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Consumer Price Index, Boston-Cambridge-Newton — September 2018

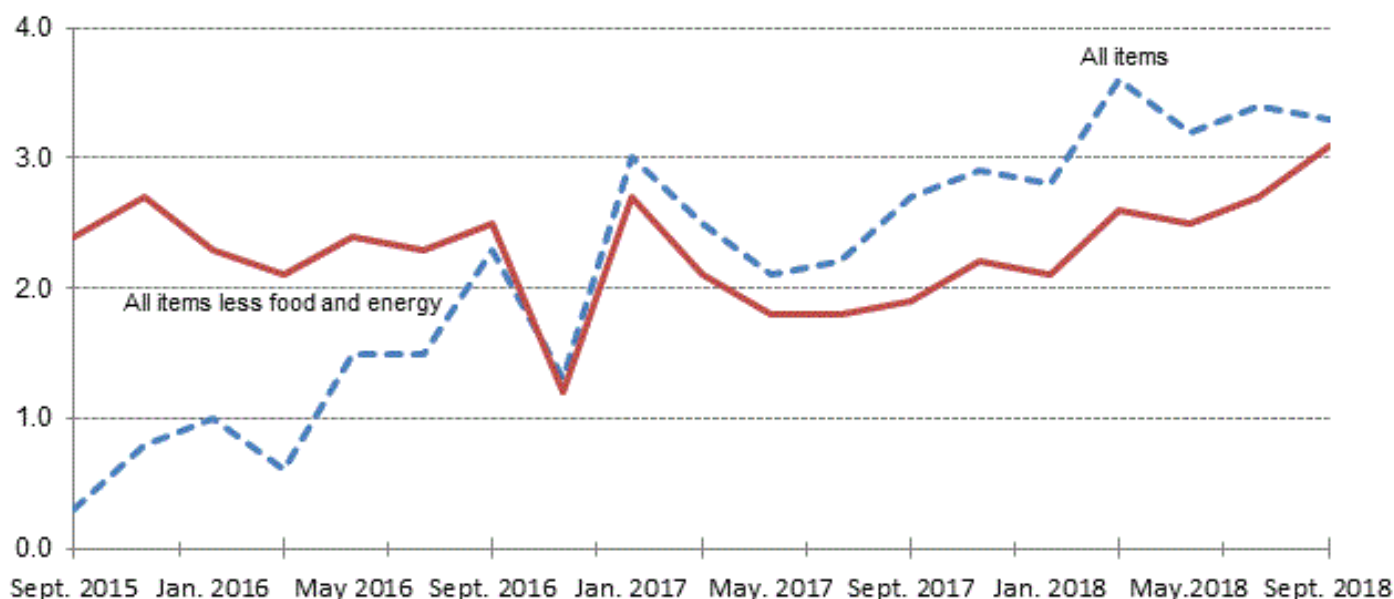
Area prices up 1.2 percent over two months; up 3.3 percent from a year ago

The Consumer Price Index for All Urban Consumers (CPI-U) in the Boston-Cambridge-Newton area increased 1.2 percent in September, the U.S. Bureau of Labor Statistics reported today. Regional Commissioner Deborah A. Brown noted that this was mainly attributable to higher prices within all items less food and energy, up 1.3 percent and to a much lesser extent higher food prices, up 0.9 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 3.3 percent. The increase was largely attributable to higher prices within all items less food and energy up 3.1 percent and to a lesser extent higher energy prices paid by area consumers, up 6.2 percent. Higher food prices also contributed to the overall increase. (See [chart 1.](#))

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

Percent



Source: U.S. Bureau of Labor Statistics.

Food

Food prices edged up 0.9 percent since July, mainly due to higher food at home prices up 1.5 percent. Higher food at home prices were mainly driven by higher prices for fruits and vegetables; and other food at home prices, up 4.7 percent and 4.1 percent, respectively.

Food prices increased 2.7 percent over the year, mainly due to higher food at home prices, up 2.9 percent, and to a lesser extent, food away from home prices, up 2.3 percent.

Energy

The energy index increased 0.2 percent over the two months, mainly driven by higher electricity prices, up 1.4 percent which was partially offset by gasoline prices down 0.5 percent.

Energy prices were up 6.2 percent from a year ago, largely attributable to gasoline prices, up 7.2 percent and electricity prices, up 6.0 percent.

All items less food and energy

The index for all items less food and energy increased from July (+1.3 percent) mainly due to higher shelter costs, up 1.4 percent and higher apparel costs, up 18.6 percent. Within shelter, higher prices in owners' equivalent rent of residences and rent of primary residences, up 1.4 percent each, drove the increase.

Over the year, the index for all items less food and energy rose 3.1 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 4.9 percent and rent of primary residence, up 5.3 percent led the increase. To a lesser extent, higher prices for transportation; and education and communication, up 3.9 percent and 2.9 percent respectively, also contributed to the increase.

CPI-W

In September, the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) was 277.667. The CPI-W increased 1.3 percent over two months and increased 3.7 percent over the year.

The November 2018 Consumer Price Index for Boston-Cambridge-Newton is scheduled to be released on Wednesday, December 12, 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.















