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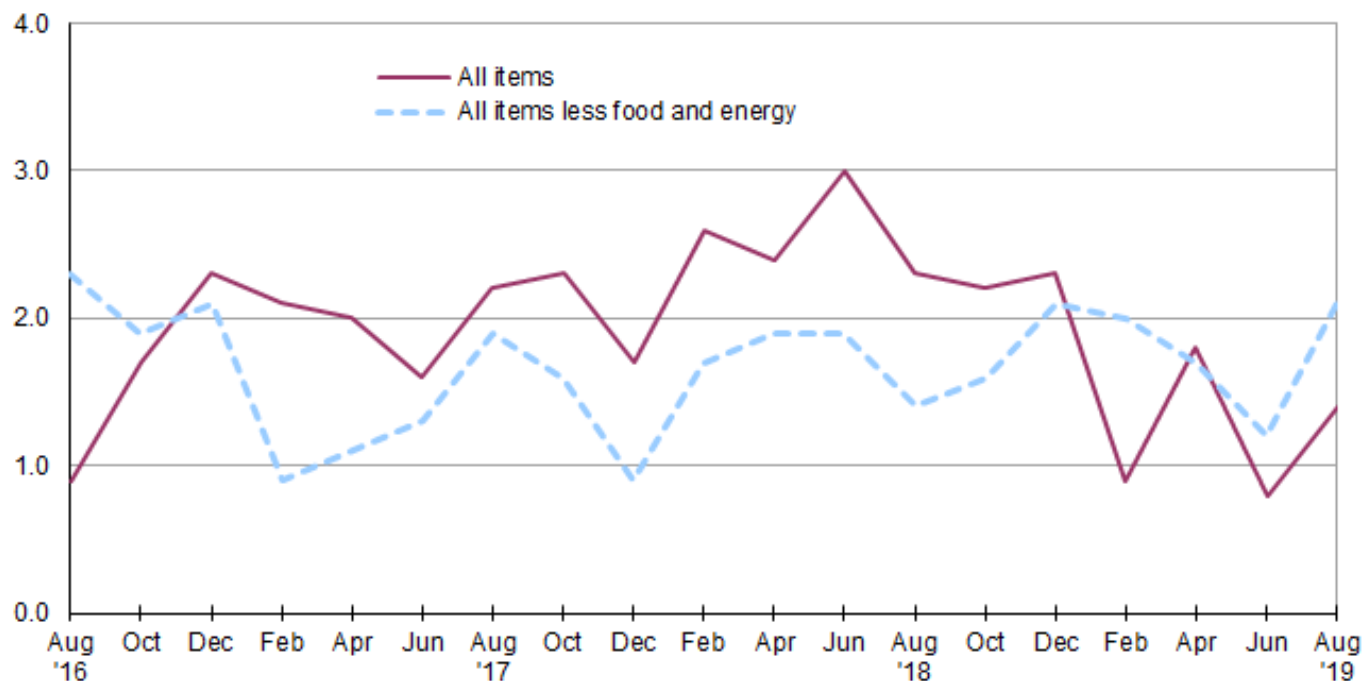
Consumer Price Index, Houston-The Woodlands-Sugar Land – August 2019 **Area prices unchanged in July and August; up 1.4 percent over the year**

Prices in the Houston-The Woodlands-Sugar Land area, as measured by the Consumer Price Index for All Urban Consumers (CPI-U), were unchanged for the two months ending in August 2019, the U.S. Bureau of Labor Statistics reported today. Assistant Commissioner for Regional Operations Stanley W. Suchman noted that lower energy costs balanced an increase in the index for all items less food and energy. The food index was little changed during the two-month period. (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 increased 1.4 percent. (See [chart 1](#).) The index for all items less food and energy advanced 2.1 percent over the year, while food prices increased 1.8 percent. The energy index decreased 5.9 percent. (See [table 1](#).)

Chart 1. Over-the-year percent change in CPI-U, Houston, TX, August 2016–August 2019

Percent change



Source: U.S. Bureau of Labor Statistics.

Food

Food prices edged down 0.1 percent in July and August, matching the 0.1-percent dip registered in May and June. The latest movement reflected the combined effects of a 0.8-percent decline in the food at home index and a 0.6-percent rise in the index for food away from home.

Over the year, food prices increased 1.8 percent. Prices for food at home increased 1.4 percent since a year ago, and prices for food away from home advanced 2.2 percent.

Energy

The energy index decreased 3.7 percent in July and August, following a 2.7-percent fall in May and June, with declines observed across all sub-components. The biggest factor in the latest bi-monthly decline was lower prices for electricity (-7.3 percent), but falling prices for gasoline (-0.8 percent) and natural gas service (-5.7 percent) also contributed.

From August 2018 to August 2019, the energy index decreased 5.9 percent, largely due to lower prices for gasoline (-7.2 percent), but all sub-components contributed to the decline. The index for electricity fell 3.9 percent during the past year, while the index for natural gas service decreased 5.6 percent.

All items less food and energy

The index for all items less food and energy rose 0.5 percent in July and August, after rising 0.4 percent in May and June. During the latest period, increases in the indexes for recreation (3.4 percent), shelter (0.4 percent), and household furnishings and operations (1.7 percent) were partially offset by lower prices for apparel (-1.0 percent) and new vehicles (-0.9 percent).

