

WEST INFORMATION OFFICE
San Francisco, Calif.

For release 10:00 a.m. (PDT) Friday, September 14, 2012

12-1878-SAN

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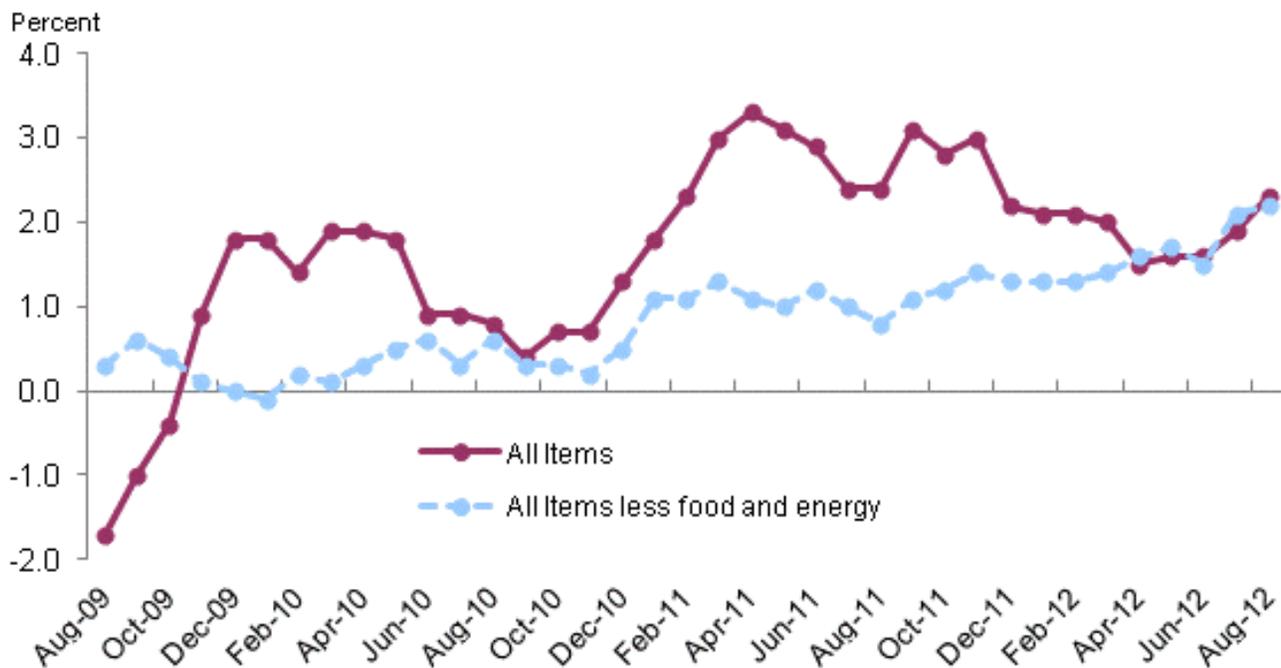
CONSUMER PRICE INDEX, LOS ANGELES AREA – AUGUST 2012

AREA PRICES WERE UP 0.6 PERCENT OVER THE PAST MONTH, UP 2.3 PERCENT FROM A YEAR AGO

Prices in the Los Angeles area, as measured by the Consumer Price Index for All Urban Consumers (CPI-U), rose 0.6 percent in August, the U.S. Bureau of Labor Statistics reported today. (See table A.) Regional Commissioner Richard J. Holden noted that the August increase was influenced by higher prices for gasoline and recreation. (Data in this report are not seasonally adjusted. Accordingly, month-to-month changes may reflect seasonal influences.)

Over the last 12 months, the CPI-U rose 2.3 percent. (See chart 1.) Energy prices rose 4.9 percent, largely the result of an increase in the price of gasoline. The index for all items less food and energy advanced 2.2 percent since August 2011.

