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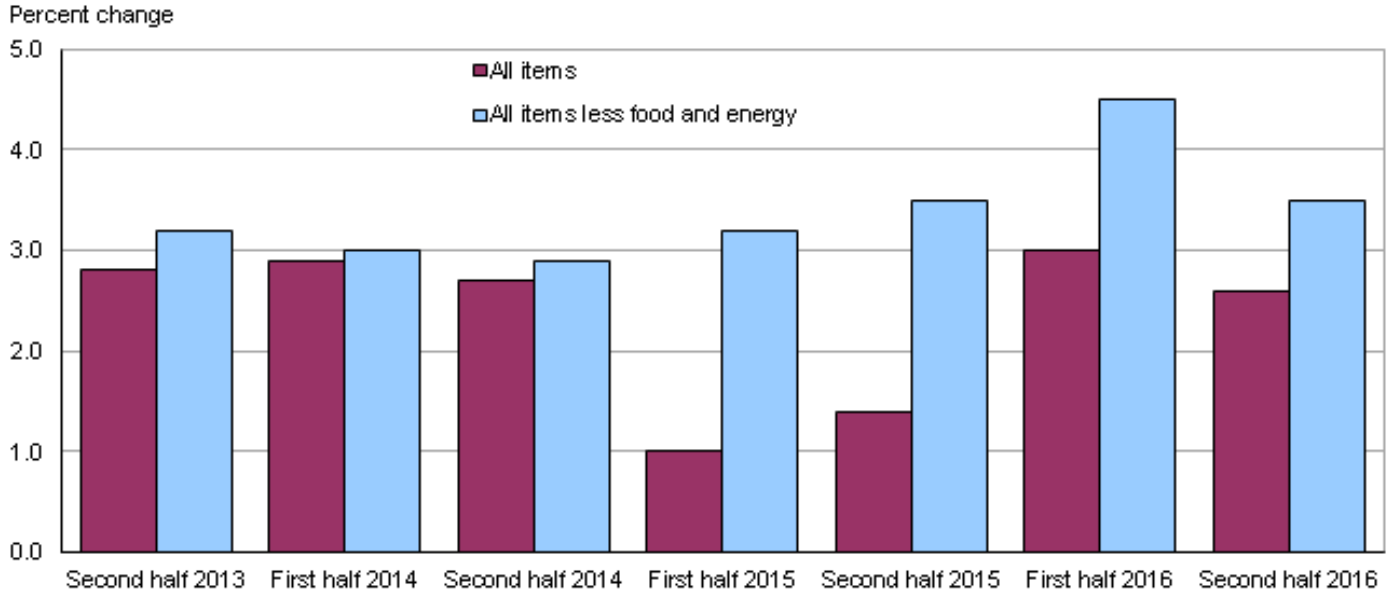
Consumer Price Index, Denver-Boulder-Greeley – Second Half 2016

Prices increased 2.6 percent from the second half of 2015 to the second half of 2016

The Consumer Price Index for All Urban Consumers (CPI-U) for the Denver-Boulder-Greeley, Colo., metropolitan area increased 2.6 percent from the second half of 2015 to the second 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 (7.0 percent) were largely responsible for the overall increase. The energy index declined 4.6 percent while food prices rose 0.2 percent. The all items less food and energy index, which includes shelter, advanced 3.5 percent over the year.

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



Source: U.S. Bureau of Labor Statistics.

Food

Food prices rose 0.2 percent from the second half of 2015 to the second half of 2016 after registering no change in the same period one year ago. Prices for food at home were little changed (-0.1 percent) while costs for food away from home advanced 0.6 percent over the year. Comparatively, from the second half of 2014 to the second half of 2015, prices for food at home declined 1.4 percent while costs for food away from home increased 1.2 percent.

Energy

The energy index, which includes motor fuel and household fuels, decreased 4.6 percent from the second half of 2015 to the second half of 2016, following a decline of 19.0 percent in the same period one year ago. Lower prices for motor fuel (-9.6 percent), all of which occurred in the first half of the period, were largely responsible for the decline in the energy component. Moderating the decline in the energy index, prices for electricity and utility (piped) gas service increased 1.8 and 1.0 percent, respectively. During the same period one year ago, motor fuel prices fell 26.0 percent, electricity prices declined 2.9 percent and costs for utility (piped) gas service were down 18.9 percent.

