



April 2025

Inflation in Colorado – March 2025 Update

Author: Cole Anderson

Denver Metro Prices Tick Upwards

Prices in the Denver metro area rose at a faster pace than the nation over the last two months, growing by 0.22% compared to the U.S. average of 0.17%. This has inverted the annual trend of national price growth outpacing Colorado; over the past 12 months, prices on average have increased by 2.4% across the country and by just 1.9% in the Denver metro. Between February and March of this year, prices across the nation fell by 0.1%, the first time prices have not increased since May-June of 2024 when prices held steady.

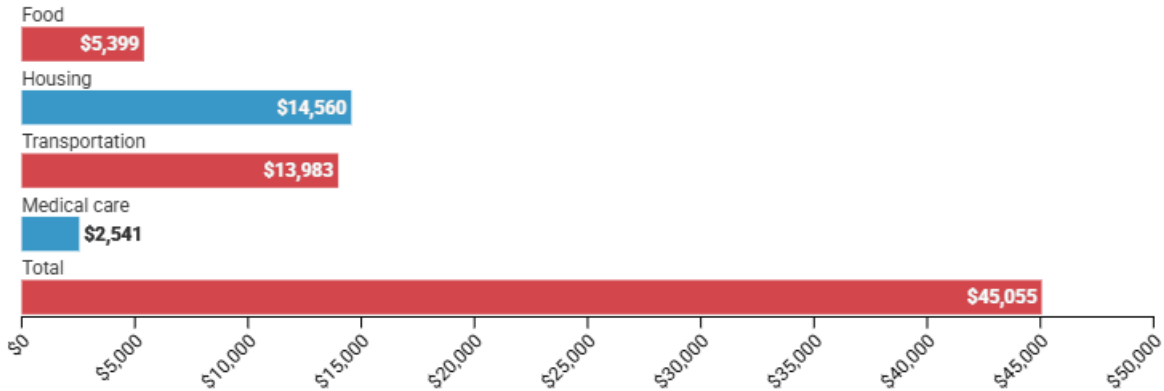
The imposition of tariffs, and the subsequent pause, has jolted the international economy and sown uncertainty as to the future of global trade. Despite the positive news on consumer price growth, Federal Reserve Chair Jerome Powell signaled that rates will likely remain unchanged as they wait to see how new tariff policies impact the economy.ⁱ

In the months of February and March of this year, the price of food (-0.1%), transportation (-0.1%), and recreation (-1.3%) decreased, while the cost of housing (0.53%), medical care (0.94%), and education & communication (5.34%) increased. Of the 23 metropolitan area CPI series tracked by BLS, Denver's total price growth since the end of 2021 ranks 14th.

- **Prices in the Denver metro area rose by 0.22% over February and March of this year compared to 0.17% nationally.**
- **Over the last 12 months, prices have increased by 1.9% in the Denver MSA, and by 2.4% nationally.**
- **The price of energy in the Denver MSA fell by 8.4% over the last 12 months. Energy prices declined by just 3.22% across the nation during this time.**
- **The average Colorado household has spent \$45,055 more since 2020 because of higher inflation.ⁱⁱ**
- **The cost of medical care rose by 5.56% over the last 12 months in the Denver MSA, the largest increase of any good and above the national growth of 2.64%.**

Inflation's Impact on What We Buy

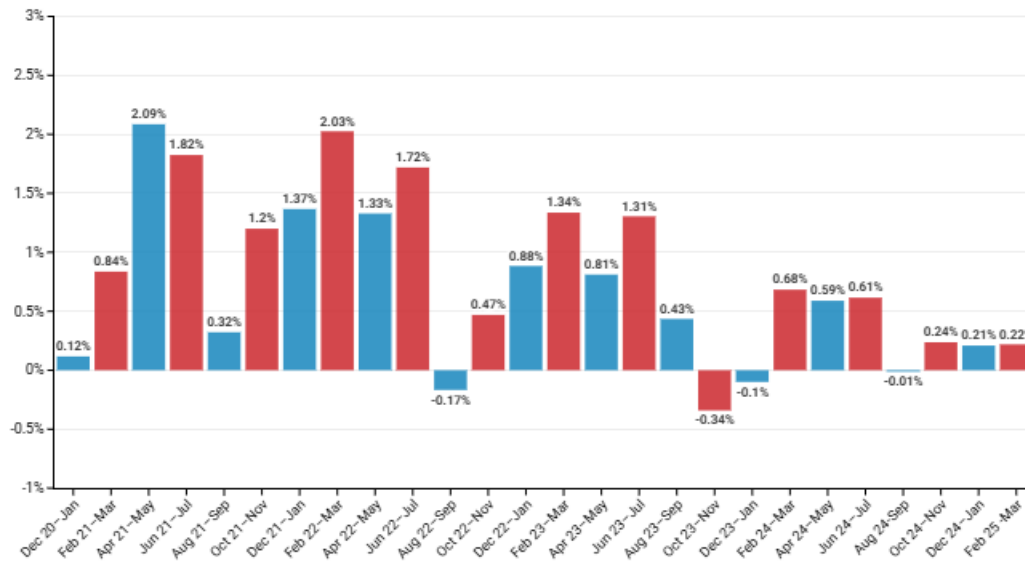
How much more has the average household spent since 2020 because of inflation?



