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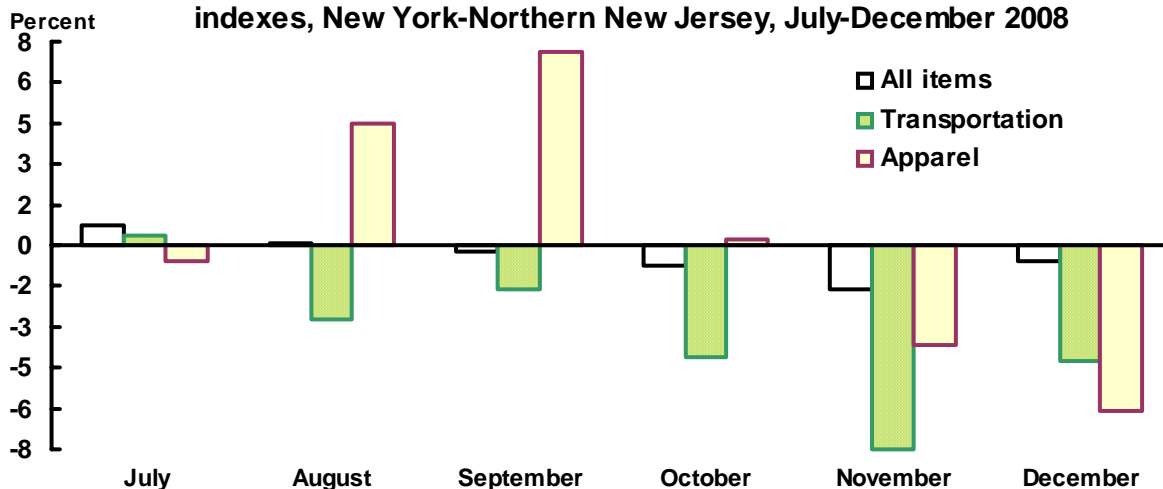
NEW YORK-NORTHERN NEW JERSEY CPI DOWN 0.6 PERCENT IN DECEMBER, 1.6 PERCENT INCREASE FROM YEAR AGO

Retail prices in the greater New York area, as measured by the Consumer Price Index for All Urban Consumers (CPI-U), decreased 0.6 percent in December after dropping 1.6 percent in November. Michael L. Dolfman, Regional Commissioner of the U. S. Department of Labor's Bureau of Labor Statistics, noted that this was the first time since the Bureau began publishing the monthly series in 1940 that the index registered four consecutive contractions. The December decline reflected lower prices for transportation and apparel. These were partially offset by increases for housing and education and communication. For the year ended in December 2008, the CPI-U advanced 1.6 percent, the lowest over-the-year increase since 1999, and the index for all items less food and energy rose 2.6 percent.

The transportation index decreased 4.3 percent in December, the fifth consecutive monthly fall. (See chart A.) The decline was primarily due to a sharp 19.7-percent drop in gasoline prices. Since July, the New York area gasoline index has retreated 55.4 percent. Lower prices for new vehicles and used cars and trucks contributed to the December decrease. Over the year, transportation prices fell 10.0 percent, the largest 12-month decline since the series start in 1947.

The apparel index, often down in December with seasonal sales, fell 6.1 percent over the month. Markdowns for women's, men's, and girls' apparel, as well as women's footwear, contributed to the

Chart A. Over-the-month percent changes in consumer price indexes, New York-Northern New Jersey, July-December 2008



Round-the-clock recorded messages for the Consumer Price Index and a variety of other *Bureau of Labor Statistics* data are available by dialing the *New York Information Office's* main telephone number: (646) 264-3600. For recorded messages, press '2'.

New York-Northern New Jersey CPI monthly and annual percent changes
(not seasonally adjusted)

