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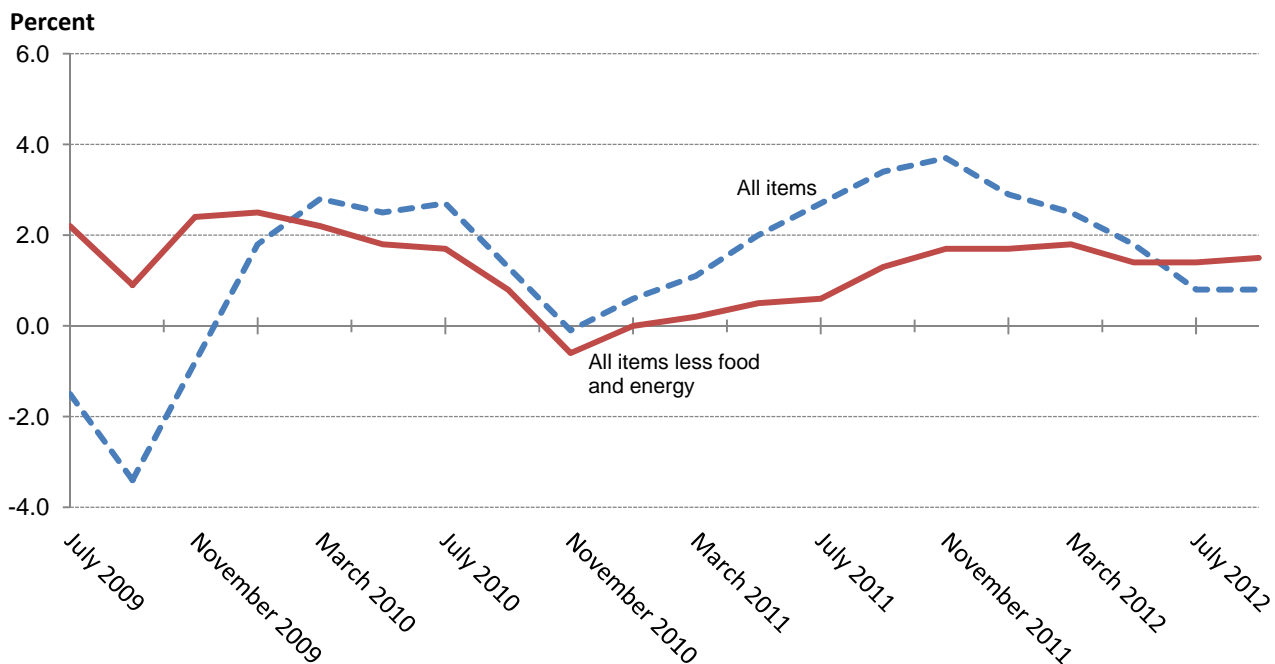
## CONSUMER PRICE INDEX, BOSTON-BROCKTON-NASHUA— JULY 2012

Area prices edged down 0.1 percent over two months; up 0.8 percent from a year ago

The Consumer Price Index for All Urban Consumers (CPI-U) in the Boston-Brockton-Nashua area decreased 0.1 percent in July, the U.S. Bureau of Labor Statistics reported today. Deborah A. Brown, the Bureau's regional commissioner, noted that the two-month decrease was mainly due to lower gasoline prices, and was nearly offset by increases in shelter and to a lesser extent, food. (Data in this report are not seasonally adjusted. Accordingly, bimonthly changes may reflect the impact of seasonal influences.)

Over the last 12 months the Boston CPI-U was up 0.8 percent. Increases in the all items less food and energy index and in food prices were partially offset by a decline in energy. The energy index declined over the year for the third consecutive month, down 7.2 percent. Food prices rose 2.2 percent and the all items less food and energy index rose 1.5 percent over the year. (See chart 1.)

**Chart 1. Over-the-year percent change in CPI-U, Boston-Brockton-Nashua, July 2009 - July 2012**



Source: U.S. Bureau of Labor Statistics

## **Food**

Food prices rose 0.5 percent in July, following a 0.8-percent increase in the previous two-month period. Higher grocery prices, up 0.5 percent, led the increase. Restaurant prices, also known as food away from home, rose 0.4 percent.

From July 2011 to July 2012, the index for food increased 2.2 percent, as grocery store prices rose 2.3 percent and restaurant prices were up 2.1 percent.

## **Energy**

The energy index decreased 4.8 percent in July, as lower prices for gasoline more than offset increases in utility (piped) gas and electricity. Gasoline prices were at their lowest level since January, decreasing 6.6 percent over the two-month period. Boston area motorists paid an average of \$3.524 per gallon of gasoline in July. Utility (piped) gas prices rose 4.4 percent and electricity prices were up 1.1 percent.

The energy index fell 7.2 percent over the year. Gasoline prices were 6.2 percent lower than the prior year, and utility (piped) gas declined 18.0 percent. Electricity prices decreased 2.0 percent.

## **All items less food and energy**

The index for all items less food and energy increased 0.3 percent in July, mainly reflecting higher shelter costs, which rose 0.8 percent.

Over the year, the index for all items less food and energy rose 1.5 percent. The increase was attributed to a 2.4-percent gain in shelter costs, and to a lesser extent, increases in education and communication, medical care, and apparel. A 3.6-percent decrease in the recreation index moderated the increase in the all items less food and energy index.

