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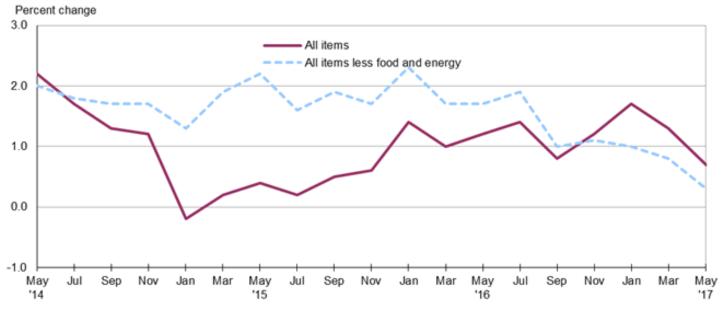
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# Consumer Price Index, Washington-Baltimore – May 2017 Area prices up 0.2 percent since March and 0.7 percent over the year

The Consumer Price Index for All Urban Consumers (CPI-U) for Washington-Baltimore edged up 0.2 percent over the last two months, the U.S. Bureau of Labor Statistics reported today. Regional Commissioner Sheila Watkins noted the increase was due to advances in both the energy index (2.4 percent) and the food index (0.9 percent). The all items less food and energy index declined over the last two months, down 0.1 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 increased 0.7 percent, due mostly to a 5.8-percent increase in the energy index. (See chart 1 and table A.) Since May 2016, the all items less food and energy index and the food index both increased, up 0.3 and 0.9 percent, respectively. (See table 1.)

Chart 1. Over-the-year percent change in CPI-U, Washington, D.C., May 2014-May 2017



Source: U.S. Bureau of Labor Statistics.

#### Food

After decreasing 0.6 percent from January to March, the food index increased 0.9 percent over the last two months. Prices for food away from home rose 1.7 percent, and those for food at home edged up 0.3 percent. Within the food at home component, higher prices for various items including lettuce and fresh fish and seafood were moderated by lower prices for milk and ham, among others.

Food prices increased 0.9 percent over the year. Higher prices for food away from home, up 3.0 percent, were moderated by lower prices for food at home, down 0.8 percent, since last May.

### **Energy**

Since March, the energy index, which includes prices for household and transportation fuels, increased 2.4 percent, due mainly to higher prices for utility (piped) gas service (10.0 percent) and gasoline (2.2 percent). Prices for electricity also increased since March, up 1.1 percent.

Energy prices rose 5.8 percent over the year. The advance was led by a 25.6-percent jump in utility (piped) gas service prices, the largest over-the-year increase in this index since 2008. Prices also increased over the year for gasoline (4.9 percent) and electricity (2.1 percent).

## All items less food and energy

The index for all items less food and energy inched down 0.1 percent since March. Lower prices for a number of items, including new vehicles and education and communication (-1.6 percent), were moderated by price increases for shelter (0.2 percent) and apparel (2.3 percent), among others.

Since May 2016, the index for all items less food and energy rose 0.3 percent. The increase was due largely to an over-the-year rise in shelter prices (0.8 percent), particularly owners' equivalent rent of residences (1.3 percent). Higher prices for medical care (3.5 percent) also contributed to the rise. Prices declined over the year for recreation (-4.9 percent) and education and communication (-1.9 percent), among others.

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

Month	2013		2014		2015		2016		2017	
	2-month	12- month								
January	0.1	1.8	0.4	1.9	-1.0	-0.2	-0.2	1.4	0.2	1.7
March	0.9	1.4	0.6	1.6	1.0	0.2	0.6	1.0	0.3	1.3
May	-0.2	1.2	0.4	2.2	0.6	0.4	0.8	1.2	0.2	0.7
July	0.5	1.9	0.0	1.7	-0.2	0.2	-0.1	1.4		
September	0.6	1.2	0.2	1.3	0.5	0.5	-0.1	0.8		
November	-0.2	1.7	-0.4	1.2	-0.3	0.6	0.1	1.2		

The Consumer Price Index for July 2017 is scheduled to be released on Friday, August 11, 2017, 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)

