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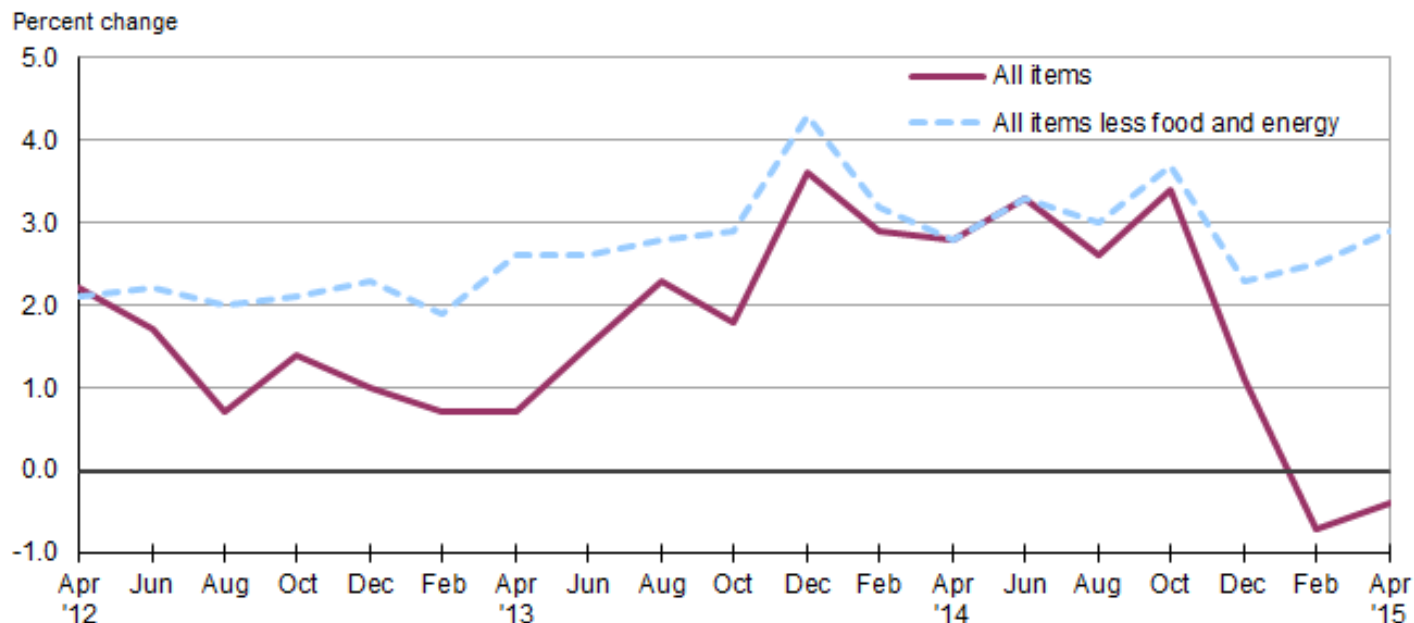
Consumer Price Index, Houston-Galveston-Brazoria – April 2015

Area prices up 1.0 percent in March and April, but down 0.4 percent over the year

The Consumer Price Index for All Urban Consumers (CPI-U) in the Houston area rose 1.0 percent in March and April, the U.S. Bureau of Labor Statistics reported today. Regional Commissioner Stanley W. Suchman noted that this increase followed two consecutive bimonthly declines. The current advance was broad based, led by increases in the indexes for all items less food and energy (0.9 percent) and motor fuel (10.7 percent), though higher food prices (0.3 percent) also contributed. (Data in this report are not seasonally adjusted. Accordingly, short-term changes may reflect the impact of seasonal influences.)

Over the last 12 months, the all items CPI-U fell 0.4 percent, the second consecutive annual decline for the overall index. In contrast, the index for all items less food and energy rose 2.9 percent over the year. (See [chart 1.](#))

Chart 1. Over-the-year percent change in CPI-U, Houston, April 2012–April 2015



Source: U.S. Bureau of Labor Statistics.

Food

Local food prices rose 0.3 percent in March and April, following a 0.5-percent increase in January and February. Among the two components of the index, prices for food away from home increased 0.4 percent, while prices for food at home (grocery stores) edged up 0.2 percent.

From April 2014 to April 2015, the food index advanced 3.0 percent, reflecting the combined effects of a 2.6-percent price rise at grocery stores and a 3.5-percent price rise for food away from home.

Energy

The energy index advanced 4.1 percent in March and April, after falling 15.3 percent in January and February. The biggest factor in the current two-month increase was a 10.7-percent rise in the motor fuel index, though natural gas prices also contributed, up 1.7 percent. Partially offsetting these increases, electricity prices declined 5.0 percent during the period.

During the year ended in April 2015, the energy index registered a 29.3-percent decline. A 34.3-percent drop in motor fuel costs was the biggest factor in the decrease, but lower household energy prices also contributed. Electricity prices fell 22.3 percent during the last 12 months and natural gas costs were down 13.6 percent.

All items less food and energy

The index for all items less food and energy rose 0.9 percent in March and April, after increasing 0.4 percent in January and February. The leading factor in the current advance was a 1.3-percent increase in the shelter index as prices rose for all three shelter sub-components: renters' costs, owners' equivalent rent, and lodging away from home (hotel and motel charges). Other contributors included higher prices for new and used motor vehicles, medical care, household furnishings and operations, and recreation.

