

United States Department of Labor



## Bureau of Labor Statistics

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## CONSUMER PRICE INDEX MIDWEST REGION JULY 2009

The Consumer Price Index for the Midwest turned down in July, decreasing 0.3 percent, the U.S. Department of Labor's Bureau of Labor Statistics reported today. According to Regional Commissioner Jay A. Mousa, lower energy costs, driven by falling prices for motor fuel, accounted for over three-fourths of the movement in the index. The all items index declined a record 2.5 percent since July 2008—its eighth consecutive over-the-year decrease.

Energy prices, which include prices for motor fuel and household fuels, were 3.5 percent lower over the month, and dropped 30.2 percent since July 2008, the largest over-the-year decrease for energy since publication began. The special aggregate indexes for all items less energy and for all items less food and energy were nearly unchanged over the month, but were each up 1.6 percent over the year.

Among the eight major expenditure categories, transportation accounted for more than half of the monthly movement and had the greatest impact on the July 2009 Midwest CPI. Transportation prices turned down 2.0 percent in July following six consecutive monthly increases. Motor fuel prices fell for the first time in 2009, decreasing 7.7 percent over the month. Prices for motor fuel were 38.4 percent lower than one year ago. Among the other components of the transportation index, prices for

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

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	Changes from preceding month									
Expenditure		ended								
Category	Jan.	Feb.	Mar.	Apr.	May	June	July	July '09		
All items	0.6	0.3	0.3	0.2	0.4	1.1	-0.3	-2.5		
Food & beverages	.7	2	3	1	2	.1	.1	1.7		
Housing	.4	.0	1	4	1	1.0	.3	-1.8		
Apparel	-4.0	2.5	5.0	1.6	8	-2.7	-2.2	1.9		
Transportation	2.9	.9	.3	.8	3.1	4.7	-2.0	-15.2		
Medical care	.5	.5	.7	.2	.8	1	.2	4.2		
Recreation	.3	.8	.2	3	1	.0	.2	1.1		
Education & communication	.0	.1	.1	.1	.0	.1	.2	2.6		
Other goods & services	.3	.3	2.8	3.5	.0	.2	.1	7.3		

new vehicles were unchanged in July, and used cars and trucks' prices increased 0.6 percent. Prices for new vehicles were little changed from one year ago while prices for used cars and trucks declined 8.7 percent. Overall, the transportation index fell 15.2 percent since July 2008.

The housing index was the second largest contributor to the movement of the July all items index, accounting for approximately 20 percent of the movement. Reflecting rising costs for both shelter and household energy, the housing index increased 0.3 percent over the month. The household energy index advanced 1.2 percent as electricity prices rose 0.8 percent and utility (piped) gas service costs increased 2.7 percent. Shelter costs increased 0.2 percent while prices for household furnishings and operations were down 0.3 percent over the month. Despite the overthe-month advance, housing costs were down 1.8 percent from July 2008, largely attributable to a decrease in prices for utility (piped) gas service. From July 2008 to July 2009, utility (piped) gas service costs fell 43.2 percent, the largest over-the-year decline since publication began in 1978. This more than offset a 3.3-percent increase in prices for electricity. Over the year, costs for shelter rose 0.9 percent and prices for household furnishings and operations were 1.2 percent higher.

The apparel index was the second of only two major groups to show a decline over the month, down 2.2 percent since June 2009. Apparel prices typically decline in July as retailers continue to discount summer merchandise. Even so, apparel prices were 1.9 percent higher than one year ago.

The remaining five major expenditure categories—medical care, education and communication, recreation, food and beverages, and other goods and services—each increased by 0.2 percent or less and had little impact on the July 2009 Midwest CPI, together accounting for less than 10 percent of the movement in the overall index. From July 2008 to July 2009, costs for medical care rose 4.2 percent, education and communication, 2.6 percent, and recreation, 1.1 percent. Prices for food and beverages were 1.7 percent higher and costs for other goods and services advanced 7.3 percent over the year.

