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PERSONAL INCOME AND OUTLAYS: FEBRUARY 2007

Personal income increased \$65.4 billion, or 0.6 percent, and disposable personal income (DPI) increased \$53.8 billion, or 0.5 percent, in February, according to the Bureau of Economic Analysis. Personal consumption expenditures (PCE) increased \$55.5 billion, or 0.6 percent. In January, personal income increased \$110.5 billion, or 1.0 percent, DPI increased \$74.2 billion, or 0.8 percent, and PCE increased \$50.2 billion, or 0.5 percent, based on revised estimates.

	2006			2007	
	<u>Oct.</u>	<u>Nov.</u>	<u>Dec.</u>	<u>Jan.</u>	<u>Feb.</u>
	(Percent change from preceding month)				
Personal income, current dollars	0.3	0.3	0.5	1.0	0.6
Disposable personal income:					
Current dollars	0.2	0.3	0.5	0.8	0.5
Chained (2000) dollars	0.5	0.3	0.1	0.6	0.1
Personal consumption expenditures:					
Current dollars	0.3	0.4	0.7	0.5	0.6
Chained (2000) dollars	0.5	0.4	0.4	0.3	0.2

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.

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Compensation of employees

Private wage and salary disbursements increased \$19.3 billion in February, compared with an increase of \$64.9 billion in January. The January change in private wages and salaries reflected an adjustment of \$50.0 billion (at an annual rate) for unusually large bonus payments and the exercise of stock options, based on data from state governments and from other sources. These types of irregular payments are not accounted for in the primary monthly source data for wages and salaries. (The February change to private wages and salaries was not affected because the \$50 billion adjustment was made to each month of the first quarter.) Goods-producing industries' payrolls increased \$1.6 billion, compared with an increase of \$2.1 billion; manufacturing payrolls increased \$0.7 billion, in contrast to a decrease of \$0.5 billion. Services-producing industries' payrolls increased \$17.7 billion, compared with an increase of \$62.8 billion.

Government wage and salary disbursements increased \$4.5 billion in February, compared with an increase of \$7.6 billion in January. Pay raises for federal civilian personnel added \$0.6 billion to the change in government payrolls in February; pay raises for federal civilian and military personnel had added \$4.6 billion to government payrolls in January.

Employer contributions for employee pension and insurance funds increased \$2.5 billion in February, compared with an increase of \$6.8 billion in January.

Employer contributions for government social insurance increased \$1.5 billion in February, compared with an increase of \$8.2 billion in January. 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 \$94,200 to \$97,500); together, these changes added \$3.0 billion to the January change. (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 \$11.1 billion in February, compared with an increase of \$0.4 billion in January. Farm proprietors' income increased \$3.3 billion, the same increase as in January. Nonfarm proprietors' income increased \$7.8 billion in February, in contrast to a decrease of \$2.8 billion in January.

Rental income of persons increased \$0.1 billion in February, in contrast to a decrease of \$0.5 billion in January. Personal income receipts on assets (personal interest income plus personal dividend income) increased \$16.9 billion, compared with an increase of \$16.3 billion.

Personal current transfer receipts increased \$13.2 billion in February, compared with an increase of \$26.2 billion in January. The January change in current transfer receipts reflected 3.3-percent cost-of-living adjustments to social security benefits and to several other federal transfer payment programs; together, these changes added \$21.2 billion to the January change. The January change in current transfer receipts was reduced by lump-sum social security benefits payments, which had added \$6.7 billion to December benefit payments; these benefit payments resulted from a recalculation of the earnings base underlying the benefits for recent retirees.

Contributions for government social insurance -- a subtraction in calculating personal income -- increased \$3.7 billion in February, compared with an increase of \$19.4 billion in January. The January increase reflected increases in both employer and personal contributions for government social insurance. As noted above, employer contributions were boosted \$3.0 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 premium paid by participants in the supplementary medical insurance program (Medicare part B) and the increase in the social security taxable wage base; these changes added \$5.3 billion to January personal contributions.

Personal current taxes and disposable personal income

Personal current taxes increased \$11.7 billion in February, compared with an increase of \$36.2 billion in January. Indexation provisions of current tax law reduced federal withheld income taxes by \$4.0 billion in January. Federal net nonwithheld income taxes (payments of estimated taxes plus final settlements less refunds) boosted the January increase by \$11.1 billion, based on federal budget projections for 2007.

Disposable personal income (DPI) -- personal income less personal current taxes -- increased \$53.8 billion, or 0.5 percent, in February, compared with an increase of \$74.2 billion, or 0.8 percent, in January.

Personal outlays and personal saving

Personal outlays -- PCE, personal interest payments, and personal current transfer payments increased \$58.3 billion in February, compared with an increase of \$52.7 billion in January. PCE increased \$55.5 billion, compared with an increase of \$50.2 billion.

