

United States Department of Labor



Bureau of Labor Statistics

Philadelphia, Pa. 19106

Web site: www.bls.gov/ro3/

Information: Erin Delaney

(215) 597-3282

Media Contact: Gerald Perrins

(215) 861-5600

PLS – 4561

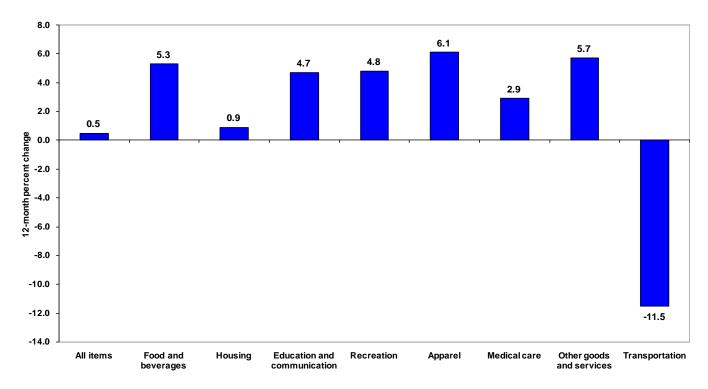
For Release:

Friday, August 14, 2009

PITTSBURGH AREA CONSUMER PRICE INDEX: FIRST HALF 2009 Local Prices up 0.5 Percent Over the Year

Retail prices in the Pittsburgh area, as measured by the Consumer Price Index for All Urban Consumers (CPI-U), rose 0.5 percent from the first half of 2008 to the first half of 2009, the Bureau of Labor Statistics of the United States Department of Labor reported today. Sheila Watkins, the Bureau's regional commissioner, noted that while advances in the food and beverages and housing indexes led the way, seven of the eight major categories of the Pittsburgh CPI-U had over-the-year increases in the first half of 2009. Only the transportation index recorded a decline from the first half of 2008 to the first half of 2009. (See chart A and table 1.)

Chart A. Over-the-year percent changes ended in the first half of 2009 for the major categories of the CPI-U for the Pittsburgh area, not seasonally adjusted



The food and beverages index rose 5.3 percent since the first half of 2008 due primarily to a 6.9-percent advance in food away from home prices. Both of these indexes have experienced uninterrupted 12-month increases since semiannual publication began in the first half of 1984. Higher prices for food at home and alcoholic beverages, up 4.7 and 2.5 percent, respectively, also contributed to the overall increase in the food and beverages index.

The housing index rose 0.9 percent from its year-ago level, due mainly to a 1.1-percent increase in prices for shelter, in particular, those for owners' equivalent rent of primary residence, which advanced 1.6 percent. The other published component of the shelter index, rent of primary residence, rose 0.4 percent since the first half of 2008. Household furnishings and operations prices also contributed to the recent advance in the housing index, up 5.2 percent over the year—the largest 12-month increase since the second half of 1995. The fuels and utilities index decreased 3.0 percent over the last 12 months as utility (piped) gas service prices fell 3.9 percent. Moderating the decline in fuels and utilities index were higher prices for electricity, which rose 3.9 percent over the year.

Education and communication prices increased 4.7 percent from their year-ago levels. The recreation index rose 4.8 percent since the first half of 2008.

The apparel index rose 6.1 percent over the year, about the same as it did the previous year.

Medical care prices advanced 2.9 percent over the last 12 months—the smallest 12-month increase since the first half of 2001. This index has experienced continuous one-year increases since semiannual publication began in the first half of 1984.

The other goods and services index, which includes tobacco and smoking products, personal care products and services, and personal services such as legal, funeral, and laundry and dry cleaning services, was 5.7 percent higher than a year ago—the largest over-the-year advance since the second half of 2004.

The transportation index dropped 11.5 percent from the first half of 2008 to the first half of 2009. Lower gasoline prices, down 35.8 percent over the year, were almost entirely responsible for the overall decline. This was the largest drop in gasoline prices since the inception of semiannual publication in the first half of 1984.

The energy index, which reflects pricing for gasoline and household fuels, dropped 20.6 percent over the year. Lower prices for gasoline dominated the over-the-year decline in energy prices. Lower prices for utility (piped) gas service also contributed to the recent 12-month drop in the energy index, while higher prices for electricity helped moderate the overall decrease.

The CPI-U for the Pittsburgh area stood at 210.468 on the 1982-84=100 reference base, which means that a market basket of goods and services which averaged \$100.00 in the 1982-84 period would have cost \$210.47 in the first half of 2009.

The Pittsburgh, Pa., Metropolitan Statistical Area includes Allegheny, Armstrong, Beaver, Butler, Fayette, Washington, and Westmoreland Counties.

The relative importance of a component of the CPI is its expenditure or value weight expressed as a percentage of all items within an area. Relative importance ratios show approximately how the index population distributes expenditures when the value weights are collected and represent an estimate of how consumers would distribute their expenditures as prices change over time. Relative importance ratios cannot be used as estimates of current spending patterns or as indicators of changing consumer expenditures in the intervals between weight revisions because consumption patterns are influenced by factors—including income, variations in climate, family size, and availability of new and different kinds of goods and services—other than price change. (See table A.)

