



For Release: Wednesday, February 14, 2018

18-258-BOS

NEW ENGLAND INFORMATION OFFICE: Boston, Mass.

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

Media contact: (617) 565-2326 BLSMediaBoston@bls.gov

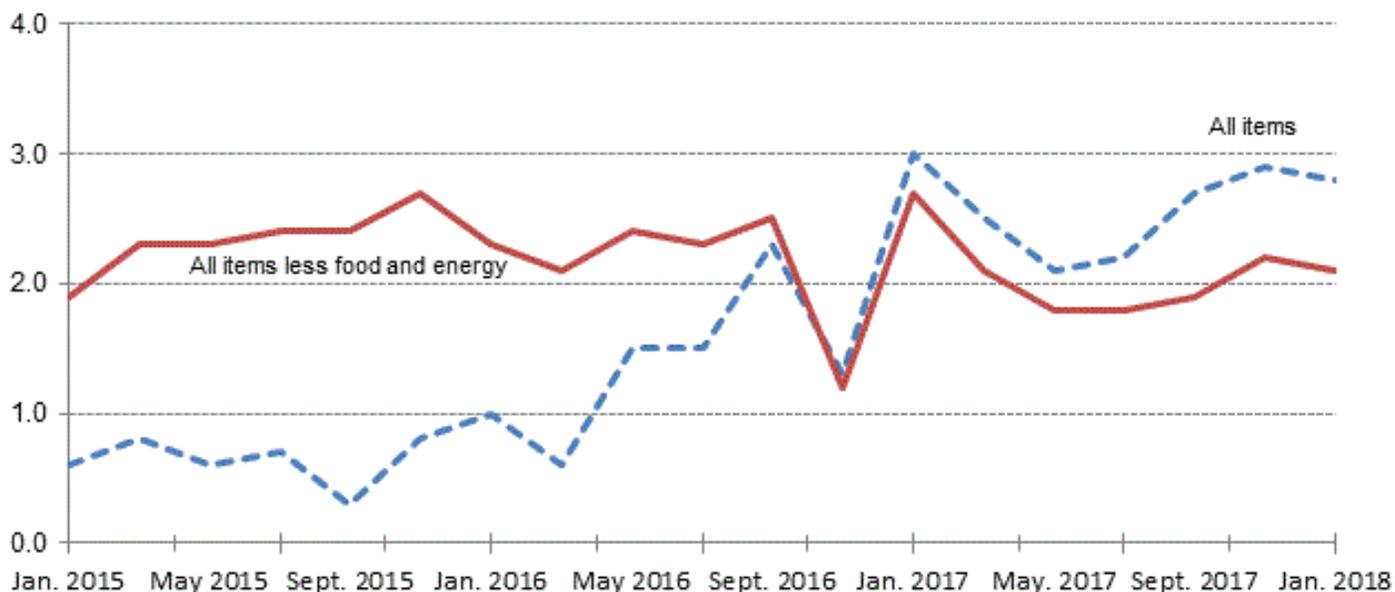
Consumer Price Index, Boston-Cambridge-Newton — January 2018 **Area prices up 1.1 percent over two months; up 2.8 percent from a year ago**

The Consumer Price Index for All Urban Consumers (CPI-U) in the Boston-Cambridge-Newton area increased 1.1 percent in January, the U.S. Bureau of Labor Statistics reported today. Acting Regional Commissioner Jim Sibley noted that the two-month increase was mainly due to all item less food and energy, up 1.0 percent and, to a lesser extent, higher energy prices, up 3.9 percent. (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 2.8 percent. The increase was largely attributable to higher prices within all items less food and energy up 2.1 percent (See [chart 1](#)). Higher energy prices paid by area consumers, up 13.3 percent also contributed to the increase.

Chart 1. Over-the-year percent change in CPI-U, Boston-Brockton-Nashua, January 2015 - January 2018

Percent



Source: U.S. Bureau of Labor Statistics.

Food

Food prices edged up 0.8 percent since November mainly due to higher food away from home prices, up 1.3 percent. Higher grocery store or food at home prices also contributed to the increase, up 0.6 percent, which was mainly driven by higher fruits and vegetables, up 1.3 percent.

Food prices increased 1.5 percent over the year, mainly due to higher food away from home prices, up 2.2 percent. Food at home prices, edged up 1.1 percent, also contributing to the overall increase.

Energy

The energy index increased 3.9 percent over the two months, mainly driven by higher electricity prices up 8.7 percent.

Energy prices were up 13.3 percent from a year ago, largely attributable to electricity prices, up 15.5 percent. Higher prices for gasoline also contributed to the overall increase, up 10.1 percent.

All items less food and energy

The index for all items less food and energy increased from November (1.0 percent) mainly due to higher shelter costs, up 1.4 percent. Within shelter, owners' equivalent rent of residences prices up, 1.1 percent, and to a lesser extent, lodging away from home prices or hotel and motel prices, up 16.4 percent also contributed to the increase. Higher prices for new and used motor vehicles, up 3.7 also contributed to the increase. Lower prices for apparel, down 5.5 percent offset this increase.

Over the year, the index for all items less food and energy rose 2.1 percent, with higher shelter costs being the main driver of the increase, up 3.7 percent. Within shelter, higher costs for owners' equivalent rent of residences, up 3.8 percent, led the increase. To a lesser extent, higher prices for rent of primary residence, up 4.6 percent, also contributed to the increase.

CPI-W

In January, the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) was 271.612. The CPI-W was up 1.1 percent over two months and increased 3.0 percent over the year.

