NEWS RELEASE
BUREAU OF LABOR STATISTICS
U. S. DEPARTMENT OF LABOR

For Release: Tuesday, August 16, 2016 **16-1706-ATL**

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ERRATA Incorrect prices for prescription drugs were used for the CPI-U and CPI-W indexes from May through August 2016 in a number of areas. Several indexes were affected, including the all items and medical care indexes. A list of the series affected can be found at (www.bls.gov/bls/errata/cpi-price-corrections-10182016.htm), and the corrected data are available in the CPI database (www.bls.gov/cpi/data.htm).

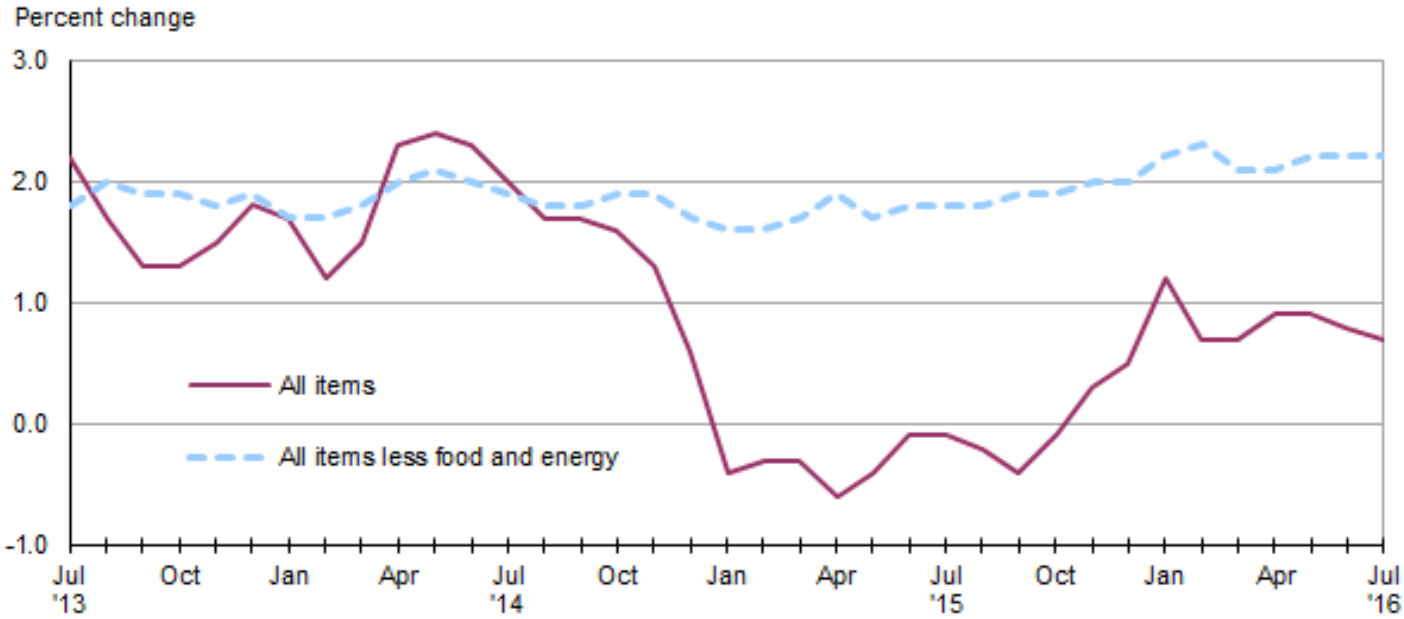
Consumer Price Index, South Region – July 2016

Prices down 0.2 percent over the month; up 0.7 percent over the year

The Consumer Price Index for All Urban Consumers (CPI-U) for the South edged down 0.2 percent in July, the U.S. Bureau of Labor Statistics reported today. The energy index declined 2.2 percent over the month and the all items less food and energy index inched down 0.1 percent. The food index edged up 0.1 percent in July. (Data in this report are not seasonally adjusted. Accordingly, month-to-month changes may reflect the impact of seasonal influences.)

Over the last 12 months, the all items CPI-U rose 0.7 percent. The all items less food and energy index increased 2.2 percent over the year reflecting price increases for several categories, most notably shelter and medical care. (See chart 1.)

Chart 1. Over-the-year percent change in CPI-U, South region, July 2013–July 2016



Source: U.S. Bureau of Labor Statistics.

Food

The food index inched up 0.1 percent in July. Prices for food away from home edged up 0.2 percent, while those for food at home were unchanged over the month.

