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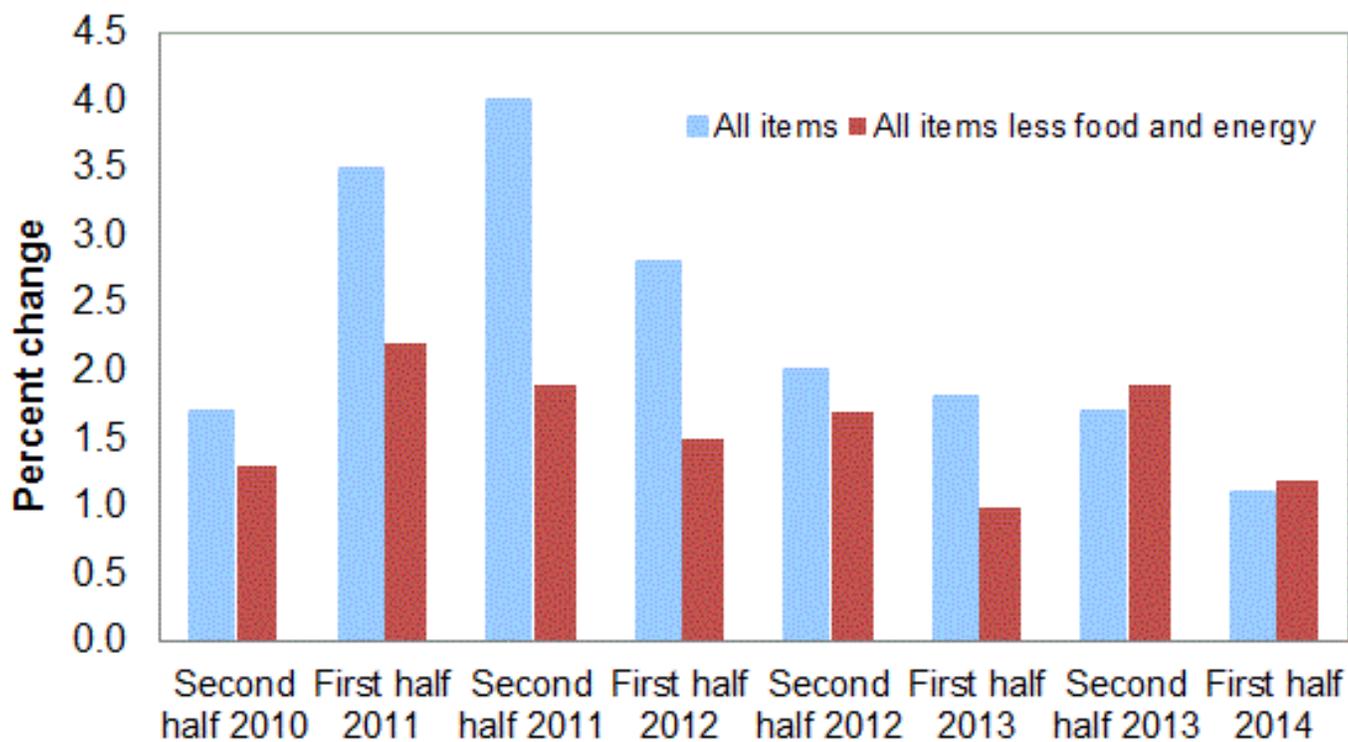
Consumer Price Index, Honolulu – First Half 2014

Area prices up 0.5 percent over the past six months, up 1.1 percent from a year ago

Prices in the greater Honolulu area, as measured by the Consumer Price Index for All Urban Consumers (CPI-U), advanced 0.5 percent in the first half of 2014, the U.S. Bureau of Labor Statistics reported today. (See [table A.](#)) Regional Commissioner Richard J. Holden noted that this latest six-month increase was influenced by higher prices for food, electricity, rent of primary residence, and recreation. (Data in this report are not seasonally adjusted. Accordingly, six-month-to-six-month changes may reflect seasonal influences.)

Over the past 12 months, the CPI-U rose 1.1 percent. (See [chart 1.](#)) Energy prices advanced 0.6 percent, mainly due to an increase in the price of electricity. The index for all items less food and energy increased 1.2 percent over the year.

**Chart 1. Over-the-year percent change in CPI-U, Honolulu,
Second half 2010 - First half 2014**



Source: U.S. Bureau of Labor Statistics.

Food

Food prices advanced 0.7 percent in the first half of 2014. (See table 1.) Prices for food at home rose 1.6 percent for the past six months. Prices for food away from home increased 0.5 percent for the same period.

For the year ending in the first half of 2014, food prices rose 1.1 percent. Prices for food away from home advanced 2.4 percent during the past 12 months, and prices for food at home increased 0.6 percent.

Energy

Energy prices increased 2.6 percent since the second half of 2013, strongly influenced by a 3.0 percent increase in the price of electricity. Natural gas service prices gained 5.5 percent and gasoline prices gained 1.5 percent for the same period.

Energy prices rose 0.6 percent over the year mainly due to a 2.8 percent increase in the price of electricity. Gasoline prices decreased 2.0 percent, and natural gas service prices declined 0.3 percent during the past 12 months.

