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PERSONAL INCOME AND OUTLAYS: JANUARY 2007

Personal income increased \$108.1 billion, or 1.0 percent, and disposable personal income (DPI) increased \$73.0 billion, or 0.8 percent, in January, according to the Bureau of Economic Analysis. Personal consumption expenditures (PCE) increased \$51.9 billion, or 0.5 percent. In December, personal income increased \$55.7 billion, or 0.5 percent, DPI increased \$46.0 billion, or 0.5 percent, and PCE increased \$69.4 billion, or 0.7 percent, based on revised estimates.

	2006				2007
	<u>Sept.</u>	<u>Oct.</u>	<u>Nov.</u>	<u>Dec.</u>	<u>Jan.</u>
	(Percent change from preceding month)				
Personal income, current dollars	0.5	0.3	0.3	0.5	1.0
Disposable personal income:					
Current dollars	0.5	0.2	0.3	0.5	0.8
Chained (2000) dollars	0.8	0.5	0.3	0.1	0.5
Personal consumption expenditures:					
Current dollars	0.0	0.3	0.4	0.7	0.5
Chained (2000) dollars	0.3	0.5	0.4	0.4	0.3

This news release also presents revised estimates of wages and salaries, personal taxes, and contributions for government social insurance for July through September 2006 (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 current personal transfer receipts. The January change was reduced by annual adjustments to personal contributions for government social insurance and by lump-sum social security benefit payments that had boosted December personal income. Excluding these special factors, personal income increased \$44.3 billion, or 0.4 percent, in January, after increasing \$49.0 billion, or 0.4 percent, in December. These special factors are discussed more fully below.

Compensation of employees

Private wage and salary disbursements increased \$64.2 billion in January, compared with an increase of \$31.8 billion in December. 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. These types of irregular payments are 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 decreased \$0.2 billion in January, in contrast to an increase of \$5.5 billion in December; manufacturing payrolls decreased \$2.3 billion, in contrast to an increase of \$2.7 billion. Services-producing industries' payrolls increased \$64.5 billion, compared with an increase of \$26.2 billion.

Government wage and salary disbursements increased \$7.3 billion in January, compared with an increase of \$1.7 billion in December. Pay raises for civilian and military personnel added \$4.6 billion to government payrolls in January.

Employer contributions for employee pension and insurance funds increased \$6.7 billion in January, compared with an increase of \$4.1 billion in December.

Employer contributions for government social insurance increased \$7.9 billion in January, compared with an increase of \$2.3 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 \$94,200 to \$97,500); together, these changes added \$3.0 billion in January. (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 \$1.5 billion in January, compared with an increase of \$1.2 billion in December. Farm proprietors' income increased \$3.0 billion, in contrast to a decrease of \$3.6 billion. Nonfarm proprietors' income decreased \$1.5 billion, in contrast to an increase of \$4.8 billion.

Rental income of persons increased \$2.5 billion in January, in contrast to a decrease of \$1.7 billion in December. Personal income receipts on assets (personal interest income plus personal dividend income) increased \$14.4 billion, compared with an increase of \$3.1 billion.

Personal current transfer receipts increased \$22.7 billion in January, compared with an increase of \$18.2 billion in December. 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 increase. 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 \$19.1 billion in January, compared with an increase of \$4.9 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 \$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 B) and the increase in the social security taxable wage base; together, these changes added \$5.3 billion to January personal contributions.

Personal current taxes and disposable personal income

Personal current taxes increased \$35.1 billion in January, compared with an increase of \$9.7 billion in December. 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 \$73.0 billion, or 0.8 percent, in January, compared with an increase of \$46.0 billion, or 0.5 percent, in December.

Personal outlays and personal saving

Personal outlays -- PCE, personal interest payments, and personal current transfer payments increased \$55.3 billion in January, compared with an increase of \$70.4 billion in December. PCE increased \$51.9 billion, compared with an increase of \$69.4 billion.

Personal saving -- DPI less personal outlays -- was a negative \$116.4 billion in January, compared with a negative \$134.2 billion in December. Personal saving as a percentage of disposable personal income was a negative 1.2 percent in January, compared with a negative 1.4 percent 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 0.5 percent in January, compared with an increase of 0.1 percent in December.

