

News

United States
Department
of Labor



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Consumer Price Index Cincinnati-Hamilton, OH-KY-IN First Half 2008

Retail prices in the Cincinnati-Hamilton metropolitan area were higher by 2.2 percent in the first half of 2008 compared with the last half of 2007, according to the U.S. Department of Labor's Bureau of Labor Statistics. The Cincinnati-Hamilton area Consumer Price Index for All Urban Consumers (CPI-U) stood at 200.054 (1982-84=100) in the first half of 2008, representing a 4.1 percent increase from the first half of 2007. This was more than the 2.4 percent increase in the previous annual period (first half 2006 to first half 2007), but more in-line with the 4.8 percent gain reported in the 2005-06 period.

According to Jay A. Mousa, regional commissioner for the Bureau's Chicago regional office, the first half 2008 increase in the Cincinnati area all items CPI-U was attributed to higher prices for gasoline, food, and shelter. Mousa added that higher costs for recreation, apparel, and medical care also contributed, but to a lesser extent. The expenditure categories of education and communications and other goods and services increased, although with little impact.

The transportation component gained 5.7 percent in the first half of this year primarily due to higher prices for gasoline. Prices at the gas pumps were 17.6 percent higher in the first half of 2008 compared with their second half of 2007 average level. Compared with the first half of 2007, gasoline prices were 25.7 percent higher. This latest annual price increase was markedly larger when compared to the 1.9 percent increase posted in the first half 2006 to first half 2007 period. In the last five years, first half 2003 to first half 2008, gasoline prices have increased 117 percent.

The food and beverages component gained 3.1 percent during the first half of 2008. The food at home index (grocery food items) rose 3.8 percent and the food away from home index (restaurant and cafeteria meals, and vending machine purchases, for example,) rose 2.7 percent. Alcoholic beverages prices were up 1.6 percent. On an annual basis, food and beverage prices were 4.9 percent higher. The food at home index gained 5.6 percent and the food away from home index rose 4.7 percent. Alcoholic beverages prices climbed 4.3 percent.

During the first half of 2008, the housing component gained 0.5 percent with shelter costs rising 1.0 percent. The household energy index was unchanged as a 10.7 percent rise in the utility (piped) gas service index was offset by a 4.0 percent decline in the electricity index. The household furnishings and operations index increased 1.5 percent. On an annual basis (first half of 2007-first half of 2008), the housing component gained 1.6 percent. Shelter costs advanced 0.3 percent while the household energy index rose 9.5 percent due to an 8.0 and 10.1 percent increase in the electricity and utility (piped) gas service indexes, respectively. The household furnishings and operations index increased 1.5 percent from its first half 2007 level.

Recreation costs were up 2.8 percent during the first half of 2008 and were 1.7 percent higher for the year. Medical care costs rose 1.5 percent during the first six months of 2008. This latest rise was in-line with the 1.8 percent first half gain reported a year ago. For the year, medical care costs were up 3.4 percent. Medical care price increases slowed when compared with the 6.2 percent increase reported for the same period in 2007 and 8.3 percent in 2006.

Apparel prices rose 3.1 percent during the first half of the year. This increase ends an eight-year trend when apparel prices declined during the first six months of the year. On an annual basis, apparel prices were 14.4 percent higher, the largest annual increase in over a decade.

The education and communications component rose 1.1 percent during the first half of 2008 and was 3.0 percent higher for the year. The other goods and services component, which includes tobacco and smoking products and personal care items, was up 2.2 percent during the first six months of this year and was 4.3 percent higher on an annual basis.

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Scheduled release of the second-half average 2008 CPI:
February, 2009

CPI HOTLINE SERVICE PROVIDES LATEST INDEXES 24 HOURS A DAY

The all items CPI-U and CPI-W for the U. S. City Average and for the Cincinnati area are available to the public 24 hours a day, 7 days a week through the Bureau's CPI HOTLINE service. This recorded message also provides percent change from the prior period and from a year earlier as well as the scheduled release date for the next CPI issuance. The HOTLINE number in Cincinnati is (513) 684-2349.