All items less food and energy

The index for all items less food and energy increased 0.4 percent from the second half of 2013 to the first half of 2014. Among the index components, increases were recorded for recreation (1.7 percent), rent of primary residence (1.0 percent), and education and communication (1.0 percent). In contrast, lower prices were reported for apparel (-5.4 percent) during the past six months.

Over the year, the index for all items less food and energy advanced 1.2 percent. Prices increased for education and communication (2.7 percent), recreation (2.5 percent), rent of primary residence (1.4 percent), and medical care (1.4 percent). Partially offsetting the increases were lower prices for apparel (-5.9 percent) and household furnishings and operations (-2.1 percent).

Table A. Honolulu CPI-U semi-annual and annual percent changes (not seasonally adjusted)

Month	2009		2010		2011		2012		2013		2014	
	Semi-annual	Annual										
First Half	-1.0	0.3	0.8	2.5	2.5	3.5	1.3	2.8	1.2	1.8	0.5	1.1
Second Half	1.7	0.7	0.9	1.7	1.4	4.0	0.7	2.0	0.6	1.7		

CPI-W

In the first half of 2014, the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) was 253.417, up 0.3 percent. The CPI-W increased 0.7 percent over the year.

The second half of 2014 Consumer Price Index for Honolulu is scheduled to be released mid-February 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 88 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 87 urban areas across the country from about 4,000 housing units and approximately 26,000 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 Honolulu, HI metropolitan area covered in this release is comprised of Oahu County in the State of Hawaii.

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Table 1. Consumer Price Index for All Urban Consumers (CPI-U): Indexes for semiannual averages and percent changes for selected periods Honolulu, HI (1982-84=100 unless otherwise noted)

Item and Group	Semiannual average indexes			Percent change to 1st half 2014 from-	
	1st half 2013	2nd half 2013	1st half 2014	1st half 2013	2nd half 2013
Expenditure category					
All items	253.202	254.646	255.989	1.1	0.5
All items (1967=100)	697.058	701.033	704.730	-	-
Food and beverages	250.337	251.508	252.895	1.0	0.6
Food	250.151	251.289	253.021	1.1	0.7
Food at home	255.888	253.349	257.455	0.6	1.6
Food away from home	238.991	243.411	244.746	2.4	0.5
Alcoholic beverages	250.987	252.586	248.693	-0.9	-1.5
Housing	269.213	270.557	271.656	0.9	0.4
Shelter	285.152	286.807	286.992	0.6	0.1
Rent of primary residence	281.093	282.052	284.996	1.4	1.0
Owners' equiv. rent of residences ⁽¹⁾	295.814	297.184	296.319	0.2	-0.3
Owners' equiv. rent of primary residence ⁽¹⁾ ..	295.814	297.184	296.319	0.2	-0.3
Fuels and utilities	361.822	365.647	372.764	3.0	1.9
Household energy	327.720	326.213	336.199	2.6	3.1
Energy services	323.087	321.536	331.319	2.5	3.0
Electricity	319.216	318.495	328.140	2.8	3.0
Utility (piped) gas service	337.828	319.212	336.870	-0.3	5.5
Household furnishings and operations	154.423	151.969	151.243	-2.1	-0.5
Apparel	119.349	118.673	112.261	-5.9	-5.4
Transportation	232.743	233.523	237.614	2.1	1.8
Private transportation	236.782	236.249	238.868	0.9	1.1
Motor fuel	330.172	318.978	323.852	-1.9	1.5
Gasoline (all types)	339.865	328.085	332.979	-2.0	1.5
Gasoline, unleaded regular ⁽²⁾	361.351	348.933	353.670	-2.1	1.4
Gasoline, unleaded midgrade ^{(2) (3)}	264.255	254.443	260.927	-1.3	2.5
Gasoline, unleaded premium ⁽²⁾	299.731	289.686	292.718	-2.3	1.0
Medical care	343.253	347.116	348.133	1.4	0.3
Recreation ⁽⁴⁾	116.347	117.289	119.313	2.5	1.7
Education and communication ⁽⁴⁾	138.251	140.594	141.981	2.7	1.0
Other goods and services	446.226	448.131	450.011	0.8	0.4
Commodity and service group					
All Items	253.202	254.646	255.989	1.1	0.5
Commodities	200.687	200.516	200.215	-0.2	-0.2
Commodities less food & beverages	168.153	167.275	166.088	-1.2	-0.7
Nondurables less food & beverages	214.632	212.447	210.735	-1.8	-0.8
Durables	117.098	117.645	117.045	0.0	-0.5
Services	299.462	302.237	304.968	1.8	0.9
Special aggregate indexes					
All items less medical care	248.469	249.794	251.148	1.1	0.5
All items less shelter	239.785	241.146	242.799	1.3	0.7
Commodities less food	171.426	170.629	169.359	-1.2	-0.7
Nondurables	233.924	233.430	233.276	-0.3	-0.1
Nondurables less food	216.873	214.926	213.093	-1.7	-0.9
Services less rent of shelter ⁽¹⁾	317.844	322.198	327.664	3.1	1.7
Services less medical care services	294.687	297.254	299.966	1.8	0.9
Energy	326.666	320.375	328.699	0.6	2.6
All items less energy	250.048	252.007	253.086	1.2	0.4
All items less food and energy	251.405	253.532	254.519	1.2	0.4

Note: See footnotes at end of table.

Footnotes

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