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CONSUMER PRICE INDEX FOR THE SOUTH – DECEMBER 2009

The Consumer Price Index for All Urban Consumers (CPI-U) for the South¹ inched down 0.1 percent in December to a level of 209.476 (1982-84=100), the U.S. Bureau of Labor Statistics reported today. Regional Commissioner Janet S. Rankin noted that the decrease was led by lower prices for apparel and housing. Higher prices for food and beverages, among others, moderated the overall decline. The energy index decreased 0.7 percent over the month, while food costs edged up 0.2 percent. The core inflation rate, as measured by the all items less food and energy index, inched down 0.1 percent over the month. (See table A and table 1.)

Table A. Percent changes in the Consumer Price Index for All Urban Consumers for the South by expenditure category (not seasonally adjusted).

Expenditure category	Percent change from preceding month				12 months percent change ending December 2009
	Dec 2008	Oct 2009	Nov 2009	Dec 2009	
All items	-1.0	0.2	0.2	-0.1	2.9
Food and beverages	0.0	0.1	0.0	0.2	0.0
Housing	-0.1	-0.3	-0.4	-0.1	-0.4
Apparel	-3.1	1.2	-1.3	-2.5	0.8
Transportation	-5.3	1.4	2.4	-0.1	15.7
Medical care	0.1	0.2	0.7	0.0	3.2
Recreation 1/	-0.2	-0.7	-0.8	-0.2	-0.6
Education and communication 1/	0.1	0.3	-0.2	0.1	2.5
Other goods and services	-0.2	0.4	0.3	-0.1	9.9
Energy	-8.9	-1.1	2.8	-0.7	16.7
All items less food and energy	-0.2	0.4	-0.1	-0.1	2.0

1/ Index on a December 1997=100 base.

Over the last 12 months, prices in the South increased 2.9 percent, due largely to higher prices for transportation and other goods and services. Energy costs in the region jumped 16.7 percent, while food

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.

prices edged down 0.2 percent since last December. Over the same period, the core inflation rate advanced 2.0 percent.

Among the major categories, the apparel index followed normal seasonal patterns, declining 2.5 percent in December. Over the year, apparel costs advanced 0.8 percent.

The index for housing inched down 0.1 percent since November due to lower prices in all three components. 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 0.1 percent in December. Household furnishings and operations costs decreased 0.4 percent over the month. The fuels and utilities index inched down 0.1 percent in December as a 0.3-percent decrease in costs for electricity was partially offset by a 0.2-percent rise in utility (piped) gas service prices. The housing index declined 0.4 percent over the year —the fifth consecutive 12-month decline for this index, as a 4.6-percent 12-month decrease in the fuels and utilities index was partially offset by higher prices for shelter (0.3 percent) and household furnishings and operations (0.1 percent).

The transportation index inched down 0.1 percent in December as a 1.2-percent decline in motor fuel costs was partially offset by a 0.3-percent increase in prices for new and used motor vehicles. Over the year, transportation costs advanced 15.7 percent largely due to a 49.9-percent jump in motor fuel prices.

Recreation prices decreased 0.2 percent since November and 0.6 percent since December 2008. The other goods and services index (which includes tobacco and smoking products, personal care products and services, and miscellaneous personal goods) inched down 0.1 percent over the month but increased 9.9 percent over the last 12 months.

The index for medical care was unchanged over the month, as costs for medical care commodities inched down 0.1 percent. Prices for medical care services were unchanged since November. Over the year, the medical care index advanced 3.2 percent as prices increased for both medical care services (3.3 percent) and medical care commodities (3.0 percent).

The food and beverages index edged up 0.2 percent in December as costs for food at home increased 0.4 percent. Prices for food away from home were unchanged while those for alcoholic beverages declined 0.2 percent. Over the year, the food and beverages index was unchanged. A 1.8-percent decrease in prices for food at home was offset by higher costs for food away from home (1.8 percent) and alcoholic beverages (1.7 percent).

Prices for education and communication inched up 0.1 percent over the month. Since December 2008, this index advanced 2.5 percent.

Population size groups

Over the month, consumer prices in the South edged down 0.2 percent in the largest metropolitan areas, those with 1.5 million or more residents (Size Class A). Prices inched down 0.1 percent 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). Over the past 12 months, consumer prices in the South increased 2.2 percent in the largest areas (Size Class A). Prices advanced 3.2 percent in the mid-sized areas (Size Class B/C) and increased 4.3 percent in the smallest areas (Size Class D).

Metropolitan areas in the Southeast

Consumer prices are published bi-monthly for the Atlanta and Miami-Fort Lauderdale areas. For the two months ending in December, prices declined 0.3 percent in Atlanta and edged up 0.2 percent in Miami. For the 12 months ending in December 2009, prices in the Atlanta area increased 1.8 percent, while costs in the Miami-Fort Lauderdale area advanced 2.1 percent. Data for the Tampa-St. Petersburg-Clearwater area are published semi-annually. For the first half of 2009, the index for the Tampa-St. Petersburg-Clearwater area declined 0.9 percent, decreasing 0.7 percent over the year.

