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CONSUMER PRICE INDEX FOR ATLANTA—AUGUST 2004

The Consumer Price Index for All Urban Consumers (CPI-U) for Atlanta decreased 0.9 percent over the two months ending in August to a level of 184.1 (1982-84=100), not seasonally adjusted, the Bureau of Labor Statistics of the U.S. Department of Labor reported today. Regional Commissioner Janet S. Rankin announced that for the 12 months ending in August, the CPI-U for Atlanta increased 1.3 percent after recording a twelve-month percent change of 2.3 percent in June 2004.

Over the two months, lower costs for housing and transportation accounted for most of the decrease in the all items index. Energy costs declined 4.4 percent over the two months ending in August, after recording the largest bi-monthly increase during the May-June pricing period. Food costs rose 0.4 percent over the past two months. Excluding food and energy, the CPI-U for Atlanta decreased 0.6 percent in the two month period ending in August.

Table A. Percent changes in the Consumer Price Index for All Urban Consumers for Atlanta by expenditure category (not seasonally adjusted).

| Expenditure category | Percentage change | |
|--------------------------------|----------------------------------|-------------------------------|
| | Over 12 months since August 2003 | Over 2 months since June 2004 |
| All items | 1.3 | -0.9 |
| Food and beverages | 4.4 | 0.4 |
| Housing | 0.5 | -1.5 |
| Apparel | -10.6 | 4.4 |
| Transportation | 4.9 | -1.9 |
| Medical care | 1.8 | 0.8 |
| Recreation 1/ | -0.3 | -1.7 |
| Education and communication 1/ | -1.1 | -0.1 |
| Other goods and services | 0.9 | 0.0 |

1/ Index on a December 1997=100 base.

Over the past 12 months, the CPI-U for Atlanta has increased 1.3 percent. During that time period, energy costs advanced 11.7 percent while food costs rose 4.4 percent. Excluding the cost of food and energy, the CPI-U for Atlanta decreased 0.6 percent in the 12 months ending in August.

Among the major index groups, the food and beverages index rose 0.4 percent over the past two months. The index for food at home was unchanged, while costs for food away from home rose 0.8 percent. The index for alcoholic beverages rose 1.1 percent over the two months ending in August 2004. Over the year, the food and beverages index has risen 4.4 percent. Costs for food at home advanced 4.6 percent while the index for food away from home increased 4.0 percent over the last 12 months. Since August 2003, the index for alcoholic beverages has increased 4.5 percent, the largest 12-month increase recorded since this index became bimonthly in 1998.

Over the past two months, the index for housing decreased 1.5 percent after advancing 2.8 percent in the May-June pricing period. Shelter costs dropped 1.2 percent over the two month period after increasing 0.3 percent in the two months ending in June 2004. The shelter index reflects changes in the costs for rent of primary residence, lodging away from home, and owners' equivalent rent of primary residence. Electricity costs fell 2.5 percent over the July-August pricing period, while costs for utility (piped) gas service decreased 5.4 percent. The index for household furnishings and operations declined 1.6 percent over the past two months. Over the year, housing costs rose 0.5 percent. Costs for shelter declined 0.5 percent after falling 0.3 percent in the twelve months ending in June 2004. The index for utility (piped) gas service advanced 7.9 percent, while electricity costs rose 3.8 percent over the last 12 months. Costs associated with household furnishings and operations decreased 0.8 percent over the year.

After decreasing 6.5 percent in the May-June pricing period apparel costs have increased 4.4 percent over the past two months. Over the year, apparel costs in Atlanta declined 10.6 percent, compared to a 2.1 percent increase recorded in the 12 months ending in August 2003.

The transportation index declined 1.9 percent due to falling gasoline prices. The index for gasoline decreased 5.7 percent over the past two months. Over the year, transportation costs have risen 4.9 percent with gasoline costs rising 21.0 percent.

Other indexes include the medical care index, which increased 0.8 percent over the two months ending in August 2004. Over the year, the index for medical care rose 1.8 percent. The index for recreation dropped 1.7 percent over two months, while costs for education and communication decreased 0.1 percent. Over the past 12 months, recreation costs declined 0.3 percent while the index for education and communication recorded a decrease of 1.1 percent. The index for other goods and services was unchanged over the July-August pricing period. Over the past year, costs for other goods and services have risen 0.9 percent.

