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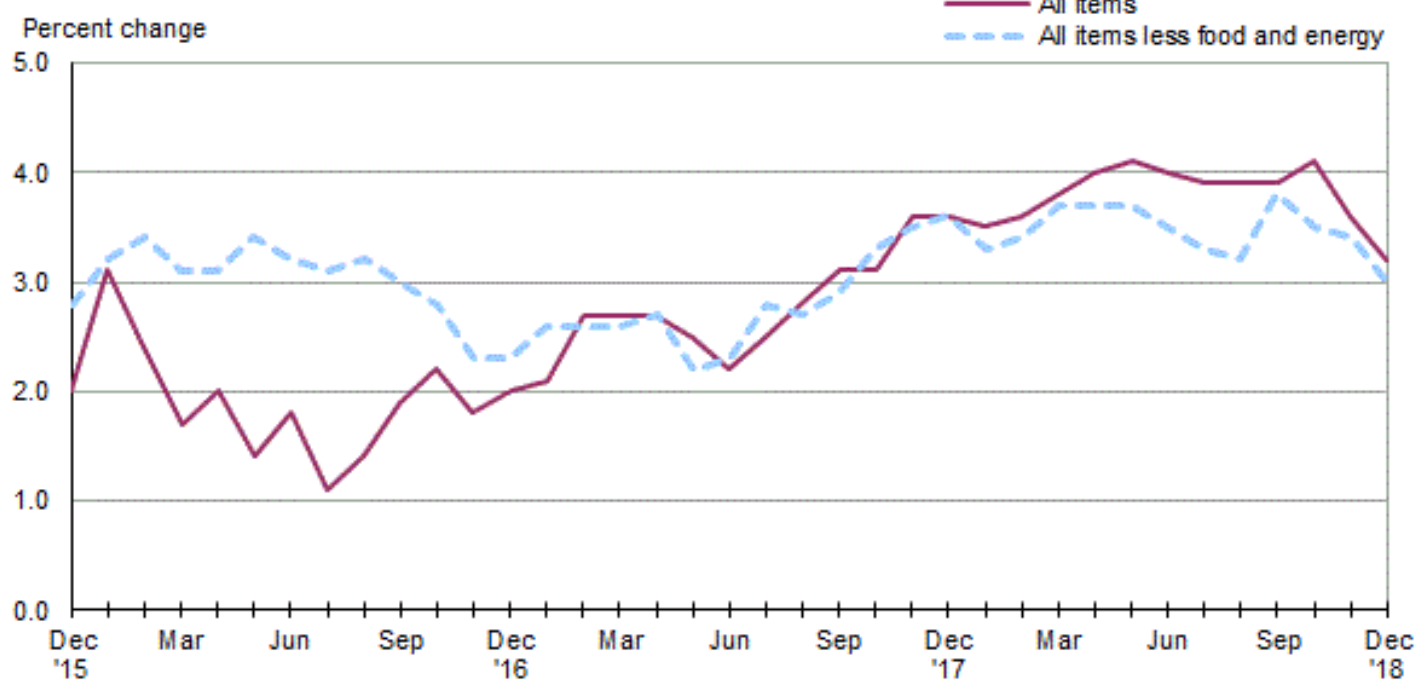
Consumer Price Index, Los Angeles area — December 2018

Area prices were down 0.3 percent over the past month, up 3.2 percent from a year ago

Prices in the Los Angeles area, as measured by the Consumer Price Index for All Urban Consumers (CPI-U), declined 0.3 percent in December, the U.S. Bureau of Labor Statistics reported today. (See table A.) Assistant Commissioner for Regional Operations Richard Holden noted that the December decrease was influenced by lower prices for gasoline and apparel. (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 3.2 percent. (See [chart 1](#) and [table A](#).) Energy prices rose 9.2 percent, largely the result of an increase in the price of gasoline. The index for all items less food and energy advanced 3.0 percent over the year. (See [table 1](#).)

Chart 1. Over-the-year percent change in CPI-U, Los Angeles-Long Beach-Anaheim, CA, December 2015–December 2018



Food

Food prices increased 0.3 percent for the month of December. (See [table 1.](#)) Prices for food at home rose 0.5 percent, while prices for food away from home were virtually unchanged for the same period.

Over the year, food prices increased 1.9 percent. Prices for food away from home rose 4.2 percent since a year ago, but prices for food at home decreased 0.4 percent.

Energy

The energy index declined 2.9 percent over the month. The decrease was mainly due to lower prices for gasoline (-6.3 percent). Prices for natural gas service jumped 14.2 percent, while prices for electricity were unchanged for the same period.

Energy prices rose 9.2 percent over the year, largely due to higher prices for gasoline (10.0 percent). Prices paid for natural gas service jumped 18.2 percent, and prices for electricity increased 4.6 percent during the past year.

