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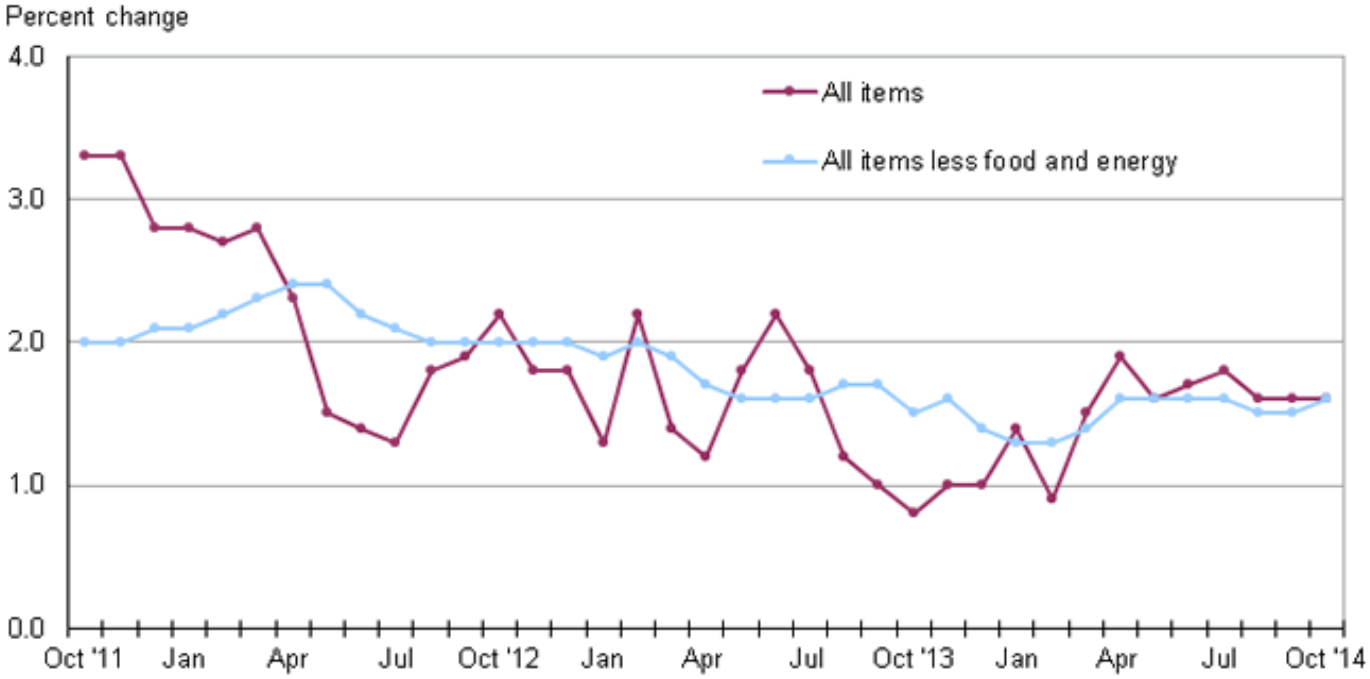
Consumer Price Index, Midwest Region – October 2014

Prices in the Midwest down 0.5 percent in October but 1.6 percent higher over the year

The Consumer Price Index for All Urban Consumers (CPI-U) in the Midwest declined 0.5 percent in October, the U.S. Bureau of Labor Statistics reported today. The monthly decrease was largely attributable to lower prices for motor fuel. Overall, the energy index declined 6.4 percent. Food prices rose 0.2 percent and the index for all items less food and energy registered little movement (up 0.1 percent).

The CPI-U for the Midwest advanced 1.6 percent from October 2013 to October 2014. Food prices increased 3.5 percent and the energy index, which includes motor fuel and household fuels, was down 0.6 percent. Excluding food and energy, the CPI-U rose 1.6 percent over the year. (See chart 1.)

Chart 1. Over-the-year change in consumer price indexes, Midwest region, October 2011–October 2014



Source: U.S. Bureau of Labor Statistics.

