

News

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LOS ANGELES CONSUMER PRISES DECLINE 0.6 PERCENT IN AUGUST

The Bureau of Labor Statistics of the U.S. Department of Labor reported today that the All Items Consumer Price Index (CPI) in the Los Angeles-Riverside-Orange County area decreased 0.6 percent in August, following a 0.4 percent increase for July. Lower index levels in four of the eight major expenditure categories led to an over-the-month decline in the all items index. The annual increase for the year ending August 2008 was 5.1 percent, compared to a 5.7 percent increase for the year ending July 2008. Regional Commissioner Richard J. Holden noted that rising prices for transportation and housing largely contributed to the 12-month gain. Since August 2007, the special all items less food and energy index advanced 2.8 percent. Local Consumer Price Index data are not seasonally adjusted.

Transportation prices in the Los Angeles area declined 3.8 percent in August. Between August 2007 and August 2008, however, the transportation index increased 13.3 percent. The transportation index comprises about 19 percent of the CPI all items index and accounted for the largest annual increase among the eight major CPI expenditure categories. Within transportation, gasoline prices declined 9.9 percent over the past month, but increased 42.5 percent over the past year.

The housing index, which accounts for about 46 percent of the Los Angeles area's all items index, edged down 0.2 percent in August, but advanced 3.1 percent compared to 12 months ago. Shelter, household fuels and utilities, and household furnishings and operations are all components of the housing index. Shelter increased 0.4 percent over the month, and advanced 3.1 percent over the year. Household fuels and utilities dropped 6.0 percent for the month, but advanced 8.0 percent since August 2007. Within household fuels and utilities, prices for the utility (piped) gas service index fell 19.6 percent and electricity prices decreased 0.8 percent during August. Since August 2007, the utility (piped) gas service index jumped 29.3 percent, while electricity prices decreased 2.3 percent. Prices for household furnishings and operations inched up 0.2 percent in August, but declined 0.9 percent from a year ago.

The Los Angeles area's food and beverages index, which accounts for approximately 13 percent of the Los Angeles all items index, grew 0.5 percent in August and increased 5.2 percent above last year's level. The food at home index, which measures grocery prices, advanced 0.9 percent in August and advanced 7.1 percent from a year ago. Food away from home prices were unchanged in August, yet

advanced 3.4 percent compared to August 2007. Additionally, prices for alcoholic beverages increased 0.4 percent over the past month and rose 3.2 percent over the past year.

In August 2008, medical care prices edged up 0.2 percent and increased 3.5 percent since last year. Apparel prices jumped 4.1 percent in August. Compared to last year, apparel prices increased by 2.6 percent.

The Los Angeles area education and communication index grew 0.8 percent in August and advanced 4.0 percent compared to August 2007.

The remaining two major expenditure categories, the recreation and the other goods and services indexes declined 0.6 percent and 0.1 percent, respectively, in August. Over the past year, recreation prices were up 1.5 percent and other goods and services prices rose 3.3 percent.

The All Items Consumer Price Index for All Urban Consumers (CPI-U) in the Los Angeles-Riverside-Orange County Consolidated Metropolitan Statistical Area, stands at 228.484 (1982-84=100). This means a market basket of goods and services that cost \$100.00 in 1982-84 would have cost \$228.48 in August 2008.

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

Los Angeles-Riverside-Orange County, CA (1982-84=100 unless otherwise noted)

Item and Group	Indexes			Percent change from—		
	June 2008	July 2008	Aug. 2008	Aug. 2007	June 2008	July 2008
Expenditure category						
All items	229.033	229.886	228.484	5.1	-0.2	-0.6
All items (1967=100)	676.666	679.184	675.043	-	-	-
Food and beverages	220.060	221.719	222.805	5.2	1.2	.5
Food	218.816	220.667	221.756	5.4	1.3	.5
Food at home	231.762	233.765	235.900	7.1	1.8	.9
Food away from home	200.335	201.985	201.937	3.4	.8	.0
Alcoholic beverages	225.055	223.699	224.683	3.2	-.2	.4
Housing	244.503	245.889	245.507	3.1	.4	-.2
Shelter	273.604	274.526	275.601	3.1	.7	.4
Rent of primary residence ¹	274.769	276.114	276.586	4.2	.7	.2
Owners' equivalent rent of primary residence ^{1 2}	284.777	285.468	285.879	3.3	.4	.1
Fuels and utilities	252.034	261.016	245.277	8.0	-2.7	-6.0
Household energy	256.748	265.974	243.504	7.9	-5.2	-8.4
Gas (piped) and electricity ¹	254.136	263.542	240.920	7.1	-5.2	-8.6
Electricity ¹	243.588	245.720	243.711	-2.3	.1	-.8
Utility (piped) gas service ¹	304.175	328.477	264.115	29.3	-13.2	-19.6
Household furnishings and operations	126.471	126.516	126.801	-.9	.3	.2
Apparel	103.908	103.530	107.775	2.6	3.7	4.1
Transportation	210.977	211.117	203.199	13.3	-3.7	-3.8
Private transportation	203.974	203.933	196.026	13.2	-3.9	-3.9
Motor fuel	352.248	350.712	316.158	42.7	-10.2	-9.9
Gasoline (all types)	344.508	343.040	309.155	42.5	-10.3	-9.9
Gasoline, unleaded regular ³	346.456	345.441	311.069	43.7	-10.2	-10.0
Gasoline, unleaded midgrade ^{3 4}	325.256	322.649	290.897	41.2	-10.6	-9.8
Gasoline, unleaded premium ³	325.408	323.961	292.509	39.6	-10.1	-9.7
Medical care	354.958	352.498	353.233	3.5	-.5	.2
Recreation ⁵	115.944	116.212	115.554	1.5	-.3	-.6
Education and communication ⁵	125.050	125.396	126.389	4.0	1.1	.8
Other goods and services	340.861	342.884	342.381	3.3	.4	-.1
Commodity and service group						
All items	229.033	229.886	228.484	5.1	-.2	-.6
Commodities	179.144	179.354	176.671	7.3	-1.4	-1.5
Commodities less food and beverages	153.010	152.702	148.882	8.5	-2.7	-2.5
Nondurables less food and beverages	207.047	206.321	198.561	17.0	-4.1	-3.8
Durables	104.304	104.312	103.538	-1.8	-.7	-.7
Services	271.891	273.353	273.255	3.8	.5	.0
Special aggregate indexes						
All items less medical care	222.817	223.756	222.308	5.2	-.2	-.6
All items less shelter	209.674	210.498	207.972	6.4	-.8	-1.2
Commodities less food	156.818	156.483	152.710	8.3	-2.6	-2.4
Nondurables	217.313	217.661	213.776	11.0	-1.6	-1.8
Nondurables less food	210.850	210.084	202.637	16.1	-3.9	-3.5
Services less rent of shelter ²	276.930	279.273	277.316	4.8	.1	-.7
Services less medical care services	264.410	265.873	265.774	3.8	.5	.0
Energy	321.989	324.051	293.375	30.8	-8.9	-9.5
All items less energy	223.826	224.592	225.429	3.1	.7	.4
All items less food and energy	225.185	225.777	226.574	2.8	.6	.4

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.

- Data not available.

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