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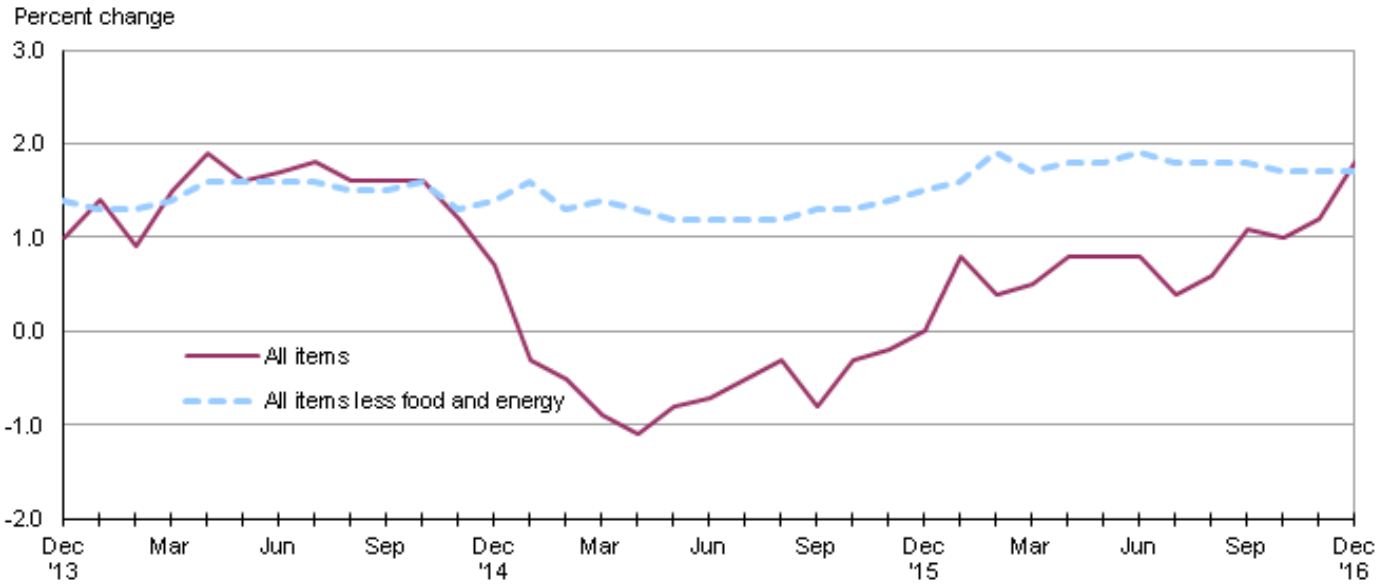
Consumer Price Index, Midwest Region – December 2016

Prices in the Midwest little changed in December, but 1.8 percent higher over the year

The Consumer Price Index for All Urban Consumers (CPI-U) in the Midwest was virtually unchanged, edging up 0.1 percent in December, the U.S. Bureau of Labor Statistics reported today. Movements within the index were mixed, with prices for motor fuel (6.0 percent) having the largest upward impact and costs for apparel (-4.3 percent) contributing the largest offsetting movement. The broader energy index was 2.7 percent higher over the month, but food prices were little changed (-0.1 percent). The index for all items less food and energy also changed little over the month, down 0.1 percent. (Data in this report are not seasonally adjusted. Accordingly, month-to-month changes may reflect the impact of seasonal influences.)

The CPI-U for the Midwest rose 1.8 percent from December 2015 to December 2016. (See chart 1 and table A.) Food prices decreased 0.4 percent, and the energy index, which includes motor fuel and household fuels, was up 8.1 percent. Excluding food and energy, the CPI-U advanced 1.7 percent over the year. (See table 1.)

Chart 1. Over-the-year percent change in CPI-U, Midwest region, December 2013–December 2016



Source: U.S. Bureau of Labor Statistics.

Food

Food prices in the Midwest were virtually unchanged, down 0.1 percent, in December. Prices for food at home declined 0.3 percent while costs for food away from home, up 0.1 percent, changed little over the month.