Table A (2005-2006 weights). Relative importance of components in the Consumer Price Index: Pittsburgh area, December 2008

Item and group	CPI-U		
Expenditure category items od and beverages od and beverages food Food at home Food away from home Alcoholic beverages Ousing Folleter Rent of primary residence Owners' equivalent rent of primary residence Fuels and utilities Household energy Gas (piped) and electricity Electricity Utility (piped) gas service Household furnishings and operations Frivate transportation Final Toparel Final Top			
All items	100.000		
Food and beverages	17.338		
Food	16.116		
Food at home	8.774		
Food away from home	7.342		
Alcoholic beverages	1.222		
Housing	40.595		
Shelter	29.321		
Rent of primary residence	4.982		
Owners' equivalent rent of primary residence	21.595		
Fuels and utilities	6.913		
Household energy	5.705		
Gas (piped) and electricity	5.281		
Utility (piped) gas service			
Household furnishings and operations			
Apparel			
Transportation	14.698		
Private transportation	13.648		
	3.231		
Gasoline	3.074		
Medical care	7.064		
Recreation	6.119		
Education and communication	6.523		
Other goods and services	3.579		
Commodity and service group			
Commodities	41.398		
Commodities less food and beverages	24.061		
Non durables less food and beverages	14.242		
Durables	9.819		
Services	58.602		
Special aggregate indexes			
All items less medical care	92.936		
All items less shelter	70.679		
Commodities less food	25.283		
Nondurables	31.580		
Nondurables less food	15.464		
Services less rent of shelter	29.610		
Services less medical care services	53.401		
Energy	8.935		
All items less energy	91.065		
All items less food and energy	74.949		

Table 1. Consumer Price Index for All Urban Consumers (CPI-U): Indexes for semiannual averages and percent changes for

selected periods, Pittsburgh, Pa. (1982-84=100 unless otherwise noted)

Expenditure category		Indexes			Percent change from-	
	1st half 2008	2nd half 2008	1st half 2009	1st half 2008	2nd half 2008	
All items	209.486	213.084	210.468	0.5	-1.2	
Food and beverages	206.680	214.231	217.638	5.3	1.6	
Food	205.966	213.894	217.337	5.5	1.6	
Food at home	205.449	213.104	215.154	4.7	1.0	
Food away from home	208.347	216.610	222.817	6.9	2.9	
Alcoholic beverages	214.999	217.498	220.412	2.5	1.3	
Housing	211.083	215.109	212.925	0.9	-1.0	
Shelter	227.147	230.522	229.555	1.1	-0.4	
Rent of primary residence	198.518	198.812	199.340	0.4	0.3	
Owners' equivalent rent of primary residence (1)	221.265	222.208	224.704	1.6	1.1	
Fuels and utilities	251.053	262.020	243.642	-3.0	-7.0	
Household energy	245.484	260.881	234.630	-4.4	-10.1	
Gas (piped) and electricity	236.899	257.616	237.858	0.4	-7.7	
Electricity	166.856	169.095	173.399	3.9	2.5	
Utility (piped) gas service	315.550	371.502	303.355	-3.9	-18.3	
Household furnishings and operations	144.620	147.940	152.126	5.2	2.8	
Apparel	139.804	148.894	148.338	6.1	-0.4	
Transportation	175.649	170.707	155.372	-11.5	-9.0	
Private transportation	176.712	170.750	155.574	-12.0	-8.9	
Motor fuel	299.739	273.602	190.608	-36.4	-30.3	
Gasoline (all types)	299.367	274.044	192.153	-35.8	-29.9	
Gasoline, unleaded regular (2)	297.741	272.424	188.456	-36.7	-30.8	
Gasoline, unleaded midgrade (2) (3)	316.417	289.613	207.368	-34.5	-28.4	
Gas oline, unleaded premium (2)	287.155	263.304	191.989	-33.1	-27.1	
Medical care	357.781	364.080	368.193	2.9	1.1	
Recreation (4)	111.235	114.181	116.543	4.8	2.1	
Education and communication (4)	129.043	134.083	135.103	4.7	0.8	
Other goods and services	342.311	346.606	361.697	5.7	4.4	
Commodity and service group						
Commodities	184.082	185.868	181.046	-1.6	-2.6	
Commodities less food and beverages	170.380	169.172	160.206	-6.0	-5.3	
Nondurables less food and beverages	216.956	215.205	196.749	-9.3	-8.6	
Durables	121.198	120.491	120.895	-0.3	0.3	
Services	237.684	243.078	242.528	2.0	-0.2	
Special aggregate indexes						
All items less shelter	205.171	209.064	205.567	0.2	-1.7	
All items less medical care	201.739	205.198	202.323	0.3	-1.4	
Commodities less food	172.228	171.148	162.577	-5.6	-5.0	
Nondurables	212.033	215.052	207.663	-2.1	-3.4	
Nondurables less food	216.799	215.344	198.324	-8.5	-7.9	
Services less rent of shelter (1)	254.220	262.545	261.772	3.0	-0.3	
Services less medical care services	227.869	233.184	232.544	2.1	-0.3	
Energy	276.958	273.325	219.899	-20.6	-19.5	
All items less energy All items less food and energy	204.892 205.577	209.350 209.341	211.196 210.869	3.1 2.6	0.9 0.7	

¹ Indexes on a December 1982=100 base.

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

² Special index based on a substantially smaller sample.

³ Indexes on a December 1993=100 base.

⁴ Indexes on a December 1997=100 base.