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Consumer Price Index, Washington-Baltimore–September 2014

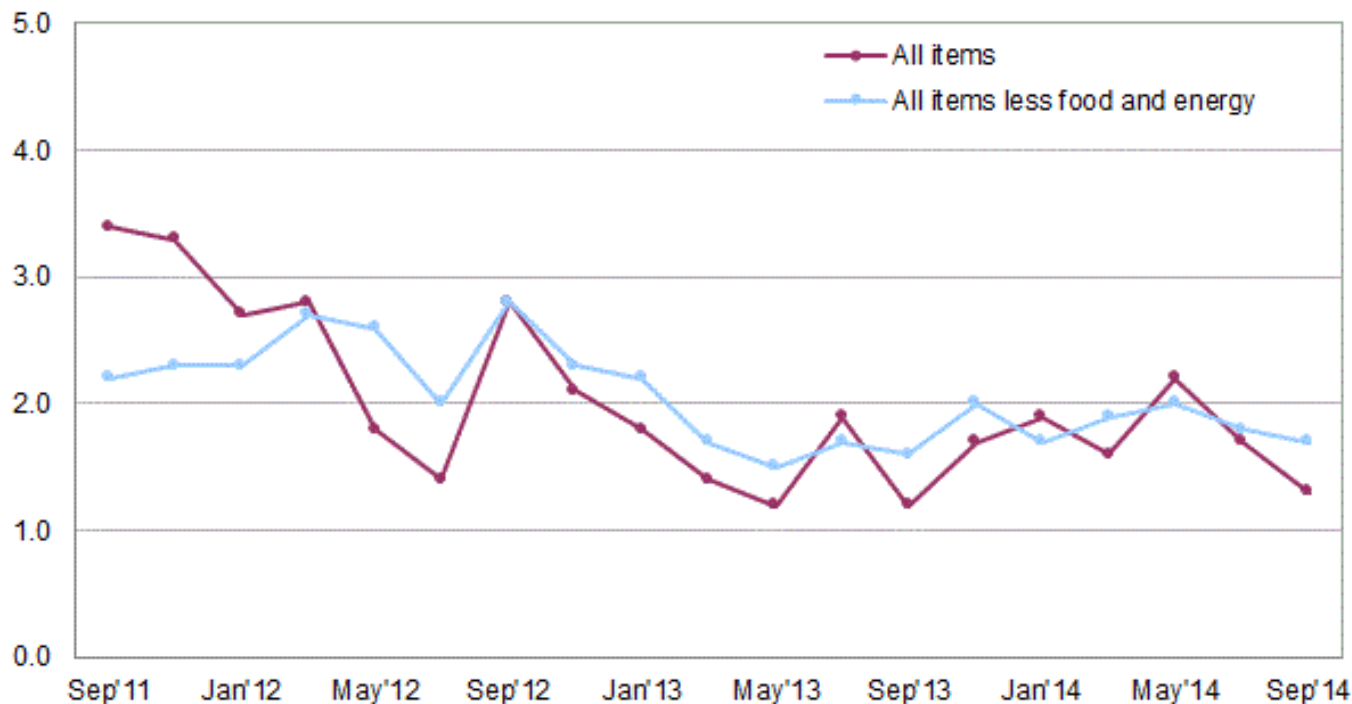
Area Prices Up 0.2 Percent Since July; Up 1.3 Percent Over the Year

The Consumer Price Index for All Urban Consumers (CPI-U) in the Washington-Baltimore area edged up 0.2 percent from July to September, the U.S. Bureau of Labor Statistics reported today. Sheila Watkins, the Bureau's regional commissioner, noted that a 0.6-percent increase in the all items less food and energy index was partially offset by a 3.9-percent decrease in the energy index. The food index was unchanged over the last two months. (Data in this report are not seasonally adjusted. Accordingly, two-month changes may reflect the impact of seasonal influences.)

Over the last 12 months, the CPI-U rose 1.3 percent, due mostly to a 1.7-percent advance in the all items less food and energy index. (See [chart 1](#) and [table A](#).) The food index also increased since September 2013, up 1.6 percent, while the energy index decreased 2.9 percent. (See [table 1](#).)

Chart 1. 12-month percent change in CPI for All Urban Consumers (CPI-U), Washington-Baltimore, September 2011 to September 2014 (not seasonally adjusted)

Percent change



Source: U.S. Bureau of Labor Statistics.