Personal saving -- DPI less personal outlays -- was a negative \$119.6 billion in February, compared with a negative \$115.1 billion in January. Personal saving as a percentage of disposable personal income was a negative 1.2 percent in February, the same as in January. 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 February, compared with an increase of 0.6 percent in January.

Real PCE -- PCE adjusted to remove price changes -- increased 0.2 percent in February, compared with an increase of 0.3 percent in January. Purchases of durable goods decreased 0.1 percent, in contrast to an increase of 1.1 percent. Purchases of nondurable goods decreased 0.4 percent, in contrast to an increase of 0.1 percent. Purchases of services increased 0.5 percent, compared with an increase of 0.3 percent.

PCE prices -- The price index for PCE increased 0.4 percent in February, compared with an increase of 0.2 percent in January. Prices, excluding food and energy, increased 0.3 percent, compared with an increase of 0.2 percent. This acceleration primarily reflects a sharp acceleration in the producer price index for offices of physicians.

Revisions

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

	<u>Change from preceding month</u>							
	<u>December</u>				<u>January</u>			
	<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.....	55.7	55.9	0.5	0.5	108.1	110.5	1.0	1.0
Disposable personal income:								
Current dollars.....	46.0	46.2	0.5	0.5	73.0	74.2	0.8	0.8
Chained (2000) dollars.....	11.7	12.3	0.1	0.1	46.0	48.3	0.5	0.6
Personal consumption expenditures:								
Current dollars.....	69.4	67.7	0.7	0.7	51.9	50.2	0.5	0.5
Chained (2000) dollars.....	32.7	31.7	0.4	0.4	28.2	27.8	0.3	0.3

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Next release -- Personal Income and Outlays for March will be released on
April 30, 2007 at 8:30 A.M. EDT.

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

[Billions of dollars]

