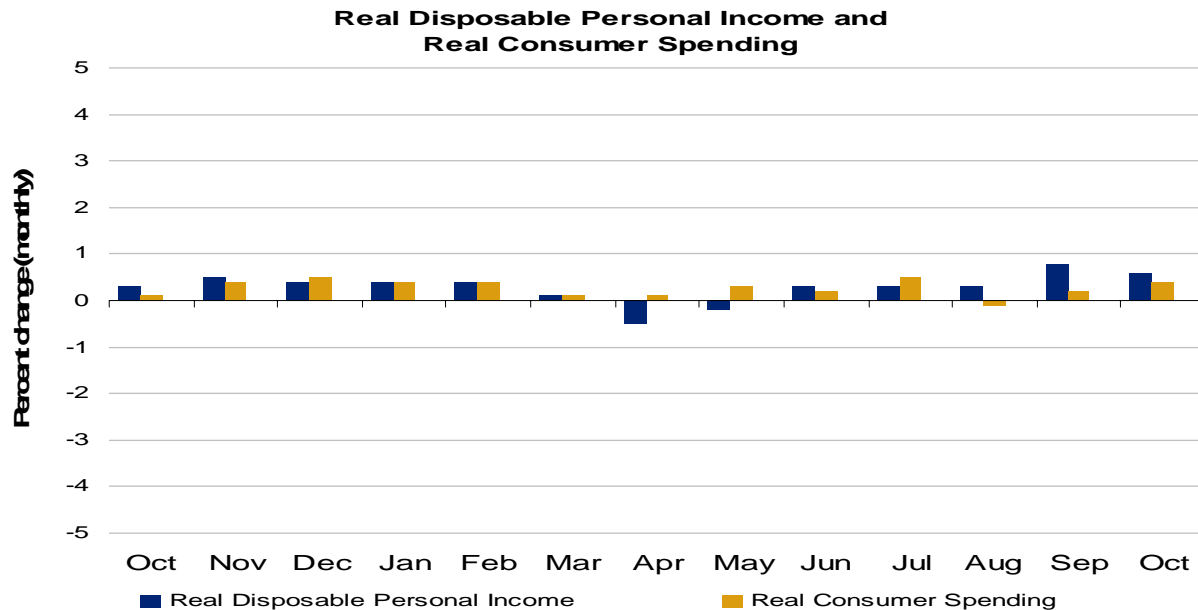


## PERSONAL INCOME DECELERATES, CONSUMER SPENDING ACCELERATES

Real disposable personal income, the after-tax amount available for spending or saving, increased 0.6 percent in October after increasing 0.8 percent in September. Real consumer spending increased 0.4 percent after increasing 0.2 percent, according to estimates released today by the Bureau of Economic Analysis.



### Personal Income

Personal income, a broad measure that includes all sources of income, rose 0.4 percent in October, compared with 0.5 percent in September.

- Wages and salaries, the largest component of personal income, increased 0.6 percent in October, the same increase as in September.
- Personal interest income increased 0.4 percent after increasing 0.1 percent in September.

### Consumer Spending and Prices

The acceleration in real consumer spending reflected an upturn in spending on nondurable goods, notably food items.

A key measure of inflation, the Personal Consumption Expenditures (PCE) price index, decreased 0.3 percent in October, reflecting a decline in energy prices. The PCE price index excluding food and energy increased 0.2 percent in October.

BEA data—including GDP, personal income, the balance of payments, foreign direct investment, the input-output accounts, and economic data for states, local areas, and industries—are available on the BEA Web site: [www.bea.gov](http://www.bea.gov). [E-mail alerts](#) are also available.

NOTE: On December 22, 2006, the November estimate of Personal Income will be released.