All items less food and energy

The index for all items less food and energy inched down 0.2 percent in December. Lower prices for apparel (-4.1 percent), recreation (-0.8 percent), and education and communication (-0.6 percent) were partially offset by higher prices for household furnishings and operations (1.0 percent) and shelter (0.3 percent).

Over the year, the index for all items less food and energy advanced 3.0 percent. Components contributing to the increase included shelter (4.9 percent) and other goods and services (4.5 percent). Partly offsetting the increases were price declines in recreation (-0.9 percent) and medical care (-0.1 percent).

Table A. Los Angeles-Long Beach-Anaheim CPI-U monthly and annual percent changes (not seasonally adjusted)

Month	2013		2014		2015		2016		2017		2018	
	Monthly	Annual	Monthly	Annual	Monthly	Annual	Monthly	Annual	Monthly	Annual	Monthly	Annual
January.....	0.8	2.0	0.5	0.8	-0.3	-0.1	0.7	3.1	0.9	2.1	0.8	3.5
February.....	0.7	2.2	0.5	0.5	0.7	0.1	0.0	2.4	0.6	2.7	0.7	3.6
March.....	0.1	1.3	0.6	1.0	1.0	0.5	0.3	1.7	0.3	2.7	0.4	3.8
April.....	-0.4	0.9	0.0	1.4	-0.1	0.5	0.2	2.0	0.2	2.7	0.4	4.0
May.....	0.1	1.0	0.4	1.7	1.0	1.1	0.5	1.4	0.3	2.5	0.4	4.1
June.....	-0.1	1.4	0.1	1.8	-0.3	0.8	0.1	1.8	-0.2	2.2	-0.2	4.0
July.....	-0.1	1.3	0.1	2.0	0.7	1.4	0.0	1.1	0.3	2.5	0.2	3.9
August.....	0.1	0.8	-0.1	1.8	-0.3	1.1	0.0	1.4	0.3	2.8	0.2	3.9
September.....	0.2	0.6	0.0	1.7	-0.4	0.7	0.2	1.9	0.4	3.1	0.5	3.9
October.....	0.1	-0.1	-0.1	1.4	0.2	1.0	0.4	2.2	0.4	3.1	0.5	4.1
November.....	-0.5	0.4	-0.7	1.3	0.0	1.6	-0.4	1.8	0.1	3.6	-0.3	3.6
December.....	0.0	1.1	-0.5	0.7	-0.1	2.0	0.0	2.0	0.0	3.6	-0.3	3.2

The January 2019 Consumer Price Index for the Los Angeles-Long Beach-Anaheim area is scheduled to be released on February 13, 2019.

Consumer Price Index Geographic Revision for 2018

In January 2018, BLS introduced a new geographic area sample for the Consumer Price Index (CPI). As part of the new sample, Los Angeles and Riverside have separate indexes. Additional information on the geographic revision is available at: www.bls.gov/cpi/additional-resources/geographic-revision-2018.htm.

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 93 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 75 urban areas across the country from about 5,000 housing units and approximately 22,000 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 Los Angeles-Long Beach-Anaheim metropolitan area covered in this release is comprised of Los Angeles and Orange Counties in the State of California.

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Table 1. Consumer Price Index for All Urban Consumers (CPI-U): Indexes and percent changes for selected periods Los Angeles-Long Beach-Anaheim (1982-84=100 unless otherwise noted)