	Seasonally adjusted at annual rates							
	2006						2007	
	July	Aug.	Sep.	Oct. ^r	Nov. ^r	Dec. ^r	Jan. ^r	Feb. ^p
Personal income	10,892.5	10,937.1	10,988.7	11,024.1	11,058.2	11,114.1	11,224.6	11,290.0
Compensation of employees, received	7,467.9	7,480.0	7,519.8	7,558.4	7,589.3	7,631.0	7,718.4	7,746.2
Wage and salary disbursements	6,011.6	6,019.0	6,052.3	6,083.8	6,108.9	6,144.2	6,216.6	6,240.4
Private industries	4,997.0	4,998.5	5,025.8	5,054.9	5,077.9	5,111.1	5,176.0	5,195.3
Goods-producing industries	1,172.2	1,171.3	1,171.1	1,177.6	1,178.5	1,183.1	1,185.2	1,186.8
Manufacturing	730.5	729.3	727.4	731.4	730.1	732.1	731.6	732.3
Services-producing industries	3,824.8	3,827.2	3,854.7	3,877.3	3,899.4	3,928.0	3,990.8	4,008.5
Trade, transportation, and utilities	995.2	993.9	997.8	1,000.2	1,006.4	1,007.9	1,011.2	1,011.3
Other services-producing industries	2,829.6	2,833.3	2,857.0	2,877.1	2,893.0	2,920.1	2,979.6	2,997.2
Government	1,014.6	1,020.5	1,026.5	1,028.9	1,031.0	1,033.0	1,040.6	1,045.1
Supplements to wages and salaries	1,456.3	1,461.1	1,467.5	1,474.6	1,480.4	1,486.9	1,501.8	1,505.8
Employer contributions for employee pension and insurance funds	995.6	1,000.2	1,004.5	1,009.5	1,013.6	1,017.7	1,024.5	1,027.0
Employer contributions for government social insurance	460.7	460.9	463.0	465.1	466.8	469.1	477.3	478.8
Proprietors' income with inventory valuation and capital consumption adjustments	1,009.9	1,017.2	1,017.4	1,023.9	1,025.3	1,026.6	1,027.0	1,038.1
Farm	17.1	21.5	26.4	28.4	28.6	24.9	28.2	31.5
Nonfarm	992.9	995.7	991.0	995.5	996.7	1,001.6	998.8	1,006.6
Rental income of persons with capital consumption adjustment	73.4	78.1	83.4	82.8	83.5	83.1	82.6	82.7
Personal income receipts on assets	1,676.7	1,683.5	1,690.6	1,691.0	1,691.6	1,692.1	1,708.4	1,725.3
Personal interest income	1,035.7	1,035.8	1,035.9	1,029.4	1,022.8	1,016.2	1,026.2	1,036.2
Personal dividend income	641.0	647.7	654.6	661.6	668.8	675.9	682.2	689.0
Personal current transfer receipts	1,608.0	1,622.5	1,625.5	1,621.5	1,625.1	1,643.1	1,669.3	1,682.5
Government social benefits to persons	1,572.6	1,587.0	1,589.8	1,585.6	1,589.1	1,607.0	1,633.2	1,646.4
Old-age, survivors, disability, and health insurance benefits	931.4	938.9	939.7	941.6	945.8	964.8	967.2	976.6
Government unemployment insurance benefits	27.3	27.3	27.3	27.0	27.3	27.0	27.4	27.7
Other	613.8	620.7	622.8	617.0	616.0	615.2	638.6	642.1
Other current transfer receipts, from business (net)	35.4	35.5	35.7	35.9	36.1	36.1	36.1	36.1
Less: Contributions for government social insurance	943.4	944.2	948.0	953.4	956.6	961.7	981.1	984.8
Less: Personal current taxes	1,360.8	1,361.0	1,365.6	1,377.8	1,385.9	1,395.6	1,431.8	1,443.5
Equals: Disposable personal income	9,531.8	9,576.1	9,623.0	9,646.3	9,672.3	9,718.5	9,792.7	9,846.5
Less: Personal outlays	9,696.0	9,716.0	9,718.1	9,749.0	9,785.5	9,855.1	9,907.8	9,966.1
Personal consumption expenditures	9,338.9	9,352.7	9,348.5	9,376.0	9,410.8	9,478.5	9,528.7	9,584.2
Durable goods	1,085.2	1,068.9	1,072.3	1,074.1	1,080.8	1,084.4	1,094.9	1,094.8
Nondurable goods	2,755.9	2,761.1	2,726.2	2,711.5	2,720.6	2,764.3	2,771.0	2,770.8
Services	5,497.8	5,522.6	5,550.0	5,590.4	5,609.4	5,629.7	5,662.8	5,718.5
Personal interest payments ¹	229.9	235.5	241.2	242.7	244.3	245.8	248.2	250.5
Personal current transfer payments	127.2	127.8	128.3	130.2	130.5	130.8	131.0	131.3
To government	78.4	79.0	79.5	79.8	80.1	80.3	80.6	80.9
To the rest of the world (net)	48.8	48.8	48.8	50.5	50.5	50.5	50.5	50.5
Equals: Personal saving	-164.2	-139.8	-95.0	-102.7	-113.2	-136.6	-115.1	-119.6
Personal saving as a percentage of disposable personal income	-1.7	-1.5	-1.0	-1.1	-1.2	-1.4	-1.2	-1.2
Addenda:								
Disposable personal income:								
Total, billions of chained (2000) dollars ²	8,277.6	8,294.2	8,361.4	8,401.2	8,422.8	8,435.1	8,483.4	8,495.4
Per capita:								
Current dollars	31,794	31,914	32,042	32,091	32,151	32,280	32,502	32,660
Chained (2000) dollars	27,610	27,641	27,841	27,949	27,998	28,017	28,156	28,179
Population (midperiod, thousands) ³	299,801	300,065	300,326	300,592	300,836	301,070	301,296	301,481

^p Preliminary

^r Revised

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]

