



For Release: Wednesday, January 18, 2017

17-14-CHI

MIDWEST INFORMATION OFFICE: Chicago, Ill.

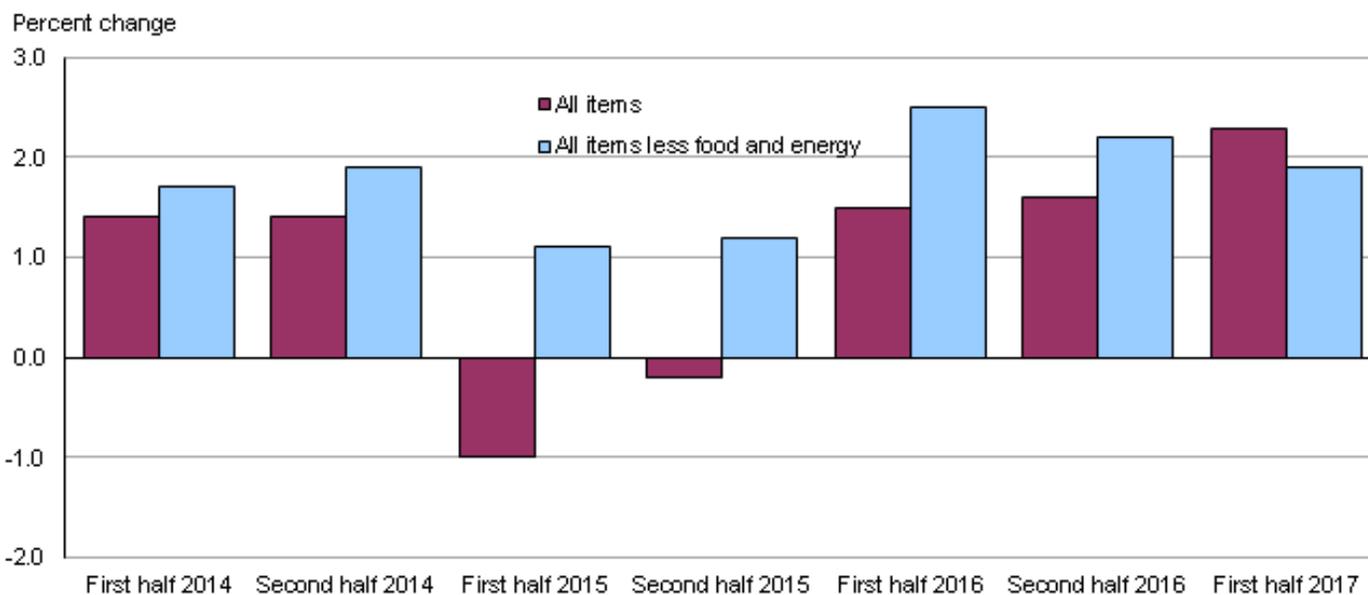
Technical information: (312) 353-1880 BLSInfoChicago@bls.gov www.bls.gov/regions/midwest

Media contact: (312) 353-1138

Consumer Price Index, Minneapolis-St. Paul — Second Half 2016 **Local prices up 1.6 percent over the year**

The Consumer Price Index for All Urban Consumers (CPI-U) in the Minneapolis-St. Paul area increased 1.6 percent from the second half of 2015 to the second half of 2016, the U.S. Bureau of Labor Statistics reported today. Assistant Commissioner for Regional Operations Charlene Peiffer noted that the all items less food and energy index was 2.2 percent higher compared to its second half 2015 level as price increases were noted in the categories for shelter and medical care. Food prices rose 0.2 percent over the year while the index for energy decreased 1.5 percent. (See [chart 1](#).)

Chart 1. Over-the-year percent change in CPI-U, Minneapolis, first half 2014–first half 2017



Source: U.S. Bureau of Labor Statistics.

Food

The 0.2-percent increase in food prices over the year was attributed to a 4.2-percent increase in costs for food eaten away from home (restaurant, cafeteria, and vending purchases). On the other hand, food at home (grocery) prices were down 3.0 percent. In the previous annual period (second half 2014 to second half 2015), food prices in the Minneapolis-St. Paul area rose 1.5 percent.

Energy

Gasoline prices were down 9.4 percent compared to their second half 2015 levels, contributing to the 1.5-percent decrease in energy prices over the year. On the other hand, costs for electricity rose 8.0 percent and utility (piped) gas service costs were up 5.2 percent. Energy costs declined 16.3 percent in the prior annual period.

