



NEWS RELEASE



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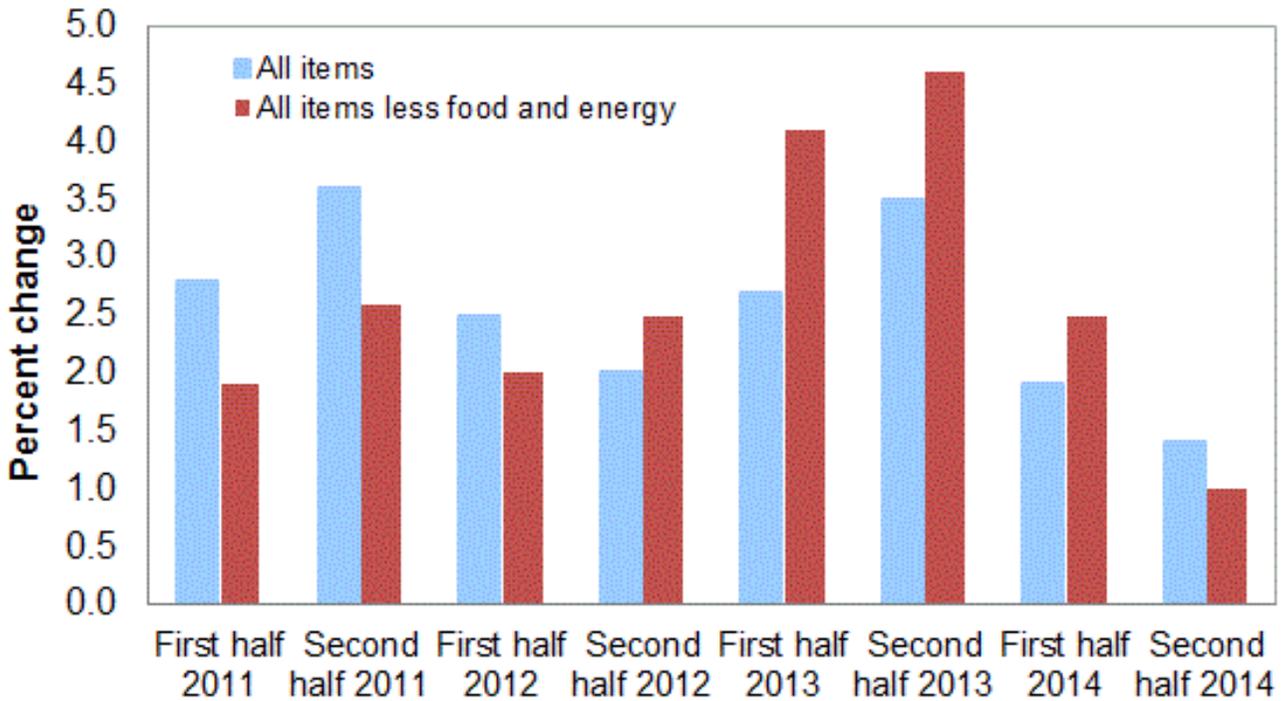
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Consumer Price Index, Anchorage – Second Half 2014 **Area prices up 1.0 percent over the past six months, up 1.4 percent from a year ago**

Prices in the greater Anchorage area, as measured by the Consumer Price Index for All Urban Consumers (CPI-U), advanced 1.0 percent in the second half of 2014, the U.S. Bureau of Labor Statistics reported today. (See [table A](#).) Regional Commissioner Richard J. Holden noted the latest six-month increase was influenced by higher prices for shelter. (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 1.4 percent. (See [chart 1](#)) Energy prices advanced 5.5 percent, mainly due to an increase in the price of natural gas service. The index for all items less food and energy increased 1.0 percent over the year.

Chart 1. Over-the-year percent change in CPI-U, Anchorage, First half 2011 - Second half 2014



Source: U.S. Bureau of Labor Statistics.

Food

Food prices advanced 2.1 percent in the second half of 2014. (See [table 1](#).) Prices for food at home rose 2.5 percent, and prices for food away from home were up 1.7 percent for the past six months.

For the year ending in the second half of 2014, food prices increased 2.1 percent. Prices for food at home rose 2.4 percent during the past 12 months, and prices for food away from home increased 1.8 percent.

Energy

The energy index increased 3.4 percent since the first half of 2014. This advance was strongly influenced by the price of natural gas, which jumped 17.2 percent. Electricity prices rose 4.8 percent, but gasoline prices declined 1.5 percent for the same period.

Energy prices rose 5.5 percent over the year, influenced by a 20.9 percent jump in natural gas service prices and a 14.8 percent surge in electricity prices. Gasoline prices declined 2.1 percent during the past 12 months.

All items less food and energy

The index for all items less food and energy increased 0.5 percent from the first half of 2014 to the second half of 2014. Among the index components, the largest increases were recorded for shelter (1.5 percent) and recreation (1.4 percent). In contrast, prices declined for household furnishings and operations (-1.7 percent) and apparel (-0.9 percent) for the same period.

