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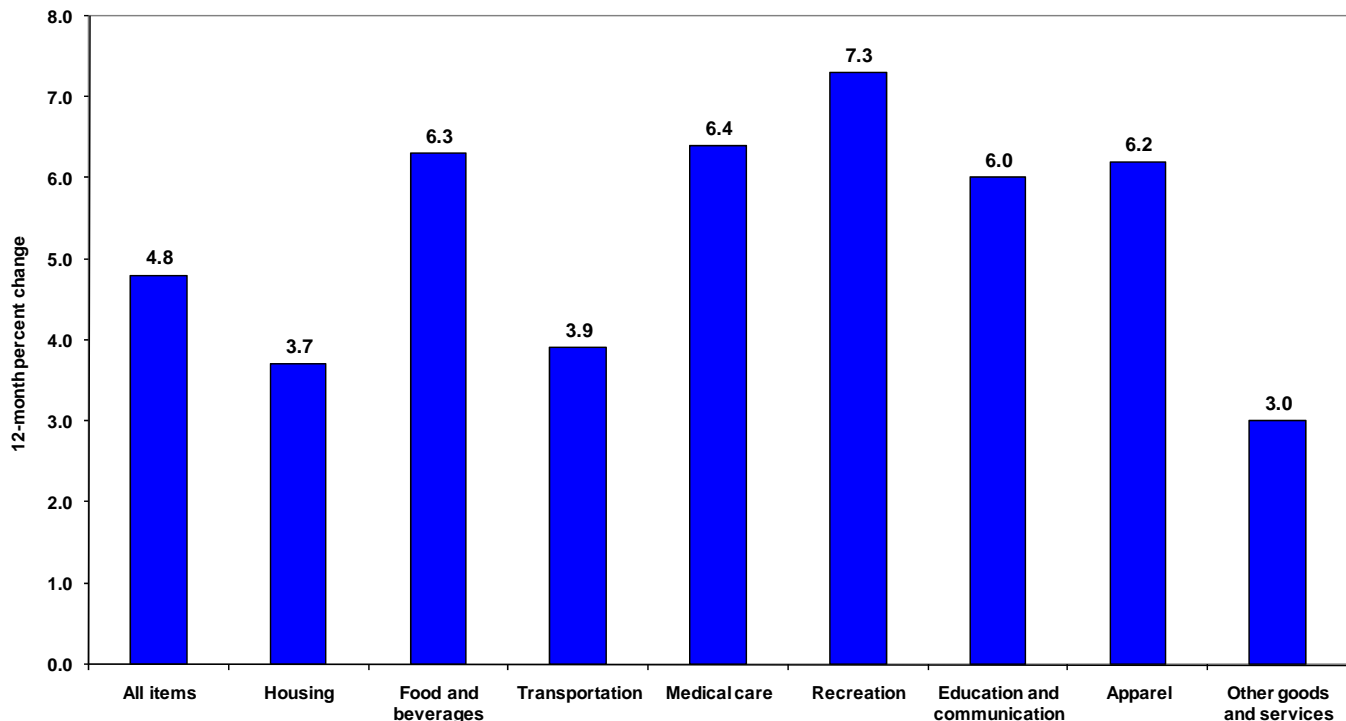
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PITTSBURGH CONSUMER PRICE INDEX Local Prices up 4.8 Percent over the Year

Retail prices in the Pittsburgh area, as measured by the Consumer Price Index for All Urban Consumers (CPI-U), rose 4.8 percent from the second half of 2007 to the second half of 2008, the Bureau of Labor Statistics of the United States Department of Labor reported today. Sheila Watkins, the Bureau's regional commissioner, noted that while price advances for housing and for food and beverages led the way, all of the major categories of the Pittsburgh CPI-U had over-the-year increases in the second half of 2008. (See chart A and table 1.)

