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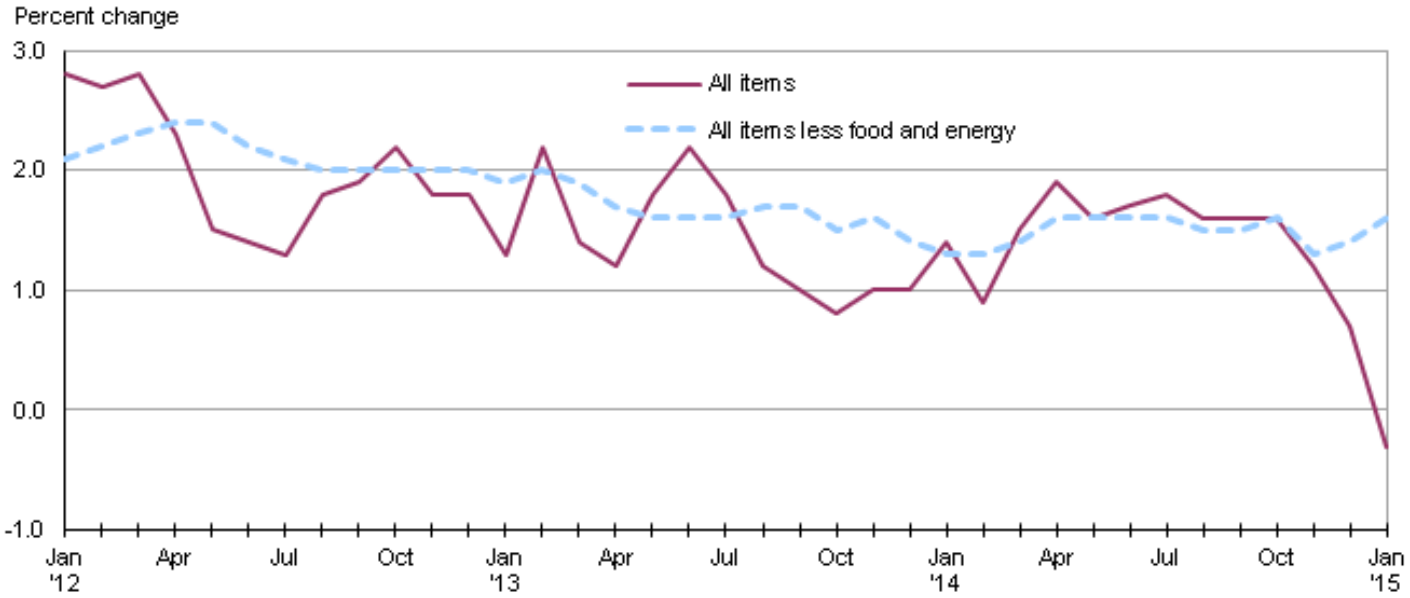
Consumer Price Index, Midwest Region – January 2015

Prices in the Midwest down 0.6 percent in January and 0.3 percent lower over the year

The Consumer Price Index for All Urban Consumers (CPI-U) in the Midwest was down 0.6 percent in January, the fourth consecutive monthly decline, the U.S. Bureau of Labor Statistics reported today. The monthly decrease was largely attributable to a 19.8-percent drop in motor fuel prices. Overall, the energy index was 9.9 percent lower. The indexes for food and all items less food and energy each rose 0.3 percent over the month.

The CPI-U for the Midwest declined 0.3 percent from January 2014 to January 2015. This marks the first over-the-year decrease in the all items index since October 2009. Food prices increased 3.2 percent and the energy index, which includes motor fuel and household fuels, fell 20.6 percent. Excluding food and energy, the CPI-U rose 1.6 percent over the year. (See chart 1.)

Chart 1. Over-the-year percent change in CPI-U, Midwest region, January 2012–January 2015



Source: U.S. Bureau of Labor Statistics.

Food

Food prices in the Midwest increased 0.3 percent in January. The index for food at home rose 0.3 percent and costs for food away from home were 0.2 percent higher.

