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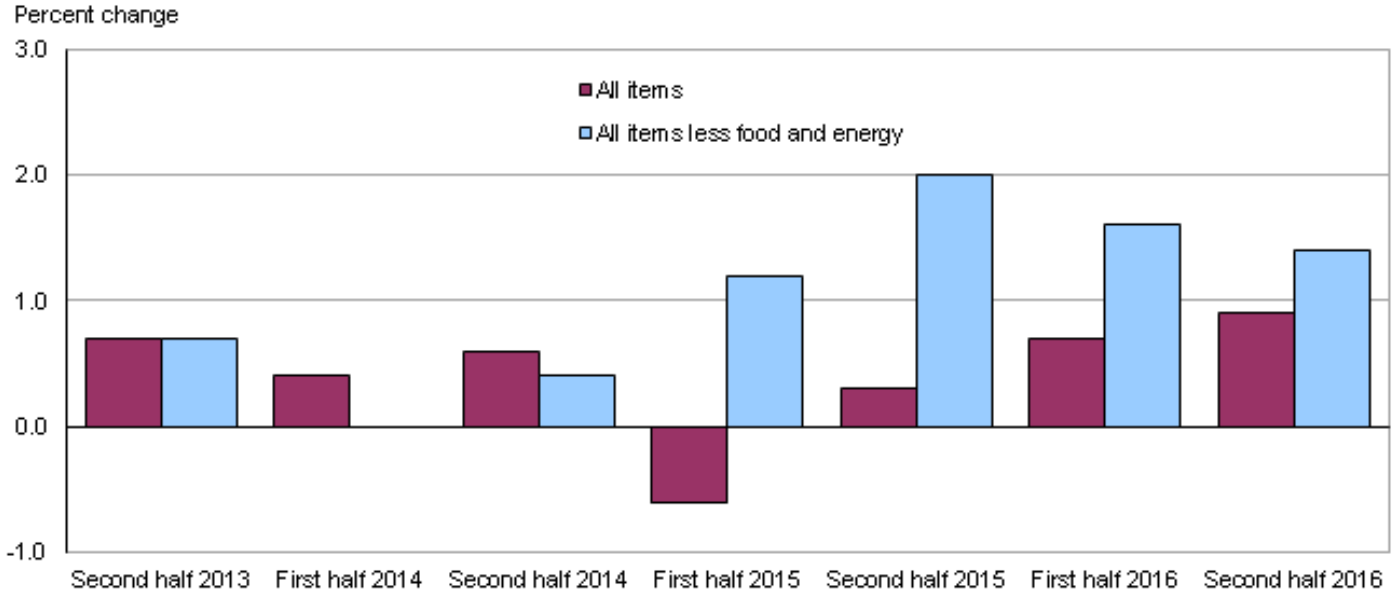
Consumer Price Index, Kansas City – Second Half 2016

Prices increased 0.9 percent from the second half of 2015 to the second half of 2016

The Consumer Price Index for All Urban Consumers (CPI-U) for the Kansas City, Mo.-Kan., metropolitan area increased 0.9 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 Stanley W. Suchman noted that higher costs for shelter (2.6 percent) and medical care (4.6 percent) had the largest upward impacts on the index. The overall increase was moderated by lower costs for expenditure categories such as motor fuel (-7.2 percent) and apparel (-4.3 percent). The energy index decreased 0.3 percent and food prices were virtually unchanged, down 0.1 percent. The all items less food and energy index advanced 1.4 percent over the year.

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



Source: U.S. Bureau of Labor Statistics.

Food

Food prices registered little change (-0.1 percent) from the second half of 2015 to the second half of 2016 due to offsetting movements within the index. Costs for food at home were 1.5 percent lower, while prices for food away from home rose 1.9 percent over the year. These compared with changes of -0.2 and 1.6 percent, respectively, in the same period one year ago.

Energy

The energy index, which includes motor fuel and household fuels, decreased a modest 0.3 percent from the second half of 2015 to the second half of 2016, due to offsetting movements over the year. Price decreases during the first half of the period were largely offset by increases during the most recent half. Lower prices for motor fuel (-7.2 percent) were largely responsible for the decrease in the energy index, though the magnitude was moderated as prices rose during the second half of the period. Costs for utility (piped) gas service (3.4 percent) and electricity (6.9 percent) were up over the year. During the same period one year ago, energy costs declined 14.3 percent, motor fuel costs fell 23.8 percent, prices for utility (piped) gas service were down 14.8 percent, and electricity costs rose 2.8 percent.

