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**Consumer Price Index
Cleveland-Akron, OH CMSA
July 2008**

Consumer prices in the Cleveland area rose 1.0 percent from May to July, the Bureau of Labor Statistics of the U.S. Department of Labor reported today. The Cleveland-Akron Consumer Price Index for All Urban Consumers (CPI-U) for July was 206.941 (1982-84=100). Over the past 12 months, Cleveland area retail price inflation was 5.0 percent. During the previous 12-month period, consumer prices rose 2.0 percent.

Jay A. Mousa, regional commissioner for the Bureau in Chicago, stated that a 10.2-percent increase in energy prices was responsible for almost all of the latest bimonthly gain in the Cleveland area all items index. When energy costs are excluded, the all items index declined 0.3 percent from May to July. In terms of bimonthly changes in the eight major expenditure categories, five (housing, transportation, recreation, education and communication, and other goods and services) increased, one (apparel) decreased, and two (food and beverages and medical care) experienced little change.

The overall housing component was up 1.7 percent from May to July. This increase was the result of a combination of modest drops in shelter prices (down 1.0

Table A. Percent Changes in the CPI-U, Cleveland-Akron, OH
(not seasonally adjusted)

Expenditure Category	Percent change from two months prior							12 mo. Ended July '08
	2007			2008				
	July	Sep.	Nov.	Jan.	Mar.	May	July	
All items	0.4	0.0	0.4	1.0	1.4	1.2	1.0	5.0
Food & beverages	.7	.3	.4	2.1	-.7	2.0	-.1	4.0
Housing	1.5	-1.5	-.4	2.2	1.3	-.5	1.7	2.8
Apparel	-16.7	24.6	-2.0	-6.5	13.3	-.6	-8.3	17.9
Transportation	-1.3	-1.2	3.2	-1.1	3.6	5.8	2.2	12.9
Medical care	6.8	1.0	-.1	2.0	-.3	.8	.1	3.6
Recreation	.6	.9	-.5	.5	-.1	.2	2.0	2.9
Education & communication	.1	1.0	-.4	1.0	-.7	.7	.5	2.0
Other goods & services	-.5	-0.4	1.1	.1	-.9	.1	1.6	1.6

percent) and sharply rising costs for household energy (up 17.8 percent). Electricity costs were up 21.5 percent over the two-month period. An increase of approximately 20 percent in the electricity index from May to July is typical for the Cleveland area. Over the past 12 months, the electricity index increased 6.0 percent. The index for utility (piped) gas, commonly known as natural gas, was up 16.1 percent over the bimonthly period and 38.1 percent during the past 12 months. Overall housing costs in the Cleveland area were up 2.8 percent over the year with shelter costs falling 0.7 percent and household energy prices increasing 23.8 percent. During the previous 12-month period, the housing component in the Cleveland area rose 1.9 percent with shelter increasing 2.5 percent and household energy falling 1.5 percent.

Prices for transportation were up 2.2 percent from May to July. A 4.1-percent increase in gasoline prices was the primary cause of this gain. Higher airline fares also contributed to the bimonthly increase. Over the year, gasoline prices increased 33.4 percent and the overall transportation component rose 12.9 percent.

The food and beverages component edged down 0.1 percent over the bimonthly period. Prices for food at home (groceries) were down 0.4 percent from May to July and costs for food away from home (meals at restaurants, cafeterias, vending machines, etc.) were up 0.4 percent during the same period. For the year, the food and beverages component was up 4.0 percent with grocery prices rising 4.4 percent and costs for food away from home increasing 4.1 percent.

The apparel component fell 8.3 percent from May to July. Apparel prices tend to be dynamic throughout the year and a drop in apparel prices during this period is typical: in the past two May-July periods, apparel prices in the Cleveland area fell 16.7 and 11.3 percent. Over the year, the apparel component increased 17.9 percent. A large annual increase in apparel prices marks a change from recent trends. During the previous two 12-month periods, apparel prices in the Cleveland area fell 8.9 and 11.3 percent.

Costs for medical care edged up 0.1 percent during the bimonthly period. Compared to last July, costs for medical care in the Cleveland area were up 3.6 percent. This is less than the prior 12-month period when medical care prices in the area rose 10.2 percent.

The education and communication component, which includes items such as tuitions and telephone services, was up 0.5 percent over the bimonthly period and up 2.0 percent compared with last July. During the previous 12-month period, education and communication prices in the Cleveland area rose 0.9 percent.

