



September 2024

Personal Consumption Expenditures

Released October 31, 2024

Headline personal income increased by 0.29 percent m/m (\$71.6B).

- Real disposable personal income (DPI) per capita rose by 0.04 percent m/m. That means after tax income rose faster than prices.

Headline PCE price index inflation was 0.18 percent m/m.

- All goods PCE price index fell by 0.12 percent m/m.
 - Durable goods PCE price index rose by 0.33 percent m/m.
 - Nondurable goods PCE price index fell by 0.36 percent m/m.

Core PCE price index inflation was 0.25 percent m/m.

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

Real personal consumption expenditures (PCE) rose by 0.35 percent m/m (\$57.1B).

- Real PCE on goods rose by 0.66 percent m/m (\$36.1B).
 - Real PCE on durable goods rose by 0.44 percent m/m (\$9B).
 - Real PCE on nondurable goods rose by 0.77 percent m/m (\$26.5B).
- Real PCE on services rose by 0.22 percent m/m (\$23B).

Nominal personal savings rate decreased 0.2 percentage points to 4.6 percent.

Over the past 12 months:

- Headline PCE price index inflation was 2.09 percent.
 - The Federal Reserve's 2 percent target refers to the annual change in the headline PCE price index (PCEPI).
- Core PCE price index inflation was 2.65 percent.

Table 1. Income & Consumption Indicators

Oct 31, 2024

	Sep 2024	Aug 2024	Difference
Income and Outlays (m/m growth)			
Real Disposable Personal Income (DPI)	0.09%	0.06%	0.03pp
Real Personal Consumption Expenditures (PCE)	0.35%	0.17%	0.19pp
PCE Price Index (m/m growth)			
Headline	0.18%	0.11%	0.06pp
Core (ex. food and energy)	0.25%	0.16%	0.10pp
PCE Price Index (y/y growth)			
Headline	2.09%	2.27%	-0.18pp
Core (ex. food and energy)	2.65%	2.72%	-0.07pp

Source: Bureau of Economic Analysis, JEC Republican Calculations

Note: Consistent with Bureau of Economic Analysis; real values are indexed to 2017, month-over-month figures are seasonally adjusted, and year-over-year figures are non-seasonally adjusted.

Discrepancy from monthly figures due to rounding

Table 2. Inflation Forecast Error

Oct 31, 2024

	Actual	Cleveland Fed Forecast	Error
PCE Price Index (m/m growth)			
Headline	0.18%	0.17%	0.01pp
Core (ex. food and energy)	0.25%	0.26%	-0.01pp
PCE Price Index (y/y growth)			
Headline	2.09%	2.06%	0.03pp
Core (ex. food and energy)	2.65%	2.62%	0.03pp

Source: Bureau of Economic Analysis, Federal Reserve Bank of Cleveland: Inflation Forecast, JEC Republican Calculations

Q3 2024 (Advance Estimate)

Gross Domestic Product

Released October 30, 2024

Economic growth measures

- Real GDP increased at 2.8 percent annualized.
- Current-dollar GDP increased \$333.2 (4.7 percentage points), to a level of \$29.35 trillion, the current size of the U.S. economy.

Personal income measures

- Current-dollar personal income increased \$221.3 billion and disposable personal income increased \$166.0 billion (3.1 percent).
- Personal savings decreased \$92.7 billion to \$1,038.7 billion and personal saving as a percentage of disposable personal income decreased 0.4 percentage points to 4.8 percent.
 - Real disposable personal income increased 1.6 percent.

Economic context

- Debt-to-GDP ratio stands at 96.5 percent for publicly held debt and 120.8 percent for total (gross national) debt.
- Compared to the second quarter, the deceleration in real GDP primarily reflected a downturn in inventory investment and a larger decrease in housing investment.
- Growth in real GDP reflected increases in consumer spending, exports, and (federal) government spending.
- According to mainstream [estimates](#), U.S. economic growth is expected to continue outpacing other developed economies with higher tax rates.

Table 3. Q3 2024 Gross Domestic Product

Oct 30, 2024

	Q3 2024	Q2 2024	Difference
Size of the U.S. Economy (billions)			
Nominal GDP	\$29,350	\$29,017	\$333.2
Real GDP	\$23,386	\$23,224	\$162.3
GDP Growth Rates (pp)			
Nominal GDP	4.7	5.6	-0.9pp
- GDP Deflator	1.8	2.5	-0.7pp
= Real GDP (percent)	2.8	3.0	-0.2pp
Contribution of Subcomponents (pp)			
Consumer spending	+ 2.5	1.9	0.6pps
Nonresidential fixed investment	+ 0.5	0.5	-0.1pps
Residential investment	+ -0.2	-0.1	-0.1pps
Change in private inventories	+ -0.2	1.1	-1.2pps
Net exports	+ -0.6	-0.9	0.3pps
Government spending	+ 0.9	0.5	0.3pps
Total Real GDP Growth (percent)	= 2.8	3.0	-0.2pp
Subcomponent Growth Rate (pps)			
Consumption	3.7	2.8	0.9pp
Investment	0.3	8.3	-8.0pp
Exports	8.9	1.0	7.9pp
Imports	11.2	7.6	3.6pp
Government expenditures	5.0	3.1	1.9pp

Source: Bureau of Economic Analysis, JEC Republican Staff

Note: Consistent with Bureau of Economic Analysis, growth rates are seasonally adjusted at an annualized rate (SAAR), and subcomponent growth rates (pps) comprise real GDP growth and are seasonally adjusted at an annualized rate (SAAR). Real values are indexed to 2017.

pp = percentage point, pps = percent of percentage points
 Discrepancy from quarterly figures due to rounding.

Upcoming Data Releases

Date	Time (ET)	Release	Source
Nov 01	8:30 AM	Employment Situation	Bureau of Labor Statistics
Nov 06	3:00PM	Monthly Statement of the Public Debt	U.S. Treasury
Nov 13	8:30 AM	Consumer Price Index	Bureau of Labor Statistics
Nov 13	2:00 PM	Monthly Treasury Statement	U.S. Treasury
Nov 19	10:00 AM	State Employment	Bureau of Labor Statistics
Nov 27	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.
pp = percentage points, pps = percent of percentage points.