	2005	2006 ^r	Seasonally adjusted at annual rates					
			2005		2006			
			III	IV	I	II	III	IV ^r
Personal income	10,239.2	10,883.4	10,262.7	10,483.7	10,721.4	10,807.3	10,939.4	11,065.5
Compensation of employees, received	7,030.3	7,477.0	7,093.6	7,184.4	7,400.3	7,425.5	7,489.3	7,592.9
Wage and salary disbursements	5,664.8	6,022.7	5,715.2	5,787.0	5,970.1	5,980.9	6,027.6	6,112.3
Private industries	4,687.1	5,008.8	4,734.6	4,798.9	4,972.0	4,975.0	5,007.1	5,081.3
Goods-producing industries	1,101.3	1,175.4	1,113.9	1,124.9	1,177.3	1,173.0	1,171.5	1,179.7
Manufacturing	704.7	734.0	709.7	715.0	742.8	732.8	729.1	731.2
Services-producing industries	3,585.8	3,833.5	3,620.7	3,673.9	3,794.7	3,802.0	3,835.6	3,901.6
Trade, transportation, and utilities	937.2	993.7	945.5	954.9	983.6	990.8	995.6	1,004.8
Other services-producing industries	2,648.5	2,839.7	2,675.2	2,719.0	2,811.0	2,811.2	2,840.0	2,896.7
Government	977.7	1,013.9	980.6	988.1	998.1	1,005.9	1,020.5	1,031.0
Supplements to wages and salaries	1,365.5	1,454.3	1,378.4	1,397.4	1,430.3	1,444.5	1,461.6	1,480.6
Employer contributions for employee pension and insurance funds	933.2	992.7	942.1	956.1	971.6	985.7	1,000.1	1,013.6
Employer contributions for government social insurance	432.3	461.5	436.3	441.3	458.7	458.9	461.5	467.0
Proprietors' income with inventory valuation and capital consumption adjustments	970.7	1,015.1	967.3	996.8	1,008.3	1,011.9	1,014.8	1,025.3
Farm	30.2	22.6	29.7	28.7	23.9	17.5	21.7	27.3
Nonfarm	940.4	992.5	937.7	968.1	984.4	994.3	993.2	998.0
Rental income of persons with capital consumption adjustment	72.8	77.4	-11.5	81.5	76.8	71.4	78.3	83.1
Personal income receipts on assets	1,519.4	1,656.3	1,532.7	1,580.2	1,602.3	1,647.7	1,683.6	1,691.6
Personal interest income	945.0	1,016.7	951.2	981.7	989.1	1,019.2	1,035.8	1,022.8
Personal dividend income	574.4	639.6	581.5	598.5	613.2	628.5	647.8	668.8
Personal current transfer receipts	1,526.6	1,602.2	1,569.0	1,539.8	1,570.4	1,589.7	1,618.6	1,629.9
Government social benefits to persons	1,480.9	1,566.9	1,489.2	1,500.8	1,536.0	1,554.7	1,583.1	1,593.9
Old-age, survivors, disability, and health insurance benefits	844.9	931.4	848.5	854.6	909.9	928.1	936.7	950.7
Government unemployment insurance benefits	31.3	27.3	30.2	31.6	27.8	27.0	27.3	27.1
Other	604.6	608.3	610.4	614.5	598.3	599.6	619.1	616.1
Other current transfer receipts, from business (net)	45.7	35.3	79.8	39.0	34.5	35.0	35.5	36.0
Less: Contributions for government social insurance	880.6	944.5	888.5	898.9	936.7	938.8	945.2	957.2
Less: Personal current taxes	1,203.1	1,360.6	1,215.0	1,247.6	1,332.6	1,361.0	1,362.5	1,386.5
Equals: Disposable personal income	9,036.1	9,522.8	9,047.7	9,236.1	9,388.8	9,446.2	9,577.0	9,679.0
Less: Personal outlays	9,070.9	9,625.5	9,180.3	9,264.5	9,418.5	9,577.0	9,710.0	9,796.5
Personal consumption expenditures	8,742.4	9,268.9	8,847.3	8,927.8	9,079.2	9,228.1	9,346.7	9,421.8
Durable goods	1,033.1	1,070.3	1,057.3	1,019.6	1,064.1	1,061.8	1,075.5	1,079.8
Nondurable goods	2,539.3	2,714.9	2,584.9	2,613.5	2,658.2	2,721.4	2,747.7	2,732.1
Services	5,170.0	5,483.7	5,205.1	5,294.7	5,356.8	5,444.9	5,523.5	5,609.8
Personal interest payments ¹	209.4	230.3	214.6	214.9	218.5	222.9	235.5	244.3
Personal current transfer payments	119.2	126.3	118.5	121.8	120.9	126.0	127.8	130.5
To government	72.0	78.0	72.7	74.2	75.7	77.3	79.0	80.0
To the rest of the world (net)	47.1	48.3	45.8	47.6	45.2	48.7	48.8	50.5
Equals: Personal saving	-34.8	-102.8	-132.6	-28.5	-29.7	-130.8	-133.0	-117.5
Personal saving as a percentage of disposable personal income	-4	-1.1	-1.5	-3	-3	-1.4	-1.4	-1.2
Addenda:								
Disposable personal income:								
Total, billions of chained (2000) dollars ²	8,104.6	8,313.0	8,074.1	8,183.3	8,276.8	8,245.4	8,311.0	8,419.7
Per capita:								
Current dollars	30,440	31,773	30,443	30,995	31,437	31,560	31,916	32,174
Chained (2000) dollars	27,302	27,737	27,167	27,462	27,714	27,548	27,698	27,988
Population (midperiod, thousands) ³	296,852	299,715	297,206	297,985	298,651	299,312	300,064	300,833

