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Consumer Price Index, Boston-Brockton-Nashua — November 2017

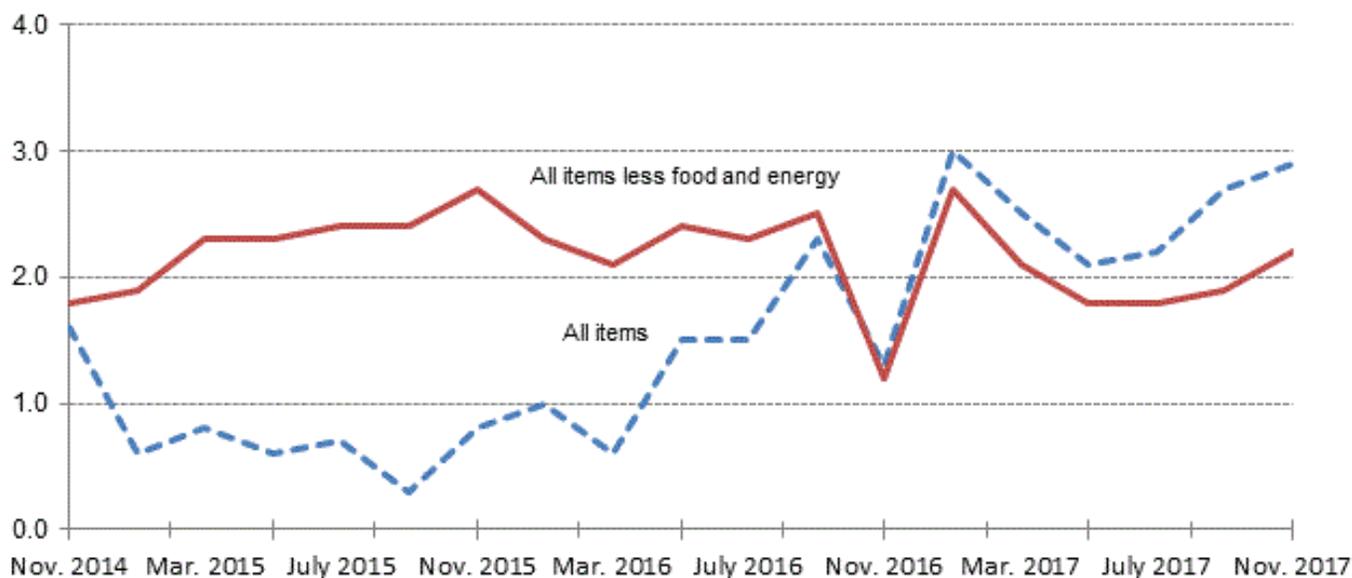
Area prices edged down 0.2 percent over two months; up 2.9 percent from a year ago

The Consumer Price Index for All Urban Consumers (CPI-U) in the Boston-Brockton-Nashua area edged down 0.2 percent in November, the U.S. Bureau of Labor Statistics reported today. Regional Commissioner Deborah A. Brown noted that the two-month decrease was mainly due to lower prices within shelter, down 0.8 percent and, to a lesser extent, lower food prices, down 0.2 percent. Moderating these declines were higher energy prices, up 3.3 percent over the period. (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 2.9 percent. The increase was largely attributable to higher shelter costs within all items less food and energy, up 2.2 percent (See [chart 1](#)). Higher energy prices paid by area consumers, up 13.3 percent, and to a lesser extent, higher food prices, up 1.3 percent, also contributed to the increase.

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

Percent



Source: U.S. Bureau of Labor Statistics.

Food

Food prices edged down 0.2 percent since September mainly due to lower grocery store or food at home prices, down 0.2 percent. Restaurant prices, or food away from home, were unchanged over the period.

Food prices increased 1.3 percent over the year, mainly due to higher food at home prices, up 1.5 percent. Restaurant prices, or food away from home edged up, 1.0 percent, and also contributed to the overall increase.

Energy

The energy index increased 3.3 percent over the two months, mainly driven by higher utility (piped) gas prices, up 29.1 percent due to suppliers switching to winter rates. Lower gasoline prices, down 4.9 percent, partially offset the overall increase. Higher electricity prices advanced 4.8 percent and further contributed to the overall increase over the period.

Energy prices were up 13.3 percent from a year ago, largely attributable to higher gasoline prices, up 17.6 percent. To a lesser extent, higher prices for electricity and utility (piped) gas also contributed to the overall increase, up 9.6 and 8.2 percent, respectively.

All items less food and energy

The index for all items less food and energy decreased from September (0.6 percent) mainly due to lower shelter costs. Within shelter, lodging away from home prices or hotel and motel prices declined sharply. The decrease was partially offset by higher costs within owners' equivalent rent of residences, up 0.9 percent. Lower prices for apparel, down 5.9 percent and recreation, down 2.5 percent further contributed to the overall decline. Also, partially offsetting the overall decrease were higher prices within education and communication, up 0.6 percent over the period.

