



April 2024

Personal Consumption Expenditures

Released May 31, 2024

Headline personal income increased by 0.27 percent m/m (\$65.2B).

- Real disposable personal income (DPI) per capita fell by 0.1 percent m/m. That means after tax income rose slower than prices.

Real personal consumption expenditures (PCE) fell by 0.05 percent m/m (\$-8.4B).

Headline PCE price index rose 0.26 percent m/m.

- All goods PCE price index inflation rose by 0.22 percent m/m.
 - Durable goods PCE price index inflation fell by 0.23 percent m/m.
 - Nondurable goods PCE price index inflation rose by 0.46 percent m/m.

Core PCE price index rose 0.25 percent m/m.

- Core PCE price index inflation excludes the more volatile food and energy indices.

Nominal personal savings rate remained unchanged at 3.6 percent.

Over the past 12 months:

- Core PCE price index inflation has risen. As measured by the core PCE price index, inflation was 2.75 percent.
 - The Federal Reserve's 2 percent target refers to core PCE price index (PCEPI) inflation. Given that y/y core PCE inflation is 2.75 percent, inflation continues to be considered too high.

Table 1. Income & Consumption Indicators

May 31, 2024

After seasonal adjustment

	Apr 2024	Mar 2024	Difference
Income and Outlays (m/m growth)			
Real Disposable Personal Income (DPI)	-0.06%	0.15%	-0.21pp
Real Personal Consumption Expenditures (PCE)	-0.05%	0.41%	-0.46pp
PCE Price Index (m/m growth)			
Headline	0.26%	0.34%	-0.08pp
Core (ex. food and energy)	0.25%	0.33%	-0.08pp
PCE Price Index (y/y growth)			
Headline	2.65%	2.70%	-0.05pp
Core (ex. food and energy)	2.75%	2.81%	-0.06pp

Source: Bureau of Economic Analysis, JEC Republican Calculations

* Discrepancy from monthly figures due to rounding

Table 2. Inflation Forecast Error

May 31, 2024

	Actual	Cleveland Fed Forecast	Error
PCE Price Index (m/m growth)			
Headline	0.26%	0.27%	-0.01pp
Core (ex. food and energy)	0.25%	0.23%	0.02pp
PCE Price Index (y/y growth)			
Headline	2.65%	2.67%	-0.02pp
Core (ex. food and energy)	2.75%	2.74%	0.01pp

Source: Bureau of Economic Analysis, JEC Republican Calculations

Q1 2024 (Second Estimate)

Gross Domestic Product

Released May 30, 2024

BEA's second estimate of 2024 1st Quarter GDP revised real GDP growth down 0.3 percentage points to 1.3 percent.

- The size of the U.S. economy stands at \$28,256 billion, a decrease of \$29.1 billion from the advance estimate.
- The update primarily reflected downward revisions to consumer spending (0.4 percentage point decrease), for more information see *Table 3. Q1 2024 Gross Domestic Product Revisions*.
- Total public debt outpaced nominal economic growth by \$286 billion this quarter and \$1.69 trillion over the past year. Note, this has been the fourth consecutive quarter that increases in total public debt have outpaced growth. Since Q1 2021, total public debt has increased \$607 billion more than the economy. For more information, see charts below.

Table 3. Q1 2024 Gross Domestic Product Revisions

May 30, 2024

	2nd Estimate	1st Estimate	Difference
Size of the U.S. Economy (billions)			
Nominal GDP	\$28,256	\$28,285	-\$29.1
Real GDP	\$22,750	\$22,769	-\$19.2
GDP Growth Rates (pps)			
Nominal GDP	4.3	4.8	-0.5pp
- GDP Deflator	3	3.1	-0.1pp
= Real GDP	1.3	1.6	-0.3pp
Contribution of Subcomponents (pps)			
Consumer spending	+ 1.3	1.7	-0.4pp
Nonresidential fixed investment	+ 0.4	0.4	0.0pp
Residential investment	+ 0.6	0.5	0.1pp
Change in private inventories	+ -0.5	-0.4	-0.1pp
Net exports	+ -0.9	-0.9	0.0pp
Government spending	+ 0.2	0.2	0.0pp
Total Real GDP growth	= 1.3	1.6	-0.3pp
Subcomponent Growth Rate (pps)			
Consumption	2.0	2.5	-0.5pp
Investment	3.2	3.2	0.0pp
Exports	1.2	0.9	0.3pp
Imports	7.7	7.2	0.5pp
Government expenditures	1.3	1.2	0.1pp

Source: Bureau of Economic Analysis, JEC Republican Staff

* Discrepancy from quarterly figures due to rounding

Upcoming Data Releases

Date	Time (ET)	Release	Source
Jun 07	8:30 PM	Employment Situation	Bureau of Labor Statistics
Jun 12	8:30 AM	Consumer Price Index	Bureau of Labor Statistics
Jun 28	8:30 AM	Personal Income and Outlays	Bureau of Economic Analysis

Legend

m/m = month over month; q/q = quarter over year; y/y = year over year

SA = seasonally adjusted; SAAR = seasonally adjusted annual rate

pp = percentage points