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WESTERN INFORMATION OFFICE: San Francisco, Calif.

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

Media contact: (415) 625-2270

Consumer Price Index, Phoenix area – December 2020

Area prices were down 0.8 percent over the past two 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), decreased 0.8 percent for the two months ending in December 2020, the U.S. Bureau of Labor Statistics reported today. Assistant Commissioner for Regional Operations Richard Holden noted that the December decrease was influenced by lower prices for electricity and apparel. (Data in this report are not seasonally adjusted. Accordingly, bi-monthly changes may reflect seasonal influences.)

Over the last 12 months, the CPI-U advanced 0.5 percent. The index for all items less food and energy increased 1.0 percent over the year. Food prices rose 3.4 percent. Energy prices dropped 10.8 percent, largely the result of a decrease in the price of gasoline. (See [table 1.](#))

Food

Food prices advanced 0.5 percent for the two months ending in December. (See [table 1.](#)) Prices for food at home advanced 0.8 percent, influenced by higher prices for fruits and vegetables. Prices for food away from home edged up 0.1 percent for the same period.

Over the year, food prices rose 3.4 percent. Prices for food at home rose 4.5 percent since a year ago, and prices for food away from home rose 2.3 percent.

Energy

The energy index decreased 9.1 percent for the two months ending in December. The decrease was mainly due to lower prices for electricity (-16.1 percent). Prices for gasoline decreased 2.3 percent, but prices for natural gas service edged up 0.2 percent for the same period.

Energy prices dropped 10.8 percent over the year, largely due to lower prices for gasoline (-23.6 percent). Prices for natural gas service decreased 1.2 percent, but prices paid for electricity rose 7.1 percent during the past year.

All items less food and energy

The index for all items less food and energy decreased 0.4 percent in the latest two-month period. Lower prices for apparel (-5.7 percent), recreation (-2.1 percent), and household furnishings and operations (-2.1 percent) were partially offset by higher prices for shelter (0.9 percent).

Over the year, the index for all items less food and energy increased 1.0 percent. Components contributing to the increase included used cars and trucks (10.5 percent) and shelter (3.1 percent). Partly offsetting the increases were price decreases in motor vehicle insurance (-7.5 percent), recreation (-5.0 percent), and household furnishings and operations (-1.7 percent).

The February 2021 Consumer Price Index for the Phoenix area is scheduled to be released on March 10, 2021.

Coronavirus (COVID-19) Pandemic Impact on December 2020 Consumer Price Index Data

Data collection by personal visit for the Consumer Price Index (CPI) program has been suspended since March 16, 2020. When possible, data normally collected by personal visit were collected either online or by phone. Additionally, data collection in December was affected by the temporary closing or limited operations of certain types of establishments. These factors resulted in an increase in the number of prices considered temporarily unavailable and imputed.

While the CPI program attempted to collect as much data as possible, many indexes are based on smaller amounts of collected prices than usual, and a small number of indexes that are normally published were not published this month. Additional information is available at <https://www.bls.gov/covid19/effects-of-covid-19-pandemic-on-consumer-price-index.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 U.S. population and (2) a CPI for Urban Wage Earners and Clerical Workers (CPI-W) which covers approximately 29 percent of the total U.S. 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 6,000 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; for most of the CPI-U the reference base is 1982-84 equals 100. An increase of 7 percent from the reference base, for example, is shown as 107.000. Alternatively, that relationship can also be expressed as the price of a base period market basket of goods and services rising from \$100 to \$107. For further details see the CPI home page on the internet at www.bls.gov/cpi and the CPI section of the BLS Handbook of Methods available on the internet at www.bls.gov/opub/hom/cpi/.

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-Scottsdale 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 individuals with sensory impairments 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 Phoenix-Mesa-Scottsdale (December 2001=100 unless otherwise noted)

