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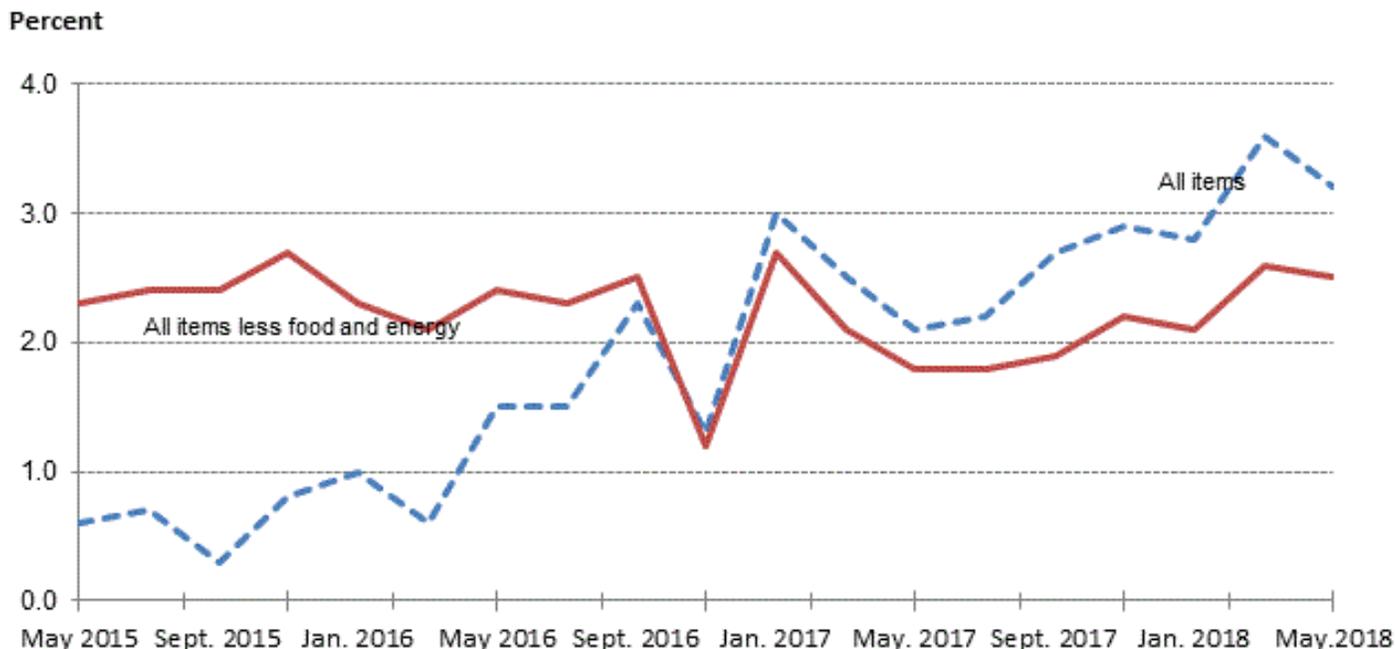
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Consumer Price Index, Boston-Cambridge-Newton — May 2018
Area prices unchanged over two months; up 3.2 percent from a year ago

The Consumer Price Index for All Urban Consumers (CPI-U) in the Boston-Cambridge-Newton area was unchanged (0.0 percent) in May, the U.S. Bureau of Labor Statistics reported today. Regional Commissioner Deborah A. Brown noted that this was attributable to higher prices within all items less food and energy which was mostly offset by lower energy prices and to a lesser extent lower food 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 3.2 percent. The increase was largely attributable to higher prices within all items less food and energy up 2.5 percent and to a lesser extent higher energy prices paid by area consumers, up 13.8 percent(See [chart 1.](#)).

Chart 1. Over-the-year percent change in CPI-U, Boston-Cambridge-Newton, May 2015 - May 2018



Source: U.S. Bureau of Labor Statistics.

Food

Food prices edged down 0.1 percent since March mainly due to lower food at home prices, down 0.4 percent which was partially offset by higher prices in food away from home, up 0.3 percent. Lower food at home prices were mainly driven by lower prices for fruits and vegetables; and cereals and bakery products.

Food prices increased 1.7 percent over the year, mainly due to higher food away from home prices, up 2.6 percent, and to a lesser extent, food at home prices, up 1.2 percent.

Energy

The energy index decreased 2.8 percent over the two months, mainly driven by lower utility piped gas prices down 33.6 percent, which was mainly offset by higher gasoline prices, up 12.4 percent. Lower electricity prices down 3.9 percent also contributed to the decrease.

Energy prices were up 13.8 percent from a year ago, largely attributable to gasoline prices, up 23.5 percent. Higher prices for electricity also contributed to the overall increase, up 6.3 percent.

All items less food and energy

The index for all items less food and energy increased from March (0.3 percent) mainly due to higher shelter costs, up 0.8 percent. Within shelter, higher prices in owners' equivalent rent of residences, up 0.7 percent and rent of primary residence, up 1.0 percent drove the increase. Lower prices for new vehicles and recreation, down 3.4 percent and 1.2 percent respectively, partially offset the increase.

