

NEWS RELEASE

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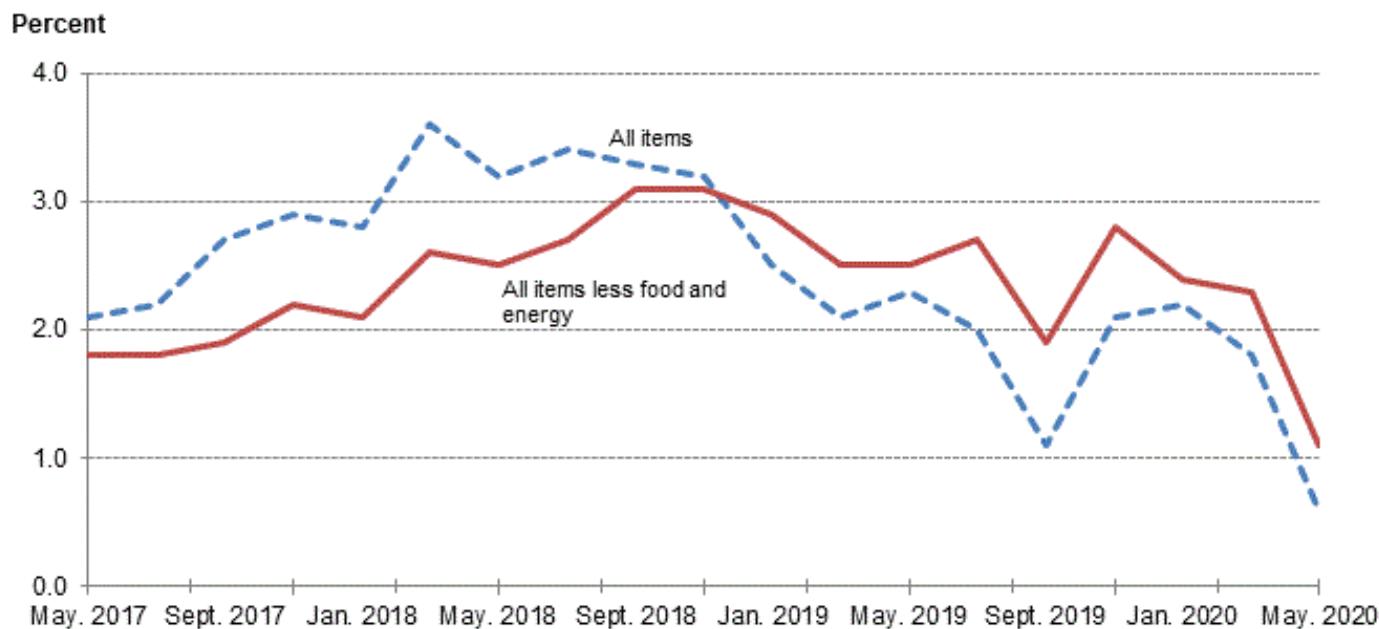
Consumer Price Index, Boston-Cambridge-Newton — May 2020

Area prices down 1.0 percent over two months; up 0.6 percent from a year ago

The Consumer Price Index for All Urban Consumers (CPI-U) in the Boston-Cambridge-Newton area decreased 1.0 percent in May, the U.S. Bureau of Labor Statistics reported today. Regional Commissioner William J. Sibley noted that this was mainly attributable to lower energy prices, down 14.1 percent, and, to a lesser extent, lower all items less food and energy prices, down 0.8 percent. Higher food prices, up 3.5 percent, partially offset the decrease. (Data in this report are not seasonally adjusted. Accordingly, bimonthly changes may reflect the impact of seasonal influences.)

Over the last 12 months, the Boston CPI-U rose 0.6 percent. The increase was due to higher costs within all item less food and energy, and, higher food prices, up 1.1 percent and 7.1 percent, respectively. Lower energy costs, down 18.2 percent, partially offset the increase. (See [chart 1](#).)

Chart 1. Over-the-year percent change in CPI-U, Boston-Cambridge-Newton, May 2017 - May 2020



Source: U.S. Bureau of Labor Statistics.

Food

Food prices increased 3.5 percent since March, mainly due to higher prices for food at home, up 3.9 percent. Higher food at home prices were mainly driven by higher prices for meats, poultry, fish, and eggs, up 8.2 percent.

