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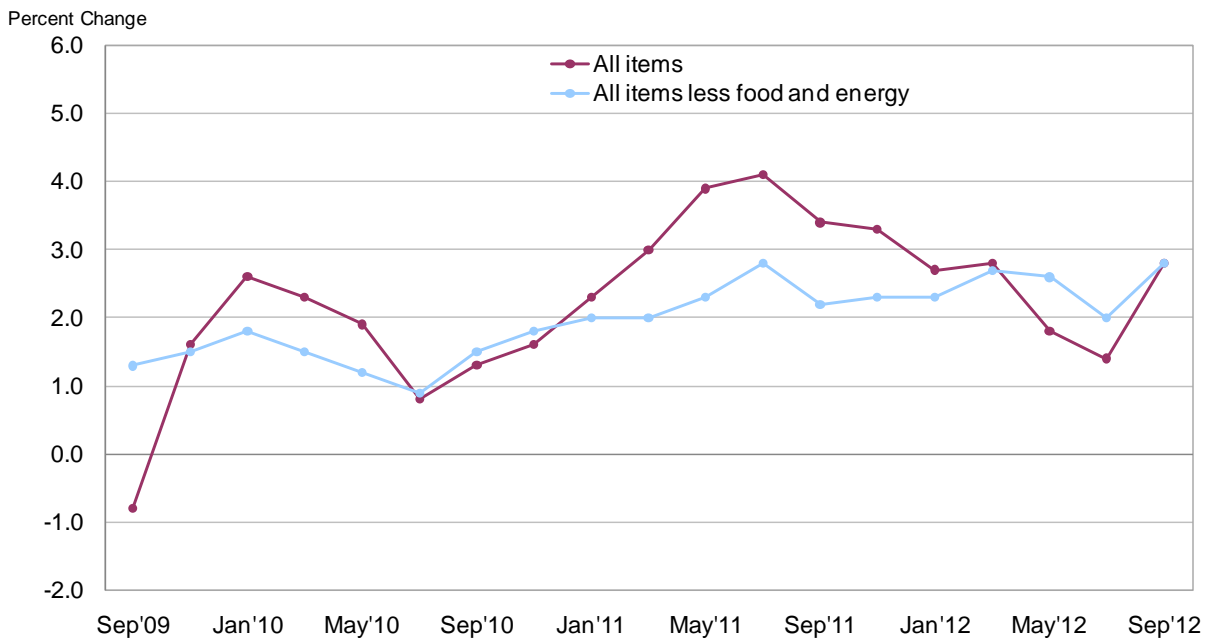
CONSUMER PRICE INDEX, WASHINGTON-BALTIMORE – SEPTEMBER 2012

Area Prices Up 1.3 Percent Since July and 2.8 Percent Over the Year

The Consumer Price Index for All Urban Consumers (CPI-U) in the Washington-Baltimore area rose 1.3 percent from July to September, the U.S. Bureau of Labor Statistics reported today. Sheila Watkins, the Bureau's regional commissioner, noted that the overall two-month advance reflected increases in the indexes for all items less food and energy (0.9 percent), energy (5.0 percent) and food (0.9 percent). Higher prices for apparel and shelter led the rise in the all items less food and energy group over the last two months. (Data in this report are not seasonally adjusted. Accordingly, two-month changes may reflect the impact of seasonal influences.)

Over the last 12 months, the CPI-U rose 2.8 percent; higher prices for all items less food and energy, also up 2.8 percent, led the advance. (See chart 1 and table A.) Higher prices for energy (3.4 percent) and food (1.8 percent) contributed to the overall rise since September 2011 as well. (See table 1.)

Chart 1. 12-month percent change in CPI for All Urban Consumers (CPI-U), Washington-Baltimore, September 2009 to September 2012 (not seasonally adjusted)



Source: U.S. Bureau of Labor Statistics

Food

After edging down 0.3 percent from May to July, the food index rose 0.9 percent over the last two months. Prices for the food at home component increased 0.8 percent since July, led by higher prices for bacon, breakfast sausage, and related products as well as fresh fish and seafood. Prices for food away from home were also higher, up 1.0 percent—their seventh consecutive bimonthly advance.

Over the year, the food index rose 1.8 percent. Prices increased for both components of the food index, food away from home (3.7 percent) and food at home (0.4 percent), since last September.

Energy

The energy index, which includes prices for household and transportation fuels, advanced 5.0 percent since July, reflecting a 10.6-percent jump in gasoline prices. Partially offsetting the higher prices for gasoline were price declines for electricity and utility (piped) gas service, down 1.6 percent and 4.0 percent, respectively.

Energy prices rose 3.4 percent over the year due to higher prices for gasoline, up 8.7 percent. Moderating the over-the-year advance in the energy index were declines in prices for electricity (-1.7 percent) and utility (piped) gas service (-6.0 percent).

All items less food and energy

The index for all items less food and energy rose 0.9 percent since July. A 10.1-percent seasonal increase in the apparel index—the largest bimonthly increase since September 2007—led the advance in the all items less food and energy group. Also contributing to the two-month advance in this group were higher prices for shelter, particularly owners' equivalent rent of residences (0.8 percent each).

Since last September, the index for all items less food and energy rose 2.8 percent. The recent advance was due largely to higher shelter prices, up 3.8 percent—the largest over-the-year increase in nearly four years.

The November 2012 Consumer Price Index for Washington-Baltimore is scheduled to be released on December 14, 2012, at 8:30 a.m. (ET).

