



Consumer Price Index Midwest Region August 2008

The Consumer Price Index for the Midwest decreased 0.3 percent in August after registering increases in each of the previous seven months. The index was up 5.4 percent from August 2007, the U.S. Department of Labor's Bureau of Labor Statistics reported today. According to Regional Commissioner Jay A. Mousa, energy prices, which include prices for motor and household fuels, were down 5.4 percent in August and accounted for nearly two-thirds of the overall monthly decline. Energy prices have advanced 25.8 percent since August 2007. The Midwest CPI for all items less energy was 0.4 percent higher over the month and was up 3.1 percent over the year.

Among the eight major expenditure categories, lower transportation costs had the largest impact on the overall index in August 2008. The transportation index decreased 2.6 percent over the month, largely attributable to a 7.0 percent decline in motor fuel costs. Prices for new vehicles and for used cars and trucks also declined in August, down 0.6 and 0.3 percent, respectively. Overall, transportation prices have risen 12.1 percent since August 2007 led by an over-the-year increase of 31.8 percent in motor fuel costs. Prices for new vehicles were 0.8 percent lower and prices for used cars and trucks were down 0.7 percent.

Table A. Percent changes in the Midwest CPI-U, (not seasonally adjusted)

Expenditure Category	Changes from preceding month							12 mo. ended Aug. '08
	2007	2008						
	Aug.	Mar.	Apr.	May	June	July	Aug.	
All items	-0.1	0.9	0.8	0.9	0.9	0.5	-0.3	5.4
Food & beverages	.2	.1	.9	.4	.4	1.0	.8	6.4
Housing	.1	.7	.5	.4	1.2	.7	-.5	3.5
Apparel	-3.6	4.6	1.5	-1.7	-3.5	-2.1	3.8	5.4
Transportation	-.7	2.3	2.2	3.8	2.4	.6	-2.6	12.1
Medical care	.8	.0	.0	.1	-.1	.0	.2	2.4
Recreation	-.4	.6	.1	.0	-.2	.4	.6	3.5
Education & communication	.1	.0	.2	.1	.2	.3	1.1	3.3
Other goods & services	.2	.5	.4	.4	.0	.4	-.3	4.1

Reflecting a downturn in costs for household energy, the housing index decreased 0.5 percent and also had a large downward impact on the overall monthly index for the Midwest. The household fuels and utilities index registered a monthly decline of 2.7 percent in August primarily due to a 6.8 percent drop in utility (piped) gas service costs. Shelter costs and prices for household furnishings and operations registered little or no movement over the month. From August 2007 to August 2008, housing costs increased 3.5 percent in the Midwest. Shelter costs rose 1.2 percent and prices for household fuels and utilities were up 17.1 percent. Within fuels and utilities, electricity prices rose 5.5 percent over the year, and prices for utility (piped) gas service climbed 38.1 percent. Prices for household furnishings and operations rose 2.0 percent over the 12-month period.

Partially countering the declines in costs for transportation and housing, prices for apparel and for food and beverages rose in August. Apparel prices, which typically increase in August as retailers introduce fall merchandise, were up 3.8 percent. Prices for apparel were up 5.4 percent from the previous year.

The food and beverages index rose 0.8 percent in August with prices for food at home up 1.0 percent and prices for food away from home 0.5 percent higher. Prices for alcoholic beverages increased 0.3 percent over the month. From August 2007 to August 2008, prices for food and beverages rose 6.4 percent. Prices for food at home advanced 7.7 percent and prices for food away from home rose 5.5 percent. Alcoholic beverages' prices increased 2.9 percent over the year.