Real PCE -- PCE adjusted to remove price changes -- increased 0.3 percent in January, compared with an increase of 0.4 percent in December. Purchases of durable goods increased 0.7 percent, compared with an increase of 0.8 percent. Purchases of motor vehicles and parts accounted for most of the January increase. Purchases of nondurable goods increased 0.1 percent in January, compared with an increase of 0.9 percent in December. Purchases of services increased 0.4 percent, compared with an increase of 0.1 percent.

PCE prices -- The price index for PCE increased 0.2 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 0.1 percent.

2006 Personal Income and Outlays

Personal income increased 6.3 percent in 2006 (that is, from the 2005 annual level to the 2006 annual level), compared with an increase of 5.2 percent in 2005. The acceleration in personal income growth was mostly accounted for by wage and salary disbursements. DPI increased 5.4 percent, compared with an increase of 4.1 percent. PCE increased 6.0 percent, compared with an increase of 6.5 percent.

Real DPI increased 2.6 percent in 2006, compared with an increase of 1.2 percent in 2005. Real PCE increased 3.2 percent, compared with an increase of 3.5 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. Revisions to personal current taxes and to contributions for government social insurance reflected the revisions to wages and salaries.

	<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.....	32.4	35.9	0.3	0.3	60.6	55.7	0.5	0.5
Disposable personal income:								
Current dollars.....	25.4	27.5	0.3	0.3	50.8	46.0	0.5	0.5
Chained (2000) dollars.....	21.6	21.6	0.3	0.3	13.3	11.7	0.2	0.1
Personal consumption expenditures:								
Current dollars.....	51.1	35.8	0.5	0.4	67.1	69.4	0.7	0.7
Chained (2000) dollars.....	44.1	28.9	0.5	0.4	28.3	32.7	0.3	0.4

This release also includes revised estimates of population, per capita disposable personal income (DPI), and per capita real DPI. The revised population estimates reflect newly available estimates from the Census Bureau for April 2000 through January 2007. BEA population estimates are a mid-month average of Census Bureau data. The revised per capita estimates reflect the revisions to the population estimates. Estimates for the complete revision period are available on BEA's Web site at www.bea.gov/bea/dn/nipaweb/SelectTable.asp?Selected=Y#S2.

BEA's national, international, regional, and industry estimates; the *Survey of Current Business*; and BEA news releases are available without charge on BEA's Web site at www.bea.gov. By visiting the site, you can also subscribe to receive free e-mail summaries of BEA releases and announcements.

