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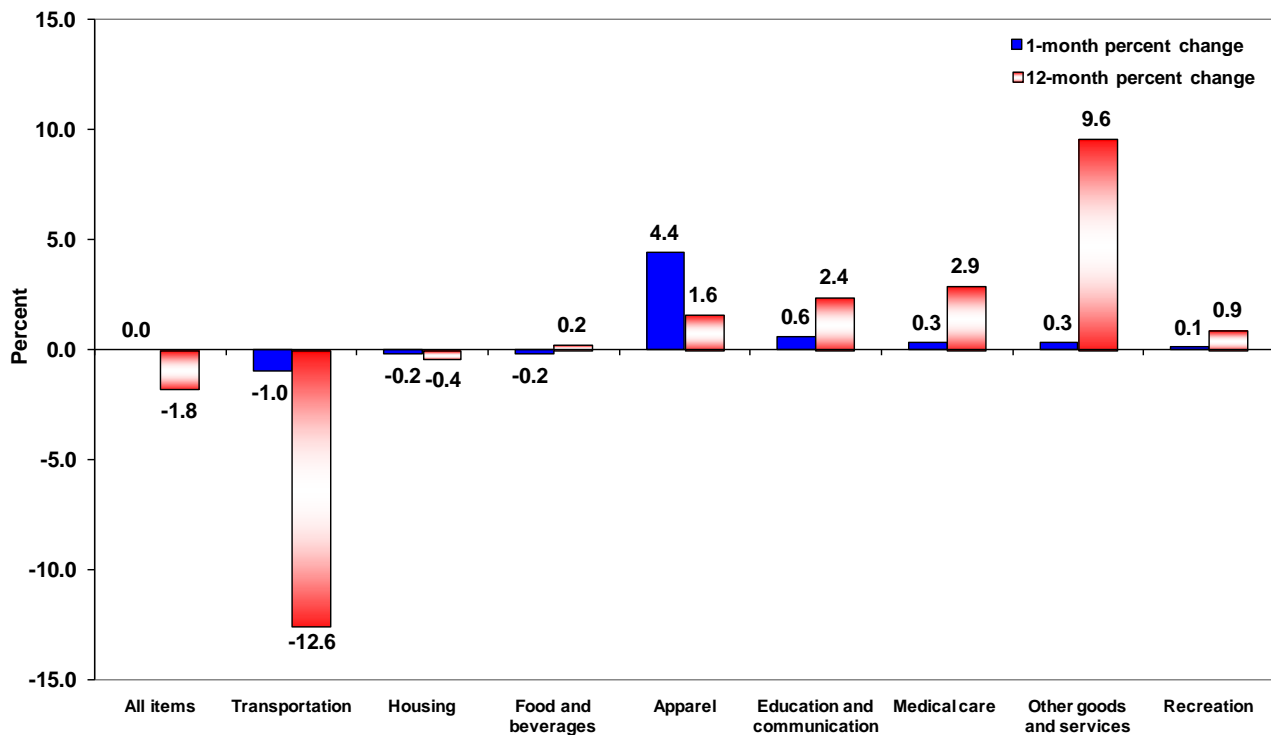
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SOUTH REGION CONSUMER PRICE INDEX: SEPTEMBER 2009

The Consumer Price Index for All Urban Consumers (CPI-U) for the South¹ was unchanged in September, and stood at a level of 208.912 (1982-84=100), the U.S. Bureau of Labor Statistics reported today. Sheila Watkins, the Bureau's regional commissioner, noted that decreases in costs for transportation, housing, and food and beverages were offset by increases in the remaining five categories. (See chart A.) The energy index decreased 2.1 percent over the month and food costs edged down 0.2 percent. The core inflation rate, as measured by the all items less food and energy index, advanced 0.2 percent over the month. (See table 1.)

Chart A. 1-month and 12-month percent changes ended September 2009 for the major categories of the CPI-U for the South region, not seasonally adjusted



Over the last 12 months, prices in the South declined 1.8 percent, due largely to a 12.6-percent decline in transportation costs. This was the seventh consecutive 12-month decrease in the all items index. Energy costs in the region declined 23.9 percent, while food prices inched up 0.1 percent since last September. Over the same period, the core inflation rate was 1.6 percent.

¹ South includes Alabama, Arkansas, Delaware, District of Columbia, Florida, Georgia, Kentucky, Louisiana, Maryland, Mississippi, North Carolina, Oklahoma, South Carolina, Tennessee, Texas, Virginia, and West Virginia.

Among the major categories, the transportation index fell 1.0 percent in September, as prices for both motor fuel and new and used motor vehicles declined, down 4.0 and 0.2 percent, respectively. Over the year, transportation costs declined 12.6 percent, dominated by a 34.4-percent drop in motor fuel prices.

