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MIDWEST INFORMATION OFFICE: Chicago, Ill.

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

Media contact: (312) 353-1138

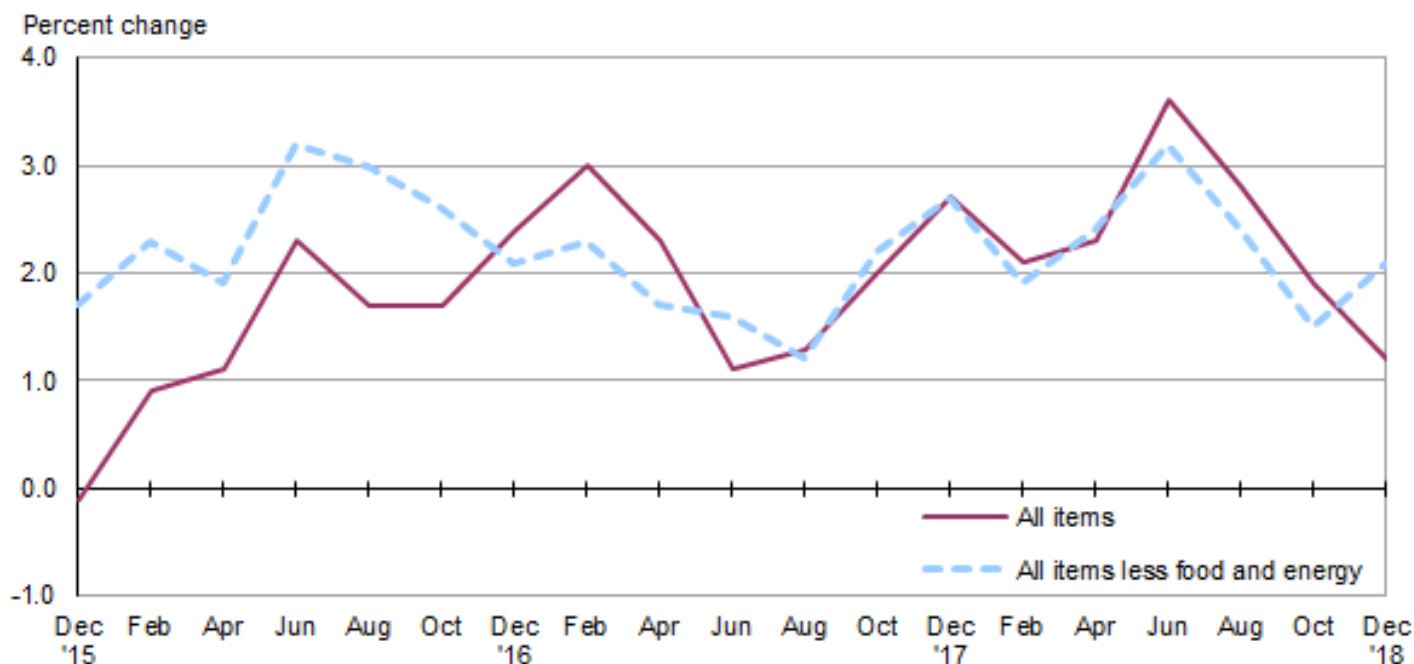
Consumer Price Index, Detroit-Warren-Dearborn — December 2018

Local prices rose 1.2 percent over the year

The Consumer Price Index for All Urban Consumers (CPI-U) in the Detroit-Warren-Dearborn area declined 0.6 percent from October to December, the U.S. Bureau of Labor Statistics reported today. Assistant Commissioner for Regional Operations Charlene Peiffer noted that the food index rose 0.4 percent and the energy index fell 12.1 percent over the bi-monthly period. The index for all items less food and energy increased 0.4 percent from October to December. Among the indexes within the all items less food and energy category, prices were higher for new and used motor vehicles and shelter, but lower for apparel and motor vehicle insurance. (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 increased 1.2 percent. (See [chart 1](#) and [table A.](#)) The food index declined 0.6 percent and the energy index fell 4.9 percent from December 2017 to December 2018. The index for all items less food and energy rose 2.1 percent over the year. (See [table 1.](#))

Chart 1. Over-the-year percent change in CPI-U, Detroit-Warren-Dearborn, MI, December 2015–December 2018



Source: U.S. Bureau of Labor Statistics.

