



For Release: Wednesday, January 18, 2017

17-84-SAN

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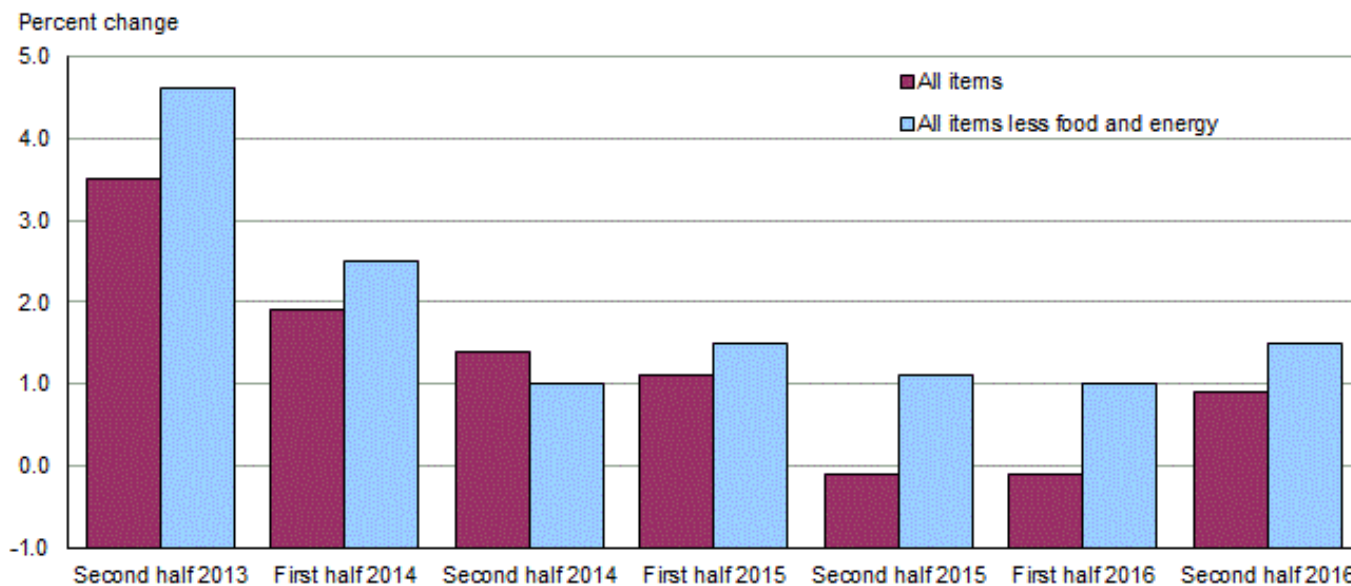
Consumer Price Index, Anchorage – Second Half 2016

Area prices were up 0.8 percent over the past six months, up 0.9 percent from a year ago

Prices in the Anchorage Area, as measured by the Consumer Price Index for All Urban Consumers (CPI-U), increased 0.8 percent in the second half of 2016, the U.S. Bureau of Labor Statistics reported today. (See [table A](#).) Assistant Commissioner for Regional Operations Richard Holden noted this latest six-month increase was influenced by higher prices for and gasoline and medical care. (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 rose 0.9 percent. (See [chart 1](#) and [table A](#).) Energy prices decreased 1.5 percent, largely the result of a decrease in the price of gasoline. The index for all items less food and energy advanced 1.5 percent over the year. (See [table 1](#).)

Chart 1. Over-the-year percent change in CPI-U, Anchorage, second half 2013–second half 2016



Source: U.S. Bureau of Labor Statistics.

Food

Food prices decreased 0.6 percent in the second half of 2016. (See [table 1](#).) Prices for food at home decreased 1.4 percent, but prices for food away from home increased 0.6 percent for the same period.

Over the year, food prices decreased 1.2 percent. Prices for food at home decreased 3.1 percent since a year ago, but prices for food away from home moved up 1.6 percent.

Energy

The energy index increased 5.8 percent since the first half of 2016. The increase was mainly due to higher prices for gasoline (7.8 percent). Prices for natural gas service increased 6.8 percent, and prices for electricity increased 2.9 percent for the same period.

Energy prices declined 1.5 percent over the year, largely due to lower prices for gasoline (-10.7 percent). Prices paid for natural gas service moved up 8.7 percent, and prices for electricity advanced 5.0 percent during the past year.

All items less food and energy

The index for all items less food and energy rose 0.6 percent in the latest six-month period. Components contributing to the increase included medical care (1.6 percent), other goods and services (1.6 percent), and recreation (1.4 percent).

Over the year, the index for all items less food and energy advanced 1.5 percent. Components contributing to the increase included medical care (4.8 percent), other goods and services (2.2 percent), and household furnishings and operations (1.6 percent). Partly offsetting the increases was a price decline in education and communication (-0.4 percent).

