports.
14. A \_\_\_\_\_ is a person who purchases goods and services for personal use.
15. \_\_\_\_\_ refer to the amount of money a company makes from its business activities.
16. A product that is tested before its official release is said to be in the \_\_\_\_\_ phase.
17. The government often implements policies to boost the \_\_\_\_\_ and encourage growth.
18. \_\_\_\_\_ can erode the purchasing power of consumers over time.
19. Investors may lack \_\_\_\_\_ in the market during times of uncertainty.
20. Some food labels highlight the \_\_\_\_\_ content of a product to appeal to health-



conscious consumers.

**Matching Sentences ( Match each definition to the correct word from the vocabulary list. )**

21. Artifacts from ancient civilizations are often considered for their historical significance.
22. The company its financial forecast to reflect the changing market conditions.
23. The Industrial Revolution had a profound impact on the way goods were manufactured.
24. The of education in society cannot be understated.
25. Making a long-term can help secure one's financial future.
26. The global relies on a delicate balance between supply and demand.
27. Understanding the needs and preferences of the is vital for successful marketing.
28. Central banks monitor rates to ensure stable economic growth.
29. The country's main source of revenue comes from the sale of to foreign markets.
30. A positive outlook can instill among investors and businesses.

**Answer**

**Multiple Choice:** 1. Valuable 2. Industrial 3. Inflation 4. Investment 5. Economy 6. Nondairy 7. Confidence 8. Dedication 9. Additives 10. Reckitt

**Gap-Fill:** 11. Unemployment 12. Strike 13. Tariffs 14. Consumer 15. Earnings 16. Premarket 17. Economy 18. Inflation 19. Confidence 20. Nutritionally

**Matching sentence:** 1. Valuable 2. Adjusted 3. Industrial 4. Importance 5. Investment 6. Economy 7. Consumer 8. Inflation 9. Exports 10. Confidence

**CATEGORY**

- 1. Business - LEVEL1

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