Food prices increased 7.1 percent over the year, mainly due to higher grocery store prices, up 7.7 percent, and, to a lesser extent, higher restaurant prices, up 6.1 percent. Higher grocery store prices were due to increased prices recorded across most of the published subcategories.

Energy

The energy index decreased 14.1 percent over the two months, mainly due to lower gasoline prices, down 18.1 percent, and, to a lesser extent, lower utility piped gas prices down, 24.7 percent.

Energy prices decreased 18.2 percent from a year ago, mainly due to lower gasoline prices, down 29.6 percent.

All items less food and energy

The index for all items less food and energy decreased (0.8 percent) mainly due to lower apparel costs, down 10.1 percent, and, to a lesser extent, medical care costs, down 2.1 percent. Shelter costs, up 0.3 percent, slightly offset the decrease. Within shelter, higher costs for owners' equivalent rent of residences, up 0.9 percent, led the increase.

Over the year, the index for all items less food and energy rose 1.1 percent, with higher shelter costs being the main driver of the increase, up 3.0 percent. Within shelter, higher costs for owners' equivalent rent of residences, up 4.0 percent, and, to a lesser extent, rent of primary residence, up 3.1 percent, led the increase. Also contributing to the overall increase in prices within all items less food and energy were higher costs within education and communication, up 3.6 percent, and, to a lesser extent higher medical care costs, up 3.3 percent. Lower apparel prices, down, 9.7 percent partially offset the overall increase. Within education and communication, higher costs for tuition, other school fees, and childcare, up 3.6 percent, led the increase.

CPI-W

In May, the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) was 280.697. The CPI-W decreased 1.3 percent over two months and increased 0.4 percent over the year.

The July 2020 Consumer Price Index for Boston-Cambridge-Newton is scheduled to be released on Wednesday, August 12, 2020, at 8:30 a.m. (ET).

Coronavirus (COVID-19) Pandemic Impact on May 2020 Consumer Price Index Data

Data collection by personal visit for the Consumer Price Index (CPI) program has been suspended since March 16, 2020. When possible, data normally collected by personal visit were collected either online or by phone. Additionally, data collection in May was affected by the temporary closing or limited operations of certain types of establishments. These factors resulted in an increase in the number of prices considered temporarily unavailable and imputed.

While the CPI program attempted to collect as much data as possible, many indexes are based on smaller amounts of collected prices than usual, and a small number of indexes that are normally published were not published this month. Additional information is available at www.bls.gov/covid19/effects-of-covid-19-pandemic-on-consumer-price-index.htm

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 94 percent of the total population and (2) a CPI for Urban Wage Earners and Clerical Workers (CPI-W) which covers approximately 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 75 urban areas across the country from about 5,000 housing units and approximately 22,000 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/pdf/homch17.pdf.

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 Boston-Cambridge-Newton, Mass.-N.H. Core Based Statistical Area covered in this release is comprised of Essex, Middlesex, Norfolk, Plymouth, Suffolk Counties in Massachusetts; Rockingham, Strafford Counties in New Hampshire.

Information from this release will be made available to sensory impaired individuals upon request. Voice phone: 202-691-5200; Federal Relay Service: 1-800-877-8339.

Consumer Price Index for All Urban Consumers (CPI-U): Indexes and percent changes for selected periods, Boston-Cambridge-Newton, Ma.-N.H. (1982-84=100 unless otherwise noted) (not seasonally adjusted)

