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SOUTHWEST INFORMATION OFFICE: Dallas, Texas

Technical information: (972) 850-4800 BLSInfoDallas@bls.gov www.bls.gov/regions/southwest

Media contact: (972) 850-4800

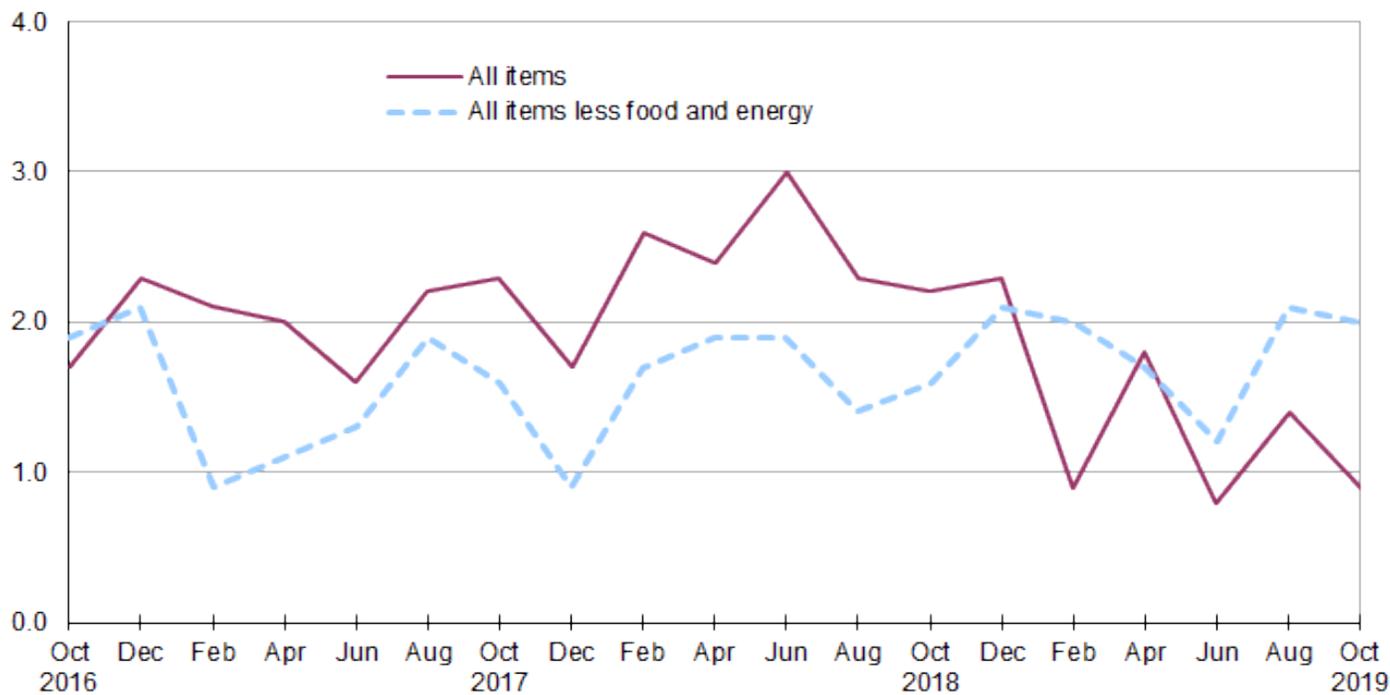
Consumer Price Index, Houston-The Woodlands-Sugar Land – October 2019 **Area prices rise 0.3 percent in September and October; up 0.9 percent over the year**

Prices in the Houston-The Woodlands-Sugar Land area, as measured by the Consumer Price Index for All Urban Consumers (CPI-U), were up 0.3 percent for the two months ending in October 2019, the U.S. Bureau of Labor Statistics reported today. Assistant Commissioner for Regional Operations Stanley W. Suchman noted that the largest contributor was a 0.4-percent increase in the index for all items less food and energy, as the index for energy costs declined 0.3 percent. The food index was little changed during the two-month period. (Data in this report are not seasonally adjusted. Accordingly, bi-monthly changes may reflect seasonal influences.)

