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Consumer Price Index, Minneapolis-St. Paul – First Half 2014

The Consumer Price Index for All Urban Consumers (CPI-U) in the Minneapolis-St. Paul area rose 1.4 percent from the first half of 2013 to the first half of 2014, the U.S. Bureau of Labor Statistics reported today. Regional Commissioner Charlene Peiffer stated that the energy index was 1.2 percent higher compared to its first half 2013 level, primarily due to increases in costs for utility (piped) gas service. The food index was unchanged compared to its first half 2013 level while the index for all items less food and energy increased 1.7 percent over the year. Among the categories within the all items less food and energy index, prices for shelter, medical care, and other goods and services were higher over the year.

Food

Food prices remained flat over the year as a 0.7 percent drop in the cost of groceries (the food at home index) offset a 1.6 percent increase in the cost of dining out (the food away from index). In the previous annual period (first half 2012 to first half 2013), food prices in the Minneapolis area rose 1.3 percent.

Energy

The energy index increased 1.2 percent from the first half of 2013 to the first half of 2014. Within the energy category, the index for utility (piped) gas service rose 17.4 percent and was responsible for most of this increase. Electricity costs were up 0.6 percent over the year while prices for gasoline in the first half of 2014 were 3.2 percent below their first half 2013 averages.

All items less food and energy

Over the year, the index for all items less food and energy increased 1.7 percent. Among the index's components, higher costs were recorded for shelter (1.7 percent), medical care (4.0 percent), and other goods and services (8.8 percent).

The second half 2014 Consumer Price Index for Minneapolis-St. Paul is scheduled to be released in February 2015.

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 Minneapolis-St. Paul, Minn.-Wis. metropolitan area covered in this release is comprised of Anoka, Carver, Chisago, Dakota, Hennepin, Isanti, Ramsey, Scott, Sherburne, Washington, and Wright Counties and Pierce and St. Croix Counties in Wisconsin.

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 for annual averages and percent changes for selected periods Minneapolis-St. Paul, MN-WI (1982-84=100 unless otherwise noted)

Item and Group	Annual average indexes		Percent change 2012 to 2013
	2012	2013	
Expenditure category			
All items	224.459	228.811	1.9
All items (1967=100)	705.368	719.045	-
Food and beverages	265.296	266.941	0.6
Food	253.797	255.801	0.8
Food at home	248.464	249.434	0.4
Food away from home	261.654	264.556	1.1
Alcoholic beverages	372.355	369.338	-0.8
Housing	195.945	201.074	2.6
Shelter	224.077	228.910	2.2
Rent of primary residence ⁽¹⁾	223.895	228.255	1.9
Owners' equiv. rent of residences ⁽¹⁾ ⁽²⁾	234.303	239.684	2.3
Owners' equiv. rent of primary residence ⁽¹⁾ ⁽²⁾	234.303	239.684	2.3
Fuels and utilities	181.027	197.512	9.1
Household energy	166.894	185.083	10.9
Energy services ⁽¹⁾	168.250	187.768	11.6
Electricity ⁽¹⁾	222.405	246.935	11.0
Utility (piped) gas service ⁽¹⁾	121.671	136.968	12.6
Household furnishings and operations	125.614	124.550	-0.8
Apparel	139.602	142.195	1.9
Transportation	215.088	215.514	0.2
Private transportation	200.370	197.298	-1.5
Motor fuel	286.706	278.405	-2.9
Gasoline (all types)	288.381	279.927	-2.9
Gasoline, unleaded regular ⁽³⁾	294.169	284.580	-3.3
Gasoline, unleaded midgrade ⁽³⁾ ⁽⁴⁾	287.266	280.603	-2.3
Gasoline, unleaded premium ⁽³⁾	328.489	323.300	-1.6
Medical care	447.033	465.648	4.2
Recreation ⁽⁵⁾	122.659	122.017	-0.5
Education and communication ⁽⁵⁾	136.701	140.953	3.1
Other goods and services	321.947	339.487	5.4
Commodity and service group			
All Items	224.459	228.811	1.9
Commodities	193.784	193.976	0.1
Commodities less food & beverages	159.497	159.095	-0.3
Nondurables less food & beverages	210.926	212.195	0.6
Durables	113.625	111.577	-1.8
Services	251.540	259.457	3.1
Special aggregate indexes			
All items less medical care	214.421	218.170	1.7
All items less shelter	225.824	229.958	1.8
Commodities less food	167.565	167.080	-0.3
Nondurables	238.067	239.521	0.6
Nondurables less food	222.680	223.705	0.5
Services less rent of shelter ⁽²⁾	296.195	308.496	4.2
Services less medical care services	234.925	241.914	3.0
Energy	230.409	235.441	2.2
All items less energy	227.487	231.770	1.9
All items less food and energy	223.594	228.259	2.1

Note: See footnotes at end of table.

Footnotes

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

(2) Index is on a December 1982=100 base.

