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PERSONAL INCOME AND OUTLAYS: JANUARY 2008

Personal income increased \$32.2 billion, or 0.3 percent, and disposable personal income (DPI) increased \$46.6 billion, or 0.4 percent, in January, according to the Bureau of Economic Analysis. Personal consumption expenditures (PCE) increased \$39.9 billion, or 0.4 percent. In December, personal income increased \$54.0 billion, or 0.5 percent, DPI increased \$46.0 billion, or 0.4 percent, and PCE increased \$32.0 billion, or 0.3 percent, based on revised estimates.

	2007				2008
	<u>Sept.</u>	<u>Oct.</u> (Percent change from preceding month)	<u>Nov.</u>	<u>Dec.</u>	<u>Jan.</u>
Personal income, current dollars	0.4	0.2	0.3	0.5	0.3
Disposable personal income:					
Current dollars	0.4	0.2	0.3	0.4	0.4
Chained (2000) dollars	0.1	-0.1	-0.4	0.1	0.1
Personal consumption expenditures:					
Current dollars	0.5	0.3	0.9	0.3	0.4
Chained (2000) dollars	0.2	0.0	0.2	0.0	0.0

This news release also presents revised estimates of wages and salaries, personal taxes, and contributions for government social insurance for July through September 2007 (third quarter). These estimates reflect newly available third-quarter wage and salary tabulations from the quarterly census of employment and wages from the Bureau of Labor Statistics.

NOTE.--Monthly estimates are expressed at seasonally adjusted annual rates, unless otherwise specified. Month-to-month dollar changes are differences between these published estimates. Month-to-month percent changes are calculated from unrounded data and are not annualized. "Real" estimates are in chained (2000) dollars.

This news release is available on BEA's Web site at www.bea.gov/bea/rels.htm.

The January change in personal income was boosted by several special factors. Bonus payments and gains on the exercise of stock options boosted private wage and salary disbursements; pay raises for federal civilian and military personnel boosted government wage and salary disbursements; and cost-of-living adjustments to several federal transfer payment programs boosted personal current transfer receipts. The January change was reduced by a decrease in Medicare part D prescription drug benefit payments, annual adjustments to personal contributions for government social insurance (a subtraction in calculating personal income), and by lump-sum social security benefit payments that had boosted December personal income. Excluding these special factors, personal income increased \$27.4 billion, or 0.2 percent, in January, after increasing \$47.0 billion, or 0.4 percent, in December. These special factors are discussed more fully below.

Compensation of employees

Private wage and salary disbursements increased \$23.1 billion in January, compared with an increase of \$23.2 billion in December. The January change in private wages and salaries was boosted by an adjustment of \$15.0 billion (at an annual rate) for large bonus payments. This type of irregular payment is not accounted for in the primary monthly source data for wages and salaries. The adjustment to January wages was based on data from state governments and from other sources. Goods-producing industries' payrolls increased \$0.5 billion in January, in contrast to a decrease of \$1.2 billion in December; manufacturing payrolls increased \$0.3 billion, in contrast to a decrease of \$0.4 billion. Services-producing industries' payrolls increased \$22.5 billion, compared with an increase of \$24.3 billion.

Government wage and salary disbursements increased \$9.4 billion in January, compared with an increase of \$3.4 billion in December. Pay raises for civilian and military personnel added \$7.2 billion to government payrolls in January.

Employer contributions for employee pension and insurance funds increased \$6.1 billion in January, compared with an increase of \$3.4 billion in December.

Employer contributions for government social insurance increased \$6.2 billion in January, compared with an increase of \$1.5 billion in December. The January increase reflected an increase in the tax rate paid by employers to state unemployment insurance funds and an increase in the social security taxable wage base (from \$97,500 to \$102,000); together, these changes added \$4.0 billion to the January increase. (Changes in employer contributions for government social insurance do not affect personal income, because employer contributions for government social insurance are also included in total contributions for government social insurance, which is a subtraction in the calculation of personal income.)

Other personal income

Proprietors' income increased \$7.9 billion in January, in contrast to a decrease of \$2.4 billion in December. Farm proprietors' income increased \$0.3 billion, compared with an increase of \$2.1 billion. Nonfarm proprietors' income increased \$7.7 billion, in contrast to a decrease of \$4.7 billion.

Rental income of persons decreased \$2.6 billion in January, in contrast to an increase of \$2.3 billion in December. Personal income receipts on assets (personal interest income plus personal dividend income) increased \$3.7 billion, compared with an increase of \$3.1 billion.

Personal current transfer receipts decreased \$7.3 billion in January, in contrast to an increase of \$22.7 billion in December. The January change primarily reflects a decrease in federal Medicare part D prescription drug payments to recover overpayments that were made in 2006. The January change in current transfer receipts was also reduced by lump-sum social security benefits payments, which had added \$7.0 billion to December benefit payments; these benefit payments resulted from a recalculation of the earnings base underlying the benefits for recent retirees. The January change in current transfer receipts was boosted by 2.3-percent cost-of-living adjustments to social security benefits and to several other federal transfer payment programs; together, these changes added \$15.5 billion to the January increase.

Contributions for government social insurance -- a subtraction in calculating personal income -- increased \$14.2 billion in January, compared with an increase of \$3.3 billion in December. The January increase reflected increases in both employer and personal contributions for government social insurance. As noted above, employer contributions were boosted \$4.0 billion in January by increases in unemployment-insurance rates and in the social security taxable wage base. The January increase in personal contributions for government social insurance reflected an increase in the monthly premiums paid by participants in the supplementary medical insurance program (Medicare B) and the increase in the social security taxable wage base; together, these changes added \$5.0 billion to the January increase.

