

United States Department of Labor



Bureau of Labor Statistics

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CONSUMER PRICE INDEX FOR ENERGY AND FOOD DETROIT-ANN ARBOR-FLINT, MICH. CMSA JULY 2009

Energy prices in the Detroit-Ann Arbor-Flint metropolitan area declined 5.5 percent in July, according to the U.S. Department of Labor's Bureau of Labor Statistics. Over the past year, Detroit area energy costs were down 25.3 percent, turning around the 24.1 percent increase in the 12-month period ended in July 2008.

According to Regional Commissioner Jay A. Mousa in Chicago, the July decline in the energy index was due to lower costs for gasoline as prices at the pumps were down 10.7 percent over the month. Among other energy related categories, electricity costs were unchanged and utility (piped) gas service costs were up 0.6 percent from June-July.

Over the past 12 months, gasoline prices were down 38.1 percent, in contrast to the 33.7 percent annual increase experienced from July 2007-08. The utility (piped) gas service index was down 17.2 percent for the year after increasing 19.1 percent from July 2007 to July 2008. The electricity index rose 10.7 percent over the past 12 months, following a 4.0 percent gain in the prior 12-month period.

The food at home index (grocery food items) was 0.4 percent higher in July. This increase compares with a similar gain of 0.6 percent in July 2008. During the past year, the food at home index advanced 1.1 percent, not as much as the 3.8 percent annual increase noted in July 2008.

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Scheduled release date for August 2009 CPI: Wednesday, September 16, 2009

Detroit-Ann Arbor-Flint, Mich. Combined Metropolitan Statistical Area (CMSA) includes Genesee, Lapeer, Lenawee, Livingston, Macomb, Monroe, Oakland, St. Clair, Washtenaw, and Wayne Counties in Michigan.

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 crossclassifications 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 <u>www.bls.gov/cpi</u>, and the BLS Handbook of Methods, Bulletin 2490, April 1997, Chapter 17, The Consumer Price Index, also available on the Internet at <u>www.bls.gov/opub/hom/homch17_a.htm</u>.

Detroit-Ann Arbor-Flint, MI (1982-84=100 unless otherwise noted)

Item and Group	Indexes			Percent change from—		
	May 2009	June 2009	July 2009	July 2008	May 2009	June 2009
Expenditure category						
All items	-	204.537	-	-	-	-
All items (1967=100)	-	607.969	-	-	-	-
Food and beverages	-	198.626	-	-	-	-
Food Food at home	- 193.975	198.347 193.515	- 194.242	- 1.1	0.1	0.4
Food away from home	- 199.919	205.612	134.242		-	- 0.4
Alcoholic beverages	-	195.902	-	-	-	-
Housing	-	191.716	-	-	-	-
Shelter	212.057	213.018	212.407	-1.2	.2	3
Rent of primary residence ¹	207.595	207.895	207.291	1.5	1	3
Owners' equivalent rent of primary residence ^{1 2} Fuels and utilities	213.752	214.658 229.744	213.762	-1.0	.0	4
Household energy	185.645	192.394	192.624	-5.1	3.8	.1
Gas (piped) and electricity ¹	188.410	195.298	195.881	-4.1	4.0	.3
Electricity ¹	171.242	178.880	178.907	10.7	4.5	.0
Utility (piped) gas service ¹ Household furnishings and operations	201.363	206.819 123.330	208.138	-17.2	3.4	.6
Apparel	-	104.794	_	_	-	-
		104.794				
Transportation	-	210.662	-	-	-	-
Private transportation	-	208.919	040.054	-	-	-
Motor fuel Gasoline (all types)	204.089 204.788	241.402 242.329	216.051 216.343	-38.5 -38.1	5.9 5.6	-10.5 -10.7
Gasoline unleaded regular ³	209.013	248.156	221.432	-38.6	5.9	-10.8
Gasoline, unleaded regular ³ Gasoline, unleaded midgrade ^{3 4}	233.419	272.561	242.433	-37.2	3.9	-11.1
Gasoline, unleaded premium ³	198.195	232.438	208.942	-35.7	5.4	-10.1
Medical care	-	352.981	-	-	-	-
Recreation ⁵	-	118.414	-	-	-	-
Education and communication ⁵	-	132.488	-	-	-	-
Other goods and services	-	377.180	-	-	-	-
Commodity and service group						
All items	-	204.537		-	-	-
Commodities	-	164.549	-	-	-	-
Commodities less food and beverages	-	146.212	-	-	-	-
Nondurables less food and beverages	-	175.849	-	-	-	-
Durables Services	-	111.630 246.585	-	-	-	-
Special aggregate indexes						
All items less medical care	-	198.602		-	-	-
All items less shelter	-	204.156	-	-	-	-
Commodities less food	-	148.205	-	-	-	-
Nondurables	-	187.456		-	-	-
Nondurables less food Services less rent of shelter ²		177.181 293.505]	_		
Services less medical care services	-	293.505	-	-	-	-
Energy	195.212	216.430	204.576	-25.3	4.8	-5.5
All items less energy	-	205.770	-	-	-	-
All items less food and energy	-	207.869	-	-	-	-

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 Special index based on a substantially smaller sample. ⁴ Indexes on a December 1993=100 base. ⁵ Indexes on a December 1997=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.