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**Consumer Price Index
Chicago-Gary-Kenosha, IL-IN-WI CMSA
August 2004**

Consumer prices in the Chicago-Gary-Kenosha area rose 0.5 percent in August, the U.S. Department of Labor's Bureau of Labor Statistics reported today. This follows three consecutive increases of only 0.2 percent in each of the three previous July-August periods (2001-2003). The Chicago-Gary-Kenosha Consumer Price Index for All Urban Consumers (CPI-U) was 190.2 (1982-84=100) in August 2004, representing a 3.1 percent rise from a year ago. This was nearly double the 1.6 percent gain in the previous annual period ended in August 2003.

An increase in the apparel component was responsible for about three-fourths of the August gain in the Chicago area all items CPI-U, according to Regional Commissioner Jay A. Mousa. The component for education and communication was also higher over the month and accounted for most of the remainder of the gain. Moderate increases were noted in the components for medical care and recreation. Transportation costs were down over the month, only partially offsetting these increases. The components for housing, food and beverages, and other goods and services were nearly unchanged from their July levels.

Apparel costs rose 11.9 percent in August, well above the 5.2 percent increases recorded in each of the two previous July-August periods (2002 and 2003). In August 2004, higher price tags were found on a number of apparel items including women's

Table A. Percent Changes in the CPI-U, Chicago-Gary-Kenosha, IL-IN-WI
(not seasonally adjusted)

Expenditure Category	Changes from preceding month							12 mo. Ended Aug. '04
	2003	2004						
	Aug.	Mar.	Apr.	May	Jun.	July	Aug.	
All items	0.2	-0.1	0.5	0.8	0.2	0.1	0.5	3.1
Food & beverages	-.2	0	-.6	1.6	.3	.7	.1	4.4
Housing	-.1	-.3	.6	.2	1.1	.2	.1	1.9
Apparel	5.2	2.6	-1.9	2.9	-4.4	-3.1	11.9	11.5
Transportation	.4	-.3	1.6	1.9	-.7	-.5	-.3	3.8
Medical care	-.1	.7	.5	.1	-.1	.3	.5	5.2
Recreation	0	-.2	0	.5	.2	.9	.6	2.5
Education & communication	.4	-.3	.2	-.1	-.1	-.5	1.1	1.4
Other goods & services	.5	.4	.9	.4	-.2	0	-.1	3.1

dresses, jewelry, and men's suits, sport coats, and outerwear. Over the past 12 months, apparel prices in the Chicago area were up 11.5 percent. This annual increase follows six consecutive yearly declines that averaged 5.2 percent per year.

The education and communication component increased 1.1 percent in August. Higher tuition costs for the new school year were responsible for this rise. Over the past 12 months, the education and communication component rose 1.4 percent following a 0.4 percent decline in the previous annual period.

The medical care component rose 0.5 percent from July. Compared with a year earlier, medical care costs were 5.2 percent higher. This was more than the 3.8 percent average annual gains recorded over the past three August-August periods.

Recreation costs increased 0.6 percent in August following no change in August 2003. Over the year, the recreation component increased 2.5 percent after posting consecutive 1.3 percent declines in the previous two Augusts-August periods.

The transportation component declined 0.3 percent from July. Gasoline prices edged up 0.1 percent from their July level, and were 13.9 percent above August 2003 levels. In the previous annual period, August 2002-2003, prices at the gasoline pumps rose 12.1 percent. Overall transportation costs were up 3.8 percent for the year following smaller gains of 0.3 percent and 0.9 percent for the years ending in August 2002 and 2003, respectively.

The housing component edged up 0.1 percent in August. Shelter costs rose 0.5 percent due to an increase in lodging costs while out-of-town. Declines in the indexes for utility (piped) gas service (-4.4 percent) and household furnishings and operation (-0.7 percent) offset most of this increase. On an annual basis, housing costs were up 1.9 percent following a 3.4 percent increase in the previous annual period. Shelter costs rose 2.2 percent for the year ended in August 2004 and the utility (piped) gas service index was up 9.1 percent over the past 12 months. The index for household furnishings and operation was down 3.8 percent compared with its year ago August level.

The food and beverages component rose a slight 0.1 percent in August. Alcoholic beverage prices fell 1.0 percent offsetting most of the identical 0.2 percent increases in the food at home index (grocery food) and the food away from home index (restaurant meals and vending machine purchases, for example). For the year ended in August 2004, food and beverage prices were up 4.4 percent. Annual increases in the food and beverages component had averaged 1.7 percent over the previous five years (1999-2003).

The other goods and services component slid 0.1 percent in August and remained 3.1 percent higher than a year earlier. This component recorded a 1.9 percent increase in the 12-month period ended in August 2003.

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Scheduled release date for the September 2004 CPI:
Tuesday, October 19, 2004

CPI HOTLINE SERVICE PROVIDES LATEST INDEXES 24 HOURS A DAY

The all items CPI-U and CPI-W for the U.S. City Average, the Midwest region, and the Chicago area are available to the public 24 hours a day, 7 days a week through the Bureau's CPI Hotline service. This recorded message also provides percent changes from the prior period and from a year earlier, as well as the scheduled release date for the next CPI issuance. The Hotline number in Chicago is (312) 353-1880, menu option 2.

