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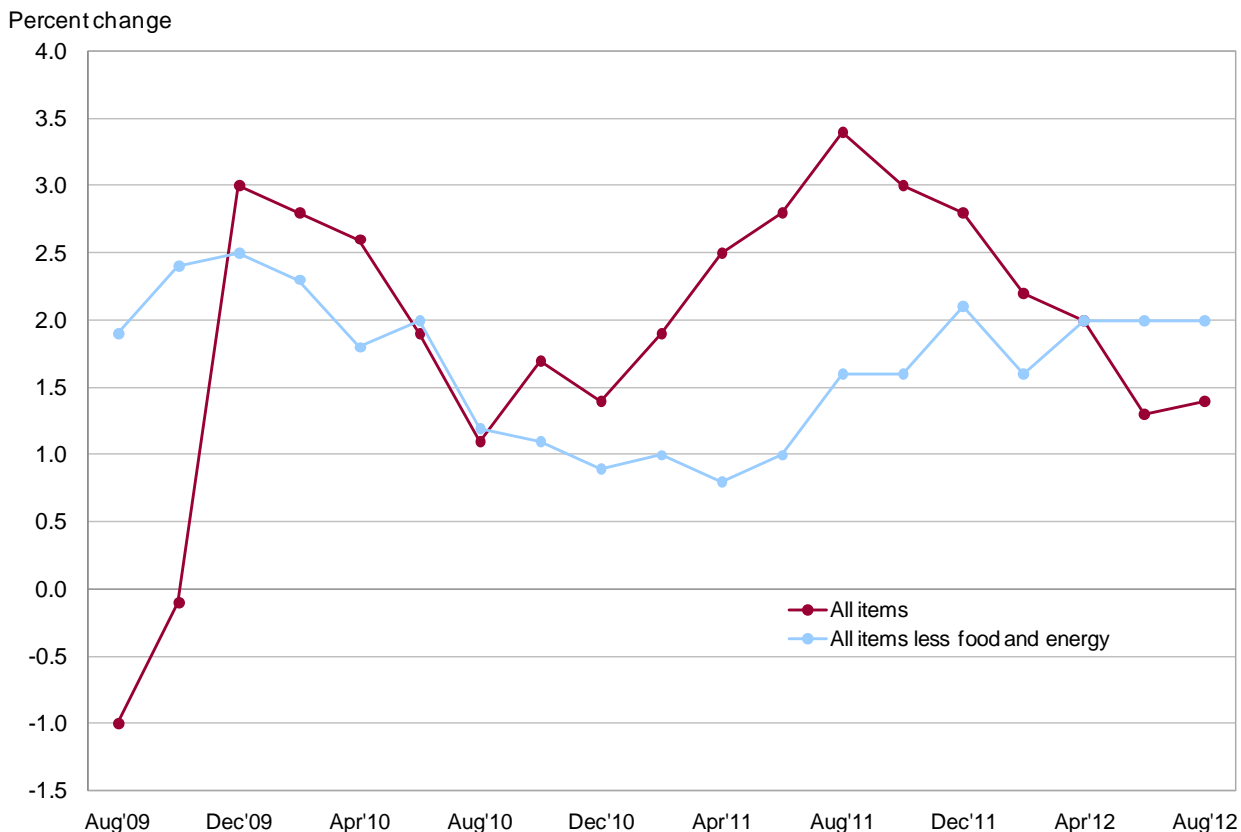
CONSUMER PRICE INDEX, PHILADELPHIA-WILMINGTON-ATLANTIC CITY – AUGUST 2012

Area Prices Up 0.9 Percent Since June; 1.4 Percent Over the Year

The Consumer Price Index for All Urban Consumers (CPI-U) in the Philadelphia-Wilmington-Atlantic City area rose 0.9 percent from June to August, the U.S. Bureau of Labor Statistics reported today. Sheila Watkins, the Bureau's regional commissioner, noted that the recent increase was due to advances in the all items less food and energy index and the energy index, up 0.8 and 2.4 percent, respectively. The food index was unchanged since June. (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 increased 1.4 percent. (See chart 1 and table A.) The all items less food and energy index advanced 2.0 percent since August 2011. The food index also increased, up 1.2 percent over the year, while the energy index declined, down 2.5 percent. (See table 1.)

Chart 1. 12-month percent change in CPI for All Urban Consumers (CPI-U), Philadelphia-Wilmington-Atlantic City, August 2009 to August 2012 (not seasonally adjusted)



Source: U.S. Bureau of Labor Statistics

Food

Food prices were unchanged over the last two months, following a 0.6-percent increase from April to June. A slight decline in prices for food at home (-0.2 percent) were offset by a small increase in prices for food away from home (0.3 percent).

Over the year, the food index advanced 1.2 percent. Both components of the food index had price increases since August 2011—prices for food away from home rose 1.6 percent and those for food at home, 1.0 percent.

Energy

The energy index, which includes prices for household and transportation fuels, increased 2.4 percent from June to August. The recent rise was due to a 7.7-percent advance in gasoline prices. Moderating the recent rise in the energy index were lower electricity prices, down 4.7 percent since June. Utility (piped) gas service prices were nearly unchanged, inching down 0.1 percent.

The energy index fell 2.5 percent since last August, due in part to a drop in electricity prices, down 8.0 percent—the largest 12-month decrease in over 36 years. The utility (piped) gas service component—which has recorded uninterrupted 12-month declines for three and a half years—also posted lower prices over the last 12 months, down 7.0 percent. Higher prices for gasoline (3.0 percent) moderated the decline in the energy index since August 2011.

