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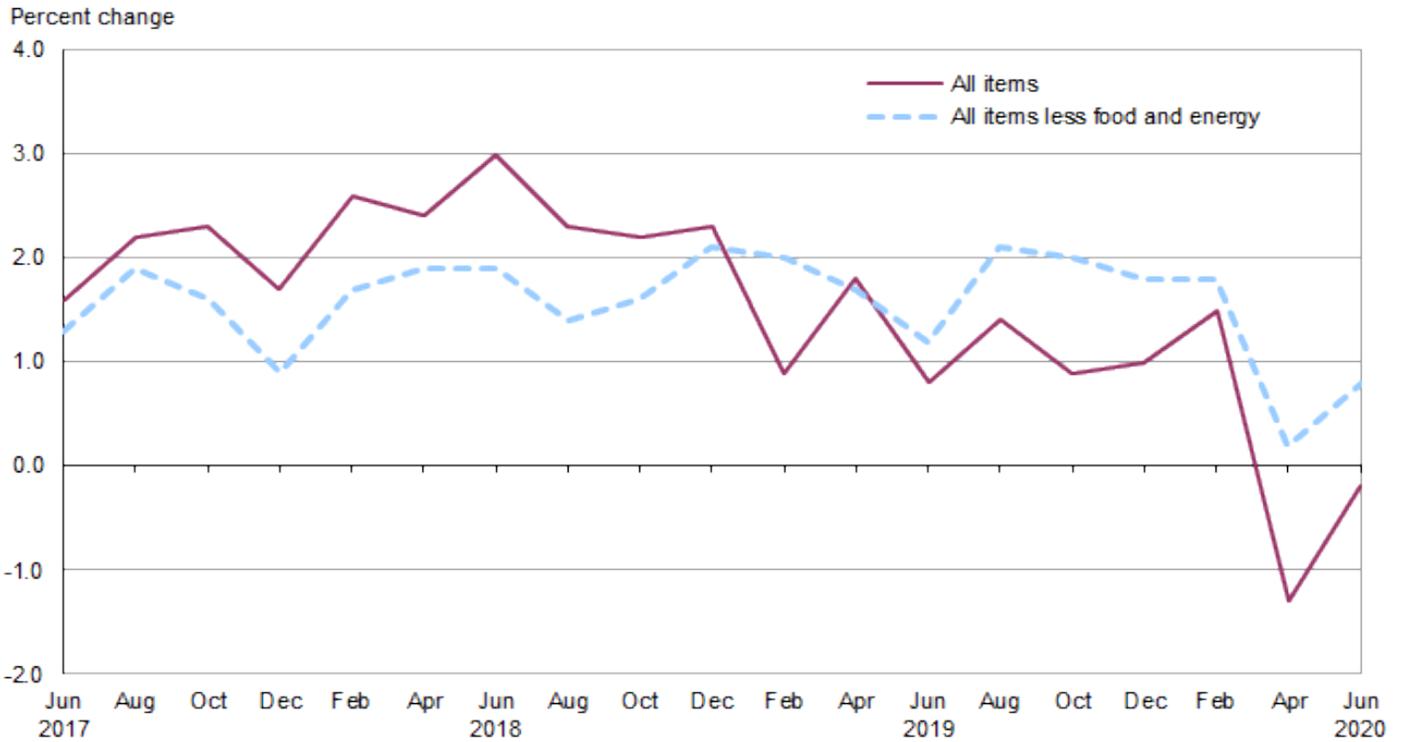
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Consumer Price Index, Houston-The Woodlands-Sugar Land – June 2020 **Area prices rise 1.1 percent in May and June, but slip 0.2 percent over the year**

Prices in the Houston-The Woodlands-Sugar Land area, as measured by the Consumer Price Index for All Urban Consumers (CPI-U), rose 1.1 percent for the two months ending in June 2020, the U.S. Bureau of Labor Statistics reported today. Regional Commissioner Michael Hirniak noted that an increase of 1.0 percent in the index for all items less food and energy had the greatest impact on the bi-monthly rise, though higher prices for food and energy also played a role. (Data in this report are not seasonally adjusted. Accordingly, bi-monthly changes may reflect seasonal influences.)