The index for food decreased 0.4 percent in 2016. Prices for food at home registered their fifteenth consecutive over-the-year decrease and ended the year 2.4 percent lower than in December 2015. Costs for food away from home were 2.5 percent higher over the year.

Energy

The energy index had the greatest upward impact on the all items index, turning up 2.7 percent in December following two consecutive monthly declines. Motor fuel prices led the rise with a 6.0-percent increase in December after leading the index downward in November with a decline of the same magnitude. Costs for electricity (-0.3 percent) and utility (piped) gas service (-0.2 percent) were lower over the month.

Energy costs rose 8.1 percent from December 2015 to December 2016 and posted their first over-the-year increase since September 2014. Motor fuel prices also turned up after more than two years of annual declines and advanced 14.9 percent in 2016. Costs for utility (piped) gas service contributed to the rise in energy costs with a gain of 8.9 percent, but electricity prices were unchanged over the year.

All items less food and energy

The index for all items less food and energy for the Midwest was little changed in December, down 0.1 percent, due to offsetting movements. Apparel prices reflected seasonal trends with a decrease of 4.3 percent in December after declining 1.9 percent in the prior month. Expenditure categories registering higher prices over the month included owners' equivalent rent of residences (0.2 percent) and other goods and services (0.6 percent).

The index for all items less food and energy was up 1.7 percent from December 2015 to December 2016. A 2.9-percent rise in shelter costs led the advance. Prices for medical care, up 4.7 percent, had the next largest upward impact as prices for medical care services rose 4.8 percent and costs for medical care commodities increased 4.1 percent. Among the expenditure categories that ended 2016 with lower prices were new and used motor vehicles (-1.5 percent), apparel (-2.4 percent), household furnishings and operations (-1.6 percent) and education and communication (-0.2 percent).

The Midwest Consumer Price Index for All Urban Consumers (CPI-U) stood at 226.794 in December 2016. A typical market basket of goods and services that cost $100.00 in the 1982-84 base period cost $226.79 in December 2016.

CPI-W

In December, the Midwest Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) was 220.938, up 0.2 percent over the month. The CPI-W increased 1.8 percent over the year.

Table A. Midwest region CPI-U 1-month and 12-month percent changes, all items index, not seasonally adjusted

Month	2012		2013		2014		2015		2016	
	1-month	12-month	1-month	12-month	1-month	12-month	1-month	12-month	1-month	12-month
January	0.6	2.8	0.1	1.3	0.5	1.4	-0.6	-0.3	0.3	0.8
February	0.2	2.7	1.1	2.2	0.6	0.9	0.3	-0.5	0.0	0.4

Table A. Midwest region CPI-U 1-month and 12-month percent changes, all items index, not seasonally adjusted - Continued

Month	2012		2013		2014		2015		2016	
	1-month	12-month	1-month	12-month	1-month	12-month	1-month	12-month	1-month	12-month
March	1.0	2.8	0.2	1.4	0.9	1.5	0.6	-0.9	0.6	0.5
April	0.2	2.3	-0.1	1.2	0.3	1.9	0.1	-1.1	0.4	0.8
May	-0.1	1.5	0.5	1.8	0.2	1.6	0.4	-0.8	0.4	0.8
June	-0.1	1.4	0.3	2.2	0.5	1.7	0.5	-0.7	0.6	0.8
July	0.0	1.3	-0.4	1.8	-0.3	1.8	0.0	-0.5	-0.5	0.4
August	0.7	1.8	0.1	1.2	-0.2	1.6	0.0	-0.3	0.1	0.6
September	0.3	1.9	0.1	1.0	0.1	1.6	-0.3	-0.8	0.2	1.1
October	-0.3	2.2	-0.5	0.8	-0.5	1.6	-0.1	-0.3	-0.1	1.0
November	-0.4	1.8	-0.2	1.0	-0.6	1.2	-0.5	-0.2	-0.3	1.2
December	-0.2	1.8	-0.2	1.0	-0.7	0.7	-0.6	0.0	0.1	1.8

The January 2017 Consumer Price Index for the Midwest region is scheduled to be released on Wednesday, February 15, 2017.

