



For Release: Wednesday, September 17, 2014

14-1682-CHI

MIDWEST INFORMATION OFFICE: Chicago, Ill.

Technical information: (312) 353-1880 BLSInfoChicago@bls.gov www.bls.gov/regions/midwest

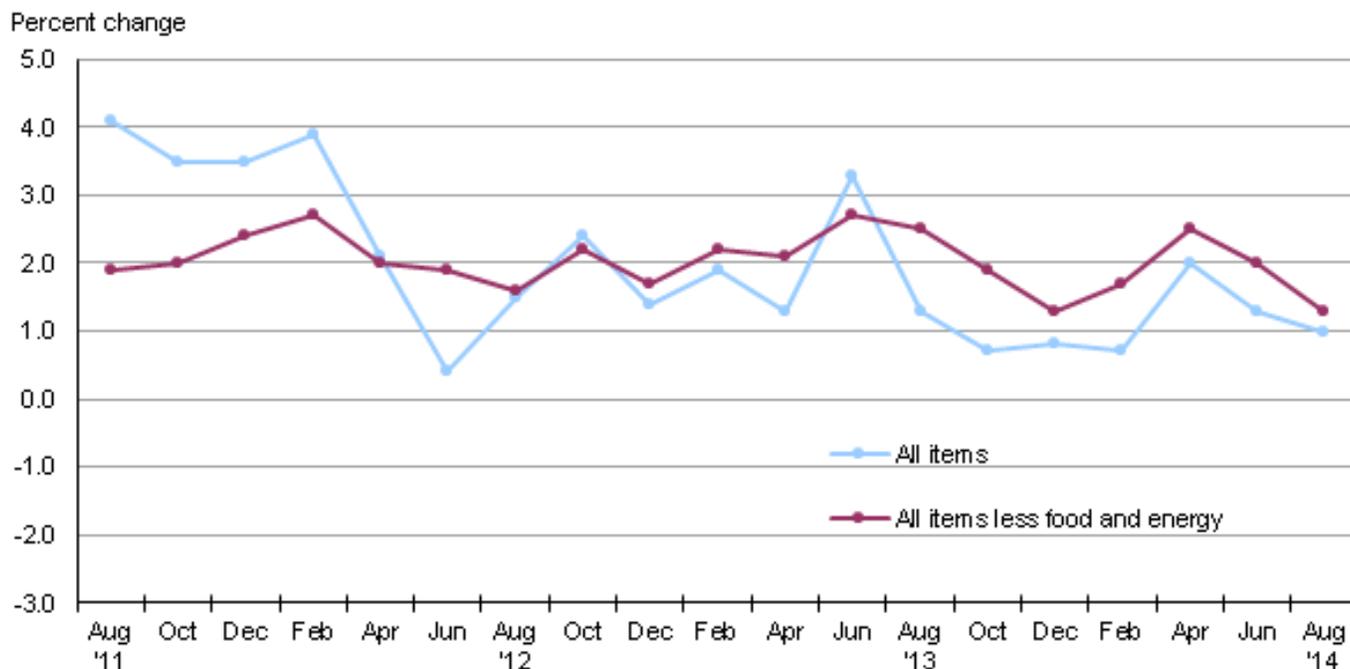
Media contact: (312) 353-1138

Consumer Price Index, Detroit-Ann Arbor-Flint – August 2014

The Consumer Price Index for All Urban Consumers (CPI-U) in the Detroit-Ann Arbor-Flint area declined 1.0 percent from June to August, the U.S. Bureau of Labor Statistics reported today. Regional Commissioner Charlene Peiffer noted that the energy index decreased 6.1 percent while the food index edged up 0.1 percent over the bi-monthly period. The index for all items less food and energy declined 0.4 percent from June to August. Among the indexes within the all items less food and energy category, prices were lower for airline fares, recreation, and household furnishings and operations. (Data in this report are not seasonally adjusted. Accordingly, month-to-month changes may reflect the impact of seasonal influences.)

Over the past 12 months the Detroit all items CPI-U rose 1.0 percent. (See [chart 1](#) and [table A](#).) The energy index fell 1.6 percent over the year due to annual declines in prices for gasoline and electricity. The index for all items less food and energy rose 1.3 percent over the year. (See [table 1](#).)