The Midwest Consumer Price Index for All Urban Consumers (CPI-U) stood at 204.814 in July 2009. A typical market basket of goods and services that cost \$100.00 in the 1982-84 base period cost \$204.81 in July 2009. 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. The Midwest region is comprised of Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Missouri, Nebraska, North Dakota, Ohio, South Dakota, and Wisconsin.

Scheduled release date for the August 2009 CPI:

Wednesday, September 16, 2009

<u>The Midwest Region</u> includes the States of Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Missouri, Nebraska, North Dakota, Ohio, South Dakota, and Wisconsin.

## 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 <a href="www.bls.gov/cpi">www.bls.gov/cpi</a> and the BLS Handbook of Methods, Chapter 17, The Consumer Price Index, available on the Internet at <a href="www.bls.gov/opub/hom/homch17\_a.htm">www.bls.gov/opub/hom/homch17\_a.htm</a>.

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)

		Indexes		Percent change from—			
Item and Group	May 2009	June 2009	July 2009	July 2008	May 2009	June 2009	
Expenditure category							
All items	203.195 330.609	205.350 334.115	204.814 333.244	-2.5	0.8	-0.3	
Food and beverages	211.543	211.659	211.786	1.7	.1	.1	
Food	211.076	211.093	211.239	1.5	.1	.1	
Food at home	205.480	205.150	205.252	.1	1	.0	
Food away from home	219.711 216.555	220.201 217.827	220.407 217.730	3.4 3.3	.3 .5	.1 .0	
-			107.750			2	
HousingShelter	195.296 225.895	197.214 226.806	197.758 227.312	-1.8 .9	1.3	.3 .2	
Rent of primary residence 1	219.245	219.588	219.712	2.1	.0	. <u>.</u> .1	
Owners' equivalent rent of primary residence 1 2	229.104	229.868	230.277	1.7	.5	.1	
Fuels and utilities	187.743	197.557	199.651	-15.9	6.3	1.1	
Household energy	162.915	172.946	175.069	-19.1	7.5	1.2	
Gas (piped) and electricity <sup>1</sup>	169.203	179.757	182.263	-18.3	7.7	1.4	
Electricity 1	166.033	180.704	182.142	3.3	9.7	.8	
Utility (piped) gas service 1	167.756	169.538	174.075	-43.2	3.8	2.7	
Household furnishings and operations	123.852	123.829	123.483	1.2	3	3	
Apparel	114.186	111.049	108.561	1.9	-4.9	-2.2	
Transportation	177.555	185.907	182.126	-15.2	2.6	-2.0	
Private transportation	172.762	181.177	177.036	-15.4	2.5	-2.3	
New and used motor vehicles <sup>3</sup>	93.190	92.966	93.191	-1.3	.0	.2	
New vehicles	129.582	130.211	130.188	.1	.5	.0	
New cars and trucks <sup>3 4</sup>	91.475	91.951	91.932	.2	.5	.0	
New cars <sup>4</sup>	129.597	130.451	130.125	3	.4	2	
Used cars and trucks	122.942	124.495	125.231	-8.7	1.9	6	
Motor fuel	202.530	237.852	219.493	-38.4	8.4	-7.7	
Gasoline (all types)	203.312	238.963	219.750	-38.1	8.1	-8.0	
Gasoline, unleaded regular <sup>4</sup>	201.592	237.749	218.395	-38.4	8.3	-8.1	
Gasoline, unleaded midgrade 4 5 Gasoline, unleaded premium 4	223.745 203.174	261.090 236.468	240.639 218.315	-37.8 -36.3	7.6 7.5	-7.8 -7.7	
·	275 644	275 400	275 074	4.0	4	2	
Medical care  Medical care commodities	375.611 302.619	375.109 301.214	375.974 301.084	4.2 4.2	.1 5	.2 .0	
Medical care commodities	399.779	399.681	400.962	4.3	.3	.3	
Professional services	344.044	344.236	344.434	4.5	.1	.1	
Recreation <sup>3</sup>	115.737	115.707	115.948	1.1	.2	.2	
Education and communication <sup>3</sup>	127.823	127.937	128.192	2.6	.3	.2	
Other goods and services	359.315	360.197	360.439	7.3	.3	.1	
Commodity and service group							
All items	203.195	205.350	204.814	-2.5	.8	3	
Commodities	165.878	168.599	166.715	-5.5	.5	-1.1	
Commodities less food and beverages	142.858	146.642	143.934	-9.5	.8	-1.8	
Nondurables less food and beverages	177.718	185.385	179.911	-14.0	1.2	-3.0	
Nondurables less food, beverages, and apparel	219.078	233.703	226.294	-17.9	3.3	-3.2	
Durables	107.642	107.831	107.684	-1.8	.0	1	
Services	242.158	243.712	244.600	3	1.0	.4	
Rent of shelter <sup>2</sup>	232.186	233.122	233.614	.8	.6	.2	
Transportation services	256.298	255.075 293.497	256.759	1.2 2.2	.2	.7	
Other services	293.062		294.194		.4	.2	