Food

Food prices in the Midwest increased 0.2 percent in October. The index for food at home rose 0.2 percent and costs for food away from home were 0.3 percent higher.

From October 2013 to October 2014, the index for food was up 3.5 percent. Rising costs for food at home (3.6 percent) led the advance, though higher prices for food away from home (3.2 percent) also contributed to the yearly increase.

Energy

The energy index registered its fourth consecutive monthly decline and had the greatest downward impact on the all items index in October, falling 6.4 percent. This was the largest one-month decline since October 2011. The decrease in energy costs was largely attributable to a 7.4-percent drop in motor fuel prices. Lower costs for electricity (-6.4 percent) and utility (piped) gas service (-3.6 percent) also contributed to the monthly decrease.

The index for energy decreased 0.6 percent from October 2013 to October 2014. Motor fuel prices were down 5.0 percent, the third consecutive month of year-over-year declines. Moderating the overall decline in energy costs, electricity prices advanced 4.9 percent and costs for utility (piped) gas service were 6.9 percent higher over the year.

All items less food and energy

The index for all items less food and energy for the Midwest was little changed (0.1 percent) in October due to offsetting movements. Expenditure categories registering higher prices over the month included shelter (0.2 percent) and medical care (0.3 percent). In contrast, used cars and trucks (-2.2 percent) and education and communication (-0.4 percent) were among the expenditure categories posting lower prices over the month.

The index for all items less food and energy was up 1.6 percent from October 2013 to October 2014. Higher costs for shelter (2.3 percent) and medical care (2.8 percent) led the advance.

The Midwest Consumer Price Index for All Urban Consumers (CPI-U) stood at 225.793 in October 2014. A typical market basket of goods and services that cost $100.00 in the 1982-84 base period cost $225.79 in October 2014. Because regional CPI data are not adjusted for seasonal price variation, consumers and businesses should be cautious in drawing conclusions about long-term retail price trends from short-term changes in the regional indexes.

CPI-W

In October, the Midwest Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) was 221.564, down 0.7 percent over the month. The CPI-W increased 1.5 percent over the year.

Table A. Midwest Region CPI-U monthly and annual percent changes (not seasonally adjusted)

Month	2009		2010		2011		2012		2013		2014	
	Monthly	Annual	Monthly	Annual	Monthly	Annual	Monthly	Annual	Monthly	Annual	Monthly	Annual
January	0.6	-0.3	0.5	2.9	0.5	1.9	0.6	2.8	0.1	1.3	0.5	1.4
February	0.3	-0.2	0.0	2.5	0.3	2.2	0.2	2.7	1.1	2.2	0.6	0.9
March	0.3	-0.8	0.4	2.6	0.9	2.7	1.0	2.8	0.2	1.4	0.9	1.5
April	0.2	-1.5	0.2	2.7	0.7	3.3	0.2	2.3	-0.1	1.2	0.3	1.9
May	0.4	-1.9	0.1	2.4	0.6	3.8	-0.1	1.5	0.5	1.8	0.2	1.6
June	1.1	-1.7	0.0	1.2	0.0	3.9	-0.1	1.4	0.3	2.2	0.5	1.7
July	-0.3	-2.5	0.2	1.7	0.1	3.8	0.0	1.3	-0.4	1.8	-0.3	1.8
August	0.4	-1.8	0.2	1.5	0.2	3.8	0.7	1.8	0.1	1.2	-0.2	1.6
September	0.0	-1.7	0.1	1.6	0.2	3.9	0.3	1.9	0.1	1.0	0.1	1.6
October	0.1	-0.2	0.0	1.5	-0.6	3.3	-0.3	2.2	-0.5	0.8	-0.5	1.6
November	0.3	2.2	0.1	1.2	0.0	3.3	-0.4	1.8	-0.2	1.0		
December	-0.3	3.0	0.2	1.8	-0.2	2.8	-0.2	1.8	-0.2	1.0		

The November 2014 Consumer Price Index for the Midwest region is scheduled to be released on Wednesday, December 17, 2014.

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 approximately 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 areas; they only measure the average change in prices for each area since the base period.**

The Midwest region is comprised of Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Missouri, Nebraska, North Dakota, Ohio, South Dakota, and Wisconsin.

