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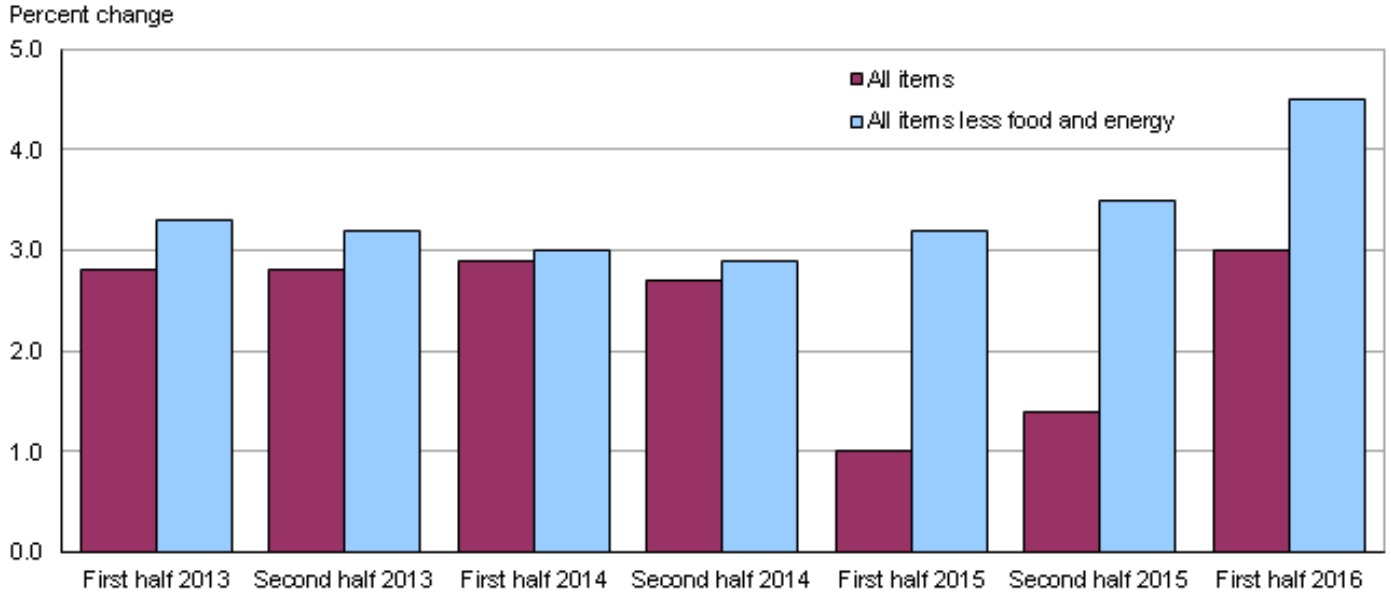
Consumer Price Index, Denver-Boulder-Greeley – First Half 2016

Prices increased 3.0 percent from the first half of 2015 to the first half of 2016

The Consumer Price Index for All Urban Consumers (CPI-U) for the Denver-Boulder-Greeley, Colo., metropolitan area increased 3.0 percent from the first half of 2015 to the first half of 2016, the U.S. Bureau of Labor Statistics reported today. Assistant Commissioner for Regional Operations Stanley W. Suchman noted that higher costs for shelter (7.6 percent) were largely responsible for the overall increase. Costs for energy fell 10.4 percent and food prices were virtually unchanged. The all items less food and energy index, which includes shelter, advanced 4.5 percent.

Chart 1. Over-the-year percent change in CPI-U, Denver, first half 2013–first half 2016



Source: U.S. Bureau of Labor Statistics.

Food

Food prices were nearly unchanged (0.1 percent) from the first half of 2015 to the first half of 2016, compared to a 1.5-percent gain in the same period one year ago. Prices for food at home declined 0.6 percent while costs for food away from home rose 1.0 percent over the year. Comparatively, these indexes rose 0.9 and 2.9 percent, respectively, from the first half of 2014 to the first half of 2015.

Energy

The energy index, which includes motor fuel and household fuels, decreased 10.4 percent from the first half of 2015 to the first half of 2016, following a decline of 21.7 percent in the same period one year ago. Falling prices for motor fuel (-13.9 percent), all of which occurred in the most recent half of the period, were largely responsible for the decline in the energy component. Lower prices for utility (piped) gas service (-11.1 percent) and electricity (-3.4 percent) also contributed to the decrease. During the same period one year ago, motor fuel prices declined 32.4 percent and costs for utility (piped) gas service and electricity were down 10.8 and 1.8 percent, respectively.

