



For Release: Wednesday, January 18, 2017

17-73-NEW

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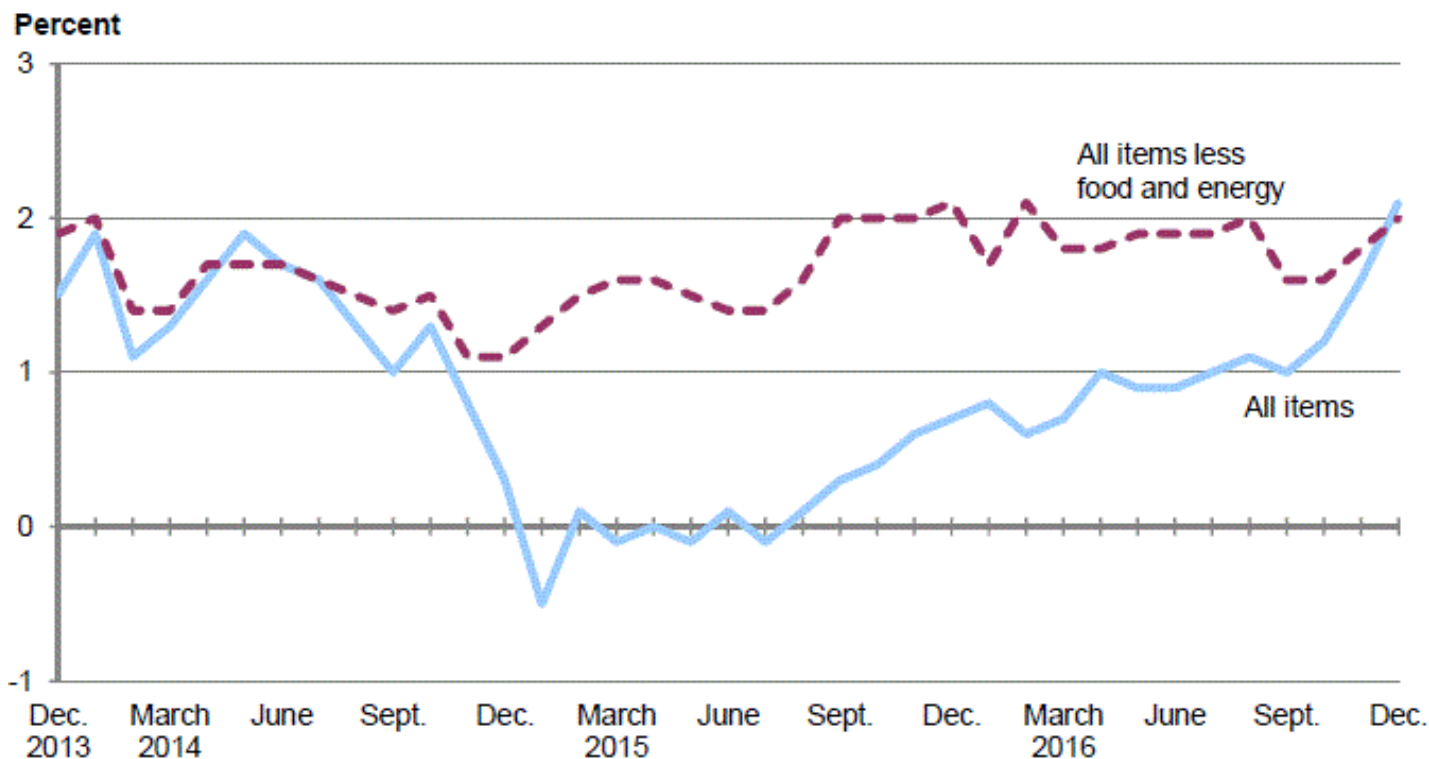
Consumer Price Index, New York-Northern New Jersey – December 2016

Area prices up 0.1 percent over the month and 2.1 percent over the year

Prices in the New York-Northern New Jersey-Long Island area, as measured by the Consumer Price Index for All Urban Consumers (CPI-U), inched up 0.1 percent in December after edging up 0.2 percent in November, the U.S. Bureau of Labor Statistics reported today. Chief Regional Economist Martin Kohli noted that higher energy prices were partly offset by a seasonal decline in prices for apparel. (Data in this report are not seasonally adjusted. Accordingly, month-to-month changes may reflect the impact of seasonal influences.)

Over the year, the CPI-U advanced 2.1 percent, the largest 12-month increase in over three years. The index for all items less food and energy rose 2.0 percent. (See [table A](#) and [chart 1](#).) Higher prices for shelter drove the 12-month change in both indexes. (See [table 1](#).)

Chart 1. Over-the-year percent change in CPI-U, New York-Northern New Jersey-Long Island, December 2013–December 2016



Source: U.S. Bureau of Labor Statistics.

Food

The food index was unchanged for the second consecutive month. Prices for food at home declined 0.1 percent, while prices for food away from home were flat. Groceries with lower prices in December included cheese, tomatoes, and other beverage materials, including tea.

