



For Release: Wednesday, February 15, 2017

17-244-BOS

NEW ENGLAND INFORMATION OFFICE: Boston, Mass.

Technical information: (617) 565-2327 BLSInfoBoston@bls.gov www.bls.gov/regions/new-england

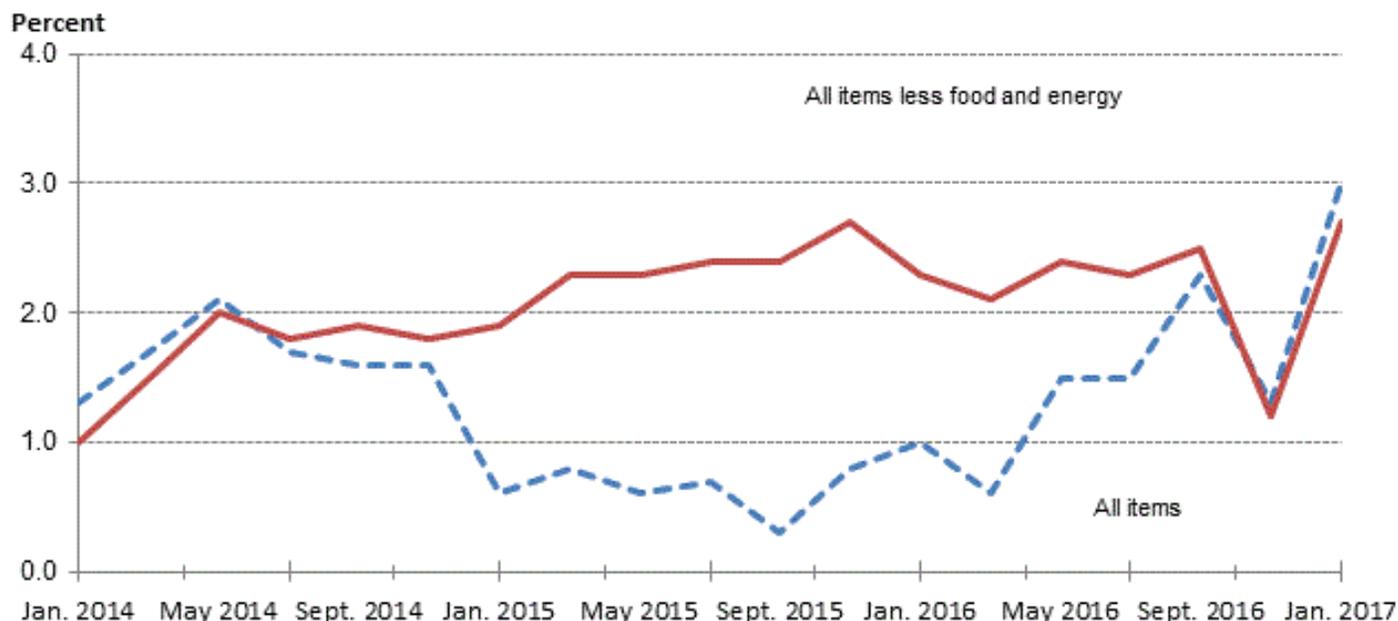
Media contact: (617) 565-2326 BLSMediaBoston@bls.gov

Consumer Price Index, Boston-Brockton-Nashua — January 2017
Area prices edged up 1.2 percent over two months; up 3.0 percent from a year ago

The Consumer Price Index for All Urban Consumers (CPI-U) in the Boston-Brockton-Nashua area edged up 1.2 percent in January, the U.S. Bureau of Labor Statistics reported today. Acting Regional Commissioner Joyce Sweeney noted that the two-month increase was mainly due to higher prices paid by area consumers for all items less food and energy, up 1.1 percent and to a lesser extent, higher energy prices, up 3.8 percent. Higher food prices, up 0.6 percent also contributed to this increase. (Data in this report are not seasonally adjusted. Accordingly, bimonthly changes may reflect the impact of seasonal influences.)

Over the last 12 months the Boston CPI-U rose 3.0 percent. The increase was largely attributable to higher prices within all items less food and energy, up 2.7 percent. (See [chart 1](#).) To a lesser extent, higher energy prices paid by area consumers, up 12.7 percent also contributed to the increase. Food prices were down 0.2 percent over the year.

Chart 1. Over-the-year percent change in CPI-U, Boston-Brockton-Nashua, January 2014 - January 2017



Source: U.S. Bureau of Labor Statistics.

Food

Food prices edged up 0.6 percent since November mainly due to higher grocery store or food at home prices, up 1.0 percent. Restaurant prices, or food away from home, edged up 0.1 percent, contributing to the increase.

Food prices decreased 0.2 percent over the year mainly due to lower grocery store prices, down 1.6 percent. To a lesser extent, restaurant prices edged up 2.3 percent partially offsetting the overall decrease since last January.

Energy

The energy index increased 3.8 percent over the two months, mainly due to higher gasoline prices (6.0 percent) and to a lesser extent, increases in prices paid by local households for electricity (3.2 percent). Lower prices for utility piped gas down 2.2 percent, partially offset the overall increase.

Energy prices were up 12.7 percent from a year ago, largely attributable to higher gasoline prices, up 18.9 percent. Higher prices for electricity, up 8.5 percent, and utility (piped) gas up 2.2 percent, also contributed to the overall increase.

All items less food and energy

The index for all items less food and energy edged up from November (1.1 percent). The increase was mainly attributable to recreation, up 4.8 percent. To a lesser extent, increases in shelter (0.7 percent) and other goods and services, up 4.0 percent attributed to this overall increase. Within the local shelter index, higher prices for lodging away from home led the advance.