All items less food and energy

The index for all items less food and energy rose 4.5 percent from the first half of 2015 to the first half of 2016. Shelter costs had the greatest upward impact on the index and continued their pattern of accelerating rates of increase with a gain of 7.6 percent after rising 5.5 percent in the same period one year ago. This was the largest annual increase recorded since the 1980s. Other expenditure categories that registered higher prices over the year included recreation (3.4 percent), apparel (4.4 percent), and medical care (1.7 percent).

The Denver CPI-U stood at 245.191 for the first half of 2016. This means that a market basket of goods and services that cost $100.00 in the 1982-84 base period cost $245.19 in the first half of 2016. Because metropolitan area 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 area indexes.

CPI-W

The Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) for the Denver-Boulder-Greeley, Colo., metropolitan area for the first half of 2016 was 234.248. The CPI-W increased 2.7 percent from the first half of 2015 to the first half of 2016.

The Consumer Price Index for the Second Half of 2016 is scheduled to be released in January 2017.

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

The Denver-Boulder-Greeley, Colo., Metropolitan Statistical Area includes Adams, Arapahoe, Boulder, Broomfield, Denver, Douglas, Jefferson, and Weld Counties in Colorado.

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 for semiannual averages and percent changes for selected periods Denver-Boulder-Greeley, CO (1982-84=100 unless otherwise noted)

Item and Group	Semiannual average indexes			Percent change to 1st half 2016 from-	
	1st half 2015	2nd half 2015	1st half 2016	1st half 2015	2nd half 2015
Expenditure category					
All Items	238.086	241.895	245.191	3.0	1.4
All items (1967=100)	793.916	806.620	817.610		
Food and beverages	223.736	223.370	224.530	0.4	0.5
Food	227.437	226.652	227.741	0.1	0.5
Food at home	225.198	222.298	223.946	-0.6	0.7
Food away from home	230.357	232.402	232.749	1.0	0.1
Alcoholic beverages	193.601	197.387	199.326	3.0	1.0
Housing	227.027	232.114	240.077	5.7	3.4
Shelter	256.699	264.699	276.332	7.6	4.4
Rent of primary residence [1]	263.978	275.147	286.285	8.5	4.0
Owners' equiv. rent of residences [1] [2]	249.324	257.646	269.430	8.1	4.6
Owners' equiv. rent of primary residence [1] [2]	249.324	257.646	269.430	8.1	4.6
Fuels and utilities	224.182	221.903	217.851	-2.8	-1.8
Household energy	163.302	160.921	152.934	-6.3	-5.0
Energy services [1]	161.987	160.042	151.995	-6.2	-5.0
Electricity [1]	165.588	167.545	159.892	-3.4	-4.6
Utility (piped) gas service [1]	156.912	147.891	139.428	-11.1	-5.7
Household furnishings and operations	116.980	114.043	113.338	-3.1	-0.6
Apparel	101.779	104.577	106.257	4.4	1.6
Transportation	239.740	242.150	235.174	-1.9	-2.9
Private transportation	234.482	236.896	227.926	-2.8	-3.8
Motor fuel	191.159	198.994	164.514	-13.9	-17.3
Gasoline (all types)	189.438	197.606	163.465	-13.7	-17.3
Gasoline, unleaded regular [3]	185.042	192.417	157.649	-14.8	-18.1
Gasoline, unleaded midgrade [3] [4]	184.452	193.115	165.068	-10.5	-14.5
Gasoline, unleaded premium [3]	200.148	212.432	184.129	-8.0	-13.3
Medical Care	523.475	532.965	532.513	1.7	-0.1
Recreation [5]	150.109	154.526	155.196	3.4	0.4
Education and communication [5]	125.479	126.824	126.914	1.1	0.1
Other goods and services	353.874	355.056	357.784	1.1	0.8
Commodity and Service Group					
All Items	238.086	241.895	245.191	3.0	1.4
Commodities	168.205	168.810	166.683	-0.9	-1.3
Commodities less food & beverages	139.787	140.834	137.173	-1.9	-2.6
Nondurables less food & beverages	166.570	169.035	160.177	-3.8	-5.2
Durables	112.378	112.089	113.324	0.8	1.1
Services	298.921	305.548	313.759	5.0	2.7
Special aggregate indexes:					
All items less medical care	224.936	228.494	231.897	3.1	1.5
All items less shelter	229.694	231.356	230.473	0.3	-0.4
Commodities less food	141.870	143.028	139.615	-1.6	-2.4
Nondurables	195.445	196.532	192.590	-1.5	-2.0
Nondurables less food	168.089	170.651	162.734	-3.2	-4.6
Services less rent of shelter [2]	359.477	363.403	365.129	1.6	0.5
Services less medical care services	280.183	286.669	295.219	5.4	3.0
Energy	173.338	175.870	155.388	-10.4	-11.6
All items less energy	245.099	249.043	254.500	3.8	2.2

Note: See footnotes at end of table.

