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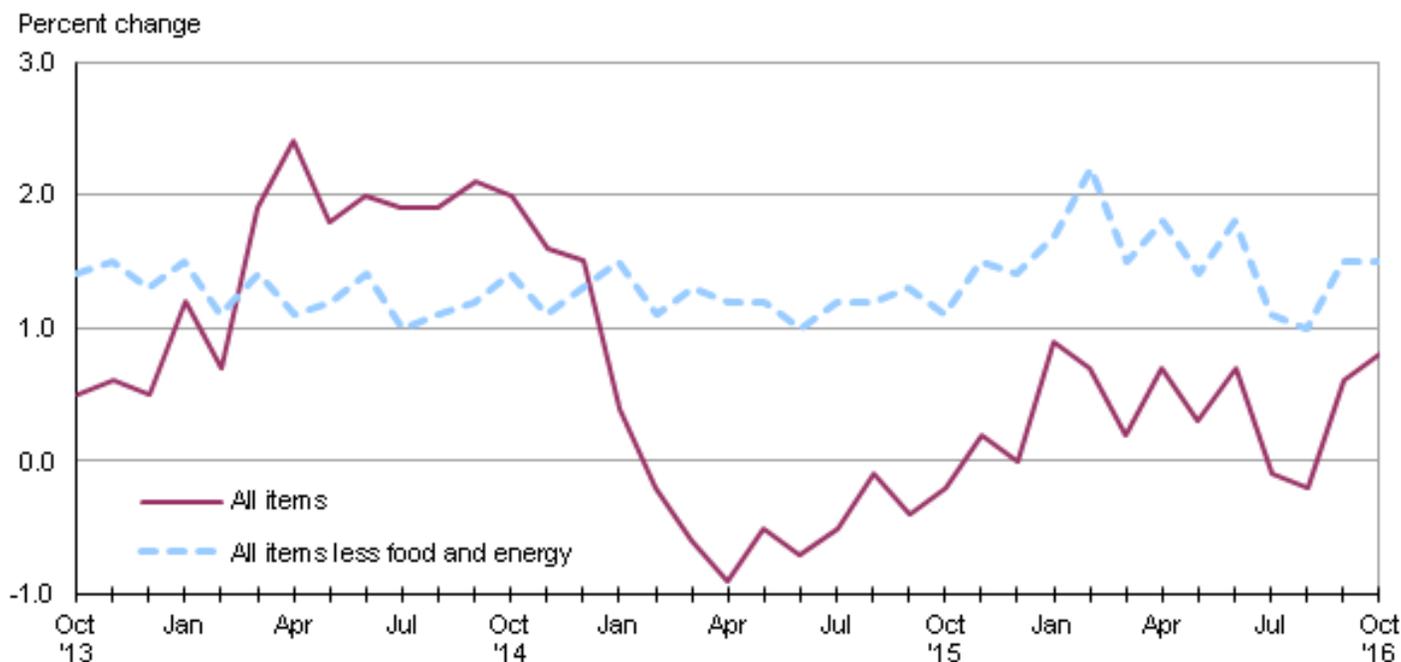
Consumer Price Index, Detroit-Ann Arbor-Flint — October 2016

Local prices increase 1.7 percent over the year

The Consumer Price Index for All Urban Consumers (CPI-U) in the Detroit-Ann Arbor-Flint area increased 0.2 percent from August to October, the U.S. Bureau of Labor Statistics reported today. Assistant Commissioner for Regional Operations Charlene Peiffer noted that the energy index rose 1.1 percent, while the food index declined 0.4 percent over the bi-monthly period. The index for all items less food and energy increased 0.2 percent from August to October. Among the indexes within the all items less food and energy category, prices were higher for shelter, apparel, and medical care. (Data in this report are not seasonally adjusted. Accordingly, month-to-month changes may reflect the impact of seasonal influences.)

Over the past 12 months, the Detroit all items CPI-U increased 1.7 percent. (See [chart 1](#) and [table A](#).) The energy index decreased 2.5 percent over the year, primarily due to declines in gasoline prices. The index for all items less food and energy rose 2.6 percent over the year. (See [table 1](#).)

Chart 1. Over-the-year percent change in CPI-U, Chicago, October 2013–October 2016



Source: U.S. Bureau of Labor Statistics.

Food

Food prices decreased 0.4 percent from August to October following a 0.1-percent decrease over the previous bi-monthly period. Of the two components within the food index, prices for food at home (groceries) declined 0.6 percent, and prices for food away from home (restaurant, cafeteria, and vending purchases) were unchanged.

Over the year, food prices in the Detroit area decreased 0.2 percent. Both grocery prices and prices for food away from home decreased 0.2 percent over the year.

Energy

The energy index for Detroit rose 1.1 percent from August to October. Prices for gasoline, electricity, and utility (piped) gas service rose 1.7 percent, 0.6 percent and 0.2 percent, respectively, over the two-month period.

From October 2015 to October 2016, overall energy prices decreased 2.5 percent. Gasoline prices fell 6.7 percent, and utility (piped) gas service costs were 4.2 percent lower. In contrast, electricity costs rose 6.1 percent over the year.

All items less food and energy

The index for all items less food and energy increased 0.2 percent from August to October. Among the index's components, prices were higher for shelter (1.2 percent), apparel (5.1 percent), and medical care (1.5 percent). The indexes for recreation (-5.0 percent) and new and used motor vehicles were lower over the two-month period.

Over the year, the index for all items less food and energy rose 2.6 percent. Among the index's components, shelter (3.6 percent), medical care (5.2 percent), and recreation (4.1 percent) recorded increases.

