

Consumer Prices and Inflation – January 2009

Consumer Price Stats at a Glance

Percent Change 12 Months Ending:	CPI-U	CPI-W	CPI-W, All Items Less Medical Care
January 2005	3.0%	3.0%	3.0%
January 2006	4.0%	4.1%	4.1%
January 2007	2.1%	1.8%	1.7%
January 2008	4.3%	4.6%	4.6%
January 2009	0.0%	-0.5%	-0.7%
2009 Forecast	0.3%		
2010 Forecast	Pending		

Percent changes in consumer prices above are drawn from non-seasonally adjusted data. This is the data used to calculate changes in COLA. Forecasts are from Consensus Economics (Nov. 10 survey date).

CPI-U is the Consumer Price Index for All Urban Consumers. It is based on a typical "market basket" of goods consumed by urban consumers, including salaried employees, business owners and retirees as well as wage earners.

CPI-W is the Consumer Price Index for All Urban Wage and Clerical Workers. It is based on a typical "market basket" of goods consumed by urban households that receive most of their income from clerical or hourly wage occupations.

- Overall, prices rose 0.3 percent in January on a seasonally-adjusted basis. This was the first increase after three straight months of decline.
- Energy prices also rose in January after having declined the previous five months. Still, energy prices were 20 percent lower than in January 2008.
- When the volatile food and energy sectors are excluded, the "core" CPI was also up in January, with an increase of 0.2 percent.

The full Bureau of Labor Statistics report can be found at:

<http://www.bls.gov/news.release/cpi.toc.htm>

Next release: The February Consumer Price Index will be released on March 18, 2009.

UAW Research Department
February 20, 2009