

## CONSUMER SPENDING RISES IN AUGUST

**Personal income** increased 0.2 percent in August, after increasing by the same amount in July. Wages and salaries, the largest component of personal income, increased 0.2 percent in August and in July. Wages in services industries picked up.

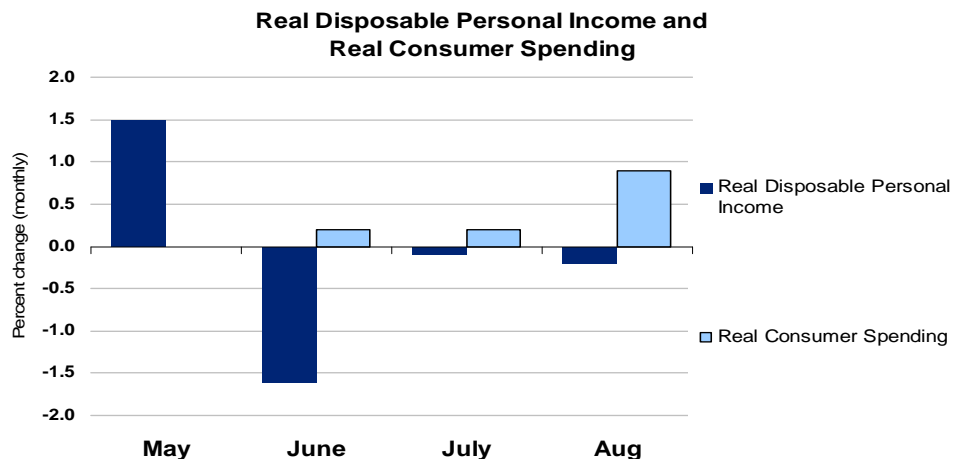
**Real disposable personal income** (DPI), income adjusted for inflation and taxes, fell 0.2 percent in August, reflecting a rise in PCE prices.

**Real consumer spending** (spending adjusted for price changes) increased 0.9 percent in August, the largest increase since June 2005. New car and truck purchases were the leading contributor, reflecting the effects of the federal CARS (“cash for clunkers”) program. For more information, see the [CARS FAQ](http://www.bea.gov) available at [www.bea.gov](http://www.bea.gov).

**PCE prices** increased 0.3 percent in August. Excluding food and energy, prices rose 0.1 percent.

**Personal saving** as a percent of disposable income was 3.0 percent in August.

	Average, last 12 months	July	August
Personal Income	-0.2 %	0.2 %	0.2 %
Real DPI	0.1 %	-0.1 %	-0.2 %
Real PCE	0.0 %	0.2 %	0.9 %
PCE Prices	0.0 %	0.0 %	0.3 %
	12-month average	July	August
Personal Saving Rate	3.9 %	4.0 %	3.0 %



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](http://www.bea.gov). [E-mail alerts](#) are also available.

NOTE: On October 30, 2009, the September estimates of Personal Income and Outlays will be released.