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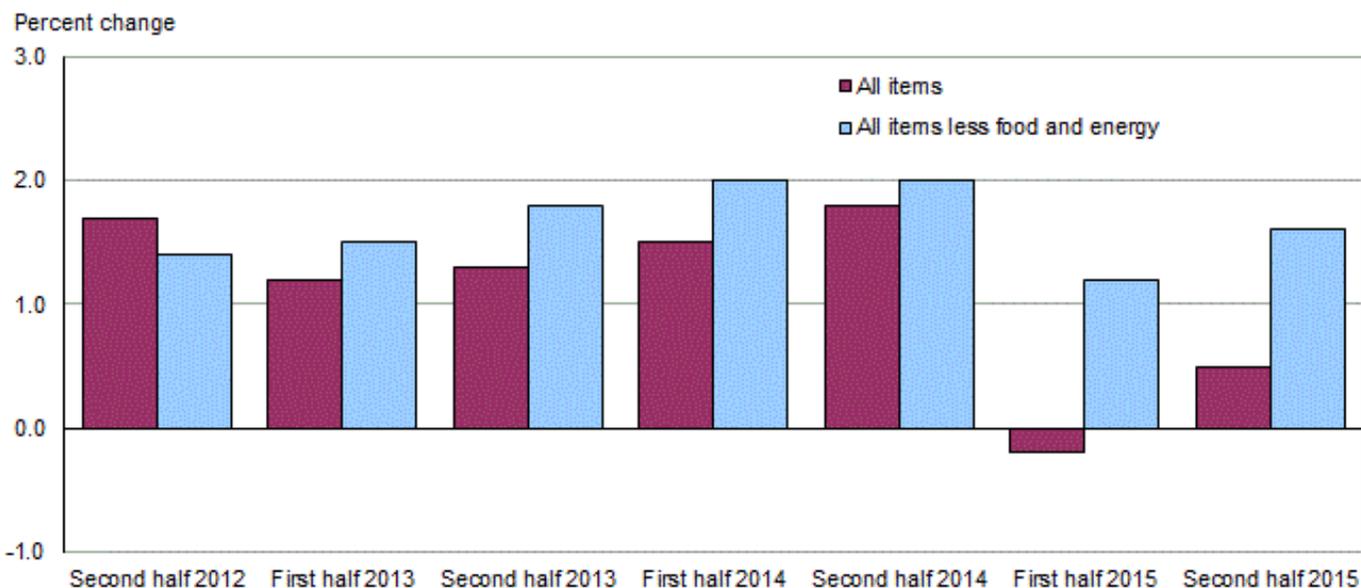
## Consumer Price Index, Phoenix – Second Half 2015

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

Prices in the Phoenix Area, as measured by the Consumer Price Index for All Urban Consumers (CPI-U), increased 1.1 percent in the second half of 2015, 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 shelter and electricity. (Data in this report are not seasonally adjusted. Accordingly, six-month-to-six-month changes may reflect seasonal influences.)

Over the last 12 months, the CPI-U advanced 0.5 percent. (See [chart 1.](#)) Energy prices dropped 12.1 percent, largely the result of an decrease in the price of gasoline. The index for all items less food and energy rose 1.6 percent over the year.

**Chart 1. Over-the-year percent change in CPI-U, Phoenix, second half 2012–second half 2015**



Source: U.S. Bureau of Labor Statistics.

## Food

Food prices increased 0.9 percent in the second half of 2015. (See [table 1.](#)) Prices for food away from home increased 1.7 percent, and prices for food at home rose 0.3 percent for the same period.

Over the year, food prices rose 1.4 percent. Prices for food away from home advanced 3.4 percent, while prices for food at home were unchanged from a year ago.

## Energy

The energy index increased 2.7 percent since the first half of 2015. The increase was mainly due to higher prices for electricity (9.1 percent). Prices for natural gas service fell 6.1 percent, and prices for gasoline decreased 2.3 percent in for the same period.

Energy prices dropped 12.1 percent over the year, largely due to lower prices for gasoline (-24.3 percent). Prices paid for natural gas service decreased 5.8 percent, but prices for electricity increased 2.1 percent during the past year.

## All items less food and energy

The index for all items less food and energy rose 1.0 percent in the latest six-month period. Higher prices for shelter (2.1 percent) and other goods and services (2.1 percent) were partially offset by lower prices for apparel (-1.6 percent), education and communication (-0.9 percent), and medical care (-0.7 percent).

Over the year, the index for all items less food and energy rose 1.6 percent. Components contributing to the increase included shelter (3.7 percent) and recreation (2.1 percent). Partly offsetting the increases were price declines in household furnishings and operations (-2.4 percent) and education and communication (-1.3 percent).

