



For Release: Friday, January 16, 2015

15-32-CHI

MIDWEST INFORMATION OFFICE: Chicago, Ill.

Technical information: (312) 353-1880 BLSInfoChicago@bls.gov www.bls.gov/regions/midwest

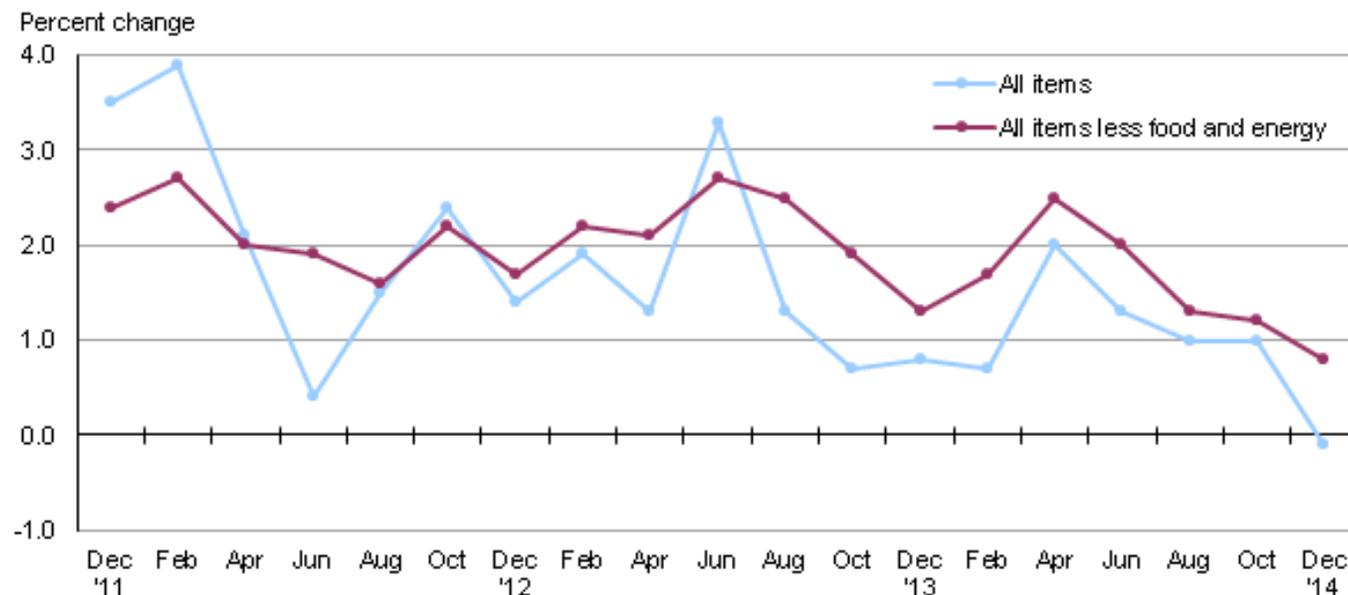
Media contact: (312) 353-1138

Consumer Price Index, Detroit-Ann Arbor-Flint – December 2014

The Consumer Price Index for All Urban Consumers (CPI-U) in the Detroit-Ann Arbor-Flint area decreased 1.8 percent from October to December, the U.S. Bureau of Labor Statistics reported today. Regional Commissioner Charlene Peiffer noted that the energy index decreased 11.2 percent while the food index rose 0.8 percent over the bi-monthly period. The index for all items less food and energy fell 1.0 percent from October to December. Among the indexes within the all items less food and energy category, prices were lower for apparel and shelter. (Data in this report are not seasonally adjusted. Accordingly, month-to-month changes may reflect the impact of seasonal influences.)

Over the past 12 months the Detroit all items CPI-U edged down 0.1 percent. (See [chart 1](#) and [table A](#).) The energy index fell 10.9 percent over the year due to annual declines in gasoline prices and electricity costs. The index for all items less food and energy rose 0.8 percent over the year. (See [table 1](#).)