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 www.bls.gov/cpi and the BLS Handbook of Methods, Chapter 17, The Consumer Price Index, available on the Internet at www.bls.gov/opub/hom/homch17_a.htm.

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

Cincinnati-Hamilton, OH-KY-IN (1982-84=100 unless otherwise noted)

Item and Group	Semiannual average indexes			Percent change to 1st half 2008 from—	
	1st half 2007	2nd half 2007	1st half 2008	1st half 2007	2nd half 2007
Expenditure category					
All items	192.111	195.673	200.054	4.1	2.2
All items (1967=100)	594.434	605.456	619.011	-	-
Food and beverages	179.456	182.614	188.212	4.9	3.1
Food	176.966	179.947	185.728	5.0	3.2
Food at home	174.084	177.130	183.914	5.6	3.8
Food away from home	182.124	185.516	190.604	4.7	2.7
Alcoholic beverages	206.124	211.584	214.977	4.3	1.6
Housing	180.989	182.874	183.810	1.6	.5
Shelter	206.409	205.021	207.016	.3	1.0
Rent of primary residence	203.826	204.961	206.755	1.4	.9
Owners' equivalent rent of primary residence ¹	206.580	205.306	208.843	1.1	1.7
Fuels and utilities	180.616	199.286	197.669	9.4	-.8
Household energy	157.055	171.906	171.912	9.5	.0
Gas (piped) and electricity	161.963	177.313	175.308	8.2	-1.1
Electricity	150.184	168.992	162.222	8.0	-4.0
Utility (piped) gas service	228.497	227.066	251.472	10.1	10.7
Household furnishings and operations	116.605	116.543	118.318	1.5	1.5
Apparel	115.988	128.644	132.694	14.4	3.1
Transportation	179.527	184.840	195.386	8.8	5.7
Private transportation	178.027	183.732	194.417	9.2	5.8
Motor fuel	242.153	259.152	305.285	26.1	17.8
Gasoline (all types)	241.814	258.592	304.016	25.7	17.6
Gasoline, unleaded regular ²	249.060	266.901	314.203	26.2	17.7
Gasoline, unleaded midgrade ^{2 3}	235.603	250.129	293.851	24.7	17.5
Gasoline, unleaded premium ²	208.449	222.491	259.647	24.6	16.7
Medical care	364.425	371.239	376.975	3.4	1.5
Recreation ⁴	118.691	117.417	120.736	1.7	2.8
Education and communication ⁴	116.268	118.351	119.706	3.0	1.1
Other goods and services	363.144	370.655	378.718	4.3	2.2
Commodity and service group					
All items	192.111	195.673	200.054	4.1	2.2
Commodities	158.284	162.530	168.941	6.7	3.9
Commodities less food and beverages	146.038	150.658	157.346	7.7	4.4
Nondurables less food and beverages	172.109	182.315	196.737	14.3	7.9
Durables	121.976	121.537	120.894	-.9	-.5
Services	228.435	231.362	233.697	2.3	1.0
Special aggregate indexes					
All items less medical care	184.053	187.464	191.775	4.2	2.3
All items less shelter	188.219	193.678	199.347	5.9	2.9
Commodities less food	148.198	152.859	159.419	7.6	4.3
Nondurables	176.890	183.811	193.983	9.7	5.5
Nondurables less food	174.541	184.503	198.036	13.5	7.3
Services less rent of shelter ¹	258.673	266.948	270.726	4.7	1.4
Services less medical care services	215.534	217.991	220.341	2.2	1.1
Energy	196.606	212.610	233.363	18.7	9.8
All items less energy	193.829	195.709	198.700	2.5	1.5
All items less food and energy	198.232	199.912	202.365	2.1	1.2

¹ Index is on a November 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.