For the year ended in December 2016, the food index was unchanged. Prices for food at home decreased 2.4 percent, enough to counterbalance a 3.5-percent rise in prices for food away from home.

Energy

The energy index rose 2.7 percent after rising the same amount in November. A 3.3-percent rise in household energy accompanied a 1.8-percent increase in gasoline prices. Within household energy, natural gas prices rose 4.6 percent. Electricity (2.1 percent) and fuel oil were also up over the month.

From December 2015 to December 2016, energy prices rose 9.2 percent. Increases were widespread, with gasoline prices advancing 12.9 percent and household energy prices advancing 6.9 percent. Among household energy components, natural gas jumped 15.1 percent—the largest increase in over eight years. Electricity prices, up 2.7 percent, and higher fuel oil prices also contributed to the increase.

All items less food and energy

The index for all items less food and energy declined 0.1 percent in December, in part due to a seasonal decline in prices for apparel (-3.6 percent). A 0.6-percent rise in education and communication, which included price increases for land-line telephone services, partially offset the seasonal decline. Shelter inched up 0.1 percent, with price increases in both residential rent (0.4 percent) and owners' equivalent rent (0.1 percent). Household furnishings and operations also increased (1.4 percent).

Over the year, the index for all items less food and energy rose 2.0 percent. Shelter prices advanced 3.2 percent. Within shelter, owners' equivalent rent rose 3.0 percent and residential rent, 2.8 percent. Other price increases included medical care (5.6 percent) and recreation (2.5 percent). In contrast, apparel prices dropped 4.4 percent, and prices for household furnishings and operations were down 3.0 percent.

Table A. New York-Northern New Jersey-Long Island CPI-U 1-month and 12-month percent changes (not seasonally adjusted)

Month	2011		2012		2013		2014		2015		2016	
	1-month	12-month	1-month	12-month	1-month	12-month	1-month	12-month	1-month	12-month	1-month	12-month
January.....	0.3	1.5	0.4	2.8	0.5	2.2	0.9	1.9	0.1	-0.5	0.2	0.8
February.....	0.5	2.1	0.4	2.6	0.6	2.4	-0.2	1.1	0.3	0.1	0.2	0.6
March.....	0.7	2.3	0.6	2.6	0.1	1.9	0.4	1.3	0.2	-0.1	0.2	0.7
April.....	0.4	2.5	0.2	2.4	-0.2	1.4	0.0	1.6	0.1	0.0	0.4	1.0
May.....	0.6	2.9	0.1	1.8	0.1	1.4	0.5	1.9	0.4	-0.1	0.3	0.9
June.....	0.2	3.2	-0.1	1.6	0.3	1.8	0.0	1.7	0.2	0.1	0.2 ^(r)	0.9 ^(r)
July.....	0.3	3.3	-0.2	1.1	0.2	2.1	0.1	1.6	-0.1	-0.1	-0.1	1.0
August.....	0.4	3.5	0.6	1.4	0.1	1.7	-0.2	1.3	0.1	0.1	0.2	1.1
September.....	0.2	3.8	0.4	1.6	0.3	1.6	0.0	1.0	0.2	0.3	0.2	1.0
October.....	-0.2	3.3	-0.1	1.7	-0.6	1.1	-0.2	1.3	-0.1	0.4	0.1	1.2
November.....	-0.3	3.0	0.0	2.0	0.1	1.2	-0.4	0.8	-0.2	0.6	0.2	1.6
December.....	-0.4	2.7	-0.3	2.1	0.0	1.5	-0.5	0.3	-0.4	0.7	0.1	2.1

Footnotes:
(R) = revised.

CPI-W

In December, the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) was 259.789, up 0.2 percent over the month. The CPI-W rose 2.1 percent over the year.

The January 2017 Consumer Price Index for New York-Northern New Jersey-Long Island is scheduled to be released Wednesday, February 15, 2017, 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 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 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 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 New York-Northern New Jersey-Long Island, N.Y.-N.J.-Conn.-Pa. consolidated area covered in this release is comprised of Bronx, Dutchess, Kings, Nassau, New York, Orange, Putnam, Queens, Richmond, Rockland, Suffolk, and Westchester Counties in New York State; Bergen, Essex, Hudson, Hunterdon, Mercer, Middlesex, Monmouth, Morris, Ocean, Passaic, Somerset, Sussex, Union, and Warren Counties in New Jersey; Fairfield County and parts of Litchfield, Middlesex, and New Haven Counties in Connecticut; and Pike County in Pennsylvania.