Table A. Washington-Baltimore CPI-U 2-month and 12-month percent changes, all items index (not seasonally adjusted)

Month	2007		2008		2009		2010		2011		2012	
	2-month	12-month	2-month	12-month	2-month	12-month	2-month	12-month	2-month	12-month	2-month	12-month
January	0.5	2.9	0.8	4.9	-0.7	1.0	0.3	2.6	1.0	2.3	0.4	2.7
March	1.5	4.1	1.3	4.7	0.7	0.4	0.4	2.3	1.2	3.0	1.3	2.8
May	0.8	3.2	1.1	5.0	0.5	-0.2	0.2	1.9	1.0	3.9	0.1	1.8
July	1.1	2.9	1.7	5.7	1.1	-0.9	0.0	0.8	0.1	4.1	-0.2	1.4
September	0.2	3.4	0.0	5.5	0.1	-0.8	0.5	1.3	-0.1	3.4	1.3	2.8
November	0.4	4.5	-2.5	2.5	-0.2	1.6	0.1	1.6	-0.1	3.3		

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 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. 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 Washington-Baltimore, D.C.-Md.-Va.-W.Va., Consolidated Metropolitan Statistical Area (CMSA) includes the District of Columbia; Baltimore City and the counties of Anne Arundel, Baltimore, Calvert, Carroll, Charles, Frederick, Harford, Howard, Montgomery, Prince George's, Queen Anne's, and Washington in Maryland; the cities of Alexandria, Fairfax, Falls Church, Fredericksburg, Manassas, and Manassas Park and the counties of Arlington, Clarke, Culpeper, Fairfax, Fauquier, King George, Loudoun, Prince William, Spotsylvania, Stafford, and Warren in Virginia; and the counties of Berkeley and Jefferson in West Virginia.

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.

Table 1. Consumer Price Index for All Urban Consumers (CPI-U): Indexes and percent changes for selected periods, Washington-Baltimore, D.C.-Md.-Va.-W.Va. (December 1997=100 unless otherwise noted)

Expenditure category	Indexes			Percent change from-		
	July 2012	Aug. 2012	Sep. 2012	Sep. 2011	July 2012	Aug. 2012
All items (1)	149.838	-	151.732	2.8	1.3	-
Food and beverages (1)	147.866	-	148.877	1.8	0.7	-
Food (1)	149.341	-	150.671	1.8	0.9	-
Food at home	143.362	145.198	144.514	0.4	0.8	-0.5
Food away from home (2)	154.262	-	155.817	3.7	1.0	-
Alcoholic beverages (2)	127.820	-	125.038	1.5	-2.2	-
Housing (1)	159.250	-	160.003	2.9	0.5	-
Shelter	167.129	167.336	168.468	3.8	0.8	0.7
Rent of primary residence (1) (3)	184.710	185.358	186.463	4.5	0.9	0.6
Owners' equivalent rent of residences (3)	166.740	167.016	168.062	3.4	0.8	0.6
Owners' equivalent rent of primary residence (3)	166.728	167.005	168.050	3.4	0.8	0.6
Fuels and utilities	184.171	-	181.650	-1.5	-1.4	-
Household energy	180.749	182.395	176.987	-3.1	-2.1	-3.0
Energy services (3)	171.812	173.348	168.227	-3.1	-2.1	-3.0
Electricity (3)	181.539	179.874	178.649	-1.7	-1.6	-0.7
Utility (piped) gas service (3)	124.814	134.619	119.837	-6.0	-4.0	-11.0
Household furnishings and operations	93.870	-	93.506	0.4	-0.4	-
Apparel (1)	94.107	-	103.602	6.2	10.1	-
Transportation (1)	150.249	-	154.732	2.7	3.0	-
Private transportation	149.893	-	154.602	2.5	3.1	-
Motor fuel	289.705	312.097	320.269	8.7	10.6	2.6
Gasoline (all types)	289.618	312.080	320.238	8.7	10.6	2.6
Gasoline, unleaded regular (4)	294.895	318.123	326.272	8.6	10.6	2.6
Gasoline, unleaded midgrade (4)	285.546	306.429	315.076	8.6	10.3	2.8
Gasoline, unleaded premium (4)	284.955	306.544	314.712	9.0	10.4	2.7
Medical care (1)	161.625	-	162.260	4.4	0.4	-
Recreation	114.044	-	114.834	0.5	0.7	-
Education and communication	141.833	-	143.183	3.0	1.0	-
Other goods and services (1)	173.890	-	173.047	1.2	-0.5	-
Commodity and service group						
Commodities	129.312	-	132.277	1.9	2.3	-
Commodities less food and beverages	118.817	-	122.725	1.9	3.3	-
Nondurables less food and beverages	150.822	-	160.051	4.8	6.1	-
Durables	84.837	-	83.618	-2.9	-1.4	-
Services	163.380	-	164.508	3.3	0.7	-
Special aggregate indexes						
All items less medical care (1)	149.109	-	151.081	2.7	1.3	-
All items less shelter	141.109	-	143.258	2.2	1.5	-
Commodities less food	119.291	-	122.953	1.9	3.1	-
Nondurables	148.611	-	153.686	3.3	3.4	-
Nondurables less food	148.898	-	157.234	4.6	5.6	-
Services less rent of shelter	159.976	-	160.862	2.6	0.6	-
Services less medical care services	163.608	-	164.776	3.2	0.7	-
Energy (1)	226.555	237.261	237.851	3.4	5.0	0.2
All items less energy	144.101	-	145.428	2.7	0.9	-
All items less food and energy (1)	144.176	-	145.511	2.8	0.9	-

(1) For Washington-Baltimore, indexes on a November 1996=100 base.

(2) For Washington-Baltimore, indexes on a November 1997=100 base.

(3) This index series was calculated using a Laspeyres estimator. All other item stratum index series were calculated using a geometric means estimator.

(4) Special index based on a substantially smaller sample.

- Data not available.

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