Expenditure category	Indexes				Percent change from		
	Historical data	Mar. 2020	Apr. 2020	May 2020	May 2019	Mar. 2020	Apr. 2020
All items.....		285.544		282.620	0.6	-1.0	
All items (1967 = 100).....		829.940		821.444			
Food and beverages.....		276.001		285.163	6.6	3.3	
Food.....		278.502		288.185	7.1	3.5	
Food at home.....		262.069	268.426	272.228	7.7	3.9	1.4
Cereal and bakery products.....		307.226		333.451	13.3	8.5	
Meats, poultry, fish, and eggs.....		263.672		285.291	11.0	8.2	
Dairy and related products.....		288.207		297.394	3.2	3.2	
Fruits and vegetables.....		344.076		351.824	7.5	2.3	
Nonalcoholic beverages and beverage materials(1).....		167.698		163.308	-2.5	-2.6	
Other food at home.....		210.754		215.908	9.1	2.4	
Food away from home.....		307.221		316.048	6.1	2.9	
Alcoholic beverages.....		252.768		256.562	1.2	1.5	
Housing.....		299.526		296.933	1.7	-0.9	
Shelter.....		356.239	358.299	357.399	3.0	0.3	-0.3
Rent of primary residence(2).....		367.496	369.300	370.109	3.1	0.7	0.2
Owners' equivalent rent of residences(2)(3)(4).....		380.553	382.891	383.912	4.0	0.9	0.3
Owners' equivalent rent of primary residence(2)(3)(4).....		380.553	382.891	383.912	4.0	0.9	0.3
Fuels and utilities.....		296.581		266.234	-8.1	-10.2	
Household energy.....		249.266	245.883	220.376	-9.5	-11.6	-10.4
Energy services(2).....		273.424	273.278	241.641	-4.0	-11.6	-11.6
Electricity(2).....		312.350	312.100	296.280	-2.3	-5.1	-5.1
Utility (piped) gas service(2).....		199.773	199.773	150.485	-9.1	-24.7	-24.7
Household furnishings and operations.....		130.569		127.544	-0.4	-2.3	
Apparel.....		136.220		122.471	-9.7	-10.1	
Transportation.....		186.954		176.138	-11.6	-5.8	
Private transportation.....		190.475		178.374	-10.4	-6.4	
New and used motor vehicles(5).....				105.346	1.3		
New Vehicles(1).....				223.675	6.0		
Used cars and trucks(1).....		320.588		314.917	-0.9	-1.8	
Motor fuel.....		212.385	184.985	174.087	-29.5	-18.0	-5.9
Gasoline (all types).....		209.953	182.696	171.848	-29.6	-18.1	-5.9
Gasoline, unleaded regular(6).....		202.771	174.383	163.949	-31.0	-19.1	-6.0
Gasoline, unleaded midgrade(6)(7).....		231.014	215.307	200.774	-21.0	-13.1	-6.7
Gasoline, unleaded premium(6).....		226.075	211.007	199.439	-20.4	-11.8	-5.5
Motor vehicle insurance(1).....							
Medical care.....		713.316		698.016	3.3	-2.1	
Recreation(5).....		122.892		123.085	-0.4	0.2	
Education and communication(5).....		170.337		170.904	3.6	0.3	
Tuition, other fees, and child care(1).....		1,398.308		1,398.308	3.6	0.0	
Other goods and services.....		513.228		514.159	2.9	0.2	
Commodity and service group							
Commodities		192.525		190.443	-1.7	-1.1	
Commodities less food and beverages		149.849		143.283	-7.7	-4.4	

Note: See footnotes at end of table.

Consumer Price Index for All Urban Consumers (CPI-U): Indexes and percent changes for selected periods, Boston-Cambridge-Newton, Ma.-N.H. (1982-84=100 unless otherwise noted) (not seasonally adjusted) - Continued

Expenditure category	Indexes				Percent change from		
	Historical data	Mar. 2020	Apr. 2020	May 2020	May 2019	Mar. 2020	Apr. 2020
Nondurables less food and beverages...		192.606		177.443	-13.6	-7.9	
Durables		108.310		108.445	0.8	0.1	
Services.....		369.304		365.620	1.7	-1.0	
Special aggregate indexes							
All items less shelter.....		259.778		254.981	-0.9	-1.8	
All items less medical care		269.356		266.873	0.4	-0.9	
Commodities less food		153.955		147.721	-7.2	-4.0	
Nondurables		233.166		229.711	-2.5	-1.5	
Nondurables less food.....		196.062		182.391	-12.3	-7.0	
Services less rent of shelter(3).....		401.738		391.275	0.0	-2.6	
Services less medical care services.....		344.620		341.751	1.3	-0.8	
Energy		231.503	217.981	198.879	-18.2	-14.1	-8.8
All items less energy		294.501		293.848	1.9	-0.2	
All items less food and energy		298.174		295.841	1.1	-0.8	

Footnotes

(1) Indexes on a January 1978=100 base.

(2) This index series was calculated using a Laspeyres estimator. All other item stratum index series were calculated using a geometric means estimator.

(3) Indexes on a November 1982=100 base.

(4) This index series underwent a change in composition in January 2010. The expenditure class now includes weight from secondary residences, and has been re-titled "Owners' equivalent rent of residences." The item stratum "Owners' equivalent rent of primary residence" excludes secondary residences.

(5) Indexes on a December 1997=100 base.

(6) Special index based on a substantially smaller sample.

(7) Indexes on a December 1993=100 base.

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