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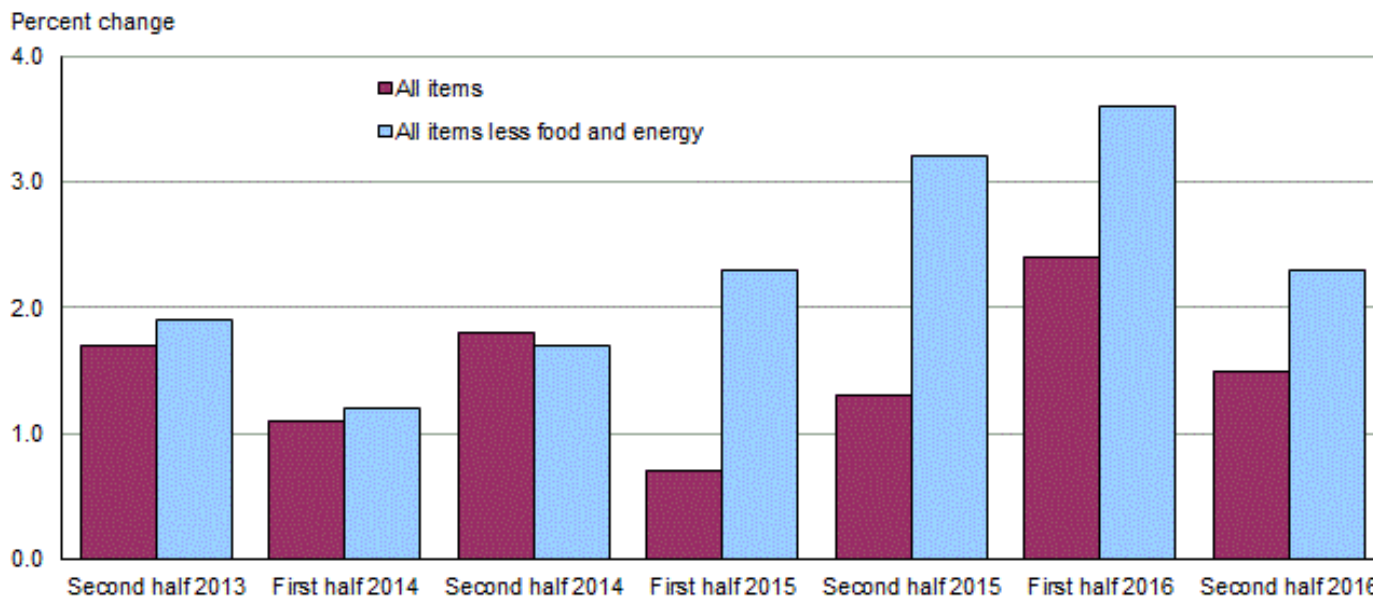
## **Consumer Price Index, Honolulu – Second Half 2016**

**Area prices were up 0.9 percent over the past six months, up 1.5 percent from a year ago**

Prices in the Honolulu Area, as measured by the Consumer Price Index for All Urban Consumers (CPI-U), increased 0.9 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 that this latest six-month increase was influenced by higher prices for shelter and gasoline. (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 1.5 percent. (See [chart 1](#) and [table A.](#)) Energy prices declined 4.9 percent, largely the result of a decrease in the price of gasoline. The index for all items less food and energy increased 2.3 percent over the year. (See [table 1.](#))

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



Source: U.S. Bureau of Labor Statistics.

### **Food**

Food prices decreased 0.3 percent in the second half of 2016. (See [table 1.](#)) Prices for food at home decreased 0.8 percent, but prices for food away from home rose 0.2 percent for the same period.

Over the year, food prices rose 0.5 percent. Prices for food away from home rose 2.3 percent, but prices for food at home declined 1.3 percent since a year ago.

## Energy

The energy index increased 7.8 percent since the first half of 2016. The increase was mainly due to higher prices for gasoline (11.1 percent). Prices for electricity advanced 5.1 percent, and prices for natural gas service rose 3.4 percent in the same period.

Energy prices declined 4.9 percent over the year, largely due to lower prices for gasoline (-4.7 percent). Prices paid for natural gas service declined 10.1 percent, and prices for electricity decreased 4.6 percent during the past year.

## All items less food and energy

The index for all items less food and energy advanced 0.9 percent in the latest six-month period. Higher prices for shelter (1.9 percent) and apparel (1.7 percent) were partially offset by lower prices for household furnishings and operations (1.5 percent).

