

NEW ENGLAND INFORMATION OFFICE
Boston, Mass.

For release 8:30 a.m. (ET) Friday, December 16, 2011

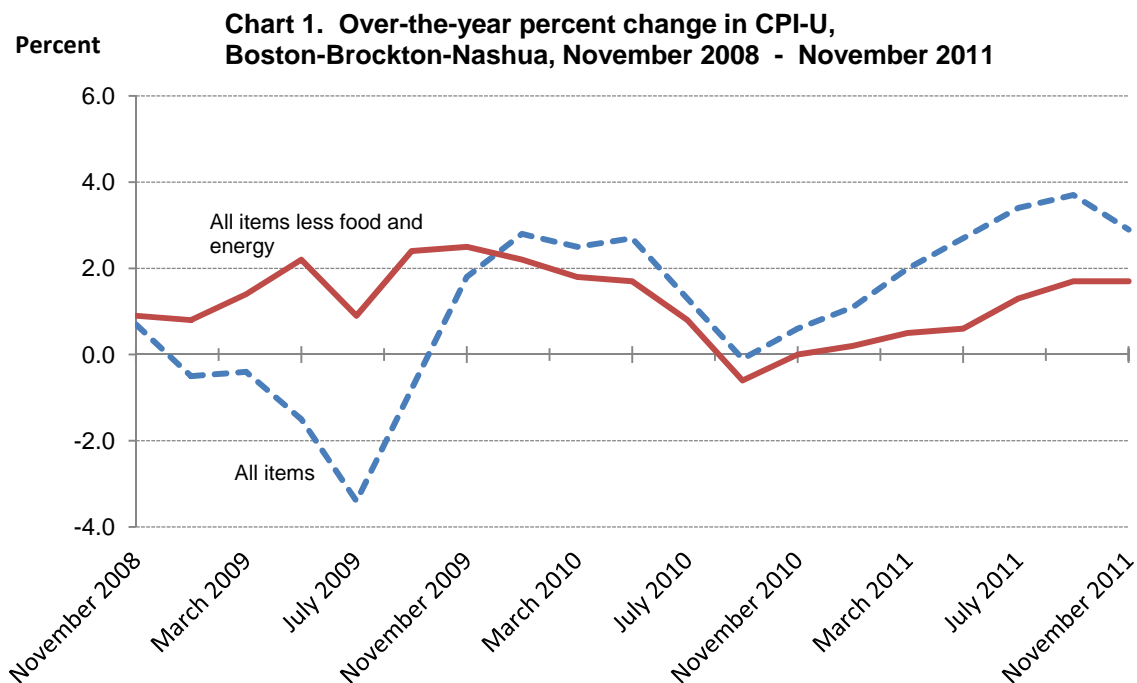
USDL-11-406

Technical Information: (617) 565-2327 • BLSInfoBoston@bls.gov • www.bls.gov/ro1
Media Contact: (617) 565-2326 • consedine.tim@bls.gov

CONSUMER PRICE INDEX, BOSTON-BROCKTON-NASHUA— NOVEMBER 2011
Area prices down 0.1 percent over two months; up 2.9 percent from a year ago

The Consumer Price Index for All Urban Consumers (CPI-U) in the Boston-Brockton-Nashua area edged down 0.1 percent in November, the U.S. Bureau of Labor Statistics reported today. Denis M. McSweeney, the Bureau's regional commissioner, noted that the two-month decrease was mainly due to lower prices for gasoline and was partially offset by higher household energy prices, which rose 6.6 percent. (Data in this report are not seasonally adjusted. Accordingly, bimonthly changes may reflect the impact of seasonal influences.)

Over the last 12 months the CPI-U increased 2.9 percent, largely due to rising energy and food costs. Energy prices, up 11.1 percent, were driven by a rise in the price of gasoline, up 17.6 percent. The index for food rose 4.7 percent, the highest annual increase since March 2009. The all items less food and energy index gained 1.7 percent over the year. (See chart 1.)



Food

Food prices advanced 0.2 percent in November after increasing 0.7 percent in the previous two-month period. Higher restaurant prices, up 0.3 percent, led the increase.

From November 2010 to November 2011, the index for food increased 4.7 percent, as grocery store prices were up 5.3 percent. Restaurant prices, also known as food away from home, rose 3.9 percent. This index has not declined annually since July 2002.

Energy

The energy index was unchanged in November, as the decline in gasoline prices was offset by increases in household energy. Within energy, the price of gasoline fell 5.9 percent over the two-month period and has decreased 13.8 percent since May. In November, Boston area motorists paid an average of \$3.445 per gallon of gasoline. Natural gas posted a seasonal increase of 26.7 percent as suppliers switched to a winter rate schedule.

Over the year the energy index rose 11.1 percent. The increase was driven by gasoline, up 17.6 percent, and to a lesser extent fuel oil.

All items less food and energy

The index for all items less food and energy decreased 0.2 percent in November, mainly reflecting lower recreation costs, down 2.9 percent. A 2.4-percent increase in apparel prices partially offset the decline in the all items less food and energy index.