The recreation component, which includes items such as pets, sporting goods, and admissions, was up 2.0 percent from its May level. On an annual basis, recreation costs were up 2.9 percent. In the previous July-July period, recreation prices increased 2.5 percent.

The other goods and services component, which includes items such as tobacco, dry cleaning services, and cosmetics, increased 1.6 percent from May to July. On an annual basis prices for other goods and services also rose 1.6 percent. From July 2006 to July 2007, prices in this category rose 2.2 percent.

Scheduled release date for the August 2008 CPI:
Tuesday, September 16, 2008

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 the Cleveland 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 changes 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 Cleveland is (216) 522-3852.

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 and percent changes for selected periods

Cleveland-Akron, OH (1982-84=100 unless otherwise noted)

Item and Group	Indexes			Percent change from—		
	May 2008	June 2008	July 2008	July 2007	May 2008	June 2008
Expenditure category						
All items	204.882	-	206.941	5.0	1.0	-
All items (1967=100)	656.538	-	663.137	-	-	-
Food and beverages	213.153	-	212.971	4.0	-.1	-
Food	216.764	-	216.670	4.2	.0	-
Food at home	209.537	210.689	208.735	4.4	-.4	-0.9
Food away from home	231.671	-	232.643	4.1	.4	-
Alcoholic beverages	173.274	-	172.371	1.3	-.5	-
Housing	193.017	-	196.356	2.8	1.7	-
Shelter	214.405	212.015	212.199	-.7	-1.0	.1
Rent of primary residence ¹	208.606	206.804	207.058	-.7	-.7	.1
Owners' equivalent rent of primary residence ^{1 2}	210.087	210.024	209.235	-.7	-.4	-.4
Fuels and utilities	212.761	-	244.137	20.9	14.7	-
Household energy	207.898	237.299	244.841	23.8	17.8	3.2
Gas (piped) and electricity ¹	207.327	237.377	245.309	23.1	18.3	3.3
Electricity ¹	140.393	167.422	170.642	6.0	21.5	1.9
Utility (piped) gas service ¹	280.693	312.069	325.804	38.1	16.1	4.4
Household furnishings and operations	119.270	-	120.120	1.0	.7	-
Apparel	117.142	-	107.477	17.9	-8.3	-
Transportation	212.328	-	217.028	12.9	2.2	-
Private transportation	213.844	-	218.288	13.2	2.1	-
Motor fuel	381.698	399.647	396.769	33.4	3.9	-.7
Gasoline (all types)	378.328	396.651	393.665	33.4	4.1	-.8
Gasoline, unleaded regular ³	370.118	386.514	382.675	34.0	3.4	-1.0
Gasoline, unleaded midgrade ^{3 4}	379.385	401.816	401.942	32.0	5.9	.0
Gasoline, unleaded premium ³	358.712	379.026	377.080	32.4	5.1	-.5
Medical care	340.920	-	341.171	3.6	.1	-
Recreation ⁵	108.691	-	110.879	2.9	2.0	-
Education and communication ⁵	111.473	-	112.028	2.0	.5	-
Other goods and services	328.805	-	334.071	1.6	1.6	-
Commodity and service group						
All items	204.882	-	206.941	5.0	1.0	-
Commodities	182.841	-	183.320	8.0	.3	-
Commodities less food and beverages	164.595	-	165.329	10.4	.4	-
Nondurables less food and beverages	214.052	-	214.782	17.7	.3	-
Durables	112.464	-	113.162	.4	.6	-
Services	228.548	-	232.019	3.1	1.5	-
Special aggregate indexes						
All items less medical care	198.756	-	200.911	5.2	1.1	-
All items less shelter	203.031	-	206.896	7.7	1.9	-
Commodities less food	164.967	-	165.631	10.0	.4	-
Nondurables	215.483	-	215.797	10.9	.1	-
Nondurables less food	210.487	-	211.079	16.4	.3	-
Services less rent of shelter ²	247.892	-	258.295	7.2	4.2	-
Services less medical care services	220.044	-	223.751	3.1	1.7	-
Energy	272.414	296.862	300.210	28.4	10.2	1.1
All items less energy	199.626	-	199.006	2.1	-.3	-
All items less food and energy	196.557	-	195.856	1.8	-.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.