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

Month	2010		2011		2012		2013		2014		2015	
	Semi-annual	Annual										
First Half.....	0.3	0.7	2.1	2.2	1.6	2.8	1.1	1.2	1.2	1.5	-0.7	-0.2
Second Half.....	0.1	0.4	1.2	3.3	0.1	1.7	0.2	1.3	0.5	1.8	1.1	0.5

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**The First Half of 2016 Consumer Price Index for the Phoenix-Mesa is scheduled to be released on 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](http://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](http://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 Phoenix-Mesa metropolitan area covered in this release consists of Maricopa and Pinal Counties in the State of Arizona.

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 for semiannual averages and percent changes for selected periods Phoenix-Mesa, AZ (1982-84=100 unless otherwise noted)**

Item and Group	Semiannual average indexes			Percent change to 2nd half 2015 from-	
	2nd half 2014	1st half 2015	2nd half 2015	2nd half 2014	1st half 2015
<b>Expenditure category</b>					
All items.....	128.157	127.288	128.749	0.5	1.1
All items (1967=100).....	-	-	-	-	-
Food and beverages.....	139.260	139.859	141.061	1.3	0.9
Food.....	140.422	141.126	142.393	1.4	0.9
Food at home.....	145.856	145.418	145.905	0.0	0.3
Food away from home.....	133.835	136.046	138.358	3.4	1.7
Alcoholic beverages.....	126.996	126.530	127.055	0.0	0.4
Housing.....	124.081	124.442	127.442	2.7	2.4
Shelter.....	122.357	124.314	126.905	3.7	2.1
Rent of primary residence.....	125.782	127.630	130.174	3.5	2.0
Owners' equiv. rent of residences <sup>(1)</sup> .....	121.741	123.623	126.514	3.9	2.3
Owners' equiv. rent of primary residence <sup>(1)</sup> .....	121.741	123.623	126.514	3.9	2.3
Fuels and utilities.....	166.408	161.474	169.931	2.1	5.2
Household energy.....	177.745	167.607	179.485	1.0	7.1
Energy services.....	177.462	167.474	179.474	1.1	7.2
Electricity.....	188.252	176.163	192.118	2.1	9.1
Utility (piped) gas service.....	122.254	122.663	115.200	-5.8	-6.1
Household furnishings and operations.....	102.751	98.753	100.249	-2.4	1.5
Apparel.....	135.143	135.734	133.609	-1.1	-1.6
Transportation.....	122.453	114.928	114.444	-6.5	-0.4
Private transportation.....	123.881	116.477	115.882	-6.5	-0.5
Motor fuel.....	259.792	201.311	196.534	-24.3	-2.4
Gasoline (all types).....	259.552	201.142	196.558	-24.3	-2.3
Gasoline, unleaded regular <sup>(2)</sup> .....	263.679	202.685	197.441	-25.1	-2.6
Gasoline, unleaded midgrade <sup>(2) (3)</sup> .....	258.852	208.327	204.664	-20.9	-1.8
Gasoline, unleaded premium <sup>(2)</sup> .....	248.955	197.593	195.985	-21.3	-0.8
Medical care.....	162.016	164.620	163.405	0.9	-0.7
Recreation <sup>(4)</sup> .....	110.699	111.487	113.009	2.1	1.4
Education and communication <sup>(4)</sup> .....	122.316	121.799	120.695	-1.3	-0.9
Other goods and services.....	138.983	138.248	141.141	1.6	2.1
<b>Commodity and service group</b>					
All Items.....	128.157	127.288	128.749	0.5	1.1
Commodities.....	122.303	118.704	118.771	-2.9	0.1
Commodities less food & beverages.....	113.486	107.866	107.380	-5.4	-0.5
Nondurables less food & beverages.....	148.461	137.502	136.695	-7.9	-0.6
Durables.....	83.572	82.364	82.144	-1.7	-0.3
Services.....	132.311	133.176	135.529	2.4	1.8
<b>Special aggregate indexes</b>					
All items less medical care.....	126.176	125.110	126.723	0.4	1.3
All items less shelter.....	131.133	128.758	129.592	-1.2	0.6
Commodities less food.....	113.991	108.585	108.140	-5.1	-0.4
Nondurables.....	143.845	138.869	139.106	-3.3	0.2
Nondurables less food.....	146.650	136.595	135.903	-7.3	-0.5
Services less rent of shelter <sup>(1)</sup> .....	144.728	144.212	146.370	1.1	1.5
Services less medical care services.....	129.008	129.721	132.354	2.6	2.0
Energy.....	212.882	182.330	187.222	-12.1	2.7

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

Item and Group	Semiannual average indexes			Percent change to 2nd half 2015 from-	
	2nd half 2014	1st half 2015	2nd half 2015	2nd half 2014	1st half 2015
All items less energy.....	123.386	124.077	125.340	1.6	1.0
All items less food and energy.....	120.693	121.380	122.639	1.6	1.0

(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.