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 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 6,000 housing units and approximately 24,000 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 areas; they only measure the average change in prices for each area since the base period.**

The Midwest region is comprised of Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Missouri, Nebraska, North Dakota, Ohio, South Dakota, and Wisconsin.

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

Item and Group	Indexes			Percent change from-		
	Oct. 2016	Nov. 2016	Dec. 2016	Dec. 2015	Oct. 2016	Nov. 2016
Expenditure category						
All Items	227.358	226.673	226.794	1.8	-0.2	0.1
All items (December 1977=100)	369.924	368.810	369.006			
Food and beverages	240.694	239.741	239.494	-0.3	-0.5	-0.1
Food	240.215	239.266	238.923	-0.4	-0.5	-0.1
Food at home	226.418	224.801	224.151	-2.4	-1.0	-0.3
Food away from home	263.390	263.583	263.767	2.5	0.1	0.1
Alcoholic beverages	245.048	244.058	245.204	1.2	0.1	0.5
Housing	217.842	217.903	217.867	2.4	0.0	0.0
Shelter	257.898	258.337	258.348	2.9	0.2	0.0
Rent of primary residence(1)	256.812	257.599	258.228	2.9	0.6	0.2
Owners' equiv. rent of residences(1)(2)	261.657	262.476	263.042	2.9	0.5	0.2
Owners' equiv. rent of primary residence(1)(2)	261.647	262.463	263.028	2.9	0.5	0.2
Fuels and utilities	214.514	214.152	214.249	3.1	-0.1	0.0
Household energy	175.687	175.203	175.144	2.9	-0.3	0.0
Energy services(1)	183.223	182.653	182.197	2.7	-0.6	-0.2
Electricity(1)	198.414	196.587	196.059	0.0	-1.2	-0.3
Utility (piped) gas service(1)	147.027	148.536	148.229	8.9	0.8	-0.2
Household furnishings and operations	114.233	113.379	113.109	-1.6	-1.0	-0.2
Apparel	120.841	118.575	113.436	-2.4	-6.1	-4.3
Transportation	192.021	189.630	192.164	2.9	0.1	1.3
Private transportation	186.761	184.199	186.910	3.3	0.1	1.5
New and used motor vehicles(3)	97.075	96.534	96.626	-1.5	-0.5	0.1
New vehicles	138.623	138.778	138.938	-0.6	0.2	0.1
New cars and trucks(3)(4)	97.983	98.149	98.261	-0.6	0.3	0.1
New cars(4)	134.836	135.129	134.687	-0.9	-0.1	-0.3
Used cars and trucks	140.615	138.451	138.152	-3.2	-1.8	-0.2
Motor fuel	200.608	188.560	199.912	14.9	-0.3	6.0
Gasoline (all types)	199.519	187.382	198.809	15.1	-0.4	6.1
Gasoline, unleaded regular(4)	193.667	181.479	192.964	15.4	-0.4	6.3
Gasoline, Unleaded midgrade(4)(5)	232.708	219.491	232.281	14.0	-0.2	5.8
Gasoline, unleaded premium(4)	223.743	213.638	223.666	13.6	0.0	4.7
Medical Care	476.005	477.271	477.476	4.7	0.3	0.0
Medical care commodities	384.715	381.666	382.672	4.1	-0.5	0.3
Medical care services	506.627	509.428	509.346	4.8	0.5	0.0
Professional services	407.456	413.224	412.901	4.8	1.3	-0.1
Recreation(3)	118.379	118.505	117.984	1.0	-0.3	-0.4
Education and communication(3)	140.679	140.313	140.552	-0.2	-0.1	0.2
Other goods and services	410.481	410.145	412.612	2.4	0.5	0.6
Commodity and Service Group						
All Items	227.358	226.673	226.794	1.8	-0.2	0.1
Commodities	176.386	174.471	174.645	0.4	-1.0	0.1
Commodities less food & beverages	145.235	142.994	143.331	0.9	-1.3	0.2
Nondurables less food & beverages	187.811	183.686	184.435	3.3	-1.8	0.4
Nondurables less food, beverages, and apparel	231.805	226.466	230.989	5.3	-0.4	2.0
Durables	103.756	103.066	103.073	-2.2	-0.7	0.0
Services	279.926	280.495	280.562	2.8	0.2	0.0
Rent of shelter(2)	265.035	265.471	265.482	2.9	0.2	0.0
Transportation services	297.744	300.125	300.775	2.0	1.0	0.2