From January 2014 to January 2015, the index for food increased 3.2 percent. Rising costs for food at home (2.8 percent) and food away from home (3.9 percent) both contributed to the yearly advance.

Energy

The energy index registered its seventh consecutive monthly decline, falling 9.9 percent in January, and had the greatest downward impact on the all items index. The monthly decrease in energy costs was largely attributable to a 19.8-percent drop in motor fuel prices, the largest one-month decline since November 2008. Costs for utility (piped) gas service were 4.8 percent lower, but prices for electricity were up 1.4 percent over the month.

The index for energy fell 20.6 percent from January 2014 to January 2015, led by a drop of 38.8 percent in motor fuel prices. Slightly moderating the overall decline in energy costs, electricity prices advanced 5.6 percent and costs for utility (piped) gas service were 0.6 percent higher over the year.

All items less food and energy

The index for all items less food and energy for the Midwest turned up 0.3 percent in January. Expenditure categories registering higher prices over the month included medical care services (0.7 percent) and recreation (0.8 percent). In contrast, apparel (-2.2 percent) and new and used motor vehicles (-0.3 percent) were among the expenditure categories posting lower prices over the month.

The index for all items less food and energy increased 1.6 percent from January 2014 to January 2015. Higher costs for shelter (2.2 percent) and medical care (3.4 percent) led the advance.

The Midwest Consumer Price Index for All Urban Consumers (CPI-U) stood at 221.545 in January 2015. A typical market basket of goods and services that cost $100.00 in the 1982-84 base period cost $221.55 in January 2015. Because regional CPI data are not adjusted for seasonal price variation, consumers and businesses should be cautious in drawing conclusions about long-term retail price trends from short-term changes in the regional indexes.

CPI-W

In January, the Midwest Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) was 216.078, down 0.9 percent over the month. The CPI-W decreased 1.0 percent over the year.

Table A. Midwest region CPI-U 1-month and 12-month percent changes, all items index, not seasonally adjusted

Month	2011		2012		2013		2014		2015	
	1-month	12-month	1-month	12-month	1-month	12-month	1-month	12-month	1-month	12-month
January	0.5	1.9	0.6	2.8	0.1	1.3	0.5	1.4	-0.6	-0.3
February	0.3	2.2	0.2	2.7	1.1	2.2	0.6	0.9		
March	0.9	2.7	1.0	2.8	0.2	1.4	0.9	1.5		
April	0.7	3.3	0.2	2.3	-0.1	1.2	0.3	1.9		
May	0.6	3.8	-0.1	1.5	0.5	1.8	0.2	1.6		
June	0.0	3.9	-0.1	1.4	0.3	2.2	0.5	1.7		
July	0.1	3.8	0.0	1.3	-0.4	1.8	-0.3	1.8		
August	0.2	3.8	0.7	1.8	0.1	1.2	-0.2	1.6		
September	0.2	3.9	0.3	1.9	0.1	1.0	0.1	1.6		
October	-0.6	3.3	-0.3	2.2	-0.5	0.8	-0.5	1.6		
November	0.0	3.3	-0.4	1.8	-0.2	1.0	-0.6	1.2		
December	-0.2	2.8	-0.2	1.8	-0.2	1.0	-0.7	0.7		

The February 2015 Consumer Price Index for the Midwest region is scheduled to be released on Tuesday, March 24, 2015.

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 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/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 areas; they only measure the average change in prices for each area since the base period.**

The Midwest region is comprised of Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Missouri, Nebraska, North Dakota, Ohio, South Dakota, and Wisconsin.