Chart 1. Over-the-year percent change in CPI-U, Detroit-Ann Arbor-Flint, August 2011–August 2014



Source: U.S. Bureau of Labor Statistics.

Food

Food prices edged up 0.1 percent from June to August following a 0.5-percent decline over the previous bi-monthly period. Between the two components of the food index, prices for food at home (groceries) fell 0.4 percent and prices for food away from home (restaurant, cafeteria, and vending purchases) were higher by 0.8 percent. Grocery prices were up 1.7 percent from August a year ago, while prices for food away from home were 2.4 percent higher. From August 2013 to August 2014, overall food prices rose 2.0 percent in the Detroit area.

Energy

The energy index for Detroit fell 6.1 percent from June to August. Declines in the categories for gasoline (-10.5 percent) and utility (piped) gas service (-0.9 percent) were contributing factors. Electricity costs edged up 0.2 percent from June to August.

From August 2013 to August 2014, overall energy prices decreased 1.6 percent. Prices for gasoline and electricity fell 4.6 percent and 1.7 percent, respectively, over the year. In contrast, costs for utility (piped) gas service were up 7.1 percent compared to last August.

All items less food and energy

The index for all items less food and energy fell 0.4 percent from June to August. Among the index's components, prices were lower for airline fares, recreation (-1.6 percent), and household furnishings and operations (-2.2 percent). In contrast prices for education and communication rose 1.8 percent from June to August.

Over the year, the index for all items less food and energy rose 1.3 percent. Annual increases in costs for shelter (3.2 percent) and education and communication (4.4 percent) were contributing factors.

Table A. Percent Changes in the CPI-U, Detroit-Ann Arbor-Flint, Mich. (not seasonally adjusted)

Expenditure Category	Percent changes from preceding 2 months							12 mo. ended Aug. '14
	2013				2014			
	Aug.	Oct.	Dec.	Feb.	Apr.	June	Aug.	
All items	-0.7	-0.1	-0.7	1.1	1.3	0.5	-1.0	1.0
Food & beverages	0.4	-0.2	1.1	0.3	1.1	-0.2	0.0	2.0
Food	0.3	-0.2	1.1	0.4	1.2	-0.5	0.1	2.0
Housing	-0.7	0.3	0.6	0.8	0.2	0.8	0.1	2.8
Apparel	3.3	0.1	-6.9	7.2	6.0	-3.0	-2.0	0.7
Transportation	-2.8	-1.6	-3.2	2.4	3.6	2.1	-4.2	-1.2
Medical care	1.7	0.3	0.5	0.8	0.3	0.2	-1.1	0.9
Recreation	-3.6	-0.9	-2.9	-0.1	1.6	-1.0	-1.6	-5.0
Education & communication	1.3	2.0	-0.4	-0.2	0.9	0.2	1.8	4.4
Other goods & services	0.1	-0.1	0.8	0.4	0.4	-0.3	-3.0	-1.8
Special Indexes								
Energy	-8.4	-2.8	-3.0	1.4	4.8	4.7	-6.1	-1.6
All items less food & energy	0.3	0.3	-0.6	1.1	0.8	0.1	-0.4	1.3

The October 2014 Consumer Price Index for Detroit is scheduled to be released on Thursday, November 20, 2014, at 8:30 a.m. (ET).

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 88 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 87 urban areas across the country from about 4,000 housing units and approximately 26,000 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 cities; they only measure the average change in prices for each area since the base period.**

The **Detroit-Ann Arbor-Flint, Mich.** consolidated area covered in this release is comprised of Genesee, Lapeer, Lenawee, Livingston, Macomb, Monroe, Oakland, St. Clair, Washtenaw, and Wayne Counties in Michigan.

