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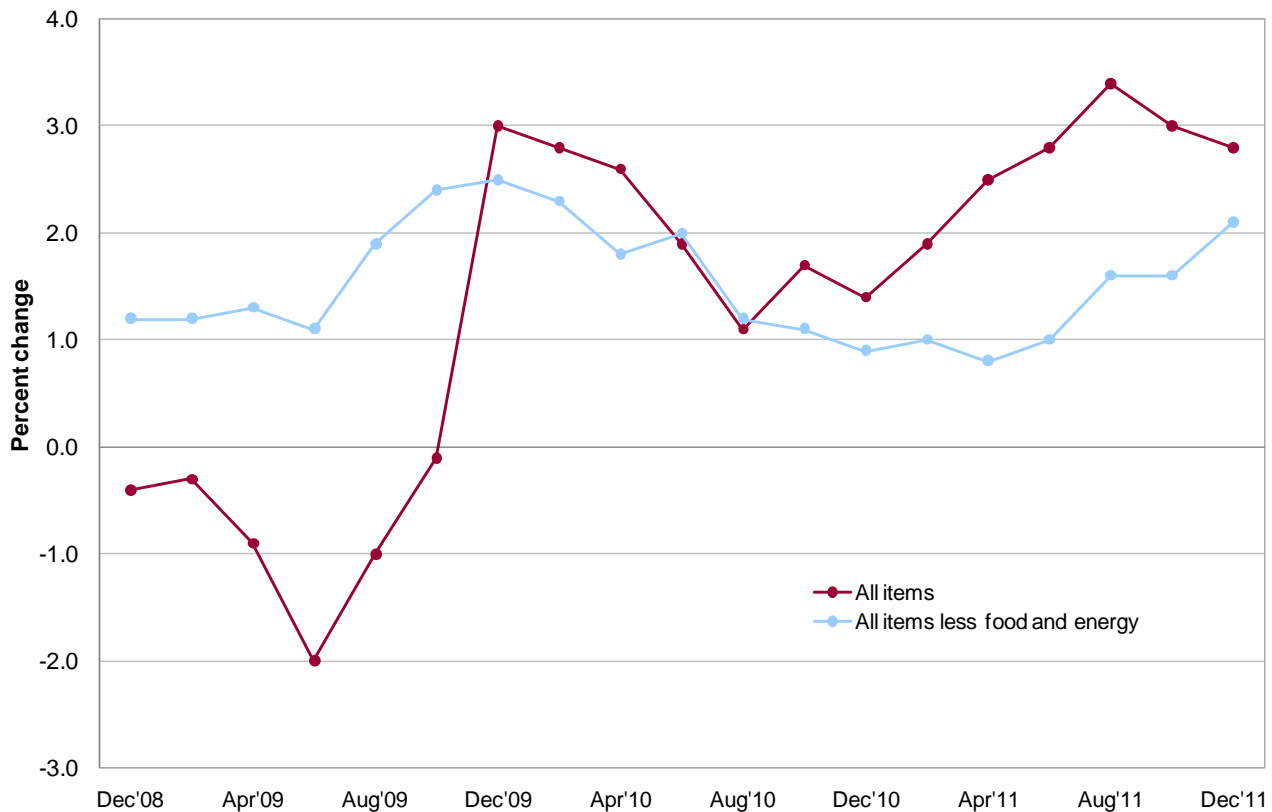
CONSUMER PRICE INDEX, PHILADELPHIA-WILMINGTON-ATLANTIC CITY – DECEMBER 2011

Area Prices Down 0.5 Percent Since October; Up 2.8 Percent Over the Year

The Consumer Price Index for All Urban Consumers (CPI-U) in the Philadelphia-Wilmington-Atlantic City area decreased 0.5 percent from October to December, the U.S. Bureau of Labor Statistics reported today. Sheila Watkins, the Bureau's regional commissioner, noted that the recent decline was due almost entirely to decreases in both the all items less food and energy index and the energy index, down 0.3 and 1.9 percent, respectively. The food index also fell since October, edging down 0.2 percent. (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 2.8 percent. (See chart 1 and table A.) The all items less food and energy component advanced 2.1 percent over the year. Energy and food prices also increased since December 2010, up 6.4 and 4.6 percent, respectively.

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



Source: U.S. Bureau of Labor Statistics

Food

Food prices edged down 0.2 percent over the last two months as lower prices for food at home (-0.5 percent) were moderated by higher prices for food away from home (0.2 percent). The decrease in the food at home component was led by lower prices for chicken, while prices rose for various items including fresh fruits.

Over the year, the food index advanced 4.6 percent. Both components of the food index had price increases over the last 12 months—prices for food at home rose 5.5 percent and those for food away from home, 3.5 percent.

Energy

The energy index, which includes prices for household and transportation fuels, fell 1.9 percent from October to December due to a 5.0-percent decrease in gasoline prices. Both the energy index and its gasoline component have posted consecutive bimonthly declines since June 2011. The overall decrease in energy prices was moderated by a 2.8-percent rise in prices for utility (piped) gas service. Electricity prices were unchanged over the last two months.

The energy index rose 6.4 percent since last December, due largely to a 6.9-percent increase in gasoline prices. The electricity component also posted a 12-month increase, up 5.4 percent. The utility (piped) gas service component—which has recorded uninterrupted 12-month declines for nearly three years—fell 1.1 percent over the year.