Table 1. Consumer Price Index for All Urban Consumers (CPI-U): Indexes for semiannual averages and percent changes for selected periods Denver-Boulder-Greeley, CO (1982-84=100 unless otherwise noted) - Continued

Item and Group	Semiannual average indexes			Percent change to 1st half 2016 from-	
	1st half 2015	2nd half 2015	1st half 2016	1st half 2015	2nd half 2015
All items less food and energy	248.932	253.722	260.025	4.5	2.5

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 November 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.

Table 2. Consumer Price Index for Wage Earners and Clerical Workers (CPI-W): Indexes for semiannual averages and percent changes for selected periods Denver-Boulder-Greeley, CO (1982-84=100 unless otherwise noted)

Item and Group	Semiannual average indexes			Percent change to 1st half 2016 from-	
	1st half 2015	2nd half 2015	1st half 2016	1st half 2015	2nd half 2015
Expenditure category					
All Items	228.062	231.675	234.248	2.7	1.1
All items (1967=100)	759.109	771.137	779.702		
Food and beverages	225.857	225.373	226.124	0.1	0.3
Food	229.713	228.795	229.441	-0.1	0.3
Food at home	226.747	224.207	225.051	-0.7	0.4
Food away from home	234.344	236.213	236.510	0.9	0.1
Alcoholic beverages	198.053	202.338	204.451	3.2	1.0
Housing	220.659	226.204	233.873	6.0	3.4
Shelter	245.452	253.582	264.809	7.9	4.4
Rent of primary residence (1)	263.978	275.147	286.285	8.5	4.0
Owners' equiv. rent of residences (1) (2)	232.756	240.525	251.526	8.1	4.6
Owners' equiv. rent of primary residence (1) (2)	232.756	240.525	251.526	8.1	4.6
Fuels and utilities	218.298	216.056	211.457	-3.1	-2.1
Household energy	162.113	159.779	151.778	-6.4	-5.0
Energy services (1)	162.273	160.363	152.252	-6.2	-5.1
Electricity (1)	165.588	167.545	159.892	-3.4	-4.6
Utility (piped) gas service (1)	156.913	147.892	139.430	-11.1	-5.7
Household furnishings and operations	122.311	120.165	119.453	-2.3	-0.6
Apparel	103.568	105.843	105.544	1.9	-0.3
Transportation	237.593	240.115	233.772	-1.6	-2.6
Private transportation	233.395	235.939	228.587	-2.1	-3.1
Motor fuel	191.164	198.859	164.725	-13.8	-17.2
Gasoline (all types)	189.435	197.604	163.463	-13.7	-17.3
Gasoline, unleaded regular (3)	185.046	192.420	157.652	-14.8	-18.1
Gasoline, unleaded midgrade (3) (4)	184.452	193.115	165.068	-10.5	-14.5
Gasoline, unleaded premium (3)	200.176	212.461	184.154	-8.0	-13.3
Medical Care	528.232	538.375	536.704	1.6	-0.3
Recreation (5)	131.437	133.531	133.633	1.7	0.1
Education and communication (5)	120.030	120.542	120.633	0.5	0.1
Other goods and services	355.562	358.240	360.636	1.4	0.7
Commodity and Service Group					
All Items	228.062	231.675	234.248	2.7	1.1
Commodities	171.958	172.768	169.564	-1.4	-1.9
Commodities less food & beverages	142.398	143.769	139.011	-2.4	-3.3
Nondurables less food & beverages	173.559	176.936	165.352	-4.7	-6.5
Durables	109.328	109.004	109.859	0.5	0.8
Services	284.683	290.921	298.989	5.0	2.8
Special aggregate indexes:					
All items less medical care	216.676	220.056	222.695	2.8	1.2
All items less shelter	222.286	223.574	221.947	-0.2	-0.7
Commodities less food	144.142	145.615	141.136	-2.1	-3.1
Nondurables	202.865	204.355	198.723	-2.0	-2.8
Nondurables less food	174.686	178.118	167.683	-4.0	-5.9
Services less rent of shelter (2)	324.030	326.272	328.328	1.3	0.6
Services less medical care services	266.698	272.741	280.954	5.3	3.0
Energy	178.354	180.985	159.818	-10.4	-11.7
All items less energy	234.073	237.802	242.845	3.7	2.1

Note: See footnotes at end of table.

Table 2. Consumer Price Index for Wage Earners and Clerical Workers (CPI-W): Indexes for semiannual averages and percent changes for selected periods Denver-Boulder-Greeley, CO (1982-84=100 unless otherwise noted) - Continued

Item and Group	Semiannual average indexes			Percent change to 1st half 2016 from-	
	1st half 2015	2nd half 2015	1st half 2016	1st half 2015	2nd half 2015
All items less food and energy	235.439	240.002	246.030	4.5	2.5

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 November 1984=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.