

PERSONAL INCOME FLAT IN JULY; WAGES TURN UP

Personal income was flat in July, after falling 1.1 percent in June. Wages and salaries, the largest component of personal income, increased 0.1 percent in July after decreasing 0.3 percent in June.

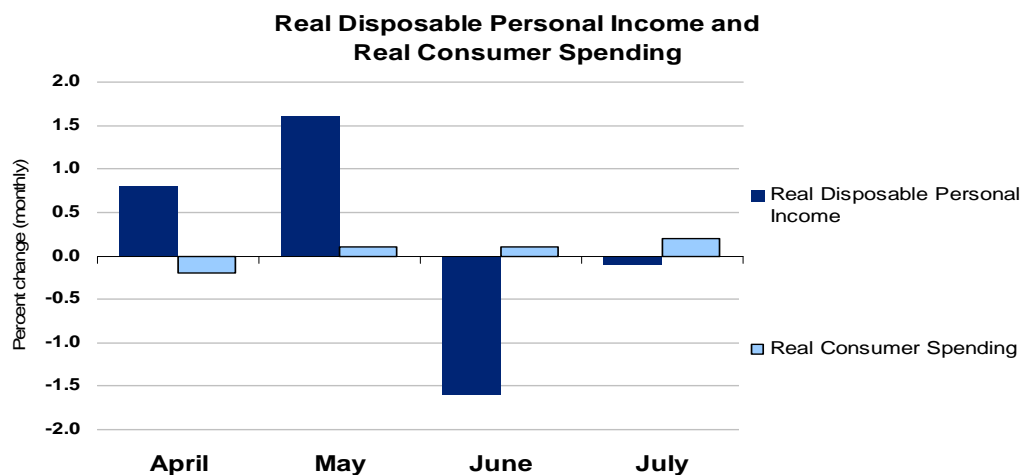
Real disposable personal income (DPI), income adjusted for inflation and taxes, fell 0.1 percent in July. Personal transfer receipts fell \$3 billion in July after falling \$122 billion in June (after the American Recovery and Reinvestment Act boosted transfers significantly in May).

Real consumer spending (spending adjusted for price changes) increased 0.2 percent in July, after increasing 0.1 percent in June. New auto purchases were the leading contributor, reflecting the effects of the “cash for clunkers” program. Purchases of nondurable goods fell in July.

PCE prices were flat in July. Excluding food and energy, prices rose 0.1 percent.

Personal saving as a percent of disposable income was 4.2 percent in July.

	Average, last 12 months	June	July
Personal Income	-0.2 %	-1.1 %	0.0 %
Excluding one-time ARRA items		0.2 %	0.1 %
Real DPI	0.0 %	-1.6 %	-0.1 %
Excluding one-time ARRA items		-0.2 %	0.0 %
Real PCE	-0.1 %	0.1 %	0.2 %
PCE Prices	-0.1 %	0.5 %	0.0 %
	12-month average	June	July
Personal Saving Rate	3.8 %	4.5 %	4.2 %



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 October 1, 2009, the August estimates of Personal Income and Outlays will be released.