



For Release: Friday, April 15, 2016

16-785-BOS

NEW ENGLAND INFORMATION OFFICE: Boston, Mass.

Technical information: (617) 565-2327 BLSInfoBoston@bls.gov www.bls.gov/regions/new-england

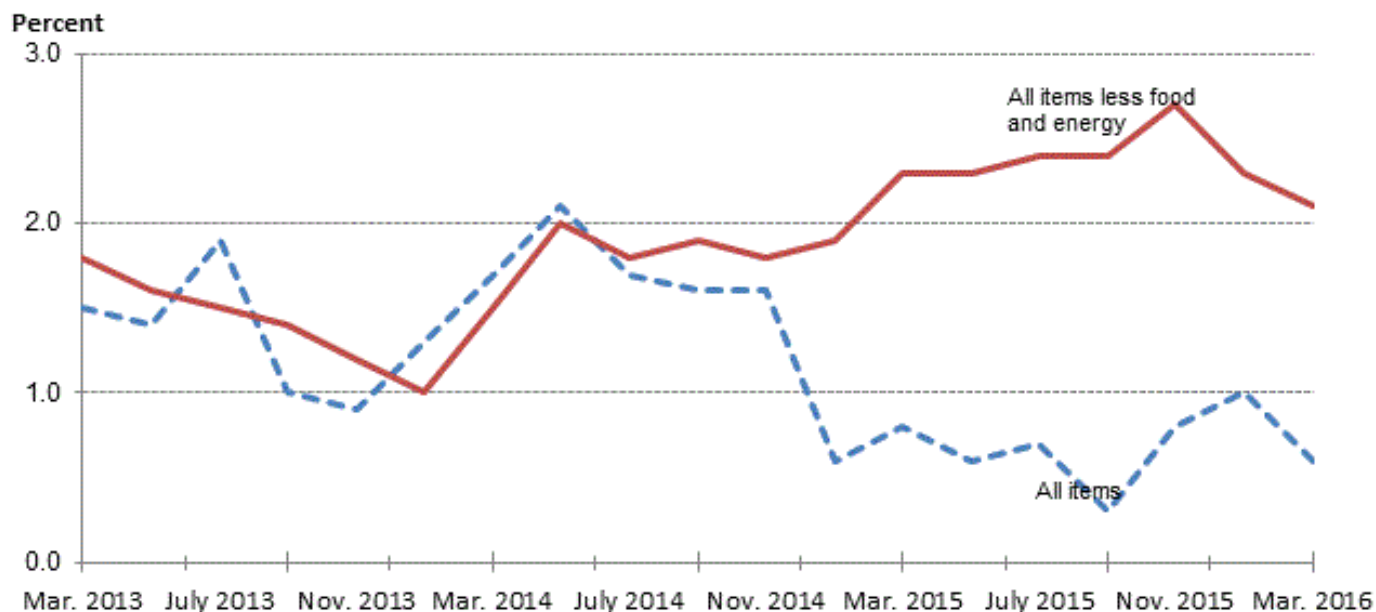
Media contact: (617) 565-2327 BLSMediaBoston@bls.gov

Consumer Price Index, Boston-Brockton-Nashua — March 2016
Area prices edged up 0.5 percent over two months; up 0.6 percent from a year ago

The Consumer Price Index for All Urban Consumers (CPI-U) in the Boston-Brockton-Nashua area edged up 0.5 percent in March, the U.S. Bureau of Labor Statistics reported today. Regional Commissioner Deborah A. Brown noted that the two-month increase was mainly due to higher shelter prices paid by area consumers, up 1.2 percent. Lower energy prices, down 1.3 percent over two months, partially offset this decrease. (Data in this report are not seasonally adjusted. Accordingly, bimonthly changes may reflect the impact of seasonal influences.)

Over the last 12 months the Boston CPI-U rose 0.6 percent. The increase was largely attributable to higher prices within all items less food and energy, up 2.1 percent, and to a lesser extent, higher food prices, up 2.0 percent. (See [chart 1](#).) Lower energy prices paid by area consumers, down 16.9 percent, significantly mitigated the increase.

Chart 1. Over-the-year percent change in CPI-U, Boston-Brockton-Nashua, March 2013 - March 2016



Source: U.S. Bureau of Labor Statistics.

Food

Food prices edged down 0.3 percent since January due to lower grocery store or food at home prices, down 0.5 percent. Restaurant prices, or food away from home, edged up 0.1 percent partially offsetting this decrease.

Food prices increased 2.0 percent from March 2015 to March 2016. The increase was mainly attributable to higher restaurant prices, up 4.2 percent, and to a lesser extent, higher grocery store prices, up 0.7 percent over the year.

Energy

The energy index was down 1.3 percent over the two months, mainly due to lower gasoline prices (-2.4 percent) and lower utility (piped) gas prices (-4.4 percent). Area motorists paid \$1.907 per gallon of gasoline in March. Increases in prices paid by local households for electricity (1.1 percent) partially offset the decrease in the energy index.

Energy prices were down 16.9 percent from a year ago, largely attributable to lower gasoline prices, down 20.3 percent, and to a lesser extent, lower electricity costs, down 9.1 percent. The decline in gasoline prices in March was the 20th consecutive over-the-year decline locally. Also contributing to the decline were lower utility (piped) gas prices paid by area consumers, down 8.2 percent from one year ago.

All items less food and energy

The index for all items less food and energy rose 0.8 percent from January. The rise was mainly attributable to higher shelter costs, up 1.2 percent. To a lesser extent, increases in clothing costs (3.2 percent), medical care, and new and used motor vehicles (0.8 and 0.9 percent, respectively) attributed to this overall advance.