The index for housing edged down 0.2 percent over the month. The shelter index, which includes rent of primary residence, lodging away from home, owners' equivalent rent of primary residence, and tenants' and household insurance, declined 0.2 percent since August. Household furnishings and operations costs also edged down 0.2 percent over the month. The fuels and utilities index slipped 0.1 percent in September, as a 1.6-percent decrease in prices for utility (piped) gas service was partially offset by a 0.1-percent increase in electricity costs. The housing index fell 0.4 percent over the year in the South—the second consecutive 12-month decline following uninterrupted increases since this index began in December 1977. A 6.4-percent annual decrease in the fuels and utilities index was partially offset by increases in shelter (0.7 percent) and household furnishings and operations (0.5 percent).

The food and beverages index edged down 0.2 percent in September due to lower prices for both food at home (-0.4 percent) and alcoholic beverages (-0.1 percent). The index for food away from home inched up 0.1 percent during the month. Over the year, the food and beverages index edged up 0.2 percent as higher prices for food away from home (2.7 percent) and alcoholic beverages (2.1 percent) were moderated by a 2.0-percent decline in costs for food at home. The annual decrease in food at home prices was the largest on record since the series inception in 1977.

Each of the five remaining indexes increased over the month. The apparel index rose 4.4 percent in September. Over the year, apparel costs increased 1.6 percent. Prices for education and communication rose 0.6 percent over the month; since September 2008, this index advanced 2.4 percent.

The index for medical care edged up 0.3 percent in September, reflecting higher costs for both medical care commodities (0.6 percent) and medical care services (0.2 percent). Over the year, the medical care index advanced 2.9 percent, as prices increased for medical care services (2.4 percent) and medical care commodities (4.4 percent).

The other goods and services index (which includes tobacco and smoking products, personal care products and services, and miscellaneous personal goods) edged up 0.3 percent in September. Over the year, the other goods and services index rose 9.6 percent. Recreation prices inched up 0.1 percent in September and increased 0.9 percent over the year.

Population size groups

Over the month, consumer prices in the South inched down 0.1 percent in the largest metropolitan areas, those with 1.5 million or more residents (Size Class A). Prices in both the mid-size areas, those with populations between 50,000 and 1.5 million (Size Class B/C), and in the smallest areas, those with populations of less than 50,000 (Size Class D), were unchanged over the month. Over the past 12 months, consumer prices in the South decreased 1.7 percent in the largest areas (Size Class A). Prices declined 1.8 percent in the mid-sized areas (Size Class B/C) while the smallest areas (Size Class D) declined 2.0 percent.

Technical Note

The Bureau of Labor Statistics (BLS) has updated the consumption expenditure weights in the Consumer Price Index for All Urban Consumers (CPI-U) and Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) to the 2005-06 period. The updated expenditure weights for these indexes replace the 2003-2004 weights that were introduced effective with the January 2006 CPI release. As originally announced by BLS in December 1998, CPI expenditure weights will continue to be updated at two year intervals.

The CPI program completed its conversion to Computer Assisted Data Collection (CADC). Due to the efficiencies gained from conversion to CADC, BLS has extended data collection to cover the entire month, beginning with data for January 2004. CPI data collection is scheduled in terms of business days—weekdays excluding holidays. Formerly, data collection covered three pricing periods, each comprising six business days in most months and five days in November and December. Consequently, the last day of scheduled data collection was usually the 18th business day of the month. This allowed time during the end of the month for the mailing of paper schedules back to the Washington Office and the data entry of the information in these schedules. Starting in January 2004, the three pricing periods now have variable lengths, between six and eight business days long. The third pricing period normally will end on the last business day of the month.

Local area CPI indexes are by-products of the national CPI program. Because each local index is a small subset of the national index, it has a smaller sample size and is, therefore, subject to substantially more sampling and measurement error than the national index, although their long-term trends are quite similar. The Bureau of Labor Statistics strongly urges users to consider adopting the national average CPI for use in escalator clauses.

We encourage users interested in learning more about changes to the CPI to contact the Bureau of Labor Statistics. Information on the Consumer Price Index and other surveys are available on our Web site at www.bls.gov. Current and historical BLS data are also posted on our Web site at www.bls.gov/ro3/. If you have additional questions, you can contact the Mid-Atlantic information office directly by dialing (215) 597-3282. Information from the Consumer Price Index program is available to sensory impaired individuals upon request. Voice phone: 202-691-5200, Federal Relay Services: 1-800-877-8339.