The remaining four major expenditure categories—education and communication, recreation, medical care, and other goods and services—had less impact on the overall monthly index. The education and communication index rose 1.1 percent in August and 3.3 percent over the year. Prices for recreation were up 0.6 percent for the month and were 3.5 percent higher than August 2007. Medical care costs rose a modest 0.2 percent over the month and were up 2.4 percent over the year. Other goods and services prices decreased 0.3 percent in August, but advanced 4.1 percent over the year

The Midwest Consumer Price Index for All Urban Consumers (CPI-U) stood at 209.351 in August. A typical market basket of goods and services that cost \$100.00 in the 1982-84 base period cost \$209.35 in August 2008. Because regional CPI data are not adjusted for seasonal price variation, consumers and businesses should be cautious in drawing conclusions about long-term retail price trends from short-term changes in the regional indexes.

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Scheduled release date for the September 2008 CPI:
Thursday, October 16, 2008

CPI HOTLINE SERVICE PROVIDES LATEST INDEXES 24 HOURS A DAY

The all items CPI-U and CPI-W for the U.S. City Average, the Midwest region, and the Chicago area are available to the public 24 hours a day, 7 days a week through the Bureau's CPI Hotline service. This recorded message also provides percent changes from the prior period and from a year earlier, as well as the scheduled release date for the next CPI issuance. The Hotline number in Chicago is (312) 353-1880, menu option 2.

BRIEF EXPLANATION OF THE CPI

The Consumer Price Index (CPI) is a measure of the average change in prices over time in a fixed market basket of goods and services. The Bureau of Labor Statistics publishes CPIs for two population groups: (1) a CPI for All Urban Consumers (CPI-U) which covers approximately 87 percent of the total population and (2) a CPI for Urban Wage Earners and Clerical Workers (CPI-W) which covers 32 percent of the total population. The CPI-U includes, in addition to wage earners and clerical workers, groups such as professional, managerial, and technical workers, the self-employed, short-term workers, the unemployed, and retirees and others not in the labor force.

The CPI is based on prices of food, clothing, shelter, and fuels, transportation fares, charges for doctors' and dentists' services, drugs, and the other goods and services that people buy for day-to-day living. Prices are collected in 87 urban areas across the country from about 50,000 housing units and approximately 23,000 retail establishments--department stores, supermarkets, hospitals, filling stations, and other types of stores and service establishments. All taxes directly associated with the purchase and use of items are included in the index. Prices of food, fuels, and a few other items are obtained every month in all 87 locations. Prices of most other commodities and services are collected every month in the three largest geographic areas and every other month in other areas. Prices of most goods and services are obtained by personal visits of the Bureau's trained representatives.

In calculating the index, price changes for the various items in each location are averaged together with weights that represent their importance in the spending of the appropriate population group. Local data are then combined to obtain a U.S. city average. Separate indexes are also published by size of city, by region of the country, for cross-classifications of regions and population-size classes, and for 27 local areas. Area indexes do not measure differences in the level of prices among cities; they only measure the average change in prices for each area since the base period.

The index measures price changes from a designated reference date (1982-84) that equals 100.0. An increase of 16.5 percent, for example, is shown as 116.5. This change can also be expressed in dollars as follows: the price of a base period "market basket" of goods and services in the CPI has risen from \$10 in 1982-84 to \$11.65.

For further details see the CPI home page on the Internet at www.bls.gov/cpi and the BLS Handbook of Methods, Chapter 17, The Consumer Price Index, available on the Internet at www.bls.gov/opub/hom/homch17_a.htm.

Table 1. Consumer Price Index for All Urban Consumers (CPI-U): Indexes and percent changes for selected periods

Midwest (1982-84=100 unless otherwise noted)