During the 12 months ending in August 2019, the index for all items less food and energy advanced 2.1 percent, matching the December 2018 and December 2016 annual rates. These were the fastest annual rates of increase since August 2016 (2.3 percent). The largest factor in the latest annual change was a 3.6-percent rise in the index for shelter, led by a 4.3-percent advance in owners' equivalent rent. Other components contributing to the increase included higher prices for medical care (2.9 percent), household furnishings and operations (3.2 percent), and education and communication (2.5 percent). Partly countering the increases were index declines for apparel (-4.0 percent) and other goods and services (-0.2 percent).

The October 2019 Consumer Price Index for All Items for Houston-The Woodlands-Sugar Land is scheduled to be released Wednesday, November 13, 2019.

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.

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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 -		
	Jun. 2019	Jul. 2019	Aug. 2019	Aug. 2018	Jun. 2019	Jul. 2019
All items	229.316	-	229.423	1.4	0.0	-
All items (1967 = 100)	735.500	-	735.843			
Food and beverages	233.245	-	233.220	1.7	0.0	-
Food	233.831	-	233.571	1.8	-0.1	-
Food at home	226.759	226.462	224.850	1.4	-0.8	-0.7
Cereals and bakery products	266.468	-	268.375	1.1	0.7	-
Meats, poultry, fish, and eggs	248.554	-	242.722	-2.6	-2.3	-
Dairy and related products	177.127	-	174.425	-0.5	-1.5	-
Fruits and vegetables	286.411	-	289.787	7.6	1.2	-
Nonalcoholic beverages and beverage materials(1)	270.379	-	266.178	0.6	-1.6	-
Other food at home	202.355	-	200.165	2.4	-1.1	-
Food away from home	237.125	-	238.468	2.2	0.6	-
Alcoholic beverages	213.703	-	217.366	-0.2	1.7	-
Housing	225.902	-	225.415	2.8	-0.2	-
Shelter	269.455	269.636	270.432	3.6	0.4	0.3
Rent of primary residence	263.156	264.088	264.746	1.9	0.6	0.2
Owners' equivalent rent of residences(2)	250.865	251.068	252.689	4.3	0.7	0.6
Owners' equivalent rent of primary residence(2)	250.865	251.068	252.689	4.3	0.7	0.6
Fuels and utilities	178.717	-	168.948	-2.7	-5.5	-
Household energy	155.450	150.417	144.486	-4.3	-7.1	-3.9
Energy services	152.979	147.941	142.102	-4.2	-7.1	-3.9
Electricity	152.950	147.195	141.756	-3.9	-7.3	-3.7
Utility (piped) gas service	140.739	140.735	132.784	-5.6	-5.7	-5.6
Household furnishings and operations	136.885	-	139.218	3.2	1.7	-
Apparel	181.281	-	179.500	-4.0	-1.0	-
Transportation	186.763	-	186.229	-1.0	-0.3	-
Private transportation	186.248	-	185.998	-1.4	-0.1	-
New and used motor vehicles(3)	88.427	-	88.728	0.3	0.3	-
New vehicles(1)	164.883	-	163.359	0.3	-0.9	-
Used cars and trucks(1)	230.489	-	234.897	1.5	1.9	-
Motor fuel	220.349	225.775	218.536	-7.2	-0.8	-3.2
Gasoline (all types)	220.418	225.942	218.603	-7.2	-0.8	-3.2
Gasoline, unleaded regular(4)	222.820	228.439	220.665	-7.5	-1.0	-3.4
Gasoline, unleaded midgrade(4) (5)	236.729	243.765	237.618	-5.7	0.4	-2.5
Gasoline, unleaded premium(4)	242.486	248.011	242.902	-5.0	0.2	-2.1
Motor vehicle insurance(1)	708.611	-	708.611	0.1	0.0	-
Medical care	510.217	-	512.555	2.9	0.5	-
Recreation(3)	103.401	-	106.871	-0.1	3.4	-
Education and communication(3)	122.772	-	122.905	2.5	0.1	-
Tuition, other school fees, and childcare(1)	1,260.589	-	1,232.820	1.4	-2.2	-
Other goods and services	410.830	-	413.984	-0.2	0.8	-
Commodity and service group						
Commodities	176.011	-	176.136	-0.7	0.1	-
Commodities less food and beverages	148.175	-	148.350	-2.0	0.1	-
Nondurables less food and beverages	200.900	-	200.470	-4.3	-0.2	-
Durables	100.476	-	100.956	0.5	0.5	-
Services	283.870	-	283.958	2.7	0.0	-
Special aggregate indexes						
All items less shelter	214.252	-	214.032	0.4	-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, Houston-The Woodlands-Sugar Land, TX (1982-84=100 unless otherwise noted) - Continued

Item and Group	Indexes			Percent change from -		
	Jun. 2019	Jul. 2019	Aug. 2019	Aug. 2018	Jun. 2019	Jul. 2019
All items less medical care	215.896	-	215.924	1.3	0.0	-
Commodities less food	150.521	-	150.771	-2.0	0.2	-
Nondurables	217.329	-	217.094	-1.2	-0.1	-
Nondurables less food.....	201.443	-	201.232	-4.0	-0.1	-
Services less rent of shelter(2).....	297.186	-	296.209	1.8	-0.3	-
Services less medical care services.....	261.445	-	261.280	2.6	-0.1	-
Energy	184.532	184.156	177.636	-5.9	-3.7	-3.5
All items less energy	236.858	-	237.802	2.1	0.4	-
All items less food and energy	237.201	-	238.351	2.1	0.5	-

(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.