Personal current taxes and disposable personal income

Personal current taxes decreased \$14.4 billion in January, in contrast to an increase of \$8.0 billion in December. Federal net nonwithheld income taxes (payments of estimated taxes plus final settlements less refunds) reduced the January change by \$23.2 billion, based on federal budget projections of lower final settlements and higher refunds for 2008. Indexation provisions of current tax law reduced federal withheld income taxes by \$4.1 billion in January.

Disposable personal income (DPI) -- personal income less personal current taxes -- increased \$46.6 billion, or 0.4 percent, in January, compared with an increase of \$46.0 billion, or 0.4 percent, in December.

Personal outlays and personal saving

Personal outlays -- PCE, personal interest payments, and personal current transfer payments increased \$44.6 billion in January, compared with an increase of \$28.3 billion in December. PCE increased \$39.9 billion, compared with an increase of \$32.0 billion.

Personal saving -- DPI less personal outlays -- was a negative \$6.2 billion in January, compared with a negative \$8.2 billion in December. Personal saving as a percentage of disposable personal income was a negative 0.1 percent in January, the same percentage as in December. Negative personal saving reflects personal outlays that exceed disposable personal income. Saving from current income may be near zero or negative when outlays are financed by borrowing (including borrowing financed through credit cards or home equity loans), by selling investments or other assets, or by using savings from previous periods. For more information, see the FAQs on "Personal Saving" on BEA's Web site. For a comparison of personal saving in BEA's national income and product accounts with personal saving in the Federal Reserve Board's flow of funds accounts and data on changes in net worth (which help finance consumption), go to <http://www.bea.gov/bea/dn/nipaweb/Nipa-Frb.asp>.

Real DPI and real PCE

Real DPI -- DPI adjusted to remove price changes -- increased 0.1 percent in January, the same increase as in December.

Real PCE -- PCE adjusted to remove price changes -- increased less than 0.1 percent in January, the same increase as in December. Purchases of durable goods decreased 1.3 percent, compared with a decrease of 0.6 percent. Purchases of motor vehicles and parts accounted for most of the January decrease. Purchases of nondurable goods decreased 0.2 percent in January, the same decrease as in December. Purchases of services increased 0.4 percent in January, compared with an increase of 0.2 percent in December.

PCE prices -- The price index for PCE increased 0.4 percent in January, compared with an increase of 0.3 percent in December. Prices, excluding food and energy, increased 0.3 percent, compared with an increase of 0.2 percent.

2007 Personal Income and Outlays

Personal income increased 6.1 percent in 2007 (that is, from the 2006 annual level to the 2007 annual level), compared with an increase of 6.6 percent in 2006. DPI increased 5.7 percent, compared with an increase of 5.9 percent. PCE increased 5.5 percent, compared with an increase of 5.9 percent.

Real DPI increased 3.0 percent in 2007, compared with an increase of 3.1 percent in 2006. Real PCE increased 2.9 percent, compared with an increase of 3.1 percent.

Revisions

Estimates for personal income and DPI have been revised for July through December; estimates for PCE have been revised for October through December. Changes in personal income, current-dollar and chained (2000) dollar DPI, and current-dollar and chained (2000) dollar PCE for November and December -- revised and as published in last month's release -- are shown below.

For July through December, the revisions to wages and salaries reflected the incorporation of the most recently available BLS tabulations of third-quarter private wages and salaries from the quarterly census of employment and wages. Wages and salaries were revised down for all six months.

	<u>Change from preceding month</u>							
	November				December			
	<u>Previous</u>	<u>Revised</u>	<u>Previous</u>	<u>Revised</u>	<u>Previous</u>	<u>Revised</u>	<u>Previous</u>	<u>Revised</u>
	(Billions of dollars)		(Percent)	(Billions of dollars)		(Percent)		
Personal Income:								
Current dollars.....	47.6	33.7	0.4	0.3	55.1	54.0	0.5	0.5
Disposable personal income:								
Current dollars.....	37.6	25.7	0.4	0.3	47.5	46.0	0.5	0.4
Chained (2000) dollars.....	-17.1	-33.8	-0.2	-0.4	18.3	11.4	0.2	0.1
Personal consumption expenditures:								
Current dollars.....	94.6	86.6	1.0	0.9	23.5	32.0	0.2	0.3
Chained (2000) dollars.....	33.0	19.7	0.4	0.2	-0.9	0.7	0.0	0.0

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Next release -- March 28, 2008 at 8:30 A.M. EDT for
Personal Income and Outlays for February.

Table 1.—Personal Income and Its Disposition (Months)

[Billions of dollars]