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 and percent changes for selected periods Detroit-Ann Arbor-Flint, MI (1982-84=100 unless otherwise noted)

Item and Group	Indexes			Percent change from-		
	Jun. 2014	Jul. 2014	Aug. 2014	Aug. 2013	Jun. 2014	Jul. 2014
Expenditure category						
All items	224.482	-	222.284	1.0	-1.0	-
All items (1967=100)	667.254	-	660.720	-	-	-
Food and beverages	217.552	-	217.464	2.0	0.0	-
Food	217.502	-	217.647	2.0	0.1	-
Food at home	211.553	210.920	210.719	1.7	-0.4	-0.1
Food away from home	226.584	-	228.343	2.4	0.8	-
Alcoholic beverages	212.223	-	209.079	2.1	-1.5	-
Housing	200.703	-	200.984	2.8	0.1	-
Shelter	224.335	225.413	224.946	3.2	0.3	-0.2
Rent of primary residence ⁽¹⁾	225.570	226.199	226.751	2.9	0.5	0.2
Owners' equiv. rent of residences ^{(1) (2)}	223.000	223.236	223.732	2.5	0.3	0.2
Owners' equiv. rent of primary residence ^{(1) (2)}	223.000	223.236	223.732	2.5	0.3	0.2
Fuels and utilities	243.858	-	246.458	3.0	1.1	-
Household energy	195.765	195.979	195.328	1.9	-0.2	-0.3
Energy services ⁽¹⁾	197.792	197.916	197.257	1.8	-0.3	-0.3
Electricity ⁽¹⁾	214.156	214.630	214.552	-1.7	0.2	0.0
Utility (piped) gas service ⁽¹⁾	168.062	167.806	166.567	7.1	-0.9	-0.7
Household furnishings and operations	121.372	-	118.746	-0.6	-2.2	-
Apparel	126.397	-	123.888	0.7	-2.0	-
Transportation	260.165	-	249.119	-1.2	-4.2	-
Private transportation	259.529	-	249.291	-1.0	-3.9	-
Motor fuel	341.878	327.790	306.186	-4.0	-10.4	-6.6
Gasoline (all types)	339.829	325.769	304.199	-4.6	-10.5	-6.6
Gasoline, unleaded regular ⁽³⁾	349.355	334.712	311.983	-5.0	-10.7	-6.8
Gasoline, unleaded midgrade ^{(3) (4)}	379.218	364.104	341.983	-3.4	-9.8	-6.1
Gasoline, unleaded premium ⁽³⁾	318.133	305.888	288.071	-1.7	-9.4	-5.8
Medical care	402.872	-	398.474	0.9	-1.1	-
Recreation ⁽⁵⁾	114.525	-	112.637	-5.0	-1.6	-
Education and communication ⁽⁵⁾	144.835	-	147.496	4.4	1.8	-
Other goods and services	405.260	-	393.085	-1.8	-3.0	-
Commodity and service group						
All items	224.482	-	222.284	1.0	-1.0	-
Commodities	186.057	-	181.811	0.1	-2.3	-
Commodities less food & beverages	169.108	-	162.931	-0.9	-3.7	-
Nondurables less food & beverages	213.881	-	202.492	-2.1	-5.3	-
Durables	118.107	-	117.243	1.2	-0.7	-
Services	264.664	-	264.411	1.7	-0.1	-
Special aggregate indexes						
All items less medical care	217.405	-	215.297	1.1	-1.0	-
All items less shelter	227.912	-	224.483	0.2	-1.5	-
Commodities less food	170.819	-	164.729	-0.8	-3.6	-
Nondurables	216.044	-	210.137	-0.3	-2.7	-
Nondurables less food	213.752	-	202.882	-2.0	-5.1	-
Services less rent of shelter ⁽²⁾	321.609	-	320.209	0.3	-0.4	-
Services less medical care services	255.039	-	255.191	1.9	0.1	-
Energy	265.197	259.050	249.058	-1.6	-6.1	-3.9
All items less energy	222.739	-	221.999	1.4	-0.3	-

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 Detroit-Ann Arbor-Flint, MI (1982-84=100 unless otherwise noted) - Continued

Item and Group	Indexes			Percent change from-		
	Jun. 2014	Jul. 2014	Aug. 2014	Aug. 2013	Jun. 2014	Jul. 2014
All items less food and energy	224.277	-	223.361	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 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.

- Data not available

NOTE: Index applies to a month as a whole, not to any specific date.