Item and Group	Indexes			Percent change from-		
	Oct. 2018	Nov. 2018	Dec. 2018	Dec. 2017	Oct. 2018	Nov. 2018
Expenditure category						
All items.....	269.482	268.560	267.631	3.2	-0.7	-0.3
All items (1967=100).....	796.171	793.446	790.700	-	-	-
Food and beverages.....	259.845	261.228	261.875	1.8	0.8	0.2
Food.....	260.141	261.629	262.476	1.9	0.9	0.3
Food at home.....	253.400	253.093	254.461	-0.4	0.4	0.5
Cereals and bakery products.....	263.985	265.799	267.239	2.8	1.2	0.5
Meats, poultry, fish, and eggs.....	275.054	278.024	280.729	2.3	2.1	1.0
Dairy and related products.....	238.808	240.482	242.143	0.4	1.4	0.7
Fruits and vegetables.....	337.874	337.767	336.731	-3.9	-0.3	-0.3
Nonalcoholic beverages and beverage materials(1).....	263.469	259.688	260.932	0.7	-1.0	0.5
Other food at home.....	199.013	195.746	197.268	-2.7	-0.9	0.8
Food away from home.....	263.691	267.031	267.322	4.2	1.4	0.1
Food away from home.....	263.691	267.031	267.322	4.2	1.4	0.1
Alcoholic beverages.....	240.045	239.931	237.875	0.7	-0.9	-0.9
Housing.....	306.063	305.329	306.739	4.8	0.2	0.5
Shelter.....	351.784	352.139	353.056	4.9	0.4	0.3
Rent of primary residence(2).....	370.737	372.992	374.865	5.2	1.1	0.5
Owners' equiv. rent of residences(2)(3).....	365.443	366.574	367.831	4.9	0.7	0.3
Owners' equiv. rent of primary residence(1)(2).....	365.422	366.553	367.809	4.9	0.7	0.3
Fuels and utilities.....	326.495	321.352	329.083	7.3	0.8	2.4
Household energy.....	280.866	274.505	284.067	7.8	1.1	3.5
Energy services(2).....	279.592	273.276	282.974	8.0	1.2	3.5
Electricity(2).....	320.656	319.592	319.592	4.6	-0.3	0.0
Utility (piped) gas service(2).....	232.536	214.830	245.309	18.2	5.5	14.2
Household furnishings and operations.....	120.942	117.857	118.987	2.2	-1.6	1.0
Apparel.....	112.145	107.913	103.518	1.0	-7.7	-4.1
Transportation.....	217.768	215.680	209.970	3.4	-3.6	-2.6
Private transportation.....	215.172	212.739	208.021	4.1	-3.3	-2.2
New and used motor vehicles(4).....	90.874	91.525	91.518	-0.2	0.7	0.0
New vehicles(1).....	167.896	168.836	170.223	0.2	1.4	0.8
Used cars and trucks(1).....	263.185	265.900	266.041	1.3	1.1	0.1
Motor fuel.....	297.004	281.614	264.008	10.0	-11.1	-6.3
Gasoline (all types).....	290.160	275.024	257.773	10.0	-11.2	-6.3
Gasoline, unleaded regular(4).....	291.076	275.743	258.279	10.2	-11.3	-6.3
Gasoline, unleaded midgrade(4)(5).....	278.089	264.453	248.378	10.0	-10.7	-6.1
Gasoline, unleaded premium(4).....	275.134	261.426	245.834	9.3	-10.6	-6.0
Motor vehicle insurance(1).....	782.657	782.657	774.857	6.0	-1.0	-1.0
Medical care.....	472.920	473.339	474.709	-0.1	0.4	0.3
Recreation(6).....	108.158	108.583	107.717	-0.9	-0.4	-0.8
Education and communication(6).....	148.240	147.138	146.245	1.5	-1.3	-0.6
Tuition, other school fees, and child care(1) ..	1,908.743	1,908.743	1,893.973	6.6	-0.8	-0.8
Other goods and services.....	430.469	431.331	429.497	4.5	-0.2	-0.4
Commodity and service group						
All items.....	269.482	268.560	267.631	3.2	-0.7	-0.3
Commodities.....	184.328	182.141	180.223	1.8	-2.2	-1.1
Commodities less food & beverages.....	143.946	140.548	137.783	1.8	-4.3	-2.0
Nondurables less food & beverages.....	198.329	192.166	185.434	3.7	-6.5	-3.5
Durables.....	91.804	90.875	91.550	-1.3	-0.3	0.7
Services.....	345.289	345.479	345.417	3.9	0.0	0.0

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 Los Angeles-Long Beach-Anaheim (1982-84=100 unless otherwise noted) - Continued

Item and Group	Indexes			Percent change from-		
	Oct. 2018	Nov. 2018	Dec. 2018	Dec. 2017	Oct. 2018	Nov. 2018
Special aggregate indexes						
All items less medical care	260.542	259.573	258.561	3.5	-0.8	-0.4
All items less shelter.....	233.375	231.868	230.095	2.1	-1.4	-0.8
Commodities less food	148.270	144.916	142.134	1.8	-4.1	-1.9
Nondurables	231.127	228.277	224.768	2.7	-2.8	-1.5
Nondurables less food.....	203.309	197.391	190.821	3.5	-6.1	-3.3
Services less rent of shelter(3).....	345.308	345.210	343.732	2.5	-0.5	-0.4
Services less medical care services.....	333.958	334.097	333.981	4.3	0.0	0.0
Energy	293.500	281.149	272.892	9.2	-7.0	-2.9
All items less energy	270.021	269.851	269.401	2.9	-0.2	-0.2
All items less food and energy	271.982	271.552	270.898	3.0	-0.4	-0.2

Footnotes

(1) Indexes on a December 1977=100 base.

(2) This index series was calculated using a Laspeyres estimator. All other item stratum index series were calculated using a geometric means estimator.

(3) Indexes on a December 1982=100 base.

(4) Special index based on a substantially smaller sample.

(5) Indexes on a December 1993=100 base.

(6) Indexes on a December 1997=100 base.

- Data not available

NOTE: Index applies to a month as a whole, not to any specific date.