Chart A. 12-month percent changes ended in the second half of 2008 for the major categories of the CPI-U for the Pittsburgh area, not seasonally adjusted



The housing index rose 3.7 percent from its year-ago level, due mainly to a 13.4-percent advance in fuels and utilities prices, in particular, utility (piped) gas service prices, which were up 27.1 percent—the largest over-the-year advance since the first half of 2003. Electricity prices also contributed to higher fuels and utilities prices, rising 9.8 percent over the year. The shelter index increased 1.3 percent over the last 12 months due largely to higher prices for owners' equivalent rent of primary residence (1.5 percent). The other published component of the shelter index, rent of primary residence, rose 1.3 percent since the second half of 2007. Prices for household furnishings and operations, the third component of the housing index, rose 4.6 percent over the year.

The food and beverages index rose 6.3 percent since the second half of 2007 due primarily to a 7.1-percent advance in food at home prices. Each of these advances was the largest in its series since semiannual publication began in the first half of 1984. Higher prices for food away from home and alcoholic beverages, up 5.9 and 4.5 percent, respectively, also contributed to the overall increase in the food and beverages index over the last year.

The transportation index increased 3.9 percent from the second half of 2007 to the second half of 2008. Higher gasoline prices, up 8.0 percent over the year, were largely responsible for the recent advance. Over-the-year advances in gasoline prices have continued uninterrupted since the second half of 2002.

Medical care prices advanced 6.4 percent over the year. This index has not experienced a one-year decline since semiannual publication began in the first half of 1984.

The recreation index rose 7.3 percent since the second half of 2007. Education and communication prices increased 6.0 percent from their year-ago levels. Both of these increases were the largest over-the-year advances since the inception of their respective indexes in 1998.

Following a 1.7-percent decline from the first half of 2007 to the first half of 2008, the apparel index increased 6.2 percent over the year.

The other goods and services index, which includes tobacco and smoking products, personal care products and services, and personal services such as legal, funeral, and laundry and dry cleaning services, was 3.0 percent higher than a year ago.

The energy index, which reflects pricing for gasoline and household fuels, advanced 12.9 percent over the year. Higher prices for utility (piped) gas service (27.1 percent) led the over-the-year increase in energy prices; higher prices for electricity (9.8 percent) and gasoline (8.0 percent) also contributed to the recent 12-month advance in the energy index.

The CPI-U for the Pittsburgh area stood at 213.084 on the 1982-84=100 reference base, which means that a market basket of goods and services which averaged \$100.00 in the 1982-84 period would have cost \$213.08 in the second half of 2008.

The Pittsburgh, Pa., Metropolitan Statistical Area includes Allegheny, Armstrong, Beaver, Butler, Fayette, Washington, and Westmoreland Counties.

The relative importance of a component of the CPI is its expenditure or value weight expressed as a percentage of all items within an area. Relative importance ratios show approximately how the index population distributes expenditures when the value weights are collected and represent an estimate of how consumers would distribute their expenditures as prices change over time. Relative importance ratios cannot be used as estimates of current spending patterns or as indicators of changing consumer expenditures in the intervals between weight revisions because consumption patterns are influenced by factors—including income, variations in climate, family size, and availability of new and different kinds of goods and services—other than price change. (See table A.)

Table A (2005-2006 weights). Relative importance of components in the Consumer Price Index: Pittsburgh area, December 2008

Item and group	CPI-U
Expenditure category	
All items	100.000
Food and beverages	17.338
Food	16.116
Food at home	8.774
Food away from home	7.342
Alcoholic beverages	1.222
Housing	40.595
Shelter	29.321
Rent of primary residence	4.982
Owners' equivalent rent of primary residence	21.595
Fuels and utilities	6.913
Household energy	5.705
Gas (piped) and electricity	5.281
Electricity	2.769
Utility (piped) gas service	2.512
Household furnishings and operations	4.361
Apparel	4.083
Transportation	14.698
Private transportation	13.648
Motor fuel	3.231
Gasoline	3.074
Medical care	7.064
Recreation	6.119
Education and communication	6.523
Other goods and services	3.579
Commodity and service group	
Commodities	41.398
Commodities less food and beverages	24.061
Non durables less food and beverages	14.242
Durables	9.819
Services	58.602
Special aggregate indexes	
All items less medical care	92.936
All items less shelter	70.679
Commodities less food	25.283
Nondurables	31.580
Nondurables less food	15.464
Services less rent of shelter	29.610
Services less medical care services	53.401
Energy	8.935
All items less energy	91.065
All items less food and energy	74.949