All items less food and energy

The index for all items less food and energy rose 3.5 percent from the second half of 2015 to the second half of 2016. Shelter costs had the greatest upward impact on the index with a gain of 7.0 percent after rising 5.8 percent in the same period one year ago. Other expenditure categories that registered higher prices over the year included medical care (1.3 percent).

The Denver CPI-U stood at 248.095 for the second half of 2016. This means that a market basket of goods and services that cost $100.00 in the 1982-84 base period cost $248.10 in the second 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 second half of 2016 was 237.407. The CPI-W increased 2.5 percent from the second half of 2015 to the second half of 2016.

The Consumer Price Index for the First Half of 2017 is scheduled to be released on July 14, 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 2nd half 2016 from-	
	2nd half 2015	1st half 2016	2nd half 2016	2nd half 2015	1st half 2016
Expenditure category					
All Items	241.895	245.191	248.095	2.6	1.2
All items (1967=100)	806.620	817.610	827.292		
Food and beverages	223.370	224.530	224.091	0.3	-0.2
Food	226.652	227.741	227.203	0.2	-0.2
Food at home	222.298	223.946	222.169	-0.1	-0.8
Food away from home	232.402	232.749	233.853	0.6	0.5
Alcoholic beverages	197.387	199.326	200.065	1.4	0.4
Housing	232.114	240.077	246.318	6.1	2.6
Shelter	264.699	276.332	283.244	7.0	2.5
Rent of primary residence(1)	275.147	286.285	293.807	6.8	2.6
Owners' equiv. rent of residences(1)(2)	257.646	269.430	277.153	7.6	2.9
Owners' equiv. rent of primary residence(1)(2)	257.646	269.430	277.153	7.6	2.9
Fuels and utilities	221.903	217.851	231.863	4.5	6.4
Household energy	160.921	152.934	163.152	1.4	6.7
Energy services(1)	160.042	151.995	162.349	1.4	6.8
Electricity(1)	167.545	159.892	170.539	1.8	6.7
Utility (piped) gas service(1)	147.891	139.428	149.344	1.0	7.1
Household furnishings and operations	114.043	113.338	113.084	-0.8	-0.2
Apparel	104.577	106.257	103.013	-1.5	-3.1
Transportation	242.150	235.174	238.249	-1.6	1.3
Private transportation	236.896	227.926	231.242	-2.4	1.5
Motor fuel	198.994	164.514	179.912	-9.6	9.4
Gasoline (all types)	197.606	163.465	178.652	-9.6	9.3
Gasoline, unleaded regular(3)	192.417	157.649	172.298	-10.5	9.3
Gasoline, unleaded midgrade(3)(4)	193.115	165.068	180.051	-6.8	9.1
Gasoline, unleaded premium(3)	212.432	184.129	201.278	-5.3	9.3
Medical Care	532.965	532.513	539.710	1.3	1.4
Recreation(5)	154.526	155.196	154.141	-0.2	-0.7
Education and communication(5)	126.824	126.914	125.722	-0.9	-0.9
Other goods and services	355.056	357.784	356.968	0.5	-0.2
Commodity and Service Group					
All Items	241.895	245.191	248.095	2.6	1.2
Commodities	168.810	166.683	166.325	-1.5	-0.2
Commodities less food & beverages	140.834	137.173	136.861	-2.8	-0.2
Nondurables less food & beverages	169.035	160.177	161.990	-4.2	1.1
Durables	112.089	113.324	111.049	-0.9	-2.0
Services	305.548	313.759	319.957	4.7	2.0
Special aggregate indexes:					
All items less medical care	228.494	231.897	234.609	2.7	1.2
All items less shelter	231.356	230.473	231.424	0.0	0.4
Commodities less food	143.028	139.615	139.336	-2.6	-0.2
Nondurables	196.532	192.590	193.339	-1.6	0.4
Nondurables less food	170.651	162.734	164.477	-3.6	1.1
Services less rent of shelter(2)	363.403	365.129	369.432	1.7	1.2
Services less medical care services	286.669	295.219	301.501	5.2	2.1
Energy	175.870	155.388	167.858	-4.6	8.0
All items less energy	249.043	254.500	256.663	3.1	0.8
All items less food and energy	253.722	260.025	262.726	3.5	1.0

Note: See footnotes at end of table.