All items less food and energy

The index for all items less food and energy edged down 0.3 percent from October to December. The decrease mainly reflected an 8.9-percent seasonal drop in apparel prices; education and communication prices also contributed to the overall decline, down 1.3 percent. Moderating the two-month decrease were increases in various indexes including shelter, particularly owners' equivalent rent of residences (0.3 percent each).

Since last December, the index for all items less food and energy increased 2.1 percent, led by higher prices for shelter (2.0 percent), particularly owners' equivalent rent of residences (1.8 percent). Lower prices for education and communication (-3.5 percent) partially offset the widespread over-the-year price increases within the all items less food and energy group.

The February 2012 Consumer Price Index for Philadelphia-Wilmington-Atlantic City is scheduled to be released March 16, 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	2006		2007		2008		2009		2010		2011	
	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	2.0	4.4	0.7	2.0	0.9	3.7	1.0	-0.3	0.8	2.8	1.3	1.9
April	1.2	4.1	1.0	1.7	1.2	3.9	0.6	-0.9	0.4	2.6	1.0	2.5
June	1.1	4.4	0.9	1.6	2.1	5.1	1.0	-2.0	0.3	1.9	0.6	2.8
August	1.2	4.7	0.7	1.1	0.0	4.4	1.0	-1.0	0.2	1.1	0.7	3.4
October	-2.2	2.0	0.1	3.5	-1.4	2.8	-0.6	-0.1	0.0	1.7	-0.3	3.0
December	0.0	3.3	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 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 **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.

For personal assistance or further information on Consumer Price Indexes, as well as other Bureau products, contact the Mid-Atlantic Information Office at (215) 597-3282 from 8:30 a.m. to 12:00 p.m. and 1:00 p.m. to 3:30 p.m. ET.

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-		
	Oct. 2011	Nov. 2011	Dec. 2011	Dec. 2010	Oct. 2011	Nov. 2011
All items	235.440	-	234.312	2.8	-0.5	-
Food and beverages	218.896	-	218.563	4.4	-0.2	-
Food	218.724	-	218.283	4.6	-0.2	-
Food at home	231.151	228.453	229.965	5.5	-0.5	0.7
Food away from home	196.913	-	197.340	3.5	0.2	-
Alcoholic beverages	218.650	-	219.692	2.2	0.5	-
Housing	238.917	-	239.844	2.6	0.4	-
Shelter	285.719	285.749	286.499	2.0	0.3	0.3
Rent of primary residence (1)	266.454	266.817	267.313	2.8	0.3	0.2
Owners' equivalent rent of residences (1) (2)	295.165	295.292	295.923	1.8	0.3	0.2
Owners' equivalent rent of primary residence (1) (2)	295.165	295.292	295.923	1.8	0.3	0.2
Fuels and utilities	219.678	-	222.002	5.6	1.1	-
Household energy	192.693	194.575	195.218	5.7	1.3	0.3
Energy services (1) (3)	200.718	201.230	202.206	3.6	0.7	0.5
Electricity (1)	206.978	207.399	207.064	5.4	0.0	-0.2
Utility (piped) gas service (1)	179.877	180.608	184.892	-1.1	2.8	2.4
Household furnishings and operations	122.623	-	123.076	2.8	0.4	-
Apparel	111.937	-	101.974	2.4	-8.9	-
Transportation	214.193	-	210.655	4.2	-1.7	-
Private transportation	212.770	-	208.495	4.3	-2.0	-
Motor fuel	301.751	296.437	286.873	7.0	-4.9	-3.2
Gasoline (all types)	297.330	291.861	282.375	6.9	-5.0	-3.3
Gasoline, unleaded regular (4)	297.916	292.318	282.593	6.8	-5.1	-3.3
Gasoline, unleaded midgrade (4) (5)	289.872	284.899	276.457	7.5	-4.6	-3.0
Gasoline, unleaded premium (4)	278.116	273.595	265.681	6.9	-4.5	-2.9
Medical care	440.500	-	440.496	0.8	0.0	-
Recreation (6)	124.989	-	125.980	5.9	0.8	-
Education and communication (6)	126.045	-	124.418	-3.5	-1.3	-
Other goods and services	441.460	-	440.790	4.6	-0.2	-
Commodity and service group						
Commodities	181.549	-	178.996	4.1	-1.4	-
Commodities less food and beverages	158.820	-	155.525	3.8	-2.1	-
Nondurables less food and beverages	198.824	-	192.536	4.5	-3.2	-
Durables	114.343	-	114.347	2.6	0.0	-
Services	291.820	-	291.916	2.1	0.0	-
Special aggregate indexes						
All items less medical care	226.677	-	225.526	2.9	-0.5	-
All items less shelter	220.305	-	218.376	3.2	-0.9	-
Commodities less food	161.127	-	157.938	3.8	-2.0	-
Nondurables	211.084	-	207.256	4.5	-1.8	-
Nondurables less food	200.036	-	194.117	4.4	-3.0	-
Services less rent of shelter (2)	305.242	-	304.545	2.1	-0.2	-
Services less medical care services	279.724	-	279.928	2.1	0.1	-
Energy	233.318	232.337	228.944	6.4	-1.9	-1.5
All items less energy	237.405	-	236.632	2.4	-0.3	-
All items less food and energy	243.065	-	242.229	2.1	-0.3	-

(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) Special index based on a substantially smaller sample.

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

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

- Data not available.

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