The March 2018 Consumer Price Index for Boston-Cambridge-Newton is scheduled to be released on Wednesday, April 11, 2018, at 8:30 a.m. (ET).

Consumer Price Index Geographic Revision for 2018

In January 2018, BLS introduced a new geographic area sample for the Consumer Price Index (CPI). As part of the new sample, the index for this area will be renamed. The indexes using the new structure are published for the first time this month. Additional information on the geographic revision is available at <https://www.bls.gov/cpi/additional-resources/geographic-revision-2018.htm>

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 94 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 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 Boston-Cambridge-Newton, Mass.-N.H. consolidated area covered in this release is comprised of Essex, Middlesex, Norfolk, Plymouth, Suffolk Counties in Massachusetts; Rockingham, Strafford Counties in New Hampshire.

Information from this release will be made available to sensory impaired individuals upon request. Voice phone: 202-691-5200; Federal Relay Service: 1-800-877-8339.

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

Expenditure category	Indexes				Percent change from		
	Historical data	Nov. 2017	Dec. 2017	Jan. 2018	Jan. 2017	Nov. 2017	Dec. 2017
All items.....		269.149		272.229	2.8	1.1	
All items (1967 = 100).....		782.288		791.242			
Food and beverages.....		260.463		263.457	1.7	1.1	
Food.....		261.898		264.084	1.5	0.8	
Food at home.....		246.968	245.166	248.355	1.1	0.6	1.3
Cereal and bakery products.....		293.414		294.230		0.3	
Meats, poultry, fish, and eggs.....		249.244		248.563		-0.3	
Dairy and related products.....		262.638		265.415		1.1	
Fruits and vegetables.....		324.006		328.268		1.3	
Nonalcoholic beverages and beverage materials(1).....		161.043		163.026		1.2	
Other food at home.....		198.007		198.104		0.0	
Food away from home.....		287.884		291.574	2.2	1.3	
Alcoholic beverages.....		248.281		260.660	3.4	5.0	
Housing.....		275.470		280.928	4.5	2.0	
Shelter.....		323.945	325.584	328.516	3.7	1.4	0.9
Rent of primary residence(2).....		339.499	341.946	343.127	4.6	1.1	0.3
Owners' equivalent rent of residences(2)(3)(4).....		347.148	349.480	350.824	3.8	1.1	0.4
Owners' equivalent rent of primary residence(2)(3)(4).....		347.148	349.480	350.824	3.8	1.1	0.4
Fuels and utilities.....		289.105		307.104	13.7	6.2	
Household energy.....		244.580	246.818	261.912	15.5	7.1	6.1
Energy services(2).....		258.782	258.838	273.073	13.4	5.5	5.5
Electricity(2).....		288.639	288.727	313.846	15.5	8.7	8.7
Utility (piped) gas service(2).....		197.659	197.659	197.556	10.7	-0.1	-0.1
Household furnishings and operations.....		125.812		128.845	0.6	2.4	
Apparel.....		141.503		133.773	-5.3	-5.5	
Transportation.....		188.944		190.677	2.8	0.9	
Private transportation.....		188.676		192.018	3.7	1.8	
New and used motor vehicles(5).....		100.105		103.780		3.7	
New Vehicles(1).....		199.334		215.221		8.0	
Used cars and trucks(1).....		306.642		310.689		1.3	
Motor fuel.....		222.224	219.018	220.770	10.1	-0.7	0.8
Gasoline (all types).....		219.787	216.513	218.214	10.1	-0.7	0.8
Gasoline, unleaded regular(6).....		213.176	209.991	211.582	10.3	-0.7	0.8
Gasoline, unleaded midgrade(6)(7).....		232.449	229.088	230.493	8.9	-0.8	0.6
Gasoline, unleaded premium(6).....		230.961	227.581	229.957	8.7	-0.4	1.0
Motor vehicle insurance(1).....							
Medical care.....		646.503		647.732	1.9	0.2	
Recreation(5).....		119.889		121.117	-0.9	1.0	
Education and communication(5).....		163.261		163.858	1.7	0.4	
Tuition, other fees, and child care(1).....		1,306.747		1,310.836		0.3	
Other goods and services.....		482.975		485.373	2.9	0.5	
Commodity and service group							
Commodities.....		188.847		192.265	1.9	1.8	

Note: See footnotes at end of table.

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

Expenditure category	Indexes				Percent change from		
	Historical data	Nov. 2017	Dec. 2017	Jan. 2018	Jan. 2017	Nov. 2017	Dec. 2017
Commodities less food and beverages		151.463		154.948	2.2	2.3	
Nondurables less food and beverages...		199.203		200.354	2.7	0.6	
Durables		106.048		111.316	1.6	5.0	
Services		341.820		344.726	3.3	0.9	
Special aggregate indexes							
All items less shelter		250.374		252.932	2.3	1.0	
All items less medical care		254.671		257.782	2.9	1.2	
Commodities less food		155.361		159.168	2.2	2.5	
Nondurables		228.952		231.020	2.2	0.9	
Nondurables less food		201.829		203.779	2.8	1.0	
Services less rent of shelter(2)		380.314		381.151	2.7	0.2	
Services less medical care services		320.908		323.838	3.4	0.9	
Energy		233.102	232.957	242.147	13.3	3.9	3.9
All items less energy		276.366		278.965	2.0	0.9	
All items less food and energy		279.692		282.370	2.1	1.0	

Footnotes

(1) Indexes on a January 1978=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) Indexes on a December 1982=100 base.

(4) 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.

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

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

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

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