Over the last 12 months, the all items CPI-U dipped 0.2 percent, the second consecutive 12-month decrease. (See [chart 1](#) and [table 1](#).) The index for all items less food and energy rose 0.8 percent over the year, while food prices increased 3.3 percent. In contrast, energy costs dropped 16.8 percent during the period, nearly offsetting the other increases.

Chart 1. Over-the-year percent change in CPI-U, Houston, TX, June 2017–June 2020



Source: U.S. Bureau of Labor Statistics.

Food

Food prices rose 0.9 percent in May and June, after increasing 1.7 percent in March and April. Between the two components of the index, prices for food away from home rose 1.1 percent and prices for food at home (grocery stores) increased 0.6 percent.

Over the year, food prices increased 3.3 percent, the highest 12-month rate of increase since February 2015. The latest annual advance reflected the combined effects of a 4.0-percent increase in prices for food away from home and a 2.5-percent rise in prices for food at home.

Energy

The energy index rose 3.1 percent in May and June, after dropping 10.4 percent in March and April. The latest increase was primarily due to a 4.8-percent increase in gasoline prices, though electricity prices also rose, up 2.3 percent. Prices for natural gas service were unchanged during the period.

From June 2019 to June 2020, the energy index sank 16.8 percent; prices declined in all three of the energy sub-components. During the period, gasoline costs dropped 28.7 percent, electricity costs fell 2.8 percent, and prices for natural gas service were down 7.7 percent.

All items less food and energy

The index for all items less food and energy rose 1.0 percent in May and June, after falling 1.5 percent in March and April. Higher prices for motor vehicle insurance (21.1 percent), household furnishings and operations (4.8 percent), and apparel (6.4 percent) were the largest contributors. Partially offsetting these increases, prices fell in the bi-monthly period for new and used motor vehicles (-0.8 percent) and alcoholic beverages (-1.4 percent).

During the 12 months ending in June 2020, the index for all items less food and energy was up 0.8 percent. The largest factor in the annual increase was a 1.6-percent rise in shelter costs, but higher prices for medical care (4.3 percent) and recreation (3.7 percent) were other important contributors. Partly offsetting the increases were price decreases for education and communication (-2.4 percent), used cars and trucks (-3.0 percent), and apparel (-2.5 percent).

The August 2020 Consumer Price Index for All Items for Houston-The Woodlands-Sugar Land is scheduled to be released Friday, September 11, 2020.

Coronavirus (COVID-19) Impact on June 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 June 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 93 percent of the total population and (2) a CPI for Urban Wage Earners and Clerical Workers (CPI-W) which covers 29 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 **Houston-The Woodlands-Sugar Land, Texas, Core Based Statistical Area** includes the counties of Austin, Brazoria, Chambers, Fort Bend, Galveston, Harris, Liberty, Montgomery, and Waller.

Information in this release will be made available to sensory impaired individuals upon request. Voice phone: (202) 691-5200; Federal Relay Service: (800) 877-8339.

