

News

U.S. Department of Labor
Bureau of Labor Statistics
PO Box 193766
San Francisco, Calif. 94119-3766



CONTACT:

Richard J. Holden (415) 975-4373
Amar Mann (415) 975-4929
Internet address: <http://www.bls.gov/ro9/ro9news.htm>
Fax-On-Demand (415) 975-4567 Code: #9145

BLS 04-65
FOR RELEASE:
Tuesday, August 17, 2004

PHOENIX-MESA CONSUMER PRICES INCREASE 1.6 PERCENT IN THE FIRST HALF OF 2004 – 2.0 PERCENT ABOVE A YEAR AGO

Consumer prices in the Phoenix-Mesa metropolitan area rose 1.6 percent during the first half of 2004 according to the Bureau of Labor Statistics of the U.S. Department of Labor. Regional Commissioner Richard J. Holden said price increases in housing, as well as the gasoline component of transportation were largely responsible for the overall increase in the past six months. Compared to the same period a year ago, the all items index rose 2.0 percent. Food and beverage prices also contributed significantly to the increase over the past year.

During the first six months of 2004, the overall housing index advanced 1.3 percent and has increased 1.9 percent over the past 12 months. The shelter component rose 1.4 percent for the six month period and 2.0 percent over the year. Within shelter, rent of primary residence advanced 0.7 percent while owners' equivalent rent of primary residence increased 0.3 percent in the last six months. From a year ago, these indexes rose 1.0 and 0.9 percent, respectively. The household fuels and utilities category decreased 2.0 percent during the first half of 2004, but was 0.7 percent higher than the same period in 2003. Within household fuels, prices for electricity decreased 8.0 percent during the first half of 2004, but measured 0.9 percent higher than the same period a year ago. The natural gas service index increased 6.7 percent during the last six months, and was 7.0 percent higher than last year's level. The household furnishings and operations category increased 1.7 percent in the past six months and 1.0 percent from a year ago.

The overall transportation index increased 0.5 percent during the first half of 2004, but declined 2.4 percent for the year, making it the only major category with lower prices compared to a year ago. Gasoline prices increased by 14.7 percent during the past six months, following a previous six month decrease of 2.5 percent. The private transportation category increased 1.3 percent during the past six months, but was 1.5 percent lower than last year's level. The transportation index also includes the unpublished category of public transportation.

The food and beverages index moved up 2.4 percent over the past six months, following a previous six month increase of 2.1 percent. During the first half of 2004, grocery prices, as measured by the food at home index, increased 2.9 percent, while the prices for food away from home increased by 1.6 percent. For the same period, prices for alcoholic beverages increased 3.7 percent. Over the past

year, grocery prices rose 6.7 percent, while the prices for eating out increased by 2.5 percent. Alcoholic beverage prices increased 3.4 percent over the 12-month period.

Education and communication was the only major category to record a decline during the first half of 2004, as prices fell 0.9 percent in this category. For the year, however, education and communication prices increased 2.9 percent.

During the first half of 2004, the index for medical care rose 3.0 percent. The index is 5.7 percent above last year's level.

The index for recreation advanced 4.6 percent in the first half of 2004. Over the year, prices for recreation increased 5.3 percent.

Prices in the other goods and services index advanced 0.7 percent during the first half of 2004. From the first half of 2003, the index rose 1.8 percent.

During the first six months of 2004, apparel prices increased 9.2 percent. For the year, apparel prices rose by 9.4 percent.

The area's Consumer Price Index for All Urban Consumers advanced to 105.2 (December 2001=100) during the first half of 2004. This means a market basket of goods and services that cost \$100.00 in December of 2001 would have cost \$105.20 during the first six months of 2004. Local area CPI data are not seasonally adjusted.

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

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

Phoenix-Mesa¹, AZ (December 2001=100 unless otherwise noted)

Item and Group	Semiannual average indexes			Percent change to 1st half 2004 from-	
	1st half 2003	2nd half 2003	1st half 2004	1st half 2003	2nd half 2003
Expenditure category					
All items	103.1	103.5	105.2	2.0	1.6
Food and beverages	102.5	104.7	107.2	4.6	2.4
Food	102.3	104.8	107.2	4.8	2.3
Food at home	105.0	108.8	112.0	6.7	2.9
Food away from home	99.4	100.3	101.9	2.5	1.6
Alcoholic beverages	104.4	104.1	107.9	3.4	3.7
Housing	101.9	102.5	103.8	1.9	1.3
Shelter	101.4	102.0	103.4	2.0	1.4
Rent of primary residence	101.8	102.1	102.8	1.0	0.7
Owners' equivalent rent of primary residence	100.2	100.8	101.1	0.9	0.3
Fuels and utilities	107.1	110.1	107.9	0.7	-2.0
Fuels	108.0	117.0	109.8	1.7	-6.2
Gas (piped) and electricity	107.9	117.1	109.8	1.8	-6.2
Electricity	112.3	123.1	113.3	0.9	-8.0
Utility (piped) gas service	84.6	84.8	90.5	7.0	6.7
Household furnishings and operations	102.2	101.5	103.2	1.0	1.7
Apparel	100.8	101.0	110.3	9.4	9.2
Transportation	106.1	103.1	103.6	-2.4	0.5
Private transportation	106.9	103.9	105.3	-1.5	1.3
Motor fuel	152.3	148.5	170.4	11.9	14.7
Gasoline (all types)	153.0	149.2	171.2	11.9	14.7
Gasoline, unleaded regular ²	155.1	152.3	173.9	12.1	14.2
Gasoline, unleaded midgrade ²	150.7	144.3	168.8	12.0	17.0
Gasoline, unleaded premium ²	148.3	144.1	164.5	10.9	14.2
Medical care	106.5	109.3	112.6	5.7	3.0
Recreation	99.5	100.2	104.8	5.3	4.6
Education and communication	100.8	104.6	103.7	2.9	-0.9
Other goods and services	107.5	108.6	109.4	1.8	0.7

See footnotes at end of table.

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

Phoenix-Mesa¹, AZ (December 2001=100 unless otherwise noted)

Item and Group	Semiannual average indexes			Percent change to 1st half 2004 from-	
	1st half 2003	2nd half 2003	1st half 2004	1st half 2003	2nd half 2003
Commodity and service group					
All items	103.1	103.5	105.2	2.0	1.6
Commodities	102.7	102.1	104.8	2.0	2.6
Commodities less food and beverages	102.8	100.6	103.3	0.5	2.7
Nondurables less food and beverages	110.4	110.0	117.1	6.1	6.5
Durables	95.6	91.6	90.5	-5.3	-1.2
Services	103.4	104.4	105.5	2.0	1.1
Special aggregate indexes					
All items less medical care	102.9	103.1	104.8	1.8	1.6
All items less shelter	104.0	104.4	106.2	2.1	1.7
Commodities less food	102.9	100.7	103.5	0.6	2.8
Nondurables	106.2	107.1	111.9	5.4	4.5
Nondurables less food	109.9	109.5	116.3	5.8	6.2
Services less rent of shelter	105.8	107.6	107.6	1.7	0.0
Services less medical care services	102.8	103.7	104.6	1.8	0.9
Energy	127.2	130.7	136.6	7.4	4.5
All items less energy	101.6	102.0	103.3	1.7	1.3
All items less food and energy	101.5	101.5	102.7	1.2	1.2

¹ Includes Maricopa and Pinal Counties.

² Special index based on a substantially smaller sample.

NOTE: Index reflects monthly averages over a six month period.