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

Item and Group	Indexes			Percent change from-		
	Aug. 2014	Sep. 2014	Oct. 2014	Oct. 2013	Aug. 2014	Sep. 2014
Expenditure category						
All Items	226.587	226.913	225.793	1.6	-0.4	-0.5
All items (December 1977=100)	368.670	369.199	367.378			
Food and beverages	237.128	238.161	238.702	3.4	0.7	0.2
Food	236.682	237.774	238.338	3.5	0.7	0.2
Food at home	230.152	230.965	231.420	3.6	0.6	0.2
Food away from home	247.459	249.027	249.774	3.2	0.9	0.3
Alcoholic beverages	241.190	241.296	241.488	1.6	0.1	0.1
Housing	211.589	211.459	210.644	2.4	-0.4	-0.4
Shelter	244.437	244.808	245.395	2.3	0.4	0.2
Rent of primary residence [1]	241.446	242.739	243.638	2.6	0.9	0.4
Owners' equiv. rent of residences [1] [2]	247.963	248.646	249.403	1.9	0.6	0.3
Owners' equiv. rent of primary residence [1] [2]	247.958	248.639	249.395	1.9	0.6	0.3
Fuels and utilities	229.864	227.181	217.402	5.2	-5.4	-4.3
Household energy	196.373	193.517	183.375	5.4	-6.6	-5.2
Energy services [1]	203.644	200.471	189.452	5.6	-7.0	-5.5
Electricity [1]	212.579	209.176	195.822	4.9	-7.9	-6.4
Utility (piped) gas service [1]	178.616	175.999	169.684	6.9	-5.0	-3.6
Household furnishings and operations	116.257	116.185	116.742	-0.5	0.4	0.5
Apparel	121.165	125.586	126.181	-0.1	4.1	0.5
Transportation	216.940	216.227	211.191	-1.2	-2.7	-2.3
Private transportation	211.809	211.342	205.861	-1.0	-2.8	-2.6
New and used motor vehicles [3]	100.303	99.717	99.102	-0.7	-1.2	-0.6
New vehicles	138.519	138.868	138.857	0.5	0.2	0.0
New cars and trucks [3] [4]	97.965	98.199	98.225	0.6	0.3	0.0
New cars [4]	134.999	135.202	135.026	-0.4	0.0	-0.1
Used cars and trucks	154.462	151.997	148.634	-1.9	-3.8	-2.2
Motor fuel	308.239	306.255	283.662	-5.0	-8.0	-7.4
Gasoline (all types)	306.282	304.333	281.701	-5.1	-8.0	-7.4
Gasoline, unleaded regular [4]	303.351	301.447	278.555	-5.4	-8.2	-7.6
Gasoline, Unleaded midgrade [4] [5]	341.351	337.524	313.840	-4.1	-8.1	-7.0
Gasoline, unleaded premium [4]	305.573	304.077	283.904	-3.9	-7.1	-6.6
Medical Care	441.918	442.786	443.915	2.8	0.5	0.3
Medical care commodities	356.242	358.257	358.977	5.0	0.8	0.2
Medical care services	470.676	471.083	472.359	2.2	0.4	0.3
Professional services	387.173	387.271	386.863	2.1	-0.1	-0.1
Recreation [3]	117.438	117.317	117.180	0.1	-0.2	-0.1
Education and communication [3]	140.510	140.792	140.252	1.4	-0.2	-0.4
Other goods and services	394.396	394.583	394.814	1.1	0.1	0.1
Commodity and Service Group						
All Items	226.587	226.913	225.793	1.6	-0.4	-0.5
Commodities	185.678	186.331	184.638	0.7	-0.6	-0.9
Commodities less food & beverages	159.786	160.264	157.669	-1.0	-1.3	-1.6
Nondurables less food & beverages	212.311	213.706	208.644	-0.9	-1.7	-2.4
Nondurables less food, beverages, and apparel	271.896	271.369	262.662	-1.2	-3.4	-3.2
Durables	108.487	108.154	107.792	-1.0	-0.6	-0.3
Services	269.145	269.148	268.587	2.3	-0.2	-0.2
Rent of shelter [2]	251.089	251.457	252.061	2.3	0.4	0.2

