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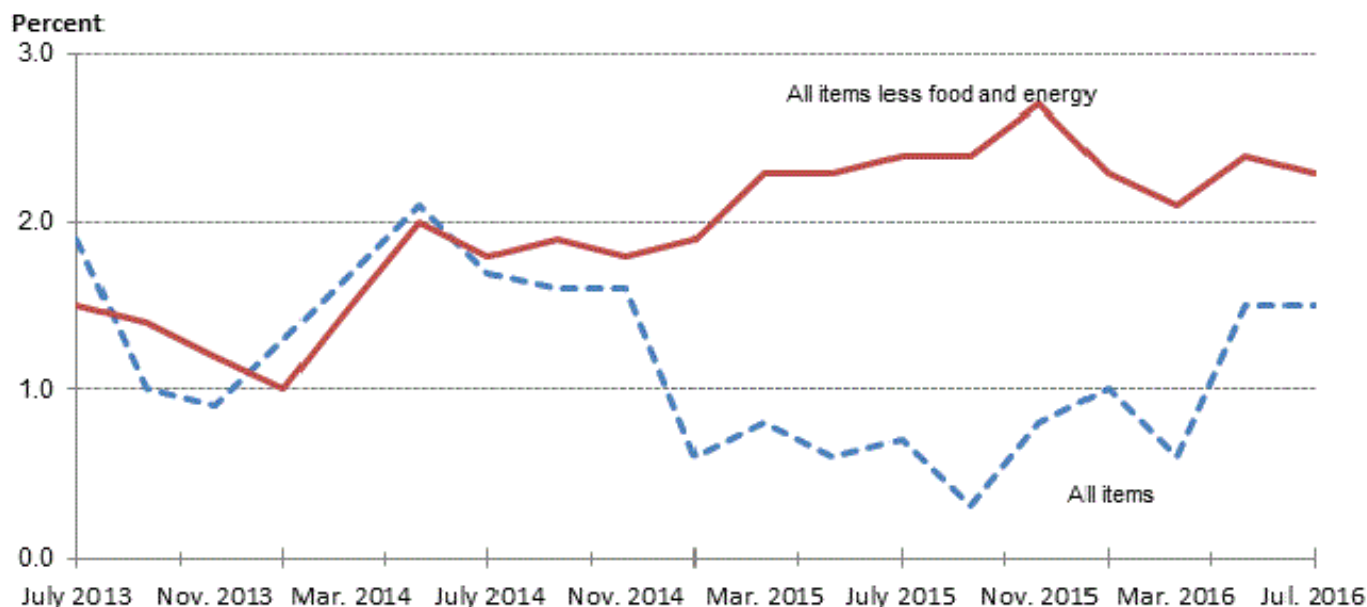
## **Consumer Price Index, Boston-Brockton-Nashua — July 2016**

### **Area prices unchanged at 0.0 percent over two months; up 1.5 percent from a year ago**

The Consumer Price Index for All Urban Consumers (CPI-U) in the Boston-Brockton-Nashua area was unchanged (0.0 percent) in July, the U.S. Bureau of Labor Statistics reported today. Regional Commissioner Deborah A. Brown noted that higher food prices, and to a lesser extent, higher prices within all items less food and energy were offset by lower energy prices. (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 1.5 percent. The increase was largely attributable to higher prices within all items less food and energy, up 2.3 percent. (See [chart 1](#).) Lower energy prices paid by area consumers, down 6.2 percent, mitigated the increase. Also, local food prices, up 0.9 percent over the year, contributed to the overall increase.

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



Source: U.S. Bureau of Labor Statistics.

**Food**

Food prices edged up 0.4 percent since May mainly due to higher food away from home or restaurant prices, up 0.6 percent. Food at home prices or grocery store prices also edged up 0.3 percent.

Food prices increased 0.9 percent over the year mainly due to higher restaurant prices, up 3.1 percent. Grocery store prices edged down 0.3 percent partially offsetting the overall increase since last July.

## **Energy**

The energy index decreased 1.3 percent over the two months, mainly due to lower gasoline prices (-3.0 percent), and to a lesser extent, decreases in prices paid by local households for electricity (-0.9 percent). Higher prices for utility (piped) gas, up 2.2 percent, partially offset the overall decrease in local energy prices over the period.

Energy prices were down 6.2 percent from a year ago, largely attributable to lower gasoline prices, down 18.7 percent. Higher costs for electricity, and, to a lesser extent, utility (piped) gas up 13.8 and 12.0 percent over the year, respectively, partially offset the overall decrease.

## **All items less food and energy**

The index for all items less food and energy remained unchanged from May (0.0 percent). Higher shelter costs, up 0.6 percent were offset by lower prices for apparel and household furnishings and operations, down 6.4 and 0.9 percent, respectively. Within the local shelter index, higher prices for owners' equivalent rent led the advance. Higher prices for other goods and services (+0.8 percent) and education and communication (+0.3 percent) were partially offset by lower medical care costs (-0.3 percent).