Chart 1. Over-the-year percent change in CPI-U, Detroit-Ann Arbor-Flint, December 2011–December 2014



Source: U.S. Bureau of Labor Statistics.

Food

Food prices rose 0.8 percent from October to December following a 1.1 percent increase over the previous bi-monthly period. Between the two components of the food index, prices for food at home (groceries) were unchanged and prices for food away from home (restaurant, cafeteria, and vending purchases) increased 2.2 percent. Grocery prices were up 2.5 percent from December a year ago, while prices for food away from home were 4.1 percent higher. From December 2013 to December 2014, overall food prices rose 3.1 percent in the Detroit area.

Energy

The energy index for Detroit fell 11.2 percent from October to December. Declines in the indexes for gasoline (-20.7 percent) and electricity (-1.9 percent) were contributing factors, while utility (piped) gas service costs rose by 0.4 percent from October to December.

From December 2013 to December 2014, overall energy prices decreased 10.9 percent. Prices for gasoline and electricity fell 20.2 percent and 5.6 percent, respectively, over the year. In contrast, costs for utility (piped) gas service were up 6.9 percent compared to last December.

All items less food and energy

The index for all items less food and energy declined 1.0 percent from October to December. Among the index's components, prices were lower for apparel (-12.4 percent) and shelter (-0.8 percent).

Over the year, the index for all items less food and energy increased 0.8 percent. Annual increases in costs for shelter (2.0 percent) and for new and used motor vehicles were the major contributing factors. In contrast the indexes for apparel (-5.6 percent), recreation (-2.6 percent), and other goods and services (-2.7 percent) all fell over the year.

Table A. Percent Changes in the CPI-U, Detroit-Ann Arbor-Flint, Mich. (not seasonally adjusted)

Expenditure Category	Percent changes from preceding 2 months							12 mo. ended Dec. '14
	2013	2014						
	Dec.	Feb.	Apr.	Jun.	Aug.	Oct.	Dec.	
All items.....	-0.7	1.1	1.3	0.5	-1.0	-0.1	-1.8	-0.1
Food & beverages.....	1.1	0.3	1.1	-0.2	0.0	1.3	0.7	3.1
Food.....	1.1	0.4	1.2	-0.5	0.1	1.1	0.8	3.1
Housing.....	0.6	0.8	0.2	0.8	0.1	0.4	-0.7	1.6
Apparel.....	-6.9	7.2	6.0	-3.0	-2.0	-0.3	-12.4	-5.6
Transportation.....	-3.2	2.4	3.6	2.1	-4.2	-1.7	-6.2	-4.3
Medical care.....	0.5	0.8	0.3	0.2	-1.1	-0.4	0.3	-0.1
Recreation.....	-2.9	-0.1	1.6	-1.0	-1.6	-0.2	-1.2	-2.6
Education & communication.....	-0.4	-0.2	0.9	0.2	1.8	-2.0	-0.3	0.3
Other goods & services.....	0.8	0.4	0.4	-0.3	-3.0	-0.2	0.0	-2.7
Special Indexes								
Energy.....	-3.0	1.4	4.8	4.7	-6.1	-3.9	-11.2	-10.9
All items less food & energy.....	-0.6	1.1	0.8	0.1	-0.4	0.2	-1.0	0.8

The February 2015 Consumer Price Index for Detroit is scheduled to be released on Tuesday, March 24, 2015, 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 **Detroit-Ann Arbor-Flint, Mich.** consolidated area covered in this release is comprised of Genesee, Lapeer, Lenawee, Livingston, Macomb, Monroe, Oakland, St. Clair, Washtenaw, and Wayne Counties in Michigan.