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)

		Indexes		Percent change from—			
Item and Group	May 2009	June 2009	July 2009	July 2008	May 2009	June 2009	
Special aggregate indexes							
All items less medical care  All items less food  All items less shelter  Commodities less food  Nondurables  Nondurables less food and apparel  Services less rent of shelter <sup>2</sup> Services less medical care services  Energy  All items less food and energy	208.022	197.169 204.307 199.731 149.060 198.704 187.226 231.342 269.143 231.626 200.921 208.072 208.132	196.580 203.658 198.808 146.435 195.860 182.114 224.714 270.540 232.481 193.888 208.240 208.304	-3.0 -3.2 -3.9 -8.9 -6.6 -12.8 -16.2 -1.3 7 -30.2 1.6	0.9 .9 .7 .7 1.2 3.0 1.4 1.1 7.9	-0.3 3 -1.8 -1.4 -2.7 -2.9 -3.5	
Commodities less food and energy commodities	141.129 202.441 251.661	140.655 236.770 252.202	140.097 218.852 252.911	1.7 -38.4 1.6	7 8.1 .5	-7	

<sup>1</sup> 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.

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.

Data not available.

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

(1982-84=100, unless otherwise noted)

	All items												
Area	Pricing	Indexes				Percent change to July 2009 from—			Percent change to June 2009 from—				
	schedule 1	Apr. 2009	May 2009	June 2009	July 2009	July 2008	May 2009	June 2009	June 2008	Apr. 2009	May 2009		
U.S. city average	М	213.240	213.856	215.693	215.351	-2.1	0.7	-0.2	-1.4	1.2	0.9		
Region and area size <sup>2</sup>													
Northeast urban	М	227.840	228.136	229.930	230.154	-1.9	.9	.1	-1.2	.9	.8		
Size A - More than 1,500,000	M	230.400	230.611	232.058	232.416	-1.7	.8	.2	-1.0	.7	.6		
Size B/C - 50,000 to 1,500,000 <sup>3</sup>	M	134.547	134.857	136.488	136.417	-2.3	1.2	1	-1.5	1.4	1.2		
Midwest urban	М	202.327	203.195	205.350	204.814	-2.5	.8	3	-1.7	1.5	1.1		
Size A - More than 1,500,000	M	203.463	204.443	206.308	205.656	-2.5	.6	3	-1.7	1.4	.9		
Size B/C - 50,000 to 1,500,000 <sup>3</sup> Size D - Nonmetropolitan (less than	М	129.604	129.967	131.640	131.366	-2.4	1.1	2	-1.8	1.6	1.3		
50,000)	М	197.644	198.911	201.157	200.908	-2.7	1.0	1	-1.9	1.8	1.1		
				000 040			_		l				
South urban	M M	206.657 208.934	207.265 209.235	209.343 211.390	208.819 211.034	-2.1 -2.0	.7 .9	3 2	-1.4 -1.4	1.3	1.0 1.0		
Size B/C - 50,000 to 1,500,000 <sup>3</sup>	M	131.370	131.777	133.056	132.736	-2.0	.9	2 2	-1.4	1.3	1.0		
Size D - Nonmetropolitan (less than													
50,000)	М	207.898	209.563	211.815	210.491	-2.2	.4	6	-1.4	1.9	1.1		