Chart 1. Over-the-year percent change in CPI-U, Los Angeles, August 2009–August 2012



Source: U.S. Bureau of Labor Statistics

Food

Food prices edged up 0.2 percent for the month of August. (See table 1.) Prices for food at home were virtually unchanged, and prices for food away from home rose 0.3 percent for the same period.

Over the year, food prices rose 1.6 percent. Prices for food at home advanced 0.8 percent since a year ago, and prices for food away from home advanced 2.8 percent.

Energy

The energy index advanced 5.2 percent over the month. The increase was mainly due to higher prices for gasoline (7.2 percent). Prices for natural gas service advanced 1.8 percent, and prices for electricity edged up 0.2 percent in August.

Energy prices rose 4.9 percent over the year, largely due to higher prices for gasoline (7.3 percent). Prices paid for electricity advanced 3.8 percent, but prices for natural gas service fell 12.1 percent during the past year.

All items less food and energy

The index for all items less food and energy edged up 0.2 percent in August. Higher prices for recreation (1.4 percent) and education and communication (0.8 percent) were partially offset by lower prices for medical care (-0.3 percent).

Over the year, the index for all items less food and energy advanced 2.2 percent. Components contributing to the increase included medical care (3.7 percent), education and communication (3.5 percent), and shelter (2.2 percent). Partly offsetting the increases were price declines in household furnishings and operations (-0.3 percent).

Table A. Los Angeles-Riverside-Orange County CPI-U monthly and annual percent changes (not seasonally adjusted)

Month	2007		2008		2009		2010		2011		2012	
	Monthly	Annual										
January	0.9	3.2	0.7	3.9	0.5	-0.1	0.4	1.8	0.9	1.8	0.8	2.1
February	1.0	3.5	0.2	3.1	0.3	0.0	0.0	1.4	0.5	2.3	0.5	2.1
March	0.8	3.8	1.0	3.3	0.0	-1.0	0.4	1.9	1.1	3.0	1.0	2.0
April	0.6	3.5	0.5	3.1	0.1	-1.3	0.2	1.9	0.5	3.3	0.0	1.5
May	0.3	2.9	0.9	3.7	0.4	-1.8	0.2	1.8	0.0	3.1	0.1	1.6
June	-0.6	2.9	1.1	5.4	0.6	-2.2	-0.2	0.9	-0.4	2.9	-0.4	1.6
July	0.1	2.9	0.4	5.7	0.0	-2.6	0.1	0.9	-0.4	2.4	-0.1	1.9
August	-0.1	2.6	-0.6	5.1	0.2	-1.7	0.2	0.8	0.2	2.4	0.6	2.3
September	0.2	2.3	-0.5	4.5	0.3	-1.0	-0.1	0.4	0.5	3.1	-	-
October	0.5	3.5	-0.6	3.4	0.0	-0.4	0.3	0.7	0.0	2.8	-	-
November	0.6	4.2	-1.7	1.0	-0.4	0.9	-0.4	0.7	-0.1	3.0	-	-
December	-0.3	4.2	-1.2	0.1	-0.3	1.8	0.3	1.3	-0.5	2.2	-	-

CPI-W

In August, the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) was 230.229, up 0.8 percent from July. The CPI-W increased 2.5 percent over the year.

The September 2012 Consumer Price Index for Los Angeles-Riverside-Orange County is scheduled to be released on October 16, 2012, at 10:00 a.m. (PDT).

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 88 percent of the total population and (2) a CPI for Urban Wage Earners and Clerical Workers (CPI-W) which covers 29 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 Los Angeles-Riverside-Orange County, CA. metropolitan area covered in this release is comprised of Los Angeles, Orange, Riverside, San Bernardino, and Ventura Counties in the State of California.

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 San Francisco Information Office at (415) 625-2270 from 9:00 a.m. to 11:30 a.m. and 1:30 p.m. to 4:00 p.m. PT.