The food index inched down 0.1 percent over the year reflecting a 1.5 percent decline in the food at home index. The food away from home index was up 1.8 percent from July 2015 to July 2016.

Energy

The energy index declined 2.2 percent in July, led by a 6.3-percent decrease in motor fuel prices. The electricity and utility (piped) gas service indexes advanced over the month, up 0.9 and 4.4 percent, respectively.

From July 2015 to July 2016, energy prices declined 10.9 percent, reflecting a 19.2-percent drop in motor fuel prices. Prices for electricity decreased 2.8 percent since July 2015, while utility (piped) gas service prices were up 1.7 percent over the year.

All items less food and energy

The all items less food and energy index inched down 0.1 percent in July. Price increases for medical care (0.6 percent) and shelter (0.1 percent) were largely offset by a 1.9-percent seasonal decline in apparel prices.

Since July 2015, the all items less food and energy index advanced 2.2 percent, led by increases in several indexes, most notably shelter (2.6 percent) and medical care (3.9 percent). Other indexes with increases over the year included education and communication (1.3 percent), recreation (1.3 percent), and other goods and services (2.1 percent).

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

Month	2012		2013		2014		2015		2016	
	1-month	12-month	1-month	12-month	1-month	12-month	1-month	12-month	1-month	12-month
January	0.5	3.2	0.4	1.6	0.3	1.7	-0.7	-0.4	0.0	1.2
February	0.6	3.3	0.9	1.8	0.4	1.2	0.5	-0.3	0.1	0.7
March	0.7	2.8	0.3	1.5	0.6	1.5	0.6	-0.3	0.6	0.7
April	0.4	2.5	-0.2	0.9	0.5	2.3	0.3	-0.6	0.4	0.9
May	-0.4	1.6	0.0	1.3	0.2	2.4	0.4	-0.4	0.4	0.9
June	-0.2	1.7	0.4	1.9	0.2	2.3	0.5	-0.1	0.4	0.8
July	-0.2	1.4	0.2	2.2	-0.1	2.0	-0.1	-0.1	-0.2	0.7
August	0.6	1.6	0.1	1.7	-0.2	1.7	-0.2	-0.2		
September	0.5	2.1	0.0	1.3	0.1	1.7	-0.2	-0.4		
October	-0.2	2.1	-0.2	1.3	-0.3	1.6	0.0	-0.1		
November	-0.5	1.6	-0.3	1.5	-0.6	1.3	-0.2	0.3		
December	-0.1	1.7	0.1	1.8	-0.6	0.6	-0.4	0.5		

The Consumer Price Index for August 2016 is scheduled to be released on Friday, September 16, 2016.

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 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 **South region** is comprised of Alabama, Arkansas, Delaware, District of Columbia, Florida, Georgia, Kentucky, Louisiana, Maryland, Mississippi, North Carolina, Oklahoma, South Carolina, Tennessee, Texas, Virginia, and West Virginia.