Over the year, the index for all items less food and energy increased 1.7 percent. The increase was partly attributed to a rise in the prices for shelter, up 2.0 percent. The advance in shelter marked the highest over-the-year gain since October 2009.

CPI-W

In November, the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) was 246.349, unchanged from September. The CPI-W increased 3.1 percent over the year.

The January 2012 Consumer Price Index for Boston-Brockton-Nashua is scheduled to be released on February 17, 2012, at 8:30 a.m. (ET).

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 25,000 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/pub/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 Boston-Brockton-Nashua, Mass.-N.H.-Maine-Conn. consolidated area covered in this release is comprised of Essex, Middlesex, Norfolk, Plymouth and Suffolk Counties and parts of Bristol, Hampden, and Worcester Counties in Massachusetts; parts of Hillsborough, Merrimack, Rockingham, and Strafford Counties in New Hampshire; part of York County in Maine; and part of Windham County in Connecticut.

Information in this release will be made available to sensory impaired individuals upon request. Voice phone: 617-565-2072; 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 New England Information Office at (617) 565-2327 from 8:30 a.m. to 12:00 p.m. and 1:30 p.m. to 4:00 p.m. ET.

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

Boston-Brockton-Nashua, MA-NH-ME-CT (1982-84=100 unless otherwise noted)

Item and Group	Indexes			Percent change from—		
	Sep. 2011	Oct. 2011	Nov. 2011	Nov. 2010	Sep. 2011	Oct. 2011
Expenditure category						
All items	245.310	-	245.030	2.9	-0.1	-
All items (1967=100)	713.001	-	712.186	-	-	-
Food and beverages	242.091	-	242.241	4.3	.1	-
Food	242.534	-	242.982	4.7	.2	-
Food at home	234.520	233.694	234.803	5.3	.1	0.5
Food away from home	255.909	-	256.651	3.9	.3	-
Alcoholic beverages	239.556	-	236.255	-1.2	-1.4	-
Housing	236.441	-	238.072	2.6	.7	-
Shelter	275.634	276.326	275.752	2.0	.0	-2
Rent of primary residence ¹	281.397	282.796	283.762	2.1	.8	.3
Owners' equivalent rent of residences ^{1 2}	292.827	293.434	293.446	1.8	.2	.0
Owners' equivalent rent of primary residence ^{1 2}	292.827	293.434	293.446	1.8	.2	.0
Fuels and utilities	234.860	-	248.422	6.2	5.8	-
Household energy	199.141	196.693	212.242	5.3	6.6	7.9
Energy services ¹	177.166	175.643	193.557	-3.1	9.3	10.2
Electricity ¹	182.219	180.004	185.412	-1.5	1.8	3.0
Utility (piped) gas service ¹	158.122	158.076	200.409	-6.1	26.7	26.8
Household furnishings and operations	126.943	-	126.749	3.2	-2	-
Apparel	142.551	-	146.008	3.7	2.4	-
Transportation	205.630	-	200.947	6.9	-2.3	-
Private transportation	204.016	-	199.951	6.9	-2.0	-
Motor fuel	310.022	296.518	291.832	17.6	-5.9	-1.6
Gasoline (all types)	306.658	293.163	288.423	17.6	-5.9	-1.6
Gasoline, unleaded regular ³	304.926	290.815	286.096	17.1	-6.2	-1.6
Gasoline, unleaded midgrade ^{3 4}	309.885	299.054	294.180	19.9	-5.1	-1.6
Gasoline, unleaded premium ³	298.934	286.709	282.202	18.0	-5.6	-1.6
Medical care	566.869	-	566.915	2.7	.0	-
Recreation ⁵	114.296	-	110.980	-7.0	-2.9	-
Education and communication ⁵	143.339	-	143.207	3.1	-.1	-
Other goods and services	418.901	-	424.117	2.0	1.2	-
Commodity and service group						
All items	245.310	-	245.030	2.9	-.1	-
Commodities	193.441	-	192.671	5.3	-.4	-
Commodities less food and beverages	167.121	-	165.929	6.1	-.7	-
Nondurables less food and beverages	222.165	-	220.073	8.0	-.9	-
Durables	113.497	-	113.163	2.8	-.3	-
Services	291.054	-	291.281	1.3	.1	-
Special aggregate indexes						
All items less medical care	232.728	-	232.443	2.9	-.1	-
All items less shelter	235.970	-	235.521	3.4	-.2	-
Commodities less food	170.052	-	168.782	5.7	-.7	-
Nondurables	230.870	-	229.889	6.1	-.4	-
Nondurables less food	221.959	-	219.794	7.3	-1.0	-
Services less rent of shelter ²	324.551	-	324.985	.6	.1	-
Services less medical care services	272.223	-	272.376	1.1	.1	-
Energy	245.075	238.040	245.190	11.1	.0	3.0
All items less energy	248.860	-	248.536	2.2	-.1	-
All items less food and energy	250.650	-	250.167	1.7	-.2	-

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.

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