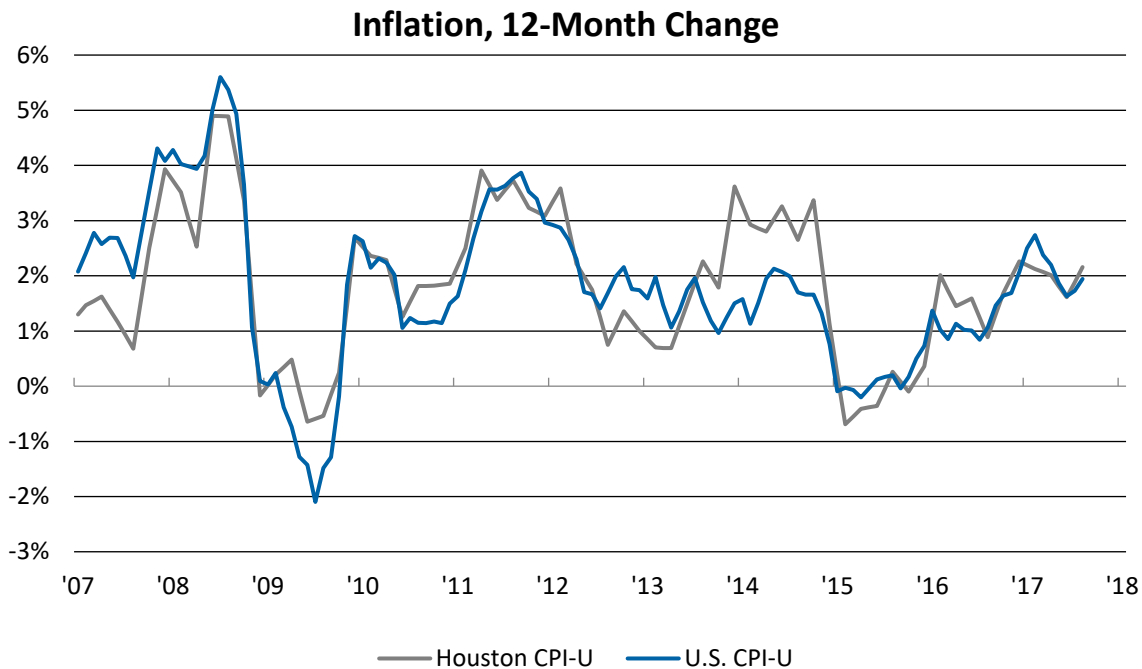




The Partnership sends updates for the six most important economic indicators each month. If you would like to opt-in to receive these updates, please click [here](#).

September 14, 2017

For the latest data, click [here](#).



Source: U.S. Bureau of Labor Statistics, not seasonally adjusted

INFLATION-NATIONWIDE

The cost of consumer goods and services as measured by the Consumer Price Index for All Urban Consumers (CPI-U) rose 1.9 percent nationwide from August '16 to August '17, according to the U.S. Bureau of Labor Statistics. Core inflation (all items less the volatile food and energy categories) increased 1.7 percent since August '16.¹

The cost of energy rose 6.4 percent from the previous August, the strongest year-over-year gain since April. All three energy components posted gains: electricity costs increased 2.3 percent, natural gas prices rose 5.4 percent and motor fuel rose 10.3 percent. Food prices posted a slight uptick of 1.1 percent, with the cost of dining out increasing 2.2 percent and grocery prices rising

¹ CPI data in this commentary are not seasonally adjusted.

0.3 percent. The rise in grocery prices marked the second-straight month of increases after 19 months in decline. The shelter index rose 3.3 percent from August '16.

INFLATION-HOUSTON

Consumer prices in the Houston-Galveston-Brazoria metro area (Brazoria, Chambers, Fort Bend, Galveston, Harris, Liberty, Montgomery, and Waller Counties) grew 2.2 percent from August '16. Core inflation rose 1.9 percent.

In the 12 months ending August '17, the energy index rose 6.2 percent. All three subcomponents posted gains with natural gas prices jumping 9.5 percent, electricity prices growing 1.7 percent and motor fuel prices increasing 9.4 percent.

Food prices rose 1.8 percent during the previous 12 months. The cost of dining out increased 3.2 percent in Houston while grocery prices increased 0.6 percent, the first uptick in 14 months. The cost of shelter² rose 2.6 percent since August '16, the largest contributor to the rise in core inflation.

Full September and October CPI data for Houston will be released November 15.

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² The cost of shelter is typically a third of total consumer expenditures in the Houston area. Although a 1.7 percent increase appears small, it is of greater importance due to its relative weight in calculating overall spending.