		Index	es	Percent change from			
Expenditure category	Historical data	Mar. 2017	Apr. 2017	May 2017	May 2016	Mar. 2017	Apr. 2017
All items(1)	W	158.558		158.844	0.7	0.2	
Food and beverages(1)	W	156.842		158.211	0.9	0.9	
Food(1)	<b>₩</b>	158.154		159.651	0.9	0.9	
Food at home	<b>₩</b>	146.365	147.214	146.769	-0.8	0.3	-0.3
Food away from home(2)	<b>₩</b>	170.597	177.217	173.529	3.0	1.7	-0.5
Alcoholic beverages(2)	<b>₩</b>	138.426		138.040	1.1	-0.3	
Housing(1)	W	172.136		172.744	1.2	0.4	
Shelter	W	184.226	184.359	184.672	0.8	0.2	0.2
Rent of primary residence(1)(3)	<b>₩</b>	205.233	205.991	206.961	2.6	0.8	0.5
Owners' equivalent rent of residences(3)	<b>₩</b>	184.114	184.346	184.518	1.3	0.2	0.1
Owners' equivalent rent of primary residence(3)(4)	M	184.106	184.341	184.513	1.3	0.2	0.1
Fuels and utilities	W	194.404		198.383	6.1	2.0	
Household energy	**	182.851	185.360	187.515	6.5	2.6	1.2
Gas (piped) and electricity(3)	*	175.481	178.101	180.504	6.4	2.9	1.3
Electricity(3)	W	185.243	187.210	187.207	2.1	1.1	0.0
Utility (piped) gas service(3)	W	129.319	133.458	142.247	25.6	10.0	6.6
Household furnishings and operations	M	87.015	100.100	86.527	-1.0	-0.6	0.0
Apparel(1)	W	101.528		103.849	0.9	2.3	
Transportation(1)	W	143.199		142.448	1.1	-0.5	
Private transportation	W	141.474		140.258	1.5	-0.9	
Motor fuel	W	200.725	207.231	205.119	5.0	2.2	-1.0
Gasoline (all types)	*	200.511	207.138	205.015	4.9	2.2	-1.0
Gasoline, unleaded regular(5)	<b>M</b>	198.433	205.394	203.113	4.9	2.4	-1.1
Gasoline, unleaded midgrade(5)	W	213.296	218.682	217.758	5.0	2.1	-0.4
Gasoline, unleaded premium(5)	*	221.215	224.882	223.974	4.4	1.2	-0.4
Medical care(1)	W	187.934		189.005	3.5	0.6	
Recreation	W	113.371		113.853	-4.9	0.4	
Education and communication	W	151.435		149.019	-1.9	-1.6	
Other goods and services(1)	W	178.363		178.381	-0.5	0.0	
Commodity and service group							
Commodities	W	126.227		126.205	0.1	0.0	
Commodities less food and beverages	W	109.342		108.705	-0.4	-0.6	
Nondurables less food and beverages	W	138.415		140.065	1.6	1.2	
Durables	W	79.461		77.536	-2.6	-2.4	
Services	M	180.365		180.866	1.0	0.3	
Special aggregate indexes							
All items less shelter	W	145.862		146.075	0.6	0.1	
All items less medical care(1)	W	156.672		156.903	0.5	0.1	
Commodities less food	₩.	110.706		110.073	-0.4	-0.6	
Nondurables	W	147.269		148.763	1.2	1.0	
Nondurables less food	W	138.576		140.085	1.6	1.1	
Services less rent of shelter	W	176.752		177.311	1.1	0.3	

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		Inde	exes	Percent change from			
	Historical data	Mar. 2017	Apr. 2017	May 2017	May 2016	Mar. 2017	Apr. 2017
Services less medical care services	W	179.538		179.985	0.8	0.2	
Energy(1)	**	189.961	194.130	194.505	5.8	2.4	0.2
All items less energy	**	155.304		155.358	0.4	0.0	
All items less food and energy(1)	*	155.806		155.649	0.3	-0.1	

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

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

<sup>(2)</sup> Indexes on a November 1997=100 base.

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

<sup>(4)</sup> 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.

<sup>(5)</sup> Special index based on a substantially smaller sample.