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Next release -- Personal Income and Outlays for February will be released on
March 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
	June	July ^r	Aug. ^r	Sep. ^r	Oct. ^r	Nov. ^r	Dec. ^r	Jan. ^p
Personal income	10,842.2	10,892.5	10,937.1	10,988.7	11,025.4	11,061.3	11,117.0	11,225.1
Compensation of employees, received	7,434.7	7,467.9	7,480.0	7,519.8	7,558.5	7,589.5	7,629.3	7,715.5
Wage and salary disbursements	5,985.7	6,011.6	6,019.0	6,052.3	6,083.9	6,109.0	6,142.5	6,214.0
Private industries	4,976.4	4,997.0	4,998.5	5,025.8	5,055.0	5,078.0	5,109.8	5,174.0
Goods-producing industries	1,174.2	1,172.2	1,171.3	1,171.1	1,177.6	1,178.5	1,184.0	1,183.8
Manufacturing	731.2	730.5	729.3	727.4	731.4	730.1	732.8	730.5
Services-producing industries	3,802.2	3,824.8	3,827.2	3,854.7	3,877.4	3,899.5	3,925.7	3,990.2
Trade, transportation, and utilities	992.6	995.2	993.9	997.8	1,000.2	1,006.4	1,007.6	1,010.5
Other services-producing industries	2,809.6	2,829.6	2,833.3	2,857.0	2,877.2	2,893.1	2,918.1	2,979.7
Government	1,009.2	1,014.6	1,020.5	1,026.5	1,028.9	1,031.0	1,032.7	1,040.0
Supplements to wages and salaries	1,449.0	1,456.3	1,461.1	1,467.5	1,474.6	1,480.5	1,486.8	1,501.4
Employer contributions for employee pension and insurance funds	990.1	995.6	1,000.2	1,004.5	1,009.5	1,013.6	1,017.7	1,024.4
Employer contributions for government social insurance	458.9	460.7	460.9	463.0	465.2	466.8	469.1	477.0
Proprietors' income with inventory valuation and capital consumption adjustments	1,010.7	1,009.9	1,017.2	1,017.4	1,023.7	1,025.2	1,026.4	1,027.9
Farm	14.6	17.1	21.5	26.4	28.4	28.6	25.0	28.0
Nonfarm	996.1	992.9	995.7	991.0	995.3	996.6	1,001.4	999.9
Rental income of persons with capital consumption adjustment	68.2	73.4	78.1	83.4	81.4	80.8	79.1	81.6
Personal income receipts on assets	1,670.2	1,676.7	1,683.5	1,690.6	1,693.6	1,697.0	1,700.1	1,714.5
Personal interest income	1,035.6	1,035.7	1,035.8	1,035.9	1,032.0	1,028.1	1,024.2	1,032.3
Personal dividend income	634.6	641.0	647.7	654.6	661.6	668.8	675.9	682.2
Personal current transfer receipts	1,597.8	1,608.0	1,622.5	1,625.5	1,621.5	1,625.5	1,643.7	1,666.4
Government social benefits to persons	1,562.6	1,572.6	1,587.0	1,589.8	1,585.6	1,589.4	1,607.6	1,630.4
Old-age, survivors, disability, and health insurance benefits	935.8	931.4	938.9	939.7	941.6	945.8	964.8	967.2
Government unemployment insurance benefits	27.0	27.3	27.3	27.3	27.0	27.3	27.0	27.3
Other	599.9	613.8	620.7	622.8	617.1	616.4	615.8	635.8
Other current transfer receipts, from business (net)	35.2	35.4	35.5	35.7	35.9	36.1	36.1	36.1
Less: Contributions for government social insurance	939.4	943.4	944.2	948.0	953.4	956.7	961.6	980.7
Less: Personal current taxes	1,367.5	1,360.8	1,361.0	1,365.6	1,378.6	1,387.0	1,396.7	1,431.8
Equals: Disposable personal income	9,474.6	9,531.8	9,576.1	9,623.0	9,646.8	9,674.3	9,720.3	9,793.3
Less: Personal outlays	9,621.2	9,696.0	9,716.0	9,718.1	9,747.3	9,784.1	9,854.5	9,909.8
Personal consumption expenditures	9,270.5	9,338.9	9,352.7	9,348.5	9,375.1	9,410.9	9,480.3	9,532.2
Durable goods	1,063.5	1,085.2	1,068.9	1,072.3	1,074.0	1,080.6	1,084.6	1,090.6
Nondurable goods	2,732.0	2,755.9	2,761.1	2,726.2	2,711.6	2,720.6	2,766.0	2,773.6
Services	5,475.0	5,497.8	5,522.6	5,550.0	5,589.5	5,609.7	5,629.6	5,668.0
Personal interest payments ¹	224.2	229.9	235.5	241.2	242.0	242.7	243.4	246.6
Personal current transfer payments	126.5	127.2	127.8	128.3	130.2	130.5	130.8	131.0
To government	77.9	78.4	79.0	79.5	79.8	80.1	80.3	80.6
To the rest of the world (net)	48.7	48.8	48.8	48.8	50.4	50.4	50.4	50.4
Equals: Personal saving	-146.6	-164.2	-139.8	-95.0	-100.5	-109.8	-134.2	-116.4
Personal saving as a percentage of disposable personal income	-1.5	-1.7	-1.5	-1.0	-1.0	-1.1	-1.4	-1.2
Addenda:								
Disposable personal income:								
Total, billions of chained (2000) dollars ²	8,252.8	8,277.6	8,294.2	8,361.4	8,400.8	8,422.4	8,434.1	8,480.1
Per capita:								
Current dollars	31,665	31,823	31,943	32,071	32,123	32,189	32,317	32,535
Chained (2000) dollars	27,582	27,635	27,667	27,867	27,974	28,024	28,041	28,172
Population (midperiod, thousands) ³	299,271	299,528	299,788	300,051	300,306	300,545	300,776	301,009

^p Preliminary

^r Revised. Revisions include changes to series affected by the introduction of revised wage and salary estimates for the third quarter of 2006.

