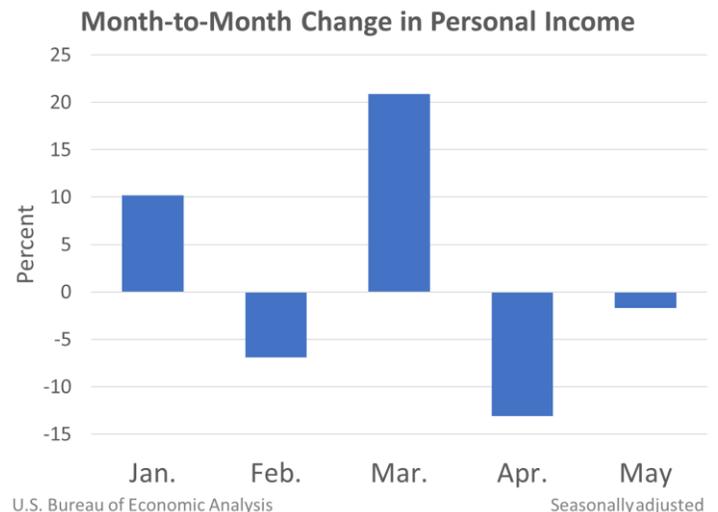


Personal Income and Outlays, May 2021

Personal income decreased \$414.3 billion, or 2.0 percent at a monthly rate, while consumer spending increased \$2.9 billion, or less than 0.1 percent, in May. The decrease in personal income reflected declines in pandemic-related assistance programs. In addition to presenting estimates for May 2021, these highlights provide comparisons to February 2020, the last month before the onset of the COVID-19 pandemic in the United States. For more information, see [Federal Recovery Programs and BEA Statistics](#).

Personal income for May 2021

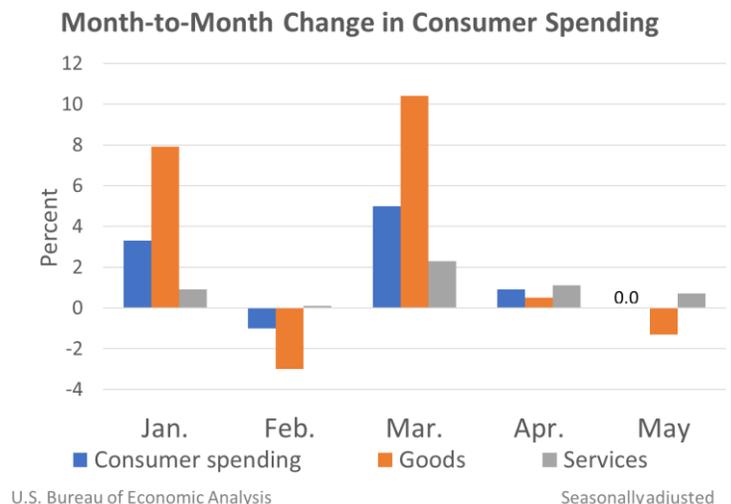
The decrease in personal income in May primarily reflected a decrease in government social benefits. Within government social benefits, “other” social benefits, specifically economic impact payments to households, decreased. Unemployment insurance also decreased, led by decreases in payments from the Pandemic Unemployment Compensation program. Additional information on factors affecting monthly personal income can be found on [Effects of Selected Federal Pandemic Response Programs on Personal Income](#).



Consumer spending for May 2021

Current-dollar consumer spending increased in May, reflecting an increase in services that was partly offset by a decrease in goods.

- Within services, the increase primarily reflected an increase in recreation services (led by membership clubs, sports centers, parks, theaters, and museums), based on payment card transaction data, as well as food services and accommodations (led by food services), based on data from the Census Monthly Retail Trade Survey (MRTS).
- Within goods, the decrease primarily reflected a decrease in motor vehicles and parts (led by new motor vehicles), based on data from Wards Automotive. Other categories, such as furnishings and recreational goods and vehicles, also decreased based on data from the MRTS.