Over the year, the index for all items less food and energy rose 2.3 percent, with higher shelter costs, rising 3.4 percent from July 2015, being the main cause of this increase. This marked the 61<sup>st</sup> consecutive annual increase in the local shelter index. Within shelter, higher costs for owners' rental equivalency of residences led the increase, up 3.3 percent. Contributing to the overall increase, but to a lesser extent, were higher prices paid by area consumers for medical care, up 5.2 percent from one year ago, and education and communication, up 3.4 percent over the period. Lower clothing costs, down 7.8 percent, mitigated the annual increase locally.

## **CPI-W**

In July, the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) was 259.204. The CPI-W was up 0.1 percent over two months and increased 1.2 percent over the year.

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**The September 2016 Consumer Price Index for Boston-Brockton-Nashua is scheduled to be released on Tuesday, October 18, 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](http://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.







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**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	May 2016	Jun. 2016	Jul. 2016	Jul. 2015	May 2016	Jun. 2016
All items .....		260.809		260.800	1.5	0.0	
All items (1967 = 100) .....		758.050		758.023			
Food and beverages .....		256.680		257.607	0.7	0.4	
Food .....		257.943		258.955	0.9	0.4	
Food at home .....		245.227	245.603	245.869	-0.3	0.3	0.1
Food away from home .....		279.749		281.457	3.1	0.6	
Alcoholic beverages .....		246.492		246.406	-2.4	0.0	
Housing .....		263.334		264.491	3.4	0.4	
Shelter .....		313.483	313.503	315.483	3.4	0.6	0.6
Rent of primary residence (1) .....		321.556	321.506	323.237	3.1	0.5	0.5
Owners' equivalent rent of residences (1) (2) (3) .....		332.339	333.578	334.800	3.3	0.7	0.4
Owners' equivalent rent of primary residence (1) (2) (3) .....		332.339	333.578	334.800	3.3	0.7	0.4
Fuels and utilities .....		241.257		241.268	5.5	0.0	
Household energy .....		200.631	201.016	200.476	5.9	-0.1	-0.3
Energy services (1) .....		213.753	214.457	213.415	12.9	-0.2	-0.5
Electricity (1) .....		253.077	254.179	250.789	13.8	-0.9	-1.3
Utility (piped) gas service (1) .....		138.403	138.403	141.385	12.0	2.2	2.2
Household furnishings and operations .....		129.171		127.999	0.4	-0.9	
Apparel .....		143.386		134.230	-7.8	-6.4	
Transportation .....		187.009		185.882	-3.3	-0.6	
Private transportation .....		185.047		184.426	-3.6	-0.3	
Motor fuel .....		195.315	198.769	189.678	-18.8	-2.9	-4.6
Gasoline (all types) .....		193.373	196.773	187.638	-18.7	-3.0	-4.6
Gasoline, unleaded regular (4) .....		187.597	190.897	181.567	-20.1	-3.2	-4.9
Gasoline, unleaded midgrade (4) (5) .....		204.088	207.107	200.474	-15.9	-1.8	-3.2
Gasoline, unleaded premium (4) .....		202.924	206.598	200.561	-13.7	-1.2	-2.9
Medical care .....		637.085		635.449	5.2	-0.3	
Recreation (6) .....		116.731		117.012	-0.9	0.2	
Education and communication (6) .....		155.893		156.300	3.4	0.3	
Other goods and services .....		447.950		451.509	1.0	0.8	
<b>Commodity and service group</b>							
Commodities .....		188.350		186.972	-2.3	-0.7	
Commodities less food and beverages .....		152.300		150.067	-4.6	-1.5	
Nondurables less food and beverages .....		193.458		189.434	-7.7	-2.1	
Durables .....		111.808		111.067	0.6	-0.7	
Services .....		326.285		327.539	3.7	0.4	
<b>Special aggregate indexes</b>							
All items less shelter .....		242.782		241.986	0.5	-0.3	
All items less medical care .....		246.394		246.444	1.2	0.0	
Commodities less food .....		156.125		153.941	-4.4	-1.4	
Nondurables .....		224.115		222.422	-3.0	-0.8	

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	May 2016	Jun. 2016	Jul. 2016	Jul. 2015	May 2016	Jun. 2016
Nondurables less food.....		196.351		192.589	-7.1	-1.9	
Services less rent of shelter <sup>(2)</sup> .....		358.203		358.627	4.0	0.1	
Services less medical care services.....		305.316		306.717	3.5	0.5	
Energy .....		196.875	198.591	194.338	-6.2	-1.3	-2.1
All items less energy .....		270.660		270.900	2.1	0.1	
All items less food and energy .....		273.669		273.777	2.3	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) 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.