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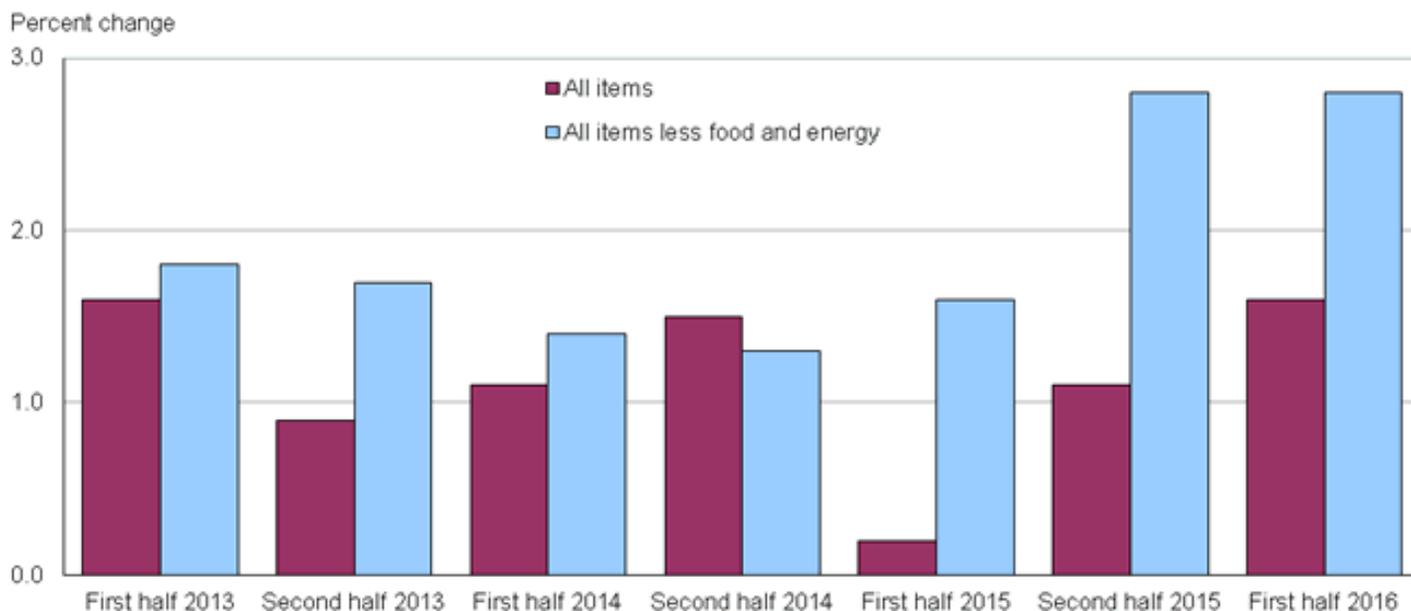
ERRATA

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, Pittsburgh – First Half 2016
Local prices up 1.6 percent over the year

The Consumer Price Index for All Urban Consumers (CPI-U) in the Pittsburgh area advanced 1.6 percent from the first half of 2015 to the first half of 2016, the U.S. Bureau of Labor Statistics reported today. Sheila Watkins, the Bureau’s regional commissioner, noted that this was mostly due to a 2.8-percent rise in the all items less food and energy index. (See [chart 1](#).) The food index also increased since the first half of 2015, up 0.6 percent. These over-the-year increases were moderated by a 9.6-percent decline in the energy index.

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



Source: U.S. Bureau of Labor Statistics.

Food

Food prices advanced 0.6 percent since the first half of 2015, led by a 1.3-percent increase in prices for food away from home. Prices for food at home were unchanged over the year.

Energy

The energy index, which includes prices for household and transportation fuels, fell 9.6 percent from the first half of 2015 to the first half of 2016, due largely to a 15.0-percent drop in gasoline prices. Prices for utility (piped) gas service declined 17.7 percent, while prices for electricity increased 5.2 percent over the year.

All items less food and energy

Over the year, the index for all items less food and energy increased 2.8 percent. Price increases were led by shelter, up 2.4 percent, particularly the owners' equivalent rent of residences component, which rose 2.6 percent. Prices were also higher for several other categories including apparel (14.7 percent), other goods and services (6.6 percent), and recreation (4.0 percent).

The Consumer Price Index for the second half of 2016 is scheduled to be released in January, 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 approximately 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 4,000 housing units and approximately 26,000 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/pdf/homch17.pdf.