Item and Group	Indexes			Percent change from—		
	June 2008	July 2008	Aug. 2008	Aug. 2007	June 2008	July 2008
Expenditure category						
All items	208.968	210.071	209.351	5.4	0.2	-0.3
All items (December 1977=100)	340.002	341.797	340.625	-	-	-
Food and beverages	206.221	208.290	209.866	6.4	1.8	.8
Food	205.858	208.043	209.703	6.7	1.9	.8
Food at home	202.476	204.951	207.019	7.7	2.2	1.0
Food away from home	211.450	213.251	214.363	5.5	1.4	.5
Alcoholic beverages	210.030	210.747	211.343	2.9	.6	.3
Housing	199.967	201.325	200.243	3.5	.1	-.5
Shelter	225.317	225.325	225.008	1.2	-.1	-.1
Rent of primary residence ¹	214.994	215.119	215.500	2.0	.2	.2
Owners' equivalent rent of primary residence ^{1 2}	226.451	226.398	226.361	1.2	.0	.0
Fuels and utilities	228.371	237.361	230.905	17.1	1.1	-2.7
Household energy	207.300	216.521	209.653	19.0	1.1	-3.2
Gas (piped) and electricity ¹	213.057	223.044	215.964	18.3	1.4	-3.2
Electricity ¹	174.037	176.399	176.306	5.5	1.3	-.1
Utility (piped) gas service ¹	281.714	306.581	285.769	38.1	1.4	-6.8
Household furnishings and operations	121.370	122.035	122.043	2.0	.6	.0
Apparel	108.815	106.538	110.610	5.4	1.6	3.8
Transportation	213.465	214.830	209.344	12.1	-1.9	-2.6
Private transportation	208.290	209.241	203.665	11.8	-2.2	-2.7
New and used motor vehicles ³	94.380	94.381	94.811	.6	.5	.5
New vehicles	130.287	130.011	129.273	-.8	-.8	-.6
New cars and trucks ^{3 4}	91.951	91.754	91.236	-.7	-.8	-.6
New cars ⁴	129.933	130.562	130.500	1.6	.4	.0
Used cars and trucks	137.290	137.169	136.807	-.7	-.4	-.3
Motor fuel	353.460	356.561	331.509	31.8	-6.2	-7.0
Gasoline (all types)	351.629	354.832	329.824	31.8	-6.2	-7.0
Gasoline, unleaded regular ⁴	351.473	354.478	329.600	32.2	-6.2	-7.0
Gasoline, unleaded midgrade ^{4 5}	382.214	387.033	358.368	31.3	-6.2	-7.4
Gasoline, unleaded premium ⁴	340.032	342.794	319.999	30.3	-5.9	-6.6
Medical care	360.549	360.652	361.277	2.4	.2	.2
Medical care commodities	289.459	288.927	290.348	-.3	.3	.5
Medical care services	384.195	384.572	384.838	3.3	.2	.1
Professional services	329.522	329.555	329.199	3.0	-.1	-.1
Recreation ³	114.233	114.669	115.353	3.5	1.0	.6
Education and communication ³	124.554	124.922	126.263	3.3	1.4	1.1
Other goods and services	334.655	336.042	334.948	4.1	.1	-.3
Commodity and service group						
All items	208.968	210.071	209.351	5.4	.2	-.3
Commodities	175.633	176.363	175.181	7.6	-.3	-.7
Commodities less food and beverages	158.890	159.028	156.687	8.2	-1.4	-1.5
Nondurables less food and beverages	208.950	209.180	204.675	13.8	-2.0	-2.2
Nondurables less food, beverages, and apparel	273.899	275.739	265.716	16.3	-3.0	-3.6
Durables	109.568	109.619	109.288	.1	-.3	-.3
Services	243.720	245.216	244.983	3.9	.5	-.1
Rent of shelter ²	231.660	231.661	231.331	1.2	-.1	-.1
Transportation services	250.895	253.715	256.221	6.7	2.1	1.0
Other services	287.099	287.999	290.333	3.8	1.1	.8

See footnotes at end of table.