	Seasonally adjusted at annual rates							
	2007							2008
	June	July ^r	Aug. ^r	Sep. ^r	Oct. ^r	Nov. ^r	Dec. ^r	Jan. ^p
Personal income	11,626.5	11,683.7	11,735.9	11,785.5	11,813.0	11,846.7	11,900.7	11,932.9
Compensation of employees, received	7,832.3	7,853.7	7,876.4	7,918.1	7,927.4	7,958.9	7,990.6	8,035.2
Wage and salary disbursements	6,344.2	6,358.6	6,376.8	6,412.9	6,417.6	6,444.1	6,470.8	6,503.1
Private industries	5,279.4	5,290.8	5,303.1	5,335.7	5,336.7	5,359.8	5,383.0	5,406.1
Goods-producing industries	1,216.1	1,215.8	1,217.1	1,219.6	1,216.9	1,221.1	1,219.9	1,220.4
Manufacturing	756.0	755.1	754.9	754.2	752.2	755.3	754.9	755.2
Services-producing industries	4,063.3	4,075.0	4,086.0	4,116.0	4,119.8	4,138.8	4,163.1	4,185.6
Trade, transportation, and utilities	1,042.9	1,031.9	1,031.3	1,036.9	1,036.1	1,038.0	1,043.4	1,046.4
Other services-producing industries	3,020.4	3,043.2	3,054.7	3,079.1	3,083.7	3,100.8	3,119.7	3,139.3
Government	1,064.7	1,067.7	1,073.7	1,077.2	1,080.9	1,084.3	1,087.7	1,097.1
Supplements to wages and salaries	1,488.1	1,495.1	1,499.6	1,505.2	1,509.8	1,514.8	1,519.8	1,532.0
Employer contributions for employee pension and insurance funds	1,014.5	1,019.2	1,022.8	1,026.2	1,030.7	1,034.3	1,037.7	1,043.8
Employer contributions for government social insurance	473.6	476.0	476.8	479.0	479.0	480.6	482.1	488.3
Proprietors' income with inventory valuation and capital consumption adjustments	1,041.1	1,051.3	1,050.7	1,043.9	1,050.1	1,058.5	1,056.1	1,064.0
Farm	34.4	36.2	38.7	41.0	42.2	43.9	46.0	46.3
Nonfarm	1,006.7	1,015.1	1,012.0	1,002.9	1,008.0	1,014.7	1,010.0	1,017.7
Rental income of persons with capital consumption adjustment	66.5	66.9	68.3	70.1	72.4	74.7	77.0	74.4
Personal income receipts on assets	1,941.5	1,959.0	1,976.3	1,993.2	1,996.4	1,999.7	2,002.8	2,006.5
Personal interest income	1,151.8	1,161.5	1,171.1	1,180.8	1,176.9	1,173.0	1,169.1	1,168.4
Personal dividend income	789.7	797.5	805.1	812.4	819.5	826.6	833.7	838.1
Personal current transfer receipts	1,720.4	1,733.2	1,746.6	1,747.1	1,754.1	1,745.7	1,768.4	1,761.1
Government social benefits to persons	1,692.5	1,705.4	1,718.6	1,719.0	1,726.0	1,717.5	1,740.3	1,733.0
Old-age, survivors, disability, and health insurance benefits	1,027.3	1,027.6	1,038.7	1,037.4	1,036.1	1,027.2	1,045.2	1,032.5
Government unemployment insurance benefits	31.5	31.5	32.1	31.5	31.5	32.3	33.3	33.4
Other	633.7	646.2	647.7	650.2	658.3	658.1	661.7	667.0
Other current transfer receipts, from business (net)	27.9	27.9	28.0	28.0	28.1	28.1	28.2	28.1
Less: Contributions for government social insurance	975.2	980.4	982.3	986.9	987.4	990.8	994.1	1,008.3
Less: Personal current taxes	1,486.1	1,484.3	1,488.7	1,496.3	1,504.2	1,512.2	1,520.2	1,505.8
Equals: Disposable personal income	10,140.4	10,199.4	10,247.2	10,289.2	10,308.8	10,334.5	10,380.5	10,427.1
Less: Personal outlays	10,112.0	10,153.7	10,198.3	10,250.6	10,277.5	10,360.4	10,388.7	10,433.3
Personal consumption expenditures	9,705.6	9,742.0	9,783.1	9,832.0	9,862.3	9,948.9	9,980.9	10,020.8
Durable goods	1,068.6	1,063.4	1,085.8	1,095.7	1,092.8	1,083.0	1,074.0	1,060.8
Nondurable goods	2,835.4	2,854.3	2,830.6	2,854.0	2,868.5	2,919.9	2,928.9	2,943.3
Services	5,801.5	5,824.3	5,866.7	5,882.3	5,901.1	5,946.1	5,978.0	6,016.7
Personal interest payments ¹	270.1	272.9	275.8	278.7	274.6	270.5	266.4	270.8
Personal current transfer payments	136.4	138.7	139.3	140.0	140.6	141.0	141.4	141.7
To government	85.9	86.5	87.1	87.8	88.1	88.5	88.9	89.3
To the rest of the world (net)	50.5	52.2	52.2	52.2	52.5	52.5	52.5	52.5
Equals: Personal saving	28.4	45.7	48.9	38.5	31.3	-25.9	-8.2	-6.2
Personal saving as a percentage of disposable personal income .....	.3	.4	.5	.4	.3	-.3	-.1	-.1
Addenda:								
Disposable personal income:								
Total, billions of chained (2000) dollars ²	8,619.9	8,660.3	8,702.5	8,713.5	8,705.0	8,671.2	8,682.6	8,689.7
Per capita:								
Current dollars	33,587	33,753	33,880	33,988	34,024	34,082	34,207	34,337
Chained (2000) dollars	28,551	28,660	28,773	28,783	28,730	28,596	28,612	28,615
Population (midperiod, thousands) ³	301,914	302,178	302,450	302,728	302,989	303,228	303,457	303,672

^p Preliminary^r Revised. Revisions include changes to series affected by the incorporation of revised wage and salary estimates for the third quarter of 2007.

1. Consists of nonmortgage interest paid by households.

2. Equals disposable personal income deflated by the implicit price deflator for personal consumption expenditures.

3. Population is the total population of the United States, including the Armed Forces overseas and the institutionalized population. The monthly estimate is the average of estimates for the first of the month and the first of the following month; the annual and quarterly estimates are averages of the monthly estimates.

