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ERRATA

Incorrect prices for prescription drugs were used for the CPI-U and CPI-W indexes from May through August 2016 in a number of areas. Several indexes were affected, including the all items and medical care indexes. A list of the series affected can be found at www.bls.gov/bls/errata/cpi-price-corrections-10182016.htm, and the corrected data are available in the CPI database (www.bls.gov/cpi/data.htm).

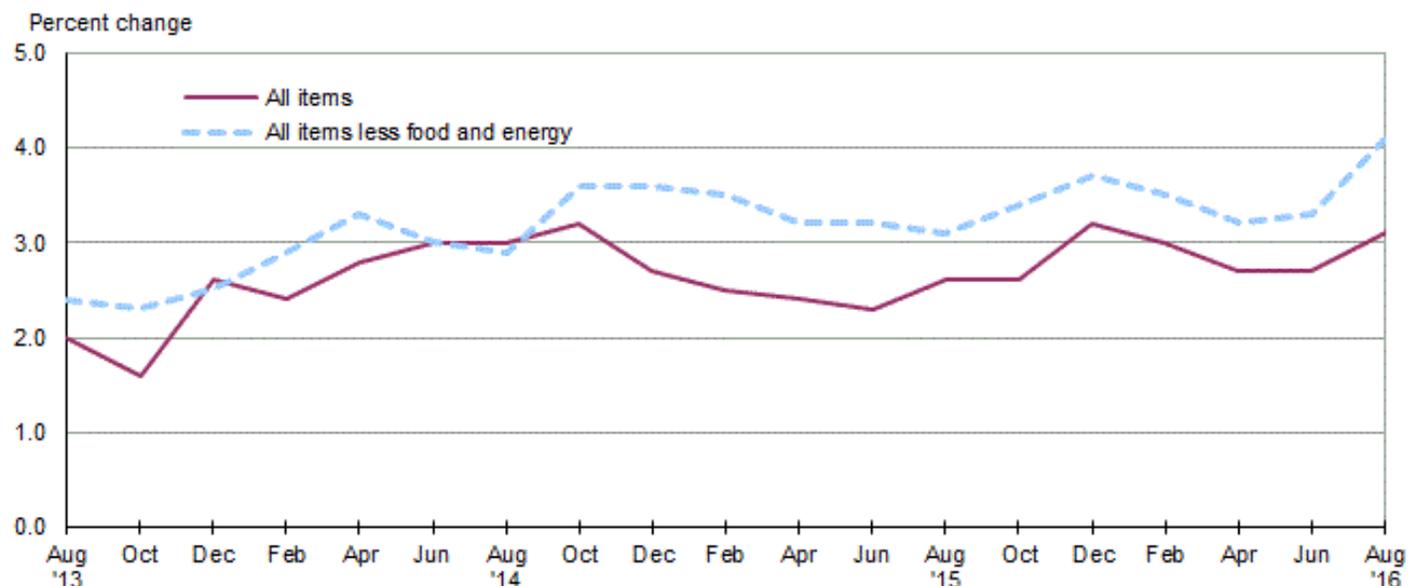
Consumer Price Index, San Francisco Area — August 2016

Area prices were up 0.7 percent over the past two months, up 3.1 percent from a year ago

Prices in the San Francisco area, as measured by the Consumer Price Index for All Urban Consumers (CPI-U), increased 0.7 percent for the two months ending in August 2016, the U.S. Bureau of Labor Statistics reported today. (See [table A](#).) Assistant Commissioner for Regional Operations Richard Holden noted that the August increase was influenced by higher prices for shelter and natural gas service. (Data in this report are not seasonally adjusted. Accordingly, month-to-month changes may reflect seasonal influences.)

Over the last 12 months, the CPI-U advanced 3.1 percent. (See [chart 1](#) and [table A](#).) Energy prices decreased 7.7 percent, largely the result of a decrease in the price of gasoline. The index for all items less food and energy advanced 4.1 percent over the year. (See [table 1](#).)

Chart 1. Over-the-year percent change in CPI-U, San Francisco, August 2013–August 2016



Source: U.S. Bureau of Labor Statistics.

Food

Food prices were unchanged for the two months ending in August. (See [table 1.](#)) Prices for food at home decreased 0.8 percent, but prices for food away from home increased 0.9 percent for the same period.

Over the year, food prices rose 0.6 percent. Prices for food away from home advanced 4.1 percent since a year ago, but prices for food at home declined 2.3 percent.

Energy

The energy index decreased 1.1 percent for the two months ending in August. The decrease was mainly due to lower prices for gasoline (-7.2 percent). Prices for electricity were unchanged, while natural gas service jumped 21.6 percent for the same period.

Energy prices decreased 7.7 percent over the year, largely due to lower prices for gasoline (-20.2 percent). Prices paid for natural gas service jumped 12.6 percent, and prices for electricity moved up 6.8 percent during the past year.

All items less food and energy

The index for all items less food and energy rose 0.9 percent in the latest two-month period. Higher prices for apparel (4.4 percent) and shelter (1.4 percent) were partially offset by lower prices for household furnishings and operations (-0.7 percent).

Over the year, the index for all items less food and energy advanced 4.1 percent. Components contributing to the increase included shelter (6.5 percent) and apparel (5.0 percent). Partly offsetting the increases was a price decline in household furnishings and operations (-2.2 percent).