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

Item and Group	Indexes			Percent change from-		
	Nov. 2014	Dec. 2014	Jan. 2015	Jan. 2014	Nov. 2014	Dec. 2014
Expenditure category						
All Items	224.396	222.821	221.545	-0.3	-1.3	-0.6
All items (December 1977=100)	365.104	362.542	360.466			
Food and beverages	238.235	238.848	239.433	3.1	0.5	0.2
Food	237.754	238.502	239.148	3.2	0.6	0.3
Food at home	229.824	230.585	231.378	2.8	0.7	0.3
Food away from home	250.916	251.640	252.035	3.9	0.4	0.2
Alcoholic beverages	242.830	241.346	240.980	0.8	-0.8	-0.2
Housing	210.352	210.686	211.328	1.9	0.5	0.3
Shelter	245.477	245.502	246.573	2.2	0.4	0.4
Rent of primary residence [1]	244.282	244.632	244.939	2.4	0.3	0.1
Owners' equiv. rent of residences [1] [2]	249.784	249.958	250.385	1.7	0.2	0.2
Owners' equiv. rent of primary residence [1] [2]	249.775	249.951	250.378	1.7	0.2	0.2
Fuels and utilities	215.342	218.569	217.721	2.5	1.1	-0.4
Household energy	181.187	184.385	182.922	2.1	1.0	-0.8
Energy services [1]	186.970	190.767	189.470	4.0	1.3	-0.7
Electricity [1]	191.367	194.159	196.851	5.6	2.9	1.4
Utility (piped) gas service [1]	170.881	176.334	167.872	0.6	-1.8	-4.8
Household furnishings and operations	116.376	115.787	116.099	-1.3	-0.2	0.3
Apparel	123.037	118.655	115.993	-1.4	-5.7	-2.2
Transportation	205.782	196.890	186.659	-11.8	-9.3	-5.2
Private transportation	200.239	191.399	180.875	-12.4	-9.7	-5.5
New and used motor vehicles [3]	98.517	98.346	98.024	-0.6	-0.5	-0.3
New vehicles	139.254	139.677	139.278	0.6	0.0	-0.3
New cars and trucks [3] [4]	98.499	98.806	98.557	0.7	0.1	-0.3
New cars [4]	135.543	136.115	136.062	0.5	0.4	0.0
Used cars and trucks	144.778	142.324	141.597	-4.3	-2.2	-0.5
Motor fuel	260.787	224.340	179.847	-38.8	-31.0	-19.8
Gasoline (all types)	258.605	222.214	178.034	-38.9	-31.2	-19.9
Gasoline, unleaded regular [4]	255.229	218.865	174.164	-39.8	-31.8	-20.4
Gasoline, Unleaded midgrade [4] [5]	289.819	247.863	203.169	-37.1	-29.9	-18.0
Gasoline, unleaded premium [4]	262.977	229.751	190.240	-34.5	-27.7	-17.2
Medical Care	444.814	445.585	448.542	3.4	0.8	0.7
Medical care commodities	360.929	361.396	363.130	5.6	0.6	0.5
Medical care services	472.833	473.715	477.121	2.7	0.9	0.7
Professional services	386.869	386.698	389.035	2.1	0.6	0.6
Recreation [3]	116.780	116.968	117.892	1.0	1.0	0.8
Education and communication [3]	139.825	139.531	139.651	1.1	-0.1	0.1
Other goods and services	394.513	394.717	398.280	1.3	1.0	0.9
Commodity and Service Group						
All Items	224.396	222.821	221.545	-0.3	-1.3	-0.6
Commodities	181.955	178.370	174.605	-4.3	-4.0	-2.1
Commodities less food & beverages	154.116	148.847	143.337	-8.9	-7.0	-3.7
Nondurables less food & beverages	201.987	191.442	179.848	-13.3	-11.0	-6.1
Nondurables less food, beverages, and apparel	253.719	239.170	221.800	-16.6	-12.6	-7.3
Durables	107.056	106.551	106.515	-1.7	-0.5	0.0
Services	268.450	268.852	270.031	2.4	0.6	0.4
Rent of shelter [2]	252.147	252.083	253.195	2.2	0.4	0.4

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 Midwest (1982-84=100 unless otherwise noted) - Continued