The Consumer Price Index for January 2010 is scheduled to be released on Friday, February 19, 2010 at 8:30 a.m. (EST).

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/ro4/home.htm. If you have additional questions, you can contact the Atlanta information office directly by dialing (404) 893-4222. 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	
	Dec. 2009	Dec. 2008	Nov. 2009	Dec. 2009	Dec. 2008	Nov. 2009
All items	209.476	2.9	-0.1	206.716	3.7	-0.1
All items (December 1977=100)	339.799	-	-	334.800	-	-
Food and beverages	216.286	0.0	0.2	215.040	-0.1	0.3
Food	216.832	-0.2	0.2	215.545	-0.2	0.3
Food at home	211.104	-1.8	0.4	209.377	-1.9	0.5
Food away from home	227.401	1.8	0.0	226.790	2.0	0.0
Alcoholic beverages	207.620	1.7	-0.2	207.118	2.1	-0.1
Housing	200.527	-0.4	-0.1	200.162	-0.3	-0.1
Shelter	221.823	0.3	-0.1	221.356	0.5	0.0
Rent of primary residence (1)	223.750	0.8	0.1	222.381	0.7	0.0
Owners' equivalent rent of primary residence (1) (2) (3)	225.942	0.6	-0.1	210.231	0.5	-0.1
Fuels and utilities	211.444	-4.6	-0.1	211.540	-4.3	-0.1
Household energy	180.904	-6.6	-0.2	179.282	-6.3	-0.1
Gas (piped) and electricity (1)	181.645	-6.7	-0.2	180.766	-6.4	-0.2
Electricity (1)	176.888	-4.6	-0.3	174.702	-4.6	-0.3
Utility (piped) gas service (1)	198.368	-17.2	0.2	202.054	-16.7	0.7
Household furnishings and operations	128.324	0.1	-0.4	123.247	0.3	-0.4
Apparel	130.113	0.8	-2.5	130.041	0.5	-2.7
Transportation	185.445	15.7	-0.1	182.939	17.3	0.1
Private transportation	183.486	16.3	-0.1	181.261	17.7	0.1
New and used motor vehicles (4)	96.446	6.2	0.3	94.698	7.5	1.0
New vehicles	143.187	5.6	-0.1	142.929	5.6	-0.1
New cars and trucks (4) (5)	97.390	5.6	-0.2	-	-	-
New cars (5)	146.988	4.3	-0.3	-	-	-
Used cars and trucks	136.843	10.5	2.5	137.582	10.5	2.5
Motor fuel	221.897	49.9	-1.2	221.750	49.8	-1.2
Gasoline (all types)	221.252	53.2	-1.2	221.199	53.2	-1.2
Gasoline unleaded regular (5)	219.767	55.1	-1.3	219.689	55.2	-1.3
Gasoline unleaded midgrade (5) (6)	231.710	50.0	-1.1	231.632	50.1	-1.1
Gasoline unleaded premium (5)	221.196	47.2	-0.9	220.863	47.2	-0.9
Medical care	361.489	3.2	0.0	365.175	3.4	0.0
Medical care commodities	295.055	3.0	-0.1	288.270	3.1	0.0
Medical care services	383.204	3.3	0.0	388.643	3.5	0.0
Professional services	318.893	2.6	0.1	320.575	2.6	0.1
Recreation (4)	113.926	-0.6	-0.2	110.378	-0.7	-0.3
Education and communication (4)	124.717	2.5	0.1	119.668	2.0	0.1
Other goods and services	370.188	9.9	-0.1	393.424	13.5	-0.1
Commodities	173.865	6.2	-0.3	175.145	7.7	-0.2
Services	245.913	0.7	0.0	244.856	0.7	0.0
All items less shelter	205.828	4.2	-0.1	202.837	5.1	-0.1
All items less medical care	200.727	2.9	-0.1	198.923	3.7	-0.1
Energy	194.732	16.7	-0.7	195.089	18.2	-0.7
All items less energy	211.782	1.7	-0.1	208.277	2.0	0.0
All items less food and energy	211.281	2.0	-0.1	206.955	2.5	0.0
South size A (more than 1500000)	210.971	2.2	-0.2	208.788	2.8	-0.2
South size B/C (50000 to 1500000) (7)	133.252	3.2	-0.1	132.136	4.0	0.0
South size D (nonmetropolitan less than 50000)	213.159	4.3	-0.1	213.184	5.0	-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) This index series will undergo a change in composition in January, 2010. The expenditure class will include weight from secondary residences, and will be re-titled Owners' equivalent rent of residences. The item stratum Owners' equivalent rent of primary residences, which prior to January, 2010 is identical to the EC, will be published as well.
 - (3) Indexes for CPI-U on December 1982=100 base; CPI-W on a December 1984=100 base.
 - (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.
 - (7) Indexes on a December 1996=100 base.
- Data not available.