

News

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BOSTON AREA CONSUMER PRICE INDEX: MARCH 2009 **Consumer Prices Rise 0.6 Percent**

The Consumer Price Index for All Urban Consumers (CPI-U) in the Boston metropolitan area increased 0.6 percent for the two months ended March 2009, according to the U.S. Department of Labor's Bureau of Labor Statistics. Regional Commissioner Denis M. McSweeney noted that the March advance marked the first bi-monthly price increase in the Boston area since July 2008. The March increase was mainly due to higher prices for apparel and, to a lesser degree, gains within housing, transportation, medical care, other goods and services, and education and communication. Only the food and beverage and recreation indexes declined in March. For the year ended March 2009, the CPI-U for Boston fell 0.4 percent, following a 0.5 percent annual decline posted in January. Core inflation, as measured by the all items less food and energy index, increased by 1.4 percent.

For the two months ended March 2009, apparel prices rose 8.9 percent, mainly due to seasonal increases for women's and girls apparel. Within other goods and services, up 5.2 percent, higher prices for cigarettes led the overall advance since January. Housing costs edged up 0.3 percent due to higher shelter costs, up 0.8 percent. Partially offsetting the overall increase within housing were lower household energy costs, down 3.7 percent since January. Specifically, leading the decline within household energy were lower fuel oil prices and utility (piped) gas service charges, down 6.8 percent. In contrast, food and beverage prices fell 0.6 percent, mainly attributable to lower grocery store prices, down 0.8 percent. Transportation costs rose 0.4 percent largely due to higher gas prices, up 9.4 percent. Medical care costs rose 0.8 percent over the two-month period.

For the year ended March 2009, overall prices in the Boston area edged down 0.4 percent, following a 0.5-percent annual decline in January. The decline was mainly due to lower prices within the transportation category. Transportation expenses declined 12.1 percent over the year, the largest annual decline posted in series history. The steep decline was mainly attributable to lower gas prices, down a sharp 38.5 percent. Boston area motorists paid an average of \$1.933 per gallon in March. Moderating this decrease were increases in food and beverage prices, up 4.7 percent, and to a lesser degree, higher prices within the other goods and services, medical care, and education and communication categories. Food and beverage prices rose because of higher grocery store prices, up 6.0 percent, as well as, higher restaurant prices, up 3.5 percent over the year. Other goods and services expenses rose 11.1 percent over the year, the highest annual increase since September 1990. Medical care and education and communication costs advanced 4.7 and 3.6 percent, respectively since last March. Overall housing costs edged down 0.3 percent attributable to declines within household energy, down 7.8 percent, mainly resulting from lower fuel oil costs. Moderating this decline were higher electricity prices, up 10.9 percent over the year. Recreation and apparel prices edged up 2.0 and 0.8 percent, respectively over the year.

In March, the Boston CPI-U on the 1982-84 base was 232.155. 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 \$23.22. The purchasing power of the dollar for the Boston area in 1982-84 dollars was 43.1 cents in March 2009. In March, the CPI-W (Urban Wage Earners and Clerical Workers), at 231.884, was up 0.8 percent since January 2009 and decreased 0.3 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 April food, shelter, and energy indexes for Boston will be released on Friday, May 15, 2009 at 8:30 AM. The May Consumer Price Index for all items for Boston will be released on Wednesday, June 17, 2009 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—		
	Jan. 2009	Feb. 2009	Mar. 2009	Mar. 2008	Jan. 2009	Feb. 2009
Expenditure category						
All items	230.806	-	232.155	-0.4	0.6	-
All items (1967=100)	670.844	-	674.765	-	-	-
Food and beverages	230.448	-	229.137	4.7	-6	-
Food	230.684	-	229.432	4.9	-5	-
Food at home	225.159	223.590	223.256	6.0	-8	-0.1
Food away from home	241.449	-	241.039	3.5	-2	-
Alcoholic beverages	229.769	-	227.709	2.8	-9	-
Housing	234.523	-	235.281	-.3	.3	-
Shelter	270.840	271.062	273.091	.5	.8	.7
Rent of primary residence ¹	277.200	277.978	277.613	2.6	.1	-.1
Owners' equivalent rent of primary residence ^{1 2}	286.712	287.734	288.299	1.6	.6	.2
Fuels and utilities	248.145	-	239.882	-6.8	-3.3	-
Household energy	217.131	213.066	209.166	-7.8	-3.7	-1.8
Gas (piped) and electricity ¹	236.575	230.905	229.603	4.9	-2.9	-.6
Electricity ¹	226.354	226.354	224.449	10.9	-.8	-.8
Utility (piped) gas service ¹	245.553	228.908	228.865	-5.1	-6.8	.0
Household furnishings and operations	126.132	-	127.239	2.3	.9	-
Apparel	128.790	-	140.272	.8	8.9	-
Transportation	159.758	-	160.326	-12.1	.4	-
Private transportation	157.982	-	158.649	-12.9	.4	-
Motor fuel	152.880	164.068	165.423	-38.6	8.2	.8
Gasoline (all types)	148.275	160.153	162.263	-38.5	9.4	1.3
Gasoline, unleaded regular ³	145.962	157.831	160.231	-39.0	9.8	1.5
Gasoline, unleaded midgrade ^{3 4}	151.883	164.229	164.991	-37.5	8.6	.5
Gasoline, unleaded premium ³	151.928	162.740	164.242	-35.9	8.1	.9
Medical care	516.913	-	521.024	4.7	.8	-
Recreation ⁵	120.706	-	120.616	2.0	-.1	-
Education and communication ⁵	135.135	-	135.307	3.6	.1	-
Other goods and services	385.640	-	405.680	11.1	5.2	-
Commodity and service group						
All items	230.806	-	232.155	-.4	.6	-
Commodities	170.439	-	172.566	-3.7	1.2	-
Commodities less food and beverages	139.195	-	142.894	-9.2	2.7	-
Nondurables less food and beverages	169.526	-	178.140	-13.5	5.1	-
Durables	107.771	-	107.364	-2.7	-.4	-
Services	285.612	-	286.135	1.7	.2	-
Special aggregate indexes						
All items less medical care	219.399	-	220.652	-.7	.6	-
All items less shelter	217.200	-	218.186	-.9	.5	-
Commodities less food	142.697	-	146.211	-8.6	2.5	-
Nondurables	199.010	-	202.571	-4.0	1.8	-
Nondurables less food	172.703	-	180.505	-12.3	4.5	-
Services less rent of shelter ²	318.213	-	316.228	3.3	-.6	-
Services less medical care services	268.688	-	269.143	1.6	.2	-
Energy	188.282	190.887	189.294	-22.6	.5	-.8
All items less energy	238.414	-	239.816	2.0	.6	-
All items less food and energy	240.475	-	242.427	1.4	.8	-

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.