

Consumer Prices and Inflation – March 2009

Consumer Price Stats at a Glance

Percent Change 12 Months Ending:	CPI-U	CPI-W	CPI-W, All Items Less Medical Care
March 2005	3.1%	3.1%	3.1%
March 2006	3.4%	3.6%	3.5%
March 2007	2.8%	2.7%	2.6%
March 2008	4.0%	4.3%	4.2%
March 2009	-0.4%	-0.9%	-1.1%
2009 Forecast	-0.9%		
2010 Forecast	1.5%		

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 (March 9 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.

- Unadjusted prices rose modestly in March (though they remain below their March 2008 level). On a seasonally adjusted basis, prices fell over the month, indicating that inflation is still tame.
- Energy prices continue their roller coaster ride, down 23% from year-ago levels, but up an annualized 7.9% over the past 3 months.
- When the volatile food and energy sectors are excluded, the "core" CPI has been growing at a steady 2.2% annual rate for the past three months.

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

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

Next release: The April Consumer Price Index will be released on May 15, 2009.