Over the last 12 months, the all items CPI-U increased 0.9 percent. (See [chart 1](#).) The index for all items less food and energy advanced 2.0 percent over the year, while food prices increased 1.6 percent. The energy index fell 10.0 percent during the last year. (See [table 1](#).)

Chart 1. Over-the-year percent change in CPI-U, Houston, TX, October 2016–October 2019

Percent change



Source: U.S. Bureau of Labor Statistics.

Food

Food prices edged up 0.1 percent in September and October, following a dip of 0.1 percent in July and August. The latest movement reflected the combined effects of a 0.5-percent increase in the food away from home index and a 0.5-percent decline in the food at home index.

Over the year, food prices increased 1.6 percent. Prices for food away from home advanced 2.5 percent, while prices for food at home rose at a slower pace, up 0.6 percent.

Energy

The energy index fell 0.3 percent in September and October, following a 3.7-percent decline in July and August. Energy costs have fallen in five of the last six bi-monthly periods. The latest movement was the result of a 6.1-percent decrease in gasoline costs. In contrast, household energy costs were up during the period, with electricity costs rising 7.5 percent and prices for natural gas service up 1.5 percent.

From October 2018 to October 2019, the energy index decreased 10.0 percent, the fastest annual rate of decline since August 2016. The largest factor was a 13.2-percent drop in gasoline costs, but lower costs for electricity (-8.1 percent) were another big contributor. The index for natural gas service climbed 10.1 percent over the year, its fastest annual rate of gain since July 2017.

All items less food and energy

The index for all items less food and energy rose 0.4 percent in September and October, after rising 0.5 percent in July and August. During the latest period, increases in the indexes for recreation (2.4 percent), household furnishings and operations (2.3 percent), and apparel (2.4 percent) were partially offset by lower costs for used cars and trucks (-4.2 percent) and shelter (-0.3 percent). The shelter decrease was the result of a sharp decline in the index for lodging away from home (hotels and motels).

During the 12 months ending in October 2019, the index for all items less food and energy advanced 2.0 percent. The largest factor in the latest annual change was a 2.3-percent rise in the index for shelter, led by a 3.3-percent advance in owners' equivalent rent. Other components contributing to the increase included higher prices for medical care (3.7 percent), household furnishings and operations (5.0 percent), and recreation (2.5 percent). Partly countering the increases were index declines for new vehicles (-0.5 percent), apparel (-0.6 percent) and other goods and services (-0.2 percent).

The December 2019 Consumer Price Index for All Items for Houston-The Woodlands-Sugar Land is scheduled to be released Tuesday, January 14, 2020.

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 93 percent of the total population and (2) a CPI for Urban Wage Earners and Clerical Workers (CPI-W) which covers 29 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 75 urban areas across the country from about 5,000 housing units and approximately 22,000 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/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 **Houston-The Woodlands-Sugar Land, Texas, Core Based Statistical Area** includes the counties of Austin, Brazoria, Chambers, Fort Bend, Galveston, Harris, Liberty, Montgomery, and Waller.

