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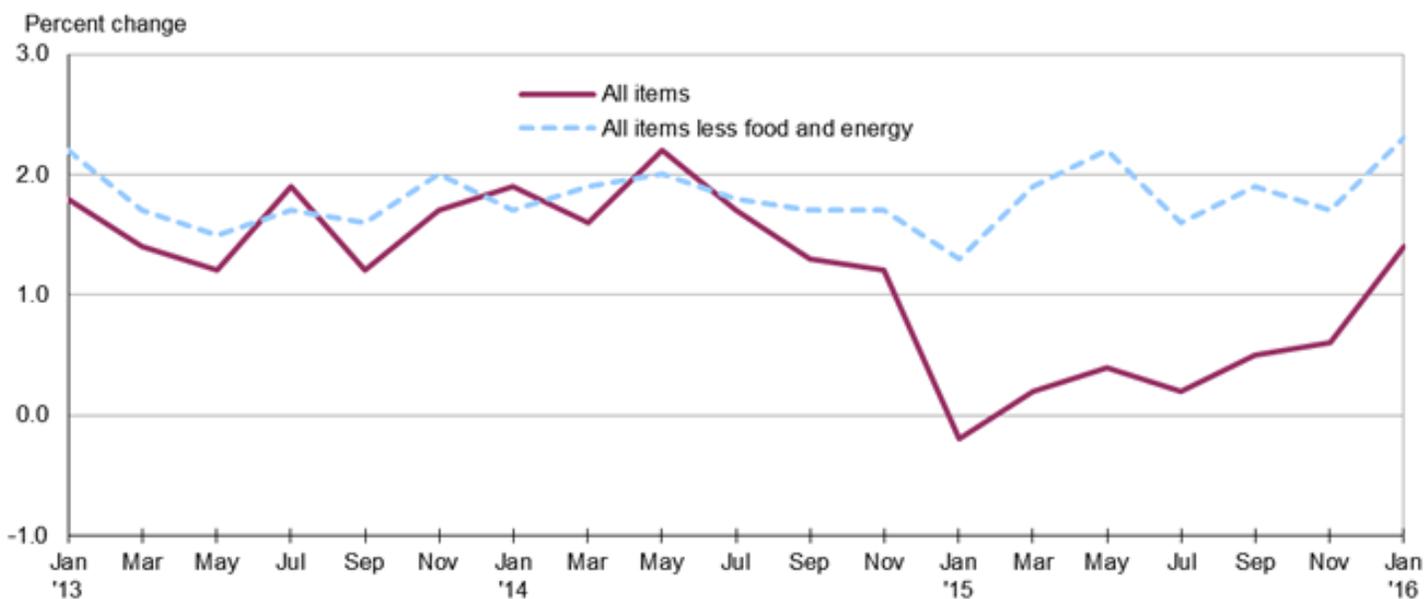
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Consumer Price Index, Washington-Baltimore – January 2016 **Area prices down 0.2 percent since November; up 1.4 percent over the year**

The Consumer Price Index for All Urban Consumers (CPI-U) for Washington-Baltimore edged down 0.2 percent over the last two months, the U.S. Bureau of Labor Statistics reported today. Regional Commissioner Sheila Watkins noted the decline was led by a 4.6-percent decrease in the energy index. The food index declined 0.4 percent, while the all items less food and energy index edged up 0.2 percent since November. (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 increased 1.4 percent, due largely to a 2.3-percent rise in the all items less food and energy index. (See [chart 1](#) and [table A](#).) Since January 2015, the food index rose 0.2 percent, while the energy index fell 7.2 percent. (See [table 1](#).)

Chart 1. Over-the-year percent change in CPI-U, Washington, D.C., January 2013–January 2016



Source: U.S. Bureau of Labor Statistics.

Food

After inching down 0.1 percent from September to November, the food index declined 0.4 percent over the last two months. Lower prices for eggs, citrus fruits, and ice cream and related products contributed to the 0.8-percent decrease in the food at home index. The food away from home index rose 0.2 percent since November.

Food prices rose 0.2 percent over the year, as prices for food away from home advanced 1.6 percent. Prices for food at home declined 1.0 percent since last January.

Energy

Since November, the energy index, which includes prices for household and transportation fuels, declined 4.6 percent, mostly due to a 9.6-percent decrease in gasoline prices. Utility (piped) gas service prices were also lower over the last two months, down 6.2 percent, while electricity prices were higher, up 0.8 percent.

Energy prices fell 7.2 percent over the year, led by a 13.6-percent drop in gasoline prices. Utility (piped) gas service prices also declined, dropping 18.3 percent—the index’s largest over-the-year decrease since December 2009. Electricity prices rose 3.3 percent over the last 12 months.

All items less food and energy

The index for all items less food and energy edged up 0.2 percent since November. The increase was due largely to an increase in prices for medical care (0.7 percent) and education and communication (0.5 percent). Lower prices for household furnishings and operations (-0.7 percent) nearly offset the overall rise in the all items less food and energy index.