Over the year, the index for all items less food and energy rose 2.7 percent, with higher shelter costs being the main driver of the increase up 3.8 percent. Higher education and communication and recreation prices up 3.0 percent and 4.5 percent, respectively, also contributed to the overall increase. Other goods and services up 5.7 percent also contributed to the overall increase. Within shelter, higher costs for owners' equivalent rent of residences, up 2.9 percent led the increase.

CPI-W

In January, the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) was 263.730. The CPI-W was up 1.2 percent over two months and increased 2.9 percent over the year.

The March 2017 Consumer Price Index for Boston-Brockton-Nashua is scheduled to be released on Friday, April 14, 2017, at 8:30 a.m. (ET).

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 change 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 <https://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 Boston-Brockton-Nashua, Mass.-N.H.-Maine-Conn. consolidated area covered in this release is comprised of Essex, Middlesex, Norfolk, Plymouth, Suffolk, Bristol, Hampden, and Worcester Counties in Massachusetts; Hillsborough, Merrimack, Rockingham, and Strafford Counties in New Hampshire; York County in Maine; and Windham County in Connecticut.

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.

Consumer Price Index for All Urban Consumers (CPI-U): Indexes and percent changes for selected periods, Boston-Brockton-Nashua, Ma.-N.H.-Maine-Conn., (1982-84=100 unless otherwise noted) (not seasonally adjusted)

Expenditure category	Indexes				Percent change from		
	Historical data	Nov. 2016	Dec. 2016	Jan. 2017	Jan. 2016	Nov. 2016	Dec. 2016
All items.....		261.675		264.865	3.0	1.2	
All items (1967 = 100).....		760.566		769.837			
Food and beverages.....		257.413		259.177	-0.1	0.7	
Food.....		258.588		260.190	-0.2	0.6	
Food at home.....		243.413	241.309	245.733	-1.6	1.0	1.8
Food away from home.....		285.071		285.291	2.3	0.1	
Alcoholic beverages.....		248.306		252.051	0.3	1.5	
Housing.....		266.390		268.742	3.9	0.9	
Shelter.....		314.558	314.057	316.742	3.8	0.7	0.9
Rent of primary residence(1).....		326.119	326.581	328.042	3.7	0.6	0.4
Owners' equivalent rent of residences(1)(2)(3).....		337.737	337.678	338.105	2.9	0.1	0.1
Owners' equivalent rent of primary residence(1)(2)(3).....		337.737	337.678	338.105	2.9	0.1	0.1
Fuels and utilities.....		264.464		270.189	8.6	2.2	
Household energy.....		221.465	221.759	226.756	8.9	2.4	2.3
Energy services(1).....		236.966	235.479	240.729	6.7	1.6	2.2
Electricity(1).....		263.362	263.369	271.662	8.5	3.2	3.1
Utility (piped) gas service(1).....		182.596	178.636	178.513	2.2	-2.2	-0.1
Household furnishings and operations.....		126.876		128.024	-1.3	0.9	
Apparel.....		141.548		141.290	3.0	-0.2	
Transportation.....		182.101		185.505	3.1	1.9	
Private transportation.....		181.500		185.183	4.1	2.0	
Motor fuel.....		189.038	194.247	200.438	18.7	6.0	3.2
Gasoline (all types).....		186.924	192.046	198.220	18.9	6.0	3.2
Gasoline, unleaded regular(4).....		180.669	185.722	191.838	19.3	6.2	3.3
Gasoline, unleaded midgrade(4)(5).....		200.066	204.999	211.648	15.9	5.8	3.2
Gasoline, unleaded premium(4).....		201.595	206.301	211.617	16.2	5.0	2.6
Medical care.....		633.165		635.944	1.3	0.4	
Recreation(6).....		116.645		122.228	4.5	4.8	
Education and communication(6).....		160.521		161.094	3.0	0.4	
Other goods and services.....		453.646		471.909	5.7	4.0	
Commodity and service group							
Commodities.....		186.401		188.622	1.6	1.2	
Commodities less food and beverages.....		149.373		151.672	2.8	1.5	
Nondurables less food and beverages.....		190.923		195.043	6.3	2.2	
Durables.....		108.765		109.546	-1.7	0.7	
Services.....		329.744		333.811	3.7	1.2	
Special aggregate indexes							
All items less shelter.....		243.575		247.190	2.6	1.5	
All items less medical care.....		247.432		250.627	3.1	1.3	
Commodities less food.....		153.319		155.677	2.6	1.5	
Nondurables.....		223.120		226.138	2.7	1.4	
Nondurables less food.....		194.101		198.186	5.8	2.1	

Note: See footnotes at end of table.

Consumer Price Index for All Urban Consumers (CPI-U): Indexes and percent changes for selected periods, Boston-Brockton-Nashua, Ma.-N.H.-Maine-Conn., (1982-84=100 unless otherwise noted) (not seasonally adjusted) - Continued

Expenditure category	Indexes				Percent change from		
	Historical data	Nov. 2016	Dec. 2016	Jan. 2017	Jan. 2016	Nov. 2016	Dec. 2016
Services less rent of shelter(2).....		364.697		371.192	3.7	1.8	
Services less medical care services.....		309.044		313.110	4.1	1.3	
Energy		205.775	208.204	213.684	12.7	3.8	2.6
All items less energy		270.746		273.515	2.3	1.0	
All items less food and energy		273.660		276.636	2.7	1.1	

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) Indexes on a December 1982=100 base.

(3) 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.

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

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

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

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