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 **Pittsburgh, Pa.** metropolitan statistical area covered in this release is comprised of Allegheny, Armstrong, Beaver, Butler, Fayette, Washington, and Westmoreland Counties in Pennsylvania.

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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, Pittsburgh, PA (1982-84=100 unless otherwise noted)

Expenditure category	Indexes				Percent change from	
	Historical data	1st Half 2015	2nd Half 2015	1st Half 2016	1st Half 2015	2nd Half 2015
All items.....		239.232	241.972	242.998	1.6	0.4
Food and beverages		253.727	255.464	255.160	0.6	-0.1
Food		253.446	255.130	254.871	0.6	-0.1
Food at home		250.170	251.806	250.246	0.0	-0.6
Food away from home.....		260.064	261.828	263.318	1.3	0.6
Alcoholic beverages		257.924	260.287	259.706	0.7	-0.2
Housing		241.078	243.792	244.927	1.6	0.5
Shelter		271.328	275.490	277.851	2.4	0.9
Rent of primary residence (1).....		232.968	235.923	237.223	1.8	0.6
Owners' equivalent rent of residences (1) (2).....		270.838	275.216	277.946	2.6	1.0
Owners' equivalent rent of primary residence (1) (2).....		270.838	275.216	277.946	2.6	1.0
Fuels and utilities.....		246.825	243.616	240.785	-2.4	-1.2
Household energy		224.434	219.047	212.755	-5.2	-2.9
Energy services (1).....		218.358	216.115	211.488	-3.1	-2.1
Electricity (1).....		185.337	196.056	194.960	5.2	-0.6
Utility (piped) gas service (1).....		220.216	192.543	181.312	-17.7	-5.8
Household furnishings and operations.....		148.549	149.972	148.720	0.1	-0.8
Apparel.....		150.354	159.920	172.414	14.7	7.8
Transportation		183.089	182.238	178.814	-2.3	-1.9
Private transportation		179.570	178.326	174.178	-3.0	-2.3
Motor fuel		234.225	226.329	198.927	-15.1	-12.1
Gasoline (all types).....		236.472	228.603	201.055	-15.0	-12.1
Gasoline, unleaded regular (3).....		233.077	223.693	195.387	-16.2	-12.7
Gasoline, unleaded midgrade (3) (4).....		256.035	252.265	225.258	-12.0	-10.7
Gasoline, unleaded premium (3).....		231.662	229.687	207.408	-10.5	-9.7
Medical care		463.968	465.732	471.602	1.6	1.3
Recreation (5).....		117.018	120.344	121.731	4.0	1.2
Education and communication (5).....		147.150	147.618	148.032	0.6	0.3
Other goods and services		418.442	441.639	446.185	6.6	1.0
Commodity and service group						
Commodities		200.652	201.552	199.960	-0.3	-0.8
Commodities less food and beverages.....		171.969	172.464	170.264	-1.0	-1.3
Nondurables less food and beverages.....		216.670	216.859	214.422	-1.0	-1.1
Durables		123.218	123.942	122.302	-0.7	-1.3
Services.....		279.737	284.038	287.150	2.6	1.1
Special aggregate indexes						
All items less medical care		228.359	231.119	231.945	1.6	0.4
All items less shelter.....		229.605	231.785	232.237	1.1	0.2
Commodities less food.....		175.178	175.738	173.603	-0.9	-1.2
Nondurables.....		235.510	236.463	235.075	-0.2	-0.6
Nondurables less food.....		219.487	219.828	217.569	-0.9	-1.0
Services less rent of shelter (2).....		294.801	299.669	303.461	2.9	1.3

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, Pittsburgh, PA (1982-84=100 unless otherwise noted) - Continued

Expenditure category	Indexes			Percent change from		
	Historical data	1st Half 2015	2nd Half 2015	1st Half 2016	1st Half 2015	2nd Half 2015
Services less medical care services.....		266.121	270.267	272.957	2.6	1.0
Energy		235.896	229.216	213.303	-9.6	-6.9
All items less energy		241.129	244.675	247.110	2.5	1.0
All items less food and energy		239.945	243.803	246.679	2.8	1.2

Footnotes

(1) This index series was calculated using a Laspeyres estimator. All other item stratum index series converted to a geometric means estimator in January 1999.

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

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

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

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

Note: Index applies to a 6-month period as a whole, not to any specific date.