Table 2.—Personal Income and Its Disposition (Years and Quarters)

[Billions of dollars]

	2006	2007 ^r	Seasonally adjusted at annual rates					
			2006		2007			
			III	IV	I	II	III ^r	IV ^r
Personal income	10,983.4	11,658.8	11,030.9	11,200.2	11,469.2	11,577.3	11,735.0	11,853.5
Compensation of employees, received	7,440.8	7,852.1	7,442.5	7,599.9	7,764.9	7,801.9	7,882.7	7,959.0
Wage and salary disbursements	6,018.2	6,360.0	6,015.8	6,153.0	6,294.4	6,318.9	6,382.7	6,444.2
Private industries	4,997.6	5,292.3	4,988.8	5,115.7	5,242.7	5,256.9	5,309.8	5,359.9
Goods-producing industries	1,166.8	1,214.6	1,158.5	1,191.4	1,208.9	1,212.6	1,217.5	1,219.3
Manufacturing	731.0	754.6	724.3	743.3	755.4	754.1	754.7	754.1
Services-producing industries	3,830.8	4,077.8	3,830.3	3,924.4	4,033.9	4,044.3	4,092.3	4,140.5
Trade, transportation, and utilities	985.1	1,031.5	985.8	1,002.2	1,020.0	1,033.7	1,033.3	1,039.1
Other services-producing industries	2,845.7	3,046.2	2,844.5	2,922.2	3,013.8	3,010.6	3,059.0	3,101.4
Government	1,020.6	1,067.7	1,027.0	1,037.2	1,051.7	1,061.9	1,072.9	1,084.3
Supplements to wages and salaries	1,422.6	1,492.1	1,426.7	1,446.9	1,470.5	1,483.0	1,500.0	1,514.8
Employer contributions for employee pension and insurance funds	970.7	1,016.8	975.4	986.7	999.2	1,010.9	1,022.7	1,034.2
Employer contributions for government social insurance	451.8	475.3	451.3	460.2	471.3	472.1	477.3	480.6
Proprietors' income with inventory valuation and capital consumption adjustments	1,006.7	1,042.3	1,003.6	1,009.8	1,027.4	1,038.4	1,048.7	1,054.9
Farm	19.4	36.2	18.1	23.9	29.1	33.1	38.6	44.0
Nonfarm	987.4	1,006.1	985.5	985.8	998.3	1,005.3	1,010.0	1,010.9
Rental income of persons with capital consumption adjustment	54.5	64.6	52.9	50.9	53.2	62.1	68.4	74.7
Personal income receipts on assets	1,796.5	1,947.2	1,828.1	1,836.6	1,882.9	1,930.0	1,976.2	1,999.6
Personal interest income	1,100.2	1,154.7	1,119.7	1,102.8	1,126.1	1,148.4	1,171.1	1,173.0
Personal dividend income	696.3	792.5	708.4	733.8	756.8	781.6	805.0	826.6
Personal current transfer receipts	1,612.5	1,731.5	1,630.6	1,647.7	1,710.7	1,717.1	1,742.3	1,756.1
Government social benefits to persons	1,585.3	1,703.7	1,603.2	1,618.0	1,683.1	1,689.4	1,714.4	1,727.9
Old-age, survivors, disability, and health insurance benefits	946.4	1,022.6	956.1	972.0	999.4	1,020.1	1,034.6	1,036.2
Government unemployment insurance benefits	29.9	31.9	30.0	30.3	31.8	31.7	31.7	32.4
Other	609.0	649.2	617.1	615.7	651.8	637.6	648.1	659.4
Other current transfer receipts, from business (net)	27.2	27.9	27.4	29.7	27.6	27.8	28.0	28.1
Less: Contributions for government social insurance	927.6	979.0	926.8	944.6	969.8	972.2	983.2	990.8
Less: Personal current taxes	1,354.3	1,483.6	1,355.2	1,401.0	1,454.7	1,477.6	1,489.8	1,512.2
Equals: Disposable personal income	9,629.1	10,175.2	9,675.8	9,799.2	10,014.5	10,099.7	10,245.2	10,341.3
Less: Personal outlays	9,590.3	10,132.4	9,677.1	9,757.2	9,917.5	10,069.2	10,200.9	10,342.2
Personal consumption expenditures	9,224.5	9,732.7	9,305.7	9,373.7	9,540.5	9,674.0	9,785.7	9,930.7
Durable goods	1,048.9	1,078.4	1,053.8	1,056.5	1,074.0	1,074.7	1,081.6	1,083.3
Nondurable goods	2,688.0	2,833.5	2,732.4	2,705.4	2,759.4	2,822.7	2,846.3	2,905.7
Services	5,487.6	5,820.8	5,519.5	5,611.8	5,707.1	5,776.5	5,857.8	5,941.7
Personal interest payments ¹	238.0	262.3	242.3	251.6	243.3	259.5	275.8	270.5
Personal current transfer payments	127.8	137.5	129.1	131.8	133.7	135.7	139.3	141.0
To government	78.9	86.1	79.6	81.2	83.4	85.3	87.1	88.5
To the rest of the world (net)	48.9	51.4	49.5	50.6	50.4	50.5	52.2	52.5
Equals: Personal saving	38.8	42.7	-1.4	42.0	97.0	30.5	44.4	-9.9
Personal saving as a percentage of disposable personal income .....	.4	.4	0	.4	1.0	.3	.4	0
Addenda:								
Disposable personal income:								
Total, billions of chained (2000) dollars ²	8,396.9	8,652.1	8,384.5	8,510.7	8,623.9	8,607.1	8,692.1	8,686.2
Per capita:								
Current dollars	32,183	33,683	32,299	32,626	33,270	33,480	33,874	34,104
Chained (2000) dollars	28,064	28,641	27,989	28,336	28,650	28,532	28,739	28,646
Population (midperiod, thousands) ³	299,199	302,087	299,568	300,351	301,004	301,667	302,452	303,225

^r Revised. Revisions include changes to series affected by the incorporation of revised wage and salary estimates for the third quarter of 2007.

