

NEWS RELEASE



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## CONSUMER PRICE INDEX, NEW YORK-NORTHERN NEW JERSEY – AUGUST 2012 Area prices up 0.6 percent over the month and 1.4 percent over the year

Prices in the New York-Northern New Jersey-Long Island area, as measured by the Consumer Price Index for All Urban Consumers (CPI-U), rose 0.6 percent in August, following declines of 0.2 percent in July and 0.1 percent in June, the U.S. Bureau of Labor Statistics reported today. Chief Regional Economist Martin Kohli attributed the upturn to higher prices for gasoline and shelter. (Data in this report are not seasonally adjusted. Accordingly, month-to-month changes may reflect seasonal influences.)

For the year ended in August 2012, the CPI-U rose 1.4 percent. (See chart 1 and table A.) The overthe-year rise was primarily due to increases in food, shelter, and medical care. The index for all items less food and energy rose 1.6 percent.

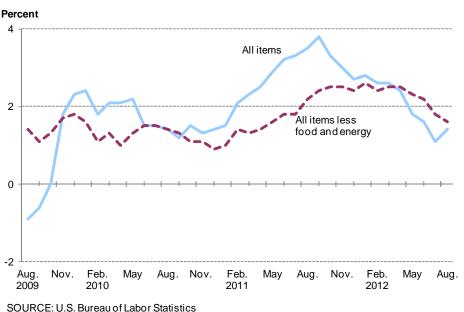


Chart 1. Over-the-year percent change in CPI-U, New York-Northern New Jersey-Long Island, August 2009–August 2012



Round-the-clock recorded messages for the Consumer Price Index and a variety of other *Bureau of Labor Statistics* data are available by dialing the *New York-New Jersey Information Office's* main telephone number: (646) 264-3600. For recorded messages, press '2'.

#### Food

The food index rose 0.2 percent for the second consecutive month. Prices for food at home inched up 0.1 percent, and prices for food away from home increased 0.3 percent.

Over the year, as in July, the food index rose 2.3 percent. At-home food prices increased 2.1 percent, and away-from-home food prices advanced 2.6 percent. (See table 1.)

### Energy

The energy index reversed a string of three consecutive declines, advancing 2.4 percent in August, largely due to a 5.4-percent jump in gasoline prices. Prices of energy services declined 1.6 percent, with a 2.4-percent drop in the index for electricity; natural gas prices were unchanged.

For the 12 months ended in August, the energy index declined 2.6 percent. Gasoline prices rose 0.3 percent, while energy services fell 6.4 percent. Natural gas prices were down 12.9 percent.

### All items less food and energy

The index for all items less food and energy increased 0.5 percent, following a 0.2-percent decrease in July. Prices for apparel, often up in August with the introduction of new lines, climbed 4.9 percent. A seasonal price increase also occurred in the education and communication category, which rose 0.8 percent. Higher prices were reported for tuition along with educational books and supplies. The approaching school year was also reflected in higher dormitory charges, contributing to a 0.3-percent rise in shelter. The August increases contrasted with movements in July: apparel and education and communication decreased in July, and shelter was unchanged. Within shelter, residential rent rose 0.3 percent in August, after edging up 0.2 percent in July.

Over the year, the index for all items less food and energy increased 1.6 percent. Medical care prices rose 5.2 percent. The indexes for education and communication and for residential rent each increased 2.3 percent. Apparel prices increased 2.0 percent

Month	2007		2008		2009		2010		2011		2012	
	Monthly	Annual	Monthly	Annua								
lanuari	0.2	2.7	0.2	27	0.2	1 5	0.2	2.4	0.2	1.5	0.4	~ ~ ~
January	-		0.2	3.7	0.2	1.5	0.2		0.3		-	2.8
February	0.6	3.1	0.5	3.6	0.5	1.6	0.0	1.8	0.5	2.1	0.4	2.6
March	0.7	2.9	0.9	3.8	0.2	0.8	0.5	2.1	0.7	2.3	0.6	2.6
April	0.5	2.5	0.3	3.6	0.2	0.8	0.2	2.1	0.4	2.5	0.2	2.4
May	0.6	2.5	1.0	4.0	0.2	-0.1	0.2	2.2	0.6	2.9	0.1	1.8
June	0.5	2.5	1.0	4.5	0.5	-0.6	-0.1	1.5	0.2	3.2	-0.1	1.6
July	0.2	2.5	0.7	5.1	0.2	-1.1	0.1	1.5	0.3	3.3	-0.2	1.1
August	-0.1	1.9	0.1	5.4	0.3	-0.9	0.2	1.4	0.4	3.5	0.6	1.4
September	0.0	2.4	-0.2	5.2	0.1	-0.6	0.0	1.2	0.2	3.8		
October	0.1	3.1	-0.7	4.3	-0.1	0.0	0.2	1.5	-0.2	3.3		
November	0.4	3.9	-1.6	2.2	0.2	1.8	0.0	1.3	-0.3	3.0		
December	0.0	3.7	-0.6	1.6	-0.1	2.3	0.0	1.4	-0.4	2.7		

 Table A. New York-Northern New Jersey-Long Island CPI-U monthly and annual percent changes (not seasonally adjusted)

### **CPI-W**

In August, the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) was 249.734, up 0.6 percent over the month. The CPI-W increased 1.5 percent over the year.

