

CONSUMER SPENDING TURNS UP IN JANUARY

Personal income grew 0.4 percent in January. Wages and salaries, the largest component of personal income, fell 0.2 percent after falling 0.4 percent in December. The January timing of pay raises boosted government wages, and cost-of-living adjustments to social security and other programs boosted transfers. Excluding these and other special items, personal income rose 0.2 percent after falling 0.3 percent.

Real disposable personal income (DPI), income adjusted for inflation and taxes, rose 1.5 percent in January.

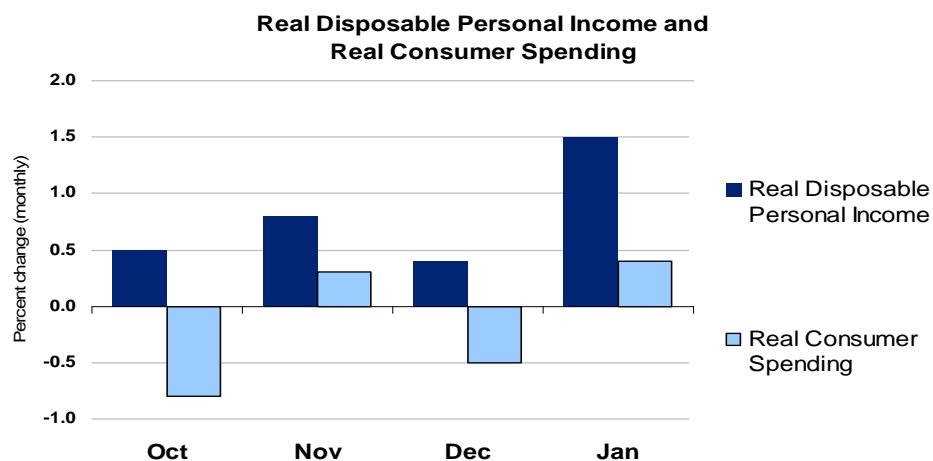
Real consumer spending, adjusted for price changes, turned up, rising 0.4 percent in January after falling 0.5 percent in December. Spending on food and energy turned up.

PCE prices increased 0.2 percent in January. Excluding food and energy, price growth was close to zero.

	Average growth, last 12 months	December	January
Personal Income	0.2 %	-0.2 %	0.4 %
Real DPI	0.3 %	0.4 %	1.5 %
Real PCE	-0.1 %	-0.5 %	0.4 %
PCE Prices	0.1%	-0.5 %	0.2 %

Personal saving as a percent of disposable income rose to 5.0 percent in December.

	12-month average	December	January
Personal Saving Rate	2.2%	3.9 %	5.0 %



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

NOTE: On March 27, 2009, the February estimates of Personal Income and Outlays will be released.