| Month | 2003 | | 2004 | | 2005 | | 2006 | | 2007 | | 2008 | |
|-----------|---------|--------|---------|--------|---------|--------|---------|--------|---------|--------|---------|--------|
| | Monthly | Annual | Monthly | Annual | Monthly | Annual | Monthly | Annual | Monthly | Annual | Monthly | Annual |
| January | 0.8 | 3.3 | 0.3 | 2.7 | 0.6 | 4.1 | 0.8 | 3.7 | 0.2 | 2.7 | 0.2 | 3.7 |
| February | 0.8 | 3.3 | 0.6 | 2.5 | 0.4 | 3.9 | 0.2 | 3.6 | 0.6 | 3.1 | 0.5 | 3.6 |
| March | 0.5 | 3.1 | 1.1 | 3.2 | 1.7 | 4.4 | 0.8 | 2.7 | 0.7 | 2.9 | 0.9 | 3.8 |
| April | -0.2 | 2.6 | 0.3 | 3.7 | 0.0 | 4.2 | 0.9 | 3.6 | 0.5 | 2.5 | 0.3 | 3.6 |
| May | 0.1 | 2.8 | 0.2 | 3.9 | -0.5 | 3.4 | 0.6 | 4.8 | 0.6 | 2.5 | 1.0 | 4.0 |
| June | 0.1 | 2.8 | 0.8 | 4.6 | -0.3 | 2.3 | 0.5 | 5.6 | 0.5 | 2.5 | 1.0 | 4.5 |
| July | 0.4 | 3.0 | -0.2 | 3.9 | 0.9 | 3.4 | 0.2 | 5.0 | 0.2 | 2.5 | 0.7 | 5.1 |
| August | 0.7 | 3.1 | 0.1 | 3.3 | 0.8 | 4.1 | 0.4 | 4.7 | -0.1 | 1.9 | 0.1 | 5.4 |
| September | 0.3 | 3.3 | 0.1 | 3.2 | 0.8 | 4.8 | -0.5 | 3.3 | 0.0 | 2.4 | -0.2 | 5.2 |
| October | 0.2 | 3.3 | 0.7 | 3.7 | 0.4 | 4.5 | -0.5 | 2.4 | 0.1 | 3.1 | -0.7 | 4.3 |
| November | -0.3 | 3.1 | 0.0 | 3.9 | -0.6 | 3.9 | -0.4 | 2.6 | 0.4 | 3.9 | -1.6 | 2.2 |
| December | -0.1 | 3.2 | -0.2 | 3.8 | -0.5 | 3.6 | 0.2 | 3.3 | 0.0 | 3.7 | -0.6 | 1.6 |

month's decline, the largest since June 2002.

The housing index rose 0.3 percent in December, after declining 0.5 to 0.8 percent in each of the previous three months. The upturn was primarily due to the fuels and utilities component. A 9.0-percent jump in electricity charges outweighed lower prices for fuel oil, while natural gas prices inched up 0.1 percent. In the shelter component, a decrease in out-of-town lodging charges was largely offset by 0.4-percent increases for both owners' equivalent rent and residential rent. The housing index rose 3.2 percent over the year, with fuels and utilities increasing 5.5 percent.

Prices for education and communication advanced 0.6 percent in December. Higher-priced long distance telephone service contributed to the December rise. Over the year, the education and communication index rose 5.2 percent, the largest 12-month change since the category was first tracked ten years ago.

Among other expenditure categories, the food and beverages index remained unchanged in December. A 0.3-percent decline in prices for food at home offset increases for food away from home and for alcoholic beverages. Chicken and apples were among the items contributing to the month's decline for at-home food. For the year ended in December, grocery prices rose 7.5 percent, while prices for food away from home increased 4.7 percent.

Recreation prices were also unchanged in December. Medical care inched up 0.1 percent, while other goods and services rose 0.3 percent.

With the New York-Northern New Jersey Consumer Price Index for All Urban Consumers at 233.012 in December (1982-84=100), \$23.30 was required to purchase what \$10 could in the 1982-84 base period. The purchasing power of the dollar was 42.9 cents in 1982-84 dollars and 14.8 cents in 1967 dollars. In December, the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) was 227.223, down 0.7 percent over the month. The CPI-W rose 1.5 percent over the year. On a 1967 base, the December CPI-W was 646.960.

Data in this report are not seasonally adjusted. Accordingly, month-to-month changes may reflect the impact of seasonal influences. The New York-Northern New Jersey-Long Island, NY-NJ-CT-PA consolidated area comprises the five boroughs of New York City, Nassau, Suffolk, Westchester, Rockland, Putnam, Dutchess, and Orange Counties in New York State; Bergen, Essex, Hudson, Hunterdon, Mercer, Monmouth, Middlesex, Morris, Ocean, Passaic, Somerset, Sussex, Union and Warren Counties in New Jersey; Fairfield County and parts of Litchfield, New Haven and Middlesex Counties in Connecticut; and Pike County in Pennsylvania.

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

New York-Northern N.J.-Long Island, NY-NJ-CT-PA (1982-84=100 unless otherwise noted)