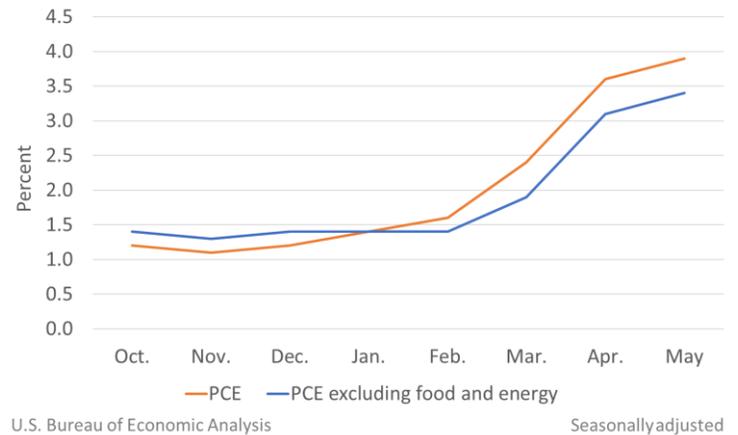


Consumer prices for May 2021

The personal consumption expenditures (PCE) price index for May increased 3.9 percent from one year ago, reflecting increases in both goods and services. Energy prices increased 27.4 percent while food prices increased 0.4 percent. Excluding food and energy, the PCE price index for May increased 3.4 percent from one year ago.

Compared to April 2021, the PCE price index increased 0.4 percent, reflecting increases in both goods and services. Energy prices were unchanged while food prices increased 0.3 percent. Excluding food and energy, the PCE price index increased 0.5 percent from April 2021 to May 2021.

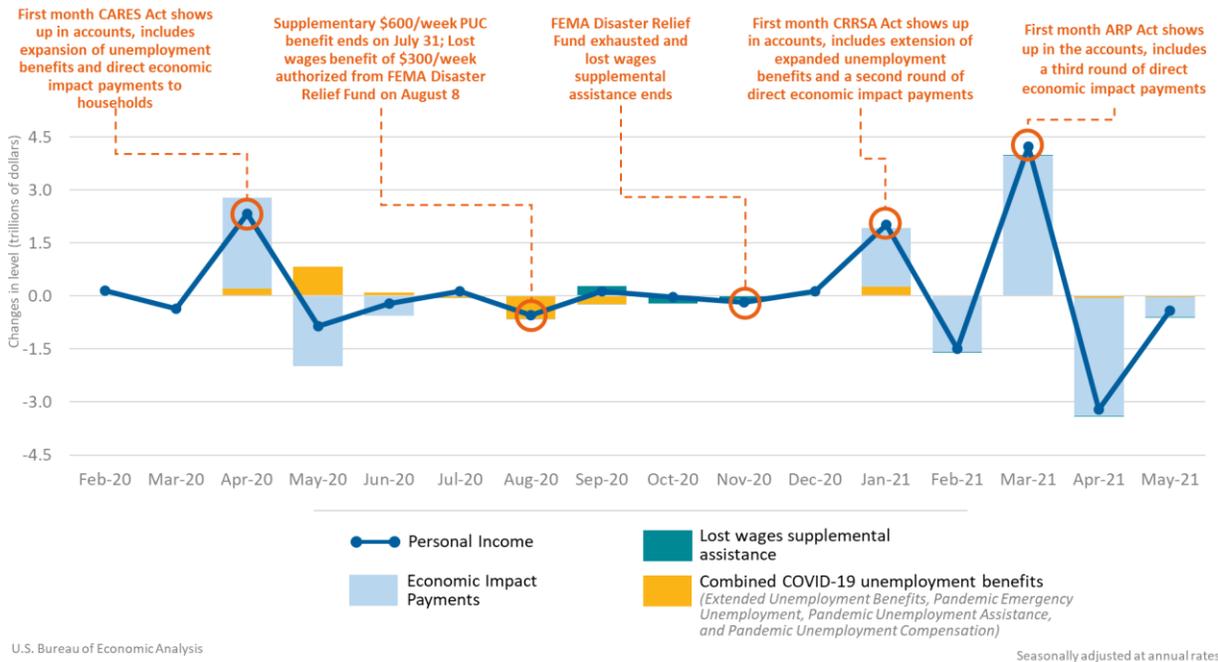
Percent Change in PCE Price Indexes from Month One Year Ago



Personal income changes since February 2020

Over the past 15 months, changes in personal income primarily reflected changes in government social benefits, which were based on the enactment and expiration of legislative acts and related programs.