From April 2014 to April 2015, the index for all items less food and energy rose 2.9 percent. The biggest factor in the annual advance was a 5.1-percent rise in shelter costs. Within the shelter component, higher rates of increase for renters' costs (6.1 percent) and owners' equivalent rent (5.2 percent) were slowed by a decline in the cost of lodging away from home. Another large contributor to the annual increase was a 3.8-percent rise in medical care prices. Countering a portion of these advances, recreation prices fell 2.4 percent over the year.

The June 2015 Consumer Price Index for All Items for Houston-Galveston-Brazoria will be released on July 17, 2015.

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 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/homch17_a.htm.

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 **Houston-Galveston-Brazoria, Texas, Consolidated Metropolitan Statistical Area (CMSA)** includes Brazoria, Chambers, Fort Bend, Galveston, Harris, Liberty, Montgomery, and Waller Counties.

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Table 1. Consumer Price Index for All Urban Consumers (CPI-U): Indexes and percent changes for selected periods, Houston-Galveston-Brazoria, TX (1982-84=100 unless otherwise noted)

Item and Group	Indexes			Percent change from -		
	Feb. 2015	Mar. 2015	Apr. 2015	Apr. 2014	Feb. 2015	Mar. 2015
All items	210.283		212.439	-0.4	1.0	
All items (1967 = 100)	674.452		681.368			
Food and beverages	222.920		223.772	2.9	0.4	
Food	222.838		223.475	3.0	0.3	
Food at home	223.468	224.018	223.936	2.6	0.2	0.0
Food away from home	217.763		218.587	3.5	0.4	
Alcoholic beverages	213.993		218.065	1.4	1.9	
Housing	198.278		199.794	1.9	0.8	
Shelter	235.565	236.892	238.543	5.1	1.3	0.7
Rent of primary residence ⁽¹⁾	227.375	227.784	229.020	6.1	0.7	0.5
Owners' equivalent rent of residences ⁽¹⁾ ⁽²⁾	218.562	220.427	221.438	5.2	1.3	0.5
Owners' equivalent rent of primary residence ⁽¹⁾ ⁽²⁾	218.562	220.427	221.438	5.2	1.3	0.5
Fuels and utilities	160.288		155.869	-15.1	-2.8	
Household energy	141.961	140.665	136.558	-20.8	-3.8	-2.9
Energy services ⁽¹⁾ ⁽³⁾	139.423	138.144	134.034	-20.8	-3.9	-3.0
Electricity ⁽¹⁾	138.415	136.882	131.457	-22.3	-5.0	-4.0
Utility (piped) gas service ⁽¹⁾	132.832	132.832	135.129	-13.6	1.7	1.7
Household furnishings and operations	119.958		121.066	0.7	0.9	
Apparel	178.320		179.090	1.0	0.4	
Transportation	171.510		176.660	-9.4	3.0	
Private transportation	169.571		174.739	-9.7	3.0	
Motor fuel	182.264	199.106	201.703	-34.3	10.7	1.3
Gasoline (all types)	180.591	198.468	201.488	-34.7	11.6	1.5
Gasoline, unleaded regular ⁽⁴⁾	183.770	202.501	205.416	-35.5	11.8	1.4
Gasoline, unleaded midgrade ⁽⁴⁾ ⁽⁵⁾	191.198	208.533	212.612	-32.1	11.2	2.0
Gasoline, unleaded premium ⁽⁴⁾	191.828	207.726	211.528	-29.7	10.3	1.8
Medical care	444.381		449.718	3.8	1.2	
Recreation ⁽⁶⁾	101.990		102.804	-2.4	0.8	
Education and communication ⁽⁶⁾	124.540		124.231	2.5	-0.2	
Other goods and services	388.287		386.884	2.8	-0.4	
COMMODITY AND SERVICE GROUP						
Commodities	171.866		174.421	-4.0	1.5	
Commodities less food and beverages	146.680		149.847	-7.7	2.2	
Nondurables less food and beverages	189.404		196.024	-13.0	3.5	
Durables	105.425		106.027	-0.3	0.6	
Services	250.246		252.012	2.3	0.7	
SPECIAL AGGREGATE INDEXES						
All items less shelter	200.723		202.576	-2.6	0.9	
All items less medical care	198.812		200.826	-0.7	1.0	
Commodities less food	149.051		152.255	-7.4	2.1	
Nondurables	206.507		210.328	-5.4	1.9	
Nondurables less food	190.661		197.135	-12.2	3.4	
Services less rent of shelter ⁽²⁾	264.677		265.005	-0.3	0.1	
Services less medical care services	230.985		232.576	2.1	0.7	
Energy	160.300	167.723	166.865	-29.3	4.1	-0.5
All items less energy	218.015		219.736	2.9	0.8	
All items less food and energy	217.010		218.926	2.9	0.9	

Note: See footnotes at end of table.

(1) This index series was calculated using a Laspeyres estimator. All other item stratum index series were calculated using a geometric means estimator.

(2) Indexes on a December 1982=100 base.

(3) Prior to January 2011 this series was titled Gas (piped) and electricity.

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

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

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

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