

CONSUMER SPENDING TURNS UP IN OCTOBER

Personal income increased 0.2 percent in October after increasing a similar amount in September. Wages and salaries, the largest component of personal income, were flat in October after falling 0.1 percent in September.

Real disposable personal income, income adjusted for inflation and taxes, increased 0.2 percent in October. In September, the increase was 0.1 percent.

Real consumer spending, spending adjusted for price changes, increased 0.4 percent in October, after decreasing 0.7 percent in September. The increase in October reflected an upturn in purchases of new cars. The decline in September reflected the end of the federal “cash-for-clunkers” program, which boosted sales in July and August.

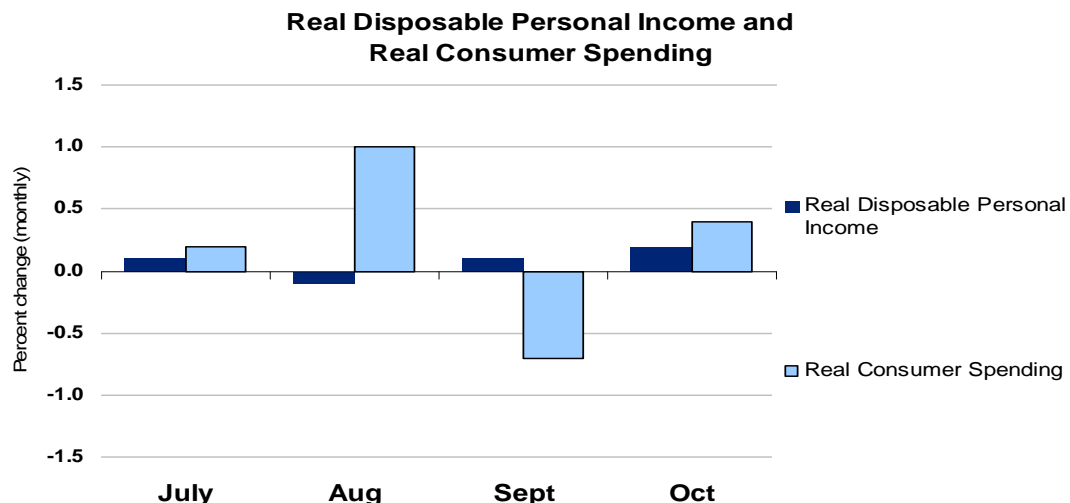
PCE prices increased 0.3 percent in October. Excluding food and energy, prices rose 0.2 percent.

Personal saving rate

Personal saving as a percent of disposable income was 4.4 percent in October.

	Average, last 12 months	September	October
Personal Income	-0.1 %	0.2 %	0.2 %
Real DPI	0.2 %	0.1 %	0.2 %
Real PCE	0.1 %	-0.7 %	0.4 %
PCE Prices	0.0 %	0.1 %	0.3 %

	12-month average	September	October
Personal Saving Rate	4.5 %	4.6 %	4.4 %



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 December 23, 2009, the November estimates of personal income and outlays will be released.