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

(4) Indexes on a December 1993=100 base.

(5) Indexes on a December 1997=100 base.

- Data not available.

Table 2. Consumer Price Index for All Urban Consumers (CPI-U): Indexes for semiannual averages and percent changes for selected periods Minneapolis-St. Paul, MN-WI (1982-84=100 unless otherwise noted)

Item and Group	Semiannual average indexes			Percent change to 1st half 2014 from-	
	1st half 2013	2nd half 2013	1st half 2014	1st half 2013	2nd half 2013
Expenditure category					
All items	228.473	229.149	231.764	1.4	1.1
All items (1967=100)	717.983	720.107	728.325	-	-
Food and beverages	267.843	266.038	267.651	-0.1	0.6
Food	256.643	254.960	256.537	0.0	0.6
Food at home	251.769	247.099	249.914	-0.7	1.1
Food away from home	263.717	265.395	267.848	1.6	0.9
Alcoholic beverages	370.893	367.783	369.031	-0.5	0.3
Housing	200.390	201.758	204.528	2.1	1.4
Shelter	228.269	229.552	232.257	1.7	1.2
Rent of primary residence ⁽¹⁾	227.272	229.237	234.087	3.0	2.1
Owners' equiv. rent of residences ^{(1) (2)}	238.981	240.387	242.355	1.4	0.8
Owners' equiv. rent of primary residence ^{(1) (2)}	238.981	240.387	242.355	1.4	0.8
Fuels and utilities	195.838	199.185	210.940	7.7	5.9
Household energy	183.355	186.810	196.955	7.4	5.4
Energy services ⁽¹⁾	185.760	189.776	198.191	6.7	4.4
Electricity ⁽¹⁾	242.009	251.861	243.545	0.6	-3.3
Utility (piped) gas service ⁽¹⁾	137.629	136.307	161.639	17.4	18.6
Household furnishings and operations	124.458	124.642	122.610	-1.5	-1.6
Apparel	140.555	143.836	145.813	3.7	1.4
Transportation	217.883	213.145	216.286	-0.7	1.5
Private transportation	199.123	195.472	197.495	-0.8	1.0
Motor fuel	288.135	268.674	279.861	-2.9	4.2
Gasoline (all types)	289.963	269.890	280.630	-3.2	4.0
Gasoline, unleaded regular ⁽³⁾	295.391	273.769	285.040	-3.5	4.1
Gasoline, unleaded midgrade ^{(3) (4)}	289.782	271.424	282.313	-2.6	4.0
Gasoline, unleaded premium ⁽³⁾	331.737	314.862	324.487	-2.2	3.1
Medical care	460.009	471.287	478.323	4.0	1.5
Recreation ⁽⁵⁾	121.010	123.025	123.782	2.3	0.6
Education and communication ⁽⁵⁾	142.335	139.571	138.836	-2.5	-0.5
Other goods and services	327.550	351.425	356.452	8.8	1.4
Commodity and service group					
All Items	228.473	229.149	231.764	1.4	1.1
Commodities	194.360	193.591	194.807	0.2	0.6
Commodities less food & beverages	159.257	158.932	159.825	0.4	0.6
Nondurables less food & beverages	212.358	212.031	215.628	1.5	1.7
Durables	111.732	111.422	110.378	-1.2	-0.9
Services	258.502	260.412	264.191	2.2	1.5
Special aggregate indexes					
All items less medical care	218.052	218.288	220.712	1.2	1.1
All items less shelter	229.781	230.135	232.751	1.3	1.1
Commodities less food	167.285	166.875	167.854	0.3	0.6
Nondurables	240.026	239.016	241.911	0.8	1.2
Nondurables less food	223.952	223.459	227.129	1.4	1.6
Services less rent of shelter ⁽²⁾	307.120	309.872	315.416	2.7	1.8
Services less medical care services	241.343	242.485	245.762	1.8	1.4
Energy	239.503	231.379	242.290	1.2	4.7
All items less energy	231.111	232.429	234.305	1.4	0.8

Note: See footnotes at end of table.

Table 2. Consumer Price Index for All Urban Consumers (CPI-U): Indexes for semiannual averages and percent changes for selected periods Minneapolis-St. Paul, MN-WI (1982-84=100 unless otherwise noted) - Continued

Item and Group	Semiannual average indexes			Percent change to 1st half 2014 from-	
	1st half 2013	2nd half 2013	1st half 2014	1st half 2013	2nd half 2013
All items less food and energy	227.353	229.166	231.116	1.7	0.9

Footnotes

- (1) This index series was calculated using a Laspeyres estimator. All other item stratum index series were calculated using a geometric means estimator.
- (2) Index is on a December 1982=100 base.
- (3) Special index based on a substantially smaller sample.
- (4) Indexes on a December 1993=100 base.
- (5) Indexes on a December 1997=100 base.
- Data not available.