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

Item and Group	Indexes			Percent change from-		
	Aug. 2014	Sep. 2014	Oct. 2014	Oct. 2013	Aug. 2014	Sep. 2014
Transportation services	284.998	285.100	288.383	1.8	1.2	1.2
Other services	325.197	325.659	324.764	1.3	-0.1	-0.3
Special aggregate indexes:						
All items less medical care	216.398	216.697	215.471	1.5	-0.4	-0.6
All items less food	224.848	225.048	223.654	1.3	-0.5	-0.6
All items less shelter	222.556	222.868	221.093	1.3	-0.7	-0.8
Commodities less food	162.517	162.988	160.451	-0.9	-1.3	-1.6
Nondurables	225.233	226.464	224.025	1.2	-0.5	-1.1
Nondurables less food	213.939	215.269	210.472	-0.8	-1.6	-2.2
Nondurables less food and apparel	267.997	267.524	259.584	-1.0	-3.1	-3.0
Services less rent of shelter [2]	304.688	304.273	302.347	2.3	-0.8	-0.6
Services less medical care services	254.074	254.049	253.362	2.3	-0.3	-0.3
Energy	245.707	243.217	227.634	-0.6	-7.4	-6.4
All items less energy	227.154	227.775	228.145	1.9	0.4	0.2
All items less food and energy	226.114	226.650	226.984	1.6	0.4	0.1
Commodities less food and energy commodities	147.131	147.917	147.884	0.2	0.5	0.0
Energy commodities	305.748	303.953	282.335	-4.8	-7.7	-7.1
Services less energy services	277.995	278.347	278.934	2.1	0.3	0.2

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.
Regions defined as the four Census regions. Midwest includes Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Missouri, Nebraska, North Dakota, Ohio, South Dakota, and Wisconsin.
NOTE: Index applies to a month as a whole, not to any specific date. Data not seasonally adjusted.

Table 2. Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W): Indexes and percent changes for selected periods Midwest (1982-84=100 unless otherwise noted)