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

Month	2011		2012		2013		2014		2015		2016	
	Semi-annual	Annual	Semi-annual	Annual	Semi-annual	Annual	Semi-annual	Annual	Semi-annual	Annual	Semi-annual	Annual
First Half	2.5	2.8	1.3	2.5	2.1	2.7	0.4	1.9	0.1	1.1	0.1	-0.1
Second Half	1.1	3.6	0.7	2.0	1.4	3.5	1.0	1.4	-0.2	-0.1	0.8	0.9

The first half of 2016 Consumer Price Index for the Anchorage is scheduled to be released on July 14, 2017.

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 Anchorage, AK. metropolitan area covered in this release is comprised of Anchorage Borough in the State of Alaska.

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

Item and Group	Semiannual average indexes			Percent change to 2nd half 2016 from-	
	2nd half 2015	1st half 2016	2nd half 2016	2nd half 2015	1st half 2016
Expenditure category					
All items.....	216.706	216.999	218.660	0.9	0.8
All items (1967=100).....	578.418	579.200	583.635	-	-
Food and beverages.....	210.120	209.180	208.183	-0.9	-0.5
Food.....	216.150	214.832	213.553	-1.2	-0.6
Food at home.....	216.361	212.663	209.617	-3.1	-1.4
Food away from home.....	214.715	216.907	218.136	1.6	0.6
Alcoholic beverages.....	149.191	151.952	153.657	3.0	1.1
Housing.....	200.734	201.878	203.505	1.4	0.8
Shelter.....	204.681	205.557	206.548	0.9	0.5
Rent of primary residence.....	201.320	201.447	201.915	0.3	0.2
Owners' equiv. rent of residences(1).....	206.192	206.865	208.873	1.3	1.0
Owners' equiv. rent of primary residence(1).....	206.192	206.865	208.873	1.3	1.0
Fuels and utilities.....	290.116	293.793	303.873	4.7	3.4
Household energy.....	298.761	303.583	316.332	5.9	4.2
Energy services.....	330.223	336.680	352.161	6.6	4.6
Electricity.....	285.679	291.672	300.074	5.0	2.9
Utility (piped) gas service.....	391.600	398.532	425.662	8.7	6.8
Household furnishings and operations.....	126.476	127.695	128.502	1.6	0.6
Apparel.....	162.170	162.976	163.859	1.0	0.5
Transportation.....	208.790	205.643	208.146	-0.3	1.2
Private transportation.....	210.999	206.410	212.469	0.7	2.9
Motor fuel.....	225.864	186.614	201.509	-10.8	8.0
Gasoline (all types).....	226.490	187.591	202.191	-10.7	7.8
Gasoline, unleaded regular(2).....	219.648	181.438	195.790	-10.9	7.9
Gasoline, unleaded midgrade(2)(3).....	214.863	178.918	192.336	-10.5	7.5
Gasoline, unleaded premium(2).....	223.439	187.287	200.829	-10.1	7.2
Medical care.....	510.228	526.418	534.701	4.8	1.6
Recreation(4).....	118.896	117.865	119.503	0.5	1.4
Education and communication(4).....	119.268	118.291	118.767	-0.4	0.4
Other goods and services.....	329.651	331.509	336.779	2.2	1.6
Commodity and service group					
All Items.....	216.706	216.999	218.660	0.9	0.8
Commodities.....	177.150	175.334	176.195	-0.5	0.5
Commodities less food & beverages.....	159.726	157.423	159.196	-0.3	1.1
Nondurables less food & beverages.....	202.718	196.657	200.521	-1.1	2.0
Durables.....	123.220	123.997	124.251	0.8	0.2
Services.....	250.549	252.744	255.076	1.8	0.9
Special aggregate indexes					
All items less medical care.....	205.962	205.777	207.224	0.6	0.7
All items less shelter.....	220.345	220.382	222.403	0.9	0.9
Commodities less food.....	159.639	157.556	159.330	-0.2	1.1
Nondurables.....	207.485	204.021	205.259	-1.1	0.6
Nondurables less food.....	199.027	193.728	197.403	-0.8	1.9
Services less rent of shelter(1).....	323.923	328.494	333.188	2.9	1.4
Services less medical care services.....	233.542	235.251	237.225	1.6	0.8
Energy.....	256.191	238.520	252.275	-1.5	5.8
All items less energy.....	214.659	216.168	217.100	1.1	0.4

Note: See footnotes at end of table.

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

Item and Group	Semiannual average indexes			Percent change to 2nd half 2016 from-	
	2nd half 2015	1st half 2016	2nd half 2016	2nd half 2015	1st half 2016
All items less food and energy	214.727	216.725	218.031	1.5	0.6

Footnotes(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.