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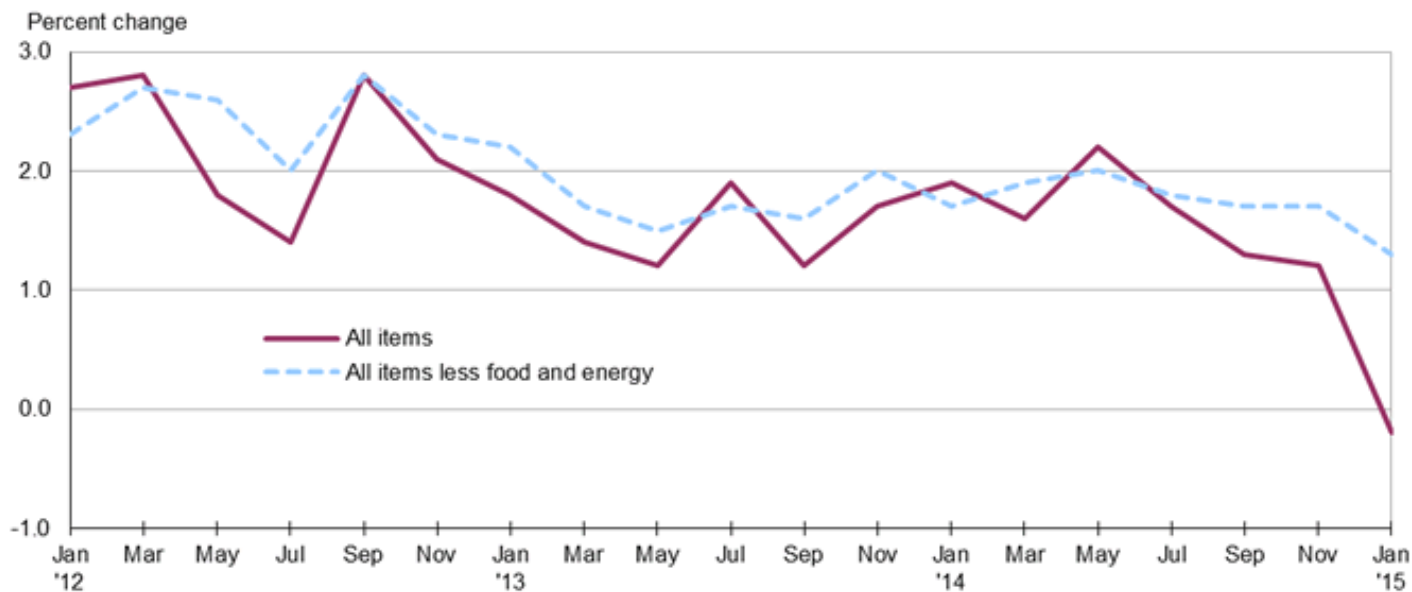
Consumer Price Index, Washington-Baltimore–January 2015

Area Prices Down 1.0 percent since November and 0.2 percent over the year

The Consumer Price Index for All Urban Consumers (CPI-U) for Washington-Baltimore decreased 1.0 percent over the last two months, the U.S. Bureau of Labor Statistics reported today. Regional Commissioner Sheila Watkins noted the decline was the largest two-month decrease since November 2008. The recent decrease was led by a 10.2-percent drop in energy prices. The all items less food and energy index also decreased since November, down 0.4 percent, while the food index increased 0.4 percent. (Data in this report are not seasonally adjusted. Accordingly, month-to-month changes may reflect the impact of seasonal influences.)

Over the last 12 months, the CPI-U edged down 0.2 percent, due entirely to an 18.5-percent decline in energy prices. (See [chart 1](#) and [table A](#).) Since January 2014, the all items less food and energy index rose 1.3 percent and the food index rose 1.4 percent. (See [table 1](#).)

Chart 1. Over-the-year percent change in CPI-U, Washington, D.C., January 2012–January 2015



Source: U.S. Bureau of Labor Statistics.

Food

After increasing 1.0 percent in November, the food index rose 0.4 percent over the last two months. Food away from home prices increased 0.5 percent and food at home prices were up 0.3 percent.

Food prices rose 1.4 percent over the year, as prices for both components also increased. Prices for food away from home advanced 2.6 percent and those for food at home increased 0.5 percent since last January.

Energy

The energy index, which includes prices for household and transportation fuels, declined 10.2 percent since November, led by falling gasoline prices. The 21.3-percent drop in gasoline prices was the largest two-month decline since December 2008. Moderating this decrease were higher utility (piped) gas service prices (4.9 percent) and electricity prices (1.2 percent) over the last two months.

Energy prices decreased 18.5 percent over the year, due almost entirely to lower gasoline prices, down 32.9 percent. Electricity prices also declined since January 2014, down 0.8 percent, while utility (piped) gas service prices increased, up 1.4 percent.

All items less food and energy

The index for all items less food and energy decreased 0.4 percent since November—the largest two-month decrease since May 2000—due mostly a seasonal decline in apparel prices, down 7.4 percent. Also contributing to the overall decrease were lower prices for education and communication (-0.7 percent) and other goods and services (-1.1 percent). Moderating the decline in the all items less food and energy index were higher prices for recreation, up 1.8 percent.