Table A. San Francisco-Oakland-San Jose CPI-U bi-monthly and annual percent changes (not seasonally adjusted)

Month	2011		2012		2013		2014		2015		2016	
	Bi-monthly	Annual										
February	1.0	1.7	1.1	3.0	1.3	2.4	1.2	2.4	1.0	2.5	0.9	3.0
April	1.8	2.8	0.9	2.1	0.8	2.4	1.2	2.8	1.1	2.4	0.7	2.7
June	-0.2	2.4	0.3	2.6	0.5	2.6	0.7	3.0	0.6	2.3	0.6	2.7
August	0.4	2.9	0.6	2.8	0.1	2.0	0.0	3.0	0.3	2.6	0.7	3.1
October	0.3	3.2	0.7	3.2	0.2	1.6	0.5	3.2	0.4	2.6		
December	-0.4	2.9	-1.4	2.2	-0.4	2.6	-0.9	2.7	-0.3	3.2		

The October 2016 Consumer Price Index for the San Francisco-Oakland-San Jose is scheduled to be released on November 17, 2016.

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

The San Francisco-Oakland-San Jose, CA. metropolitan area covered in this release is comprised of Alameda, Contra Costa, Marin, Napa, San Francisco, San Mateo, Santa Clara, Santa Cruz, Sonoma, and Solano Counties in the State of California.

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 and percent changes for selected periods San Francisco-Oakland-San Jose, CA (1982-84=100 unless otherwise noted)

Item and Group	Indexes			Percent change from-		
	Jun. 2016	Jul. 2016	Aug. 2016	Aug. 2015	Jun. 2016	Jul. 2016
Expenditure category						
All items	266.041	-	267.864	3.1	0.7	-
All items (1967=100)	817.884	-	823.487	-	-	-
Food and beverages	267.065	-	266.855	0.8	-0.1	-
Food	267.461	-	267.482	0.6	0.0	-
Food at home	253.789	252.813	251.829	-2.3	-0.8	-0.4
Food away from home	283.786	-	286.275	4.1	0.9	-
Alcoholic beverages	267.947	-	265.049	3.4	-1.1	-
Housing	307.124	-	311.699	5.8	1.5	-
Shelter	348.043	349.680	352.965	6.5	1.4	0.9
Rent of primary residence ⁽¹⁾	394.782	396.477	398.331	6.9	0.9	0.5
Owners' equiv. rent of residences ^{(1) (2)}	376.937	378.764	382.265	6.9	1.4	0.9
Owners' equiv. rent of primary residence ^{(1) (2)}	376.937	378.764	382.265	6.9	1.4	0.9
Fuels and utilities	367.463	-	384.853	7.3	4.7	-
Household energy	328.342	332.433	347.861	8.9	5.9	4.6
Energy services ⁽¹⁾	329.374	333.563	349.336	9.1	6.1	4.7
Electricity ⁽¹⁾	353.634	353.634	353.502	6.8	0.0	0.0
Utility (piped) gas service ⁽¹⁾	265.315	277.264	322.518	12.6	21.6	16.3
Household furnishings and operations	136.347	-	135.331	-2.2	-0.7	-
Apparel	114.850	-	119.873	5.0	4.4	-
Transportation	188.784	-	182.901	-3.5	-3.1	-
Private transportation	177.111	-	173.472	-3.6	-2.1	-
Motor fuel	213.139	209.663	197.818	-20.1	-7.2	-5.6
Gasoline (all types)	212.331	208.852	197.008	-20.2	-7.2	-5.7
Gasoline, unleaded regular ⁽³⁾	212.376	208.809	196.782	-20.5	-7.3	-5.8
Gasoline, unleaded midgrade ^{(3) (4)}	196.635	195.417	184.631	-19.6	-6.1	-5.5
Gasoline, unleaded premium ⁽³⁾	201.818	198.591	188.278	-18.6	-6.7	-5.2
Medical care	-	-	486.299	-	-	-
Recreation ⁽⁵⁾	113.695	-	114.784	0.8	1.0	-
Education and communication ⁽⁵⁾	142.374	-	143.776	0.8	1.0	-
Other goods and services	431.363	-	435.958	1.6	1.1	-
Commodity and service group						
All items	266.041	-	267.864	3.1	0.7	-
Commodities	182.050	-	181.235	-1.3	-0.4	-
Commodities less food & beverages	136.270	-	135.244	-3.0	-0.8	-
Nondurables less food & beverages	174.241	-	173.488	-3.0	-0.4	-
Durables	99.457	-	98.180	-3.5	-1.3	-
Services	336.351	-	340.240	5.0	1.2	-
Special aggregate indexes						
All items less medical care	257.200	-	258.924	2.9	0.7	-
All items less shelter	233.095	-	233.421	0.7	0.1	-
Commodities less food	141.880	-	140.782	-2.7	-0.8	-
Nondurables	221.705	-	221.194	-0.8	-0.2	-
Nondurables less food	181.318	-	180.423	-2.4	-0.5	-
Services less rent of shelter ⁽²⁾	337.656	-	340.205	2.9	0.8	-
Services less medical care services	327.249	-	331.106	5.1	1.2	-
Energy	258.584	257.825	255.786	-7.7	-1.1	-0.8
All items less energy	269.638	-	271.723	3.7	0.8	-

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 San Francisco-Oakland-San Jose, CA (1982-84=100 unless otherwise noted) - Continued

Item and Group	Indexes			Percent change from-		
	Jun. 2016	Jul. 2016	Aug. 2016	Aug. 2015	Jun. 2016	Jul. 2016
All items less food and energy	270.807	-	273.207	4.1	0.9	-

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.