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 Detroit-Ann Arbor-Flint, MI (1982-84=100 unless otherwise noted)

Item and Group	Indexes			Percent change from-		
	Oct. 2014	Nov. 2014	Dec. 2014	Dec. 2013	Oct. 2014	Nov. 2014
Expenditure category						
All items	221.988	-	218.083	-0.1	-1.8	-
All items (1967=100)	659.841	-	648.234	-	-	-
Food and beverages	220.250	-	221.685	3.1	0.7	-
Food	220.141	-	221.989	3.1	0.8	-
Food at home	214.200	210.779	214.142	2.5	0.0	1.6
Food away from home	229.198	-	234.188	4.1	2.2	-
Alcoholic beverages	215.628	-	211.592	2.9	-1.9	-
Housing	201.809	-	200.300	1.6	-0.7	-
Shelter	225.701	224.972	223.969	2.0	-0.8	-0.4
Rent of primary residence ⁽¹⁾	227.636	228.154	228.227	1.7	0.3	0.0
Owners' equiv. rent of residences ^{(1) (2)}	223.440	222.820	222.573	1.0	-0.4	-0.1
Owners' equiv. rent of primary residence ^{(1) (2)}	223.440	222.820	222.573	1.0	-0.4	-0.1
Fuels and utilities	247.570	-	246.489	0.7	-0.4	-
Household energy	197.247	195.670	195.358	-0.7	-1.0	-0.2
Energy services ⁽¹⁾	199.317	197.640	197.523	-0.5	-0.9	-0.1
Electricity ⁽¹⁾	212.592	208.568	208.526	-5.6	-1.9	0.0
Utility (piped) gas service ⁽¹⁾	172.790	173.720	173.530	6.9	0.4	-0.1
Household furnishings and operations	119.836	-	118.569	-0.7	-1.1	-
Apparel	123.554	-	108.200	-5.6	-12.4	-
Transportation	245.007	-	229.864	-4.3	-6.2	-
Private transportation	243.866	-	228.624	-4.3	-6.3	-
Motor fuel	281.922	259.682	223.991	-20.1	-20.5	-13.7
Gasoline (all types)	280.027	257.738	222.128	-20.2	-20.7	-13.8
Gasoline, unleaded regular ⁽³⁾	286.734	263.556	226.304	-20.7	-21.1	-14.1
Gasoline, unleaded midgrade ^{(3) (4)}	316.553	291.553	254.012	-19.0	-19.8	-12.9
Gasoline, unleaded premium ⁽³⁾	266.996	248.750	218.467	-17.4	-18.2	-12.2
Medical care	396.736	-	397.765	-0.1	0.3	-
Recreation ⁽⁵⁾	112.430	-	111.136	-2.6	-1.2	-
Education and communication ⁽⁵⁾	144.523	-	144.111	0.3	-0.3	-
Other goods and services	392.123	-	392.248	-2.7	0.0	-
Commodity and service group						
All items	221.988	-	218.083	-0.1	-1.8	-
Commodities	180.637	-	173.485	-2.3	-4.0	-
Commodities less food & beverages	159.885	-	148.727	-5.9	-7.0	-
Nondurables less food & beverages	196.474	-	176.429	-9.0	-10.2	-
Durables	117.206	-	115.139	-0.8	-1.8	-
Services	264.959	-	264.131	1.4	-0.3	-
Special aggregate indexes						
All items less medical care	215.066	-	210.915	-0.1	-1.9	-
All items less shelter	223.735	-	218.844	-0.9	-2.2	-
Commodities less food	161.991	-	151.046	-5.5	-6.8	-
Nondurables	208.394	-	198.771	-2.8	-4.6	-
Nondurables less food	197.654	-	178.615	-8.2	-9.6	-
Services less rent of shelter ⁽²⁾	320.461	-	320.913	0.8	0.1	-
Services less medical care services	255.821	-	254.809	1.6	-0.4	-
Energy	239.366	228.557	212.490	-10.9	-11.2	-7.0
All items less energy	222.700	-	221.194	1.2	-0.7	-

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 Detroit-Ann Arbor-Flint, MI (1982-84=100 unless otherwise noted) - Continued

Item and Group	Indexes			Percent change from-		
	Oct. 2014	Nov. 2014	Dec. 2014	Dec. 2013	Oct. 2014	Nov. 2014
All items less food and energy	223.709	-	221.537	0.8	-1.0	-

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.

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