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 ^r	IV ^r
Personal income	10,239.2	10,884.0	10,262.7	10,483.7	10,721.4	10,807.3	10,939.4	11,067.9
Compensation of employees, received	7,030.3	7,476.9	7,093.6	7,184.4	7,400.3	7,425.5	7,489.3	7,592.4
Wage and salary disbursements	5,664.8	6,022.6	5,715.2	5,787.0	5,970.1	5,980.9	6,027.6	6,111.8
Private industries	4,687.1	5,008.7	4,734.6	4,798.9	4,972.0	4,975.0	5,007.1	5,080.9
Goods-producing industries	1,101.3	1,175.5	1,113.9	1,124.9	1,177.3	1,173.0	1,171.5	1,180.1
Manufacturing	704.7	734.0	709.7	715.0	742.8	732.8	729.1	731.4
Services-producing industries	3,585.8	3,833.3	3,620.7	3,673.9	3,794.7	3,802.0	3,835.6	3,900.9
Trade, transportation, and utilities	937.2	993.7	945.5	954.9	983.6	990.8	995.6	1,004.7
Other services-producing industries	2,648.5	2,839.6	2,675.2	2,719.0	2,811.0	2,811.2	2,840.0	2,896.1
Government	977.7	1,013.9	980.6	988.1	998.1	1,005.9	1,020.5	1,030.9
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	1,015.0	967.3	996.8	1,008.3	1,011.9	1,014.8	1,025.1
Farm	30.2	22.6	29.7	28.7	23.9	17.5	21.7	27.4
Nonfarm	940.4	992.4	937.7	968.1	984.4	994.3	993.2	997.8
Rental income of persons with capital consumption adjustment	72.8	76.7	-11.5	81.5	76.8	71.4	78.3	80.5
Personal income receipts on assets	1,519.4	1,657.6	1,532.7	1,580.2	1,602.3	1,647.7	1,683.6	1,696.9
Personal interest income	945.0	1,018.1	951.2	981.7	989.1	1,019.2	1,035.8	1,028.1
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	1,602.3	1,569.0	1,539.8	1,570.4	1,589.7	1,618.6	1,630.2
Government social benefits to persons	1,480.9	1,567.0	1,489.2	1,500.8	1,536.0	1,554.7	1,583.1	1,594.2
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	616.4
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	1,360.9	1,215.0	1,247.6	1,332.6	1,361.0	1,362.5	1,387.4
Equals: Disposable personal income	9,036.1	9,523.1	9,047.7	9,236.1	9,388.8	9,446.2	9,577.0	9,680.5
Less: Personal outlays	9,070.9	9,625.2	9,180.3	9,264.5	9,418.5	9,577.0	9,710.0	9,795.3
Personal consumption expenditures	8,742.4	9,269.0	8,847.3	8,927.8	9,079.2	9,228.1	9,346.7	9,422.1
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	2,715.0	2,584.9	2,613.5	2,658.2	2,721.4	2,747.7	2,732.7
Services	5,170.0	5,483.7	5,205.1	5,294.7	5,356.8	5,444.9	5,523.5	5,609.6
Personal interest payments ¹	209.4	229.9	214.6	214.9	218.5	222.9	235.5	242.7
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	50.4
Equals: Personal saving	-34.8	-102.1	-132.6	-28.5	-29.7	-130.8	-133.0	-114.8
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	8,312.9	8,074.1	8,183.3	8,276.8	8,245.4	8,311.0	8,419.1
Per capita:								
Current dollars	30,473	31,805	30,473	31,029	31,470	31,590	31,946	32,210
Chained (2000) dollars	27,332	27,763	27,194	27,492	27,743	27,574	27,723	28,013
Population (midperiod, thousands) ³	296,524	299,424	296,907	297,660	298,338	299,025	299,789	300,543

^r Revised. Revisions include changes to series affected by the introduction of revised wage and salary estimates for the third quarter of 2006.