Table 1. Consumer Price Index for All Urban Consumers (CPI-U): Indexes for semiannual averages and percent changes for selected periods, Pittsburgh, Pa. (1982-84=100 unless otherwise noted)

Expenditure category	Indexes			Percent change from-	
	2nd half 2007	1st half 2008	2nd half 2008	2nd half 2007	1st half 2008
All items	203.295	209.486	213.084	4.8	1.7
Food and beverages	201.473	206.680	214.231	6.3	3.7
Food	200.865	205.966	213.894	6.5	3.8
Food at home	199.013	205.449	213.104	7.1	3.7
Food away from home	204.480	208.347	216.610	5.9	4.0
Alcoholic beverages	208.226	214.999	217.498	4.5	1.2
Housing	207.427	211.083	215.109	3.7	1.9
Shelter	227.568	227.147	230.522	1.3	1.5
Rent of primary residence	196.312	198.518	198.812	1.3	0.1
Owners' equivalent rent of primary residence (1)	218.929	221.265	222.208	1.5	0.4
Fuels and utilities	231.073	251.053	262.020	13.4	4.4
Household energy	222.122	245.484	260.881	17.4	6.3
Gas (piped) and electricity	218.618	236.899	257.616	17.8	8.7
Electricity	154.002	166.856	169.095	9.8	1.3
Utility (piped) gas service	292.254	315.550	371.502	27.1	17.7
Household furnishings and operations	141.449	144.620	147.940	4.6	2.3
Apparel	140.136	139.804	148.894	6.2	6.5
Transportation	164.257	175.649	170.707	3.9	-2.8
Private transportation	165.413	176.712	170.750	3.2	-3.4
Motor fuel	253.193	299.739	273.602	8.1	-8.7
Gasoline (all types)	253.666	299.367	274.044	8.0	-8.5
Gasoline, unleaded regular (2)	252.021	297.741	272.424	8.1	-8.5
Gasoline, unleaded midgrade (2) (3)	268.613	316.417	289.613	7.8	-8.5
Gasoline, unleaded premium (2)	244.230	287.155	263.304	7.8	-8.3
Medical care	342.185	357.781	364.080	6.4	1.8
Recreation (4)	106.448	111.235	114.181	7.3	2.6
Education and communication (4)	126.441	129.043	134.083	6.0	3.9
Other goods and services	336.603	342.311	346.606	3.0	1.3
Commodity and service group					
Commodities	177.152	184.082	185.868	4.9	1.0
Commodities less food and beverages	162.644	170.380	169.172	4.0	-0.7
Nondurables less food and beverages	202.426	216.956	215.205	6.3	-0.8
Durables	120.206	121.198	120.491	0.2	-0.6
Services	232.110	237.684	243.078	4.7	2.3
Special aggregate indexes					
All items less medical care	195.996	201.739	205.198	4.7	1.7
All items less shelter	196.867	205.171	209.064	6.2	1.9
Commodities less food	164.508	172.228	171.148	4.0	-0.6
Nondurables	202.222	212.033	215.052	6.3	1.4
Nondurables less food	202.777	216.799	215.344	6.2	-0.7
Services less rent of shelter (1)	242.963	254.220	262.545	8.1	3.3
Services less medical care services	223.187	227.869	233.184	4.5	2.3
Energy	242.003	276.958	273.325	12.9	-1.3
All items less energy	201.414	204.892	209.350	3.9	2.2
All items less food and energy	202.408	205.577	209.341	3.4	1.8

1 Index is on a December 1982=100 base.

2 Special index based on a substantially smaller sample.

3 Indexes on a December 1993=100 base.

4 Indexes on a December 1997=100 base.

- Data not available.

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