



For Release: Wednesday, August 12, 2020

20-1565-BOS

NEW ENGLAND INFORMATION OFFICE: Boston, Mass.

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

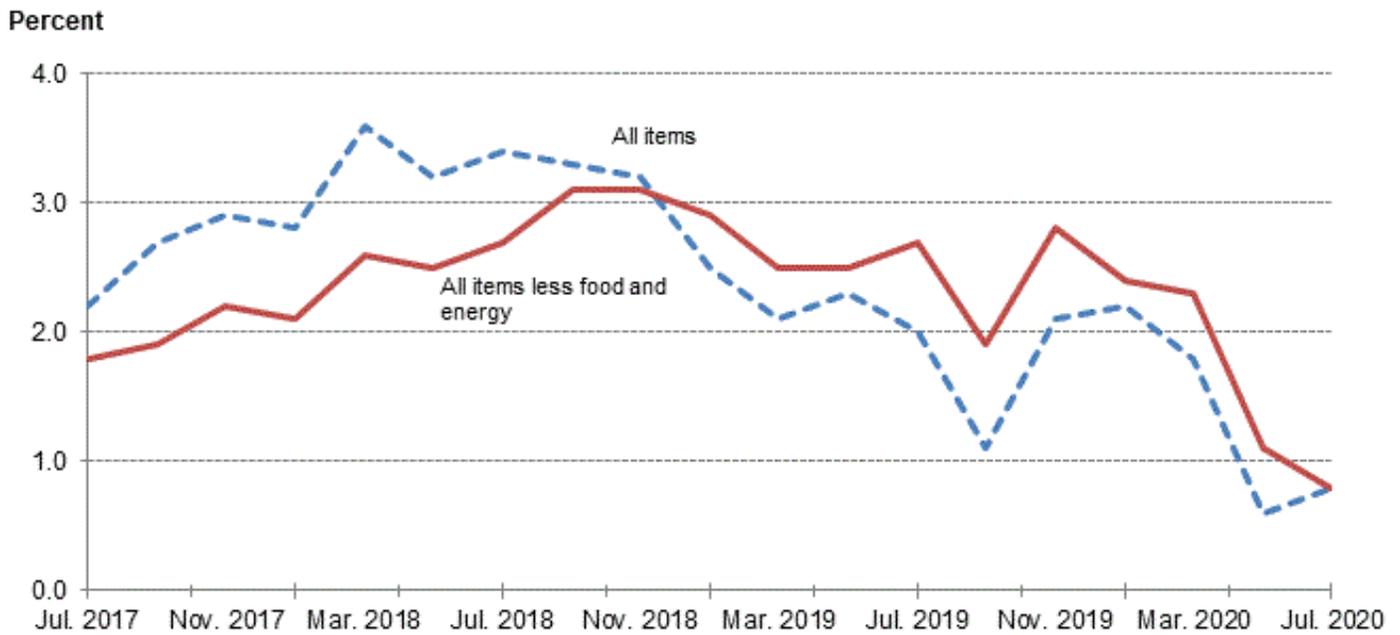
Media contact: (617) 565-2326 BLSMediaBoston@bls.gov

Consumer Price Index, Boston-Cambridge-Newton — July 2020 **Area prices up 0.2 percent over two months; up 0.8 percent from a year ago**

The Consumer Price Index for All Urban Consumers (CPI-U) in the Boston-Cambridge-Newton area increased 0.2 percent in July, the U.S. Bureau of Labor Statistics reported today. Acting Regional Commissioner Mark J. Maggi noted that this was mainly attributable to higher all items less food and energy prices, up 0.2 percent, and to a lesser extent, higher energy and food prices up 0.5 percent and 0.2 percent, respectively. (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 0.8 percent. The increase was due to higher food prices, up 7.6 percent and higher costs within all item less food and energy, up 0.8 percent. Lower energy costs, down 13.8 percent, partially offset the increase. (See [chart 1.](#))

Chart 1. Over-the-year percent change in CPI-U, Boston-Cambridge-Newton, July 2017 - July 2020



Source: U.S. Bureau of Labor Statistics.

Food

Food prices increased 0.2 percent since May, mainly due to higher food at home or grocery store prices, up 0.5 percent. Higher food at home prices were mainly driven by higher prices for meats, poultry, fish, and eggs, up 4.3 percent and nonalcoholic beverages and beverage materials, up 4.7 percent. Food away from home, or restaurant prices, partially offset the increase and inched down since May (-0.1 percent).

Food prices increased 7.6 percent over the year, mainly due to higher grocery store prices, up 9.2 percent and to a lesser extent, higher restaurant prices, up 5.2 percent. Local food prices haven't risen by as much since recording an 8.4 percent annual increase in March 1989. Higher grocery store prices were due to increased prices recorded across all of the published subcategories.

Energy

The energy index increased 0.5 percent over the two months, mainly due to higher gasoline prices, up 5.2 percent. This overall increase was partially offset by lower electricity and utility piped gas prices down, 3.2 percent and 4.8 percent, respectively.

Energy prices decreased 13.8 percent from a year ago, mainly due to lower gasoline prices, down 22.6 percent.

All items less food and energy

The index for all items less food and energy increased 0.2 percent mainly due to higher shelter costs, up 0.3 percent. Within shelter, higher costs for owners' equivalent rent of residences, up 0.2 percent, led the increase. Also contributing to the overall increase in prices were higher prices in education and communication, up 0.4 percent. Lower recreation prices, down 5.2 percent and to a lesser extent, household furnishings and operations, down 0.8 percent, partially offset the increase.

