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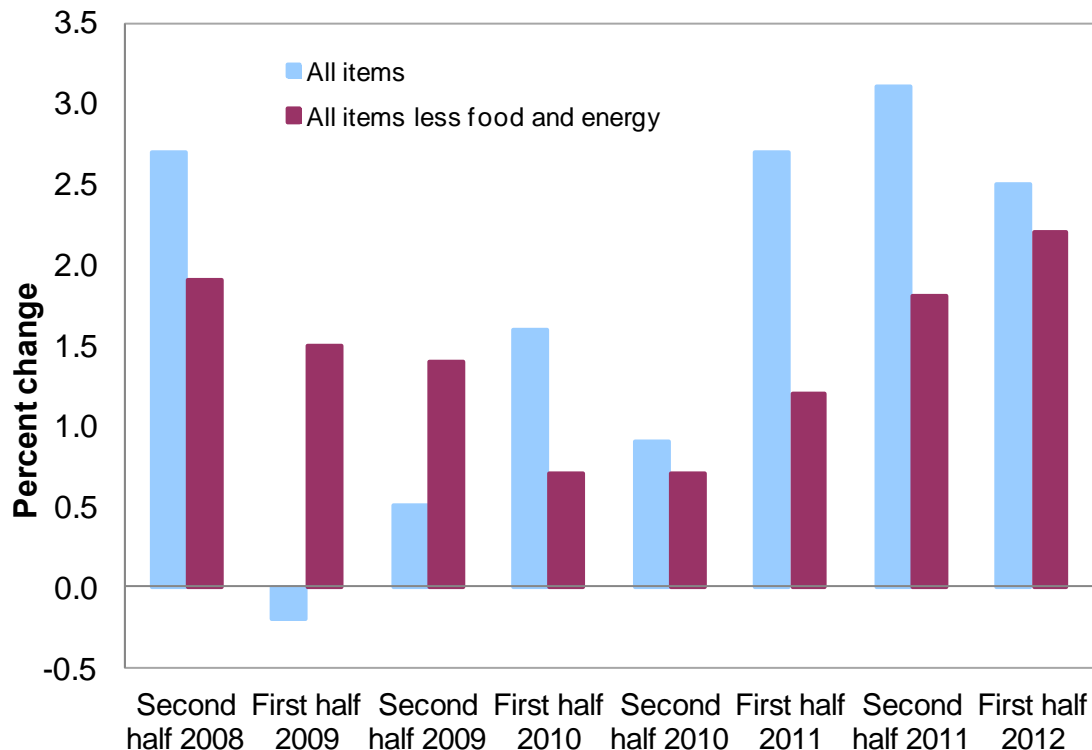
CONSUMER PRICE INDEX, PORTLAND – FIRST HALF 2012

AREA PRICES UP 1.2 PERCENT OVER THE PAST SIX MONTHS, UP 2.5 PERCENT FROM A YEAR AGO

Prices in the greater Portland area, as measured by the Consumer Price Index for All Urban Consumers (CPI-U), advanced 1.2 percent in the first half of 2012, the U.S. Bureau of Labor Statistics reported today. (See table A.) Regional Commissioner Richard J. Holden noted the latest six-month increase was influenced by higher prices for shelter and gasoline. (Data in this report are not seasonally adjusted. Accordingly, six-month-to-six-month changes may reflect seasonal influences.)

Over the past 12 months, the CPI-U rose 2.5 percent. (See chart 1.) Energy prices rose 4.8 percent, mainly due to an increase in the price of gasoline. The index for all items less food and energy increased 2.2 percent over the year.

Chart 1. Over-the-year percent change in CPI-U, Portland, Second half of 2008 – First half of 2012



Food

Food prices advanced 1.1 percent in the first half of 2012. (See table 1.) Prices for food at home were up 0.4 percent for the past six months. Prices for food away from home rose 1.9 percent for the same period.

For the year ending in the first half of 2012, food prices increased 3.3 percent. Prices for food at home rose 3.4 percent during the past 12 months, and prices for food away from home increased 3.1 percent.

Energy

The energy index increased 2.6 percent since the first half of 2012. This increase was influenced by gasoline prices, which advanced 4.7 percent. Natural gas service prices declined 1.8 percent and electricity prices declined 0.8 percent for the same period.

Energy prices advanced 4.8 percent over the year, strongly influenced by a 7.4 percent increase in gasoline prices. Electricity prices rose 0.8 percent, while natural gas service prices decreased by 1.8 percent.

All items less food and energy

The index for all items less food and energy increased 1.1 percent from the second half of 2011 to the first half of 2012. Among the index components, increases were recorded for apparel (4.8 percent), other goods and services (1.8 percent), medical care (1.6 percent), recreation (1.6 percent), and shelter (1.3 percent).

Over the year, the index for all items less food and energy advanced 2.2 percent. Prices increased for apparel (6.9 percent), medical care (3.7 percent), shelter (3.0 percent), other goods and services (2.7 percent), and education and communication (1.8 percent). In contrast, lower prices were recorded for household furnishings and operations (-2.6 percent).