All items less food and energy

The index for all items less food and energy increased 1.4 percent from the second half of 2015 to the second half of 2016, after registering a gain of 2.0 percent in the same period one year ago. Shelter costs advanced 2.6 percent and had the largest upward impact on the all items less food and energy index. Other expenditure categories that registered higher prices over the year included medical care (4.6 percent) and other goods and services (1.7 percent). In contrast, prices for apparel (-4.3 percent) were among those that declined over the period.

The Kansas City CPI-U stood at 225.156 for the second half of 2016. This means that a market basket of goods and services that cost $100.00 in the 1982-84 base period cost $225.16 in the second half of 2016. Because metropolitan area 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 metropolitan area indexes.

CPI-W

The Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) for the Kansas City, Mo.-Kan., metropolitan area for the second half of 2016 was 215.325. The CPI-W increased 0.7 percent from the second half of 2015 to the second half of 2016.

The Consumer Price Index for the First Half of 2017 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 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 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/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 Kansas City, Mo.-Kan., area covered in this release includes Johnson, Leavenworth, Miami, and Wyandotte Counties in Kansas; and Cass, Clay, Clinton, Jackson, Lafayette, Platte, and Ray Counties in Missouri.

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 Kansas City, MO-KS (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	223.051	222.963	225.156	0.9	1.0
All items (1967=100)	662.319	662.056	668.568		
Food and beverages	256.995	257.393	256.807	-0.1	-0.2
Food	262.238	262.669	261.866	-0.1	-0.3
Food at home	250.644	249.547	246.847	-1.5	-1.1
Food away from home	280.691	283.599	286.005	1.9	0.8
Alcoholic beverages	196.205	196.394	197.672	0.7	0.7
Housing	212.652	214.379	217.805	2.4	1.6
Shelter	237.754	240.152	243.898	2.6	1.6
Rent of primary residence(1)	244.553	246.057	250.146	2.3	1.7
Owners' equiv. rent of residences(1)(2)	232.980	235.752	239.495	2.8	1.6
Owners' equiv. rent of primary residence(1)(2)	232.980	235.752	239.495	2.8	1.6
Fuels and utilities	228.211	229.021	239.664	5.0	4.6
Household energy	190.042	189.950	200.657	5.6	5.6
Energy services(1)	187.788	187.969	198.530	5.7	5.6
Electricity(1)	162.729	164.219	173.925	6.9	5.9
Utility (piped) gas service(1)	175.896	173.163	181.844	3.4	5.0
Household furnishings and operations	123.274	123.940	121.934	-1.1	-1.6
Apparel	113.271	115.314	108.345	-4.3	-6.0
Transportation	193.754	186.195	189.955	-2.0	2.0
Private transportation	190.784	182.426	186.884	-2.0	2.4
Motor fuel	211.472	175.268	196.168	-7.2	11.9
Gasoline (all types)	210.870	174.716	195.582	-7.2	11.9
Gasoline, unleaded regular(3)	205.278	168.989	189.326	-7.8	12.0
Gasoline, unleaded midgrade(3)(4)	256.434	220.676	244.913	-4.5	11.0
Gasoline, unleaded premium(3)	215.168	187.095	208.870	-2.9	11.6
Medical Care	351.078	355.503	367.129	4.6	3.3
Recreation(5)	130.430	131.011	129.729	-0.5	-1.0
Education and communication(5)	126.657	125.488	125.802	-0.7	0.3
Other goods and services	390.107	395.622	396.601	1.7	0.2
Commodity and Service Group					
All Items	223.051	222.963	225.156	0.9	1.0
Commodities	184.292	181.264	181.170	-1.7	-0.1
Commodities less food & beverages	150.384	145.920	146.004	-2.9	0.1
Nondurables less food & beverages	195.169	186.746	190.926	-2.2	2.2
Durables	107.470	106.664	104.186	-3.1	-2.3
Services	260.832	263.455	267.781	2.7	1.6
Special aggregate indexes:					
All items less medical care	215.827	215.469	217.118	0.6	0.8
All items less shelter	219.148	218.087	219.697	0.3	0.7
Commodities less food	152.136	147.842	147.970	-2.7	0.1
Nondurables	224.884	220.653	222.629	-1.0	0.9
Nondurables less food	195.874	188.056	192.001	-2.0	2.1
Services less rent of shelter(2)	297.152	300.077	305.173	2.7	1.7
Services less medical care services	247.680	250.064	254.096	2.6	1.6
Energy	202.359	186.212	201.685	-0.3	8.3
All items less energy	226.388	227.955	228.948	1.1	0.4
All items less food and energy	220.554	222.293	223.547	1.4	0.6

Note: See footnotes at end of table.