Over the year, the index for all items less food and energy rose 0.8 percent, with higher shelter costs being the main driver of the increase, up 2.1 percent. Within shelter, higher costs for owners' equivalent rent of residences, up 3.8 percent, and to a lesser extent, rent of primary residence, up 3.0 percent, led the increase. Also contributing to the overall increase in prices within all items less food and energy were higher costs within education and communication, up 2.9 percent, and medical care costs, up 1.5 percent. Lower prices in recreation, down 6.1 percent and to a lesser extent, lower apparel prices, down, 3.8 percent partially offset the overall increase.

CPI-W

In July, the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) was 281.598. The CPI-W increased 0.3 percent over two months and increased 0.9 percent over the year.

The September 2020 Consumer Price Index for Boston-Cambridge-Newton is scheduled to be released on Tuesday, October 13, 2020, at 8:30 a.m. (ET).

Coronavirus (COVID-19) Pandemic Impact on July 2020 Consumer Price Index Data

Data collection by personal visit for the Consumer Price Index (CPI) program has been suspended since March 16, 2020. When possible, data normally collected by personal visit were collected either online or by phone. Additionally, data collection in July was affected by the temporary closing or limited operations of certain types of establishments. These factors resulted in an increase in the number of prices considered temporarily unavailable and imputed.

While the CPI program attempted to collect as much data as possible, many indexes are based on smaller amounts of collected prices than usual, and a small number of indexes that are normally published were not published this month. Additional information is available at www.bls.gov/covid19/effects-of-covid-19-pandemic-on-consumer-price-index.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. 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	May 2020	Jun. 2020	Jul. 2020	Jul. 2019	May 2020	Jun. 2020
All items.....		282.620		283.175	0.8	0.2	
All items (1967 = 100).....		821.444		823.056			
Food and beverages		285.163		285.837	7.2	0.2	
Food		288.185		288.878	7.6	0.2	
Food at home		272.228	273.850	273.460	9.2	0.5	-0.1
Cereal and bakery products		333.451		324.743	10.7	-2.6	
Meats, poultry, fish, and eggs.....		285.291		297.522	17.0	4.3	
Dairy and related products		297.394		293.892	2.0	-1.2	
Fruits and vegetables		351.824		351.155	9.4	-0.2	
Nonalcoholic beverages and beverage materials(1)		163.308		170.999	5.9	4.7	
Other food at home		215.908		212.319	6.4	-1.7	
Food away from home.....		316.048		315.781	5.2	-0.1	
Alcoholic beverages		256.562		257.049	3.4	0.2	
Housing		296.933		297.149	1.2	0.1	
Shelter		357.399	359.727	358.626	2.1	0.3	-0.3
Rent of primary residence(2).....		370.109	370.773	370.972	3.0	0.2	0.1
Owners' equivalent rent of residences(2)(3)(4)		383.912	384.552	384.724	3.8	0.2	0.0
Owners' equivalent rent of primary residence(2)(3)(4).....		383.912	384.552	384.724	3.8	0.2	0.0
Fuels and utilities.....		266.234		262.049	-5.4	-1.6	
Household energy		220.376	220.966	215.296	-6.9	-2.3	-2.6
Energy services(2)		241.641	241.514	232.863	-2.3	-3.6	-3.6
Electricity(2).....		296.280	296.062	286.886	-0.9	-3.2	-3.1
Utility (piped) gas service(2).....		150.485	150.488	143.256	-6.8	-4.8	-4.8
Household furnishings and operations.....		127.544		126.530	-0.6	-0.8	
Apparel.....		122.471		123.640	-3.8	1.0	
Transportation		176.138		181.952	-6.0	3.3	
Private transportation		178.374		184.405	-5.2	3.4	
New and used motor vehicles(5).....		105.346		105.263	1.7	-0.1	
New Vehicles(1)		223.675		214.609	6.5	-4.1	
Used cars and trucks(1)		314.917		322.507	-2.2	2.4	
Motor fuel		174.087	179.544	183.054	-22.5	5.2	2.0
Gasoline (all types).....		171.848	177.289	180.786	-22.6	5.2	2.0
Gasoline, unleaded regular(6).....		163.949	169.572	173.189	-23.6	5.6	2.1
Gasoline, unleaded midgrade(6)(7).....		200.774	203.195	205.885	-16.8	2.5	1.3
Gasoline, unleaded premium(6).....		199.439	202.786	204.765	-16.1	2.7	1.0
Motor vehicle insurance(1).....							
Medical care		698.016		695.700	1.5	-0.3	
Recreation(5).....		123.085		116.746	-6.1	-5.2	
Education and communication(5).....		170.904		171.624	2.9	0.4	
Tuition, other fees, and child care(1).....		1,398.308		1,400.341	3.5	0.1	
Other goods and services		514.159		516.473	2.3	0.5	
Commodity and service group							
Commodities		190.443		190.932	-0.2	0.3	
Commodities less food and beverages		143.283		143.674	-5.6	0.3	

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	May 2020	Jun. 2020	Jul. 2020	Jul. 2019	May 2020	Jun. 2020
Nondurables less food and beverages...		177.443		180.178	-10.0	1.5	
Durables		108.445		107.108	0.4	-1.2	
Services.....		365.620		366.236	1.3	0.2	
Special aggregate indexes							
All items less shelter.....		254.981		255.248	0.0	0.1	
All items less medical care		266.873		267.523	0.7	0.2	
Commodities less food		147.721		148.117	-5.1	0.3	
Nondurables		229.711		231.457	-0.4	0.8	
Nondurables less food.....		182.391		184.944	-8.7	1.4	
Services less rent of shelter(3).....		391.275		391.109	0.3	0.0	
Services less medical care services.....		341.751		342.500	1.1	0.2	
Energy		198.879	201.525	199.790	-13.8	0.5	-0.9
All items less energy		293.848		294.384	1.7	0.2	
All items less food and energy		295.841		296.354	0.8	0.2	

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.