Over the year, the index for all items less food and energy rose 2.2 percent, with higher shelter costs being the main driver of the increase, up 3.0 percent. Within shelter, higher costs for owners' equivalent rent of residences, up 2.8 percent, led the increase.

CPI-W

In November, the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) was 268.524. The CPI-W was up 0.3 percent over two months and increased 3.0 percent over the year.

The January 2018 Consumer Price Index for Boston-Cambridge-Newton is scheduled to be released on Wednesday, February 14, 2018, at 8:30 a.m. (ET).

Consumer Price Index Geographic Revision for 2018

In January 2018, BLS will introduce a new geographic area sample for the Consumer Price Index. As part of the new sample, the index for this area will be renamed. The first indexes using the new structure will be published in February 2018. Additional information on the geographic revision is available at:

www.bls.gov/cpi/additional-resources/geographic-revision-2018.htm.

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	Sep. 2017	Oct. 2017	Nov. 2017	Nov. 2016	Sep. 2017	Oct. 2017
All items.....		269.757		269.149	2.9	-0.2	
All items (1967 = 100).....		784.055		782.288			
Food and beverages.....		261.001		260.463	1.2	-0.2	
Food.....		262.306		261.898	1.3	-0.2	
Food at home.....		247.541	245.350	246.968	1.5	-0.2	0.7
Food away from home.....		287.974		287.884	1.0	0.0	
Alcoholic beverages.....		250.393		248.281	0.0	-0.8	
Housing.....		274.850		275.470	3.4	0.2	
Shelter.....		326.497	326.002	323.945	3.0	-0.8	-0.6
Rent of primary residence(1).....		335.405	336.557	339.499	4.1	1.2	0.9
Owners' equivalent rent of residences(1)(2)(3).....		343.957	345.243	347.148	2.8	0.9	0.6
Owners' equivalent rent of primary residence(1)(2)(3).....		343.957	345.243	347.148	2.8	0.9	0.6
Fuels and utilities.....		266.408		289.105	9.3	8.5	
Household energy.....		222.424	220.702	244.580	10.4	10.0	10.8
Energy services(1).....		233.521	230.880	258.782	9.2	10.8	12.1
Electricity(1).....		275.387	275.387	288.639	9.6	4.8	4.8
Utility (piped) gas service(1).....		153.058	146.047	197.659	8.2	29.1	35.3
Household furnishings and operations.....		127.613		125.812	-0.8	-1.4	
Apparel.....		150.306		141.503	0.0	-5.9	
Transportation.....		189.834		188.944	3.8	-0.5	
Private transportation.....		189.750		188.676	4.0	-0.6	
Motor fuel.....		233.496	224.772	222.224	17.6	-4.8	-1.1
Gasoline (all types).....		231.175	222.401	219.787	17.6	-4.9	-1.2
Gasoline, unleaded regular(4).....		224.994	216.192	213.176	18.0	-5.3	-1.4
Gasoline, unleaded midgrade(4)(5).....		240.852	232.332	232.449	16.2	-3.5	0.1
Gasoline, unleaded premium(4).....		236.953	230.080	230.961	14.6	-2.5	0.4
Medical care.....		644.047		646.503	2.1	0.4	
Recreation(6).....		122.925		119.889	2.8	-2.5	
Education and communication(6).....		162.225		163.261	1.7	0.6	
Other goods and services.....		481.451		482.975	6.5	0.3	
Commodity and service group							
Commodities.....		191.837		188.847	1.3	-1.6	
Commodities less food and beverages.....		155.293		151.463	1.4	-2.5	
Nondurables less food and beverages.....		205.606		199.203	4.3	-3.1	
Durables.....		107.696		106.048	-2.5	-1.5	
Services.....		340.224		341.820	3.7	0.5	
Special aggregate indexes							
All items less shelter.....		250.226		250.374	2.8	0.1	
All items less medical care.....		255.388		254.671	2.9	-0.3	
Commodities less food.....		159.164		155.361	1.3	-2.4	
Nondurables.....		232.599		228.952	2.6	-1.6	
Nondurables less food.....		207.941		201.829	4.0	-2.9	

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	Sep. 2017	Oct. 2017	Nov. 2017	Nov. 2016	Sep. 2017	Oct. 2017
Services less rent of shelter(2).....		373.850		380.314	4.3	1.7	
Services less medical care services.....		319.287		320.908	3.8	0.5	
Energy		225.634	220.881	233.102	13.3	3.3	5.5
All items less energy		277.778		276.366	2.1	-0.5	
All items less food and energy		281.279		279.692	2.2	-0.6	

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.