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

Item and Group	Indexes			Percent change from -		
	Aug. 2019	Sep. 2019	Oct. 2019	Oct. 2018	Aug. 2019	Sep. 2019
All items.....	229.423	-	230.041	0.9	0.3	-
All items (1967 = 100).....	735.843	-	737.825			
Food and beverages.....	233.220	-	233.211	1.4	0.0	-
Food.....	233.571	-	233.717	1.6	0.1	-
Food at home.....	224.850	224.266	223.822	0.6	-0.5	-0.2
Cereals and bakery products.....	268.375	-	264.436	1.2	-1.5	-
Meats, poultry, fish, and eggs.....	242.722	-	245.002	-0.6	0.9	-
Dairy and related products.....	174.425	-	170.265	-3.8	-2.4	-
Fruits and vegetables.....	289.787	-	284.524	2.8	-1.8	-
Nonalcoholic beverages and beverage materials(1).....	266.178	-	266.242	-2.4	0.0	-
Other food at home.....	200.165	-	200.352	3.1	0.1	-
Food away from home.....	238.468	-	239.750	2.5	0.5	-
Alcoholic beverages.....	217.366	-	214.917	-1.9	-1.1	-
Housing.....	225.415	-	226.742	1.7	0.6	-
Shelter.....	270.432	271.429	269.545	2.3	-0.3	-0.7
Rent of primary residence.....	264.746	265.363	264.805	1.2	0.0	-0.2
Owners' equivalent rent of residences(2).....	252.689	254.184	253.141	3.3	0.2	-0.4
Owners' equivalent rent of primary residence(2).....	252.689	254.184	253.141	3.3	0.2	-0.4
Fuels and utilities.....	168.948	-	177.524	-4.7	5.1	-
Household energy.....	144.486	151.495	154.112	-6.3	6.7	1.7
Energy services.....	142.102	149.058	151.659	-6.3	6.7	1.7
Electricity.....	141.756	149.705	152.364	-8.1	7.5	1.8
Utility (piped) gas service.....	132.784	132.779	134.796	10.1	1.5	1.5
Household furnishings and operations.....	139.218	-	142.454	5.0	2.3	-
Apparel.....	179.500	-	183.776	-0.6	2.4	-
Transportation.....	186.229	-	184.078	-2.3	-1.2	-
Private transportation.....	185.998	-	183.445	-2.7	-1.4	-
New and used motor vehicles(3).....	88.728	-	87.376	0.0	-1.5	-
New vehicles(1).....	163.359	-	163.216	-0.5	-0.1	-
Used cars and trucks(1).....	234.897	-	225.040	1.3	-4.2	-
Motor fuel.....	218.536	203.194	205.525	-13.1	-6.0	1.1
Gasoline (all types).....	218.603	202.998	205.287	-13.2	-6.1	1.1
Gasoline, unleaded regular(4).....	220.665	204.161	206.637	-13.7	-6.4	1.2
Gasoline, unleaded midgrade(4)(5).....	237.618	225.333	226.776	-10.3	-4.6	0.6
Gasoline, unleaded premium(4).....	242.902	231.753	232.917	-8.9	-4.1	0.5
Motor vehicle insurance(1).....	708.611	-	740.494	2.0	4.5	-
Medical care.....	512.555	-	516.048	3.7	0.7	-
Recreation(3).....	106.871	-	109.433	2.5	2.4	-
Education and communication(3).....	122.905	-	122.462	1.2	-0.4	-
Tuition, other school fees, and childcare(1).....	1,232.820	-	1,242.534	0.9	0.8	-
Other goods and services.....	413.984	-	416.903	-0.2	0.7	-
Commodity and service group						
Commodities.....	176.136	-	174.450	-1.4	-1.0	-
Commodities less food and beverages.....	148.350	-	146.129	-3.0	-1.5	-
Nondurables less food and beverages.....	200.470	-	197.188	-5.7	-1.6	-
Durables.....	100.956	-	99.598	0.1	-1.3	-
Services.....	283.958	-	286.939	2.4	1.0	-
Special aggregate indexes						
All items less shelter.....	214.032	-	215.215	0.2	0.6	-
All items less medical care.....	215.924	-	216.433	0.6	0.2	-
Commodities less food.....	150.771	-	148.532	-3.0	-1.5	-

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, Houston-The Woodlands-Sugar Land, TX (1982-84=100 unless otherwise noted) - Continued

Item and Group	Indexes			Percent change from -		
	Aug. 2019	Sep. 2019	Oct. 2019	Oct. 2018	Aug. 2019	Sep. 2019
Nondurables	217.094	-	215.391	-2.1	-0.8	-
Nondurables less food.....	201.232	-	197.997	-5.5	-1.6	-
Services less rent of shelter(2).....	296.209	-	303.712	2.4	2.5	-
Services less medical care services.....	261.280	-	263.933	2.0	1.0	-
Energy	177.636	174.690	177.182	-10.0	-0.3	1.4
All items less energy	237.802	-	238.554	2.0	0.3	-
All items less food and energy	238.351	-	239.207	2.0	0.4	-

Footnotes

- (1) Indexes on an April 1978=100 base.
- (2) Indexes on a December 1982=100 base.
- (3) Indexes on a December 1997=100 base.
- (4) Special index based on a substantially smaller sample.
- (5) Index on a December 1993=100 base.
- Data not available.