All items less food and energy

The index for all items less food and energy increased 0.8 percent from June to August. The two-month rise reflected widespread price increases, led by a seasonal advance in apparel prices, up 6.4 percent. In contrast, household furnishings and operations prices decreased for the third consecutive bimonthly period, down 0.6 percent since June.

Since last August, the index for all items less food and energy increased 2.0 percent, due largely to higher prices for shelter (2.1 percent), particularly owners' equivalent rent of residences (2.2 percent). Price increases were widespread among the other components of the all items less food and energy group including medical care (3.6 percent) and other goods and services (5.7 percent). A 2.1-percent decline in education and communication prices—which have posted consecutive 12-month decreases for over a year and a half—moderated the advance in the all items less food and energy index since August 2011.

The October 2012 Consumer Price Index for Philadelphia-Wilmington-Atlantic City is scheduled to be released November 15, 2012, at 8:30 a.m. (ET).

Table A. Philadelphia-Wilmington-Atlantic City 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
February	0.7	2.0	0.9	3.7	1.0	-0.3	0.8	2.8	1.3	1.9	0.7	2.2
April	1.0	1.7	1.2	3.9	0.6	-0.9	0.4	2.6	1.0	2.5	0.8	2.0
June	0.9	1.6	2.1	5.1	1.0	-2.0	0.3	1.9	0.6	2.8	-0.2	1.3
August	0.7	1.1	0.0	4.4	1.0	-1.0	0.2	1.1	0.7	3.4	0.9	1.4
October	0.1	3.5	-1.4	2.8	-0.6	-0.1	0.0	1.7	-0.3	3.0		
December	0.0	3.5	-3.1	-0.4	0.0	3.0	-0.2	1.4	-0.5	2.8		

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 **Philadelphia-Wilmington-Atlantic City, Pa.-N.J.-Del.-Md., Consolidated Metropolitan Statistical Area (CMSA)**, includes Bucks, Chester, Delaware, Montgomery, and Philadelphia Counties in Pennsylvania; Atlantic, Burlington, Camden, Cape May, Cumberland, Gloucester, and Salem Counties in New Jersey; New Castle County in Delaware; and Cecil County in Maryland.

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, Philadelphia-Wilmington-Atlantic City, Pa.-N.J.-Del.-Md. (1982-84=100 unless otherwise noted)

Expenditure category	Indexes			Percent change from-		
	June 2012	July 2012	Aug. 2012	Aug. 2011	June 2012	July 2012
All items	237.405	-	239.557	1.4	0.9	-
Food and beverages	220.402	-	220.313	1.3	0.0	-
Food	220.055	-	219.976	1.2	0.0	-
Food at home	232.369	231.154	231.836	1.0	-0.2	0.3
Food away from home	198.241	-	198.756	1.6	0.3	-
Alcoholic beverages	222.470	-	222.253	1.6	-0.1	-
Housing	242.733	-	242.846	0.9	0.0	-
Shelter	292.197	293.593	293.571	2.1	0.5	0.0
Rent of primary residence (1)	268.129	268.190	269.607	2.6	0.6	0.5
Owners' equivalent rent of residences (1) (2)	298.391	298.674	299.612	2.2	0.4	0.3
Owners' equivalent rent of primary residence (1) (2)	298.391	298.674	299.612	2.2	0.4	0.3
Fuels and utilities	216.522	-	212.225	-5.6	-2.0	-
Household energy	188.945	183.337	184.302	-7.0	-2.5	0.5
Energy services (1)	197.536	190.553	190.794	-7.8	-3.4	0.1
Electricity (1)	205.308	195.264	195.631	-8.0	-4.7	0.2
Utility (piped) gas service (1)	174.023	173.948	173.903	-7.0	-0.1	0.0
Household furnishings and operations	123.380	-	122.693	0.5	-0.6	-
Apparel	110.155	-	117.231	6.2	6.4	-
Transportation	214.891	-	221.643	2.4	3.1	-
Private transportation	212.288	-	221.254	3.1	4.2	-
Motor fuel	304.583	308.956	327.852	2.9	7.6	6.1
Gasoline (all types)	300.529	304.979	323.715	3.0	7.7	6.1
Gasoline, unleaded regular (3)	300.812	305.213	324.481	3.0	7.9	6.3
Gasoline, unleaded midgrade (3) (4)	293.051	297.665	314.386	3.1	7.3	5.6
Gasoline, unleaded premium (3)	283.673	288.007	303.083	3.4	6.8	5.2
Medical care	447.176	-	451.486	3.6	1.0	-
Recreation (5)	123.236	-	123.746	1.2	0.4	-
Education and communication (5)	125.479	-	126.424	-2.1	0.8	-
Other goods and services	450.119	-	458.779	5.7	1.9	-
Commodity and service group						
Commodities	181.886	-	184.950	1.5	1.7	-
Commodities less food and beverages	158.753	-	163.035	1.8	2.7	-
Nondurables less food and beverages	198.388	-	206.690	2.6	4.2	-
Durables	114.369	-	113.719	-0.4	-0.6	-
Services	295.323	-	296.802	1.4	0.5	-
Special aggregate indexes						
All items less medical care	228.475	-	230.537	1.3	0.9	-
All items less shelter	220.445	-	222.985	1.1	1.2	-
Commodities less food	161.168	-	165.350	1.8	2.6	-
Nondurables	211.431	-	216.160	1.9	2.2	-
Nondurables less food	199.832	-	207.743	2.6	4.0	-
Services less rent of shelter (2)	305.138	-	306.762	0.6	0.5	-
Services less medical care services	282.976	-	284.320	1.2	0.5	-
Energy	231.521	229.597	237.176	-2.5	2.4	3.3
All items less energy	239.809	-	241.563	1.9	0.7	-
All items less food and energy	245.678	-	247.763	2.0	0.8	-

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

(2) Indexes 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.