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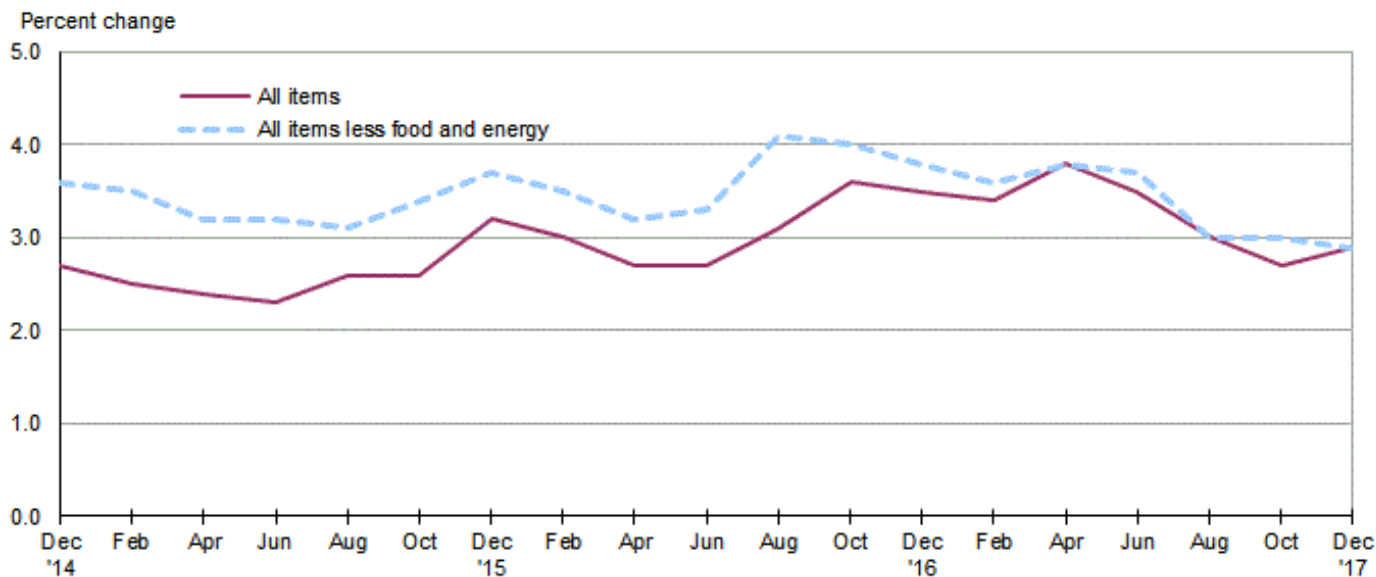
Consumer Price Index, San Francisco Area — December 2017

Area prices down 0.1 percent over the past two months, up 2.9 percent from a year ago

Prices in the San Francisco area, as measured by the Consumer Price Index for All Urban Consumers (CPI-U), inched down 0.1 percent for the two months ending in December 2017, the U.S. Bureau of Labor Statistics reported today. (See [table A](#).) Assistant Commissioner for Regional Operations Richard Holden noted that the December decrease was influenced by lower prices for apparel 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 increased 2.9 percent. (See [chart 1](#) and [table A](#).) Energy prices jumped 10.1 percent, largely the result of an increase in the price of gasoline. The index for all items less food and energy rose 2.9 percent over the year. (See [table 1](#).)

Chart 1. Over-the-year percent change in CPI-U, San Francisco, December 2014–December 2017



Source: U.S. Bureau of Labor Statistics.

Food

Food prices advanced 1.0 percent for the two months ending in December. (See [table 1](#).) Prices for food at home moved up 1.7 percent and prices for food away from home rose 0.2 percent for the same period.

Over the year, food prices advanced 0.7 percent. Prices for food away from home increased 2.1 percent since a year ago, but prices for food at home decreased 0.5 percent.

Energy

The energy index decreased 1.1 percent for the two months ending in December. The decrease was mainly due to lower prices for natural gas service (-10.1 percent). Prices for electricity decreased 3.0 percent, but prices for gasoline increased 2.1 percent for the same period.

Energy prices jumped 10.1 percent over the year, largely due to higher prices for gasoline (16.1 percent). Prices paid for electricity increased 7.6 percent, but prices for natural gas service decreased 5.7 percent during the past year.

All items less food and energy

The index for all items less food and energy inched down 0.1 percent in the latest two-month period. Lower prices for apparel (-9.4 percent) were partially offset by higher prices for household furnishings and operations (1.3 percent), recreation (1.3 percent), and shelter (0.4 percent).

Over the year, the index for all items less food and energy increased 2.9 percent. Components contributing to the increase included other goods and services (5.0 percent) and shelter (4.2 percent). Partly offsetting the increases were price declines in household furnishings and operations (-1.1 percent) and apparel (-1.0 percent).