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

Los Angeles-Riverside-Orange County, CA (1982-84=100 unless otherwise noted)

Item and Group	Indexes			Percent change from—		
	June 2012	July 2012	Aug. 2012	Aug. 2011	June 2012	July 2012
Expenditure category						
All items	236.025	235.776	237.222	2.3	0.5	0.6
All items (1967=100)	697.323	696.587	700.858	-	-	-
Food and beverages	236.960	236.712	237.023	1.5	.0	.1
Food	236.635	236.422	236.897	1.6	.1	.2
Food at home	246.739	246.342	246.581	.8	-.1	.1
Food away from home	220.560	220.567	221.312	2.8	.3	.3
Alcoholic beverages	227.391	226.675	224.644	-1.3	-1.2	-.9
Housing	249.122	249.724	250.065	2.0	.4	.1
Shelter	280.303	280.883	281.180	2.2	.3	.1
Rent of primary residence ¹	289.106	290.458	290.551	2.5	.5	.0
Owners' equivalent rent of residences ^{1 2}	292.732	293.168	293.551	2.2	.3	.1
Owners' equivalent rent of primary residence ^{1 2}	292.729	293.165	293.548	2.2	.3	.1
Fuels and utilities	260.150	262.645	263.932	2.2	1.5	.5
Household energy	236.484	236.316	237.994	-.1	.6	.7
Energy services ¹	234.946	234.910	236.486	.0	.7	.7
Electricity ¹	273.371	273.452	274.008	3.8	.2	.2
Utility (piped) gas service ¹	187.271	187.029	190.486	-12.1	1.7	1.8
Household furnishings and operations	121.274	121.109	121.196	-.3	-.1	.1
Apparel	110.885	110.463	111.046	3.0	.1	.5
Transportation	213.354	209.421	214.279	3.4	.4	2.3
Private transportation	207.031	203.309	208.511	3.8	.7	2.6
Motor fuel	310.124	293.981	315.186	7.2	1.6	7.2
Gasoline (all types)	304.143	288.043	308.833	7.3	1.5	7.2
Gasoline, unleaded regular ³	305.976	289.409	310.597	7.4	1.5	7.3
Gasoline, unleaded midgrade ^{3 4}	286.717	271.585	291.416	7.5	1.6	7.3
Gasoline, unleaded premium ³	285.688	272.556	290.740	6.7	1.8	6.7
Medical care	403.302	407.977	406.661	3.7	.8	-.3
Recreation ⁵	103.667	103.832	105.320	.7	1.6	1.4
Education and communication ⁵	139.722	141.429	142.522	3.5	2.0	.8
Other goods and services	371.572	370.532	373.396	2.5	.5	.8
Commodity and service group						
All items	236.025	235.776	237.222	2.3	.5	.6
Commodities	181.403	179.793	181.966	2.2	.3	1.2
Commodities less food and beverages	150.107	147.965	150.867	2.6	.5	2.0
Nondurables less food and beverages	197.605	193.175	199.244	4.0	.8	3.1
Durables	103.568	103.845	103.395	-.2	-.2	-.4
Services	283.362	284.433	285.143	2.4	.6	.2
Special aggregate indexes						
All items less medical care	228.498	228.093	229.614	2.2	.5	.7
All items less shelter	216.740	216.127	218.077	2.4	.6	.9
Commodities less food	153.835	151.712	154.503	2.5	.4	1.8
Nondurables	219.511	216.959	220.441	2.8	.4	1.6
Nondurables less food	201.608	197.325	203.030	3.7	.7	2.9
Services less rent of shelter ²	295.802	297.619	298.954	2.7	1.1	.4
Services less medical care services	273.680	274.530	275.262	2.3	.6	.3
Energy	284.066	273.729	287.841	4.9	1.3	5.2
All items less energy	234.321	234.840	235.330	2.1	.4	.2
All items less food and energy	234.228	234.886	235.380	2.2	.5	.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 December 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.