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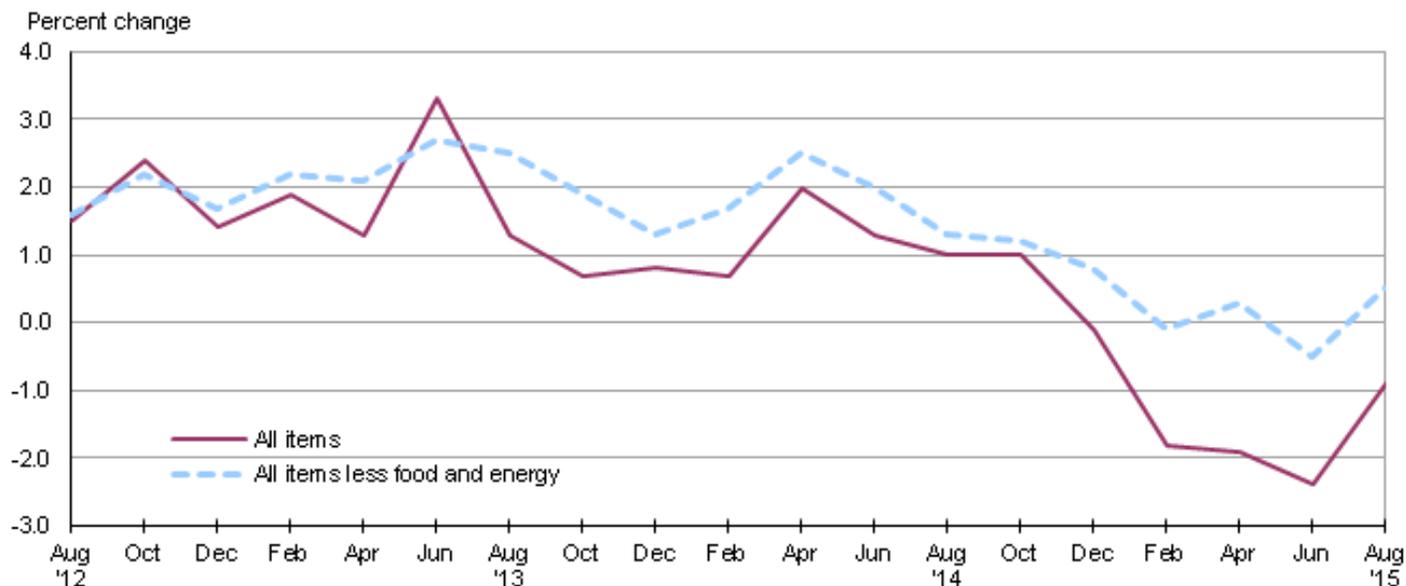
Consumer Price Index, Detroit-Ann Arbor-Flint — August 2015

Local prices down 0.9 percent over the year

The Consumer Price Index for All Urban Consumers (CPI-U) in the Detroit-Ann Arbor-Flint area increased 0.6 percent from June to August, the U.S. Bureau of Labor Statistics reported today. Regional Commissioner Charlene Peiffer noted that the energy index increased 1.0 percent while the food index rose 0.2 percent over the bi-monthly period. The index for all items less food and energy increased 0.6 percent from June to August. Among the indexes within the all items less food and energy category, prices were higher for apparel, college tuition and fees, and motor vehicle insurance. Costs for lodging away from home declined from June to August. (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 fell 0.9 percent. (See [chart 1](#) and [table A](#).) The energy index decreased 13.0 percent over the year due to annual declines in gasoline prices and utility (piped) gas services costs. The index for all items less food and energy rose 0.5 percent over the year. (See [table 1](#).)

Chart 1. Over-the-year percent change in CPI-U, Detroit, August 2012–August 2015



Source: U.S. Bureau of Labor Statistics.

Food

Food prices were up 0.2 percent from June to August following a 1.0 percent decrease over the previous bi-monthly period. Between the two components of the food index, prices for food at home (groceries) decreased 0.8 percent while prices for food away from home (restaurant, cafeteria, and vending purchases) increased 1.6 percent.

On an annual basis, food prices in the Detroit area were up 0.8 percent. Grocery prices declined 0.9 percent while prices for food away from home were 3.5 percent higher over the year.

Energy

The energy index for Detroit rose 1.0 percent from June to August mostly due to an 8.9 percent increase in electricity costs. In contrast, gasoline prices fell 2.7 percent and utility (piped) gas service costs fell 0.3 percent from June to August.

From August 2014 to August 2015, overall energy prices decreased 13.0 percent. A 21.6 percent decline in gasoline prices and a 10.9 percent decrease in utility (piped) service costs were contributing factors in the index's decline. In contrast, electricity costs rose 4.7 percent over the year.

All items less food and energy

The index for all items less food and energy increased 0.6 percent from June to August. Among the index's components, prices were 9.0 percent higher for apparel including men's and boys' apparel and footwear.

Over the year, the index for all items less food and energy increased 0.5 percent. Annual increases in the cost of shelter (0.7 percent) and recreation (1.8 percent) were the major contributing factors. In contrast, the indexes for apparel (-4.8 percent) and education and communication (-2.0 percent) were lower compared to a year ago.

