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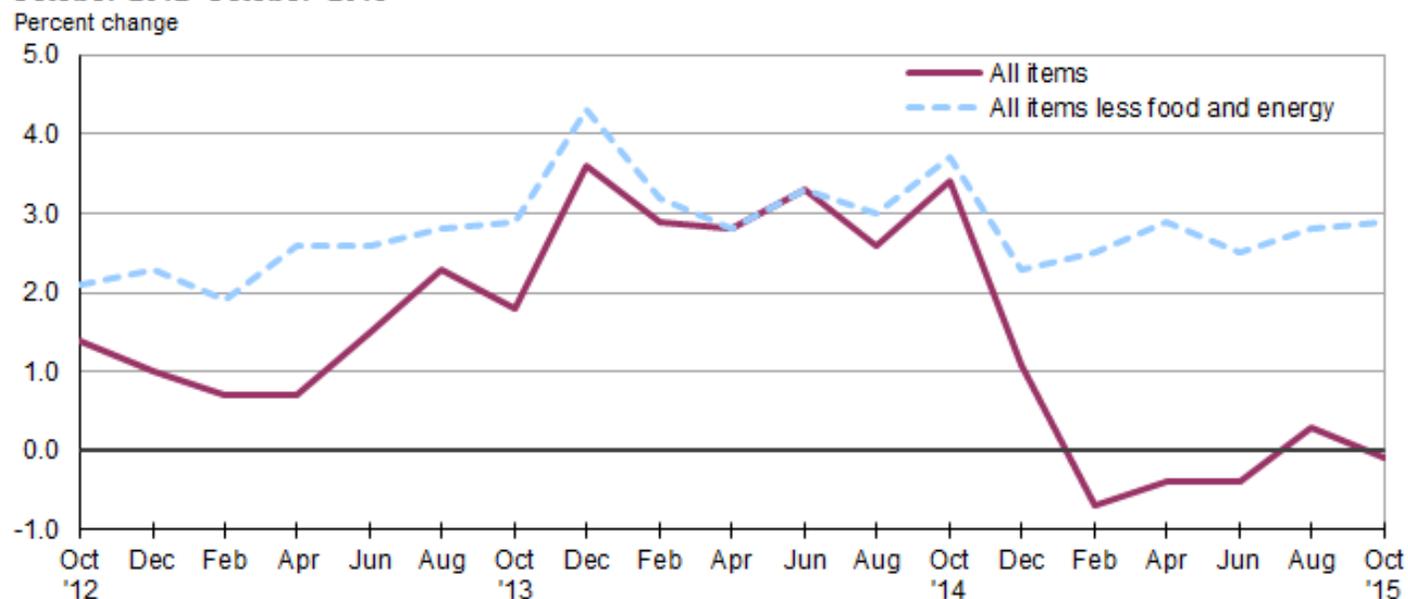
## **Consumer Price Index, Houston-Galveston-Brazoria – October 2015**

### **Area prices unchanged in September and October; edge down 0.1 percent over the year**

The Consumer Price Index for All Urban Consumers (CPI-U) in the Houston area was unchanged in September and October, the U.S. Bureau of Labor Statistics reported today. Regional Commissioner Stanley W. Suchman noted that a 1.0-percent advance in the index for all items less food and energy was offset by a 10.3-percent decline in energy prices combined with a 0.3-percent decrease in food prices. (Data in this report are not seasonally adjusted. Accordingly, short-term changes may reflect the impact of seasonal influences.)

During the year ended in October 2015, the all items CPI-U edged down 0.1 percent. (See [chart 1.](#)) In contrast, the index for all items less food and energy increased 2.9 percent over the year. (See [table 1.](#))

**Chart 1. Over-the-year percent change in CPI-U, Houston-Galveston-Brazoria**  
**October 2012–October 2015**



### **Food**

Local food prices fell 0.3 percent in September and October, after increasing 0.7 in July and August. Among the two components of the index, prices for food at home (grocery stores) decreased 0.8 percent, while prices for food away from home rose 0.4 percent.

From October 2014 to October 2015, the food index rose 1.1 percent, reflecting the combined effects of a 2.7-percent price rise for food away from home and a 0.2-percent price decline at grocery stores. This period marked the first annual decrease in grocery store prices since September 2013 (-0.3 percent).

## **Energy**

The energy index decreased 10.3 percent in September and October, after falling 3.4 percent in July and August. The biggest factor in the current two-month decline was a 16.1-percent decrease in the motor fuel index, though lower electricity prices also contributed, down 2.1 percent. Natural gas costs were unchanged during the period.

During the year ended in October 2015, the energy index fell 26.5-percent as prices decreased for all three energy components. A 33.3-percent drop in motor fuel prices was the biggest factor in the decline, but electricity and natural gas costs also fell, down 16.5 and 11.8 percent, respectively.

## **All items less food and energy**

The index for all items less food and energy rose 1.0 percent in September and October, after advancing 0.7 percent in July and August. Among the leading factors in the advance were higher prices for apparel (4.5 percent) and shelter (1.1 percent). Also contributing were higher costs for motor vehicle insurance, other goods and services, and recreation. In contrast, lower prices were noted for medical care, down 1.0 percent during the period.