Food

The food index was unchanged over the last two months, as a 0.2-percent increase in the food away from home index was offset by a 0.2-percent decrease in the food at home index.

Food prices rose 1.6 percent over the year, as prices for both components also increased. Food away from home prices advanced 2.5 percent and food at home prices increased 0.9 percent since last September.

Energy

The energy index, which includes prices for household and transportation fuels, decreased 3.9 percent since July, led by a 7.9-percent drop in gasoline prices. Utility (piped) gas service prices also decreased since July, falling 8.0 percent. Moderating the overall decline in the energy index were higher electricity prices, up 4.0 percent over the last two months.

Energy prices decreased 2.9 percent over the year, due in large part to lower gasoline prices, down 3.6 percent. The electricity index also decreased since September 2013, down 3.0 percent, while the utility (piped) gas service index rose 0.8 percent.

All items less food and energy

The index for all items less food and energy increased 0.6 percent since July, due in large part to a 10.3-percent seasonal increase in apparel prices—the largest two-month increase in seven years. Higher prices for shelter (0.6 percent), particularly owners' equivalent rent of residences (0.9 percent), also contributed to the recent advance. Moderating the overall rise in the all items less food and energy index were lower prices for lodging away from home. Prices for recreation and other goods and services were also lower over the last two months, down 0.5 and 0.8 percent, respectively.

Since September 2013, the index for all items less food and energy rose 1.7 percent. The advance was due largely to an over-the-year increase in shelter prices (2.7 percent), as the owners' equivalent rent of residences index was up 2.6 percent. Higher prices for education and communication (3.3 percent), among other major groups, also contributed to the increase. Medical care prices decreased 0.5 percent over the year—the first 12-month decline since March 2007.

Table A. Washington-Baltimore CPI-U 2-month and 12-month percent changes, all items index (not seasonally adjusted)

Month	2009		2010		2011		2012		2013		2014	
	2-month	12-month	2-month	12-month	2-month	12-month	2-month	12-month	2-month	12-month	2-month	12-month
January.....	-0.7	1.0	0.3	2.6	1.0	2.3	0.4	2.7	0.1	1.8	0.4	1.9
March	0.7	0.4	0.4	2.3	1.2	3.0	1.3	2.8	0.9	1.4	0.6	1.6
May.....	0.5	-0.2	0.2	1.9	1.0	3.9	0.1	1.8	-0.2	1.2	0.4	2.2
July	1.1	-0.9	0.0	0.8	0.1	4.1	-0.2	1.4	0.5	1.9	0.0	1.7
September.....	0.1	-0.8	0.5	1.3	-0.1	3.4	1.3	2.8	0.6	1.2	0.2	1.3
November.....	-0.2	1.6	0.1	1.6	-0.1	3.3	-0.7	2.1	-0.2	1.7		

The November 2014 Consumer Price Index for Washington-Baltimore is scheduled to be released on December 17, 2014, at 8:30 a.m. (ET).

Technical Note

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 88 percent of the total population and (2) a CPI for Urban Wage Earners and Clerical Workers (CPI-W) which covers 29 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. Each month, prices are collected in 87 urban areas across the country from about 4,000 housing units and approximately 26,000 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.

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, Chapter 17, The Consumer Price Index, available on the Internet at www.bls.gov/opub/hom/homch17_a.htm.

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. Because the sample size of a local area is smaller, the local area index is subject to substantially more sampling and other measurement error than the national index. In addition, local indexes are not adjusted for seasonal influences. As a result, local area indexes show greater volatility than the national index, although their long-term trends are quite similar. **NOTE: Area indexes do not measure differences in the level of prices between cities; they only measure the average change in prices for each area since the base period.**

The **Washington-Baltimore, D.C.-Md.-Va.-W.Va., Consolidated Metropolitan Statistical Area (CMSA)** includes the District of Columbia; Baltimore City and the counties of Anne Arundel, Baltimore, Calvert, Carroll, Charles, Frederick, Harford, Howard, Montgomery, Prince George's, Queen Anne's, and Washington in Maryland; the cities of Alexandria, Fairfax, Falls Church, Fredericksburg, Manassas, and Manassas Park and the counties of Arlington, Clarke, Culpeper, Fairfax, Fauquier, King George, Loudoun, Prince William, Spotsylvania, Stafford, and Warren in Virginia; and the counties of Berkeley and Jefferson in West Virginia.