Table 1. Consumer Price Index for All Urban Consumers (CPI-U): Indexes and percent changes for selected periods-Continued

Midwest (1982-84=100 unless otherwise noted)

Item and Group	Indexes			Percent change from—		
	June 2008	July 2008	Aug. 2008	Aug. 2007	June 2008	July 2008
Special aggregate indexes						
All items less medical care	201.500	202.637	201.867	5.7	0.2	-0.4
All items less food	209.416	210.336	209.215	5.2	-.1	-.5
All items less shelter	205.261	206.778	205.902	7.2	.3	-.4
Commodities less food	160.656	160.813	158.567	8.0	-1.3	-1.4
Nondurables	208.623	209.727	208.085	10.1	-.3	-.8
Nondurables less food	208.686	208.948	204.786	13.0	-1.9	-2.0
Nondurables less food and apparel	266.432	268.150	259.260	15.0	-2.7	-3.3
Services less rent of shelter ²	270.866	274.186	274.054	6.7	1.2	.0
Services less medical care services	232.557	234.102	233.842	4.0	.6	-.1
Energy	271.353	277.788	262.842	25.8	-3.1	-5.4
All items less energy	204.446	204.980	205.802	3.1	.7	.4
All items less food and energy	204.806	205.022	205.685	2.4	.4	.3
Commodities less food and energy commodities	138.049	137.820	138.621	1.8	.4	.6
Energy commodities	352.290	355.244	330.744	31.9	-6.1	-6.9
Services less energy services	248.437	248.977	249.519	2.7	.4	.2

¹ This index series was calculated using a Laspeyres estimator. All other item stratum index series were calculated using a geometric means estimator.

² Index is on a December 1982=100 base.

³ Indexes on a December 1997=100 base.

⁴ Special index based on a substantially smaller sample.

⁵ Indexes on a December 1993=100 base.

- Data not available.

Regions defined as the four Census regions. Midwest includes Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Missouri, Nebraska, North Dakota, Ohio, South Dakota, and Wisconsin.

NOTE: Index applies to a month as a whole, not to any specific date.

Table 2. Consumer Price Index for All Urban Consumers (CPI-U): Selected areas, all items index

(1982-84=100, unless otherwise noted)

