

News

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of Labor



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BOSTON AREA CONSUMER PRICE INDEX DOWN 1.1 PERCENT IN SEPTEMBER; ROSE 4.7 PERCENT OVER THE YEAR

The Consumer Price Index for All Urban Consumers (CPI-U) in the Boston metropolitan area decreased 1.1 percent for the two months ended September 2008, according to the U.S. Department of Labor's Bureau of Labor Statistics. Regional Commissioner Denis M. McSweeney noted that the September decrease was the largest posted since May 1993 and followed a gain of 2.5 percent in July. The September decline was largely attributable to lower prices within the housing category and to a lesser extent within transportation. Since September 2007, the CPI-U for Boston rose 4.7 percent. Core inflation, as measured by the all items less food and energy index, increased a more moderate 1.9 percent.

For the two months ended September 2008, housing costs declined 3.6 percent, reversing the prior bimonthly gain of 4.0 percent, and marked the largest decrease in that category since March 1982. The September decrease was due mainly to lower prices for fuels and utilities, down 13.2 percent. Within fuels and utilities, the price of electricity was unchanged and utility (piped) gas dropped 34.0 percent. Fuel oil prices also declined over the two months. Transportation decreased 4.0 percent as gasoline prices fell, down 11.6 percent over the two months as Boston area motorists paid an average of \$3.594 per gallon, the lowest price posted since April 2008. Moderating these decreases, apparel prices rose 26.4 percent, largely due to higher prices for women's apparel. Food and beverage prices rose 1.7 percent with both grocery and restaurant prices increasing since July. Among the remaining expenditure categories, education and communication rose 1.7 percent and recreation prices were up 0.8 percent. Medical care costs rose 0.6 percent and other goods and services edged up 0.1 percent over the two-month period.

For the year ended September 2008, the Boston CPI-U rose 4.7 percent as increases were recorded in all eight expenditure categories. Transportation costs rose 9.5 percent, attributable to gasoline prices increasing 33.4 percent over the year. Food and beverages rose 6.2 percent since last September, the largest over-the-year gain posted since March 1990. Higher grocery and restaurant prices each impacted the rise, up 6.9 and 5.5 percent, respectively. Housing was up 2.2 percent over the year, as fuels and utilities rose 18.8 percent. Within the fuels and utilities category, utility (piped) gas increased 13.0 percent and electricity rose 10.4 percent. Rising costs for education largely contributed to a 10.5 percent increase in the education and communication category. Other goods and services rose 8.2 percent and medical care costs were up 2.8 percent over the year. The apparel index rose 2.6 percent and recreation costs increased 2.3 percent.

In September, the Boston CPI-U on the 1982-84 base was 238.519. By this gauge, the selected market basket of goods and services which cost area consumers an average of \$10.00 during the 1982-84 reference period would now cost more than double at \$23.85. The purchasing power of the dollar for the Boston area in 1982-84 dollars was 41.9 cents in September 2008. In September, the CPI-W (Urban Wage Earners and Clerical Workers), at 238.133, was down 1.0 percent since July 2008 and increased 4.7 percent over the year.

Free email subscription service! To receive the most recent monthly Consumer Price Indexes for the U.S. and Northeast, and bimonthly indexes for the Boston-Brockton-Nashua, MA-NH-ME-CT metropolitan area, please subscribe at <http://www.bls.gov/bls/list.htm> and select the notification titled New England CPI Summary (Boston). Select October food, shelter, and energy indexes for Boston will be released on Wednesday, November 19, 2008 at 8:30 AM. The November Consumer Price Index for all items for Boston will be released on Tuesday, December 16, 2008 at 8:30 AM.

NOTE: Local area CPI indexes are the by-products of the national CPI program. Since each local area index is a small subset of the national index, it has a smaller sample size and is therefore subject to substantially more sampling and other measurement error than that for the national index. In addition, local indexes are not adjusted for seasonal factors. As a result, local area indexes show greater volatility compared with the national index, although their long-term trends are quite similar. Additional information is available from the BLS Internet Web site at www.bls.gov/cpi or by calling the Boston Economic Analysis and Information office at 617-565-2327. This information will be made available to sensory impaired individuals upon request. Voice phone: (617) 565-2072, Federal Relay Services: 1-800-877-8339.