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

Item and Group	Indexes			Percent change from -		
	Apr. 2020	May 2020	Jun. 2020	Jun. 2019	Apr. 2020	May 2020
All items	226.387	-	228.898	-0.2	1.1	-
All items (1967 = 100)	726.104	-	734.157			
Food and beverages	239.212	-	240.909	3.3	0.7	-
Food	239.538	-	241.630	3.3	0.9	-
Food at home	230.928	236.042	232.388	2.5	0.6	-1.5
Cereals and bakery products	277.342	-	275.799	3.5	-0.6	-
Meats, poultry, fish, and eggs	250.857	-	266.021	7.0	6.0	-
Dairy and related products	182.907	-	183.798	3.8	0.5	-
Fruits and vegetables	297.505	-	280.564	-2.0	-5.7	-
Nonalcoholic beverages and beverage materials(1)	280.158	-	282.627	4.5	0.9	-
Other food at home	199.238	-	200.971	-0.7	0.9	-
Food away from home	243.834	-	246.582	4.0	1.1	-
Alcoholic beverages	222.797	-	219.612	2.8	-1.4	-
Housing	226.910	-	228.899	1.3	0.9	-
Shelter	273.089	273.946	273.664	1.6	0.2	-0.1
Rent of primary residence	268.517	269.285	269.180	2.3	0.2	0.0
Owners' equivalent rent of residences(2)	253.701	254.829	253.937	1.2	0.1	-0.4
Owners' equivalent rent of primary residence(2)	253.701	254.829	253.937	1.2	0.1	-0.4
Fuels and utilities	171.160	-	173.757	-2.8	1.5	-
Household energy	147.084	151.431	150.080	-3.5	2.0	-0.9
Energy services	144.835	149.258	147.749	-3.4	2.0	-1.0
Electricity	145.281	149.823	148.684	-2.8	2.3	-0.8
Utility (piped) gas service	129.872	133.258	129.857	-7.7	0.0	-2.6
Household furnishings and operations	135.297	-	141.725	3.5	4.8	-
Apparel	166.064	-	176.694	-2.5	6.4	-
Transportation	167.698	-	170.522	-8.7	1.7	-
Private transportation	167.649	-	170.519	-8.4	1.7	-
New and used motor vehicles(3)	86.910	-	86.248	-2.5	-0.8	-
New vehicles(1)	166.570	-	164.961	0.0	-1.0	-
Used cars and trucks(1)	227.286	-	223.596	-3.0	-1.6	-
Motor fuel	150.591	142.318	157.322	-28.6	4.5	10.5
Gasoline (all types)	150.020	141.716	157.156	-28.7	4.8	10.9
Gasoline, unleaded regular(4)	149.456	141.145	157.079	-29.5	5.1	11.3
Gasoline, unleaded midgrade(4)(5)	169.232	166.433	178.347	-24.7	5.4	7.2
Gasoline, unleaded premium(4)	185.122	173.823	188.328	-22.3	1.7	8.3
Motor vehicle insurance(1)	589.696	-	714.366	0.8	21.1	-
Medical care	529.343	-	531.956	4.3	0.5	-
Recreation(3)	106.477	-	107.237	3.7	0.7	-
Education and communication(3)	119.403	-	119.835	-2.4	0.4	-
Tuition, other school fees, and childcare(1)	1,246.133	-	1,239.235	-1.7	-0.6	-
Other goods and services	414.637	-	421.989	2.7	1.8	-
Commodity and service group						
Commodities	168.853	-	171.653	-2.5	1.7	-
Commodities less food and beverages	136.715	-	139.768	-5.7	2.2	-
Nondurables less food and beverages	173.391	-	181.688	-9.6	4.8	-
Durables	98.871	-	98.875	-1.6	0.0	-
Services	285.261	-	287.483	1.3	0.8	-
Special aggregate indexes						
All items less shelter	208.759	-	212.037	-1.0	1.6	-
All items less medical care	212.223	-	214.695	-0.6	1.2	-
Commodities less food	139.499	-	142.403	-5.4	2.1	-

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, Houston-The Woodlands-Sugar Land, TX (1982-84=100 unless otherwise noted) - Continued

Item and Group	Indexes			Percent change from -		
	Apr. 2020	May 2020	Jun. 2020	Jun. 2019	Apr. 2020	May 2020
Nondurables	206.005	-	211.119	-2.9	2.5	-
Nondurables less food.....	176.239	-	183.745	-8.8	4.3	-
Services less rent of shelter(2).....	295.588	-	299.856	0.9	1.4	-
Services less medical care services.....	261.160	-	263.219	0.7	0.8	-
Energy	148.835	147.578	153.496	-16.8	3.1	4.0
All items less energy	237.284	-	239.624	1.2	1.0	-
All items less food and energy	236.770	-	239.148	0.8	1.0	-

Footnotes

- (1) Indexes on an April 1978=100 base.
- (2) Indexes on a December 1982=100 base.
- (3) Indexes on a December 1997=100 base.
- (4) Special index based on a substantially smaller sample.
- (5) Index on a December 1993=100.
- Data not available.