NEWS RELEASE
BUREAU OF LABOR STATISTICS
U.S. DEPARTMENT OF LABOR

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ERRATA Incorrect prices for prescription drugs were used for the CPI-U and CPI-W indexes from May through August 2016 in a number of areas. Several indexes were affected, including the all items and medical care indexes. A list of the series affected can be found at www.bls.gov/bls/errata/cpi-price-corrections-10182016.htm, and the corrected data are available in the CPI database (www.bls.gov/cpi/data.htm).

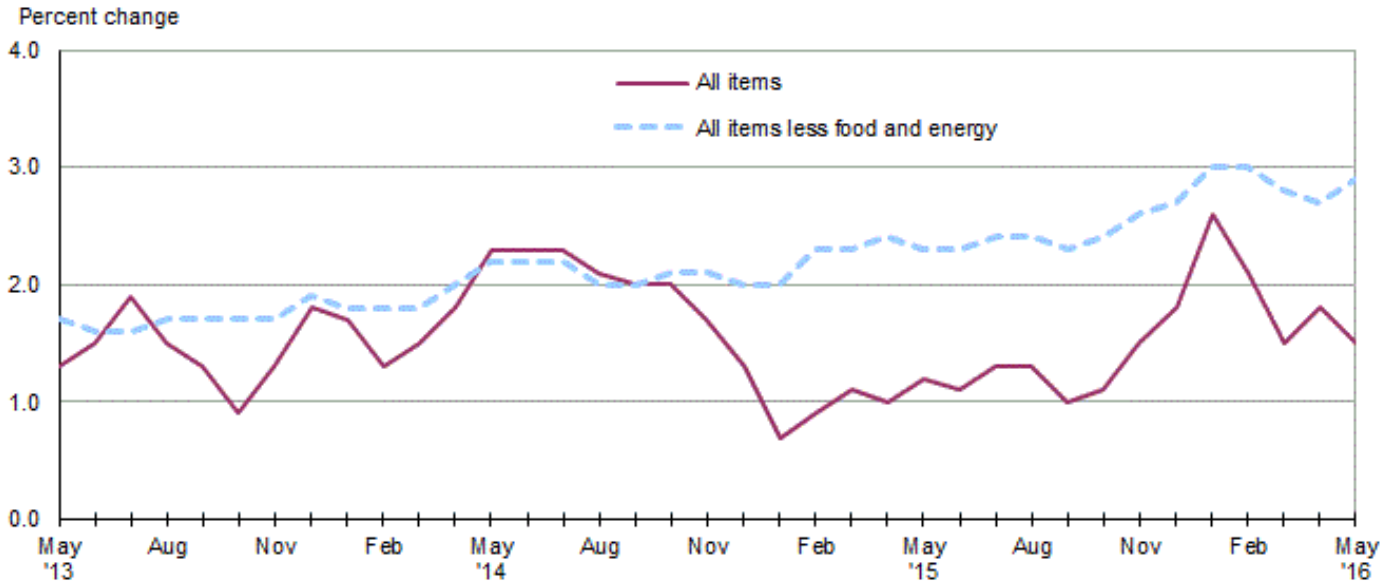
Consumer Price Index, West Region — May 2016

Area prices were up 0.5 percent over the past month, up 1.5 percent from a year ago

Prices in the West Region, as measured by the Consumer Price Index for All Urban Consumers (CPI-U), increased 0.5 percent in May, the U.S. Bureau of Labor Statistics reported today. (See table A.) The May increase was influenced by higher prices for shelter, gasoline, and electricity. (Data in this report are not seasonally adjusted. Accordingly, month-to-month changes may reflect seasonal influences.)

Over the last 12 months, the CPI-U increased 1.5 percent. (See chart 1 and table A.) Energy prices fell 12.7 percent, largely the result of a decrease in the price of gasoline. The index for all items less food and energy increased 2.9 percent over the year. (See table 1.) This is the seventh month that this index has exceeded 2.5 percent. (See chart 1.)

Chart 1. Over-the-year percent change in CPI-U, West region, May 2013–May 2016



Source: U.S. Bureau of Labor Statistics.

Food

Food prices were unchanged for the month of May. (See table 1.) Prices for food away from home increased 0.2 percent, but prices for food at home decreased 0.2 percent for the same period.

Over the year, food prices advanced 1.4 percent. Prices for food away from home rose 3.3 percent since a year ago, while prices for food at home were unchanged.

Energy

The energy index advanced 3.8 percent over the month. The increase was strongly influenced by higher prices for electricity (4.2 percent) and gasoline (3.7 percent). Prices for natural gas service advanced 3.4 percent in the same period.