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

Boston-Brockton-Nashua, MA-NH-ME-CT (1982-84=100 unless otherwise noted)

Item and Group	Indexes			Percent change from—		
	July 2008	Aug. 2008	Sep. 2008	Sep. 2007	July 2008	Aug. 2008
Expenditure category						
All items	241.258	-	238.519	4.7	-1.1	-
All items (1967=100)	701.224	-	693.263	-	-	-
Food and beverages	224.591	-	228.366	6.2	1.7	-
Food	224.933	-	228.922	6.2	1.8	-
Food at home	218.626	222.748	223.698	6.9	2.3	0.4
Food away from home	236.645	-	239.263	5.5	1.1	-
Alcoholic beverages	222.547	-	223.712	5.5	.5	-
Housing	246.619	-	237.827	2.2	-3.6	-
Shelter	280.020	276.610	274.081	-2	-2.1	-9
Rent of primary residence ¹	272.176	272.083	272.849	1.2	.2	.3
Owners' equivalent rent of primary residence ^{1 2}	282.216	281.392	281.409	-2.2	-3	.0
Fuels and utilities	297.291	-	258.169	18.8	-13.2	-
Household energy	264.913	254.627	227.225	20.2	-14.2	-10.8
Gas (piped) and electricity ¹	249.282	247.362	214.354	10.3	-14.0	-13.3
Electricity ¹	217.064	217.064	217.064	10.4	.0	.0
Utility (piped) gas service ¹	301.286	295.651	198.746	13.0	-34.0	-32.8
Household furnishings and operations	126.639	-	125.583	2.2	-.8	-
Apparel	117.327	-	148.274	2.6	26.4	-
Transportation	198.520	-	190.531	9.5	-4.0	-
Private transportation	198.087	-	190.033	9.6	-4.1	-
Motor fuel	347.173	319.597	306.824	33.8	-11.6	-4.0
Gasoline (all types)	341.250	313.524	301.791	33.4	-11.6	-3.7
Gasoline, unleaded regular ³	341.108	312.614	300.706	34.0	-11.8	-3.8
Gasoline, unleaded midgrade ^{3 4}	339.375	313.838	302.114	32.2	-11.0	-3.7
Gasoline, unleaded premium ³	327.021	303.196	293.136	31.1	-10.4	-3.3
Medical care	499.036	-	501.884	2.8	.6	-
Recreation ⁵	118.310	-	119.247	2.3	.8	-
Education and communication ⁵	131.531	-	133.727	10.5	1.7	-
Other goods and services	376.395	-	376.808	8.2	.1	-
Commodity and service group						
All items	241.258	-	238.519	4.7	-1.1	-
Commodities	187.206	-	186.659	8.0	-.3	-
Commodities less food and beverages	166.257	-	163.695	9.2	-1.5	-
Nondurables less food and beverages	224.780	-	221.467	16.2	-1.5	-
Durables	110.974	-	109.145	-.8	-1.6	-
Services	289.366	-	284.479	2.6	-1.7	-
Special aggregate indexes						
All items less medical care	230.432	-	227.589	4.8	-1.2	-
All items less shelter	228.348	-	226.929	7.4	-.6	-
Commodities less food	168.676	-	166.233	9.0	-1.4	-
Nondurables	223.142	-	223.417	10.9	.1	-
Nondurables less food	223.175	-	220.201	15.3	-1.3	-
Services less rent of shelter ²	314.408	-	310.838	6.5	-1.1	-
Services less medical care services	273.081	-	267.978	2.5	-1.9	-
Energy	299.805	282.014	261.098	26.9	-12.9	-7.4
All items less energy	238.542	-	239.490	2.6	.4	-
All items less food and energy	241.814	-	242.138	1.9	.1	-

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 November 1982=100 base.

³ Special index based on a substantially smaller sample.

⁴ Indexes on a December 1993=100 base.

⁵ Indexes on a December 1997=100 base.

- Data not available.

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