Table 1. Consumer Price Index for All Urban Consumers and Urban Wage Earners and Clerical Workers, South Region, (1982-84=100 unless otherwise noted) (not seasonally adjusted)

Item and group	All Urban Consumers (CPI-U)			Urban Wage Earners and Clerical Workers (CPI-W)		
	Index	Percent change from		Index	Percent change from	
	Sep. 2009	Sep. 2008	Aug. 2009	Sep. 2009	Sep. 2008	Aug. 2009
All items	208.912	-1.8	0.0	205.726	-2.3	-0.1
All items (December 1977=100)	338.885	-	-	333.196	-	-
Food and beverages	215.531	0.2	-0.2	214.189	0.2	-0.2
Food	216.038	0.1	-0.2	214.702	0.0	-0.2
Food at home	210.503	-2.0	-0.4	208.722	-2.2	-0.5
Food away from home	226.355	2.7	0.1	225.684	2.9	0.2
Alcoholic beverages	207.410	2.1	-0.1	206.131	2.9	-0.3
Housing	202.138	-0.4	-0.2	201.636	-0.3	-0.1
Shelter	223.007	0.7	-0.2	221.982	0.9	-0.2
Rent of primary residence (1)	223.924	1.4	-0.1	222.639	1.3	-0.1
Owners' equivalent rent of primary residence (1) (2)	226.193	1.1	-0.1	210.488	1.0	-0.1
Fuels and utilities	216.860	-6.4	-0.1	217.821	-5.9	-0.1
Household energy	187.631	-8.7	-0.1	186.864	-8.0	-0.1
Gas (piped) and electricity (1)	189.109	-7.9	-0.1	188.946	-7.5	-0.1
Electricity (1)	187.354	-3.9	0.1	185.629	-3.9	0.1
Utility (piped) gas service (1)	185.649	-27.8	-1.6	187.438	-28.1	-1.9
Household furnishings and operations	128.942	0.5	-0.2	123.870	0.8	0.1
Apparel	133.575	1.6	4.4	134.141	1.8	4.3
Transportation	178.555	-12.6	-1.0	175.519	-13.9	-1.0
Private transportation	176.652	-12.8	-1.1	173.878	-14.1	-1.1
New and used motor vehicles (3)	92.629	0.3	-0.2	90.285	-0.4	0.1
New vehicles	137.308	1.0	-0.7	137.044	0.9	-0.7
New cars and trucks (3) (4)	93.382	0.9	-0.7	-	-	-
New cars (4)	140.542	-0.3	-0.7	-	-	-
Used cars and trucks	128.346	-2.3	1.0	129.042	-2.3	1.0
Motor fuel	210.588	-34.4	-4.0	210.437	-34.5	-4.0
Gasoline (all types)	210.049	-34.2	-4.2	209.989	-34.3	-4.2
Gasoline unleaded regular (4)	208.397	-35.0	-4.3	208.316	-35.1	-4.3
Gasoline unleaded midgrade (4) (5)	220.466	-33.1	-4.1	220.373	-33.2	-4.1
Gasoline unleaded premium (4)	210.693	-31.9	-3.8	210.372	-32.0	-3.8
Medical care	358.253	2.9	0.3	361.478	3.0	0.3
Medical care commodities	294.512	4.4	0.6	287.474	4.4	0.6
Medical care services	378.741	2.4	0.2	383.746	2.5	0.2
Professional services	317.449	2.5	0.1	319.043	2.6	0.2
Recreation (3)	115.830	0.9	0.1	112.045	0.4	0.0
Education and communication (3)	124.422	2.4	0.6	119.494	2.0	0.5
Other goods and services	368.039	9.6	0.3	390.248	12.9	0.2
Commodities	171.770	-5.0	-0.2	172.501	-6.0	-0.2
Services	246.899	0.7	0.1	245.641	0.7	0.1
All items less shelter	204.521	-2.8	0.0	201.209	-3.6	0.0
All items less medical care	200.277	-2.1	-0.1	198.036	-2.6	-0.1
Energy	192.870	-23.9	-2.1	193.265	-24.3	-2.2
All items less energy	211.368	1.4	0.2	207.404	1.5	0.2
All items less food and energy	210.937	1.6	0.2	206.076	1.9	0.3
South size A (more than 1500000)	211.212	-1.7	-0.1	208.677	-2.3	-0.2
South size B/C (50000 to 1500000) (6)	132.722	-1.8	0.0	131.284	-2.2	0.0
South size D (nonmetropolitan less than 50000)	210.911	-2.0	0.0	210.922	-2.7	-0.1

Footnotes

(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 for CPI-U on December 1982=100 base; CPI-W on a December 1984=100 base.

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

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

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

(6) Indexes on a December 1996=100 base.

- Data not available.