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**CONSUMER EXPENDITURES MIDYEAR UPDATE – JULY 2017  
 THROUGH JUNE 2018 AVERAGE**

Average expenditures per consumer unit<sup>1</sup> for July 2017 through June 2018 were up 4.0 percent compared with the July 2016 through June 2017 midyear average, the U.S. Bureau of Labor Statistics reported today. During the same period, the Consumer Price Index (CPI-U) rose 2.3 percent, and average pretax incomes increased 4.3 percent.

**Table A. Average expenditures and income of all consumer units**

| Item                                 | July 2016-<br>June 2017<br>Average | July 2017-<br>June 2018<br>Average | Percent change                                   |
|--------------------------------------|------------------------------------|------------------------------------|--|
|                                      |                                    |                                    | July 2016-June 2017<br>to<br>July 2017-June 2018 |
| Income before taxes.....             | \$73,207                           | \$76,335                           | 4.3  |
| Average annual expenditures.....     | 58,460                             | 60,815                             | 4.0  |
| Food.....                            | 7,407                              | 7,869                              | 6.2  |
| Food at home.....                    | 4,121                              | 4,445                              | 7.9  |
| Food away from home.....             | 3,286                              | 3,424                              | 4.2  |
| Housing.....                         | 19,325                             | 20,001                             | 3.5  |
| Apparel and services.....            | 1,771                              | 1,850                              | 4.5  |
| Transportation.....                  | 9,252                              | 9,735                              | 5.2  |
| Healthcare.....                      | 4,710                              | 4,924                              | 4.5  |
| Entertainment.....                   | 2,941                              | 3,379                              | 14.9   |
| Education .....                      | 1,372                              | 1,505                              | 9.7  |
| Cash contributions.....              | 2,088                              | 1,840                              | -11.9  |
| Personal insurance and pensions..... | 6,938                              | 6,904                              | -0.5   |
| Pensions and Social Security.....    | 6,554                              | 6,474                              | -1.2   |
| All other expenditures.....          | 2,655                              | 2,808                              | 5.8  |

Note: Subcategories may not sum to their respective major item category.

<sup>1</sup> Consumer units include families, single persons living alone or sharing a household with others but who are financially independent, or two or more unrelated persons living together who pool their income to make joint expenditure decisions.

Most major components of household spending increased over the 12 months ending June 2018. The 14.9-percent rise in entertainment spending was the largest percentage increase among all major components, followed by a 9.7-percent rise in education expenditures. (See table A.)

### **Spending patterns, July 2017-June 2018 compared with July 2016-June 2017**

- Entertainment spending increased 14.9 percent. This was primarily due to an increase in other entertainment supplies, equipment, and services.
- Cash contributions decreased 11.9 percent. The category incorporates a wide array of giving and financial obligations including charitable contributions, support for college students, child support, alimony, and other gifts of cash and financial instruments to individuals and organizations not part of the household. Contributions to charities and other nonprofit organizations, excluding religious and educational, accounted for much of this decrease.
- Education spending increased 9.7 percent. This was due to expenditure increases for elementary and high school tuition and for finance, late, and interest charges on student loans.
- Spending on food increased 6.2 percent. The increase was driven by food at home which increased 7.9 percent, while food away from home rose 4.2 percent.
- Healthcare spending rose 4.5 percent to \$4,924 for July 2017 through June 2018. Annual (calendar year) spending for healthcare has increased every year from 1996 through 2017. The most recent midyear increase was driven by a 6.3-percent increase in health insurance expenditures.
- Apparel and services spending increased 4.5 percent to \$1,850, after decreasing 1.3 percent during the previous midyear period.
- Transportation expenditures increased 5.2 percent to \$9,735. Within transportation, public transportation spending was up 18.5 percent and vehicle purchases (net outlay) was up 10.7 percent. Expenditures for gasoline and motor oil increased by 6.3 percent over the period.

### **Spending by selected demographics**

Data from the Consumer Expenditure Surveys (CE) measure how consumers allocate their spending among the various components of total expenditures. The lowest income quintile allocated larger shares to food and housing than all other quintiles. The highest income quintile allocated a larger share to personal insurance and pensions (including payments for life insurance, other nonhealth insurance, pensions, and Social Security) than any other group. No clear pattern existed for the shares allocated to transportation and healthcare among the income quintile groups. (See table B and chart 1.)