Consumer Price Index for the South and Miami-Fort Lauderdale

Consumer price indexes are published for the Miami-Fort Lauderdale area and the South (which includes the Atlanta and Miami-Fort Lauderdale areas). For the two months ending in August, consumer prices in the Miami-Fort Lauderdale area decreased 0.3 percent, and the South decreased 0.2 percent. Over the past 12 months, the Miami-Fort Lauderdale index has risen 2.3 percent, while the South's CPI-U increased 2.6 percent.

Technical Notes

The Consumer Price Index for Atlanta is published bi-monthly. Prior to 1998, Atlanta data were available for only the first and second halves of the year and as an annual average. The Bureau of Labor Statistics (BLS) has updated the consumption expenditure weights in the Consumer Price Index for All Urban Consumers (CPI-U) to the 2001-02 period, effective with release of data for January 2004. The updated expenditure weights for this index replace the 1999-2000 weights that were introduced with the January 2002 CPI release. As originally announced by BLS in December 1998, CPI expenditure weights will continue to be updated at two-year intervals subsequent to the 2004 updating.

During the past year, the CPI program completed its conversion to Computer Assisted Data Collection (CADC). Due to the efficiencies gained from conversion to CADC, BLS has extended data collection to cover the entire month, beginning with data for January 2004. CPI data collection is scheduled in terms of business days – weekdays excluding holidays. Formerly, data collection covered three pricing periods, each comprising six business days in most months and five days in November and December. Consequently, the last day of scheduled data collection was usually the 18th business day of the month. This allowed time during the end of the month for the mailing of paper schedules back to the Washington Office and the data entry of the information on these schedules. Starting in January 2004, the three pricing periods now have variable lengths, between six and eight business days long. The third pricing period normally will end on the last business day of the month.

Local area CPI indexes are by-products of the national CPI program. Because each local index is a small subset of the national index, it has a smaller sample size and is, therefore, subject to substantially more sampling and measurement error than the national index, although their long-term trends are quite similar. The Bureau of Labor Statistics strongly urges users to consider adopting the national average CPI for use in escalator clauses.

We encourage users interested in learning more about changes to the CPI to contact the Bureau of Labor Statistics. Information on the Consumer Price Index and other surveys are available on our web site at <http://www.bls.gov>. Current and historical BLS data are also posted on our Internet page at <http://www.bls.gov/ro4/home.htm>. CPI data are also available through our fax-on-demand system. For a catalog of items available to be faxed to you, call our fax-on-demand number at (404) 331-3403. If you have additional questions, you can contact the Atlanta information office directly by dialing (404) 331-3415, and customers in the Miami area can reach us at (305) 358-2305. Information from the Consumer Price Index program is available to sensory impaired individuals upon request. Voice phone: 202-691-5200, Federal Relay Services: 1-800-877-8339.

Table 1. Consumer price index for all urban consumers and urban wage earners and clerical workers, Atlanta, Georgia, (1982-84=100), not seasonally adjusted.