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
	June	July ^r	Aug. ^r	Sep. ^r	Oct. ^r	Nov. ^r	Dec. ^r	Jan. ^p
Personal income	46.9	50.3	44.6	51.6	36.7	35.9	55.7	108.1
Compensation of employees, received	27.9	33.2	12.1	39.8	38.7	31.0	39.8	86.2
Wage and salary disbursements	22.2	25.9	7.4	33.3	31.6	25.1	33.5	71.5
Private industries	18.3	20.6	1.5	27.3	29.2	23.0	31.8	64.2
Goods-producing industries	3.8	-2.0	-9	-2	6.5	.9	5.5	-2
Manufacturing .....	.3	-.7	-1.2	-1.9	4.0	-1.3	2.7	-2.3
Services-producing industries	14.5	22.6	2.4	27.5	22.7	22.1	26.2	64.5
Trade, transportation, and utilities	5.5	2.6	-1.3	3.9	2.4	6.2	1.2	2.9
Other services-producing industries	9.0	20.0	3.7	23.7	20.2	15.9	25.0	61.6
Government	3.8	5.4	5.9	6.0	2.4	2.1	1.7	7.3
Supplements to wages and salaries	5.7	7.3	4.8	6.4	7.1	5.9	6.3	14.6
Employer contributions for employee pension and insurance funds	4.5	5.5	4.6	4.3	5.0	4.1	4.1	6.7
Employer contributions for government social insurance	1.2	1.8	.2	2.1	2.2	1.6	2.3	7.9
Proprietors' income with inventory valuation and capital consumption adjustments	-4.1	-.8	7.3	.2	6.3	1.5	1.2	1.5
Farm	-2.9	2.5	4.4	4.9	2.0	.2	-3.6	3.0
Nonfarm	-1.2	-3.2	2.8	-4.7	4.3	1.3	4.8	-1.5
Rental income of persons with capital consumption adjustment	-3.6	5.2	4.7	5.3	-2.0	-.6	-1.7	2.5
Personal income receipts on assets	22.9	6.5	6.8	7.1	3.0	3.4	3.1	14.4
Personal interest income	16.4	.1	.1	.1	-3.9	-3.9	-3.9	8.1
Personal dividend income	6.4	6.4	6.7	6.9	7.0	7.2	7.1	6.3
Personal current transfer receipts	6.7	10.2	14.5	3.0	-4.0	4.0	18.2	22.7
Government social benefits to persons	6.5	10.0	14.4	2.8	-4.2	3.8	18.2	22.8
Old-age, survivors, disability, and health insurance benefits	7.9	-4.4	7.5	.8	1.9	4.2	19.0	2.4
Government unemployment insurance benefits	0	.3	0	0	-.3	.3	-.3	.3
Other	-1.3	13.9	6.9	2.1	-5.7	-.7	-.6	20.0
Other current transfer receipts, from business (net) .....	.2	.2	.1	.2	.2	.2	0	0
Less: Contributions for government social insurance	2.8	4.0	.8	3.8	5.4	3.3	4.9	19.1
Less: Personal current taxes	9.4	-6.7	.2	4.6	13.0	8.4	9.7	35.1
Equals: Disposable personal income	37.4	57.2	44.3	46.9	23.8	27.5	46.0	73.0
Less: Personal outlays	33.7	74.8	20.0	2.1	29.2	36.8	70.4	55.3
Personal consumption expenditures	31.9	68.4	13.8	-4.2	26.6	35.8	69.4	51.9
Durable goods	5.6	21.7	-16.3	3.4	1.7	6.6	4.0	6.0
Nondurable goods	3.7	23.9	5.2	-34.9	-14.6	9.0	45.4	7.6
Services	22.6	22.8	24.8	27.4	39.5	20.2	19.9	38.4
Personal interest payments ¹	1.3	5.7	5.6	5.7	.8	.7	.7	3.2
Personal current transfer payments .....	.5	.7	.6	.5	1.9	.3	.3	.2
To government .....	.6	.5	.6	.5	.3	.3	.2	.3
To the rest of the world (net)	0	.1	0	0	1.6	0	0	0
Equals: Personal saving	3.7	-17.6	24.4	44.8	-5.5	-9.3	-24.4	17.8
Addendum:								
Real disposable personal income, billions of chained (2000) dollars ²	20.8	24.8	16.6	67.2	39.4	21.6	11.7	46.0

