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SOUTHWEST INFORMATION OFFICE: Dallas, Texas

Technical information: (972) 850-4800 BLSInfoDallas@bls.gov www.bls.gov/regions/southwest

Media contact: (972) 850-4800

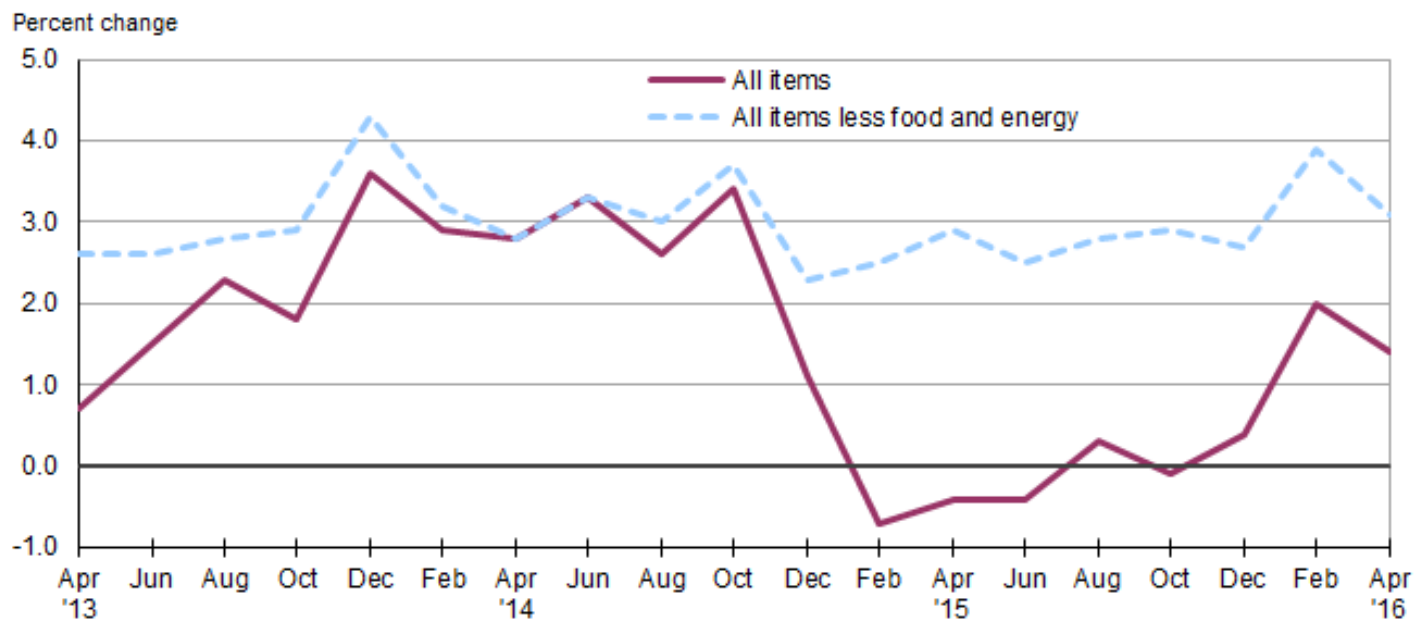
Consumer Price Index, Houston-Galveston-Brazoria – April 2016

Area prices rise 0.5 percent in March and April; up 1.4 percent over the year

The Consumer Price Index for All Urban Consumers (CPI-U) in the Houston area rose 0.5 percent in March and April, the U.S. Bureau of Labor Statistics reported today. Regional Commissioner Stanley W. Suchman noted that the increase was primarily the result of rising energy prices, up 6.2 percent. The indexes for food and for all items less food and energy were essentially unchanged during the period, each at 0.1 percent. (Data in this report are not seasonally adjusted. Accordingly, short-term changes may reflect the impact of seasonal influences.)

During the year ended in April 2016, the all items CPI-U advanced 1.4 percent. (See [chart 1.](#)) The index for all items less food and energy increased 3.1 percent over the year. (See [table 1.](#))

Chart 1. Over-the-year percent change in CPI-U, Houston-Galveston-Brazoria, April 2013–April 2016



Source: U.S. Bureau of Labor Statistics.

Food

Food prices were little changed (0.1 percent) in March and April, after declining 0.4 percent in the previous two-month period. Among the two components of the index, prices for food away from home edged up 0.2 percent, while prices for food at home (grocery stores) were essentially flat (0.1 percent).

From April 2015 to April 2016, the food index rose 0.5 percent reflecting the combined effects of a 1.1-percent price rise for food away from home and no change in grocery store prices.

Energy

The energy index rose 6.2 percent in March and April, the first bimonthly increase in this index since June and July 2015. The increase was the result of a 21.9-percent jump in gasoline prices, the largest two-month advance since March and April 2011 (24.0 percent). This followed double-digit bimonthly declines in gasoline prices in each period from September 2015 through February 2016. Partially offsetting the gasoline advance were lower electricity prices, down 7.1 percent; natural gas prices were unchanged during the period.