**Table B. Shares of average expenditures on selected major components by income quintiles, July 2017 through June 2018**

| Item                           | Income quintiles  |                   |                  |                   |                    |
|--------------------------------|-------------------|-------------------|------------------|-------------------|--------------------|
|                                | Lowest 20 percent | Second 20 percent | Third 20 percent | Fourth 20 percent | Highest 20 percent |
| Food.....                      | 15.2              | 14.7              | 13.7             | 13.6              | 11.1               |
| Housing.....                   | 39.9              | 35.1              | 34.8             | 32.6              | 29.9               |
| Transportation.....            | 13.5              | 16.8              | 17.3             | 16.1              | 15.7               |
| Healthcare.....                | 9.3               | 10.0              | 8.9              | 8.6               | 6.6                |
| Personal insurance & pensions. | 2.5               | 5.3               | 8.7              | 11.9              | 16.1               |

**Chart 1. Shares of average expenditures on selected major components by income quintiles, July 2017 through June 2018**

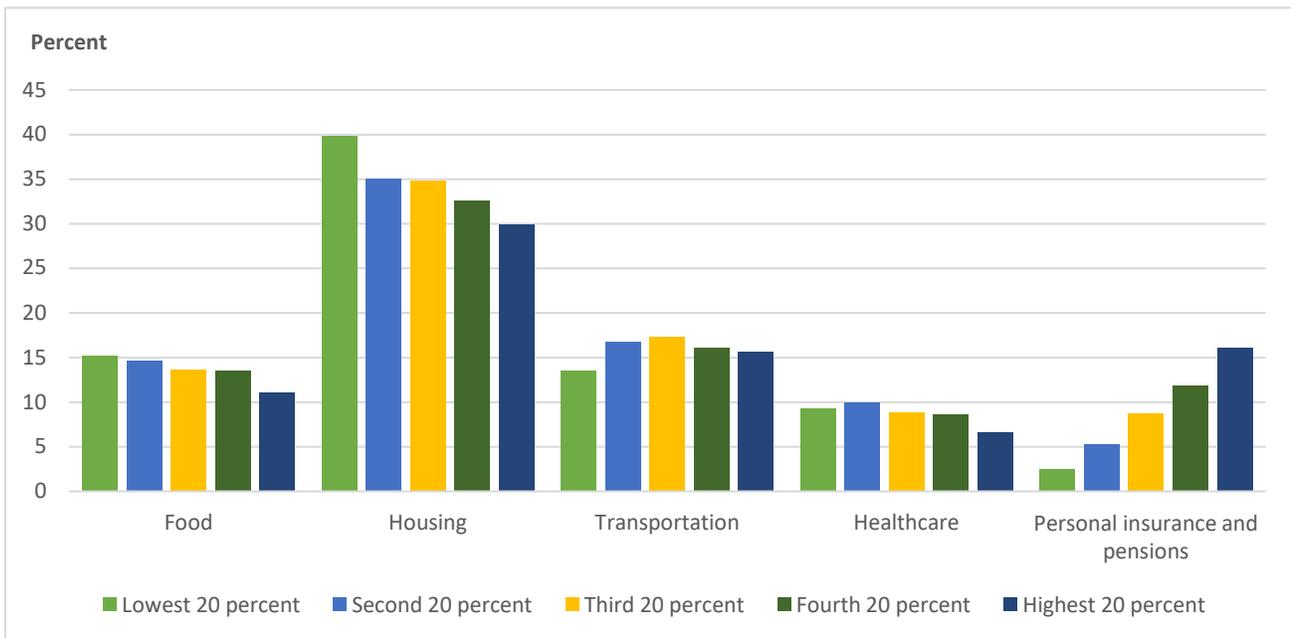
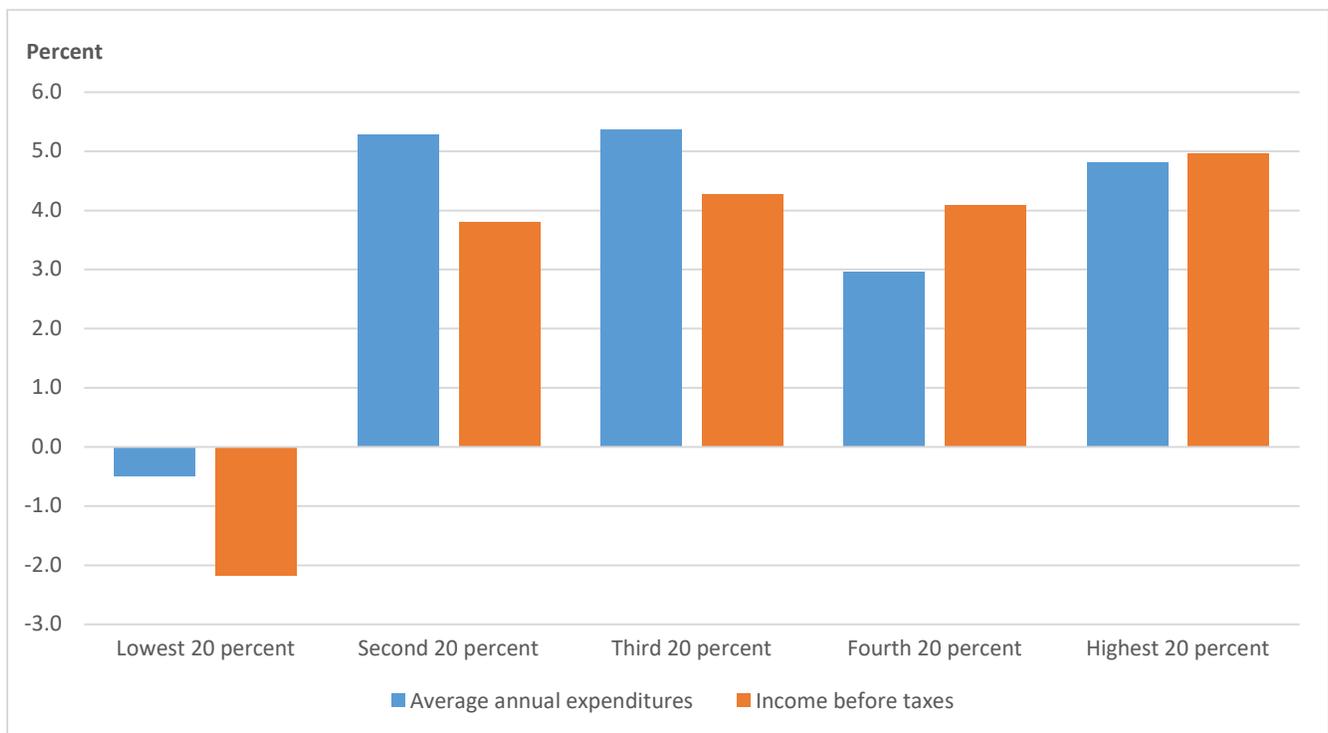