^p Preliminary

^r Revised. Revisions include changes to series affected by the introduction of revised wage and salary estimates for the third quarter of 2006.

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 ^r	IV ^r
Personal income	507.8	644.8	101.2	221.0	237.7	85.9	132.1	128.5
Compensation of employees, received	365.0	446.6	139.9	90.8	215.9	25.2	63.8	103.1
Wage and salary disbursements	272.7	357.8	113.9	71.8	183.1	10.8	46.7	84.2
Private industries	236.8	321.6	107.0	64.3	173.1	3.0	32.1	73.8
Goods-producing industries	50.5	74.2	26.4	11.0	52.4	-4.3	-1.5	8.6
Manufacturing	16.7	29.3	12.4	5.3	27.8	-10.0	-3.7	2.3
Services-producing industries	186.3	247.5	80.7	53.2	120.8	7.3	33.6	65.3
Trade, transportation, and utilities	38.0	56.5	15.1	9.4	28.7	7.2	4.8	9.1
Other services-producing industries	148.2	191.1	65.5	43.8	92.0	.2	28.8	56.1
Government	35.9	36.2	6.9	7.5	10.0	7.8	14.6	10.4
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	44.3	1.5	29.5	11.5	3.6	2.9	10.3
Farm	-6.0	-7.6	1.0	-1.0	-4.8	-6.4	4.2	5.7
Nonfarm	65.5	52.0	.6	30.4	16.3	9.9	-1.1	4.6
Rental income of persons with capital consumption adjustment	-54.2	3.9	-114.3	93.0	-4.7	-5.4	6.9	2.2
Personal income receipts on assets	91.5	138.2	32.2	47.5	22.1	45.4	35.9	13.3
Personal interest income	54.2	73.1	16.4	30.5	7.4	30.1	16.6	-7.7
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	75.7	58.9	-29.2	30.6	19.3	28.9	11.6
Government social benefits to persons	82.5	86.1	12.0	11.6	35.2	18.7	28.4	11.1
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	-2.7
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	157.8	23.2	32.6	85.0	28.4	1.5	24.9
Equals: Disposable personal income	354.5	487.0	78.0	188.4	152.7	57.4	130.8	103.5
Less: Personal outlays	563.7	554.3	179.9	84.2	154.0	158.5	133.0	85.3
Personal consumption expenditures	530.9	526.6	172.7	80.5	151.4	148.9	118.6	75.4
Durable goods	46.8	37.2	15.0	-37.7	44.5	-2.3	13.7	4.3
Nondurable goods	194.1	175.7	76.3	28.6	44.7	63.2	26.3	-15.0
Services	289.9	313.7	81.4	89.6	62.1	88.1	78.6	86.1
Personal interest payments ¹	23.4	20.5	6.1	.3	3.6	4.4	12.6	7.2
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	1.6
Equals: Personal saving	-209.1	-67.3	-101.8	104.1	-1.2	-101.1	-2.2	18.2
Addendum:								
Real disposable personal income, billions of chained (2000) dollars ²	93.8	208.3	-11.7	109.2	93.5	-31.4	65.6	108.1

^r Revised. Revisions include changes to series affected by the introduction of revised wage and salary estimates for the third quarter of 2006.