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 Midwest (1982-84=100 unless otherwise noted) - Continued

Item and Group	Indexes			Percent change from-		
	Oct. 2016	Nov. 2016	Dec. 2016	Dec. 2015	Oct. 2016	Nov. 2016
Other services	334.135	334.004	334.126	1.5	0.0	0.0
Special aggregate indexes:						
All items less medical care	215.587	214.809	214.926	1.5	-0.3	0.1
All items less food	225.153	224.512	224.706	2.2	-0.2	0.1
All items less shelter	218.594	217.503	217.663	1.4	-0.4	0.1
Commodities less food	148.362	146.145	146.503	0.9	-1.3	0.2
Nondurables	213.835	211.204	211.481	1.3	-1.1	0.1
Nondurables less food	190.836	186.888	187.658	3.2	-1.7	0.4
Nondurables less food and apparel	231.612	226.684	230.886	4.9	-0.3	1.9
Services less rent of shelter(2)	312.469	313.216	313.347	2.6	0.3	0.0
Services less medical care services	263.032	263.438	263.516	2.5	0.2	0.0
Energy	187.192	181.718	186.581	8.1	-0.3	2.7
All items less energy	234.145	233.924	233.578	1.4	-0.2	-0.1
All items less food and energy	233.754	233.665	233.317	1.7	-0.2	-0.1
Commodities less food and energy commodities	145.231	144.090	143.124	-1.1	-1.5	-0.7
Energy commodities	199.951	188.488	199.799	14.6	-0.1	6.0
Services less energy services	292.280	292.974	293.096	2.8	0.3	0.0

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) Indexes on a December 1997=100 base.
(4) Special index based on a substantially smaller sample.
(5) Indexes on a December 1993=100 base.
Regions defined as the four Census regions. Midwest includes Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Missouri, Nebraska, North Dakota, Ohio, South Dakota, and Wisconsin.
NOTE: Index applies to a month as a whole, not to any specific date. Data not seasonally adjusted.

Table 2. Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W): Indexes and percent changes for selected periods Midwest (1982-84=100 unless otherwise noted)