Item and Group	Indexes			Percent change from-		
	Nov. 2014	Dec. 2014	Jan. 2015	Jan. 2014	Nov. 2014	Dec. 2014
Transportation services	290.106	289.221	290.298	3.2	0.1	0.4
Other services	324.126	324.173	326.324	1.9	0.7	0.7
Special aggregate indexes:						
All items less medical care	213.964	212.278	210.802	-0.7	-1.5	-0.7
All items less food	222.125	220.172	218.584	-0.9	-1.6	-0.7
All items less shelter	219.123	216.928	214.755	-1.4	-2.0	-1.0
Commodities less food	157.005	151.808	146.403	-8.6	-6.8	-3.6
Nondurables	220.260	214.935	209.039	-5.1	-5.1	-2.7
Nondurables less food	204.221	194.133	183.107	-12.4	-10.3	-5.7
Nondurables less food and apparel	251.523	238.109	222.209	-15.3	-11.7	-6.7
Services less rent of shelter [2]	301.946	302.904	304.224	2.7	0.8	0.4
Services less medical care services	253.182	253.549	254.568	2.4	0.5	0.4
Energy	216.469	202.495	182.372	-20.6	-15.8	-9.9
All items less energy	227.746	227.440	228.107	1.8	0.2	0.3
All items less food and energy	226.618	226.116	226.789	1.6	0.1	0.3
Commodities less food and energy commodities	146.828	145.572	145.105	-0.5	-1.2	-0.3
Energy commodities	260.486	225.032	181.925	-38.4	-30.2	-19.2
Services less energy services	279.054	279.085	280.543	2.3	0.5	0.5

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) Indexes on a December 1997=100 base.
(4) Special index based on a substantially smaller sample.
(5) Indexes on a December 1993=100 base.
Regions defined as the four Census regions. Midwest includes Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Missouri, Nebraska, North Dakota, Ohio, South Dakota, and Wisconsin.
NOTE: Index applies to a month as a whole, not to any specific date. Data not seasonally adjusted.

Table 2. Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W): Indexes and percent changes for selected periods Midwest (1982-84=100 unless otherwise noted)

Item and Group	Indexes			Percent change from-		
	Nov. 2014	Dec. 2014	Jan. 2015	Jan. 2014	Nov. 2014	Dec. 2014
Expenditure category						
All Items	219.886	217.963	216.078	-1.0	-1.7	-0.9
All items (December 1977=100)	355.605	352.495	349.446			
Food and beverages	238.781	239.338	239.991	3.2	0.5	0.3
Food	238.395	239.080	239.768	3.4	0.6	0.3
Food at home	230.840	231.515	232.308	3.0	0.6	0.3
Food away from home	251.948	252.648	253.129	3.9	0.5	0.2
Alcoholic beverages	243.295	241.812	241.893	0.8	-0.6	0.0
Housing	205.682	206.164	206.640	1.9	0.5	0.2
Shelter	235.125	235.306	236.119	2.1	0.4	0.3
Rent of primary residence [1]	244.892	245.286	245.595	2.5	0.3	0.1
Owners' equiv. rent of residences [1] [2]	232.768	232.969	233.400	1.7	0.3	0.2
Owners' equiv. rent of primary residence [1] [2]	232.772	232.975	233.407	1.7	0.3	0.2
Fuels and utilities	215.993	219.178	218.536	2.6	1.2	-0.3
Household energy	181.511	184.674	183.411	2.2	1.0	-0.7
Energy services [1]	185.911	189.589	188.456	4.0	1.4	-0.6
Electricity [1]	190.113	192.669	195.526	5.6	2.8	1.5
Utility (piped) gas service [1]	171.846	177.632	168.633	0.4	-1.9	-5.1
Household furnishings and operations	114.948	114.258	114.507	-1.5	-0.4	0.2
Apparel	121.454	117.288	114.597	-1.1	-5.6	-2.3
Transportation	204.898	194.759	183.096	-13.8	-10.6	-6.0
Private transportation	201.450	191.321	179.522	-14.2	-10.9	-6.2
New and used motor vehicles [3]	98.400	97.870	97.498	-1.6	-0.9	-0.4
New vehicles	142.633	143.063	142.641	0.5	0.0	-0.3
Used cars and trucks	145.413	142.955	142.225	-4.3	-2.2	-0.5
Motor fuel	261.684	225.180	180.515	-38.7	-31.0	-19.8
Gasoline (all types)	259.435	222.983	178.650	-38.9	-31.1	-19.9
Gasoline, unleaded regular [4]	255.873	219.488	174.659	-39.7	-31.7	-20.4
Gasoline, unleaded midgrade [4] [5]	289.763	247.730	203.070	-37.1	-29.9	-18.0
Gasoline, unleaded premium [4]	263.124	229.935	190.409	-34.4	-27.6	-17.2
Medical Care	449.958	450.786	453.803	3.4	0.9	0.7
Medical care commodities	354.712	355.343	356.996	5.7	0.6	0.5
Medical care services	479.266	480.157	483.667	2.7	0.9	0.7
Professional services	388.092	387.930	390.217	2.1	0.5	0.6
Recreation [3]	113.608	113.750	114.132	0.8	0.5	0.3
Education and communication [3]	132.103	131.794	131.951	0.6	-0.1	0.1
Other goods and services	436.448	437.049	441.322	1.2	1.1	1.0
Commodity and Service Group						
All Items	219.886	217.963	216.078	-1.0	-1.7	-0.9
Commodities	185.142	181.034	176.612	-5.2	-4.6	-2.4
Commodities less food & beverages	158.836	152.744	146.162	-10.4	-8.0	-4.3
Nondurables less food & beverages	211.530	199.315	185.389	-15.4	-12.4	-7.0
Nondurables less food, beverages, and apparel	267.135	250.045	229.357	-18.8	-14.1	-8.3
Durables	108.988	108.310	108.200	-2.0	-0.7	-0.1
Services	261.428	261.968	262.946	2.4	0.6	0.4
Rent of shelter [2]	233.527	233.619	234.435	2.1	0.4	0.3
Transportation services	288.544	288.068	289.670	3.7	0.4	0.6
Other services	301.269	301.171	302.686	1.5	0.5	0.5

