



Joint Economic Committee

Republicans

Representative David Schweikert • Vice Chairman

September 2023 CPI Inflation Report

Republican Staff Commentary

KEY TAKEAWAYS

At 8:30am, the BLS [announced](#) that in September:

- Headline CPI inflation was 0.4% m/m, a decrease from 0.6% last month.
 - Housing prices accounted for more than half of the increase, rising 0.6% m/m.
 - Gasoline prices were also a major contributor to the increase, rising 2.1% m/m.
- Core CPI inflation was 0.3% m/m, unchanged from last month.
 - Core CPI excludes volatile food and energy prices. It indicates inflation's near-term trend.
 - Housing prices were also the primary driver of the m/m increase in core CPI.

Housing prices (which the BLS calls the "shelter index") rose for the 41st consecutive month. Rent increases generally lag real estate appreciate by 1-2 years. Hence, it might be a bit longer before some of the recent decline in home prices passes through into the rental market. In the first half of this year, the [median sale price](#) of U.S. homes fell by \$63,400. The [30Y fixed rate mortgage](#) hit 7.49% last week, the highest level since December 2000.

REAL WAGES

Separately, the BLS [announced](#) that in September:

- Real average hourly earnings fell by 0.2% m/m, following a 0.4% fall last month.
- Since President Biden took office, consumer prices [have risen](#) by nearly 17.1%.
- Meanwhile, average hourly earnings have [only increased](#) by 13.2% over that period.
- In other words, if you haven't gotten a 17.1% raise, you've effectively gotten a pay cut.

Real = inflation adjusted

STATE-LEVEL INFLATION

According to JEC's [updated estimates](#) for state-level inflation, families in 14 states are facing an additional \$1000 expense this month because of higher inflation. Families in DC faced the greatest increase to their cost of living, amounting to \$1433 in September alone.



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Table 1. CPI Indicators

10/12/2023

After seasonal adjustment

	Sep-23	Aug-23	Difference
Consumer Price Index			
M/M	0.4%	0.6%	-0.2%
Y/Y	3.7%	3.7%	0.0%
Core Consumer Price Index			
M/M	0.3%	0.3%	0.0%
Y/Y	4.1%	4.4%	-0.3%
Real Average Hourly Earnings			
M/M	-0.2%	-0.4%	0.2%
Y/Y	0.5%	0.5%	0.0%

Source: Bureau of Labor Statistics, JEC Republican Staff

* Discrepancy from monthly figures due to rounding.

Table 2. CPI Forecast Error

10/12/2023

	Actual	Clev. Fed Forecast	Error
Consumer Price Index			
M/M	0.4%	0.4%	0.0%
Y/Y	3.7%	3.7%	0.0%
Core Consumer Price Index			
M/M	0.3%	0.4%	0.0%
Y/Y	4.1%	4.2%	-0.1%

Source: Bureau of Labor Statistics, Cleveland Fed, JEC Republican Staff

* Discrepancy from monthly figures due to rounding.



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Table 3. How much did Bidenflation cost U.S. families this month? 10/12/2023

Rank	State	Overall	Food	Shelter	Energy
41	Alabama	\$826	\$124	\$137	\$126
7	Alaska	\$1,096	\$159	\$220	\$190
4	Arizona	\$1,108	\$144	\$235	\$198
50	Arkansas	\$716	\$100	\$121	\$127
6	California	\$1,101	\$159	\$221	\$191
2	Colorado	\$1,247	\$162	\$264	\$222
31	Connecticut	\$885	\$128	\$178	\$128
13	Delaware	\$1,051	\$125	\$244	\$142
1	District of Columbia	\$1,433	\$170	\$333	\$193
9	Florida	\$1,084	\$129	\$252	\$146
24	Georgia	\$951	\$113	\$221	\$128
12	Hawaii	\$1,064	\$154	\$214	\$185
16	Idaho	\$1,015	\$132	\$215	\$181
20	Illinois	\$970	\$157	\$173	\$129
38	Indiana	\$847	\$137	\$151	\$112
32	Iowa	\$883	\$119	\$128	\$129
23	Kansas	\$957	\$129	\$138	\$140
42	Kentucky	\$819	\$123	\$136	\$125
43	Louisiana	\$806	\$113	\$136	\$142
51	Maine	\$714	\$103	\$143	\$103
11	Maryland	\$1,070	\$127	\$248	\$144
28	Massachusetts	\$932	\$135	\$187	\$135
34	Michigan	\$875	\$141	\$156	\$116
8	Minnesota	\$1,090	\$147	\$158	\$160
46	Mississippi	\$769	\$116	\$128	\$118
21	Missouri	\$966	\$130	\$140	\$142
14	Montana	\$1,050	\$137	\$223	\$187
19	Nebraska	\$988	\$133	\$143	\$145
5	Nevada	\$1,106	\$144	\$235	\$197
33	New Hampshire	\$881	\$127	\$177	\$127
25	New Jersey	\$947	\$145	\$185	\$115
22	New Mexico	\$957	\$125	\$203	\$171
29	New York	\$930	\$142	\$181	\$113
30	North Carolina	\$900	\$107	\$209	\$121
17	North Dakota	\$996	\$134	\$144	\$146
40	Ohio	\$835	\$135	\$149	\$111
49	Oklahoma	\$745	\$104	\$125	\$132
39	Oregon	\$837	\$121	\$168	\$145
44	Pennsylvania	\$797	\$122	\$155	\$97
47	Rhode Island	\$761	\$110	\$153	\$110
35	South Carolina	\$875	\$104	\$203	\$118
18	South Dakota	\$995	\$134	\$144	\$146
36	Tennessee	\$866	\$130	\$144	\$132
27	Texas	\$938	\$131	\$158	\$166
3	Utah	\$1,210	\$157	\$257	\$216
49	Vermont	\$753	\$109	\$151	\$109
15	Virginia	\$1,024	\$121	\$238	\$138
27	Washington	\$939	\$136	\$188	\$163
45	West Virginia	\$786	\$93	\$183	\$106
37	Wisconsin	\$850	\$137	\$152	\$113
11	Wyoming	\$1,080	\$141	\$229	\$192
	U.S. Average	\$955	\$134	\$188	\$143

Source: Bureau of Labor Statistics, JEC Republican Staff



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Econ Calendar

Date	Time (ET)	Release
Oct 20	10:00AM	State-level Unemployment
Oct 26	08:30AM	GDP Q3 2023 Advanced Estimate
Oct 27	08:30AM	Personal Income and Outlays
Nov 01	02:00PM	Federal Reserve Announcement
	02:30PM	Fed Chairman Powell Presser
Nov 03	08:30AM	Employment Situation Report
Nov 14	08:30AM	Consumer Price Index JEC State Inflation Tracker

Legend

m/m = month over month; q/q = quarter over year; y/y = year over year
SA = seasonally adjusted; SAAR = seasonally adjusted annual rate
% = percentage points; bps = basis points (1/100ths of a %)