

NEW ENGLAND INFORMATION OFFICE
Boston, Mass.

For release: Thursday, January 19, 2012

12-104-BOS

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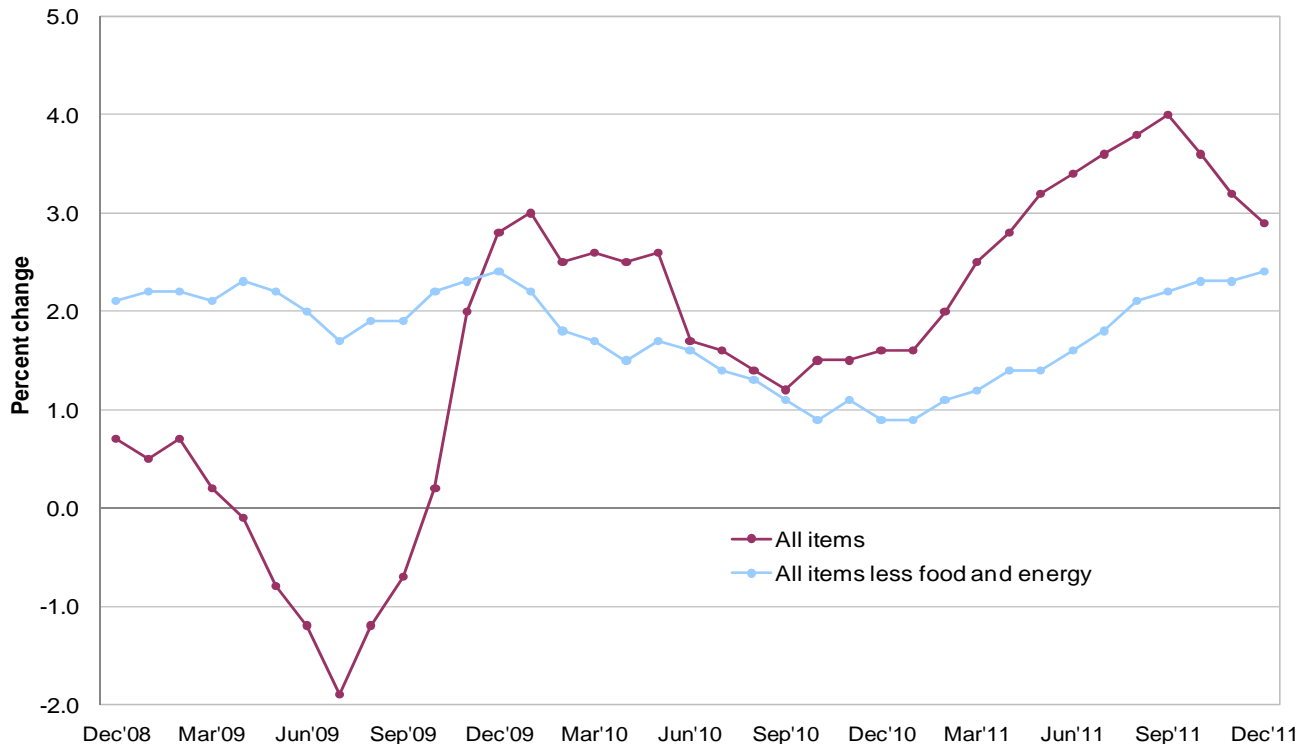
CONSUMER PRICE INDEX, NORTHEAST REGION – DECEMBER 2011

Regional Prices Down 0.3 Percent Over the Month; Up 2.9 Percent Over the Year

The Consumer Price Index for All Urban Consumers (CPI-U) in the Northeast region declined 0.3 percent in December, the U.S. Bureau of Labor Statistics reported today. Denis M. McSweeney, the Bureau’s regional commissioner, noted that the recent decline reflected one-month decreases in both the energy index and the all items less food and energy index, down 2.1 and 0.2 percent, respectively. Moderating the overall decrease, the food index rose 0.4 percent since November. (Data in this report are not seasonally adjusted. Accordingly, month-to-month changes may reflect the impact of seasonal influences.)

Over the last 12 months, the CPI-U increased 2.9 percent. (See chart 1 and table A.) The all items less food and energy component advanced 2.4 percent over the year. Prices also rose for both food and energy, up 4.4 and 5.1 percent, respectively, since December 2010. (See table 1.)