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Table 1. Consumer Price Index for All Urban Consumers (CPI-U): Indexes and percent changes for selected periods, New York-Northern N.J.-Long Island, NY-NJ-CT-PA (1982-84=100 unless otherwise noted)(not seasonally adjusted)

Item and Group	Indexes			Percent change from-		
	Oct. 2016	Nov. 2016	Dec. 2016	Dec. 2015	Oct. 2016	Nov. 2016
Expenditure category						
All items	264.738	265.203	265.421	2.1	0.3	0.1
All items (1967=100)	765.320	766.664	767.295			
Food and beverages	257.031	257.208	257.012	0.1	0.0	-0.1
Food	256.847	256.951	256.849	0.0	0.0	0.0
Food at home	248.197	248.012	247.754	-2.4	-0.2	-0.1
Food away from home.....	276.025	276.552	276.672	3.5	0.2	0.0
Alcoholic beverages	255.126	256.281	254.823	0.7	-0.1	-0.6
Housing	286.510	287.452	288.586	3.0	0.7	0.4
Shelter	363.532	365.114	365.319	3.2	0.5	0.1
Rent of primary residence(1).....	374.891	375.539	377.194	2.8	0.6	0.4
Owners' equivalent rent of residences(1)(2) ..	370.047	371.287	371.689	3.0	0.4	0.1
Owners' equivalent rent of primary residence(1)(2).....	369.572	370.812	371.213	3.0	0.4	0.1
Fuels and utilities.....	176.855	177.883	183.017	6.2	3.5	2.9
Household energy	167.869	168.910	174.421	6.9	3.9	3.3
Energy services(1)	162.281	163.566	168.231	6.4	3.7	2.9
Electricity(1).....	173.568	173.266	176.861	2.7	1.9	2.1
Utility (piped) gas service(1).....	133.654	137.633	143.902	15.1	7.7	4.6
Household furnishings and operations	109.824	108.437	109.988	-3.0	0.1	1.4
Apparel	130.743	124.428	119.924	-4.4	-8.3	-3.6
Transportation	208.662	211.250	210.671	1.8	1.0	-0.3
Private transportation	194.247	196.746	197.258	2.3	1.6	0.3
Motor fuel	177.044	187.493	190.908	12.9	7.8	1.8
Gasoline (all types).....	176.296	186.767	190.162	12.9	7.9	1.8
Gasoline, unleaded regular(3).....	174.233	184.836	188.631	13.7	8.3	2.1
Gasoline, unleaded midgrade(3)(4).....	189.260	198.637	200.508	9.5	5.9	0.9
Gasoline, unleaded premium(3).....	192.314	202.140	202.837	8.3	5.5	0.3
Medical care	470.983	470.574	470.698	5.6	-0.1	0.0
Recreation(5).....	120.142	121.092	121.369	2.5	1.0	0.2
Education and communication(5).....	143.287	143.374	144.266	0.6	0.7	0.6
Other goods and services	416.035	415.073	414.381	1.7	-0.4	-0.2
Commodity and service group						
All items	264.738	265.203	265.421	2.1	0.3	0.1
Commodities	185.603	184.900	184.676	0.1	-0.5	-0.1
Commodities less food and beverages	141.936	140.865	140.641	0.1	-0.9	-0.2
Nondurables less food and beverages.....	178.577	177.426	177.128	2.4	-0.8	-0.2
Durables	95.037	94.128	93.993	-3.9	-1.1	-0.1
Services.....	331.709	333.074	333.634	3.0	0.6	0.2
Special aggregate indexes						
All items less medical care	255.779	256.279	256.501	1.9	0.3	0.1

Note: See footnotes at end of table.

Table 1. Consumer Price Index for All Urban Consumers (CPI-U): Indexes and percent changes for selected periods, New York-Northern N.J.-Long Island, NY-NJ-CT-PA (1982-84=100 unless otherwise noted)(not seasonally adjusted) - Continued

Item and Group	Indexes			Percent change from-		
	Oct. 2016	Nov. 2016	Dec. 2016	Dec. 2015	Oct. 2016	Nov. 2016
All items less shelter.....	225.612	225.624	225.848	1.4	0.1	0.1
Commodities less food.....	146.208	145.202	144.938	0.1	-0.9	-0.2
Nondurables.....	219.313	218.781	218.527	1.1	-0.4	-0.1
Nondurables less food.....	183.239	182.221	181.856	2.2	-0.8	-0.2
Services less rent of shelter(2).....	307.882	309.062	310.022	2.6	0.7	0.3
Services less medical care services.....	320.681	322.118	322.714	2.8	0.6	0.2
Energy.....	173.699	178.323	183.116	9.2	5.4	2.7
All items less energy.....	275.377	275.456	275.248	1.7	0.0	-0.1
All items less food and energy.....	280.459	280.534	280.307	2.0	-0.1	-0.1

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) Index is on a December 1982=100 base.

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

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

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

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

The New York-Northern New Jersey-Long Island, NY-NJ-CT-PA consolidated area comprises the five boroughs of New York City, Nassau, Suffolk, Westchester, Rockland, Putnam, Dutchess, and Orange Counties in New York State; Bergen, Essex, Hudson, Hunterdon, Mercer, Monmouth, Middlesex, Morris, Ocean, Passaic, Somerset, Sussex, Union, and Warren Counties in New Jersey; Fairfield County and parts of Litchfield, New Haven, and Middlesex Counties in Connecticut; and Pike County in Pennsylvania.