Area	Pricing schedule 1	All items									
		Indexes				Percent change to Aug. 2008 from—			Percent change to July 2008 from—		
		May 2008	June 2008	July 2008	Aug. 2008	Aug. 2007	June 2008	July 2008	July 2007	May 2008	June 2008
U.S. city average	M	216.632	218.815	219.964	219.086	5.4	0.1	-0.4	5.6	1.5	0.5
Region and area size²											
Northeast urban	M	230.089	232.649	234.545	233.788	5.5	.5	-.3	5.7	1.9	.8
Size A - More than 1,500,000	M	232.005	234.518	236.460	236.107	5.3	.7	-.1	5.5	1.9	.8
Size B/C - 50,000 to 1,500,000 ³	M	136.913	138.542	139.623	138.537	6.1	.0	-.8	6.3	2.0	.8
Midwest urban	M	207.168	208.968	210.071	209.351	5.4	.2	-.3	5.6	1.4	.5
Size A - More than 1,500,000	M	208.291	209.813	211.003	210.341	5.3	.3	-.3	5.3	1.3	.6
Size B/C - 50,000 to 1,500,000 ³	M	132.682	134.018	134.595	133.969	5.6	.0	-.5	5.9	1.4	.4
Size D - Nonmetropolitan (less than 50,000)	M	202.720	205.122	206.435	206.251	5.9	.6	-.1	6.0	1.8	.6
South urban	M	210.006	212.324	213.304	212.387	5.6	.0	-.4	5.8	1.6	.5
Size A - More than 1,500,000	M	211.846	214.359	215.373	214.496	5.4	.1	-.4	5.6	1.7	.5
Size B/C - 50,000 to 1,500,000 ³	M	133.714	134.980	135.643	135.004	5.6	.0	-.5	5.8	1.4	.5
Size D - Nonmetropolitan (less than 50,000)	M	211.225	214.739	215.274	214.655	6.9	.0	-.3	6.8	1.9	.2
West urban	M	221.009	223.040	223.867	222.823	4.9	-.1	-.5	5.3	1.3	.4
Size A - More than 1,500,000	M	224.704	226.767	227.562	226.541	5.0	-.1	-.4	5.4	1.3	.4
Size B/C - 50,000 to 1,500,000 ³	M	134.023	135.283	136.021	135.207	4.9	-.1	-.6	5.4	1.5	.5
Size classes											
A ⁴	M	197.898	199.840	200.941	200.278	5.2	.2	-.3	5.4	1.5	.6
B/C ³	M	133.997	135.330	136.055	135.315	5.5	.0	-.5	5.8	1.5	.5
D	M	209.308	211.989	212.555	212.138	5.9	.1	-.2	5.8	1.6	.3
Selected local areas⁵											
Chicago-Gary-Kenosha, IL-IN-WI	M	214.932	215.738	217.459	215.971	4.9	.1	-.7	5.8	1.2	.8
Los Angeles-Riverside-Orange County, CA ...	M	226.651	229.033	229.886	228.484	5.1	-.2	-.6	5.7	1.4	.4
New York-Northern N.J.-Long Island, NY-NJ-CT-PA	M	236.151	238.580	240.273	240.550	5.4	.8	.1	5.1	1.7	.7
Boston-Brockton-Nashua, MA-NH-ME-CT	1	235.344	-	241.258	-	-	-	-	6.3	2.5	-
Cleveland-Akron, OH	1	204.882	-	206.941	-	-	-	-	5.0	1.0	-
Dallas-Fort Worth, TX	1	202.357	-	206.413	-	-	-	-	6.2	2.0	-
Washington-Baltimore, DC-MD-VA-WV ⁶	1	139.649	-	142.065	-	-	-	-	5.7	1.7	-
Atlanta, GA	2	-	212.032	-	211.404	5.0	-.3	-	-	-	-
Detroit-Ann Arbor-Flint, MI	2	-	207.593	-	209.484	4.9	.9	-	-	-	-
Houston-Galveston-Brazoria, TX	2	-	193.567	-	192.723	4.9	-.4	-	-	-	-
Miami-Fort Lauderdale, FL	2	-	225.079	-	225.473	5.8	.2	-	-	-	-
Philadelphia-Wilmington-Atlantic City, PA-NJ-DE-MD	2	-	228.408	-	228.337	4.4	.0	-	-	-	-
San Francisco-Oakland-San Jose, CA	2	-	225.181	-	225.411	4.2	.1	-	-	-	-
Seattle-Tacoma-Bremerton, WA	2	-	228.068	-	227.745	5.4	-.1	-	-	-	-

¹ Foods, fuels, and several other items priced every month in all areas; most other goods and services priced as indicated:

M - Every month.
1 - January, March, May, July, September, and November.
2 - February, April, June, August, October, and December.

² Regions defined as the four Census regions. See map in technical notes.

³ Indexes on a December 1996=100 base.

⁴ Indexes on a December 1986=100 base.

⁵ In addition, the following metropolitan areas are published semiannually and appear in Tables 34 and 39 of the January and July issues of the CPI Detailed Report: Anchorage, AK; Cincinnati-Hamilton, OH-KY-IN; Denver-Boulder-Greeley, CO; Honolulu, HI; Kansas City, MO-KS; Milwaukee-Racine, WI; Minneapolis-St. Paul, MN-WI; Phoenix-Mesa, AZ;

Pittsburgh, PA; Portland-Salem, OR-WA; St. Louis, MO-IL; San Diego, CA; Tampa-St. Petersburg-Clearwater, FL.

⁶ Indexes on a November 1996=100 base.

- Data not available.

NOTE: Local area indexes are byproducts of the national CPI program. Each local index has a smaller sample size than the national index and is, therefore, subject to substantially more sampling and other measurement error. As a result, local area indexes show greater volatility than the national index, although their long-term trends are similar. Therefore, the Bureau of Labor Statistics strongly urges users to consider adopting the national average CPI for use in their escalator clauses.

NOTE: Index applies to a month as a whole, not to any specific date.