Chart 1. 12-month percent change in CPI for All Urban Consumers (CPI-U), Northeast region, December 2008 to December 2011 (not seasonally adjusted)



Source: U.S. Bureau of Labor Statistics

Food

Following a 0.4-percent decline in November, the food index rose 0.4 percent in December. Prices for both components of the food index rose over the month—food at home prices increased 0.6 percent and food away from home prices, 0.1 percent.

Over the year, the food index rose 4.4 percent. Prices for both the food at home and food away from home components increased since last December, up 5.6 and 2.8 percent, respectively.

Energy

The energy index, which includes prices for household and transportation fuels, fell 2.1 percent in December, due mostly to a decline in the gasoline index. Gasoline prices decreased for the seventh straight month, down 15.7 percent since May and 3.1 percent since November. Prices for electricity and utility (piped) gas service were also lower over the month, down 1.4 and 1.7 percent, respectively.

Despite its recent 1-month decline, the energy index advanced 5.1 percent over the year, due mainly to a 9.4-percent rise in gasoline prices since December 2010. Moderating the increase in the energy index were lower prices for utility (piped) gas service (-6.1 percent) and electricity (-1.9 percent).

All items less food and energy

The index for all items less food and energy edged down 0.2 percent since November, led by a 4.0-percent seasonal decline in apparel prices. Moderating the overall decrease were higher prices in a number of categories including household furnishings and operations (0.6 percent) and medical care (0.4 percent).

The index for all items less food and energy rose 2.4 percent over the year. The recent gain was led by an increase in the shelter index (2.1 percent), particularly owners' equivalent rent of residences (2.0 percent). Higher prices for medical care (3.6 percent) and new and used motor vehicles (3.0 percent) also contributed to the advance in the all items less food and energy index since December 2010.

The January 2012 Consumer Price Index for the Northeast region is scheduled to be released on February 17, 2012, at 8:30 a.m. (ET).

Table A. Northeast region CPI-U 1-month and 12-month percent changes, all items index (not seasonally adjusted)

Month	2006		2007		2008		2009		2010		2011	
	1-month	12-month	1-month	12-month	1-month	12-month	1-month	12-month	1-month	12-month	1-month	12-month
January	1.0	4.1	0.3	2.3	0.4	3.9	0.2	0.5	0.4	3.0	0.4	1.6
February	0.3	3.9	0.4	2.4	0.4	4.0	0.6	0.7	0.0	2.5	0.5	2.0
March	0.6	3.3	0.8	2.6	0.8	3.9	0.2	0.2	0.3	2.6	0.8	2.5
April	0.9	3.8	0.5	2.2	0.5	3.9	0.2	-0.1	0.2	2.5	0.5	2.8
May	0.5	4.6	0.5	2.3	0.9	4.3	0.1	-0.8	0.2	2.6	0.5	3.2
June	0.5	5.1	0.4	2.3	1.1	5.0	0.8	-1.2	-0.1	1.7	0.1	3.4
July	0.4	4.6	0.2	2.0	0.8	5.7	0.1	-1.9	0.0	1.6	0.2	3.6
August	0.3	4.5	-0.2	1.6	-0.3	5.5	0.3	-1.2	0.1	1.4	0.3	3.8
September	-0.8	2.6	-0.1	2.4	-0.4	5.2	0.1	-0.7	-0.1	1.2	0.1	4.0
October	-0.5	1.7	0.2	3.1	-0.9	4.0	0.0	0.2	0.3	1.5	-0.1	3.6
November	-0.2	2.3	0.6	4.0	-1.6	1.7	0.2	2.0	0.2	1.5	-0.1	3.2
December	0.2	3.0	0.0	3.8	-0.9	0.7	-0.1	2.8	0.0	1.6	-0.3	2.9

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 Northeast region is comprised of Connecticut, Maine, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, and Vermont.

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.