^r Revised

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							
	2006						2007	
	July	Aug.	Sep.	Oct. ^r	Nov. ^r	Dec. ^r	Jan. ^r	Feb. ^p
Personal income	50.3	44.6	51.6	35.4	34.1	55.9	110.5	65.4
Compensation of employees, received	33.2	12.1	39.8	38.6	30.9	41.7	87.4	27.8
Wage and salary disbursements	25.9	7.4	33.3	31.5	25.1	35.3	72.4	23.8
Private industries	20.6	1.5	27.3	29.1	23.0	33.2	64.9	19.3
Goods-producing industries	-2.0	-9	-2	6.5	.9	4.6	2.1	1.6
Manufacturing	-7	-1.2	-1.9	4.0	-1.3	2.0	-5	.7
Services-producing industries	22.6	2.4	27.5	22.6	22.1	28.6	62.8	17.7
Trade, transportation, and utilities	2.6	-1.3	3.9	2.4	6.2	1.5	3.3	.1
Other services-producing industries	20.0	3.7	23.7	20.1	15.9	27.1	59.5	17.6
Government	5.4	5.9	6.0	2.4	2.1	2.0	7.6	4.5
Supplements to wages and salaries	7.3	4.8	6.4	7.1	5.8	6.5	14.9	4.0
Employer contributions for employee pension and insurance funds	5.5	4.6	4.3	5.0	4.1	4.1	6.8	2.5
Employer contributions for government social insurance	1.8	.2	2.1	2.1	1.7	2.3	8.2	1.5
Proprietors' income with inventory valuation and capital consumption adjustments	-8	7.3	.2	6.5	1.4	1.3	.4	11.1
Farm	2.5	4.4	4.9	2.0	.2	-3.7	3.3	3.3
Nonfarm	-3.2	2.8	-4.7	4.5	1.2	4.9	-2.8	7.8
Rental income of persons with capital consumption adjustment	5.2	4.7	5.3	-6	.7	-4	-5	.1
Personal income receipts on assets	6.5	6.8	7.1	.4	.6	.5	16.3	16.9
Personal interest income .....	.1	.1	.1	-6.5	-6.6	-6.6	10.0	10.0
Personal dividend income	6.4	6.7	6.9	7.0	7.2	7.1	6.3	6.8
Personal current transfer receipts	10.2	14.5	3.0	-4.0	3.6	18.0	26.2	13.2
Government social benefits to persons	10.0	14.4	2.8	-4.2	3.5	17.9	26.2	13.2
Old-age, survivors, disability, and health insurance benefits	-4.4	7.5	.8	1.9	4.2	19.0	2.4	9.4
Government unemployment insurance benefits .....	.3	0	0	-3	.3	-.3	.4	.3
Other	13.9	6.9	2.1	-5.8	-1.0	-8	23.4	3.5
Other current transfer receipts, from business (net) .....	.2	.1	.2	.2	.2	0	0	0
Less: Contributions for government social insurance	4.0	.8	3.8	5.4	3.2	5.1	19.4	3.7
Less: Personal current taxes	-6.7	.2	4.6	12.2	8.1	9.7	36.2	11.7
Equals: Disposable personal income	57.2	44.3	46.9	23.3	26.0	46.2	74.2	53.8
Less: Personal outlays	74.8	20.0	2.1	30.9	36.5	69.6	52.7	58.3
Personal consumption expenditures	68.4	13.8	-4.2	27.5	34.8	67.7	50.2	55.5
Durable goods	21.7	-16.3	3.4	1.8	6.7	3.6	10.5	-1
Nondurable goods	23.9	5.2	-34.9	-14.7	9.1	43.7	6.7	-2
Services	22.8	24.8	27.4	40.4	19.0	20.3	33.1	55.7
Personal interest payments ¹	5.7	5.6	5.7	1.5	1.6	1.5	2.4	2.3
Personal current transfer payments .....	.7	.6	.5	1.9	.3	.3	.2	.3
To government .....	.5	.6	.5	.3	.3	.2	.3	.3
To the rest of the world (net) .....	.1	0	0	1.7	0	0	0	0
Equals: Personal saving	-17.6	24.4	44.8	-7.7	-10.5	-23.4	21.5	-4.5
Addendum:								
Real disposable personal income, billions of chained (2000) dollars ²	24.8	16.6	67.2	39.8	21.6	12.3	48.3	12.0

^p Preliminary

^r Revised

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]