West urban	М	217.910	218.567	219.865	219.484	-2.0	.4	2	-1.4	.9	.6		
Size A - More than 1,500,000	М	221.790	222.659	223.908	223.498	-1.8	.4	2	-1.3	1.0	.6		
Size B/C - 50,000 to 1,500,000 <sup>3</sup>	М	131.912	131.990	132.952	132.774	-2.4	.6	1	-1.7	.8	.7		
Size classes													
A <sup>4</sup>	М	195.207	195.745	197.214	196.987	-2.0	.6	1	-1.3	1.0	.8		
B/C <sup>3</sup>	M	131.557	131.876	133.220	132.975	-2.3	.8	2	-1.6	1.3	1.0		
D	М	205.421	206.717	208.543	207.784	-2.2	.5	4	-1.6	1.5	.9		
Selected local areas <sup>5</sup>													
Chicago-Gary-Kenosha, IL-IN-WI	М	207.886	209.809	211.010	210.906	-3.0	.5	.0	-2.2	1.5	.6		
Los Angeles-Riverside-Orange County, CA	М	221.693	222.522	223.906	224.010	-2.6	.7	.0	-2.2	1.0	.6		
New York-Northern N.JLong Island, NY-NJ-CT-PA	M	235.582	235.975	237.172	237.600	-1.1	.7	.2	6	.7	.5		
N1-N0-01-1 A	IVI	255.562	200.910	237.172	237.000	-1.1			0	.,			
Boston-Brockton-Nashua, MA-NH-ME-CT	1	-	231.891	-	233.018	-3.4	.5	-	-	-	-		
Cleveland-Akron, OH  Dallas-Fort Worth, TX	1 1		200.196 199.311	-	200.558 200.663	-3.1 -2.8	.2 .7	_	_	_	_		
Washington-Baltimore, DC-MD-VA-WV <sup>6</sup>	1 1	-	139.311	-	140.810	-2.0	1.1	-	-	-	-		
Atlanta CA	2	199.210	_	202 505	_	_	_	_	-4.0	2.2	_		
Atlanta, GA  Detroit-Ann Arbor-Flint, MI	2 2	202.373	-	203.585 204.537	-	_	_	_	-4.0	1.1	_		
Houston-Galveston-Brazoria, TX	2	189.701	-	192.325	-	-	-	-	-1.5	1.4	-		
Miami-Fort Lauderdale, FL	2	220.740	-	221.485	-	-	-	-	-1.6	.3	-		
Philadelphia-Wilmington-Atlantic City,	_	004 000	_	000 040	_			_					
PA-NJ-DE-MDSan Francisco-Oakland-San Jose, CA	2 2	221.686 223.854	-	223.810 225.692	_	_	_	_	-2.0 .2	1.0	-		
Seattle-Tacoma-Bremerton, WA	2	225.918	-	227.257	-	-	-	-	4	.6	-		
Seattle-Tacoma-Bremerton, WA	2	225.918	-	227.257	_	_	_	-	4	6.			

<sup>&</sup>lt;sup>1</sup> Foods, fuels, and several other items priced every month in all areas; most other goods and services priced as indicated:

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

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.

M - Every month.

<sup>1 -</sup> January, March, May, July, September, and November.

<sup>2 -</sup> February, April, June, August, October, and December.

<sup>&</sup>lt;sup>2</sup> Regions defined as the four Census regions. See map in technical notes.

3 Indexes on a December 1996=100 base.

December 1986=100 base.

<sup>4</sup> Indexes on a December 1986=100 base.

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;

Indexes on a November 1996=100 base.

Data not available.