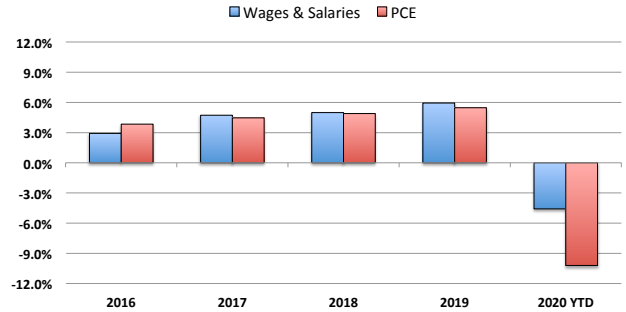
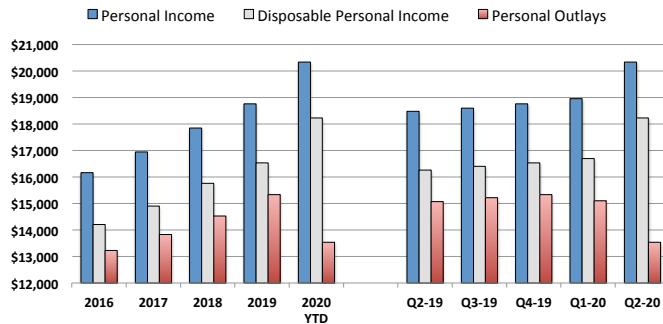


## PERSONAL INCOME AND OUTLAYS



Billion\$	Annual					Quarterly				
	2016	2017	2018	2019	2020 YTD	Q2-19	Q3-19	Q4-19	Q1-20	Q2-20
<b>Personal Income</b>	<b>16,160.7</b>	<b>16,948.6</b>	<b>17,851.8</b>	<b>18,760.8</b>	<b>20,340.4</b>	<b>18,480.9</b>	<b>18,597.6</b>	<b>18,760.8</b>	<b>18,954.2</b>	<b>20,340.4</b>
Wages and Salaries	8,089.1	8,471.5	8,894.2	9,422.5	8,849.9	9,274.9	9,311.3	9,422.5	9,529.5	8,849.9
Private Industry Salaries	6,780.9	7,123.7	7,491.7	7,953.0	7,428.2	7,832.5	7,852.3	7,953.0	8,047.9	7,428.2
Government Salaries	1,308.2	1,347.7	1,402.5	1,469.5	1,421.7	1,442.3	1,459.0	1,469.5	1,481.6	1,421.7
<b>Disposable Personal Income</b>	<b>14,202.8</b>	<b>14,901.9</b>	<b>15,766.5</b>	<b>16,539.6</b>	<b>18,231.8</b>	<b>16,258.4</b>	<b>16,400.5</b>	<b>16,539.6</b>	<b>16,697.4</b>	<b>18,231.8</b>
Personal Savings	975.0	1,071.0	1,237.3	1,203.8	4,694.2	1,186.1	1,180.6	1,203.8	1,594.1	4,694.2
Personal Savings Rate	6.9%	7.2%	7.8%	7.3%	25.7%	7.3%	7.2%	7.3%	9.5%	25.7%
<b>Personal Outlays</b>	<b>13,227.8</b>	<b>13,830.9</b>	<b>14,529.2</b>	<b>15,335.8</b>	<b>13,537.6</b>	<b>15,072.3</b>	<b>15,219.9</b>	<b>15,335.8</b>	<b>15,103.3</b>	<b>13,537.6</b>
Personal Consumption Expenditures	12,770.0	13,340.4	13,993.3	14,759.2	13,017.8	14,497.3	14,645.3	14,759.2	14,545.5	13,017.8
Personal Interest Payments	273.0	297.3	332.9	364.6	314.4	364.7	364.9	364.6	352.9	314.4

### Year-over-Year Changes:

<b>Personal Income</b>	<b>2.8%</b>	<b>4.9%</b>	<b>5.3%</b>	<b>5.1%</b>	<b>10.1%</b>
Wages and Salaries	2.9%	4.7%	5.0%	5.9%	-4.6%
Private Industry Wages	3.0%	5.1%	5.2%	6.2%	-5.2%
Government Wages	2.5%	3.0%	4.1%	4.8%	-1.4%
<b>Disposable Personal Income</b>	<b>3.0%</b>	<b>4.9%</b>	<b>5.8%</b>	<b>4.9%</b>	<b>12.1%</b>
Personal Savings	-6.1%	9.8%	15.5%	-2.7%	295.8%
<b>Personal Outlays</b>	<b>3.8%</b>	<b>4.6%</b>	<b>5.0%</b>	<b>5.6%</b>	<b>-10.2%</b>
Personal Consumption Expenditures	3.8%	4.5%	4.9%	5.5%	-10.2%

**(August 2020).....** Commerce Department reports personal income rose at an annualized pace of 10.1 percent for the 12-month period ended June 2020 although it included a -4.6 percent decrease in wages and salaries with private industry wages falling 5.2 percent. Ironically, disposable personal income, the after-tax income available to persons for spending or saving, increased 12.1 percent.

Personal outlays fell -10.2 percent with personal consumption expenditures, a measure closely monitored by the Federal Reserve, falling -10.2 percent. As a result, personal savings rose at an annualized pace of 296 percent.

**Strategically ...** The Commerce report on personal income and consumption reflects the significant impact that the current pandemic is having both on private wages and personal spending behavior. Wage and salary growth reflects the spike in unemployment - particularly in hourly wage and tips-related workforce, namely restaurant, hospitality and beverage employment sectors of the economy.

Some had feared that a flare-up in COVID-19 cases across the country and a fresh round of business closures would derail the job market's early recovery from the worst economic downturn since the Great Depression. Over the past three months, the economy has added back slightly less than half -- about 42 percent -- of the 22 million jobs it lost during the pandemic.