



For Release: Tuesday, August 16, 2016

16-1717-PHI

MID-ATLANTIC INFORMATION OFFICE: Philadelphia, Pa.

Technical information: (215) 597-3282 • BLSInfoPhiladelphia@bls.gov • www.bls.gov/regions/mid-atlantic

Media contact: (215) 861-5600 • BLSMediaPhiladelphia@bls.gov

ERRATA

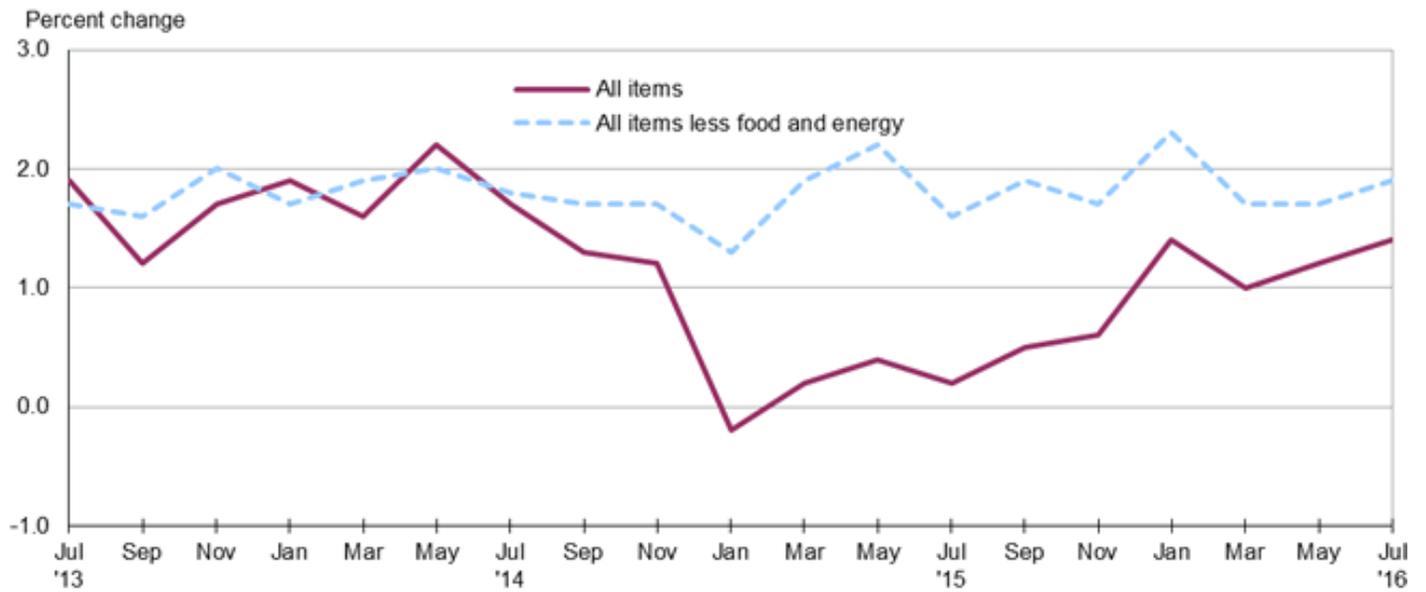
Incorrect prices for prescription drugs were used for the CPI-U and CPI-W indexes from May through August 2016 in a number of areas. Several indexes were affected, including the all items and medical care indexes. A list of the series affected can be found at www.bls.gov/bls/errata/cpi-price-corrections-10182016.htm,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

Consumer Price Index, Washington-Baltimore – July 2016
Area prices down 0.1 percent since May and up 1.4 percent over the year

The Consumer Price Index for All Urban Consumers (CPI-U) for Washington-Baltimore decreased 0.1 percent over the last two months, the U.S. Bureau of Labor Statistics reported today. Regional Commissioner Sheila Watkins noted the decline was due to a 0.3-percent decrease in the all items less food and energy index. The energy index and food index both increased since May, up 2.9 percent and 0.2 percent, respectively. (Data in this report are not seasonally adjusted. Accordingly, month-to-month changes may reflect the impact of seasonal influences.)