Since January 2014, the index for all items less food and energy rose 1.3 percent. The advance was due largely to an over-the-year increase in shelter prices (2.6 percent), as the owners' equivalent rent of residences index was up 2.8 percent. Lower prices for apparel (-3.5 percent) moderated the increase in the all items less food and energy index since last January.

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

Month	2011		2012		2013		2014		2015	
	2-month	12-month	2-month	12-month	2-month	12-month	2-month	12-month	2-month	12-month
January.....	1.0	2.3	0.4	2.7	0.1	1.8	0.4	1.9	-1.0	-0.2
March	1.2	3.0	1.3	2.8	0.9	1.4	0.6	1.6		
May.....	1.0	3.9	0.1	1.8	-0.2	1.2	0.4	2.2		
July	0.1	4.1	-0.2	1.4	0.5	1.9	0.0	1.7		
September.....	-0.1	3.4	1.3	2.8	0.6	1.2	0.2	1.3		
November.....	-0.1	3.3	-0.7	2.1	-0.2	1.7	-0.4	1.2		

The Consumer Price Index for March 2015 is scheduled to be released on Friday, April 17, 2015, at 8:30 a.m. (EDT).

Technical Note

The Consumer Price Index for Washington-Baltimore is published bi-monthly. 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 89 percent of the total population and (2) a CPI for Urban Wage Earners and Clerical Workers (CPI-W) which covers approximately 28 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** 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.

Information in this release will be made available to sensory impaired individuals upon request. Voice phone: (202) 691-5200; Federal Relay Service: (800) 877-8339.

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-		
	Nov. 2014	Dec. 2014	Jan. 2015	Jan. 2014	Nov. 2014	Dec. 2014
All items (1)	154.926	-	153.376	-0.2	-1.0	-
Food and beverages (1)	155.180	-	155.668	1.6	0.3	-
Food (1)	156.503	-	157.109	1.4	0.4	-
Food at home	148.916	148.616	149.405	0.5	0.3	0.5
Food away from home (2)	163.444	-	164.187	2.6	0.5	-
Alcoholic beverages (2)	136.427	-	135.694	3.2	-0.5	-
Housing (1)	165.678	-	166.015	2.0	0.2	-
Shelter	176.801	176.195	176.982	2.6	0.1	0.4
Rent of primary residence (1) (3)	196.187	196.112	196.177	2.3	0.0	0.0
Owners' equivalent rent of residences (3)	177.217	176.742	177.242	2.8	0.0	0.3
Owners' equivalent rent of primary residence (3)	177.219	176.745	177.235	2.8	0.0	0.3
Fuels and utilities	182.055	-	183.890	0.0	1.0	-
Household energy	173.324	174.530	175.654	-1.4	1.3	0.6
Energy services (3)	164.845	166.601	168.177	-0.3	2.0	0.9
Electricity (3)	173.615	173.847	175.746	-0.8	1.2	1.1
Utility (piped) gas service (3)	121.221	126.617	127.168	1.4	4.9	0.4
Household furnishings and operations	88.755	-	88.993	-1.2	0.3	-
Apparel (1)	97.335	-	90.108	-3.5	-7.4	-
Transportation (1)	148.033	-	138.558	-9.9	-6.4	-
Private transportation	145.174	-	135.993	-10.9	-6.3	-
Motor fuel	245.509	224.201	193.346	-32.8	-21.2	-13.8
Gasoline (all types)	244.924	223.583	192.738	-32.9	-21.3	-13.8
Gasoline, unleaded regular (4)	245.586	223.390	192.012	-33.9	-21.8	-14.0
Gasoline, unleaded midgrade (4)	250.945	232.140	201.234	-29.9	-19.8	-13.3
Gasoline, unleaded premium (4)	255.785	235.932	206.960	-28.6	-19.1	-12.3
Medical care (1)	171.552	-	171.895	0.2	0.2	-
Recreation	116.664	-	118.808	1.9	1.8	-
Education and communication	148.518	-	147.470	2.0	-0.7	-
Other goods and services (1)	179.753	-	177.710	0.5	-1.1	-
Commodity and service group						
Commodities	128.759	-	124.852	-4.4	-3.0	-
Commodities less food and beverages	114.194	-	107.996	-8.5	-5.4	-
Nondurables less food and beverages	144.853	-	132.951	-12.0	-8.2	-
Durables	81.559	-	80.782	-2.9	-1.0	-
Services	172.409	-	172.529	2.1	0.1	-
Special aggregate indexes						
All items less medical care (1)	153.907	-	152.228	-0.2	-1.1	-
All items less shelter	144.017	-	141.658	-1.8	-1.6	-
Commodities less food	115.236	-	109.280	-7.9	-5.2	-
Nondurables	149.513	-	144.077	-4.9	-3.6	-
Nondurables less food	144.188	-	133.261	-10.8	-7.6	-
Services less rent of shelter	168.228	-	168.277	1.4	0.0	-
Services less medical care services	172.579	-	172.721	2.3	0.1	-
Energy (1)	203.588	195.248	182.812	-18.5	-10.2	-6.4
All items less energy	150.723	-	150.258	1.3	-0.3	-
All items less food and energy (1)	150.752	-	150.113	1.3	-0.4	-

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.