

## CONSUMER SPENDING DECLINES IN SEPTEMBER

**Personal income** rose 0.2 percent in September, after rising 0.4 percent in August. Wages and salaries, the largest component of personal income, rose 0.1 percent after rising 0.4 percent. The net effect of Hurricane Ike on personal income was small, as declines in rental income and proprietors' income were offset by a rise in insurance payments. (See the "Disasters" FAQ on the BEA Web site.) The Economic Stimulus Act of 2008 had a negligible effect on personal income in both months.

**Real disposable personal income (DPI)**, income adjusted for inflation and taxes, rose 0.1 percent in September after falling 1.0 percent in August. Real DPI was affected by tax rebates and subsidies from the Stimulus Act. Excluding these items, real DPI increased 0.2 percent in September and 0.4 percent in August.

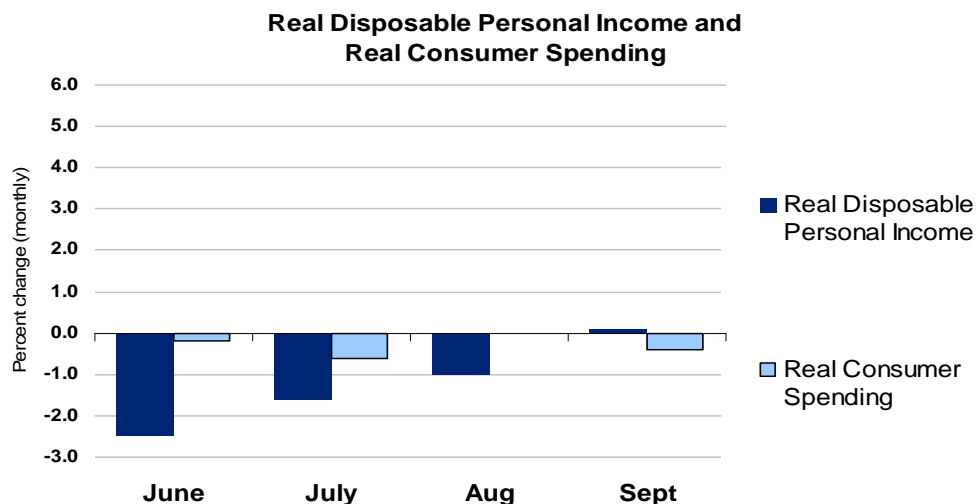
**Real consumer spending** (personal consumption expenditures) fell 0.4 percent in September after remaining flat in August. Spending on autos, gas and oil turned down.

**PCE prices** rose 0.1 percent in September after remaining flat in August. Excluding food and energy, the index rose 0.2 percent in September and August.

**Personal saving** as a percent of disposable income was 1.3 percent in September.

	Average growth, last 12 months	August	September
Personal Income	0.3%	0.4%	0.2%
Real DPI	0.0%	-1.0%	0.1%
Real PCE	0.0%	0.0%	-0.4%
PCE Prices	0.3%	0.0%	0.1%

	12-month average	August	September
Personal Saving Rate	1.1%	0.8%	1.3%



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 November 26, 2008, the October estimates of Personal Income and Outlays will be released.