1. Consists of nonmortgage interest paid by households.

2. Equals disposable personal income deflated by the implicit price deflator for personal consumption expenditures.

3. Population is the total population of the United States, including the Armed Forces overseas and the institutionalized population. The monthly estimate is the average of estimates for the first of the month and the first of the following month; the annual and quarterly estimates are averages of the monthly estimates.

Table 3.—Personal Income and Its Disposition, Change from Preceding Period (Months)

[Billions of dollars]

	Seasonally adjusted at annual rates							
	2007							2008
	June	July ^r	Aug. ^r	Sep. ^r	Oct. ^r	Nov. ^r	Dec. ^r	Jan. ^p
Personal income	50.8	57.2	52.2	49.6	27.5	33.7	54.0	32.2
Compensation of employees, received	35.5	21.4	22.7	41.7	9.3	31.5	31.7	44.6
Wage and salary disbursements	30.1	14.4	18.2	36.1	4.7	26.5	26.7	32.3
Private industries	27.1	11.4	12.3	32.6	1.0	23.1	23.2	23.1
Goods-producing industries	4.8	-3	1.3	2.5	-2.7	4.2	-1.2	.5
Manufacturing	3.5	-9	-2	-7	-2.0	3.1	-4	.3
Services-producing industries	22.3	11.7	11.0	30.0	3.8	19.0	24.3	22.5
Trade, transportation, and utilities	10.7	-11.0	-6	5.6	-8	1.9	5.4	3.0
Other services-producing industries	11.6	22.8	11.5	24.4	4.6	17.1	18.9	19.6
Government	2.9	3.0	6.0	3.5	3.7	3.4	3.4	9.4
Supplements to wages and salaries	5.5	7.0	4.5	5.6	4.6	5.0	5.0	12.2
Employer contributions for employee pension and insurance funds	3.7	4.7	3.6	3.4	4.5	3.6	3.4	6.1
Employer contributions for government social insurance	1.8	2.4	.8	2.2	0	1.6	1.5	6.2
Proprietors' income with inventory valuation and capital consumption adjustments	2.0	10.2	-6	-6.8	6.2	8.4	-2.4	7.9
Farm	1.3	1.8	2.5	2.3	1.2	1.7	2.1	.3
Nonfarm .....	.6	8.4	-3.1	-9.1	5.1	6.7	-4.7	7.7
Rental income of persons with capital consumption adjustment	4.9	.4	1.4	1.8	2.3	2.3	2.3	-2.6
Personal income receipts on assets	11.4	17.5	17.3	16.9	3.2	3.3	3.1	3.7
Personal interest income	3.4	9.7	9.6	9.7	-3.9	-3.9	-3.9	-7
Personal dividend income	8.0	7.8	7.6	7.3	7.1	7.1	7.1	4.4
Personal current transfer receipts .....	.7	12.8	13.4	.5	7.0	-8.4	22.7	-7.3
Government social benefits to persons .....	.6	12.9	13.2	.4	7.0	-8.5	22.8	-7.3
Old-age, survivors, disability, and health insurance benefits	4.6	.3	11.1	-1.3	-1.3	-8.9	18.0	-12.7
Government unemployment insurance benefits	-1	0	.6	-6	0	.8	1.0	.1
Other	-4	12.5	1.5	2.5	8.1	-2	3.6	5.3
Other current transfer receipts, from business (net) .....	.1	0	.1	0	.1	0	.1	-1
Less: Contributions for government social insurance	3.6	5.2	1.9	4.6	.5	3.4	3.3	14.2
Less: Personal current taxes	9.3	-1.8	4.4	7.6	7.9	8.0	8.0	-14.4
Equals: Disposable personal income	41.5	59.0	47.8	42.0	19.6	25.7	46.0	46.6
Less: Personal outlays	32.3	41.7	44.6	52.3	26.9	82.9	28.3	44.6
Personal consumption expenditures	21.1	36.4	41.1	48.9	30.3	86.6	32.0	39.9
Durable goods	-18.0	-5.2	22.4	9.9	-2.9	-9.8	-9.0	-13.2
Nondurable goods	-2.7	18.9	-23.7	23.4	14.5	51.4	9.0	14.4
Services	41.7	22.8	42.4	15.6	18.8	45.0	31.9	38.7
Personal interest payments ¹	10.6	2.8	2.9	2.9	-4.1	-4.1	-4.1	4.4
Personal current transfer payments .....	.7	2.3	.6	.7	.6	.4	.4	.3
To government .....	.6	.6	.6	.7	.3	.4	.4	.4
To the rest of the world (net)	0	1.7	0	0	.3	0	0	0
Equals: Personal saving	9.3	17.3	3.2	-10.4	-7.2	-57.2	17.7	2.0
Addendum:								
Real disposable personal income, billions of chained (2000) dollars ²	22.9	40.4	42.2	11.0	-8.5	-33.8	11.4	7.1

^p Preliminary

^r Revised. Revisions include changes to series affected by the incorporation of revised wage and salary estimates for the third quarter of 2007.