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Table 1. Consumer Price Index for All Urban Consumers (CPI-U): Indexes and percent changes for selected periods, Washington-Baltimore, D.C.-Md.-Va.-W.Va. (December 1997=100 unless otherwise noted)

Expenditure category	Indexes			Percent change from-		
	July 2014	Aug. 2014	Sep. 2014	Sep. 2013	July 2014	Aug. 2014
All items (1)	155.220	-	155.522	1.3	0.2	-
Food and beverages (1)	153.595	-	153.457	1.5	-0.1	-
Food (1)	155.027	-	154.997	1.6	0.0	-
Food at home	147.907	148.572	147.557	0.9	-0.2	-0.7
Food away from home (2)	161.400	-	161.777	2.5	0.2	-
Alcoholic beverages (2)	133.774	-	132.529	0.7	-0.9	-
Housing (1)	164.235	-	165.115	1.9	0.5	-
Shelter	174.014	174.377	175.088	2.7	0.6	0.4
Rent of primary residence (1) (3)	192.252	192.601	193.916	2.0	0.9	0.7
Owners' equivalent rent of residences (3)	173.803	174.255	175.441	2.6	0.9	0.7
Owners' equivalent rent of primary residence (3)	173.807	174.260	175.461	2.6	1.0	0.7
Fuels and utilities	186.692	-	188.396	-0.9	0.9	-
Household energy	179.315	177.996	181.300	-2.2	1.1	1.9
Energy services (3)	170.306	168.979	172.523	-2.4	1.3	2.1
Electricity (3)	177.616	180.575	184.693	-3.0	4.0	2.3
Utility (piped) gas service (3)	129.679	117.642	119.273	0.8	-8.0	1.4
Household furnishings and operations	90.427	-	89.925	-1.9	-0.6	-
Apparel (1)	93.235	-	102.863	3.4	10.3	-
Transportation (1)	157.935	-	153.435	-1.0	-2.8	-
Private transportation	156.999	-	152.413	-0.3	-2.9	-
Motor fuel	308.719	292.783	284.576	-3.5	-7.8	-2.8
Gasoline (all types)	308.315	292.308	284.091	-3.6	-7.9	-2.8
Gasoline, unleaded regular (4)	311.983	295.332	286.939	-3.8	-8.0	-2.8
Gasoline, unleaded midgrade (4)	308.144	293.973	284.977	-2.9	-7.5	-3.1
Gasoline, unleaded premium (4)	310.390	296.136	289.101	-2.1	-6.9	-2.4
Medical care (1)	170.817	-	171.079	-0.5	0.2	-
Recreation	117.566	-	116.923	0.2	-0.5	-
Education and communication	146.229	-	148.442	3.3	1.5	-
Other goods and services (1)	181.170	-	179.638	1.9	-0.8	-
Commodity and service group						
Commodities	131.932	-	131.717	0.2	-0.2	-
Commodities less food and beverages	119.850	-	119.596	-0.6	-0.2	-
Nondurables less food and beverages	154.981	-	154.279	-0.4	-0.5	-
Durables	82.932	-	83.093	-0.9	0.2	-
Services	170.675	-	171.339	1.9	0.4	-
Special aggregate indexes						
All items less medical care (1)	154.272	-	154.576	1.4	0.2	-
All items less shelter	145.761	-	145.698	0.5	0.0	-
Commodities less food	120.523	-	120.225	-0.5	-0.2	-
Nondurables	153.533	-	153.126	0.6	-0.3	-
Nondurables less food	153.197	-	152.447	-0.3	-0.5	-
Services less rent of shelter	167.766	-	167.940	0.8	0.1	-
Services less medical care services	170.746	-	171.478	2.1	0.4	-
Energy (1)	233.826	226.313	224.730	-2.9	-3.9	-0.7
All items less energy	149.350	-	150.171	1.7	0.5	-
All items less food and energy (1)	149.386	-	150.349	1.7	0.6	-

Footnotes

(1) For Washington-Baltimore, indexes on a November 1996=100 base.

(2) For Washington-Baltimore, indexes on a November 1997=100 base.

(3) This index series was calculated using a Laspeyres estimator. All other item stratum index series were calculated using a geometric means estimator.

(4) Special index based on a substantially smaller sample.

- Data not available.

NOTE: Index applies to a month as a whole, not to any specific date.