Item and Group	Indexes			Percent change from-		
	Oct. 2020	Nov. 2020	Dec. 2020	Dec. 2019	Oct. 2020	Nov. 2020
Expenditure category						
All items	146.830	-	145.660	0.5	-0.8	-
Food and beverages	155.403	-	155.853	3.4	0.3	-
Food	156.282	-	156.999	3.4	0.5	-
Food at home	150.911	151.074	152.179	4.5	0.8	0.7
Cereals and bakery products	186.972	-	189.992	4.7	1.6	-
Meats, poultry, fish, and eggs.....	180.911	-	181.781	1.0	0.5	-
Dairy and related products	126.511	-	126.791	6.3	0.2	-
Fruits and vegetables	128.168	-	132.540	3.5	3.4	-
Nonalcoholic beverages and beverage materials.....	114.989	-	114.864	6.4	-0.1	-
Other food at home	150.967	-	150.985	5.6	0.0	-
Food away from home.....	165.165	-	165.287	2.3	0.1	-
Alcoholic beverages	149.613	-	146.423	4.4	-2.1	-
Housing	155.407	-	154.282	2.7	-0.7	-
Shelter	162.212	162.310	163.601	3.1	0.9	0.8
Rent of primary residence	172.967	172.648	174.271	3.4	0.8	0.9
Owners' equiv. rent of residences	160.559	160.800	162.039	3.0	0.9	0.8
Owners' equiv. rent of primary residence	160.559	160.800	162.039	3.0	0.9	0.8
Fuels and utilities.....	174.185	-	155.554	5.5	-10.7	-
Household energy	177.223	151.828	150.946	6.3	-14.8	-0.6
Energy services.....	176.972	151.491	150.612	6.3	-14.9	-0.6
Electricity	192.102	162.110	161.090	7.1	-16.1	-0.6
Utility (piped) gas service	95.861	96.148	96.064	-1.2	0.2	-0.1
Household furnishings and operations.....	100.886	-	98.753	-1.7	-2.1	-
Apparel	130.344	-	122.862	-1.2	-5.7	-
Transportation	123.758	-	121.357	-7.6	-1.9	-
Private transportation	126.095	-	125.588	-5.5	-0.4	-
New and used motor vehicles	95.196	-	-	-	-	-
New vehicles	94.906	-	-	-	-	-
Used cars and trucks.....	94.008	-	92.699	10.5	-1.4	-
Motor fuel	194.545	191.612	190.154	-23.6	-2.3	-0.8
Gasoline (all types).....	194.937	191.969	190.402	-23.6	-2.3	-0.8
Gasoline, unleaded regular(1).....	193.823	190.615	189.038	-24.5	-2.5	-0.8
Gasoline, unleaded midgrade(1).....	210.840	209.142	206.112	-20.7	-2.2	-1.4
Gasoline, unleaded premium(1).....	203.524	201.697	200.427	-19.4	-1.5	-0.6
Motor vehicle insurance	156.315	-	156.315	-7.5	0.0	-
Medical care	-	-	-	-	-	-
Recreation	116.236	-	113.834	-5.0	-2.1	-
Education and communication	119.442	-	118.420	1.9	-0.9	-
Tuition, other school fees, and child care.....	-	-	-	-	-	-
Other goods and services	-	-	147.535	-1.9	-	-
Commodity and service group						
All items	146.830	-	145.660	0.5	-0.8	-
Commodities	124.911	-	123.650	-0.9	-1.0	-
Commodities less food & beverages.....	109.750	-	107.813	-3.3	-1.8	-
Nondurables less food & beverages	143.150	-	139.693	-7.1	-2.4	-
Durables	80.657	-	79.799	1.1	-1.1	-
Services.....	162.033	-	160.942	1.4	-0.7	-
Special aggregate indexes						

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 Phoenix-Mesa-Scottsdale (December 2001=100 unless otherwise noted) - Continued

Item and Group	Indexes			Percent change from-		
	Oct. 2020	Nov. 2020	Dec. 2020	Dec. 2019	Oct. 2020	Nov. 2020
All items less medical care	143.450	-	142.159	0.1	-0.9	-
All items less shelter.....	138.858	-	136.545	-0.8	-1.7	-
Commodities less food	111.140	-	109.164	-3.1	-1.8	-
Nondurables	149.651	-	148.175	-1.8	-1.0	-
Nondurables less food.....	143.373	-	139.938	-6.4	-2.4	-
Services less rent of shelter	161.440	-	157.450	-0.5	-2.5	-
Services less medical care services.....	158.213	-	156.900	1.0	-0.8	-
Energy	188.405	172.447	171.292	-10.8	-9.1	-0.7
All items less energy	144.376	-	144.025	1.3	-0.2	-
All items less food and energy	142.496	-	141.993	1.0	-0.4	-

Footnotes

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

- Data not available

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