1. Consists of nonmortgage interest paid by households.

2. Equals disposable personal income deflated by the implicit price deflator for personal consumption expenditures.

Table 4.—Personal Income and Its Disposition, Change from Preceding Period (Years and Quarters)

[Billions of dollars]

	2006	2007 ^r	Seasonally adjusted at annual rates					
			2006		2007			
			III	IV	I	II	III ^r	IV ^r
Personal income	682.3	675.4	115.4	169.3	269.0	108.1	157.7	118.5
Compensation of employees, received	416.2	411.3	70.6	157.4	165.0	37.0	80.8	76.3
Wage and salary disbursements	350.3	341.8	57.4	137.2	141.4	24.5	63.8	61.5
Private industries	310.7	294.7	44.2	126.9	127.0	14.2	52.9	50.1
Goods-producing industries	68.1	47.8	2.6	32.9	17.5	3.7	4.9	1.8
Manufacturing	26.9	23.6	1.0	19.0	12.1	-1.3	.6	-6
Services-producing industries	242.5	247.0	41.7	94.1	109.5	10.4	48.0	48.2
Trade, transportation, and utilities	48.1	46.4	4.9	16.4	17.8	13.7	-4	5.8
Other services-producing industries	194.5	200.5	36.7	77.7	91.6	-3.2	48.4	42.4
Government	39.7	47.1	13.2	10.2	14.5	10.2	11.0	11.4
Supplements to wages and salaries	65.8	69.5	13.2	20.2	23.6	12.5	17.0	14.8
Employer contributions for employee pension and insurance funds	43.0	46.1	9.9	11.3	12.5	11.7	11.8	11.5
Employer contributions for government social insurance	22.7	23.5	3.3	8.9	11.1	.8	5.2	3.3
Proprietors' income with inventory valuation and capital consumption adjustments	36.8	35.6	-9.9	6.2	17.6	11.0	10.3	6.2
Farm	-11.4	16.8	3.5	5.8	5.2	4.0	5.5	5.4
Nonfarm	48.3	18.7	-13.4	.3	12.5	7.0	4.7	.9
Rental income of persons with capital consumption adjustment	11.6	10.1	-2.5	-2.0	2.3	8.9	6.3	6.3
Personal income receipts on assets	178.7	150.7	32.4	8.5	46.3	47.1	46.2	23.4
Personal interest income	81.3	54.5	7.0	-16.9	23.3	22.3	22.7	1.9
Personal dividend income	97.4	96.2	25.5	25.4	23.0	24.8	23.4	21.6
Personal current transfer receipts	91.8	119.0	31.5	17.1	63.0	6.4	25.2	13.8
Government social benefits to persons	102.2	118.4	29.9	14.8	65.1	6.3	25.0	13.5
Old-age, survivors, disability, and health insurance benefits	101.1	76.2	16.0	15.9	27.4	20.7	14.5	1.6
Government unemployment insurance benefits	-1.4	2.0	.8	.3	1.5	-1	0	.7
Other	2.6	40.2	13.2	-1.4	36.1	-14.2	10.5	11.3
Other current transfer receipts, from business (net)	-10.4	.7	1.5	2.3	-2.1	.2	.2	.1
Less: Contributions for government social insurance	52.8	51.4	6.7	17.8	25.2	2.4	11.0	7.6
Less: Personal current taxes	145.2	129.3	12.6	45.8	53.7	22.9	12.2	22.4
Equals: Disposable personal income	537.1	546.1	102.9	123.4	215.3	85.2	145.5	96.1
Less: Personal outlays	542.9	542.1	134.2	80.1	160.3	151.7	131.7	141.3
Personal consumption expenditures	516.7	508.2	121.8	68.0	166.8	133.5	111.7	145.0
Durable goods	25.0	29.5	11.0	2.7	17.5	.7	6.9	1.7
Nondurable goods	171.8	145.5	40.2	-27.0	54.0	63.3	23.6	59.4
Services	319.8	333.2	70.6	92.3	95.3	69.4	81.3	83.9
Personal interest payments ¹	20.3	24.3	11.3	9.3	-8.3	16.2	16.3	-5.3
Personal current transfer payments	6.0	9.7	1.1	2.7	1.9	2.0	3.6	1.7
To government	4.4	7.2	1.5	1.6	2.2	1.9	1.8	1.4
To the rest of the world (net)	1.6	2.5	-4	1.1	-2	.1	1.7	.3
Equals: Personal saving	-5.8	3.9	-31.4	43.4	55.0	-66.5	13.9	-45.3
Addendum:								
Real disposable personal income, billions of chained (2000) dollars ²	249.0	255.2	35.9	126.2	113.2	-16.8	85.0	-5.9

^r Revised. Revisions include changes to series affected by the incorporation of revised wage and salary estimates for the third quarter of 2007.

1. Consists of nonmortgage interest paid by households.

2. Equals disposable personal income deflated by the implicit price deflator for personal consumption expenditures.

Table 5.—Personal Income and Its Disposition, Percent Change from Preceding Period (Months)