Over the year, the index for all items less food and energy advanced 1.0 percent. Prices increased for medical care (3.1 percent) and shelter (2.6 percent). Over the past year, prices declined 3.3 percent for apparel.

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

Month	2009		2010		2011		2012		2013		2014	
	Semi-annual	Annual										
First Half	-0.7	1.3	0.7	2.5	2.5	2.8	1.3	2.5	2.1	2.7	0.4	1.9
Second Half	1.8	1.1	0.3	1.0	1.1	3.6	0.7	2.0	1.4	3.5	1.0	1.4

The Consumer Price Index for the first half of 2015 is scheduled to be released on August 19, 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 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 Anchorage, AK. metropolitan area covered in this release is comprised of Anchorage Borough in the State of Alaska.

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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 Anchorage, AK (1982-84=100 unless otherwise noted)

Item and Group	Semiannual average indexes			Percent change to 2nd half 2014 from-	
	2nd half 2013	1st half 2014	2nd half 2014	2nd half 2013	1st half 2014
Expenditure category					
All items	213.910	214.777	216.833	1.4	1.0
All items (1967=100).....	570.956	573.268	578.759	-	-
Food and beverages	204.418	204.631	208.626	2.1	2.0
Food	209.954	210.066	214.395	2.1	2.1
Food at home.....	210.985	210.759	215.980	2.4	2.5
Food away from home	207.211	207.379	210.999	1.8	1.7
Alcoholic beverages	148.496	149.699	150.323	1.2	0.4
Housing	191.969	194.382	197.919	3.1	1.8
Shelter	196.334	198.425	201.388	2.6	1.5
Rent of primary residence.....	193.305	195.654	199.024	3.0	1.7
Owners' equiv. rent of residences ⁽¹⁾	197.472	199.968	203.023	2.8	1.5
Owners' equiv. rent of primary residence ⁽¹⁾	197.472	199.968	203.023	2.8	1.5
Fuels and utilities.....	258.121	266.791	287.514	11.4	7.8
Household energy.....	257.766	274.258	299.673	16.3	9.3
Energy services	278.878	297.351	327.750	17.5	10.2
Electricity	234.905	257.413	269.702	14.8	4.8
Utility (piped) gas service	341.565	352.320	412.794	20.9	17.2
Household furnishings and operations	127.799	128.333	126.188	-1.3	-1.7
Apparel.....	163.198	159.211	157.839	-3.3	-0.9
Transportation	229.949	227.237	224.134	-2.5	-1.4
Private transportation	233.265	229.433	227.948	-2.3	-0.6
Motor fuel.....	307.826	306.475	301.754	-2.0	-1.5
Gasoline (all types)	308.883	307.046	302.434	-2.1	-1.5
Gasoline, unleaded regular ⁽²⁾	300.615	298.782	294.223	-2.1	-1.5
Gasoline, unleaded midgrade ^{(2) (3)}	290.844	289.228	285.221	-1.9	-1.4
Gasoline, unleaded premium ⁽²⁾	299.965	298.363	294.080	-2.0	-1.4
Medical care.....	478.573	489.452	493.189	3.1	0.8
Recreation ⁽⁴⁾	119.782	118.993	120.625	0.7	1.4
Education and communication ⁽⁴⁾	113.846	115.611	116.547	2.4	0.8
Other goods and services	327.378	331.170	331.638	1.3	0.1
Commodity and service group					
All Items	213.910	214.777	216.833	1.4	1.0
Commodities	182.979	181.924	182.008	-0.5	0.0
Commodities less food & beverages	171.441	169.761	167.832	-2.1	-1.1
Nondurables less food & beverages.....	220.959	219.179	216.666	-1.9	-1.1

Note: See footnotes at end of table.

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

Item and Group	Semiannual average indexes			Percent change to 2nd half 2014 from-	
	2nd half 2013	1st half 2014	2nd half 2014	2nd half 2013	1st half 2014
Durables	129.097	127.465	126.031	-2.4	-1.1
Services	239.954	242.578	246.399	2.7	1.6
Special aggregate indexes					
All items less medical care.....	204.052	204.612	206.600	1.2	1.0
All items less shelter	220.476	220.612	222.257	0.8	0.7
Commodities less food	170.814	169.275	167.454	-2.0	-1.1
Nondurables	213.323	212.599	213.466	0.1	0.4
Nondurables less food	215.633	214.155	211.909	-1.7	-1.0
Services less rent of shelter ⁽¹⁾	309.737	313.161	318.519	2.8	1.7
Services less medical care services	223.965	226.131	229.896	2.6	1.7
Energy	279.791	285.579	295.204	5.5	3.4
All items less energy	209.976	210.808	212.378	1.1	0.7
All items less food and energy	210.324	211.289	212.343	1.0	0.5

⁽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.