Note: See footnotes at end of table.

Table 2. Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W): Indexes and percent changes for selected periods Midwest (1982-84=100 unless otherwise noted) - Continued

Item and Group	Indexes			Percent change from-		
	Nov. 2014	Dec. 2014	Jan. 2015	Jan. 2014	Nov. 2014	Dec. 2014
Special aggregate indexes:						
All items less medical care	211.040	209.019	206.957	-1.4	-1.9	-1.0
All items less food	216.287	213.894	211.544	-1.9	-2.2	-1.1
All items less shelter	216.837	214.145	211.281	-2.2	-2.6	-1.3
Commodities less food	161.454	155.460	149.027	-10.0	-7.7	-4.1
Nondurables	225.612	219.550	212.646	-6.1	-5.7	-3.1
Nondurables less food	213.085	201.438	188.251	-14.4	-11.7	-6.5
Nondurables less food and apparel	263.413	247.696	228.820	-17.4	-13.1	-7.6
Services less rent of shelter [(2)]	267.655	268.647	269.714	2.7	0.8	0.4
Services less medical care services	246.967	247.483	248.308	2.4	0.5	0.3
Energy	218.160	202.801	181.292	-22.0	-16.9	-10.6
All items less energy	221.854	221.576	222.101	1.8	0.1	0.2
All items less food and energy	218.739	218.259	218.751	1.4	0.0	0.2
Commodities less food and energy commodities	149.647	148.382	147.884	-0.6	-1.2	-0.3
Energy commodities	261.876	226.120	182.538	-38.4	-30.3	-19.3
Services less energy services	271.413	271.540	272.796	2.3	0.5	0.5

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 1984=100 base.
(3) Indexes on a December 1997=100 base.
(4) Special index based on a substantially smaller sample.
(5) Indexes on a December 1993=100 base.
Regions defined as the four Census regions. Midwest includes Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Missouri, Nebraska, North Dakota, Ohio, South Dakota, and Wisconsin.
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