During the year ended in April 2016, the energy index registered a 14.3-percent decline as prices decreased for all three energy components. A 16.2-percent drop in motor fuel prices was the biggest factor in the energy decline, though lower natural gas and electricity costs also contributed, down 13.1 and 9.7 percent, respectively.

All items less food and energy

The index for all items less food and energy was essentially unchanged (0.1 percent) in March and April, after increasing 1.5 percent in January and February. Higher costs for recreation (1.5 percent), other goods and services (1.4 percent), and shelter (0.3 percent) were nearly offset by lower prices for household furnishings and operations (-3.3 percent) and apparel (-1.4 percent).

From April 2015 to April 2016, the index for all items less food and energy rose 3.1 percent. The biggest factor in the annual increase was a 4.6-percent rise in shelter costs, as the indexes rose for both renters' costs (6.3 percent) and owners' equivalent rent (4.4 percent). Other contributors to the annual rise included higher prices for household furnishings and operations (9.1 percent), medical care (1.6 percent), and other goods and services (2.3 percent).

The June 2016 Consumer Price Index for All Items for Houston-Galveston-Brazoria will be released Friday, July 15, 2016.

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/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 **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. 2016	Mar. 2016	Apr. 2016	Apr. 2015	Feb. 2016	Mar. 2016
All items	214.505	-	215.513	1.4	0.5	-
All items (1967 = 100)	687.994	-	691.229			
Food and beverages	224.627	-	224.928	0.5	0.1	-
Food	224.300	-	224.621	0.5	0.1	-
Food at home	223.653	223.443	223.935	0.0	0.1	0.2
Food away from home	220.716	-	221.077	1.1	0.2	-
Alcoholic beverages	219.256	-	219.250	0.5	0.0	-
Housing	208.584	-	207.554	3.9	-0.5	-
Shelter	248.732	248.920	249.574	4.6	0.3	0.3
Rent of primary residence ⁽¹⁾	241.388	242.967	243.361	6.3	0.8	0.2
Owners' equivalent rent of residences ⁽¹⁾ ⁽²⁾	230.610	230.967	231.215	4.4	0.3	0.1
Owners' equivalent rent of primary residence ⁽¹⁾ ⁽²⁾	230.610	230.967	231.215	4.4	0.3	0.1
Fuels and utilities	150.545	-	145.097	-6.9	-3.6	-
Household energy	130.081	119.409	122.332	-10.4	-6.0	2.4
Energy services ⁽¹⁾ ⁽³⁾	127.855	117.232	120.140	-10.4	-6.0	2.5
Electricity ⁽¹⁾	127.720	115.214	118.642	-9.7	-7.1	3.0
Utility (piped) gas service ⁽¹⁾	117.416	117.385	117.371	-13.1	0.0	0.0
Household furnishings and operations	136.536	-	132.049	9.1	-3.3	-
Apparel	181.891	-	179.409	0.2	-1.4	-
Transportation	166.973	-	172.545	-2.3	3.3	-
Private transportation	163.732	-	170.502	-2.4	4.1	-
Motor fuel	139.436	152.695	169.024	-16.2	21.2	10.7
Gasoline (all types)	139.140	152.836	169.585	-15.8	21.9	11.0
Gasoline, unleaded regular ⁽⁴⁾	139.539	153.723	171.422	-16.5	22.8	11.5
Gasoline, unleaded midgrade ⁽⁴⁾ ⁽⁵⁾	153.472	168.069	182.953	-13.9	19.2	8.9
Gasoline, unleaded premium ⁽⁴⁾	160.285	172.572	186.940	-11.6	16.6	8.3
Medical care	455.213	-	457.132	1.6	0.4	-
Recreation ⁽⁶⁾	102.851	-	104.367	1.5	1.5	-
Education and communication ⁽⁶⁾	125.123	-	125.385	0.9	0.2	-
Other goods and services	390.389	-	395.776	2.3	1.4	-
Commodity and service group						
Commodities	169.035	-	171.407	-1.7	1.4	-
Commodities less food and beverages	142.120	-	145.301	-3.0	2.2	-
Nondurables less food and beverages	177.974	-	186.048	-5.1	4.5	-
Durables	105.788	-	105.501	-0.5	-0.3	-
Services	261.438	-	261.290	3.7	-0.1	-
Special aggregate indexes						
All items less shelter	201.653	-	202.732	0.1	0.5	-
All items less medical care	202.723	-	203.684	1.4	0.5	-
Commodities less food	144.712	-	147.825	-2.9	2.2	-
Nondurables	201.483	-	205.677	-2.2	2.1	-
Nondurables less food	180.191	-	187.775	-4.7	4.2	-
Services less rent of shelter ⁽²⁾	273.876	-	272.588	2.9	-0.5	-
Services less medical care services	241.986	-	241.770	4.0	-0.1	-
Energy	134.637	134.266	142.994	-14.3	6.2	6.5
All items less energy	225.368	-	225.652	2.7	0.1	-
All items less food and energy	225.372	-	225.649	3.1	0.1	-

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.