Food

Food prices increased 0.4 percent from October to December. Of the two components within the food index, prices for food at home (groceries) rose 0.9 percent and prices for food away from home (restaurant, cafeteria, and vending purchases) decreased 0.2 percent over the bi-monthly period.

Over the year, food prices in the Detroit area declined 0.6 percent. Prices for both groceries and food away from home decreased 1.0 percent and 0.1 percent, respectively, from December 2017.

Energy

The energy index for Detroit was 12.1 percent lower from October to December, largely due to gasoline prices falling 20.6 percent. Electricity costs and utility (piped) gas service costs were down 2.9 percent and 0.7 percent, respectively, during the same period.

From December 2017 to December 2018, overall energy prices declined 4.9 percent. Gasoline prices decreased 9.4 percent over the year. Over the year, utility (piped) gas service costs decreased 3.3 percent, whereas electricity costs rose 1.7 percent.

All items less food and energy

The index for all items less food and energy increased 0.4 percent from October to December. Among the index's components, prices were higher for new and used motor vehicles (6.2 percent) and shelter (0.4 percent), but lower for apparel (-7.0 percent) and motor vehicle insurance (-3.1 percent).

Over the year, the index for all items less food and energy rose 2.1 percent. Increases in the indexes for shelter (2.9 percent); new and used motor vehicles (5.4 percent); and other goods and services (9.7 percent) were contributing factors.

Table A. Detroit-Warren-Dearborn, MI, CPI-U 2-month and 12-month percent changes, all items index, not seasonally adjusted

Month	2014		2015		2016		2017		2018	
	2-month	12-month	2-month	12-month	2-month	12-month	2-month	12-month	2-month	12-month
February	1.1	0.7	-0.7	-1.8	0.3	0.9	0.9	3.0	0.3	2.1
April	1.3	2.0	1.2	-1.9	1.4	1.1	0.7	2.3	0.9	2.3
June	0.5	1.3	0.0	-2.4	1.2	2.3	0.0	1.1	1.3	3.6
August	-1.0	1.0	0.6	-0.9	-0.1	1.7	0.1	1.3	-0.6	2.8
October	-0.1	1.0	0.1	-0.7	0.2	1.7	0.9	2.0	0.0	1.9
December	-1.8	-0.1	-1.2	-0.1	-0.6	2.4	0.1	2.7	-0.6	1.2

The February 2019 Consumer Price Index for Detroit is scheduled to be released on Tuesday, March 12, 2019.

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 93 percent of the total population and (2) a CPI for Urban Wage Earners and Clerical Workers (CPI-W) which covers approximately 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 75 urban areas across the country from about 5,000 housing units and approximately 22,000 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 **Detroit-Warren-Dearborn, MI, Core Based Statistical Area** covered in this release is comprised of Lapeer, Livingston, Macomb, Oakland, St. Clair, and Wayne Counties in Michigan.

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Table 1. Consumer Price Index for All Urban Consumers (CPI-U): Indexes and percent changes for selected periods Detroit-Warren-Dearborn, MI (1982-84=100 unless otherwise noted)

