

CONSUMER SPENDING DECLINES IN FEBRUARY

Personal income fell 0.2 percent in February. Wages and salaries, the largest component of personal income, fell 0.4 percent after falling 0.2 percent in January. The January personal income estimate reflected pay raises that boosted government wages and cost-of-living adjustments that boosted transfers.

Real disposable personal income (DPI), income adjusted for inflation and taxes, fell 0.4 percent in February.

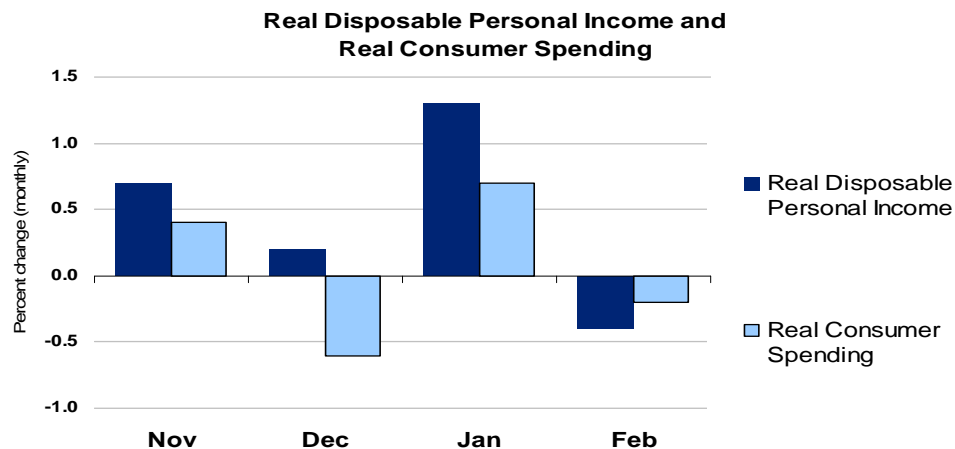
Real consumer spending, adjusted for price changes, turned down, declining 0.2 percent in February after rising 0.7 percent in January. Consumer spending in January was revised up, as spending on cars and trucks turned out to have been higher for households and lower for businesses. Also, retail sales were revised up. In February, spending on vehicles turned down, reflecting a sharp downturn in spending on trucks, SUVs, and minivans.

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

Personal saving as a percent of disposable income rose 4.2 percent in February, well above its 12-month average.

	Average growth, last 12 months	January	February
Personal Income	0.1%	0.2 %	-0.2 %
Real DPI	0.2%	1.3 %	-0.4 %
Real PCE	-0.1%	0.7 %	-0.2 %
PCE Prices	0.1 %	0.3 %	0.3 %

	12-month average	January	February
Personal Saving Rate	2.5 %	4.4 %	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 April 30, 2009, the March estimates of Personal Income and Outlays will be released.