Inflation in metro Denver over the last 12 months was 1.87%, while the national average growth was 2.41% (BLS CPI Survey).ⁱⁱⁱ

- Of the 23 urban consumer price indices tracked by the BLS, Denver–Aurora–Lakewood's ranks 14th in total growth since the end of 2021.
- Food prices in the Denver MSA grew by 3.33% during the last 12 months, outpacing the national food price average of 2.95%.
- The price of medical care saw the largest increase of any consumer good, rising 5.56% over the last 12 months in the Denver MSA.

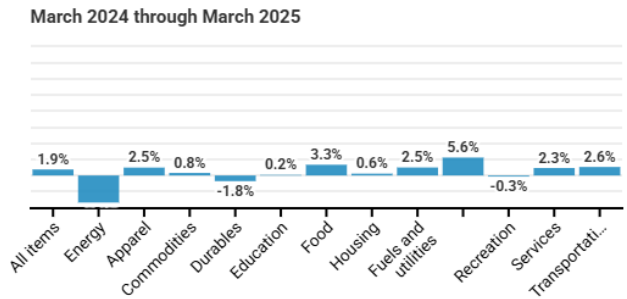
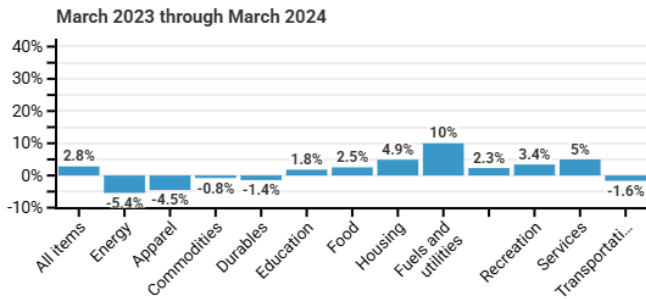
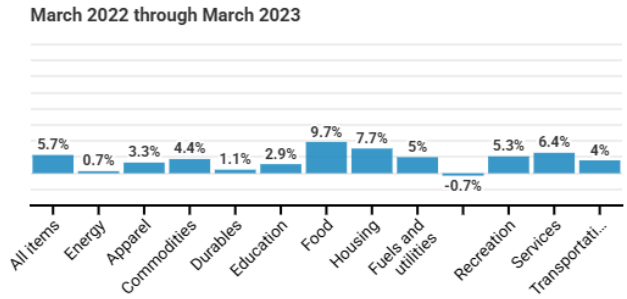
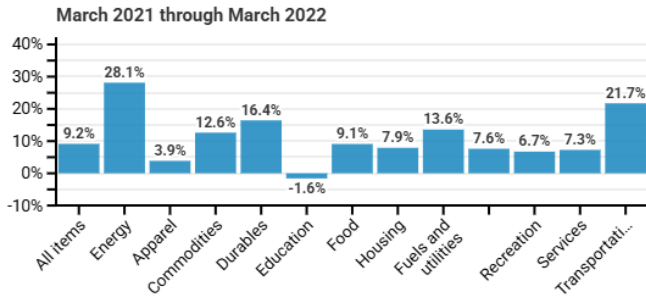
Bi-monthly Inflation in Metro Denver since January 2021



Source: BLS CPI-U Data

Price Changes in Metro Denver over the Previous Year

Source: BLS CPI-U Data



ⁱ [CPI: Inflation fell last month, a sign prices cooled before tariffs | AP News](#)

ⁱⁱ Impacts on household spending are generated by distributing the consumer expenditure estimates from https://www.bls.gov/regions/mountain-plains/news-release/consumerexpenditures_denver.htm across individual months, weighting them according to their corresponding CPI levels, and adjusting them according to the latter's growth history.

ⁱⁱⁱ <https://www.bls.gov/cpi/>