TGS Table Preview

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 | Jul. 2018 | Aug. 2018 | Sep. 2018 | Sep. 2017 | Jul. 2018 | Aug. 2018 |
| All items..... | | 275.402 | | 278.663 | 3.3 | 1.2 | |
| All items (1967 = 100)..... | | 800.463 | | 809.941 | | | |
| Food and beverages | | 264.699 | | 267.884 | 2.6 | 1.2 | |
| Food | | 266.755 | | 269.284 | 2.7 | 0.9 | |
| Food at home | | 251.117 | 253.455 | 254.831 | 2.9 | 1.5 | 0.5 |
| Cereal and bakery products | | 292.678 | | 293.670 | | 0.3 | |
| Meats, poultry, fish, and eggs..... | | 255.168 | | 250.017 | | -2.0 | |
| Dairy and related products | | 277.616 | | 284.950 | | 2.6 | |
| Fruits and vegetables | | 339.768 | | 355.764 | | 4.7 | |
| Nonalcoholic beverages and beverage materials(1) | | 166.914 | | 162.579 | | -2.6 | |
| Other food at home | | 191.362 | | 199.178 | | 4.1 | |
| Food away from home..... | | 294.080 | | 294.499 | 2.3 | 0.1 | |
| Alcoholic beverages | | 245.495 | | 256.270 | 2.3 | 4.4 | |
| Housing | | 283.437 | | 287.056 | 4.4 | 1.3 | |
| Shelter | | 336.539 | 338.169 | 341.399 | 4.6 | 1.4 | 1.0 |
| Rent of primary residence(2)..... | | 348.095 | 351.853 | 353.083 | 5.3 | 1.4 | 0.3 |
| Owners' equivalent rent of residences(2)(3)(4) | | 356.094 | 358.734 | 360.965 | 4.9 | 1.4 | 0.6 |
| Owners' equivalent rent of primary residence(2)(3)(4)..... | | 356.094 | 358.734 | 360.965 | 4.9 | 1.4 | 0.6 |
| Fuels and utilities..... | | 276.685 | | 278.665 | 4.6 | 0.7 | |
| Household energy | | 232.308 | 234.038 | 234.269 | 5.3 | 0.8 | 0.1 |
| Energy services(2) | | 236.999 | 239.274 | 239.320 | 2.5 | 1.0 | 0.0 |
| Electricity(2)..... | | 287.766 | 291.766 | 291.848 | 6.0 | 1.4 | 0.0 |
| Utility (piped) gas service(2)..... | | 153.190 | 153.190 | 153.190 | 0.1 | 0.0 | 0.0 |
| Household furnishings and operations..... | | 127.778 | | 128.082 | 0.4 | 0.2 | |
| Apparel..... | | 127.662 | | 151.353 | 0.7 | 18.6 | |
| Transportation | | 199.697 | | 197.275 | 3.9 | -1.2 | |
| Private transportation | | 201.471 | | 198.872 | 4.8 | -1.3 | |
| New and used motor vehicles(5)..... | | 106.101 | | 103.074 | | -2.9 | |
| New Vehicles(1) | | 205.905 | | 203.769 | | -1.0 | |
| Used cars and trucks(1) | | 321.191 | | 309.233 | | -3.7 | |
| Motor fuel | | 251.903 | 250.744 | 250.583 | 7.3 | -0.5 | -0.1 |
| Gasoline (all types)..... | | 249.028 | 247.885 | 247.728 | 7.2 | -0.5 | -0.1 |
| Gasoline, unleaded regular(6)..... | | 242.426 | 241.175 | 241.038 | 7.1 | -0.6 | -0.1 |
| Gasoline, unleaded midgrade(6)(7)..... | | 259.457 | 260.432 | 260.175 | 8.0 | 0.3 | -0.1 |
| Gasoline, unleaded premium(6)..... | | 254.763 | 254.354 | 254.081 | 7.2 | -0.3 | -0.1 |
| Motor vehicle insurance(1)..... | | | | | | | |
| Medical care | | 654.220 | | 651.678 | 1.2 | -0.4 | |
| Recreation(5)..... | | 122.787 | | 123.267 | 0.3 | 0.4 | |
| Education and communication(5)..... | | 165.467 | | 166.898 | 2.9 | 0.9 | |
| Tuition, other fees, and child care(1)..... | | 1,328.680 | | 1,348.743 | | 1.5 | |
| Other goods and services | | 485.200 | | 492.088 | 2.2 | 1.4 | |
| Commodity and service group | | | | | | | |
| Commodities | | 192.396 | | 195.771 | 2.1 | 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 | Jul. 2018 | Aug. 2018 | Sep. 2018 | Sep. 2017 | Jul. 2018 | Aug. 2018 |
| Commodities less food and beverages |  | 154.574 | | 157.944 | 1.7 | 2.2 | |
| Nondurables less food and beverages... |  | 203.372 | | 211.679 | 3.0 | 4.1 | |
| Durables |  | 108.134 | | 107.270 | -0.4 | -0.8 | |
| Services..... |  | 350.516 | | 353.745 | 4.0 | 0.9 | |
| Special aggregate indexes | | | | | | | |
| All items less shelter..... |  | 253.854 | | 256.436 | 2.5 | 1.0 | |
| All items less medical care |  | 260.817 | | 264.213 | 3.5 | 1.3 | |
| Commodities less food |  | 158.275 | | 161.916 | 1.7 | 2.3 | |
| Nondurables |  | 233.156 | | 238.921 | 2.7 | 2.5 | |
| Nondurables less food..... |  | 205.474 | | 213.920 | 2.9 | 4.1 | |
| Services less rent of shelter(3)..... |  | 383.731 | | 384.591 | 2.9 | 0.2 | |
| Services less medical care services..... |  | 329.169 | | 332.501 | 4.1 | 1.0 | |
| Energy |  | 239.136 | 239.599 | 239.658 | 6.2 | 0.2 | 0.0 |
| All items less energy |  | 282.736 | | 286.290 | 3.1 | 1.3 | |
| All items less food and energy |  | 286.340 | | 290.080 | 3.1 | 1.3 | |

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.