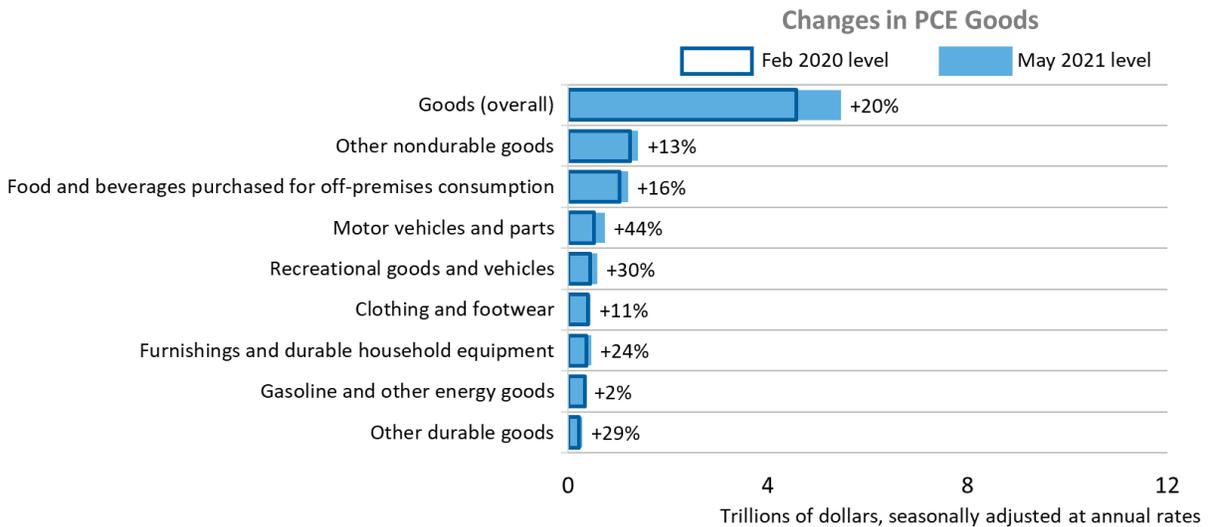
Changes in Personal Income and Selected COVID-19 Legislative Impacts



Consumer spending comparisons to February 2020

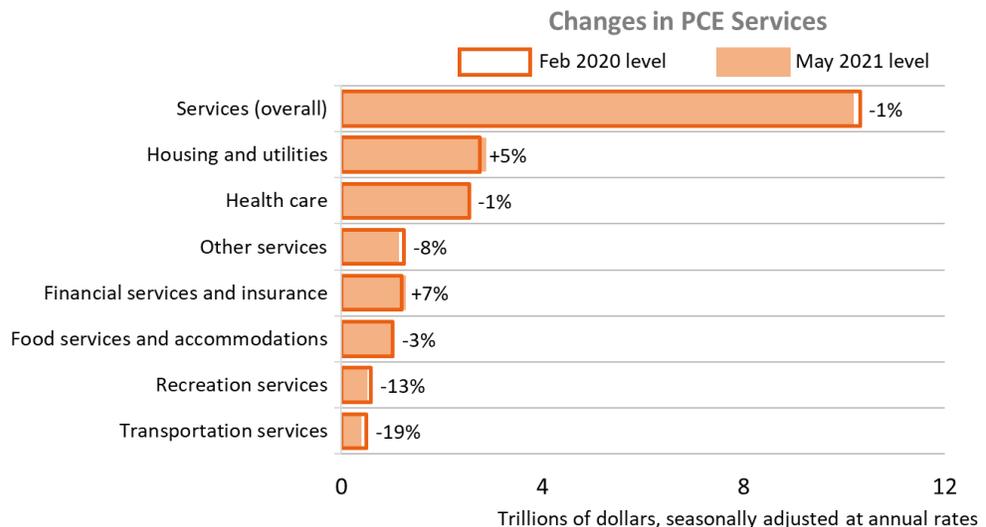
A comparison of the May 2021 current-dollar levels of consumer spending with the February 2020 pre-pandemic levels shows that spending for goods increased while spending for services decreased.

Spending for goods in May 2021 was 20 percent above the February 2020 level. Categories with notable increases included motor vehicles and parts, recreational goods and vehicles (led by information processing equipment), and furnishings and durable household equipment.



U.S. Bureau of Economic Analysis

Spending for services in May 2021 was 1.0 percent below the February 2020 level. Categories with notable decreases included transportation services, recreation services, and food services and accommodations. During the COVID-19 pandemic, establishments in these sectors were at times closed or at limited capacity.



U.S. Bureau of Economic Analysis

Since the onset of the pandemic, BEA used traditional data sources along with alternative data sources, particularly payment card transactions, to estimate changes in the monthly pattern of consumer spending. Additional information is available at [COVID-19 and Recovery: Estimates from Payment Card Transactions](#).