| Item and Group | Indexes | | | Percent change from— | | |
|---|-----------|-----------|-----------|----------------------|-----------|-----------|
| | Oct. 2008 | Nov. 2008 | Dec. 2008 | Dec. 2007 | Oct. 2008 | Nov. 2008 |
| Expenditure category | | | | | | |
| All items | 238.403 | 234.498 | 233.012 | 1.6 | -2.3 | -0.6 |
| All items (1967=100) | 689.190 | 677.900 | 673.604 | - | - | - |
| Food and beverages | 228.086 | 228.189 | 228.213 | 6.2 | .1 | .0 |
| Food | 227.469 | 227.518 | 227.406 | 6.2 | .0 | .0 |
| Food at home | 229.598 | 229.060 | 228.416 | 7.5 | -.5 | -.3 |
| Food away from home | 230.968 | 231.728 | 232.258 | 4.7 | .6 | .2 |
| Alcoholic beverages | 232.963 | 233.887 | 235.943 | 5.0 | 1.3 | .9 |
| Housing | 257.047 | 254.912 | 255.615 | 3.2 | -.6 | .3 |
| Shelter | 308.989 | 307.725 | 307.530 | 3.1 | -.5 | -.1 |
| Rent of primary residence ¹ | 301.253 | 302.313 | 303.511 | 5.5 | .7 | .4 |
| Owners' equivalent rent of primary residence ^{1 2} | 315.708 | 316.402 | 317.595 | 3.6 | .6 | .4 |
| Fuels and utilities | 206.142 | 197.831 | 203.310 | 5.5 | -1.4 | 2.8 |
| Household energy | 208.566 | 199.327 | 204.909 | 5.3 | -1.8 | 2.8 |
| Gas (piped) and electricity ¹ | 196.765 | 192.300 | 202.702 | 9.4 | 3.0 | 5.4 |
| Electricity ¹ | 172.388 | 161.685 | 176.269 | 7.3 | 2.3 | 9.0 |
| Utility (piped) gas service ¹ | 245.375 | 255.610 | 255.854 | 13.1 | 4.3 | .1 |
| Household furnishings and operations | 128.179 | 126.961 | 127.748 | .2 | -.3 | .6 |
| Apparel | 119.420 | 115.048 | 108.045 | .7 | -9.5 | -6.1 |
| Transportation | 200.291 | 185.353 | 177.308 | -10.0 | -11.5 | -4.3 |
| Private transportation | 190.389 | 174.393 | 165.547 | -11.8 | -13.0 | -5.1 |
| Motor fuel | 240.938 | 177.894 | 143.045 | -40.2 | -40.6 | -19.6 |
| Gasoline (all types) | 239.551 | 176.390 | 141.564 | -40.6 | -40.9 | -19.7 |
| Gasoline, unleaded regular ³ | 240.551 | 175.580 | 139.517 | -42.2 | -42.0 | -20.5 |
| Gasoline, unleaded midgrade ^{3 4} | 245.311 | 182.606 | 149.579 | -37.1 | -39.0 | -18.1 |
| Gasoline, unleaded premium ³ | 238.551 | 180.129 | 148.179 | -36.8 | -37.9 | -17.7 |
| Medical care | 367.629 | 367.298 | 367.657 | 1.0 | .0 | .1 |
| Recreation ⁵ | 115.532 | 115.171 | 115.148 | 1.6 | -.3 | .0 |
| Education and communication ⁵ | 132.926 | 133.122 | 133.955 | 5.2 | .8 | .6 |
| Other goods and services | 354.472 | 348.845 | 349.842 | 2.9 | -1.3 | .3 |
| Commodity and service group | | | | | | |
| All items | 238.403 | 234.498 | 233.012 | 1.6 | -2.3 | -.6 |
| Commodities | 182.371 | 175.447 | 170.806 | -2.6 | -6.3 | -2.6 |
| Commodities less food and beverages | 151.290 | 141.312 | 134.645 | -8.7 | -11.0 | -4.7 |
| Nondurables less food and beverages | 187.541 | 169.745 | 157.964 | -11.0 | -15.8 | -6.9 |
| Durables | 104.737 | 103.968 | 103.331 | -4.4 | -1.3 | -.6 |
| Services | 286.410 | 285.001 | 286.137 | 3.8 | -.1 | .4 |
| Special aggregate indexes | | | | | | |
| All items less medical care | 232.433 | 228.442 | 226.907 | 1.6 | -2.4 | -.7 |
| All items less shelter | 210.814 | 205.703 | 203.633 | .6 | -3.4 | -1.0 |
| Commodities less food | 154.709 | 144.985 | 138.530 | -8.1 | -10.5 | -4.5 |
| Nondurables | 209.944 | 200.453 | 194.149 | -2.1 | -7.5 | -3.1 |
| Nondurables less food | 190.601 | 173.737 | 162.649 | -10.0 | -14.7 | -6.4 |
| Services less rent of shelter ² | 271.275 | 269.623 | 272.531 | 4.7 | .5 | 1.1 |
| Services less medical care services | 279.180 | 277.695 | 278.870 | 3.9 | -.1 | .4 |
| Energy | 222.851 | 191.180 | 179.954 | -15.9 | -19.2 | -5.9 |
| All items less energy | 241.579 | 240.364 | 239.821 | 3.1 | -.7 | -.2 |
| All items less food and energy | 245.648 | 244.187 | 243.559 | 2.6 | -.9 | -.3 |

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.