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EBAP/90/85
Supplement 1

April 20, 1990

To: Members of the Executive Board

From: The Secretary

Subject: Cost-of-Living Supplements for Pensions, Effective
May 1, 1990

In accordance with EBAP/90/85 (4/5/90), there is attached a memorandum which provides information on the actual change in the price index used in connection with funding cost of living supplements for pensioners beginning May 1, 1990.

Att: (1)

Other Distribution:
Department Heads



Office Memorandum

TO: Managing Director

DATE: April 17, 1990

FROM: Chairman, Administration Committee *MLC*
Staff Retirement Plan

SUBJECT: Cost of Living Supplements for Pensioners
Effective May 1, 1990

In EBAP/90/85, the Executive Board was informed of the estimate of the cost of living supplement on U.S. dollar pensions to become effective May 1, 1990. The estimate was 5.3 percent. It was stated therein that the Executive Board would be told of the exact percentage adjustment when it became available later in the month.

The Bureau of Labor Statistics, United States Department of Labor, on April 17, 1990 published the increase in the Consumer Price Index for All Urban Consumers. The increase from March 1989 to March 1990 was 6.1 percent, as is shown on the Washington D.C. line in the attachment.

The purpose of this memorandum is informative only, and no action is needed by the Executive Board.

Table 3. Consumer Price Index for All Urban Consumers: Selected areas, all items index
(1982-84=100, unless otherwise noted)

CPI-U	Area	Pricing schedule 1/	Indexes				Percent change to Mar. 1990 from-			Percent change to Feb. 1990 from-		
			Dec. 1989	Jan. 1990	Feb. 1990	Mar. 1990	Mar. 1989	Jan. 1990	Feb. 1990	Feb. 1989	Dec. 1989	Jan. 1990
U.S. city average		M	126.1	127.4	128.0	128.7	5.2	1.0	0.5	5.3	1.1	0.1
Region and area size 2/												
Northeast urban		M	131.3	132.9	133.1	134.1	5.8	.9	.8	5.5	1.4	.2
Size A - More than 1,200,000		M	131.6	133.3	133.6	134.7	5.7	1.1	.8	5.6	1.5	.2
Size B - 500,000 to 1,200,000		M	130.9	132.5	132.8	133.6	6.8	.8	.6	7.2	1.5	.2
Size C - 50,000 to 500,000		M	130.7	132.0	131.7	132.3	5.4	.2	.5	6.0	.4	-.2
North Central urban		M	123.2	124.5	124.9	125.5	4.8	.8	.5	4.7	1.4	.1
Size A - More than 1,200,000		M	124.3	125.7	126.4	126.9	4.8	1.0	.4	5.0	1.7	.6
Size B - 500,000 to 1,200,000		M	123.0	124.2	124.4	124.7	4.6	.4	.2	4.9	1.1	.2
Size C - 50,000 to 500,000		M	123.2	124.6	124.5	125.3	4.5	.6	.6	4.2	1.1	-.1
Size D - Nonmetropolitan (less than 50,000)		M	118.8	120.0	119.8	120.8	4.6	.7	.8	4.1	.8	-.2
South urban		M	123.4	124.6	125.4	126.0	5.2	1.1	.5	5.2	1.6	.4
Size A - More than 1,200,000		M	124.0	125.1	126.1	126.7	5.1	1.3	.5	5.0	1.7	.5
Size B - 500,000 to 1,200,000		M	125.1	126.0	126.9	127.3	5.2	1.0	.3	5.5	1.4	.2
Size C - 50,000 to 500,000		M	122.0	123.3	123.9	124.3	4.9	.8	.3	5.0	1.6	.5
Size D - Nonmetropolitan (less than 50,000)		M	121.4	123.5	124.3	125.0	5.9	1.2	.6	5.9	2.4	.6
West urban		M	126.8	127.8	128.8	129.6	5.3	1.4	.6	5.3	1.6	.1
Size A - More than 1,200,000		M	128.3	129.5	130.6	131.5	5.5	1.5	.7	5.6	1.8	.1
Size C - 50,000 to 500,000		M	125.3	125.4	125.8	126.0	4.4	.5	.2	4.4	.4	.1
Size classes												
A 3/		M	114.4	115.7	116.3	117.1	5.3	1.2	.7	5.2	1.7	.4
B		M	125.9	126.9	127.6	128.1	5.4	.9	.4	5.6	1.4	.6
C		M	124.5	125.6	125.8	126.3	4.8	.6	.4	4.8	1.0	.2
D		M	122.0	123.6	123.8	124.6	5.4	1.0	.8	4.9	1.5	.2
Selected local areas												
Chicago-Gary-Lake County, IL-IN-WI		M	126.5	128.1	129.2	129.5	5.3	1.1	.2	5.7	2.1	.4
Los Angeles-Anaheim-Riverside, CA		M	130.6	132.1	133.6	134.5	6.6	1.6	.7	6.5	2.3	1.1
N.Y.-Northern N.J.-Long Island, NY-NJ-CT		M	133.3	135.1	135.3	136.6	6.0	1.1	1.0	6.0	1.5	.1
Phil.-Wilmington-Trenton, PA-NJ-DE-MD		M	129.9	131.2	132.2	133.6	6.0	1.8	1.1	5.4	1.6	.3
San Francisco-Oakland-San Jose, CA		M	127.4	128.5	129.2	130.0	3.3	1.2	.6	4.2	1.4	.3
Baltimore, MD		1	-	127.9	-	129.3	5.3	1.1	-	-	-	-
Boston-Lawrence-Salem, MA-NH		1	-	136.0	-	136.3	5.1	1.2	-	-	-	-
Cleveland-Akron-Lorain, OH		1	-	125.0	-	127.4	4.4	1.9	-	-	-	-
Miami-Fort Lauderdale, FL		1	-	124.6	-	127.1	4.4	1.4	-	-	-	-
St. Louis-East St. Louis, MO-IL		1	-	124.1	-	125.2	4.5	1.7	-	-	-	-
Washington, DC-MD-VA		1	-	132.0	-	133.8	6.1	1.4	-	-	-	-
Dallas-Fort Worth, TX		2	120.5	-	122.2	-	-	-	-	4.0	1.4	-
Detroit-Ann Arbor, MI		2	124.4	-	126.1	-	-	-	-	5.0	1.4	-
Houston-Galveston-Brazoria, TX		2	115.5	-	118.7	-	-	-	-	5.3	2.8	-
Pittsburgh-Beaver Valley, PA		2	121.8	-	123.4	-	-	-	-	4.7	1.3	-

1 Foods, fuels, and several other items priced every month in all areas; most other goods and services priced as indicated:
M - Every month.

1 - January, March, May, July, September, and November.

2 - February, April, June, August, October, and December.

3/ Regions are defined as the four Census regions.

Indexes on a December 1986=100 base.

Data not available.

NOTE: Local area CPI indexes are byproducts of the national CPI program. Each local index has a smaller sample size than the national index and is, therefore, subject to substantially more sampling and other measurement error. As a result, local area indexes show greater volatility than the national index, although their long-term trends are similar. Therefore, the Bureau of Labor Statistics strongly urges users to consider adopting the national average CPI for use in their escalator clauses.