Table A. Detroit 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								
February	0.6	3.9	1.1	1.9	1.1	0.7	-0.7	-1.8	0.3	0.9
April	0.6	2.1	0.0	1.3	1.3	2.0	1.2	-1.9	1.4	1.1
June	-0.8	0.4	1.2	3.3	0.5	1.3	0.0	-2.4	1.2	2.3
August	1.2	1.5	-0.7	1.3	-1.0	1.0	0.6	-0.9	-0.1	1.7
October	0.5	2.4	-0.1	0.7	-0.1	1.0	0.1	-0.7	0.2	1.7
December	-0.7	1.4	-0.7	0.8	-1.8	-0.1	-1.2	-0.1		

The December 2016 Consumer Price Index for Detroit is scheduled to be released on Wednesday, January 18, 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 **Detroit-Ann Arbor-Flint, Mich.** consolidated area covered in this release is comprised of Genesee, Lapeer, Lenawee, Livingston, Macomb, Monroe, Oakland, St. Clair, Washtenaw, and Wayne Counties in Michigan.

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Table 1. Consumer Price Index for All Urban Consumers (CPI-U): Indexes and percent changes for selected periods Detroit-Ann Arbor-Flint, MI (1982-84=100 unless otherwise noted)

Item and Group	Indexes			Percent change from-		
	Aug. 2016	Sep. 2016	Oct. 2016	Oct. 2015	Aug. 2016	Sep. 2016
Expenditure category						
All items	(r) 223.894	-	224.271	1.7	(r) 0.2	-
All items (1967=100)	(r) 665.505	-	666.628	-	-	-
Food and beverages	221.572	-	221.079	0.0	-0.2	-
Food	221.205	-	220.371	-0.2	-0.4	-
Food at home	211.745	212.084	210.381	-0.2	-0.6	-0.8
Food away from home	236.124	-	236.197	-0.2	0.0	-
Alcoholic beverages	220.350	-	224.875	2.7	2.1	-
Housing	205.981	-	208.073	3.2	1.0	-
Shelter	233.350	237.756	236.257	3.6	1.2	-0.6
Rent of primary residence (1)	240.984	241.216	241.424	3.2	0.2	0.1
Owners' equiv. rent of residences (1) (2)	231.122	231.705	231.929	2.9	0.3	0.1
Owners' equiv. rent of primary residence (1) (2)	231.122	231.705	231.929	2.9	0.3	0.1
Fuels and utilities	244.720	-	245.030	2.6	0.1	-
Household energy	189.521	189.493	190.659	1.4	0.6	0.6
Energy services (1)	194.502	194.308	195.461	2.2	0.5	0.6
Electricity (1)	234.403	234.819	235.917	6.1	0.6	0.5
Utility (piped) gas service (1)	139.832	138.998	140.138	-4.2	0.2	0.8
Household furnishings and operations	116.119	-	116.786	0.8	0.6	-
Apparel	116.193	-	122.082	-0.5	5.1	-
Transportation	228.414	-	227.855	-1.5	-0.2	-
Private transportation	227.219	-	227.355	-1.4	0.1	-
Motor fuel	201.697	204.176	205.218	-6.7	1.7	0.5
Gasoline (all types)	200.580	203.040	204.071	-6.7	1.7	0.5
Gasoline, unleaded regular (3)	200.971	203.076	204.320	-7.5	1.7	0.6
Gasoline, unleaded midgrade (3) (4)	240.657	244.396	244.829	-4.2	1.7	0.2
Gasoline, unleaded premium (3)	215.159	220.481	220.496	-2.6	2.5	0.0
Medical care	(r) 420.553	-	426.754	5.2	(r) 1.5	-
Recreation (5)	122.728	-	116.649	4.1	-5.0	-
Education and communication (5)	147.787	-	146.468	0.2	-0.9	-
Other goods and services	402.889	-	402.064	0.3	-0.2	-
Commodity and service group						
All items	(r) 223.894	-	224.271	1.7	(r) 0.2	-
Commodities	(r) 172.574	-	173.185	-0.8	(r) 0.4	-
Commodities less food & beverages	(r) 147.223	-	148.298	-1.6	(r) 0.7	-
Nondurables less food & beverages	(r) 174.686	-	179.078	-0.4	(r) 2.5	-
Durables	114.665	-	112.865	-2.4	-1.6	-
Services	(r) 276.500	-	276.668	3.3	(r) 0.1	-
Special aggregate indexes						
All items less medical care	215.972	-	216.078	1.4	0.0	-
All items less shelter	(r) 223.168	-	222.570	0.9	(r) -0.3	-
Commodities less food	(r) 149.920	-	151.094	-1.3	(r) 0.8	-
Nondurables	(r) 197.942	-	200.009	-0.1	(r) 1.0	-
Nondurables less food	(r) 177.655	-	182.065	0.0	(r) 2.5	-
Services less rent of shelter (2)	(r) 337.214	-	334.063	3.1	(r) -0.9	-
Services less medical care services	266.913	-	267.087	3.3	0.1	-
Energy	199.048	200.126	201.263	-2.5	1.1	0.6
All items less energy	(r) 229.141	-	229.332	2.1	(r) 0.1	-

Note: See footnotes at end of table.

Table 1. Consumer Price Index for All Urban Consumers (CPI-U): Indexes and percent changes for selected periods Detroit-Ann Arbor-Flint, MI (1982-84=100 unless otherwise noted) - Continued

Item and Group	Indexes			Percent change from-		
	Aug. 2016	Sep. 2016	Oct. 2016	Oct. 2015	Aug. 2016	Sep. 2016
All items less food and energy	(r) 231.160	-	231.538	2.6	(r) 0.2	-

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.

(R) Revised

- Data not available.

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