





For Release: Friday, July 15, 2016 16-1475-SAN

WESTERN INFORMATION OFFICE: San Francisco, Calif.

Technical information: (415) 625-2270 BLSinfoSF@bls.gov www.bls.gov/regions/west

Media contact: (415) 625-2270

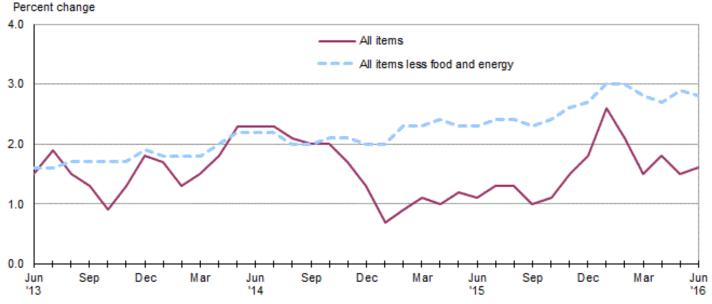
Incorrect prices for prescription drugs were used for the CPI-U and CPI-W indexes from May through August 2016 in a number of areas. Several indexes were affected, including the all items and medical care indexes. A list of the series affected can be found at www.bls.gov/bls/errata/cpi-price-corrections-10182016.htm,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

# Consumer Price Index, West Region — June 2016 Area prices were up 0.2 percent over the past month, up 1.6 percent from a year ago

Prices in the West Region, as measured by the Consumer Price Index for All Urban Consumers (CPI-U), crept up 0.2 percent in June, the U.S. Bureau of Labor Statistics reported today. (See table A.) The June increase was influenced by higher prices for shelter and gasoline. (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 rose 1.6 percent. (See chart 1 and table A.) Energy prices fell 10.4 percent, largely the result of a decrease in the price of gasoline. The index for all items less food and energy advanced 2.8 percent over the year. (See table 1.) This is the eighth month that this index has increased by more than 2.5 percent. (See chart 1.)

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



Source: U.S. Bureau of Labor Statistics.

#### Food

Food prices inched down 0.1 percent for the month of June. (See table 1.) Prices for food at home decreased 0.4 percent, but prices for food away from home rose 0.3 percent for the same period.

Over the year, food prices rose 1.0 percent. Prices for food away from home advanced 3.4 percent, but prices for food at home decreased 0.7 percent since a year ago.

## Energy

The energy index increased 1.9 percent over the month. The increase was mainly due to higher prices for gasoline (3.0 percent). Prices for electricity increased 0.9 percent, but prices for natural gas service decreased 1.1 percent for the same period.

Energy prices fell 10.4 percent over the year, largely due to lower prices for gasoline (-18.6 percent). Prices for natural gas service decreased 6.7 percent, but during the past year prices paid for electricity advanced 2.1 percent.

#### All items less food and energy

The index for all items less food and energy edged up 0.1 percent in June. Higher prices for shelter (0.4 percent) and medical care (0.2 percent) were partially offset by lower prices for apparel (-2.0 percent) and recreation (-0.4 percent).

Over the year, the index for all items less food and energy advanced 2.8 percent. Components contributing to the increase included shelter (4.9 percent) and medical care (3.7 percent). Partly offsetting the increases were price declines in used cars and trucks (-4.1 percent) and household furnishings and operations (-0.7 percent).

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

Month	2011 2		20	2012		13	2014		2015		2016	
	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

