

CONSUMER SPENDING TURNS DOWN IN DECEMBER

Personal income fell 0.2 percent in December. Wages and salaries, the largest component of personal income, fell 0.3 percent after falling 0.2 percent in November. Transfers were boosted \$7.1 billion by the Supplemental Appropriations Act of 2008, which extended unemployment benefits.

Real disposable personal income (DPI), income adjusted for inflation and taxes, rose 0.3 percent in December.

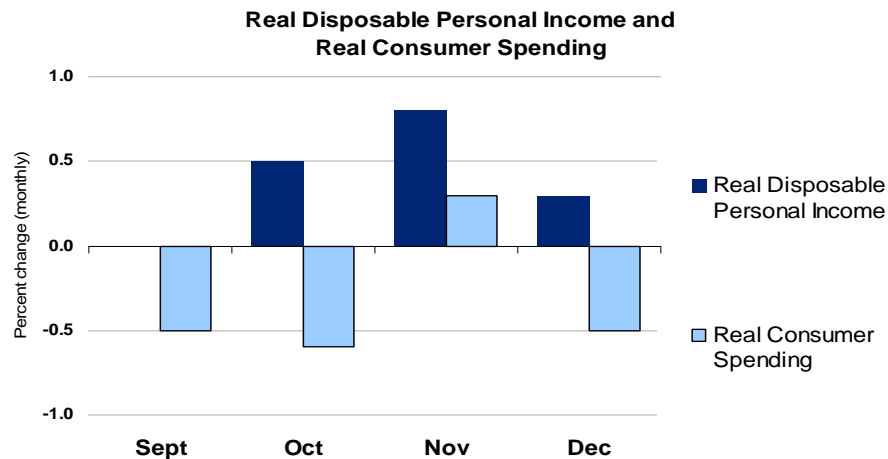
Real consumer spending, adjusted for price changes, decreased 0.5 percent in December after increasing 0.3 percent in November. Spending on energy for home and auto use turned down.

PCE prices fell 0.5 percent in December. Excluding food and energy, price growth was close to zero.

Personal saving as a percent of disposable income rose to 3.6 percent.

	Average growth, last 12 months	November	December
Personal Income	0.1 %	-0.4 %	-0.2 %
Real DPI	0.1 %	0.8 %	0.3 %
Real PCE	-0.1 %	0.3 %	-0.5 %
PCE Prices	0.1%	-1.1 %	-0.5 %

	12-month average	November	December
Personal Saving Rate	1.7%	2.8 %	3.6 %



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. [E-mail alerts](#) are also available.

NOTE: On March 2, 2009, the January estimates of Personal Income and Outlays will be released.