Table A. Portland CPI-U semi-annual and annual percent changes (not seasonally adjusted)

Semi-annual period	2007		2008		2009		2010		2011		2012	
	Semi-annual	Annual	Semi-annual	Annual	Semi-annual	Annual	Semi-annual	Annual	Semi-annual	Annual	Semi-annual	Annual
First Half	2.1	3.4	2.0	3.9	-1.0	-0.2	0.1	1.6	1.8	2.6	1.2	2.5
Second Half	1.8	3.9	0.7	2.7	1.4	0.5	0.8	0.9	1.3	3.1		

CPI-W

In the first half of 2012, the Consumer Price Index for Urban Wage Earners and Clerical Workers was (CPI-W) 223.712, up 1.0 percent. The CPI-W increased 2.2 percent over the year.

The second half of 2012 Consumer Price Index for Portland is scheduled to be released mid February, 2013.

Technical Note

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 88 percent of the total population and (2) a CPI for Urban Wage Earners and Clerical Workers (CPI-W) which covers 29 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. Each month, prices are collected in 87 urban areas across the country from about 4,000 housing units and approximately 26,000 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.

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.

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. Because the sample size of a local area is smaller, the local area index is subject to substantially more sampling and other measurement error than the national index. In addition, local indexes are not adjusted for seasonal influences. As a result, local area indexes show greater volatility than the national index, although their long-term trends are quite similar. NOTE: Area indexes do not measure differences in the level of prices between cities; they only measure the average change in prices for each area since the base period.

The Portland-Salem, OR,WA metropolitan area covered in this release consists of Clackamas, Columbia, Marion, Multnomah, Polk, Washington, and Yamhill Counties in the State of Oregon and Clark County in the State of Washington.

Information in this release will be made available to sensory impaired individuals upon request. Voice phone: 202-691-5200; TDD message referral phone number: 1-800-877-8339.

For personal assistance or further information on Consumer Price Indexes, as well as other Bureau products, contact the San Francisco Information Office at (415) 625-2270 from 9:00 a.m. to 11:30 a.m. and 1:30 p.m. to 4:00 p.m. PT.

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

Portland-Salem, OR-WA (1982-84=100 unless otherwise noted)

Item and Group	Semiannual average indexes			Percent change to 1st half 2012 from—	
	1st half 2011	2nd half 2011	1st half 2012	1st half 2011	2nd half 2011
Expenditure category					
All items	223.105	226.077	228.746	2.5	1.2
All items (1967=100)	653.158	661.858	669.672	-	-
Food and beverages	208.139	212.525	214.652	3.1	1.0
Food	209.316	213.876	216.201	3.3	1.1
Food at home	199.673	205.559	206.446	3.4	.4
Food away from home	224.918	227.589	231.851	3.1	1.9
Alcoholic beverages	197.225	200.092	200.351	1.6	.1
Housing	214.003	216.467	219.111	2.4	1.2
Shelter	244.549	248.488	251.764	3.0	1.3
Rent of primary residence ¹	237.384	242.274	246.828	4.0	1.9
Owners' equivalent rent of residences ^{1 2}	254.066	257.815	260.755	2.6	1.1
Owners' equivalent rent of primary residence ^{1 2}	254.066	257.815	260.755	2.6	1.1
Fuels and utilities	237.401	244.128	245.961	3.6	.8
Household energy	200.390	202.919	201.178	.4	-.9
Energy services ¹	247.040	250.098	247.550	.2	-1.0
Electricity ¹	278.579	283.109	280.918	.8	-.8
Utility (piped) gas service ¹	180.324	180.372	177.111	-1.8	-1.8
Household furnishings and operations	110.614	106.711	107.790	-2.6	1.0
Apparel	117.870	120.232	125.956	6.9	4.8
Transportation	232.989	234.965	236.630	1.6	.7
Private transportation	233.868	236.876	239.333	2.3	1.0
Motor fuel	312.920	320.958	336.318	7.5	4.8
Gasoline (all types)	315.658	323.785	339.077	7.4	4.7
Gasoline, unleaded regular ³	313.488	321.785	337.215	7.6	4.8
Gasoline, unleaded midgrade ^{3 4}	267.426	273.743	286.311	7.1	4.6
Gasoline, unleaded premium ³	291.455	298.009	310.879	6.7	4.3
Medical care	455.402	464.867	472.131	3.7	1.6
Recreation ⁵	101.976	102.838	104.454	2.4	1.6
Education and communication ⁵	108.462	110.110	110.417	1.8	.3
Other goods and services	446.765	450.841	458.736	2.7	1.8
Commodity and service group					
All items	223.105	226.077	228.746	2.5	1.2
Commodities	174.101	175.585	177.861	2.2	1.3
Commodities less food and beverages	156.907	157.144	159.546	1.7	1.5
Nondurables less food and beverages	196.413	199.128	205.226	4.5	3.1
Durables	114.459	112.836	111.522	-2.6	-1.2
Services	272.338	276.937	280.241	2.9	1.2
Special aggregate indexes					
All items less medical care	212.638	215.341	217.801	2.4	1.1
All items less shelter	216.079	218.710	221.233	2.4	1.2
Commodities less food	158.227	158.573	160.896	1.7	1.5
Nondurables	201.604	205.115	209.371	3.9	2.1
Nondurables less food	195.326	198.035	203.710	4.3	2.9
Services less rent of shelter ²	314.983	320.618	324.020	2.9	1.1
Services less medical care services	259.451	263.415	266.275	2.6	1.1
Energy	254.561	259.833	266.681	4.8	2.6
All items less energy	223.637	226.436	228.831	2.3	1.1
All items less food and energy	227.997	230.481	232.903	2.2	1.1

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.