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
	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	0.5	0.3	0.3	0.5	1.0
Compensation of employees, received .....	.4	.4	.2	.5	.5	.4	.5	1.1
Wage and salary disbursements .....	.4	.4	.1	.6	.5	.4	.5	1.2
Supplements to wages and salaries .....	.4	.5	.3	.4	.5	.4	.4	1.0
Proprietors' income with inventory valuation and capital consumption adjustments	-.4	-.1	.7	0	.6	.1	.1	.1
Rental income of persons with capital consumption adjustment	-5.0	7.6	6.4	6.8	-2.4	-.8	-2.1	3.1
Personal income receipts on assets	1.4	.4	.4	.4	.2	.2	.2	.8
Personal interest income	1.6	0	0	0	-.4	-.4	-.4	.8
Personal dividend income	1.0	1.0	1.1	1.1	1.1	1.1	1.1	.9
Personal current transfer receipts .....	.4	.6	.9	.2	-.2	.2	1.1	1.4
Less: Contributions for government social insurance .....	.3	.4	.1	.4	.6	.3	.5	2.0
Less: Personal current taxes .....	.7	-.5	0	.3	.9	.6	.7	2.5
Equals: Disposable personal income .....	.4	.6	.5	.5	.2	.3	.5	.8
Addenda:								
Personal consumption expenditures .....	.3	.7	.1	0	.3	.4	.7	.5
Durable goods .....	.5	2.0	-1.5	.3	.2	.6	.4	.5
Nondurable goods .....	.1	.9	.2	-1.3	-.5	.3	1.7	.3
Services .....	.4	.4	.5	.5	.7	.4	.4	.7
	Based on chained (2000) dollar measures							
Real disposable personal income .....	.3	.3	.2	.8	.5	.3	.1	.5

^p Preliminary
^r Revised. Revisions include changes to series affected by the introduction of revised wage and salary estimates for the third quarter of 2006.

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 ^r	IV ^r
	Based on current-dollar measures							
Personal income	5.2	6.3	4.0	8.9	9.4	3.2	5.0	4.8
Compensation of employees, received	5.5	6.4	8.3	5.2	12.6	1.4	3.5	5.6
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	4.1
Rental income of persons with capital consumption adjustment	-42.7	5.4	.....	.....	-21.2	-25.2	44.6	11.5
Personal income receipts on assets	6.4	9.1	8.9	13.0	5.7	11.8	9.0	3.2
Personal interest income	6.1	7.7	7.2	13.5	3.0	12.7	6.7	-2.9
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	2.9
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	7.5
Equals: Disposable personal income	4.1	5.4	3.5	8.6	6.8	2.5	5.7	4.4
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. Revisions include changes to series affected by the introduction of revised wage and salary estimates for the third quarter of 2006.

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

	2006							2007
	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	8,075.0	8,110.1	8,100.7	8,122.8	8,164.2	8,193.1	8,225.8	8,254.0
Durable goods	1,194.2	1,218.0	1,199.0	1,209.5	1,211.1	1,222.6	1,231.9	1,240.2
Nondurable goods	2,353.9	2,360.9	2,357.4	2,362.1	2,377.3	2,392.4	2,414.0	2,416.4
Services	4,548.9	4,558.1	4,566.4	4,575.4	4,598.8	4,603.7	4,607.5	4,625.8
	Change from preceding period in billions of chained (2000) dollars, seasonally adjusted at annual rates							
Personal consumption expenditures	16.3	35.1	-9.4	22.1	41.4	28.9	32.7	28.2
Durable goods	9.3	23.8	-19.0	10.5	1.6	11.5	9.3	8.3
Nondurable goods	1.8	7.0	-3.5	4.7	15.2	15.1	21.6	2.4
Services	6.8	9.2	8.3	9.0	23.4	4.9	3.8	18.3
	Percent change from preceding period in chained (2000) dollars, seasonally adjusted at monthly rates							
Personal consumption expenditures .....	.2	.4	-.1	.3	.5	.4	.4	.3
Durable goods .....	.8	2.0	-1.6	.9	.1	.9	.8	.7
Nondurable goods .....	.1	.3	-.1	.2	.6	.6	.9	.1
Services .....	.1	.2	.2	.2	.5	.1	.1	.4