Over the last 12 months, the CPI-U increased 1.4 percent, due mostly to a 1.9-percent rise in the all items less food and energy index. (See [chart 1](#) and [table A.](#)) Since July 2015, the food index rose 1.6 percent, while the energy index fell 5.5 percent. (See [table 1.](#))

Chart 1. Over-the-year percent change in CPI-U, Washington, D.C., July 2013–July 2016



Source: U.S. Bureau of Labor Statistics.

Food

After increasing 0.1 percent from March to May, the food index edged up 0.2 percent over the last two months. Prices for food away from home rose 1.0 percent over the last two months; those for food at home declined 0.5 percent. Lower prices for carbonated drinks and lettuce contributed to the decrease in the food at home index.

Food prices rose 1.6 percent over the year, as prices for both components increased. Prices for food away from home advanced 3.0 percent and those for food at home increased 0.5 percent since last July.

Energy

Since May, the energy index, which includes prices for household and transportation fuels, rose 2.9 percent due to higher prices for both electricity and utility (piped) gas service. Electricity prices advanced 4.4 percent, and utility (piped) gas service prices rose 14.0 percent, which was the largest two-month increase for this index in over two years. Prices for gasoline declined over the last two months, down 1.0 percent.

Energy prices fell 5.5 percent over the year, due to a 17.4-percent drop in gasoline prices. Prices increased for both electricity (4.7 percent) and utility (piped) gas service (18.0 percent) since last July.

All items less food and energy

The index for all items less food and energy decreased 0.3 percent since May. The decrease was due largely to lower prices for public transportation (which includes airline fares and inter- and intra-city transportation) and new and used motor vehicles. Moderating the decrease in the all items less food and energy index were higher prices for medical care (0.5 percent) over the last two months.

Since July 2015, the index for all items less food and energy rose 1.9 percent. The increase was due largely to an over-the-year rise in shelter prices (2.0 percent). Higher prices for apparel (15.3 percent), among others, also contributed to the rise.

Table A. Washington, D.C. CPI-U 2-month and 12-month percent changes, all items index, not seasonally adjusted

Month	2012		2013		2014		2015		2016	
	2-month	12-month								
January.....	0.4	2.7	0.1	1.8	0.4	1.9	-1.0	-0.2	-0.2	1.4
March.....	1.3	2.8	0.9	1.4	0.6	1.6	1.0	0.2	0.6	1.0
May.....	0.1	1.8	-0.2	1.2	0.4	2.2	0.6	0.4	0.8	1.2
July.....	-0.2	1.4	0.5	1.9	0.0	1.7	-0.2	0.2	-0.1	1.4
September.....	1.3	2.8	0.6	1.2	0.2	1.3	0.5	0.5		
November.....	-0.7	2.1	-0.2	1.7	-0.4	1.2	-0.3	0.6		

The Consumer Price Index for September 2016 is scheduled to be released on Tuesday, October 18, 2016, at 8:30 a.m. (EDT).

Technical Note

The Consumer Price Index for Washington-Baltimore is published bi-monthly. 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 **Washington-Baltimore, D.C.-Md.-Va.-W.Va., Consolidated Metropolitan Statistical Area** includes the District of Columbia; Baltimore City and the counties of Anne Arundel, Baltimore, Calvert, Carroll, Charles, Frederick, Harford, Howard, Montgomery, Prince George's, Queen Anne's, and Washington in Maryland; the cities of Alexandria, Fairfax, Falls Church, Fredericksburg, Manassas, and Manassas Park and the counties of Arlington, Clarke, Culpeper, Fairfax, Fauquier, King George, Loudoun, Prince William, Spotsylvania, Stafford, and Warren in Virginia; and the counties of Berkeley and Jefferson in West Virginia.