Energy prices fell 12.7 percent over the year, largely due to lower prices for gasoline (-22.6 percent). Prices paid for natural gas service decreased 3.4 percent, but prices for electricity advanced 1.4 percent during the past year.

All items less food and energy

The index for all items less food and energy advanced 0.4 percent in May. Higher prices for medical care (0.7 percent) and shelter (0.6 percent) were partially offset by lower prices for apparel (-0.3 percent) and education and communication (-0.3 percent).

Over the year, the index for all items less food and energy increased 2.9 percent. Components contributing to the increase included shelter (4.8 percent) and medical care (3.0 percent). Partly offsetting the increases was a price decline in household furnishings and operations (-0.4 percent).

Table A. West Region CPI-U monthly and annual percent changes (not seasonally adjusted)

Month	2011		2012		2013		2014		2015		2016	
	Monthly	Annual	Monthly	Annual	Monthly	Annual	Monthly	Annual	Monthly	Annual	Monthly	Annual
January	0.5	1.4	0.4	2.6	0.3	1.7	0.3	1.7	-0.3	0.7	0.5	2.6
February	0.6	1.9	0.4	2.5	0.8	2.0	0.4	1.3	0.6	0.9	0.1	2.1
March	0.9	2.6	0.9	2.4	0.4	1.5	0.6	1.5	0.8	1.1	0.2	1.5
April	0.6	3.0	0.2	2.1	0.0	1.3	0.3	1.8	0.3	1.0	0.5	1.8
May	0.3	3.2	0.2	2.0	0.2	1.3	0.6	2.3	0.8	1.2	0.5	1.5
June	-0.2	3.1	-0.2	2.0	0.1	1.5	0.1	2.3	0.0	1.1		
July	-0.1	2.9	-0.3	1.8	0.0	1.9	0.1	2.3	0.3	1.3		
August	0.2	3.0	0.5	2.1	0.1	1.5	-0.1	2.1	-0.1	1.3		
September	0.4	3.5	0.5	2.2	0.2	1.3	0.1	2.0	-0.2	1.0		
October	0.0	3.4	0.4	2.5	-0.1	0.9	-0.1	2.0	0.0	1.1		
November	-0.2	3.2	-0.7	1.9	-0.4	1.3	-0.6	1.7	-0.2	1.5		
December	-0.3	2.7	-0.5	1.7	0.0	1.8	-0.5	1.3	-0.1	1.8		

The June 2016 Consumer Price Index for the West Region 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 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 West Region covered in this release is comprised of the following thirteen states: Alaska, Arizona, California, Colorado, Hawaii, Idaho, Montana, Nevada, New Mexico, Oregon, Utah, Washington, and Wyoming.

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 West (1982-84=100 unless otherwise noted)