^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	8,091.1	7,895.3	7,910.2	8,003.8	8,055.0	8,111.2	8,194.4
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	2,362.1	2,287.6	2,309.6	2,342.8	2,351.1	2,360.1	2,394.6
Services	4,436.6	4,550.0	4,454.5	4,476.7	4,494.5	4,535.4	4,566.6	4,603.3
	Change from preceding period in billions of chained (2000) dollars							
Personal consumption expenditures	264.1	249.9	75.5	14.9	93.6	51.2	56.2	83.2
Durable goods	59.6	57.6	25.1	-38.0	52.6	-2	18.5	13.1
Nondurable goods	97.6	85.3	19.2	22.0	33.2	8.3	9.0	34.5
Services	112.7	113.4	34.5	22.2	17.8	40.9	31.2	36.7
	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	6.0
Services	2.6	2.6	3.2	2.0	1.6	3.7	2.8	3.2

^r Revised

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

	2006							2007
	June	July	Aug.	Sep.	Oct. ^r	Nov. ^r	Dec. ^r	Jan. ^p
Chain-type price indexes (2000=100), seasonally adjusted								
Personal consumption expenditures (PCE)	114.815	115.160	115.465	115.098	114.842	114.873	115.260	115.496
Durable goods	89.049	89.096	89.145	88.659	88.677	88.383	88.038	87.931
Nondurable goods	116.082	116.749	117.143	115.434	114.082	113.741	114.599	114.801
Services	120.368	120.625	120.948	121.308	121.551	121.862	122.194	122.539
Addenda:								
PCE excluding food and energy	111.963	112.076	112.369	112.565	112.773	112.843	112.986	113.273
Market-based PCE ¹	113.513	113.852	114.131	113.652	113.275	113.297	113.700	113.898
Market-based PCE excluding food and energy ¹	109.745	109.803	110.062	110.233	110.383	110.448	110.564	110.811
Percent change from preceding period in price indexes, seasonally adjusted at monthly rates								
PCE .....	.1	.3	.3	-.3	-.2	0	.3	.2
Durable goods	-.3	.1	.1	-.5	0	-.3	-.4	-.1
Nondurable goods .....	.1	.6	.3	-1.5	-1.2	-.3	.8	.2
Services .....	.3	.2	.3	.3	.2	.3	.3	.3
Addenda:								
PCE excluding food and energy .....	.2	.1	.3	.2	.2	.1	.1	.3
Market-based PCE ¹ .....	.1	.3	.2	-.4	-.3	0	.4	.2
Market-based PCE excluding food and energy ¹ .....	.2	.1	.2	.2	.1	.1	.1	.2

^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
	June	July ^r	Aug. ^r	Sep. ^r	Oct. ^r	Nov. ^r	Dec. ^r	Jan. ^p
Disposable personal income	1.7	1.5	4.4	2.9	3.1	2.9	2.6	2.7
Personal consumption expenditures	2.7	2.3	2.7	3.2	3.7	3.6	3.5	3.5
Durable goods	2.0	-1.6	3.3	7.1	9.1	7.0	6.0	3.8
Nondurable goods	3.4	3.5	3.0	3.0	2.8	3.8	4.5	3.1
Services	2.5	2.5	2.4	2.6	3.1	2.8	2.6	3.6

^p Preliminary

^r Revised. Revisions include changes to series affected by the introduction of revised wage and salary estimates for the third quarter of 2006.

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

	2006							2007
	June	July	Aug.	Sep.	Oct. ^r	Nov. ^r	Dec. ^r	Jan. ^p
Personal consumption expenditures (PCE)	3.5	3.4	3.2	1.9	1.5	1.9	2.3	2.0
Durable goods	-1.5	-1.1	-.7	-1.3	-1.3	-1.3	-1.6	-1.8
Nondurable goods	5.3	4.8	4.0	.3	-.5	1.1	2.1	1.3
Services	3.6	3.6	3.6	3.4	3.0	2.9	3.1	3.1
Addenda:								
PCE excluding food and energy	2.3	2.3	2.4	2.4	2.3	2.2	2.2	2.3
Market-based PCE ¹	3.4	3.3	3.1	1.6	1.1	1.6	2.0	1.7
Market-based PCE excluding food and energy ¹	2.0	1.9	2.1	2.1	2.0	1.9	1.9	2.0

^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.