Item and Group	Indexes			Percent change from-		
	Oct. 2016	Nov. 2016	Dec. 2016	Dec. 2015	Oct. 2016	Nov. 2016
Expenditure category						
All Items	221.422	220.560	220.938	1.8	-0.2	0.2
All items (December 1977=100)	358.088	356.695	357.306			
Food and beverages	240.522	239.342	239.052	-0.6	-0.6	-0.1
Food	240.041	238.828	238.435	-0.7	-0.7	-0.2
Food at home	227.013	225.150	224.477	-2.5	-1.1	-0.3
Food away from home	264.589	264.729	264.918	2.5	0.1	0.1
Alcoholic beverages	246.605	245.971	247.365	1.5	0.3	0.6
Housing	212.788	212.953	213.121	2.5	0.2	0.1
Shelter	246.847	247.415	247.677	2.8	0.3	0.1
Rent of primary residence(1)	257.429	258.260	258.864	2.9	0.6	0.2
Owners' equiv. rent of residences(1)(2)	243.870	244.640	245.159	2.9	0.5	0.2
Owners' equiv. rent of primary residence(1)(2)	243.868	244.636	245.154	2.9	0.5	0.2
Fuels and utilities	215.568	215.161	215.230	3.1	-0.2	0.0
Household energy	176.426	175.895	175.838	2.8	-0.3	0.0
Energy services(1)	182.614	181.961	181.470	2.6	-0.6	-0.3
Electricity(1)	196.441	194.762	194.292	-0.1	-1.1	-0.2
Utility (piped) gas service(1)	148.654	149.843	149.344	9.3	0.5	-0.3
Household furnishings and operations	112.128	111.257	111.177	-1.8	-0.8	-0.1
Apparel	118.284	116.462	111.581	-2.9	-5.7	-4.2
Transportation	189.054	185.941	188.866	3.2	-0.1	1.6
Private transportation	185.725	182.510	185.507	3.4	-0.1	1.6
New and used motor vehicles(3)	96.723	95.859	95.890	-1.9	-0.9	0.0
New vehicles	141.593	141.628	141.986	-0.7	0.3	0.3
Used cars and trucks	141.168	139.023	138.710	-3.2	-1.7	-0.2
Motor fuel	200.987	188.914	200.289	14.7	-0.3	6.0
Gasoline (all types)	199.797	187.655	199.100	14.9	-0.3	6.1
Gasoline, unleaded regular(4)	193.780	181.609	193.094	15.2	-0.4	6.3
Gasoline, unleaded midgrade(4)(5)	232.624	219.398	232.155	14.0	-0.2	5.8
Gasoline, unleaded premium(4)	223.462	213.395	223.429	13.5	0.0	4.7
Medical Care	481.483	482.770	482.922	4.6	0.3	0.0
Medical care commodities	376.491	373.183	374.113	3.5	-0.6	0.2
Medical care services	514.068	516.982	516.854	4.9	0.5	0.0
Professional services	409.604	415.777	415.482	5.1	1.4	-0.1
Recreation(3)	114.319	114.372	113.785	0.7	-0.5	-0.5
Education and communication(3)	132.270	131.861	132.022	-0.5	-0.2	0.1
Other goods and services	457.734	457.311	460.687	2.6	0.6	0.7
Commodity and Service Group						
All Items	221.422	220.560	220.938	1.8	-0.2	0.2
Commodities	178.440	176.184	176.770	0.5	-0.9	0.3
Commodities less food & beverages	148.383	145.774	146.688	1.2	-1.1	0.6
Nondurables less food & beverages	194.246	189.554	191.593	4.1	-1.4	1.1
Nondurables less food, beverages, and apparel	241.232	234.844	240.701	6.0	-0.2	2.5
Durables	105.474	104.539	104.580	-2.5	-0.8	0.0
Services	272.257	272.854	273.020	2.7	0.3	0.1
Rent of shelter(2)	245.271	245.826	246.088	2.9	0.3	0.1
Transportation services	299.780	302.212	303.158	2.6	1.1	0.3
Other services	308.541	308.397	308.316	1.1	-0.1	0.0

Note: See footnotes at end of table.

Table 2. Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W): Indexes and percent changes for selected periods Midwest (1982-84=100 unless otherwise noted) - Continued

Item and Group	Indexes			Percent change from-		
	Oct. 2016	Nov. 2016	Dec. 2016	Dec. 2015	Oct. 2016	Nov. 2016
Special aggregate indexes:						
All items less medical care	211.454	210.510	210.897	1.5	-0.3	0.2
All items less food	217.699	216.897	217.398	2.2	-0.1	0.2
All items less shelter	214.767	213.386	213.810	1.3	-0.4	0.2
Commodities less food	151.325	148.747	149.676	1.2	-1.1	0.6
Nondurables	217.597	214.553	215.492	1.6	-1.0	0.4
Nondurables less food	196.914	192.422	194.430	3.9	-1.3	1.0
Nondurables less food and apparel	240.101	234.187	239.670	5.7	-0.2	2.3
Services less rent of shelter(2)	276.431	277.018	277.067	2.5	0.2	0.0
Services less medical care services	256.309	256.763	256.947	2.4	0.2	0.1
Energy	187.081	181.202	186.445	8.4	-0.3	2.9
All items less energy	227.487	227.214	227.018	1.2	-0.2	-0.1
All items less food and energy	225.136	225.038	224.878	1.6	-0.1	-0.1
Commodities less food and energy commodities	147.780	146.549	145.844	-1.3	-1.3	-0.5
Energy commodities	200.432	188.981	200.280	14.4	-0.1	6.0
Services less energy services	284.118	284.869	285.116	2.7	0.4	0.1

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 1984=100 base.
(3) Indexes on a December 1997=100 base.
(4) Special index based on a substantially smaller sample.
(5) Indexes on a December 1993=100 base.
Regions defined as the four Census regions. Midwest includes Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Missouri, Nebraska, North Dakota, Ohio, South Dakota, and Wisconsin.
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