Table C and chart 2 show average expenditures and income before taxes by quintile from July 2017 through June 2018. The lowest 20 percent showed a decrease in both total average household expenditures and average household income before taxes across the 12 months ending June 2018. All the other quintiles showed an increase in both total average household expenditures and average household income before taxes.

**Table C. Average annual expenditures and income before taxes by income quintile, July 2017-June 2018 compared with July 2016-June 2017**

| Income quintile    | Average annual expenditures |                     |                | Income before taxes |                     |                |
|--------------------|-----------------------------|---------------------|----------------|---------------------|---------------------|----------------|
|                    | July 2016-June 2017         | July 2017-June 2018 | Percent change | July 2016-June 2017 | July 2017-June 2018 | Percent change |
| Lowest 20 percent  | \$26,144                    | \$26,012            | -0.5           | \$11,587            | \$11,335            | -2.2           |
| Second 20 percent  | 38,187                      | 40,215              | 5.3            | 29,414              | 30,544              | 3.8            |
| Third 20 percent   | 48,543                      | 51,144              | 5.4            | 51,379              | 53,571              | 4.3            |
| Fourth 20 percent  | 66,532                      | 68,506              | 3.0            | 84,924              | 88,394              | 4.1            |
| Highest 20 percent | 112,845                     | 118,277             | 4.8            | 188,676             | 198,045             | 5.0            |

