

What Money Can Buy: A Joint Distribution of Personal Income and Personal Consumption Expenditures

Abstract

The U.S. Bureau of Economic Analysis (BEA) and Bureau of Labor Statistics (BLS) have recently constructed a new joint distribution of personal income and personal consumption expenditures. As a prototype exercise for 2019, this is the first such joint distribution for the U.S., consistent with national accounts. By developing a new methodology to link these distributions, BEA and BLS will allow users to analyze the distributions of income and consumption expenditures for the same quantiles. Though such linkages are challenging and have limitations, this exercise presents an important step in bridging that gap for national accounts.