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

Item and Group	Indexes			Percent change from-		
	May 2016	Jun. 2016	Jul. 2016	Jul. 2015	May 2016	Jun. 2016
Expenditure category						
All Items	232.906	233.838	233.287	0.7	0.2	-0.2
All items (December 1977=100)	377.806	379.317	378.423	-	-	-
Food and beverages	245.899	245.427	245.569	0.0	-0.1	0.1
Food	247.128	246.622	246.816	-0.1	-0.1	0.1
Food at home	237.930	236.877	236.861	-1.5	-0.4	0.0
Food away from home	263.683	263.986	264.492	1.8	0.3	0.2
Alcoholic beverages	228.379	228.427	227.781	1.5	-0.3	-0.3
Housing	224.587	226.264	226.738	1.8	1.0	0.2
Shelter	257.150	257.928	258.147	2.6	0.4	0.1
Rent of primary residence [1]	264.949	265.603	266.237	3.3	0.5	0.2
Owners' equiv. rent of residences [1] [2]	258.748	259.261	259.773	2.4	0.4	0.2
Owners' equiv. rent of primary residence [1] [2]	258.736	259.250	259.762	2.4	0.4	0.2
Fuels and utilities	223.388	231.538	234.047	-1.1	4.8	1.1
Household energy	180.293	188.923	191.331	-2.3	6.1	1.3
Energy services [1]	180.740	189.561	191.968	-2.2	6.2	1.3
Electricity [1]	181.077	190.668	192.323	-2.8	6.2	0.9
Utility (piped) gas service [1]	163.465	166.364	173.645	1.7	6.2	4.4
Household furnishings and operations	120.981	121.493	121.494	-0.2	0.4	0.0
Apparel	136.625	135.240	132.727	1.9	-2.9	-1.9
Transportation	198.250	199.690	196.101	-4.1	-1.1	-1.8
Private transportation	195.705	197.017	193.899	-4.3	-0.9	-1.6
New and used motor vehicles [3]	104.033	103.558	103.238	-0.5	-0.8	-0.3
New vehicles	154.010	153.173	152.600	-0.3	-0.9	-0.4
New cars and trucks [3] [4]	104.876	104.235	103.837	-0.3	-1.0	-0.4
New cars [4]	154.128	153.271	152.591	-0.8	-1.0	-0.4
Used cars and trucks	147.674	146.666	145.811	-3.2	-1.3	-0.6
Motor fuel	190.330	197.954	185.421	-19.2	-2.6	-6.3
Gasoline (all types)	189.611	197.173	184.548	-19.2	-2.7	-6.4
Unleaded regular [4]	185.246	192.795	179.823	-20.1	-2.9	-6.7
Unleaded midgrade [4] [5]	208.865	215.973	204.883	-16.4	-1.9	-5.1
Unleaded premium [4]	206.881	214.038	205.078	-14.5	-0.9	-4.2
Medical care	437.172	438.307	440.883	3.9	0.8	0.6
Medical care commodities	348.286	350.409	352.624	3.2	1.2	0.6
Medical care services	467.261	467.982	470.670	4.1	0.7	0.6
Professional services	361.628	363.009	366.261	2.7	1.3	0.9
Recreation [3]	118.432	118.389	117.984	1.3	-0.4	-0.3
Education and communication [3]	136.790	136.717	136.731	1.3	0.0	0.0
Other goods and services	414.542	416.425	415.302	2.1	0.2	-0.3
Commodity and service group						
All Items	232.906	233.838	233.287	0.7	0.2	-0.2
Commodities	180.903	181.184	179.664	-2.5	-0.7	-0.8
Commodities less food and beverages	150.024	150.599	148.457	-4.0	-1.0	-1.4
Nondurables less food and beverages	191.209	193.226	188.921	-5.3	-1.2	-2.2
Nondurables less food, beverages, and apparel	225.526	229.431	224.049	-7.5	-0.7	-2.3
Durables	110.935	110.427	109.986	-1.8	-0.9	-0.4
Services	285.316	286.884	287.262	2.7	0.7	0.1
Rent of shelter [2]	263.901	264.687	264.924	2.7	0.4	0.1
Transportation services	328.485	329.461	327.766	5.0	-0.2	-0.5

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

Item and Group	Indexes			Percent change from-		
	May 2016	Jun. 2016	Jul. 2016	Jul. 2015	May 2016	Jun. 2016
Other services	340.218	340.398	339.955	2.5	-0.1	-0.1
Special aggregate indexes						
All items less medical care	221.684	222.600	221.907	0.4	0.1	-0.3
All items less food	230.487	231.638	230.973	0.8	0.2	-0.3
All items less shelter	224.535	225.537	224.664	-0.2	0.1	-0.4
Commodities less food	152.451	153.016	150.901	-3.8	-1.0	-1.4
Nondurables	217.131	217.958	215.780	-2.6	-0.6	-1.0
Nondurables less food	193.091	195.002	190.894	-4.9	-1.1	-2.1
Nondurables less food and apparel	224.671	228.247	223.272	-6.8	-0.6	-2.2
Services less rent of shelter [2]	321.172	323.781	324.352	2.7	1.0	0.2
Services less medical care services	268.845	270.445	270.664	2.5	0.7	0.1
Energy	180.957	188.961	184.712	-10.9	2.1	-2.2
All items less energy	239.475	239.631	239.485	1.8	0.0	-0.1
All items less food and energy	238.541	238.812	238.607	2.2	0.0	-0.1
Commodities less food and energy commodities	148.579	148.172	147.465	-0.3	-0.7	-0.5
Energy commodities	193.537	201.122	188.721	-19.0	-2.5	-6.2
Services less energy services	296.366	297.102	297.249	3.0	0.3	0.0

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.
- Data not available.
Regions defined as the four Census regions. South includes Alabama, Arkansas, Delaware, District of Columbia, Florida, Georgia, Kentucky, Louisiana, Maryland, Mississippi, North Carolina, Oklahoma, South Carolina, Tennessee, Texas, Virginia, and West Virginia.
NOTE: Index applies to a month as a whole, not to any specific date. Data not seasonally adjusted.