Over the year, the index for all items less food and energy rose 2.5 percent, with higher shelter costs being the main driver of the increase, up 4.6 percent. Within shelter, higher costs for owners' equivalent rent of residences, up 4.4 percent and rent of primary residence, up 5.6 percent led the increase. To a lesser extent, higher prices for education and communication, up 4.2 percent, also contributed to the increase.

CPI-W

In May, the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) was 273.591. The CPI-W was unchanged over two months and increased 3.4 percent over the year.

The July 2018 Consumer Price Index for Boston-Cambridge-Newton is scheduled to be released on Friday, August 10, 2018, 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 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. Core Based Statistical 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	Mar. 2018	Apr. 2018	May 2018	May 2017	Mar. 2018	Apr. 2018
All items.....		274.591		274.668	3.2	0.0	
All items (1967 = 100).....		798.105		798.331			
Food and beverages.....		263.886		263.450	1.6	-0.2	
Food.....		265.233		264.892	1.7	-0.1	
Food at home.....		250.448	248.860	249.383	1.2	-0.4	0.2
Cereal and bakery products.....		297.650		292.255		-1.8	
Meats, poultry, fish, and eggs.....		253.515		255.324		0.7	
Dairy and related products.....		271.129		269.595		-0.6	
Fruits and vegetables.....		335.151		329.680		-1.6	
Nonalcoholic beverages and beverage materials(1).....		162.669		160.060		-1.6	
Other food at home.....		195.212		197.815		1.3	
Food away from home.....		291.045		291.991	2.6	0.3	
Alcoholic beverages.....		252.814		251.274	-0.4	-0.6	
Housing.....		283.973		282.202	4.5	-0.6	
Shelter.....		331.644	333.021	334.416	4.6	0.8	0.4
Rent of primary residence(2).....		344.681	346.478	348.172	5.6	1.0	0.5
Owners' equivalent rent of residences(2)(3)(4).....		351.673	352.859	354.210	4.4	0.7	0.4
Owners' equivalent rent of primary residence(2)(3)(4).....		351.673	352.859	354.210	4.4	0.7	0.4
Fuels and utilities.....		316.204		280.596	6.0	-11.3	
Household energy.....		270.658	269.883	236.437	6.8	-12.6	-12.4
Energy services(2).....		286.583	284.780	242.149	2.9	-15.5	-15.0
Electricity(2).....		307.182	304.010	295.163	6.3	-3.9	-2.9
Utility (piped) gas service(2).....		233.686	233.686	155.159	0.8	-33.6	-33.6
Household furnishings and operations.....		128.925		127.078	-1.3	-1.4	
Apparel.....		139.815		140.783	-3.9	0.7	
Transportation.....		192.480		198.836	5.7	3.3	
Private transportation.....		193.845		198.693	6.4	2.5	
New and used motor vehicles(5).....		104.950		102.925		-1.9	
New Vehicles(1).....		212.849		205.615		-3.4	
Used cars and trucks(1).....		319.657		317.195		-0.8	
Motor fuel.....		224.238	236.133	252.026	23.6	12.4	6.7
Gasoline (all types).....		221.657	233.433	249.162	23.5	12.4	6.7
Gasoline, unleaded regular(6).....		215.142	227.094	242.607	24.2	12.8	6.8
Gasoline, unleaded midgrade(6)(7).....		234.880	243.307	258.530	20.6	10.1	6.3
Gasoline, unleaded premium(6).....		231.507	240.078	254.673	18.7	10.0	6.1
Motor vehicle insurance(1).....							
Medical care.....		649.340		649.745	2.2	0.1	
Recreation(5).....		121.589		120.157	-3.4	-1.2	
Education and communication(5).....		165.292		164.946	4.2	-0.2	
Tuition, other fees, and child care(1).....		1,317.574		1,317.577		0.0	
Other goods and services.....		483.742		486.417	2.5	0.6	
Commodity and service group							
Commodities.....		192.964		193.580	2.1	0.3	
Commodities less food and beverages.....		155.752		156.827	2.5	0.7	

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	Mar. 2018	Apr. 2018	May 2018	May 2017	Mar. 2018	Apr. 2018
Nondurables less food and beverages...		201.833		208.402	5.9	3.3	
Durables		111.528		107.992	-2.2	-3.2	
Services.....		348.530		348.157	3.8	-0.1	
Special aggregate indexes							
All items less shelter.....		254.992		253.770	2.3	-0.5	
All items less medical care		260.137		260.204	3.2	0.0	
Commodities less food		159.672		160.659	2.4	0.6	
Nondurables		231.978		235.081	3.5	1.3	
Nondurables less food.....		204.580		210.535	5.4	2.9	
Services less rent of shelter(3).....		386.058		380.963	2.5	-1.3	
Services less medical care services.....		327.460		327.050	3.9	-0.1	
Energy		248.537	253.271	241.495	13.8	-2.8	-4.6
All items less energy		281.003		281.716	2.4	0.3	
All items less food and energy		284.565		285.461	2.5	0.3	

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 November 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.