Since January 2015, the index for all items less food and energy rose 2.3 percent. The increase was due largely to an over-the-year rise in prices for shelter (2.0 percent), as well as those for medical care (6.2 percent) and education and communication (4.5 percent). Lower prices for household furnishings and operations (-0.9 percent), among others, 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	2012		2013		2014		2015		2016	
	2-month	12-month								
January.....	0.4	2.7	0.1	1.8	0.4	1.9	-1.0	-0.2	-0.2	1.4
March	1.3	2.8	0.9	1.4	0.6	1.6	1.0	0.2		
May.....	0.1	1.8	-0.2	1.2	0.4	2.2	0.6	0.4		
July.....	-0.2	1.4	0.5	1.9	0.0	1.7	-0.2	0.2		
September.....	1.3	2.8	0.6	1.2	0.2	1.3	0.5	0.5		
November.....	-0.7	2.1	-0.2	1.7	-0.4	1.2	-0.3	0.6		

The Consumer Price Index for March 2016 is scheduled to be released on Thursday, April 14, 2016, 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/pdf/homch17.pdf.

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.

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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) (not seasonally adjusted)

Expenditure category	Indexes				Percent change from		
	Historical data	Nov. 2015	Dec. 2015	Jan. 2016	Jan. 2015	Nov. 2015	Dec. 2015
All items (1).....		155.820		155.519	1.4	-0.2	
Food and beverages (1).....		156.585		156.080	0.3	-0.3	
Food (1).....		158.003		157.432	0.2	-0.4	
Food at home.....		149.177	148.479	147.966	-1.0	-0.8	-0.3
Food away from home (2).....		166.493		166.771	1.6	0.2	
Alcoholic beverages (2).....		136.817		137.112	1.0	0.2	
Housing (1).....		168.682		168.587	1.5	-0.1	
Shelter.....		180.414	180.367	180.545	2.0	0.1	0.1
Rent of primary residence (1) (3).....		200.272	200.191	200.173	2.0	0.0	0.0
Owners' equivalent rent of residences (3) (4).....		180.888	180.960	180.808	2.0	0.0	-0.1
Owners' equivalent rent of primary residence (3) (4).....		180.871	180.950	180.799	2.0	0.0	-0.1
Fuels and utilities.....		184.698		183.726	-0.1	-0.5	
Household energy.....		173.177	172.870	172.076	-2.0	-0.6	-0.5
Gas (piped) and electricity (3).....		166.521	166.372	165.696	-1.5	-0.5	-0.4
Electricity (3).....		180.016	181.354	181.515	3.3	0.8	0.1
Utility (piped) gas service (3).....		110.683	106.778	103.862	-18.3	-6.2	-2.7
Household furnishings and operations.....		88.868		88.203	-0.9	-0.7	
Apparel (1).....		95.710		95.831	6.4	0.1	
Transportation (1).....		137.672		135.458	-2.2	-1.6	
Private transportation.....		134.954		132.919	-2.3	-1.5	
Motor fuel.....		184.578	176.127	166.830	-13.7	-9.6	-5.3
Gasoline (all types).....		184.255	175.770	166.603	-13.6	-9.6	-5.2
Gasoline, unleaded regular (5).....		181.935	172.874	163.625	-14.8	-10.1	-5.4
Gasoline, unleaded midgrade (5).....		197.854	191.398	181.428	-9.8	-8.3	-5.2
Gasoline, unleaded premium (5).....		203.634	196.709	188.259	-9.0	-7.6	-4.3
Medical care (1).....		181.222		182.506	6.2	0.7	
Recreation.....		117.801		118.290	-0.4	0.4	
Education and communication.....		153.414		154.163	4.5	0.5	
Other goods and services (1).....		179.091		178.837	0.6	-0.1	
Commodity and service group							
Commodities.....		125.107		124.144	-0.6	-0.8	
Commodities less food and beverages.....		107.901		106.728	-1.2	-1.1	
Nondurables less food and beverages.....		133.599		131.027	-1.4	-1.9	
Durables.....		80.021		79.989	-1.0	0.0	
Services.....		176.500		176.669	2.4	0.1	
Special aggregate indexes							
All items less shelter.....		143.627		143.132	1.0	-0.3	
All items less medical care (1).....		154.207		153.797	1.0	-0.3	
Commodities less food.....		109.240		108.118	-1.1	-1.0	
Nondurables.....		144.861		143.376	-0.5	-1.0	
Nondurables less food.....		133.951		131.603	-1.2	-1.8	

Note: See footnotes at end of table.

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) (not seasonally adjusted) - Continued

Expenditure category	Indexes				Percent change from		
	Historical data	Nov. 2015	Dec. 2015	Jan. 2016	Jan. 2015	Nov. 2015	Dec. 2015
Services less rent of shelter		172.903		173.124	2.9	0.1	
Services less medical care services.....		175.962		176.053	1.9	0.1	
Energy ⁽¹⁾		177.673	173.914	169.582	-7.2	-4.6	-2.5
All items less energy		153.100		153.228	2.0	0.1	
All items less food and energy ⁽¹⁾		153.284		153.520	2.3	0.2	

Footnotes

(1) Indexes on a November 1996=100 base.

(2) 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) This index series underwent a change in composition in January 2010. The expenditure class now includes weight from secondary residences, and has been re-titled "Owners' equivalent rent of residences." The item stratum "Owners' equivalent rent of primary residence" excludes secondary residences.

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

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