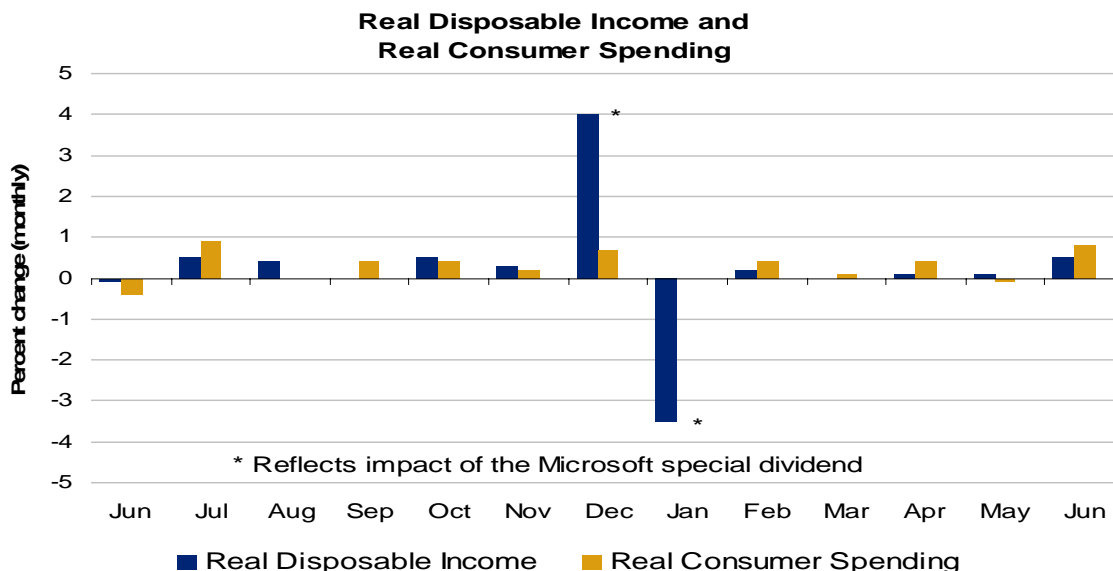


## INFLATION-ADJUSTED INCOME AND CONSUMER SPENDING INCREASED IN JUNE

*"Advance" Estimates of Personal Income*

After-tax income received by individuals, adjusted for inflation, increased 0.5 percent in June, after increasing 0.1 percent in May, according to estimates released today by the U.S. Bureau of Economic Analysis. Real consumer spending increased 0.8 percent in June after decreasing 0.1 percent in May. Over the last 12 months, real disposable personal income increased 2.9 percent, and real consumer spending increased 4.4 percent.



Personal income—the total income received by individuals, before taxes and *not* adjusted for inflation—increased \$52.9 billion (or 0.5 percent) in June. In May, personal income increased \$23.2 billion (or 0.2 percent).

- Wages and salaries, the largest component of personal income, increased \$12.0 billion in June.
- Personal income receipts on assets (personal interest income plus personal dividend income) increased \$18.0 billion in June.
- Proprietors' income increased \$19.1 billion in June.

Consumer spending *not* adjusted for inflation increased \$72.2 billion in June. Spending was boosted by increases in both the goods and services sectors.

Personal saving was 0.0 percent of disposable personal income in June.

### Annual Revision

BEA today released revised Personal Income estimates for January 2002 through May 2005.

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).

NOTE: Additional information that becomes available in the coming weeks will be incorporated in revised estimates of first and second-quarter Personal Income on September 1, 2005.