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

Month	2012		2013		2014		2015		2016		2017	
	Bi-monthly	Annual	Bi-monthly	Annual	Bi-monthly	Annual	Bi-monthly	Annual	Bi-monthly	Annual	Bi-monthly	Annual
February	1.1	3.0	1.3	2.4	1.2	2.4	1.0	2.5	0.9	3.0	0.8	3.4
April	0.9	2.1	0.8	2.4	1.2	2.8	1.1	2.4	0.7	2.7	1.1	3.8
June	0.3	2.6	0.5	2.6	0.7	3.0	0.6	2.3	0.6	2.7	0.3	3.5
August	0.6	2.8	0.1	2.0	0.0	3.0	0.3	2.6	0.7	3.1	0.2	3.0
October	0.7	3.2	0.2	1.6	0.5	3.2	0.4	2.6	0.9	3.6	0.6	2.7
December	-1.4	2.2	-0.4	2.6	-0.9	2.7	-0.3	3.2	-0.3	3.5	-0.1	2.9

The February 2018 Consumer Price Index for the San Francisco-Oakland-San Jose is scheduled to be released on March 13, 2018.

Consumer Price Index Geographic Revision for 2018

In January 2018, BLS will introduce a new geographic area sample for the Consumer Price Index (CPI). As part of the new sample, the index for this area will be renamed. The first indexes using the new structure will be published in February 2018. Additional information on the geographic revision is available at: www.bls.gov/cpi/georevision2018.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 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-		
	Oct. 2017	Nov. 2017	Dec. 2017	Dec. 2016	Oct. 2017	Nov. 2017
Expenditure category						
All items.....	277.570	-	277.414	2.9	-0.1	-
All items (1967=100)	853.328	-	852.847	-	-	-
Food and beverages	266.579	-	269.334	1.1	1.0	-
Food	266.052	-	268.585	0.7	1.0	-
Food at home	243.681	244.652	247.770	-0.5	1.7	1.3
Food away from home.....	293.219	-	293.807	2.1	0.2	-
Alcoholic beverages	278.161	-	283.547	5.1	1.9	-
Housing	328.638	-	329.209	3.8	0.2	-
Shelter	375.480	374.924	376.805	4.2	0.4	0.5
Rent of primary residence(1).....	421.940	422.470	428.426	4.8	1.5	1.4
Owners' equiv. rent of residences(1)(2).....	404.636	405.489	407.106	4.0	0.6	0.4
Owners' equiv. rent of primary residence(1)(2).....	404.636	405.489	407.106	4.0	0.6	0.4
Fuels and utilities.....	395.320	-	383.189	4.0	-3.1	-
Household energy	352.927	333.107	335.450	3.4	-5.0	0.7
Energy services(1)	354.321	333.975	336.303	3.5	-5.1	0.7
Electricity(1).....	372.022	360.984	360.984	7.6	-3.0	0.0
Utility (piped) gas service(1).....	301.422	264.426	271.067	-5.7	-10.1	2.5
Household furnishings and operations.....	131.438	-	133.198	-1.1	1.3	-
Apparel	120.200	-	108.950	-1.0	-9.4	-
Transportation	193.101	-	192.875	4.7	-0.1	-
Private transportation	184.814	-	186.031	6.0	0.7	-
Motor fuel	227.464	236.297	232.445	16.1	2.2	-1.6
Gasoline (all types).....	226.543	235.263	231.382	16.1	2.1	-1.6
Gasoline, unleaded regular(3).....	226.693	235.549	231.610	16.4	2.2	-1.7
Gasoline, unleaded midgrade(3).....	211.107	218.398	216.030	15.6	2.3	-1.1
Gasoline, unleaded premium(3).....	214.514	222.233	218.605	14.7	1.9	-1.6
Medical care	493.957	-	493.055	0.9	-0.2	-
Recreation(5).....	114.440	-	115.919	2.8	1.3	-
Education and communication(5).....	142.379	-	141.735	-0.3	-0.5	-
Other goods and services	467.785	-	463.343	5.0	-0.9	-
Commodity and service group						
All items.....	277.570	-	277.414	2.9	-0.1	-
Commodities	184.171	-	183.580	1.9	-0.3	-
Commodities less food & beverages.....	139.373	-	137.404	2.6	-1.4	-
Nondurables less food & beverages	183.377	-	179.301	5.5	-2.2	-
Durables	96.845	-	96.880	-2.0	0.0	-
Services.....	355.359	-	355.532	3.3	0.0	-
Special aggregate indexes						
All items less medical care	268.730	-	268.606	3.1	0.0	-
All items less shelter.....	237.011	-	236.108	2.0	-0.4	-
Commodities less food	145.244	-	143.497	2.8	-1.2	-
Nondurables	226.473	-	225.547	3.0	-0.4	-
Nondurables less food.....	190.578	-	187.088	5.5	-1.8	-
Services less rent of shelter(2).....	345.126	-	343.863	2.0	-0.4	-
Services less medical care services.....	346.961	-	347.179	3.6	0.1	-
Energy	276.885	275.361	273.718	10.1	-1.1	-0.6
All items less energy	280.953	-	280.952	2.6	0.0	-

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-		
	Oct. 2017	Nov. 2017	Dec. 2017	Dec. 2016	Oct. 2017	Nov. 2017
All items less food and energy	284.056	-	283.677	2.9	-0.1	-

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.