All items less food and energy

The 2.2-percent over-the-year increase in the all items less food and energy index was primarily due to a 3.7-percent gain in shelter costs. Medical care (6.0 percent) and recreation (2.5 percent) also contributed to the rise in the all items less food and energy index.

The first half 2017 Consumer Price Index for Minneapolis-St. Paul is scheduled to be released Friday, 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/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 **Minneapolis-St. Paul, Minn.-Wis.** metropolitan area covered in this release is comprised of Anoka, Carver, Chisago, Dakota, Hennepin, Isanti, Ramsey, Scott, Sherburne, Washington, and Wright Counties and Pierce and St. Croix Counties in Wisconsin.

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 for semiannual averages and percent changes for selected periods Minneapolis-St. Paul, MN-WI (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	231.760	232.777	235.514	1.6	1.2
All items (1967=100)	728.311	731.506	740.108	-	-
Food and beverages	272.282	271.883	273.212	0.3	0.5
Food	261.487	260.785	262.052	0.2	0.5
Food at home	252.407	247.678	244.783	-3.0	-1.2
Food away from home	275.526	280.251	287.067	4.2	2.4
Alcoholic beverages	368.029	372.357	374.311	1.7	0.5
Housing	209.754	213.268	216.294	3.1	1.4
Shelter	242.483	248.079	251.421	3.7	1.3
Rent of primary residence(1)	245.933	250.312	254.497	3.5	1.7
Owners' equiv. rent of residences(1)(2)	252.307	258.224	262.803	4.2	1.8
Owners' equiv. rent of primary residence(1)(2)	252.307	258.224	262.803	4.2	1.8
Fuels and utilities	198.092	200.078	210.385	6.2	5.2
Household energy	177.839	178.871	190.354	7.0	6.4
Energy services(1)	181.648	182.471	194.405	7.0	6.5
Electricity(1)	243.625	251.636	263.062	8.0	4.5
Utility (piped) gas service(1)	128.061	121.781	134.733	5.2	10.6
Household furnishings and operations	121.526	119.599	118.250	-2.7	-1.1
Apparel	137.800	127.054	131.122	-4.8	3.2
Transportation	198.554	191.730	193.446	-2.6	0.9
Private transportation	181.630	175.422	177.603	-2.2	1.2
Motor fuel	194.019	163.836	176.042	-9.3	7.5
Gasoline (all types)	194.835	164.347	176.537	-9.4	7.4
Gasoline, unleaded regular(3)	195.629	164.382	176.841	-9.6	7.6
Gasoline, unleaded midgrade(3)(4)	199.182	171.425	182.633	-8.3	6.5
Gasoline, unleaded premium(3)	237.912	204.187	216.419	-9.0	6.0
Medical care	495.139	510.252	525.091	6.0	2.9
Recreation(5)	122.565	124.993	125.663	2.5	0.5
Education and communication(5)	138.004	138.192	137.794	-0.2	-0.3
Other goods and services	363.260	367.175	370.664	2.0	1.0
Commodity and service group					
All Items	231.760	232.777	235.514	1.6	1.2
Commodities	185.166	180.860	181.617	-1.9	0.4
Commodities less food & beverages	145.813	140.436	140.967	-3.3	0.4
Nondurables less food & beverages	188.881	176.940	180.112	-4.6	1.8
Durables	106.987	106.328	105.408	-1.5	-0.9
Services	272.786	278.725	283.298	3.9	1.6
Special aggregate indexes					
All items less medical care	219.912	220.301	222.521	1.2	1.0
All items less shelter	228.203	227.236	229.728	0.7	1.1
Commodities less food	153.839	148.547	149.118	-3.1	0.4
Nondurables	228.443	221.450	223.808	-2.0	1.1
Nondurables less food	201.109	189.720	192.895	-4.1	1.7
Services less rent of shelter(2)	321.785	328.220	334.480	3.9	1.9
Services less medical care services	253.713	258.423	261.871	3.2	1.3
Energy	188.764	173.911	185.921	-1.5	6.9
All items less energy	239.567	242.159	244.138	1.9	0.8

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 Minneapolis-St. Paul, MN-WI (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	236.431	239.508	241.592	2.2	0.9

Footnotes(1) This index series was calculated using a Laspeyres estimator. All other item stratum index series were calculated using a geometric means estimator.

(2) Index is 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.

- Data not available.

Note: Data not seasonally adjusted.