## **CPI-W**

In July, the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) was 247.627, down 0.2 percent from May. The CPI-W increased 0.7 percent over the year.

**The September 2012 Consumer Price Index for Boston-Brockton-Nashua is scheduled to be released on Tuesday, October 16, 2012, at 8:30 a.m. (ET).**

## **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 change 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](http://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](http://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 Boston-Brockton-Nashua, Mass.-N.H.-Maine-Conn. consolidated area covered in this release is comprised of Essex, Middlesex, Norfolk, Plymouth and Suffolk Counties and parts of Bristol, Hampden, and Worcester Counties in Massachusetts; parts of Hillsborough, Merrimack, Rockingham, and Strafford Counties in New Hampshire; part of York County in Maine; and part of Windham County in Connecticut.

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 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.

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

**Boston-Brockton-Nashua, MA-NH-ME-CT** (1982-84=100 unless otherwise noted)

Item and Group	Indexes			Percent change from—		
	May 2012	June 2012	July 2012	July 2011	May 2012	June 2012
<b>Expenditure category</b>						
All items .....	246.582	-	246.326	0.8	-0.1	-
All items (1967=100) .....	716.697	-	715.954	-	-	-
Food and beverages .....	244.649	-	245.686	2.2	.4	-
Food .....	245.001	-	246.156	2.2	.5	-
Food at home .....	236.192	236.429	237.383	2.3	.5	0.4
Food away from home .....	259.674	-	260.767	2.1	.4	-
Alcoholic beverages .....	243.748	-	243.289	1.6	-.2	-
Housing .....	237.027	-	238.520	1.4	.6	-
Shelter .....	278.518	280.178	280.643	2.4	.8	.2
Rent of primary residence <sup>1</sup> .....	286.594	287.286	288.249	2.8	.6	.3
Owners' equivalent rent of residences <sup>1 2</sup> .....	295.395	296.479	296.974	2.0	.5	.2
Owners' equivalent rent of primary residence <sup>1 2</sup> .....	295.395	296.479	296.974	2.0	.5	.2
Fuels and utilities .....	224.805	-	220.153	-5.4	-2.1	-
Household energy .....	186.587	185.628	181.704	-8.6	-2.6	-2.1
Energy services <sup>1</sup> .....	157.812	164.067	161.166	-9.0	2.1	-1.8
Electricity <sup>1</sup> .....	176.699	183.341	178.616	-2.0	1.1	-2.6
Utility (piped) gas service <sup>1</sup> .....	123.732	129.200	129.222	-18.0	4.4	.0
Household furnishings and operations .....	126.837	-	130.497	3.1	2.9	-
Apparel .....	146.921	-	142.364	4.3	-3.1	-
Transportation .....	206.265	-	203.310	-2.4	-1.4	-
Private transportation .....	206.159	-	202.305	-2.4	-1.9	-
Motor fuel .....	320.817	298.540	299.546	-6.1	-6.6	.3
Gasoline (all types) .....	317.122	295.060	296.089	-6.2	-6.6	.3
Gasoline, unleaded regular <sup>3</sup> .....	315.953	293.251	294.370	-6.4	-6.8	.4
Gasoline, unleaded midgrade <sup>3 4</sup> .....	320.045	299.594	300.871	-5.0	-6.0	.4
Gasoline, unleaded premium <sup>3</sup> .....	306.137	286.931	287.159	-5.9	-6.2	.1
Medical care .....	568.037	-	571.101	2.0	.5	-
Recreation <sup>5</sup> .....	114.490	-	112.543	-3.6	-1.7	-
Education and communication <sup>5</sup> .....	143.164	-	142.670	2.4	-.3	-
Other goods and services .....	423.837	-	425.277	1.5	.3	-
<b>Commodity and service group</b>						
All items .....	246.582	-	246.326	.8	-.1	-
Commodities .....	195.748	-	193.977	.5	-.9	-
Commodities less food and beverages .....	169.147	-	166.199	-6	-1.7	-
Nondurables less food and beverages .....	226.491	-	219.409	-1.0	-3.1	-
Durables .....	113.654	-	114.264	.2	.5	-
Services .....	291.334	-	292.556	1.1	.4	-
<b>Special aggregate indexes</b>						
All items less medical care .....	233.993	-	233.640	.8	-.2	-
All items less shelter .....	236.606	-	235.411	.1	-.5	-
Commodities less food .....	172.156	-	169.272	-5	-1.7	-
Nondurables .....	234.381	-	231.242	.6	-1.3	-
Nondurables less food .....	226.263	-	219.644	-8	-2.9	-
Services less rent of shelter <sup>2</sup> .....	321.638	-	321.836	-3	.1	-
Services less medical care services .....	272.297	-	273.606	1.0	.5	-
Energy .....	242.347	232.505	230.639	-7.2	-4.8	-8
All items less energy .....	250.549	-	251.421	1.7	.3	-
All items less food and energy .....	252.163	-	252.984	1.5	.3	-

<sup>1</sup> This index series was calculated using a Laspeyres estimator. All other item stratum index series were calculated using a geometric means estimator.

<sup>2</sup> Index is on a November 1982=100 base.

<sup>3</sup> Special index based on a substantially smaller sample.

<sup>4</sup> Indexes on a December 1993=100 base.

<sup>5</sup> Indexes on a December 1997=100 base.

- Data not available.

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