Item and Group	Indexes			Percent change from-		
	Mar. 2016	Apr. 2016	May 2016	May 2015	Mar. 2016	Apr. 2016
Expenditure category						
All Items	245.404	246.589	247.885	1.5	1.0	0.5
All items (December 1977=100)	396.681	398.597	400.692			
Food and beverages	251.809	252.018	251.836	1.4	0.0	-0.1
Food	251.882	252.003	251.885	1.4	0.0	0.0
Food at home	247.901	247.623	247.094	0.0	-0.3	-0.2
Food away from home	256.275	256.965	257.433	3.3	0.5	0.2
Alcoholic beverages	247.520	248.907	247.867	1.6	0.1	-0.4
Housing	261.671	261.967	263.822	4.0	0.8	0.7
Shelter	297.777	298.069	299.726	4.8	0.7	0.6
Rent of primary residence [1]	312.443	313.242	314.318	4.9	0.6	0.3
Owners' equiv. rent of residences [1] [2]	311.834	312.866	314.216	4.8	0.8	0.4
Owners' equiv. rent of primary residence [1] [2]	311.831	312.866	314.220	4.8	0.8	0.4
Fuels and utilities	276.515	278.853	286.787	2.0	3.7	2.8
Household energy	237.235	239.117	248.416	0.3	4.7	3.9
Energy services [1]	239.236	241.273	251.024	0.3	4.9	4.0
Electricity [1]	268.322	268.148	279.505	1.4	4.2	4.2
Utility (piped) gas service [1]	184.968	192.420	198.958	-3.4	7.6	3.4
Household furnishings and operations	129.960	129.304	129.033	-0.4	-0.7	-0.2
Apparel	120.739	121.463	121.088	0.5	0.3	-0.3
Transportation	193.690	198.203	200.605	-5.7	3.6	1.2
Private transportation	187.324	191.566	193.449	-6.0	3.3	1.0
New and used motor vehicles [3]	101.601	102.074	102.025	-0.2	0.4	0.0
New vehicles	148.043	148.223	148.049	0.3	0.0	-0.1
New cars and trucks [3] [4]	102.815	102.932	102.813	0.2	0.0	-0.1
New cars [4]	146.169	146.177	146.181	-0.6	0.0	0.0
Used cars and trucks	140.089	141.238	140.987	-3.3	0.6	-0.2
Motor fuel	184.310	200.563	208.114	-22.5	12.9	3.8
Gasoline (all types)	183.791	200.130	207.561	-22.6	12.9	3.7
Gasoline, unleaded regular [4]	180.770	197.293	204.948	-23.0	13.4	3.9
Gasoline, unleaded midgrade [4] [5]	179.465	193.552	198.716	-22.0	10.7	2.7
Gasoline, unleaded premium [4]	183.889	198.496	204.978	-20.7	11.5	3.3
Medical Care	464.715	466.222	469.562	3.0	1.0	0.7
Medical care commodities	351.389	351.872	351.696	2.2	0.1	-0.1
Medical care services	500.851	502.722	507.337	3.2	1.3	0.9
Professional services	345.751	348.154	350.290	4.0	1.3	0.6
Recreation [3]	111.247	111.985	112.233	1.6	0.9	0.2
Education and communication [3]	138.530	138.508	138.117	0.3	-0.3	-0.3
Other goods and services	406.765	407.450	407.586	1.5	0.2	0.0
Commodity and Service Group						
All Items	245.404	246.589	247.885	1.5	1.0	0.5
Commodities	177.373	178.873	179.197	-2.3	1.0	0.2
Commodities less food & beverages	140.548	142.486	142.993	-4.8	1.7	0.4
Nondurables less food & beverages	173.836	177.976	179.442	-7.0	3.2	0.8
Nondurables less food, beverages, and apparel	211.798	218.212	220.885	-9.4	4.3	1.2
Durables	109.556	109.655	109.372	-1.3	-0.2	-0.3
Services	308.242	309.109	311.329	3.7	1.0	0.7
Rent of shelter [2]	316.831	317.164	318.938	4.8	0.7	0.6

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 West (1982-84=100 unless otherwise noted) - Continued

Item and Group	Indexes			Percent change from-		
	Mar. 2016	Apr. 2016	May 2016	May 2015	Mar. 2016	Apr. 2016
Transportation services	287.083	289.811	293.300	2.6	2.2	1.2
Other services	339.874	340.851	341.028	2.0	0.3	0.1
Special aggregate indexes:						
All items less medical care	235.382	236.552	237.756	1.4	1.0	0.5
All items less food	244.570	245.920	247.435	1.5	1.2	0.6
All items less shelter	225.290	226.868	228.022	-0.2	1.2	0.5
Commodities less food	144.528	146.467	146.937	-4.5	1.7	0.3
Nondurables	212.485	214.839	215.553	-2.5	1.4	0.3
Nondurables less food	179.126	183.137	184.472	-6.3	3.0	0.7
Nondurables less food and apparel	214.852	220.811	223.148	-8.3	3.9	1.1
Services less rent of shelter (2)	332.098	333.772	336.834	2.4	1.4	0.9
Services less medical care services	294.857	295.656	297.715	3.8	1.0	0.7
Energy	210.052	220.077	228.495	-12.7	8.8	3.8
All items less energy	250.060	250.593	251.366	2.7	0.5	0.3
All items less food and energy	250.516	251.120	252.047	2.9	0.6	0.4
Commodities less food and energy commodities	140.772	141.053	140.707	-0.4	0.0	-0.2
Energy commodities	188.493	204.648	212.077	-22.1	12.5	3.6
Services less energy services	313.415	314.211	315.969	3.9	0.8	0.6

Footnotes
(1) This index series was calculated using a Laspeyres estimator. All other item stratum index series were calculated using a geometric means estimator.
(2) Index is on a December 1982=100 base.
(3) Indexes on a December 1997=100 base.
(4) Special index based on a substantially smaller sample.
(5) Indexes on a December 1993=100 base.
Regions defined as the four Census regions. West includes Alaska, Arizona, California, Colorado, Hawaii, Idaho, Montana, Nevada, New Mexico, Oregon, Utah, Washington, and Wyoming.
NOTE: Index applies to a month as a whole, not to any specific date. Data not seasonally adjusted.