	Seasonally adjusted at monthly rates							
	2007							2008
	June	July ^r	Aug. ^r	Sep. ^r	Oct. ^r	Nov. ^r	Dec. ^r	Jan. ^p
	Based on current-dollar measures							
Personal income	0.4	0.5	0.4	0.4	0.2	0.3	0.5	0.3
Compensation of employees, received .....	.5	.3	.3	.5	.1	.4	.4	.6
Wage and salary disbursements .....	.5	.2	.3	.6	.1	.4	.4	.5
Supplements to wages and salaries .....	.4	.5	.3	.4	.3	.3	.3	.8
Proprietors' income with inventory valuation and capital consumption adjustments .....	.2	1.0	-.1	-.6	.6	.8	-.2	.8
Rental income of persons with capital consumption adjustment	7.9	.6	2.1	2.7	3.2	3.1	3.1	-3.3
Personal income receipts on assets .....	.6	.9	.9	.9	.2	.2	.2	.2
Personal interest income .....	.3	.8	.8	.8	-.3	-.3	-.3	-.1
Personal dividend income	1.0	1.0	1.0	.9	.9	.9	.8	.5
Personal current transfer receipts	0	.7	.8	0	.4	-.5	1.3	-.4
Less: Contributions for government social insurance .....	.4	.5	.2	.5	0	.3	.3	1.4
Less: Personal current taxes .....	.6	-.1	.3	.5	.5	.5	.5	-.9
Equals: Disposable personal income .....	.4	.6	.5	.4	.2	.3	.4	.4
Addenda:								
Personal consumption expenditures .....	.2	.4	.4	.5	.3	.9	.3	.4
Durable goods	-1.7	-.5	2.1	.9	-.3	-.9	-.8	-1.2
Nondurable goods	-.1	.7	-.8	.8	.5	1.8	.3	.5
Services .....	.7	.4	.7	.3	.3	.8	.5	.6
	Based on chained (2000) dollar measures							
Real disposable personal income .....	.3	.5	.5	.1	-.1	-.4	.1	.1

^p Preliminary
^r Revised. Revisions include changes to series affected by the incorporation of revised wage and salary estimates for the third quarter of 2007.

Table 6.—Personal Income and Its Disposition, Percent Change from Preceding Period (Years and Quarters)

	2006	2007 ^r	Seasonally adjusted at annual rates					
			2006		2007			
			III	IV	I	II	III ^r	IV ^r
	Based on current-dollar measures							
Personal income	6.6	6.1	4.3	6.3	10.0	3.8	5.6	4.1
Compensation of employees, received	5.9	5.5	3.9	8.7	9.0	1.9	4.2	3.9
Wage and salary disbursements	6.2	5.7	3.9	9.4	9.5	1.6	4.1	3.9
Supplements to wages and salaries	4.8	4.9	3.8	5.8	6.7	3.4	4.7	4.0
Proprietors' income with inventory valuation and capital consumption adjustments	3.8	3.5	-.3	2.5	7.2	4.4	4.0	2.4
Rental income of persons with capital consumption adjustment	27.2	18.5	-16.7	-14.0	19.2	85.9	47.1	41.9
Personal income receipts on assets	11.0	8.4	7.4	1.9	10.5	10.4	9.9	4.8
Personal interest income	8.0	4.9	2.5	-5.9	8.7	8.2	8.2	.6
Personal dividend income	16.3	13.8	15.8	15.1	13.1	13.8	12.5	11.2
Personal current transfer receipts	6.0	7.4	8.1	4.3	16.2	1.5	6.0	3.2
Less: Contributions for government social insurance	6.0	5.5	3.0	7.9	11.1	1.0	4.6	3.1
Less: Personal current taxes	12.0	9.5	3.8	14.2	16.2	6.5	3.3	6.2
Equals: Disposable personal income	5.9	5.7	4.4	5.2	9.1	3.4	5.9	3.8
Addenda:								
Personal consumption expenditures	5.9	5.5	5.4	3.0	7.3	5.7	4.7	6.1
Durable goods	2.4	2.8	4.3	1.0	6.8	.3	2.6	.6
Nondurable goods	6.8	5.4	6.1	-3.9	8.2	9.5	3.4	8.6
Services	6.2	6.1	5.3	6.9	7.0	5.0	5.7	5.9
	Based on chained (2000) dollar measures							
Real disposable personal income	3.1	3.0	1.7	6.2	5.4	-.8	4.0	-.3

^r Revised. Revisions include changes to series affected by the incorporation of revised wage and salary estimates for the third quarter of 2007.

Table 7.—Real Personal Consumption Expenditures by Major Type of Product (Months)

	2007							2008
	June	July	Aug.	Sep.	Oct. ^r	Nov. ^r	Dec. ^r	Jan. ^p
	Billions of chained (2000) dollars, seasonally adjusted at annual rates							
Personal consumption expenditures	8,250.2	8,272.0	8,308.4	8,326.4	8,328.0	8,347.7	8,348.4	8,351.0
Durable goods	1,221.4	1,217.2	1,247.3	1,261.2	1,257.1	1,248.5	1,241.4	1,224.7
Nondurable goods	2,385.1	2,398.8	2,389.7	2,402.0	2,406.0	2,407.3	2,402.1	2,398.4
Services	4,665.9	4,676.3	4,698.3	4,693.8	4,694.6	4,717.8	4,728.4	4,745.9
	Change from preceding period in billions of chained (2000) dollars, seasonally adjusted at annual rates							
Personal consumption expenditures	5.9	21.8	36.4	18.0	1.6	19.7	.7	2.6
Durable goods	-21.5	-4.2	30.1	13.9	-4.1	-8.6	-7.1	-16.7
Nondurable goods	-1.3	13.7	-9.1	12.3	4.0	1.3	-5.2	-3.7
Services	22.1	10.4	22.0	-4.5	.8	23.2	10.6	17.5
	Percent change from preceding period in chained (2000) dollars, seasonally adjusted at monthly rates							
Personal consumption expenditures .....	.1	.3	.4	.2	0	.2	0	0
Durable goods	-1.7	-4	2.5	1.1	-3	-7	-6	-1.3
Nondurable goods	-1	.6	-4	.5	.2	.1	-2	-2
Services .....	.5	.2	.5	-1	0	.5	.2	.4

^p Preliminary
^r Revised

Table 8.—Real Personal Consumption Expenditures by Major Type of Product (Years and Quarters)