Over the year, the index for all items less food and energy rose 2.1 percent, with higher shelter costs, rising 3.0 percent from March 2015, being the main cause of this increase. This marked the 57th consecutive annual increase in the local shelter index. Within shelter, higher costs for owners' rental equivalency of residences led the increase, up 3.2 percent. Contributing to the overall increase, but to a lesser extent, were higher prices paid by area consumers for medical care, up 6.0 percent from one year ago, and education and communication, up 3.9 percent over the same period. Lower clothing costs, down 8.5 percent, partially offset the annual increase locally.

CPI-W

In March, the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) was 257.184. The CPI-W was up 0.4 percent over two months and increased 0.1 percent over the year.

The May 2016 Consumer Price Index for Boston-Brockton-Nashua is scheduled to be released on Thursday, June 16, 2016, 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 89 percent of the total population and (2) a CPI for Urban Wage Earners and Clerical Workers (CPI-W) which covers 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 change 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 <https://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 Boston-Brockton-Nashua, Mass.-N.H.-Maine-Conn. consolidated area covered in this release is comprised of Essex, Middlesex, Norfolk, Plymouth, Suffolk, Bristol, Hampden, and Worcester Counties in Massachusetts; Hillsborough, Merrimack, Rockingham, and Strafford Counties in New Hampshire; York County in Maine; and Windham County in Connecticut.







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.

Consumer Price Index for All Urban Consumers (CPI-U): Indexes and percent changes for selected periods, Boston-Brockton-Nashua, Ma.-N.H.-Maine-Conn., (1982-84=100 unless otherwise noted) (not seasonally adjusted)

Expenditure category	Indexes				Percent change from		
	Historical data	Jan. 2016	Feb. 2016	Mar. 2016	Mar. 2015	Jan. 2016	Feb. 2016
All items		257.215		258.587	0.6	0.5	
All items (1967 = 100)		747.603		751.592			
Food and beverages		259.515		259.267	1.9	-0.1	
Food		260.627		259.861	2.0	-0.3	
Food at home		249.804	249.617	248.541	0.7	-0.5	-0.4
Food away from home		278.801		278.988	4.2	0.1	
Alcoholic beverages		251.194		257.191	1.6	2.4	
Housing		258.682		260.950	0.8	0.9	
Shelter		305.187	306.837	308.698	3.0	1.2	0.6
Rent of primary residence (1)		316.450	317.566	318.623	3.0	0.7	0.3
Owners' equivalent rent of residences (1) (2) (3)		328.630	329.019	329.827	3.2	0.4	0.2
Owners' equivalent rent of primary residence (1) (2) (3)		328.630	329.019	329.827	3.2	0.4	0.2
Fuels and utilities		248.794		247.654	-12.5	-0.5	
Household energy		208.289	207.830	207.176	-14.6	-0.5	-0.3
Energy services (1)		225.682	225.656	224.559	-9.0	-0.5	-0.5
Electricity (1)		250.324	250.324	253.078	-9.1	1.1	1.1
Utility (piped) gas service (1)		174.746	174.675	167.091	-8.2	-4.4	-4.3
Household furnishings and operations		129.736		129.837	-0.7	0.1	
Apparel		137.149		141.606	-8.5	3.2	
Transportation		179.977		179.643	-4.1	-0.2	
Private transportation		177.913		177.985	-4.3	0.0	
Motor fuel		168.793	154.517	164.693	-20.3	-2.4	6.6
Gasoline (all types)		166.731	152.599	162.807	-20.3	-2.4	6.7
Gasoline, unleaded regular (4)		160.814	146.568	156.918	-21.6	-2.4	7.1
Gasoline, unleaded midgrade (4) (5)		182.620	170.600	177.968	-16.6	-2.5	4.3
Gasoline, unleaded premium (4)		182.076	171.710	178.883	-14.0	-1.8	4.2
Medical care		627.587		632.357	6.0	0.8	
Recreation (6)		116.956		117.577	1.3	0.5	
Education and communication (6)		156.340		156.459	3.9	0.1	
Other goods and services		446.291		448.359	1.0	0.5	
Commodity and service group							
Commodities		185.719		186.111	-2.7	0.2	
Commodities less food and beverages		147.611		148.240	-6.1	0.4	
Nondurables less food and beverages		183.504		184.331	-9.5	0.5	
Durables		111.387		111.828	-1.2	0.4	
Services		321.820		324.091	2.5	0.7	
Special aggregate indexes							
All items less shelter		240.993		241.542	-0.6	0.2	
All items less medical care		243.025		244.270	0.2	0.5	
Commodities less food		151.684		152.478	-5.7	0.5	
Nondurables		220.185		220.506	-3.2	0.1	

Note: See footnotes at end of table.

Consumer Price Index for All Urban Consumers (CPI-U): Indexes and percent changes for selected periods, Boston-Brockton-Nashua, Ma.-N.H.-Maine-Conn., (1982-84=100 unless otherwise noted) (not seasonally adjusted) - Continued

Expenditure category	Indexes				Percent change from		
	Historical data	Jan. 2016	Feb. 2016	Mar. 2016	Mar. 2015	Jan. 2016	Feb. 2016
Nondurables less food.....		187.359		188.514	-8.5	0.6	
Services less rent of shelter ⁽²⁾		357.947		358.819	2.0	0.2	
Services less medical care services.....		300.912		302.978	2.1	0.7	
Energy		189.622	183.161	187.218	-16.9	-1.3	2.2
All items less energy		267.377		269.140	2.0	0.7	
All items less food and energy		269.355		271.556	2.1	0.8	

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) Indexes on a December 1982=100 base.

(3) 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.

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

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

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

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