Over the year, the index for all items less food and energy increased 2.3 percent. Components contributing to the increase included apparel (4.5 percent), shelter (3.7 percent), and medical care (2.2 percent). Partly offsetting the increases was a price decline in household furnishings and operations (-0.8 percent).

**Table A. Honolulu 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	3.5	1.3	2.8	1.2	1.8	0.5	1.1	-0.5	0.7	0.6	2.4
Second Half .....	1.4	4.0	0.7	2.0	0.6	1.7	1.3	1.8	1.8	1.3	0.9	1.5

**The First Half of 2017 Consumer Price Index for the Honolulu 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](http://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](http://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 Honolulu metropolitan area covered in this release consists of Oahu County in the State of Hawaii.

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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 Honolulu, HI (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
<b>Expenditure category</b>					
All items .....	262.482	264.038	266.528	1.5	0.9
All items (1967=100) .....	722.606	726.889	733.744	-	-
Food and beverages .....	270.472	272.390	271.712	0.5	-0.2
Food .....	271.238	273.433	272.564	0.5	-0.3
Food at home .....	269.886	268.709	266.448	-1.3	-0.8
Food away from home .....	267.147	272.725	273.281	2.3	0.2
Alcoholic beverages .....	256.632	252.571	255.752	-0.3	1.3
Housing .....	277.714	281.079	286.052	3.0	1.8
Shelter .....	300.930	306.182	312.050	3.7	1.9
Rent of primary residence .....	297.479	301.642	305.525	2.7	1.3
Owners' equiv. rent of residences(1) .....	311.160	317.964	323.762	4.1	1.8
Owners' equiv. rent of primary residence(1) ..	311.160	317.964	323.762	4.1	1.8
Fuels and utilities .....	324.495	313.815	322.866	-0.5	2.9
Household energy .....	261.209	237.410	249.006	-4.7	4.9
Energy services .....	256.515	232.672	244.282	-4.8	5.0
Electricity .....	253.870	230.402	242.151	-4.6	5.1
Utility (piped) gas service .....	266.469	231.854	239.650	-10.1	3.4
Household furnishings and operations .....	148.742	149.881	147.588	-0.8	-1.5
Apparel .....	107.845	110.769	112.703	4.5	1.7
Transportation .....	216.223	210.717	212.573	-1.7	0.9
Private transportation .....	209.809	202.217	204.688	-2.4	1.2
Motor fuel .....	218.887	187.757	208.672	-4.7	11.1
Gasoline (all types) .....	224.543	192.577	214.041	-4.7	11.1
Gasoline, unleaded regular(2) .....	235.751	201.570	224.402	-4.8	11.3
Gasoline, unleaded midgrade(2)(3) .....	181.706	156.507	171.959	-5.4	9.9
Gasoline, unleaded premium(2) .....	201.210	174.319	192.393	-4.4	10.4
Medical care .....	392.998	399.192	401.624	2.2	0.6
Recreation(4) .....	123.261	124.456	125.288	1.6	0.7
Education and communication(4) .....	149.332	150.105	149.465	0.1	-0.4
Other goods and services .....	483.535	483.778	485.863	0.5	0.4
<b>Commodity and service group</b>					
All Items .....	262.482	264.038	266.528	1.5	0.9
Commodities .....	197.922	196.818	197.708	-0.1	0.5
Commodities less food & beverages .....	153.371	150.579	152.497	-0.6	1.3
Nondurables less food & beverages .....	187.258	182.894	187.833	0.3	2.7
Durables .....	115.842	114.801	113.241	-2.2	-1.4
Services .....	318.437	322.420	326.461	2.5	1.3
<b>Special aggregate indexes</b>					
All items less medical care .....	255.456	256.756	259.247	1.5	1.0
All items less shelter .....	245.976	245.813	246.799	0.3	0.4
Commodities less food .....	157.267	154.436	156.403	-0.5	1.3
Nondurables .....	230.541	229.453	231.292	0.3	0.8
Nondurables less food .....	191.521	187.200	192.057	0.3	2.6
Services less rent of shelter(1) .....	341.162	343.120	344.221	0.9	0.3
Services less medical care services .....	309.935	314.247	318.617	2.8	1.4
Energy .....	236.872	209.132	225.380	-4.9	7.8
All items less energy .....	265.692	269.023	270.761	1.9	0.6
All items less food and energy .....	266.178	269.809	272.237	2.3	0.9

Note: See footnotes at end of table.

- 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.