Item and Group	Indexes			Percent change from-		
	Oct. 2018	Nov. 2018	Dec. 2018	Dec. 2017	Oct. 2018	Nov. 2018
Expenditure category						
All items	233.134	-	231.696	1.2	-0.6	-
All items (1967=100)	692.972	-	688.697	-	-	-
Food and beverages	222.004	-	222.616	-0.5	0.3	-
Food	221.055	-	221.962	-0.6	0.4	-
Food at home	205.875	205.570	207.765	-1.0	0.9	1.1
Cereals and bakery products	262.049	-	264.073	1.1	0.8	-
Meats, poultry, fish and eggs	218.774	-	218.572	0.0	-0.1	-
Dairy and related products	159.151	-	152.224	-7.0	-4.4	-
Fruits and vegetables	222.944	-	229.263	2.8	2.8	-
Nonalcoholic beverages and beverage materials(1)	188.206	-	196.832	-4.0	4.6	-
Other food at home	185.686	-	188.032	-1.8	1.3	-
Food away from home	245.172	-	244.709	-0.1	-0.2	-
Alcoholic beverages	228.815	-	225.399	0.5	-1.5	-
Housing	219.919	-	219.960	2.0	0.0	-
Shelter	253.815	252.774	254.725	2.9	0.4	0.8
Rent of primary residence(2)	261.310	262.053	262.566	4.5	0.5	0.2
Owners' equiv. rent of residences(2)(3)	251.386	252.093	252.465	2.3	0.4	0.1
Owners' equiv. rent of primary residence(2)(3)	251.386	252.093	252.465	2.3	0.4	0.1
Fuels and utilities	246.840	-	244.132	0.3	-1.1	-
Household energy	190.155	186.466	185.855	-0.4	-2.3	-0.3
Energy services(2)	191.076	187.538	187.290	-0.4	-2.0	-0.1
Electricity(2)	226.898	218.032	220.413	1.7	-2.9	1.1
Utility (piped) gas service(2)	141.905	143.625	140.947	-3.3	-0.7	-1.9
Household furnishings and operations	116.595	-	115.149	-2.6	-1.2	-
Apparel	127.009	-	118.151	2.2	-7.0	-
Transportation	245.077	-	236.666	0.5	-3.4	-
Private transportation	247.305	-	238.514	1.1	-3.6	-
New and used motor vehicles(4)	106.065	-	112.632	5.4	6.2	-
New vehicles(1)	203.703	-	202.787	-2.4	-0.4	-
Used cars and trucks(1)	281.401	-	284.236	0.8	1.0	-
Motor fuel	259.906	239.654	207.267	-9.0	-20.3	-13.5
Gasoline (all types)	258.328	237.764	205.081	-9.4	-20.6	-13.7
Gasoline, unleaded regular(5)	259.892	238.532	205.162	-9.7	-21.1	-14.0
Gasoline, unleaded midgrade(5)(6)	304.487	286.183	249.457	-7.5	-18.1	-12.8
Gasoline, unleaded premium(5)	268.437	252.597	224.245	-7.2	-16.5	-11.2
Motor vehicle insurance(1)	1,837.545	-	1,781.011	2.9	-3.1	-
Medical care	436.811	-	439.729	0.3	0.7	-
Recreation(4)	110.937	-	112.511	-3.3	1.4	-
Education and communication(4)	146.134	-	146.104	2.4	0.0	-
Tuition, other school fees, and childcare(1) ..	1,303.623	-	1,296.794	2.6	-0.5	-
Other goods and services	436.627	-	442.503	9.7	1.3	-
Commodity and service group						
All items	233.134	-	231.696	1.2	-0.6	-
Commodities	178.770	-	173.645	-1.1	-2.9	-
Commodities less food and beverages	155.831	-	148.267	-1.5	-4.9	-
Nondurables less food and beverages	196.465	-	181.540	-1.3	-7.6	-
Durables	110.588	-	110.657	-1.9	0.1	-
Services	288.778	-	290.718	2.5	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-Warren-Dearborn, MI (1982-84=100 unless otherwise noted) - Continued

Item and Group	Indexes			Percent change from-		
	Oct. 2018	Nov. 2018	Dec. 2018	Dec. 2017	Oct. 2018	Nov. 2018
Special aggregate indexes						
All items less medical care	224.965	-	223.297	1.3	-0.7	-
All items less shelter	228.152	-	225.745	0.5	-1.1	-
Commodities less food	158.558	-	151.089	-1.4	-4.7	-
Nondurables	209.761	-	202.020	-0.9	-3.7	-
Nondurables less food	198.738	-	184.431	-1.1	-7.2	-
Services less rent of shelter ⁽³⁾	340.146	-	343.413	2.2	1.0	-
Services less medical care services	279.886	-	281.789	2.9	0.7	-
Energy	226.014	214.426	198.754	-4.9	-12.1	-7.3
All items less energy	236.767	-	237.760	1.7	0.4	-
All items less food and energy	240.218	-	241.229	2.1	0.4	-

Footnotes

(1) Index on a December 1977=100 base.

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

(3) Index on a December 1982=100 base.

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

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

(6) Index on a December 1993=100 base.

- Data not available.

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