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, Washington-Baltimore, D.C.-Md.-Va.-W.Va., (December 1997=100 unless otherwise noted) (not seasonally adjusted)

Expenditure category	Indexes				Percent change from		
	Historical data	May 2016	Jun. 2016	Jul. 2016	Jul. 2015	May 2016	Jun. 2016
All items ⁽¹⁾		157.770		157.673	1.4	-0.1	
Food and beverages ⁽¹⁾		156.729		156.941	1.5	0.1	
Food ⁽¹⁾		158.170		158.409	1.6	0.2	
Food at home		147.956	147.118	147.176	0.5	-0.5	0.0
Food away from home ⁽²⁾		168.496		170.101	3.0	1.0	
Alcoholic beverages ⁽²⁾		136.543		136.376	-0.1	-0.1	
Housing ⁽¹⁾		170.732		171.568	2.1	0.5	
Shelter		183.164	183.464	183.138	2.0	0.0	-0.2
Rent of primary residence ^{(1) (3)}		201.674	201.615	202.104	1.2	0.2	0.2
Owners' equivalent rent of residences ^{(3) (4)}		182.068	182.188	182.552	1.6	0.3	0.2
Owners' equivalent rent of primary residence ^{(3) (4)}		182.057	182.177	182.540	1.6	0.3	0.2
Fuels and utilities		186.920		197.167	6.1	5.5	
Household energy		176.046	184.455	186.476	6.3	5.9	1.1
Gas (piped) and electricity ⁽³⁾		169.592	178.403	179.995	7.0	6.1	0.9
Electricity ⁽³⁾		183.270	192.305	191.295	4.7	4.4	-0.5
Utility (piped) gas service ⁽³⁾		113.249	120.481	129.088	18.0	14.0	7.1
Household furnishings and operations		87.392		87.139	-1.9	-0.3	
Apparel ⁽¹⁾		102.971		100.039	15.3	-2.8	
Transportation ⁽¹⁾		140.944		139.239	-4.2	-1.2	
Private transportation		138.138		137.338	-4.3	-0.6	
Motor fuel		195.430	202.844	193.561	-17.4	-1.0	-4.6
Gasoline (all types)		195.522	202.920	193.509	-17.4	-1.0	-4.6
Gasoline, unleaded regular ⁽⁵⁾		193.636	201.096	191.316	-18.6	-1.2	-4.9
Gasoline, unleaded midgrade ⁽⁵⁾		207.400	214.324	207.168	-13.1	-0.1	-3.3
Gasoline, unleaded premium ⁽⁵⁾		214.433	221.479	214.954	-12.1	0.2	-2.9
Medical care ⁽¹⁾		182.683		183.648	2.4	0.5	
Recreation		119.777		119.188	0.6	-0.5	
Education and communication		151.980		151.978	1.7	0.0	
Other goods and services ⁽¹⁾		179.256		178.098	-0.3	-0.6	
Commodity and service group							
Commodities		126.088		125.465	-0.6	-0.5	
Commodities less food and beverages		109.196		108.219	-2.2	-0.9	
Nondurables less food and beverages		137.844		136.608	-1.7	-0.9	
Durables		79.584		78.874	-1.9	-0.9	
Services		179.121		179.398	2.4	0.2	
Special aggregate indexes							
All items less shelter		145.201		145.073	1.0	-0.1	
All items less medical care ⁽¹⁾		156.195		156.023	1.3	-0.1	
Commodities less food		110.508		109.551	-2.1	-0.9	
Nondurables		146.939		146.465	0.1	-0.3	

Table 1. Consumer Price Index for All Urban Consumers (CPI-U): Indexes and percent changes for selected periods, Washington-Baltimore, D.C.-Md.-Va.-W.Va., (December 1997=100 unless otherwise noted) (not seasonally adjusted) - Continued

Expenditure category	Indexes				Percent change from		
	Historical data	May 2016	Jun. 2016	Jul. 2016	Jul. 2015	May 2016	Jun. 2016
Nondurables less food.....		137.913		136.750	-1.5	-0.8	
Services less rent of shelter.....		175.383		175.949	2.8	0.3	
Services less medical care services.....		178.579		178.840	2.3	0.1	
Energy ⁽¹⁾		183.798	191.777	189.089	-5.5	2.9	-1.4
All items less energy.....		154.813		154.427	1.9	-0.2	
All items less food and energy ⁽¹⁾		155.237		154.758	1.9	-0.3	

(1) Indexes on a November 1996=100 base.

(2) Indexes on a November 1997=100 base.

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

(4) This index series underwent a change in composition in January 2010. The expenditure class now includes weight from secondary residences, and has been re-titled "Owners' equivalent rent of residences." The item stratum "Owners' equivalent rent of primary residence" excludes secondary residences.

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

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