

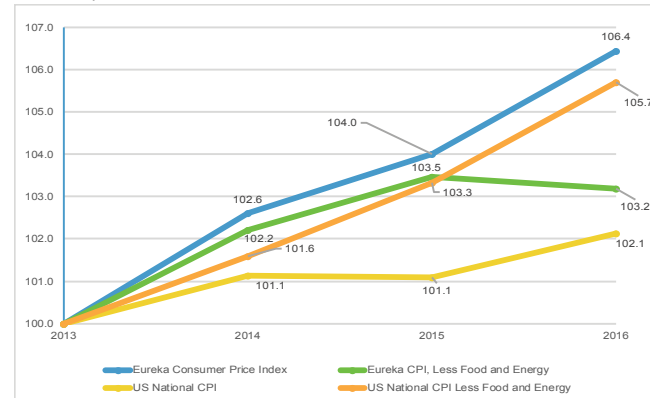
# Eureka California Consumer Price Index 2016 Edition

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For our senior capstone project, we updated the ongoing Consumer Price Index for Eureka California, a project of the HSU Department of Economics. We use the same methodology as the Bureau of Labor and Statistics.

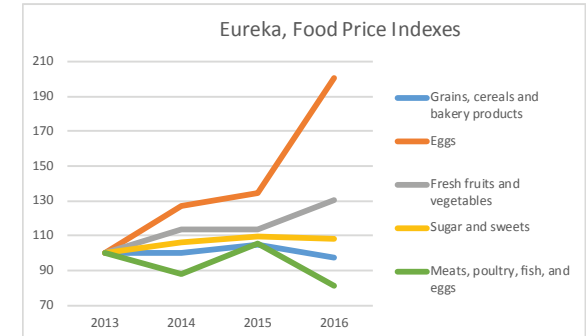
The goal of this project was to capture the price levels of Eureka, CA, derive inflation rates and analyze the sectors that make up the index.

## Eureka, Consumer Price Index



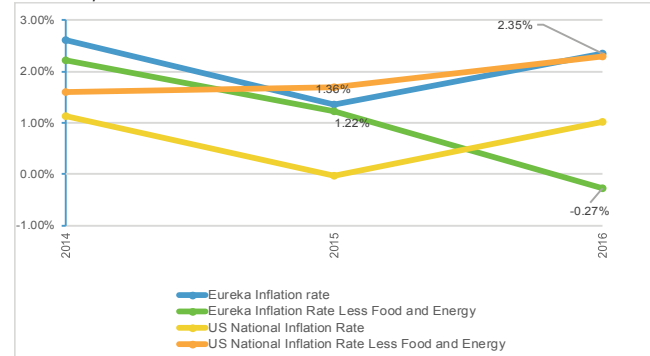
**Consumer Price Index:** To measure the price levels of Eureka, a **basket of goods** that include more than 200 items in it ranging from a gallon of gas to a bottle of wine. The item's price is recorded in the basket of goods. The total price of the basket of goods is derived and is used to measure the price levels of Eureka. The inflation rate is calculated from the changes of the price of the basket.

**The Inflation rate for Eureka was 2.35% for 2016.** The core inflation rate (Inflation Less Food and Energy) does not include energy or food in the basket of goods because their prices are volatile. The core inflation for 2016 was -0.27%.

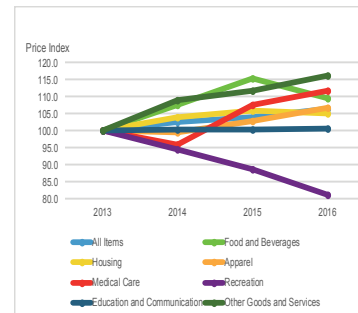


Egg prices have more than doubled in the last three years. Meats have dropped in price and the other items have remained steady.

## Eureka, Inflation Rate

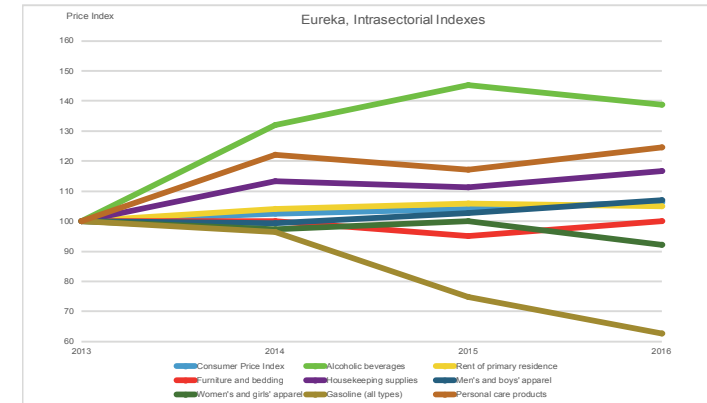


## Sectorial Price Indexes

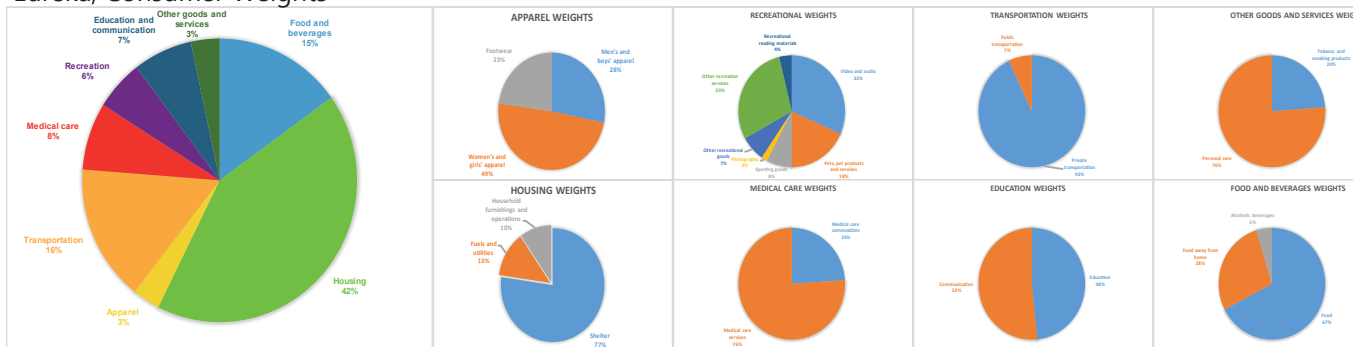


Other Goods and Services and Medical Services increased the CPI the most.

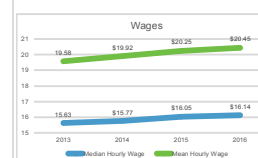
	2013	2014	2015	2016
All Items	100.0	102.6	104.0	106.4
Food and Beverages	100.0	107.5	115.3	109.5
Housing	100.0	104.0	106.0	105.1
Apparel	100.0	99.4	102.8	106.9
Medical Care	100.0	96.0	107.5	111.7
Recreation	100.0	94.5	88.6	81.1
Education and Communication	100.0	100.4	100.2	100.6
Other Goods and Services	100.0	108.9	111.9	116.2



## Eureka, Consumer Weights



**Weights:** In order to calculate the consumer price index, weights are used to each item of the basket. The percentages are a reflection of the proportions a consumer allocates. The weighting methodology and weights were derived from the Bureau of Labor and statistics website.



Wages were collected from the Bureau of Labor and Statistics.