Table A. Detroit CPI-U 2-month and 12-month percent changes, all items index, not seasonally adjusted

Month	2011		2012		2013		2014		2015	
	2-month	12-month								
February	0.2	1.7	0.6	3.9	1.1	1.9	1.1	0.7	-0.7	-1.8
April	2.3	3.1	0.6	2.1	0.0	1.3	1.3	2.0	1.2	-1.9
June	0.9	4.2	-0.8	0.4	1.2	3.3	0.5	1.3	0.0	-2.4
August	0.2	4.1	1.2	1.5	-0.7	1.3	-1.0	1.0	0.6	-0.9
October	-0.5	3.5	0.5	2.4	-0.1	0.7	-0.1	1.0		
December	0.3	3.5	-0.7	1.4	-0.7	0.8	-1.8	-0.1		

The October 2015 Consumer Price Index for Detroit is scheduled to be released on Tuesday, November 17, 2015.

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 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.

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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. 2015	Jul. 2015	Aug. 2015	Aug. 2014	Jun. 2015	Jul. 2015
Expenditure category						
All items	219.034	-	220.249	-0.9	0.6	-
All items (1967=100)	651.060	-	654.673	-	-	-
Food and beverages	219.123	-	219.720	1.0	0.3	-
Food	219.127	-	219.459	0.8	0.2	-
Food at home	210.493	211.574	208.828	-0.9	-0.8	-1.3
Food away from home	232.634	-	236.261	3.5	1.6	-
Alcoholic beverages	213.041	-	217.106	3.8	1.9	-
Housing	199.562	-	201.174	0.1	0.8	-
Shelter	226.269	226.382	226.622	0.7	0.2	0.1
Rent of primary residence ⁽¹⁾	230.825	231.269	232.089	2.4	0.5	0.4
Owners' equiv. rent of residences ^{(1) (2)}	222.757	223.582	224.136	0.2	0.6	0.2
Owners' equiv. rent of primary residence ^{(1) (2)}	222.757	223.582	224.136	0.2	0.6	0.2
Fuels and utilities	231.377	-	242.245	-1.7	4.7	-
Household energy	181.299	190.383	190.237	-2.6	4.9	-0.1
Energy services ⁽¹⁾	184.071	193.610	193.646	-1.8	5.2	0.0
Electricity ⁽¹⁾	206.297	224.792	224.712	4.7	8.9	0.0
Utility (piped) gas service ⁽¹⁾	148.940	148.332	148.490	-10.9	-0.3	0.1
Household furnishings and operations	115.754	-	116.178	-2.2	0.4	-
Apparel	108.254	-	117.999	-4.8	9.0	-
Transportation	237.880	-	235.253	-5.6	-1.1	-
Private transportation	237.355	-	235.104	-5.7	-0.9	-
Motor fuel	246.449	253.199	239.794	-21.7	-2.7	-5.3
Gasoline (all types)	244.975	251.745	238.418	-21.6	-2.7	-5.3
Gasoline, unleaded regular ⁽³⁾	249.616	256.280	241.612	-22.6	-3.2	-5.7
Gasoline, unleaded midgrade ^{(3) (4)}	280.140	288.025	277.081	-19.0	-1.1	-3.8
Gasoline, unleaded premium ⁽³⁾	240.607	249.276	240.749	-16.4	0.1	-3.4
Medical care	397.696	-	399.216	0.2	0.4	-
Recreation ⁽⁵⁾	113.763	-	114.704	1.8	0.8	-
Education and communication ⁽⁵⁾	144.486	-	144.558	-2.0	0.0	-
Other goods and services	394.849	-	400.540	1.9	1.4	-
Commodity and service group						
All items	219.034	-	220.249	-0.9	0.6	-
Commodities	174.865	-	175.281	-3.6	0.2	-
Commodities less food & beverages	151.966	-	152.291	-6.5	0.2	-
Nondurables less food & beverages	181.473	-	183.039	-9.6	0.9	-
Durables	116.486	-	115.599	-1.4	-0.8	-
Services	264.682	-	266.685	0.9	0.8	-
Special aggregate indexes						
All items less medical care	211.917	-	213.125	-1.0	0.6	-
All items less shelter	219.233	-	220.835	-1.6	0.7	-
Commodities less food	154.232	-	154.680	-6.1	0.3	-
Nondurables	200.122	-	201.218	-4.2	0.5	-
Nondurables less food	183.434	-	185.156	-8.7	0.9	-
Services less rent of shelter ⁽²⁾	319.122	-	323.421	1.0	1.3	-
Services less medical care services	255.728	-	257.791	1.0	0.8	-
Energy	214.369	222.618	216.567	-13.0	1.0	-2.7
All items less energy	222.057	-	223.182	0.5	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 Detroit-Ann Arbor-Flint, MI (1982-84=100 unless otherwise noted) - Continued

Item and Group	Indexes			Percent change from-		
	Jun. 2015	Jul. 2015	Aug. 2015	Aug. 2014	Jun. 2015	Jul. 2015
All items less food and energy	223.138	-	224.422	0.5	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) 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.