| Group | All urban consumers | | | Urban wage earners and clerical workers | | |
|--------------------------------------|---------------------|---------------------------------|----------|---|---------------------------------|----------|
| | Index August 2004 | Percent change to Aug 2004 from | | Index August 2004 | Percent change to Aug 2004 from | |
| | | Aug 2003 | Jun 2004 | | Aug 2003 | Jun 2004 |
| All items | 184.1 | 1.3 | -0.9 | 182.5 | 1.7 | -0.8 |
| All items (1967=100) | 555.3 | - | - | 551.7 | - | - |
| Food and beverages | 195.7 | 4.4 | 0.4 | 193.6 | 4.3 | 0.5 |
| Food | 202.1 | 4.4 | 0.4 | 198.9 | 4.4 | 0.5 |
| Food at home | 195.7 | 4.6 | 0.0 | 190.6 | 4.7 | 0.2 |
| Food away from home | 212.7 | 4.0 | 0.8 | 213.3 | 3.7 | 0.9 |
| Alcoholic beverages | 140.3 | 4.5 | 1.1 | 137.6 | 4.2 | 1.0 |
| Housing | 183.2 | 0.5 | -1.5 | 180.6 | 0.0 | -1.3 |
| Shelter | 200.0 | -0.5 | -1.2 | 194.3 | -1.1 | -1.0 |
| Rent of primary residence | 199.6 | -2.7 | -0.6 | 199.6 | -2.7 | -0.6 |
| Owners' equivalent rent (1) | 198.6 | -1.3 | -0.7 | 184.9 | -1.3 | -0.7 |
| Fuel and utilities | 201.8 | 6.8 | -2.8 | 199.9 | 6.3 | -2.8 |
| Fuels | 187.7 | 5.4 | -3.4 | 185.4 | 4.9 | -3.4 |
| Gas (piped) and electricity | 188.9 | 5.1 | -3.6 | 186.2 | 4.7 | -3.5 |
| Electricity | 171.1 | 3.8 | -2.5 | 171.1 | 3.8 | -2.5 |
| Utility (piped) gas service | 224.2 | 7.9 | -5.4 | 224.2 | 7.9 | -5.4 |
| Household furnishings and operations | 121.6 | -0.8 | -1.6 | 128.2 | -1.1 | -0.7 |
| Apparel | 114.4 | -10.6 | 4.4 | 121.3 | -2.8 | 2.9 |
| Transportation | 152.9 | 4.9 | -1.9 | 151.9 | 6.1 | -2.0 |
| Private transportation | 153.3 | 5.5 | -1.8 | 150.7 | 6.5 | -2.0 |
| Motor fuel | 155.8 | 21.1 | -5.6 | 155.7 | 21.0 | -5.6 |
| Gasoline (all types) | 154.7 | 21.0 | -5.7 | 154.7 | 21.0 | -5.7 |
| Regular unleaded (2) | 152.8 | 21.5 | -5.7 | 152.8 | 21.5 | -5.7 |
| Midgrade unleaded (2) (3) | 186.2 | 21.1 | -5.4 | 186.2 | 21.1 | -5.4 |
| Premium unleaded (2) | 156.6 | 18.5 | -5.5 | 156.5 | 18.4 | -5.6 |
| Medical care | 318.1 | 1.8 | 0.8 | 312.5 | 1.5 | 0.7 |
| Recreation (4) | 106.3 | -0.3 | -1.7 | 101.6 | -0.9 | -2.0 |
| Education and communication (4) | 103.1 | -1.1 | -0.1 | 100.9 | -1.5 | -0.2 |
| Other goods and services | 282.1 | 0.9 | 0.0 | 306.7 | 0.1 | 0.1 |
| SPECIAL AGGREGATE INDEXES | | | | | | |
| Commodities | 151.7 | 1.9 | -0.5 | 155.3 | 3.7 | -0.6 |
| Commodities less food and beverages | 129.4 | 0.2 | -1.1 | 135.0 | 2.8 | -1.4 |
| Nondurables less food and beverages | 148.2 | 2.7 | -0.9 | 163.1 | 7.4 | -1.7 |
| Durables | 108.8 | -2.4 | -1.5 | 110.1 | -2.7 | -1.0 |
| Services | 216.6 | 1.0 | -1.1 | 215.0 | 0.6 | -1.0 |
| All items less medical care | 176.8 | 1.3 | -1.0 | 175.9 | 1.7 | -0.9 |
| All items less shelter | 180.5 | 2.4 | -0.7 | 181.6 | 3.5 | -0.8 |
| Commodities less food | 129.6 | 0.4 | -1.1 | 135.2 | 3.0 | -1.3 |
| Nondurables | 170.9 | 3.6 | -0.2 | 178.0 | 6.2 | -0.6 |
| Nondurables less food | 147.1 | 2.9 | -0.7 | 161.2 | 7.5 | -1.6 |
| Energy | 158.4 | 11.7 | -4.4 | 157.4 | 11.9 | -4.4 |
| All items less energy | 187.5 | 0.2 | -0.4 | 185.6 | 0.4 | -0.3 |
| All items less food and energy | 185.5 | -0.6 | -0.6 | 183.3 | -0.4 | -0.5 |
| Purchasing power of the consumer | | | | | | |
| dollar: | | | | | | |
| 1982-84=\$1.00 | \$.543 | - | - | \$.548 | - | - |
| 1967=\$1.00 | \$.180 | - | - | \$.181 | - | - |

1/ Index is on a November 1982=100 base.

2/ Special index based on a substantially smaller sample.

- Data not available.

3/ Index is on a December 1993=100 base.

4/ Index is on a December 1997=100 base.