From October 2014 to October 2015, the index for all items less food and energy rose 2.9 percent. The biggest factor in the annual increase was a 6.2-percent rise in shelter costs, as the indexes rose for both renters' costs (7.7 percent) and owners' equivalent rent (6.1 percent). This marked the fastest annual price rise for the overall shelter index since the year ended in August 2009 (6.2 percent). Other contributors to the annual increase included higher prices for medical care (3.1 percent) and for education and communication (2.3 percent). Countering a portion of these advances, prices fell over the year for apparel (-6.4 percent) and for recreation (-4.4 percent).

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**The December 2015 Consumer Price Index for All Items for Houston-Galveston-Brazoria will be released on January 20, 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](http://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](http://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 cities; they only measure the average change in prices for each area since the base period.**

The **Houston-Galveston-Brazoria, Texas, Consolidated Metropolitan Statistical Area (CMSA)** includes Brazoria, Chambers, Fort Bend, Galveston, Harris, Liberty, Montgomery, and Waller Counties.

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

Item and Group	Indexes			Percent change from -		
	Aug. 2015	Sep. 2015	Oct. 2015	Oct. 2014	Aug. 2015	Sep. 2015
All items .....	214.652	-	214.569	-0.1	0.0	-
All items (1967 = 100) .....	688.465	-	688.199			
Food and beverages .....	224.849	-	224.440	1.2	-0.2	-
Food .....	224.800	-	224.190	1.1	-0.3	-
Food at home .....	225.811	225.696	223.992	-0.2	-0.8	-0.8
Food away from home .....	219.234	-	220.072	2.7	0.4	-
Alcoholic beverages .....	215.340	-	217.985	2.0	1.2	-
Housing .....	203.299	-	204.995	3.6	0.8	-
Shelter .....	242.757	244.057	245.537	6.2	1.1	0.6
Rent of primary residence <sup>(1)</sup> .....	234.455	236.568	238.585	7.7	1.8	0.9
Owners' equivalent rent of residences <sup>(1)</sup> <sup>(2)</sup> .....	224.813	225.654	227.046	6.1	1.0	0.6
Owners' equivalent rent of primary residence <sup>(1)</sup> <sup>(2)</sup> .....	224.813	225.654	227.046	6.1	1.0	0.6
Fuels and utilities .....	156.698	-	154.801	-11.3	-1.2	-
Household energy .....	137.641	136.292	135.116	-15.8	-1.8	-0.9
Energy services <sup>(1)</sup> <sup>(3)</sup> .....	135.185	133.932	132.809	-15.7	-1.8	-0.8
Electricity <sup>(1)</sup> .....	134.792	133.293	131.952	-16.5	-2.1	-1.0
Utility (piped) gas service <sup>(1)</sup> .....	126.098	126.079	126.052	-11.8	0.0	0.0
Household furnishings and operations .....	124.469	-	125.331	2.2	0.7	-
Apparel .....	181.352	-	189.426	-6.4	4.5	-
Transportation .....	178.316	-	172.983	-7.8	-3.0	-
Private transportation .....	176.991	-	171.082	-8.0	-3.3	-
Motor fuel .....	214.506	193.308	179.868	-33.3	-16.1	-7.0
Gasoline (all types) .....	215.309	193.834	179.983	-33.2	-16.4	-7.1
Gasoline, unleaded regular <sup>(4)</sup> .....	219.477	196.803	182.267	-34.2	-17.0	-7.4
Gasoline, unleaded midgrade <sup>(4)</sup> <sup>(5)</sup> .....	227.010	207.552	194.107	-29.9	-14.5	-6.5
Gasoline, unleaded premium <sup>(4)</sup> .....	226.415	207.728	195.701	-27.3	-13.6	-5.8
Medical care .....	452.245	-	447.665	3.1	-1.0	-
Recreation <sup>(6)</sup> .....	101.118	-	101.900	-4.4	0.8	-
Education and communication <sup>(6)</sup> .....	125.593	-	126.138	2.3	0.4	-
Other goods and services .....	390.153	-	394.618	2.4	1.1	-
<b>Commodity and service group</b>						
Commodities .....	175.478	-	173.042	-4.8	-1.4	-
Commodities less food and beverages .....	150.867	-	147.686	-8.1	-2.1	-
Nondurables less food and beverages .....	200.746	-	192.421	-13.4	-4.1	-
Durables .....	104.507	-	105.012	-0.6	0.5	-
Services .....	255.404	-	257.695	3.3	0.9	-
<b>Special aggregate indexes</b>						
All items less shelter .....	204.052	-	202.920	-2.7	-0.6	-
All items less medical care .....	202.985	-	203.046	-0.3	0.0	-
Commodities less food .....	153.188	-	150.135	-7.7	-2.0	-
Nondurables .....	213.283	-	208.803	-6.3	-2.1	-
Nondurables less food .....	201.438	-	193.731	-12.6	-3.8	-
Services less rent of shelter <sup>(2)</sup> .....	267.350	-	269.010	0.5	0.6	-
Services less medical care services .....	235.980	-	238.536	3.5	1.1	-
Energy .....	173.567	162.697	155.640	-26.5	-10.3	-4.3
All items less energy .....	221.505	-	223.289	2.6	0.8	-
All items less food and energy .....	220.774	-	222.991	2.9	1.0	-

Note: See footnotes at end of table.

(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) Prior to January 2011 this series was titled Gas (piped) and electricity.

(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.