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

Month	2011		2012		2013		2014		2015		2016	
	Monthly	Annual										
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	0.2	1.6
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 July 2016 Consumer Price Index for the West Region is scheduled to be released on August 16, 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-			
	Apr. 2016	May 2016	Jun. 2016	Jun. 2015	Apr. 2016	May 2016	
Expenditure category							
All Items	246.589	247.885	248.267	1.6	0.7	0.2	
All items (December 1977=100)	398.597	400.692	401.310				
Food and beverages	252.018	251.836	251.503	1.1	-0.2	-0.1	
Food	252.003	251.885	251.582	1.0	-0.2	-0.1	
Food at home	247.623	247.094	246.086	-0.7	-0.6	-0.4	
Food away from home	256.965	257.433	258.137	3.4	0.5	0.3	
Alcoholic beverages	248.907	247.867	247.140	1.7	-0.7	-0.3	
Housing	261.967	263.822	264.688	4.0	1.0	0.3	
Shelter	298.069	299.726	300.867	4.9	0.9	0.4	
Rent of primary residence (1)	313.242	314.318	315.746	5.2	0.8	0.5	
Owners' equiv. rent of residences (1) (2)	312.866	314.216	315.603	4.9	0.9	0.4	
Owners' equiv. rent of primary residence (1)	312.866	314.220	315.608	4.9	0.9	0.4	
Fuels and utilities	278.853	286.787	287.839	1.7	3.2	0.4	
Household energy	239.117	248.416	249.795	0.1	4.5	0.6	
Energy services (1)	241.273	251.024	252.137	0.0	4.5	0.4	
Electricity (1)	268.148	279.505	282.011	2.1	5.2	0.9	
Utility (piped) gas service (1)	192.420	198.958	196.812	-6.7	2.3	-1.1	
Household furnishings and operations	129.304	129.033	128.832	-0.7	-0.4	-0.2	
Apparel	121.463	121.088	118.627	0.9	-2.3	-2.0	
Transportation	198.203	200.605	202.092	-4.7	2.0	0.7	
Private transportation	191.566	193.449	195.078	-4.7	1.8	3.0	
New and used motor vehicles (3)	102.074	102.025	101.889	-0.6	-0.2	-0.1	
New vehicles	148.223	148.049	147.680	-0.2	-0.4	-0.2	
New cars and trucks (3) (4)	102.932	102.813	102.562	-0.3	-0.4	-0.2	
New cars (4)	146.177	146.181	145.566	-1.3	-0.4	-0.4	
Used cars and trucks	141.238	140.987	140.147	-4.1	-0.8	-0.6	
Motor fuel	200.563	208.114	214.564	-18.5	7.0	3.1	
Gasoline (all types)	200.130	207.561	213.878	-18.6	6.9	3.0	
Gasoline, unleaded regular (4)	197.293	204.948	211.393	-18.9	7.1	3.1	
Gasoline, unleaded midgrade (4) (5)	193.552	198.716	203.730	-18.2	5.3	2.5	
Gasoline, unleaded premium (4)	198.496	204.978	210.575	-17.0	6.1	2.7	
Medical Care	466.222	469.562	470.348	3.7	0.9	0.2	
Medical care commodities	351.872	351.696	355.450	3.4	1.0	1.1	
Medical care services	502.722	507.337	506.997	3.8	0.9	-0.1	
Professional services	348.154	350.290	348.961	2.7	0.2	-0.4	
Recreation (3)	111.985	112.233	111.839	0.7	-0.1	-0.4	
Education and communication (3)	138.508	138.117	137.905	0.1	-0.4	-0.2	
Other goods and services	407.450	407.586	407.374	1.2	0.0	-0.1	
Commodity and Service Group							
All Items	246.589	247.885	248.267	1.6	0.7	0.2	
Commodities	178.873	179.197	179.038	-1.9	0.1	-0.1	
Commodities less food & beverages	142.486	142.993	142.908	-4.1	0.3	-0.1	
Nondurables less food & beverages	177.976	179.442	180.153	-5.3	1.2	0.4	
Nondurables less food, beverages, and apparel	218.212	220.885	223.632	-7.3	2.5	1.2	
Durables	109.655	109.372	108.646	-1.9	-0.9	-0.7	
Services	309.109	311.329	312.230	3.7	1.0	0.3	
Rent of shelter (2)	317.164	318.938	320.176	4.9	0.9	0	

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-			
	Apr. 2016	May 2016	Jun. 2016	Jun. 2015	Apr. 2016	May 2016	
Transportation services	289.811	293.300	294.653	2.3	1.7	0.5	
Other services	340.851	341.028	341.254	1.5	0.1	0.1	
Special aggregate indexes:							
All items less medical care	236.552	237.756	238.120	1.4	0.7	0.2	
All items less food	245.920	247.435	247.924	1.7	0.8	0.2	
All items less shelter	226.868	228.022	228.083	-0.1	0.5	0.0	
Commodities less food	146.467	146.937	146.835	-3.8	0.3	-0.1	
Nondurables	214.839	215.553	215.785	-1.9	0.4	0.1	
Nondurables less food	183.137	184.472	185.106	-4.8	1.1	0.3	
Nondurables less food and apparel	220.811	223.148	225.582	-6.4	2.2	1.1	
Services less rent of shelter (2)	333.772	336.834	337.394	2.2	1.1	0.2	
Services less medical care services	295.656	297.715	298.693	3.7	1.0	0.3	
Energy	220.077	228.495	232.755	-10.4	5.8	1.9	
All items less energy	250.593	251.366	251.462	2.6	0.3	0.0	
All items less food and energy	251.120	252.047	252.210	2.8	0.4	0.1	
Commodities less food and energy commodities	141.053	140.707	139.804	-0.5	-0.9	-0.6	
Energy commodities	204.648	212.077	218.754	-18.1	6.9	3.1	
Services less energy services	314.211	315.969	316.860	3.9	0.8	0.3	

#### Footnotes

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.

<sup>(1)</sup> This index series was calculated using a Laspeyres estimator. All other item stratum index series were calculated using a geometric means estimator.

<sup>(2)</sup> Index is on a December 1982=100 base.

<sup>(3)</sup> Indexes on a December 1997=100 base.

<sup>(4)</sup> Special index based on a substantially smaller sample.

<sup>(5)</sup> Indexes on a December 1993=100 base.