Item and Group	Indexes			Percent change from-		
	Aug. 2014	Sep. 2014	Oct. 2014	Oct. 2013	Aug. 2014	Sep. 2014
Expenditure category						
All Items	222.737	223.054	221.564	1.5	-0.5	-0.7
All items (December 1977=100)	360.215	360.728	358.318			
Food and beverages	237.718	238.713	239.224	3.5	0.6	0.2
Food	237.393	238.448	238.965	3.6	0.7	0.2
Food at home	231.270	232.009	232.383	3.9	0.5	0.2
Food away from home	248.167	249.832	250.624	3.2	1.0	0.3
Alcoholic beverages	241.276	241.302	241.719	1.5	0.2	0.2
Housing	206.907	206.871	205.914	2.4	-0.5	-0.5
Shelter	233.683	234.261	234.900	2.3	0.5	0.3
Rent of primary residence [1]	242.061	243.368	244.248	2.6	0.9	0.4
Owners' equiv. rent of residences [1] [2]	231.032	231.702	232.410	1.9	0.6	0.3
Owners' equiv. rent of primary residence [1] [2]	231.036	231.707	232.414	1.9	0.6	0.3
Fuels and utilities	230.605	227.793	218.050	5.0	-5.4	-4.3
Household energy	196.686	193.721	183.681	5.2	-6.6	-5.2
Energy services [1]	202.406	199.100	188.353	5.5	-6.9	-5.4
Electricity [1]	210.594	207.027	194.320	4.8	-7.7	-6.1
Utility (piped) gas service [1]	179.936	177.251	170.717	6.9	-5.1	-3.7
Household furnishings and operations	114.745	114.808	115.358	-0.6	0.5	0.5
Apparel	118.807	123.444	124.337	0.3	4.7	0.7
Transportation	218.498	217.673	211.450	-1.5	-3.2	-2.9
Private transportation	215.176	214.516	208.103	-1.4	-3.3	-3.0
New and used motor vehicles [3]	101.150	100.458	99.419	-1.0	-1.7	-1.0
New vehicles	141.890	142.328	142.205	0.3	0.2	-0.1
Used cars and trucks	155.142	152.663	149.279	-1.8	-3.8	-2.2
Motor fuel	309.143	307.094	284.690	-4.9	-7.9	-7.3
Gasoline (all types)	307.064	305.044	282.625	-5.1	-8.0	-7.3
Gasoline, unleaded regular [4]	303.906	301.938	279.285	-5.4	-8.1	-7.5
Gasoline, unleaded midgrade [4] [5]	341.232	337.264	313.769	-4.0	-8.0	-7.0
Gasoline, unleaded premium [4]	305.568	304.029	284.074	-3.8	-7.0	-6.6
Medical Care	447.132	448.038	449.157	2.8	0.5	0.2
Medical care commodities	350.174	352.317	353.084	5.1	0.8	0.2
Medical care services	477.201	477.582	478.820	2.2	0.3	0.3
Professional services	388.458	388.563	388.097	2.1	-0.1	-0.1
Recreation [3]	114.061	113.932	113.929	0.3	-0.1	0.0
Education and communication [3]	133.152	133.263	132.523	0.8	-0.5	-0.6
Other goods and services	436.661	436.797	436.820	1.0	0.0	0.0
Commodity and Service Group						
All Items	222.737	223.054	221.564	1.5	-0.5	-0.7
Commodities	189.825	190.362	188.232	0.5	-0.8	-1.1
Commodities less food & beverages	165.968	166.295	163.039	-1.2	-1.8	-2.0
Nondurables less food & beverages	224.236	225.455	219.285	-1.4	-2.2	-2.7
Nondurables less food, beverages, and apparel	288.995	288.232	277.847	-1.9	-3.9	-3.6
Durables	111.141	110.698	110.030	-0.9	-1.0	-0.6
Services	262.224	262.295	261.519	2.3	-0.3	-0.3
Rent of shelter [2]	232.100	232.661	233.299	2.3	0.5	0.3
Transportation services	282.949	283.871	286.751	2.2	1.3	1.0
Other services	302.733	302.918	301.869	1.0	-0.3	-0.3

Note: See footnotes at end of table.

Table 2. Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W): Indexes and percent changes for selected periods Midwest (1982-84=100 unless otherwise noted) - Continued

Item and Group	Indexes			Percent change from-		
	Aug. 2014	Sep. 2014	Oct. 2014	Oct. 2013	Aug. 2014	Sep. 2014
Special aggregate indexes:						
All items less medical care	214.094	214.389	212.806	1.4	-0.6	-0.7
All items less food	219.833	220.016	218.164	1.1	-0.8	-0.8
All items less shelter	221.243	221.472	219.209	1.2	-0.9	-1.0
Commodities less food	168.376	168.697	165.524	-1.2	-1.7	-1.9
Nondurables	231.685	232.800	229.849	0.9	-0.8	-1.3
Nondurables less food	225.015	226.171	220.348	-1.3	-2.1	-2.6
Nondurables less food and apparel	283.202	282.508	273.063	-1.7	-3.6	-3.3
Services less rent of shelter [2]	270.877	270.390	268.096	2.3	-1.0	-0.8
Services less medical care services	247.922	247.975	247.088	2.3	-0.3	-0.4
Energy	248.335	245.809	230.043	-1.0	-7.4	-6.4
All items less energy	221.349	222.020	222.283	1.9	0.4	0.1
All items less food and energy	218.339	218.930	219.140	1.5	0.4	0.1
Commodities less food and energy commodities	150.373	151.059	150.848	0.1	0.3	-0.1
Energy commodities	307.621	305.781	284.077	-4.9	-7.7	-7.1
Services less energy services	270.142	270.658	271.194	2.0	0.4	0.2

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 1984=100 base.
(3) Indexes on a December 1997=100 base.
(4) Special index based on a substantially smaller sample.
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Regions defined as the four Census regions. Midwest includes Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Missouri, Nebraska, North Dakota, Ohio, South Dakota, and Wisconsin.
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