



Bureau of Labor Statistics

Chicago, Ill. 60604

General Information: (312) 353-1880
Media Contact: Ronald M. Guzicki
(312) 353-1138
Fax-on-Demand Document No. 9207
<http://www.bls.gov/ro5>

TRANSMISSION OF MATERIAL IN
THIS RELEASE IS EMBARGOED UNTIL
7:30 A.M. CT
Tuesday, August 17, 2004

**Consumer Price Index for
Milwaukee-Racine, WI
First Half 2004**

Retail prices in the Milwaukee-Racine area were higher by 1.5 percent in the first half of this year compared with the last half of 2003, according to the U.S. Department of Labor's Bureau of Labor Statistics. The Milwaukee-Racine area Consumer Price Index for All Urban Consumers (CPI-U) stood at 180.0 (1982-84=100) in the first half of 2004, representing a 1.1 percent increase over the first half of 2003. This increase was below the 3.0 percent gain in the previous yearly period, but in-line with the 1.6 percent average annual increase experienced over the two previous years (2001-2002).

Regional Commissioner Jay A. Mousa of the Bureau's Chicago office, stated that increases in the indexes for shelter, gasoline, and food were largely responsible for the rise in the Milwaukee area all items CPI-U during the first half of the year. The components for medical care, recreation, and education and communication also rose during the first half of the year, but with less impact. Declines in the components for apparel and other goods and services only partially offset these advances.

Housing costs advanced 1.9 percent during the first half of the year. A 2.2 percent rise in the cost of shelter, which includes the categories of rent and lodging away from home, was responsible for most of this gain. The index for fuels and utilities was up 2.9 percent due to an 8.1 percent hike in utility gas service costs. Electricity costs declined 0.5 percent. The household furnishing and operations index also lost ground, falling 0.7 percent. Overall housing costs in the Milwaukee-Racine area rose 0.3 percent from one year ago, after jumping 5.7 percent during the previous 12-month period.

The transportation component gained 3.1 percent during the first half of 2004. Gasoline prices rose 13.5 percent during the first half of the year and were 13.8 percent higher than the first half 2003 level. Milwaukee area gasoline prices have risen 73.7 percent since their most recent first half low in 1999. Over the

past year, transportation costs rose 1.3 percent, a slightly smaller rise than the 1.9 percent annualized gain recorded during the first half of 2003.

The food and beverages component rose 2.3 percent during the first six months of 2004, a larger increase than the 1.2 percent recorded in the first half of 2003. Grocery food prices (food at home) rose 2.9 percent and were responsible for most of the latest rise. The cost of dining out (food away from home) was up 1.1 percent compared with the last half of 2003. The cost of alcoholic beverages rose 1.7 percent and was 2.9 percent higher than a year ago. Led by a 5.2 percent jump in the index for food at home, the food and beverages component increased 4.4 percent over the year. This gain compares with annualized first half increases of 2.5 percent since 1993.

The medical care component rose 0.5 percent during the first six months of the year and was 0.2 percent higher than a year ago. This increase was below the 5.6 percent gain reported in the previous annualized first half period.

The component for recreation gained 2.1 percent during the first six months of the year and was 2.2 percent higher than a year ago. The education and communications component rose 1.0 percent from the last half of 2003 to a level 3.3 percent above the level a year ago.

Apparel costs declined 6.9 percent during the first half of the year, following a gain of 1.5 percent the previous first half period. Over the past year, apparel prices declined 2.4 percent after falling 1.1 percent in 2003 and 5.0 percent in 2002.

The other goods and services component, which includes personal care items and services, and tobacco and smoking products, fell 0.2 percent during this semiannual period. Compared with the first half of 2003, this component was up 0.5 percent.

#

CPI HOTLINE SERVICE PROVIDES LATEST INDEXES 24 HOURS A DAY

The all items CPI-U and CPI-W for the U.S. City Average and for the Milwaukee 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 Milwaukee is (414) 276-2579.

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 for semiannual averages and percent changes for selected periods

Milwaukee-Racine, WI (1982-84=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	178.1	177.4	180.0	1.1	1.5
All items (1967=100)	550.2	547.9	556.0	-	-
Food and beverages	177.9	181.6	185.7	4.4	2.3
Food	178.8	182.8	186.9	4.5	2.2
Food at home	175.4	179.3	184.5	5.2	2.9
Food away from home	184.5	187.3	189.4	2.7	1.1
Alcoholic beverages	171.8	173.7	176.7	2.9	1.7
Housing	182.7	179.7	183.2	.3	1.9
Shelter	221.8	216.0	220.7	-.5	2.2
Rent of primary residence	190.2	193.1	194.6	2.3	.8
Owners' equivalent rent of primary residence ¹	224.5	225.1	226.2	.8	.5
Fuels and utilities	149.1	146.9	151.2	1.4	2.9
Fuels	127.5	125.7	130.3	2.2	3.7
Gas (piped) and electricity	132.4	130.8	135.4	2.3	3.5
Electricity	124.8	127.7	127.0	1.8	-.5
Utility (piped) gas service	142.2	135.3	146.2	2.8	8.1
Household furnishings and operations	109.9	106.4	105.7	-3.8	-.7
Apparel	110.2	115.6	107.6	-2.4	-6.9
Transportation	149.3	146.6	151.2	1.3	3.1
Private transportation	142.8	140.6	145.0	1.5	3.1
Motor fuel	144.5	144.8	164.3	13.7	13.5
Gasoline (all types)	142.5	142.8	162.1	13.8	13.5
Gasoline, unleaded regular ²	144.6	144.7	164.8	14.0	13.9
Gasoline, unleaded midgrade ^{2 3}	147.6	148.5	168.0	13.8	13.1
Gasoline, unleaded premium ²	126.5	127.0	142.4	12.6	12.1
Medical care	293.8	293.0	294.5	.2	.5
Recreation ⁴	101.6	101.7	103.8	2.2	2.1
Education and communication ⁴	111.4	114.0	115.1	3.3	1.0
Other goods and services	277.4	279.4	278.8	.5	-.2
Commodity and service group					
All items	178.1	177.4	180.0	1.1	1.5
Commodities	144.5	143.3	144.6	.1	.9
Commodities less food and beverages	127.4	124.6	124.9	-2.0	.2
Nondurables less food and beverages	144.2	145.0	146.1	1.3	.8
Durables	111.3	105.3	104.9	-5.8	-.4
Services	210.3	210.0	213.8	1.7	1.8
Special aggregate indexes					
All items less medical care	172.9	172.1	174.8	1.1	1.6
All items less shelter	164.1	164.3	166.2	1.3	1.2
Commodities less food	129.1	126.4	126.8	-1.8	.3
Nondurables	161.5	163.6	165.9	2.7	1.4
Nondurables less food	145.7	146.5	147.8	1.4	.9
Services less rent of shelter ¹	207.9	210.8	213.7	2.8	1.4
Services less medical care services	203.1	202.3	206.4	1.6	2.0
Energy	136.4	135.6	146.8	7.6	8.3
All items less energy	184.8	184.0	185.8	.5	1.0
All items less food and energy	186.2	184.7	186.2	.0	.8

¹ Index is on a November 1982=100 base.

² Special index based on a substantially smaller sample.

³ Indexes on a December 1993=100 base.

⁴ Indexes on a December 1997=100 base.

- Data not available.