Table 1. Consumer Price Index for All Urban Consumers (CPI-U): Indexes and percent changes for selected periods, Northeast (1982-84=100 unless otherwise noted)

Expenditure category	Indexes			Percent change from-		
	Oct. 2011	Nov. 2011	Dec. 2011	Dec. 2010	Oct. 2011	Nov. 2011
All items	243.014	242.652	241.987	2.9	-0.4	-0.3
Food and beverages	237.413	236.468	237.339	4.2	0.0	0.4
Food	237.253	236.309	237.187	4.4	0.0	0.4
Food at home	237.219	235.977	237.276	5.6	0.0	0.6
Food away from home	240.273	239.726	240.039	2.8	-0.1	0.1
Alcoholic beverages	238.173	237.210	237.977	1.3	-0.1	0.3
Housing	249.091	249.354	249.123	1.9	0.0	-0.1
Shelter	298.371	298.396	298.294	2.1	0.0	0.0
Rent of primary residence (1)	295.974	296.430	296.487	2.2	0.2	0.0
Owners' equivalent rent of residences (1) (2)	310.193	310.471	310.417	2.0	0.1	0.0
Owners' equivalent rent of primary residence (1) (2)	310.127	310.397	310.333	2.0	0.1	0.0
Fuels and utilities	220.827	223.398	221.138	1.5	0.1	-1.0
Household energy	201.869	204.539	202.046	0.9	0.1	-1.2
Energy services (1) (3)	191.369	193.123	190.222	-3.1	-0.6	-1.5
Electricity (1)	189.461	188.798	186.114	-1.9	-1.8	-1.4
Utility (piped) gas service (1)	182.943	190.558	187.316	-6.1	2.4	-1.7
Household furnishings and operations	126.944	126.363	127.143	1.5	0.2	0.6
Apparel	132.618	131.239	126.040	4.1	-5.0	-4.0
Transportation	212.273	211.191	209.107	5.3	-1.5	-1.0
Private transportation	205.452	204.326	202.352	5.2	-1.5	-1.0
New and used motor vehicles (4)	99.927	99.367	99.154	3.0	-0.8	-0.2
New vehicles	141.854	142.078	142.341	3.4	0.3	0.2
New cars and trucks (4) (5)	98.309	98.464	98.641	3.4	0.3	0.2
New cars (5)	138.696	138.548	138.536	3.2	-0.1	0.0
Used cars and trucks	160.764	158.980	157.606	5.7	-2.0	-0.9
Motor fuel	291.909	287.863	279.173	9.6	-4.4	-3.0
Gasoline (all types)	290.809	286.509	277.652	9.4	-4.5	-3.1
Gasoline, unleaded regular (5)	292.140	287.705	278.684	9.2	-4.6	-3.1
Gasoline, unleaded midgrade (5) (6)	296.364	292.258	283.585	10.0	-4.3	-3.0
Gasoline, unleaded premium (5)	280.638	276.896	268.727	9.8	-4.2	-3.0
Medical care	425.368	426.530	428.275	3.6	0.7	0.4
Medical care commodities	356.728	358.631	359.466	4.2	0.8	0.2
Medical care services	442.474	443.308	445.377	3.4	0.7	0.5
Professional services	338.636	338.397	340.358	2.5	0.5	0.6
Recreation (4)	118.628	118.059	118.040	1.8	-0.5	0.0
Education and communication (4)	134.683	134.333	134.407	0.7	-0.2	0.1
Other goods and services	420.094	422.332	422.357	2.5	0.5	0.0
Commodity and service group						
Commodities	192.474	191.692	190.538	4.3	-1.0	-0.6
Commodities less food and beverages	165.242	164.562	162.603	4.4	-1.6	-1.2
Nondurables less food and beverages	213.447	212.424	208.390	5.6	-2.4	-1.9
Durables	111.095	110.780	110.942	2.1	-0.1	0.1
Services	292.659	292.694	292.492	2.1	-0.1	-0.1
Special aggregate indexes						
All items less medical care	234.886	234.473	233.728	2.9	-0.5	-0.3
All items less shelter	224.631	224.119	223.238	3.3	-0.6	-0.4
Commodities less food	168.137	167.446	165.553	4.3	-1.5	-1.1
Nondurables	226.641	225.643	223.821	4.9	-1.2	-0.8
Nondurables less food	214.866	213.846	210.068	5.4	-2.2	-1.8
Services less rent of shelter (2)	296.933	297.005	296.680	2.0	-0.1	-0.1
Services less medical care services	282.077	282.071	281.756	2.0	-0.1	-0.1
Energy	239.732	239.561	234.452	5.1	-2.2	-2.1
All items less energy	245.704	245.318	245.108	2.7	-0.2	-0.1
All items less food and energy	248.780	248.494	248.083	2.4	-0.3	-0.2

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

(2) Indexes on a December 1982=100 base.

(3) This index series was formerly titled Gas (piped) and electricity.

(4) Indexes on a December 1997=100 base.

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

(6) Indexes on a December 1993=100 base.

- Data not available.

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