BLS FAX-ON-DEMAND SERVICE OFFERS CPI DATA 24 HOURS A DAY

If you have a fax machine and a touch-tone telephone, you can order current and historical CPI data and receive it within minutes by fax. The BLS Fax-on-Demand service offers over 300 documents containing the most popular BLS data including more than 65 documents containing CPI data for the nation, four regions, and 27 metropolitan areas. To receive a catalog of available documents by fax, call (312) 353-1880, select menu option 1, and order document 1000 when prompted.

BRIEF EXPLANATION OF THE CPI

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 87 percent of the total population and (2) a CPI for Urban Wage Earners and Clerical Workers (CPI-W) which covers 32 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. Prices are collected in 87 urban areas across the country from about 50,000 housing units and approximately 23,000 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. Prices of food, fuels, and a few other items are obtained every month in all 87 locations. Prices of most other commodities and services are collected every month in the three largest geographic areas and every other month in other areas. Prices of most goods and services are obtained by personal visits of the Bureau's trained representatives.

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. Separate indexes are also published by size of city, by region of the country, for cross-classifications of regions and population-size classes, and for 27 local areas. Area indexes do not measure differences in the level of prices among cities; they only measure the average change in prices for each area since the base period.

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, Bulletin 2490, April 1997, Chapter 17, The Consumer Price Index, also available on the Internet at www.bls.gov/opub/hom/homch17_a.htm.

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

Chicago-Gary-Kenosha, IL-IN-WI (1982-84=100 unless otherwise noted)

Item and Group	Indexes			Percent change from—		
	June 2004	July 2004	Aug. 2004	Aug. 2003	June 2004	July 2004
Expenditure category						
All items	189.1	189.2	190.2	3.1	0.6	0.5
All items (1967=100)	565.0	565.2	568.3	-	-	-
Food and beverages	187.0	188.3	188.5	4.4	.8	.1
Food	185.5	187.1	187.5	4.3	1.1	.2
Food at home	191.9	194.5	194.9	4.8	1.6	.2
Food away from home	173.0	173.4	173.8	3.9	.5	.2
Alcoholic beverages	205.3	203.0	201.0	5.2	-2.1	-1.0
Housing	196.0	196.4	196.6	1.9	.3	.1
Shelter	238.7	239.1	240.3	2.2	.7	.5
Rent of primary residence ¹	234.8	234.9	235.2	1.4	.2	.1
Owners' equivalent rent of primary residence ^{1 2}	241.6	242.7	242.9	1.1	.5	.1
Fuels and utilities	151.5	153.5	150.2	4.5	-.9	-2.1
Fuels	137.6	139.6	136.2	5.0	-1.0	-2.4
Gas (piped) and electricity ¹	141.0	143.1	139.4	4.7	-1.1	-2.6
Electricity ¹	110.1	110.1	110.1	.1	.0	.0
Utility (piped) gas service ¹	188.2	193.1	184.6	9.1	-1.9	-4.4
Household furnishings and operations	104.9	104.5	103.8	-3.8	-1.0	-.7
Apparel	90.9	88.1	98.6	11.5	8.5	11.9
Transportation	158.2	157.4	156.9	3.8	-.8	-.3
Private transportation	155.4	154.5	154.3	4.4	-.7	-.1
Motor fuel	177.1	168.3	168.4	13.9	-4.9	.1
Gasoline (all types)	175.7	166.9	167.1	13.9	-4.9	.1
Gasoline, unleaded regular ³	172.8	164.1	164.2	14.5	-5.0	.1
Gasoline, unleaded midgrade ^{3 4}	184.1	174.8	174.9	12.3	-5.0	.1
Gasoline, unleaded premium ³	168.5	161.2	161.3	12.9	-4.3	.1
Medical care	304.2	305.1	306.7	5.2	.8	.5
Recreation ⁵	107.1	108.1	108.7	2.5	1.5	.6
Education and communication ⁵	117.7	117.1	118.4	1.4	.6	1.1
Other goods and services	308.8	308.9	308.6	3.1	-.1	-.1
Commodity and service group						
All items	189.1	189.2	190.2	3.1	.6	.5
Commodities	149.1	148.1	149.5	3.1	.3	.9
Commodities less food and beverages	127.8	125.9	127.7	2.3	-.1	1.4
Nondurables less food and beverages	148.0	144.5	149.6	7.0	1.1	3.5
Durables	105.9	105.5	104.6	-2.4	-1.2	-.9
Services	226.8	228.0	228.6	3.2	.8	.3
Special aggregate indexes						
All items less medical care	183.7	183.8	184.8	3.0	.6	.5
All items less shelter	172.5	172.4	173.4	3.6	.5	.6
Commodities less food	130.7	128.8	130.6	2.5	-.1	1.4
Nondurables	168.2	166.8	169.7	5.7	.9	1.7
Nondurables less food	151.8	148.3	153.0	6.8	.8	3.2
Services less rent of shelter ²	225.1	227.1	227.2	4.3	.9	.0
Services less medical care services	220.4	221.5	222.1	3.0	.8	.3
Energy	152.0	149.7	147.7	8.8	-2.8	-1.3
All items less energy	194.5	194.8	196.2	2.6	.9	.7
All items less food and energy	196.9	197.0	198.6	2.4	.9	.8

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.

Regions defined as the four Census regions. See map in technical notes.

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