	2005	2006 ^r	Seasonally adjusted at annual rates					
			2005		2006			
			III	IV	I	II	III	IV ^r
Personal income	507.8	644.2	101.2	221.0	237.7	85.9	132.1	126.1
Compensation of employees, received	365.0	446.7	139.9	90.8	215.9	25.2	63.8	103.6
Wage and salary disbursements	272.7	357.9	113.9	71.8	183.1	10.8	46.7	84.7
Private industries	236.8	321.7	107.0	64.3	173.1	3.0	32.1	74.2
Goods-producing industries	50.5	74.1	26.4	11.0	52.4	-4.3	-1.5	8.2
Manufacturing	16.7	29.3	12.4	5.3	27.8	-10.0	-3.7	2.1
Services-producing industries	186.3	247.7	80.7	53.2	120.8	7.3	33.6	66.0
Trade, transportation, and utilities	38.0	56.5	15.1	9.4	28.7	7.2	4.8	9.2
Other services-producing industries	148.2	191.2	65.5	43.8	92.0	.2	28.8	56.7
Government	35.9	36.2	6.9	7.5	10.0	7.8	14.6	10.5
Supplements to wages and salaries	92.3	88.8	26.0	19.0	32.9	14.2	17.1	19.0
Employer contributions for employee pension and insurance funds	67.1	59.5	17.4	14.0	15.5	14.1	14.4	13.5
Employer contributions for government social insurance	25.2	29.2	8.6	5.0	17.4	.2	2.6	5.5
Proprietors' income with inventory valuation and capital consumption adjustments	59.6	44.4	1.5	29.5	11.5	3.6	2.9	10.5
Farm	-6.0	-7.6	1.0	-1.0	-4.8	-6.4	4.2	5.6
Nonfarm	65.5	52.1	.6	30.4	16.3	9.9	-1.1	4.8
Rental income of persons with capital consumption adjustment	-54.2	4.6	-114.3	93.0	-4.7	-5.4	6.9	4.8
Personal income receipts on assets	91.5	136.9	32.2	47.5	22.1	45.4	35.9	8.0
Personal interest income	54.2	71.7	16.4	30.5	7.4	30.1	16.6	-13.0
Personal dividend income	37.3	65.2	15.8	17.0	14.7	15.3	19.3	21.0
Personal current transfer receipts	100.1	75.6	58.9	-29.2	30.6	19.3	28.9	11.3
Government social benefits to persons	82.5	86.0	12.0	11.6	35.2	18.7	28.4	10.8
Old-age, survivors, disability, and health insurance benefits	53.5	86.5	4.1	6.1	55.3	18.2	8.6	14.0
Government unemployment insurance benefits	-4.7	-4.0	-5	1.4	-3.8	-8	.3	-2
Other	33.6	3.7	8.3	4.1	-16.2	1.3	19.5	-3.0
Other current transfer receipts, from business (net)	17.6	-10.4	46.8	-40.8	-4.5	.5	.5	.5
Less: Contributions for government social insurance	54.2	63.9	17.0	10.4	37.8	2.1	6.4	12.0
Less: Personal current taxes	153.3	157.5	23.2	32.6	85.0	28.4	1.5	24.0
Equals: Disposable personal income	354.5	486.7	78.0	188.4	152.7	57.4	130.8	102.0
Less: Personal outlays	563.7	554.6	179.9	84.2	154.0	158.5	133.0	86.5
Personal consumption expenditures	530.9	526.5	172.7	80.5	151.4	148.9	118.6	75.1
Durable goods	46.8	37.2	15.0	-37.7	44.5	-2.3	13.7	4.3
Nondurable goods	194.1	175.6	76.3	28.6	44.7	63.2	26.3	-15.6
Services	289.9	313.7	81.4	89.6	62.1	88.1	78.6	86.3
Personal interest payments ¹	23.4	20.9	6.1	.3	3.6	4.4	12.6	8.8
Personal current transfer payments	9.5	7.1	1.2	3.3	-9	5.1	1.8	2.7
To government	5.2	6.0	1.4	1.5	1.5	1.6	1.7	1.0
To the rest of the world (net)	4.2	1.2	-2	1.8	-2.4	3.5	.1	1.7
Equals: Personal saving	-209.1	-68.0	-101.8	104.1	-1.2	-101.1	-2.2	15.5
Addendum:								
Real disposable personal income, billions of chained (2000) dollars ²	93.8	208.4	-11.7	109.2	93.5	-31.4	65.6	108.7

^r Revised

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							
	2006						2007	
	July	Aug.	Sep.	Oct. ^r	Nov. ^r	Dec. ^r	Jan. ^r	Feb. ^p
	Based on current-dollar measures							
Personal income	0.5	0.4	0.5	0.3	0.3	0.5	1.0	0.6
Compensation of employees, received .....	.4	.2	.5	.5	.4	.5	1.1	.4
Wage and salary disbursements .....	.4	.1	.6	.5	.4	.6	1.2	.4
Supplements to wages and salaries .....	.5	.3	.4	.5	.4	.4	1.0	.3
Proprietors' income with inventory valuation and capital consumption adjustments	-.1	.7	0	.6	.1	.1	0	1.1
Rental income of persons with capital consumption adjustment	7.6	6.4	6.8	-8	.8	-.5	-.5	.1
Personal income receipts on assets .....	.4	.4	.4	0	0	0	1.0	1.0
Personal interest income	0	0	0	-.6	-.6	-.6	1.0	1.0
Personal dividend income	1.0	1.1	1.1	1.1	1.1	1.1	.9	1.0
Personal current transfer receipts .....	.6	.9	.2	-.2	.2	1.1	1.6	.8
Less: Contributions for government social insurance .....	.4	.1	.4	.6	.3	.5	2.0	.4
Less: Personal current taxes	-.5	0	.3	.9	.6	.7	2.6	.8
Equals: Disposable personal income .....	.6	.5	.5	.2	.3	.5	.8	.5
Addenda:								
Personal consumption expenditures .....	.7	.1	0	.3	.4	.7	.5	.6
Durable goods	2.0	-1.5	.3	.2	.6	.3	1.0	0
Nondurable goods .....	.9	.2	-1.3	-.5	.3	1.6	.2	0
Services .....	.4	.5	.5	.7	.3	.4	.6	1.0
	Based on chained (2000) dollar measures							
Real disposable personal income .....	.3	.2	.8	.5	.3	.1	.6	.1