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.

Table 2. Consumer Price Index for Wage Earners and Clerical Workers (CPI-W): Indexes for semiannual averages and percent changes for selected periods Kansas City, MO-KS (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	213.868	213.196	215.325	0.7	1.0
All items (1967=100)	626.633	624.664	630.903		
Food and beverages	259.831	259.773	259.074	-0.3	-0.3
Food	264.192	264.135	263.141	-0.4	-0.4
Food at home	250.242	248.784	246.255	-1.6	-1.0
Food away from home	287.437	290.218	292.829	1.9	0.9
Alcoholic beverages	200.198	200.579	201.964	0.9	0.7
Housing	203.691	205.214	208.493	2.4	1.6
Shelter	224.932	227.212	230.802	2.6	1.6
Rent of primary residence(1)	244.553	246.057	250.146	2.3	1.7
Owners' equiv. rent of residences(1)(2)	212.114	214.638	218.045	2.8	1.6
Owners' equiv. rent of primary residence(1)(2)	212.114	214.638	218.045	2.8	1.6
Fuels and utilities	228.152	228.864	239.584	5.0	4.7
Household energy	190.412	190.110	200.849	5.5	5.6
Energy services(1)	188.408	188.631	199.245	5.8	5.6
Electricity(1)	162.731	164.221	173.927	6.9	5.9
Utility (piped) gas service(1)	175.895	173.162	181.843	3.4	5.0
Household furnishings and operations	111.770	112.441	109.642	-1.9	-2.5
Apparel	104.280	106.550	100.626	-3.5	-5.6
Transportation	179.155	169.706	173.435	-3.2	2.2
Private transportation	177.767	168.115	171.970	-3.3	2.3
Motor fuel	211.469	175.213	196.100	-7.3	11.9
Gasoline (all types)	210.865	174.712	195.578	-7.2	11.9
Gasoline, unleaded regular(3)	205.276	168.987	189.324	-7.8	12.0
Gasoline, unleaded midgrade(3)(4)	256.434	220.676	244.913	-4.5	11.0
Gasoline, unleaded premium(3)	215.160	187.088	208.862	-2.9	11.6
Medical Care	358.431	363.653	375.722	4.8	3.3
Recreation(5)	128.708	129.432	127.213	-1.2	-1.7
Education and communication(5)	114.530	113.167	113.224	-1.1	0.1
Other goods and services	423.491	429.832	431.505	1.9	0.4
Commodity and Service Group					
All Items	213.868	213.196	215.325	0.7	1.0
Commodities	180.299	176.358	176.114	-2.3	-0.1
Commodities less food & beverages	145.284	139.552	139.455	-4.0	-0.1
Nondurables less food & beverages	193.348	182.878	187.785	-2.9	2.7
Durables	108.145	107.286	104.610	-3.3	-2.5
Services	251.338	253.865	258.510	2.9	1.8
Special aggregate indexes:					
All items less medical care	207.560	206.612	208.354	0.4	0.8
All items less shelter	210.680	208.849	210.429	-0.1	0.8
Commodities less food	147.182	141.595	141.550	-3.8	0.0
Nondurables	225.016	219.429	221.898	-1.4	1.1
Nondurables less food	194.460	184.447	189.025	-2.8	2.5
Services less rent of shelter(2)	259.681	262.283	267.682	3.1	2.1
Services less medical care services	238.302	240.561	244.933	2.8	1.8
Energy	199.800	182.606	198.213	-0.8	8.5
All items less energy	217.249	218.758	219.457	1.0	0.3

Note: See footnotes at end of table.

Table 2. Consumer Price Index for Wage Earners and Clerical Workers (CPI-W): Indexes for semiannual averages and percent changes for selected periods Kansas City, MO-KS (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	208.045	209.765	210.677	1.3	0.4

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) Special index based on a substantially smaller sample.
(4) Indexes on a December 1993=100 base.
(5) Indexes on a December 1997=100 base.