The September 2012 Consumer Price Index for New York-Northern New Jersey-Long Island is scheduled to be released on Tuesday, October 16, 2012 at 8:30 a.m. (EDT).

# **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 New York-Northern New Jersey-Long Island, N.Y.-N.J.-Conn.-Pa. consolidated area covered in this release is comprised of Bronx, Dutchess, Kings, Nassau, New York, Orange, Putnam, Queens, Richmond, Rockland, Suffolk, and Westchester Counties in New York State; Bergen, Essex, Hudson, Hunterdon, Mercer, Middlesex, Monmouth, Morris, Ocean, Passaic, Somerset, Sussex, Union, and Warren Counties in New Jersey; Fairfield County and parts of Litchfield, Middlesex, and New Haven Counties in Connecticut; and Pike County in Pennsylvania.

Information in this release will be made available to sensory impaired individuals upon request. Voice phone: 202-691-5200; TDD message referral phone number: 800-877-8339.

#### New York-Northern N.J.-Long Island, NY-NJ-CT-PA (1982-84=100 unless otherwise noted)

		Indexes		Percent change from—			
Item and Group	June 2012	July 2012	Aug. 2012	Aug. 2011	June 2012	July 2012	
Expenditure category							
All items	252.406	252.016	253.472	1.4	0.4	0.6	
All items (1967=100)	729.670	728.545	732.751	-	-	-	
Food and beverages	243.277	243.866	244.211	2.3	.4	.1	
Food	242.701	243.307	243.779	2.3	.4	.2	
Food at home	242.567	243.116	243.344	2.1	.3	.1	
Food away from home Alcoholic beverages	249.357 247.595	250.052 247.947	250.857 246.486	2.6 1.5	.6 4	.3 6	
- Housing	265.684	265.403	266.008	.7	.1	.2	
Shelter	324.138	324.246	325.299	1.4	.4	.2	
Rent of primary residence <sup>1</sup>	328.237	328.979	329.964	2.3	.5	.3	
Owners' equivalent rent of residences 1 2	330.829	331.195	332.036	1.4	.4	.3	
Owners' equivalent rent of primary residence <sup>12</sup>	330.658	331.019	331.857	1.4	.4	.3	
Fuels and utilities	200.152	198.977	198.149	-4.3	-1.0	4	
Household energy	196.937	195.096	194.197	-5.3	-1.4	5	
Energy services <sup>1</sup>	183.582	181.160	178.173	-6.4	-2.9	-1.6	
Electricity <sup>1</sup> Utility (piped) gas service <sup>1</sup>	192.570 160.089	187.778 162.456	183.321 162.485	-3.1 -12.9	-4.8 1.5	-2.4 .0	
Household furnishings and operations	122.997	121.900	122.039	.7	8	.1	
Apparel	122.113	120.646	126.515	2.0	3.6	4.9	
Transportation	227.460	226.001	228.775	.6	.6	1.2	
Private transportation	215.439	214.664	218.182	.9	1.3	1.6	
Motor fuel	282.826	281.734	296.917	.4	5.0	5.4	
Gasoline (all types)	281.804	280.808	296.016	.3	5.0	5.4	
Gasoline, unleaded regular <sup>3</sup>	284.463	283.506	299.363	.1	5.2	5.6	
Gasoline, unleaded regular <sup>3</sup> Gasoline, unleaded midgrade <sup>3 4</sup> Gasoline, unleaded premium <sup>3</sup>	284.618 277.064	282.980 276.488	296.945 290.172	.7 1.1	4.3 4.7	4.9 4.9	
Medical care	412.349	413.555	414.055	5.2	.4	.1	
Recreation <sup>5</sup>	118.824	118.500	118.698	1.0	1	.2	
Education and communication <sup>5</sup>	138.652	138.508	139.613	2.3	.7	.8	
Other goods and services	390.343	391.136	391.735	2.1	.4	.2	
Commodity and service group							
All items	252.406	252.016	253.472	1.4	.4	.6	
Commodities	192.498	192.140	194.680	1.3	1.1	1.3	
Commodities less food and beverages	158.456	157.654	161.139	.7	1.7	2.2	
Nondurables less food and beverages	200.023	199.261	205.953	1.3	3.0	3.4	
Durables Services	105.307	104.498	104.265	5 1.4	-1.0	2 .2	
	303.785	303.369	303.899	1.4	.0	.2	
Special aggregate indexes							
All items less medical care	245.304	244.860	246.341	1.2	.4	.6	
All items less shelter Commodities less food	224.413 162.133	223.828 161.363	225.443 164.711	1.3 .7	.5 1.6	.7 2.1	
Nondurables	224.009	223.887	227.622	1.7	1.6	1.7	
Nondurables less food	203.223	202.522	208.767	1.3	2.7	3.1	
Services less rent of shelter <sup>2</sup>	292.174	291.154	291.109	1.4	4	.0	
Services less medical care services	294.864	294.407	294.959	1.1	.0	.2	
Energy	232.521	230.964	236.440	-2.6	1.7	2.4	
All items less food and energy	256.129	255.853	256.921	1.7	.3	.4 .5	
All thems less loou and energy	260.190	259.742	260.930	1.6	.3	.5	

<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 December 1982=100 base.
 <sup>3</sup> Special index based on a substantially smaller sample.
 <sup>4</sup> Index is a December 1002 100 base.

<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.