^p Preliminary
^r Revised

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

	2005	2006 ^r	Seasonally adjusted at annual rates					
			2005		2006			
			III	IV	I	II	III	IV ^r
	Based on current-dollar measures							
Personal income	5.2	6.3	4.0	8.9	9.4	3.2	5.0	4.7
Compensation of employees, received	5.5	6.4	8.3	5.2	12.6	1.4	3.5	5.7
Wage and salary disbursements	5.1	6.3	8.4	5.1	13.3	.7	3.2	5.7
Supplements to wages and salaries	7.3	6.5	7.9	5.6	9.7	4.1	4.8	5.3
Proprietors' income with inventory valuation and capital consumption adjustments	6.5	4.6	.6	12.7	4.7	1.4	1.2	4.2
Rental income of persons with capital consumption adjustment	-42.7	6.3	.....	.....	-21.2	-25.2	44.6	26.9
Personal income receipts on assets	6.4	9.0	8.9	13.0	5.7	11.8	9.0	1.9
Personal interest income	6.1	7.6	7.2	13.5	3.0	12.7	6.7	-4.9
Personal dividend income	7.0	11.3	11.7	12.2	10.2	10.4	12.8	13.6
Personal current transfer receipts	7.0	5.0	16.5	-7.3	8.2	5.0	7.5	2.8
Less: Contributions for government social insurance	6.6	7.3	8.0	4.8	17.9	.9	2.7	5.2
Less: Personal current taxes	14.6	13.1	8.0	11.2	30.2	8.8	.4	7.2
Equals: Disposable personal income	4.1	5.4	3.5	8.6	6.8	2.5	5.7	4.3
Addenda:								
Personal consumption expenditures	6.5	6.0	8.2	3.7	7.0	6.7	5.2	3.3
Durable goods	4.7	3.6	5.9	-13.5	18.6	-.9	5.3	1.6
Nondurable goods	8.3	6.9	12.7	4.5	7.0	9.9	3.9	-2.2
Services	5.9	6.1	6.5	7.1	4.8	6.7	5.9	6.4
	Based on chained (2000) dollar measures							
Real disposable personal income	1.2	2.6	-.6	5.5	4.6	-1.5	3.2	5.3

^r Revised

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

	2006						2007	
	July	Aug.	Sep.	Oct. ^r	Nov. ^r	Dec. ^r	Jan. ^r	Feb. ^p
	Billions of chained (2000) dollars, seasonally adjusted at annual rates							
Personal consumption expenditures	8,110.1	8,100.7	8,122.8	8,165.8	8,195.1	8,226.8	8,254.6	8,269.1
Durable goods	1,218.0	1,199.0	1,209.5	1,211.1	1,222.8	1,231.7	1,245.1	1,243.9
Nondurable goods	2,360.9	2,357.4	2,362.1	2,377.2	2,392.3	2,412.6	2,414.2	2,404.2
Services	4,558.1	4,566.4	4,575.4	4,600.4	4,605.3	4,609.9	4,624.9	4,648.8
	Change from preceding period in billions of chained (2000) dollars, seasonally adjusted at annual rates							
Personal consumption expenditures	35.1	-9.4	22.1	43.0	29.3	31.7	27.8	14.5
Durable goods	23.8	-19.0	10.5	1.6	11.7	8.9	13.4	-1.2
Nondurable goods	7.0	-3.5	4.7	15.1	15.1	20.3	1.6	-10.0
Services	9.2	8.3	9.0	25.0	4.9	4.6	15.0	23.9
	Percent change from preceding period in chained (2000) dollars, seasonally adjusted at monthly rates							
Personal consumption expenditures .....	.4	-.1	.3	.5	.4	.4	.3	.2
Durable goods	2.0	-1.6	.9	.1	1.0	.7	1.1	-.1
Nondurable goods .....	.3	-.1	.2	.6	.6	.8	.1	-.4
Services .....	.2	.2	.2	.5	.1	.1	.3	.5