	2006	2007 ^r	Seasonally adjusted at annual rates					
			2006		2007			
			III	IV	I	II	III	IV ^r
	Billions of chained (2000) dollars							
Personal consumption expenditures	8,044.1	8,275.9	8,063.8	8,141.2	8,215.7	8,244.3	8,302.2	8,341.3
Durable goods	1,180.5	1,235.6	1,186.3	1,197.6	1,223.2	1,228.4	1,241.9	1,249.0
Nondurable goods	2,337.7	2,393.1	2,343.9	2,368.8	2,386.6	2,383.8	2,396.8	2,405.1
Services	4,545.5	4,672.6	4,554.0	4,595.5	4,630.7	4,656.7	4,689.5	4,713.6
	Change from preceding period in billions of chained (2000) dollars							
Personal consumption expenditures	240.5	231.8	54.5	77.4	74.5	28.6	57.9	39.1
Durable goods	43.1	55.1	16.1	11.3	25.6	5.2	13.5	7.1
Nondurable goods	82.3	55.4	18.3	24.9	17.8	-2.8	13.0	8.3
Services	118.2	127.1	22.4	41.5	35.2	26.0	32.8	24.1
	Percent change from preceding period in chained (2000) dollars							
Personal consumption expenditures	3.1	2.9	2.8	3.9	3.7	1.4	2.8	1.9
Durable goods	3.8	4.7	5.6	3.9	8.8	1.7	4.5	2.3
Nondurable goods	3.6	2.4	3.2	4.3	3.0	-5	2.2	1.4
Services	2.7	2.8	2.0	3.7	3.1	2.3	2.8	2.1

^r Revised

Table 9.—Price Indexes for Personal Consumption Expenditures: Level and Percent Change From Preceding Period (Months)

	2007							2008
	June	July	Aug.	Sep.	Oct. ^r	Nov. ^r	Dec. ^r	Jan. ^p
Chain-type price indexes (2000=100), seasonally adjusted								
Personal consumption expenditures (PCE)	117.644	117.776	117.755	118.087	118.428	119.187	119.559	120.000
Durable goods	87.484	87.363	87.044	86.865	86.926	86.736	86.513	86.613
Nondurable goods	118.881	118.989	118.451	118.813	119.221	121.289	121.928	122.721
Services	124.346	124.557	124.877	125.329	125.708	126.044	126.437	126.785
Addenda:								
PCE excluding food and energy	114.270	114.457	114.645	114.946	115.207	115.436	115.702	116.053
Market-based PCE ¹	116.083	116.173	116.053	116.333	116.664	117.488	117.867	118.298
Market-based PCE excluding food and energy ¹	111.623	111.768	111.876	112.105	112.335	112.539	112.791	113.113
Percent change from preceding period in price indexes, seasonally adjusted at monthly rates								
PCE .....	.1	.1	0	.3	.3	.6	.3	.4
Durable goods .....	.1	-.1	-.4	-.2	.1	-.2	-.3	.1
Nondurable goods	0	.1	-.5	.3	.3	1.7	.5	.7
Services .....	.2	.2	.3	.4	.3	.3	.3	.3
Addenda:								
PCE excluding food and energy .....	.1	.2	.2	.3	.2	.2	.2	.3
Market-based PCE ¹ .....	.1	.1	-.1	.2	.3	.7	.3	.4
Market-based PCE excluding food and energy ¹ .....	.1	.1	.1	.2	.2	.2	.2	.3

^p Preliminary

^r Revised

1. This index is a supplemental measure that is based on household expenditures for which there are observable price measures. It excludes most implicit prices (for example, the services furnished without payment by financial intermediaries) and the expenses of nonprofit institutions.

Table 10.—Real Disposable Personal Income and Real Personal Consumption Expenditures: Percent Change From Month One Year Ago

	2007							2008
	June	July ^r	Aug. ^r	Sep. ^r	Oct. ^r	Nov. ^r	Dec. ^r	Jan. ^p
Disposable personal income	3.0	3.6	4.0	3.4	2.6	1.9	1.7	1.2
Personal consumption expenditures	2.9	2.5	3.2	3.2	2.6	2.6	2.1	1.8
Durable goods	4.3	1.9	6.2	6.0	5.8	4.6	2.5	0
Nondurable goods	2.6	2.2	2.0	2.6	2.1	1.9	.6	.5
Services	2.7	2.7	3.2	3.0	2.3	2.6	2.8	2.7

^p Preliminary

^r Revised. Revisions include changes to series affected by the incorporation of revised wage and salary estimates for the third quarter of 2007.

Table 11.—Price Indexes for Personal Consumption Expenditures: Percent Change From Month One Year Ago

	2007							2008
	June	July	Aug.	Sep.	Oct. ^r	Nov. ^r	Dec. ^r	Jan. ^p
Personal consumption expenditures (PCE)	2.3	2.1	1.8	2.5	3.0	3.6	3.6	3.7
Durable goods	-1.6	-1.8	-2.2	-1.9	-1.8	-1.7	-1.6	-1.3
Nondurable goods	2.2	1.8	1.0	2.8	4.4	6.6	6.3	6.8
Services	3.1	3.1	3.0	3.1	3.2	3.2	3.3	3.1
Addenda:								
PCE excluding food and energy	1.9	2.0	1.9	1.9	2.0	2.1	2.2	2.2
Market-based PCE ¹	2.2	2.0	1.7	2.3	2.9	3.7	3.6	3.7
Market-based PCE excluding food and energy ¹	1.7	1.8	1.6	1.6	1.7	1.9	2.0	1.9

^p Preliminary

^r Revised

1. This index is a supplemental measure that is based on household expenditures for which there are observable price measures. It excludes most implicit prices (for example, the services furnished without payment by financial intermediaries) and the expenses of nonprofit institutions.