**Chart 2. Percent change in average annual expenditures and income before taxes by income quintile, July 2017-June 2018 compared with July 2016-June 2017**



## **Additional information**

Standard CE midyear tables can be found at [www.bls.gov/cex/midyear.htm](http://www.bls.gov/cex/midyear.htm). Data tables with the most detailed subcategories of expenditures sorted by demographics can be obtained by sending a request to [cexinfo@bls.gov](mailto:cexinfo@bls.gov). The all consumer unit detailed annual tables are available at [www.bls.gov/cex/csxresearchtables.htm#allnew](http://www.bls.gov/cex/csxresearchtables.htm#allnew).

The 1996 through 2017 CE public-use microdata, including Interview Survey data, Diary Survey data, and paradata (information about the data collection process), are available on the CE website for free electronic download at [www.bls.gov/cex/pumd\\_data.htm](http://www.bls.gov/cex/pumd_data.htm). The Interview Survey files contain expenditure data in two different formats: MTBI files that present monthly values in an item-coding framework based on the Consumer Price Index (CPI) pricing scheme, and EXPN files that organize expenditures by the section of the Interview questionnaire in which they are collected. Expenditure values on EXPN files cover different time periods depending on the specific questions asked, and the files also contain relevant non-expenditure information not found on the MTBI files. For releases prior to 1996, users can continue to purchase USB flash drives using the public-use microdata order form at [www.bls.gov/cex/pumd\\_doc.htm](http://www.bls.gov/cex/pumd_doc.htm).

The change in the Consumer Price Index (CPI-U) cited in the text was calculated as the percentage change between the 12-month average CPI-U for all items from July 2016-June 2017 (242.656) and the 12-month average CPI-U for all items from July 2017-June 2018 (248.126).

The 2017 Annual Report, Consumer Expenditures in 2017, includes a brief discussion of expenditure changes in 2017 and tables with data classified by the standard characteristics that are included on the website at [www.bls.gov/opub/reports/consumer-expenditures/2017/home.htm](http://www.bls.gov/opub/reports/consumer-expenditures/2017/home.htm). Recent CE-specific articles in the BLS Beyond the Numbers web report series provide analyses of topical economic issues and long term spending trends, as well as comparisons of CE data to other data series at [www.bls.gov/cex/csxwebarticles.htm](http://www.bls.gov/cex/csxwebarticles.htm) and [www.bls.gov/cex/cecomparison.htm](http://www.bls.gov/cex/cecomparison.htm). Additional methodological and analytical articles using CE data will be published in 2019. All data tables published in the Annual Report and posted to the website are integrated from the two CE components—the quarterly Interview Survey and weekly Diary Survey.

The 2018 annual news release, data tables, LABSTAT database, and public-use microdata are planned for release in September 2019.

Also available are the Diary Survey questionnaire and a modified version of the computer assisted personal interview (CAPI) instrument used to collect the Interview Survey data at [www.bls.gov/cex/csxsurveyforms.htm](http://www.bls.gov/cex/csxsurveyforms.htm).

Information on the methodology used to calculate and collect CE data is available at [www.bls.gov/cex/ce\\_methodology.htm](http://www.bls.gov/cex/ce_methodology.htm). General articles and research papers using CE data are in the CE research library at [www.bls.gov/cex/research\\_papers/research-paper-catalog.htm](http://www.bls.gov/cex/research_papers/research-paper-catalog.htm).

The annual CE Survey Methods Symposium and Microdata Users' Workshop will be held July 16-19, 2019, at the BLS national office. Registration is free. More information and online registration are available at [www.bls.gov/cex/csxannualworkshop.htm](http://www.bls.gov/cex/csxannualworkshop.htm).

For further information, contact the Division of Consumer Expenditure Surveys, Office of Prices and Living Conditions at (202) 691-6900 or by email at [cexinfo@bls.gov](mailto:cexinfo@bls.gov). Information in this release will be made available to sensory impaired individuals upon request. Voice phone: (202) 691-5200; Federal Relay Service: 1 (800) 877-8339.