^p Preliminary
^r Revised

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

	2005	2006 ^r	Seasonally adjusted at annual rates					
			2005		2006			
			III	IV	I	II	III	IV ^r
	Billions of chained (2000) dollars							
Personal consumption expenditures	7,841.2	8,091.4	7,895.3	7,910.2	8,003.8	8,055.0	8,111.2	8,195.9
Durable goods	1,145.3	1,202.9	1,175.9	1,137.9	1,190.5	1,190.3	1,208.8	1,221.9
Nondurable goods	2,276.8	2,362.0	2,287.6	2,309.6	2,342.8	2,351.1	2,360.1	2,394.0
Services	4,436.6	4,550.4	4,454.5	4,476.7	4,494.5	4,535.4	4,566.6	4,605.2
	Change from preceding period in billions of chained (2000) dollars							
Personal consumption expenditures	264.1	250.2	75.5	14.9	93.6	51.2	56.2	84.7
Durable goods	59.6	57.6	25.1	-38.0	52.6	-2	18.5	13.1
Nondurable goods	97.6	85.2	19.2	22.0	33.2	8.3	9.0	33.9
Services	112.7	113.8	34.5	22.2	17.8	40.9	31.2	38.6
	Percent change from preceding period in chained (2000) dollars							
Personal consumption expenditures	3.5	3.2	3.9	.8	4.8	2.6	2.8	4.2
Durable goods	5.5	5.0	9.0	-12.3	19.8	-.1	6.4	4.4
Nondurable goods	4.5	3.7	3.4	3.9	5.9	1.4	1.5	5.9
Services	2.6	2.6	3.2	2.0	1.6	3.7	2.8	3.4

^r Revised

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

	2006						2007	
	July	Aug.	Sep.	Oct. ^r	Nov. ^r	Dec. ^r	Jan. ^r	Feb. ^p
Chain-type price indexes (2000=100), seasonally adjusted								
Personal consumption expenditures (PCE)	115.160	115.465	115.098	114.830	114.844	115.225	115.445	115.914
Durable goods	89.096	89.145	88.659	88.677	88.383	88.038	87.931	88.012
Nondurable goods	116.749	117.143	115.434	114.081	113.740	114.600	114.799	115.269
Services	120.625	120.948	121.308	121.530	121.810	122.132	122.449	123.019
Addenda:								
PCE excluding food and energy	112.076	112.369	112.565	112.757	112.808	112.948	113.211	113.586
Market-based PCE ¹	113.852	114.131	113.652	113.281	113.286	113.683	113.882	114.382
Market-based PCE excluding food and energy ¹	109.803	110.062	110.233	110.389	110.435	110.547	110.792	111.187
Percent change from preceding period in price indexes, seasonally adjusted at monthly rates								
PCE .....	.3	.3	-.3	-.2	0	.3	.2	.4
Durable goods .....	.1	.1	-.5	0	-.3	-.4	-.1	.1
Nondurable goods .....	.6	.3	-1.5	-1.2	-.3	.8	.2	.4
Services .....	.2	.3	.3	.2	.2	.3	.3	.5
Addenda:								
PCE excluding food and energy .....	.1	.3	.2	.2	0	.1	.2	.3
Market-based PCE ¹ .....	.3	.2	-.4	-.3	0	.4	.2	.4
Market-based PCE excluding food and energy ¹ .....	.1	.2	.2	.1	0	.1	.2	.4

^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

	2006						2007	
	July	Aug.	Sep.	Oct. ^r	Nov. ^r	Dec. ^r	Jan. ^r	Feb. ^p
Disposable personal income	1.5	4.4	2.9	3.2	2.9	2.6	2.8	2.6
Personal consumption expenditures	2.3	2.7	3.2	3.7	3.6	3.5	3.5	3.2
Durable goods	-1.6	3.3	7.1	9.2	7.1	6.0	4.2	5.3
Nondurable goods	3.5	3.0	3.0	2.8	3.8	4.4	3.0	2.5
Services	2.5	2.4	2.6	3.1	2.9	2.6	3.6	3.2

^p Preliminary

^r Revised

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

	2006						2007	
	July	Aug.	Sep.	Oct. ^r	Nov. ^r	Dec. ^r	Jan. ^r	Feb. ^p
Personal consumption expenditures (PCE)	3.4	3.2	1.9	1.5	1.9	2.2	1.9	2.3
Durable goods	-1.1	-.7	-1.3	-1.3	-1.3	-1.6	-1.8	-1.5
Nondurable goods	4.8	4.0	.3	-.5	1.1	2.1	1.3	1.9
Services	3.6	3.6	3.4	3.0	2.9	3.1	3.0	3.2
Addenda:								
PCE excluding food and energy	2.3	2.4	2.4	2.3	2.1	2.1	2.2	2.4
Market-based PCE ¹	3.3	3.1	1.6	1.1	1.6	2.0	1.7	2.1
Market-based PCE excluding food and energy ¹	1.9	2.1	2.1	2.0	1.9	1.9	2.0	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.