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 2nd half 2016 from-	
	2nd half 2015	1st half 2016	2nd half 2016	2nd half 2015	1st half 2016
Expenditure category					
All Items	231.675	234.248	237.407	2.5	1.3
All items (1967=100)	771.137	779.702	790.215		
Food and beverages	225.373	226.124	225.556	0.1	-0.3
Food	228.795	229.441	228.762	0.0	-0.3
Food at home	224.207	225.051	223.348	-0.4	-0.8
Food away from home	236.213	236.510	237.641	0.6	0.5
Alcoholic beverages	202.338	204.451	205.924	1.8	0.7
Housing	226.204	233.873	240.059	6.1	2.6
Shelter	253.582	264.809	271.405	7.0	2.5
Rent of primary residence(1)	275.147	286.285	293.807	6.8	2.6
Owners' equiv. rent of residences(1)(2)	240.525	251.526	258.736	7.6	2.9
Owners' equiv. rent of primary residence(1)(2)	240.525	251.526	258.736	7.6	2.9
Fuels and utilities	216.056	211.457	225.042	4.2	6.4
Household energy	159.779	151.778	162.018	1.4	6.7
Energy services(1)	160.363	152.252	162.624	1.4	6.8
Electricity(1)	167.545	159.892	170.538	1.8	6.7
Utility (piped) gas service(1)	147.892	139.430	149.345	1.0	7.1
Household furnishings and operations	120.165	119.453	119.143	-0.9	-0.3
Apparel	105.843	105.544	103.834	-1.9	-1.6
Transportation	240.115	233.772	239.213	-0.4	2.3
Private transportation	235.939	228.587	234.169	-0.8	2.4
Motor fuel	198.859	164.725	180.080	-9.4	9.3
Gasoline (all types)	197.604	163.463	178.650	-9.6	9.3
Gasoline, unleaded regular(3)	192.420	157.652	172.301	-10.5	9.3
Gasoline, unleaded midgrade(3)(4)	193.115	165.068	180.051	-6.8	9.1
Gasoline, unleaded premium(3)	212.461	184.154	201.305	-5.3	9.3
Medical Care	538.375	536.704	543.516	1.0	1.3
Recreation(5)	133.531	133.633	132.771	-0.6	-0.6
Education and communication(5)	120.542	120.633	119.256	-1.1	-1.1
Other goods and services	358.240	360.636	358.079	0.0	-0.7
Commodity and Service Group					
All Items	231.675	234.248	237.407	2.5	1.3
Commodities	172.768	169.564	169.457	-1.9	-0.1
Commodities less food & beverages	143.769	139.011	139.155	-3.2	0.1
Nondurables less food & beverages	176.936	165.352	167.649	-5.2	1.4
Durables	109.004	109.859	107.777	-1.1	-1.9
Services	290.921	298.989	305.776	5.1	2.3
Special aggregate indexes:					
All items less medical care	220.056	222.695	225.708	2.6	1.4
All items less shelter	223.574	221.947	223.606	0.0	0.7
Commodities less food	145.615	141.136	141.314	-3.0	0.1
Nondurables	204.355	198.723	199.554	-2.3	0.4
Nondurables less food	178.118	167.683	169.946	-4.6	1.3
Services less rent of shelter(2)	326.272	328.328	334.608	2.6	1.9
Services less medical care services	272.741	280.954	287.703	5.5	2.4
Energy	180.985	159.818	172.686	-4.6	8.1
All items less energy	237.802	242.845	245.188	3.1	1.0

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 2nd half 2016 from-	
	2nd half 2015	1st half 2016	2nd half 2016	2nd half 2015	1st half 2016
All items less food and energy	240.002	246.030	249.118	3.8	1.3

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.