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Inflation in Colorado – July 2024 Update

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While National Inflation Eases, Price Growth in Metro Denver Persists

Prices in the Denver metro area rose by 0.62% over the months of June and July. Compared to the average national price growth of 0.15% over this same time, metro Denver's rate of growth was four times higher. Since July of 2023, national inflation grew by 2.9% to metro Denver's 1.9%. Despite annual growth being below the national level, metro Denver's price level has grown by 1.2% since March of this year compared to a national average of just 0.7%.

Increasing costs of medical care (1.3%), transportation (1%), food (0.7%), and housing (0.4%) all contributed to the elevated rate of price growth experienced in metro Denver over June and July of this year. Prices fell in the education and communications sector by 0.1%.

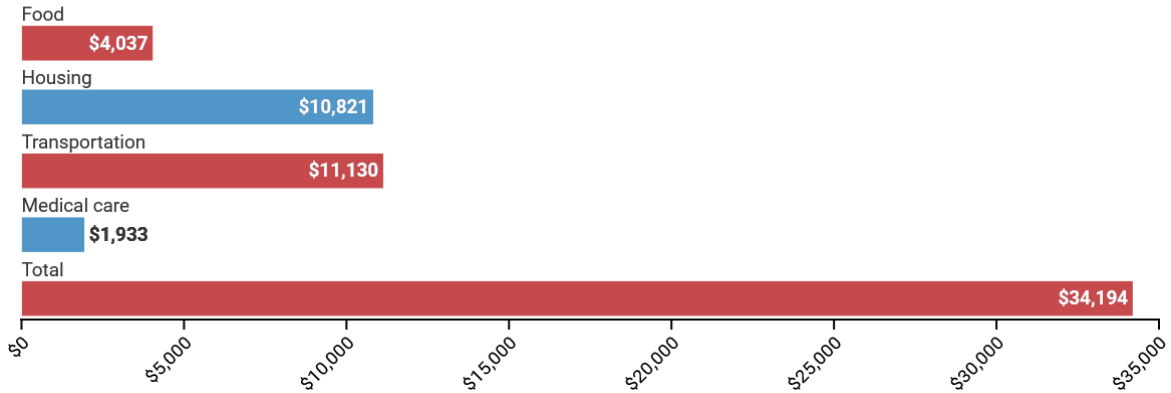
Of the 23 metropolitan area CPI series tracked by BLS, Denver's total price growth since the end of 2020 ranks 11th.

- **Price growth in metro Denver over June and July was four times higher than the national average. Prices grew 0.62% in metro Denver compared to just 0.15% nationally.**
- National price growth fell to 2.9% between July 2024 and the previous year marking the lowest 12-month rate since March of 2021.
- **Prices in the metro Denver area have grown by 20% since July of 2020.**
- **In June and July, the average Colorado household spent \$2,648 more due to inflation than it spent in the same period in 2020—an average of \$1,324 per month.** The average Colorado household has spent \$34,194 more since 2020 because of higher inflation.¹

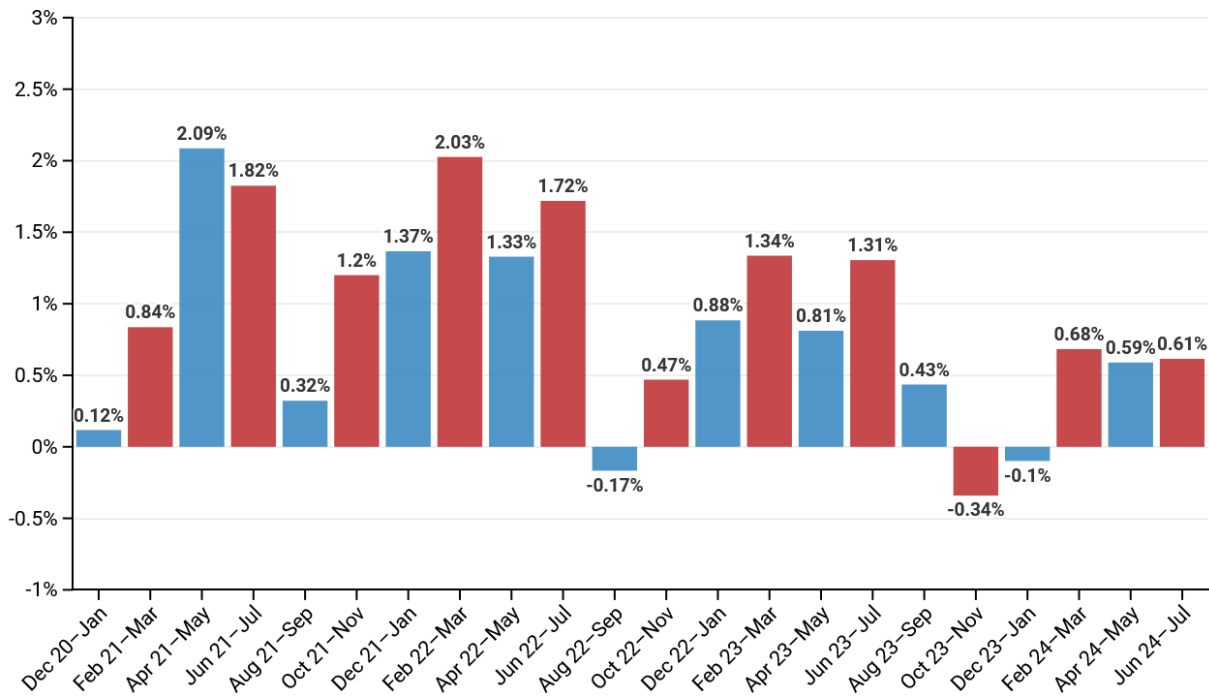
Because inflation is cooling as estimated, the Federal Reserve System is poised to consider a rate cut in September.

Inflation's Impact on What We Buy

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



Bi-monthly Inflation in Metro Denver since January 2021

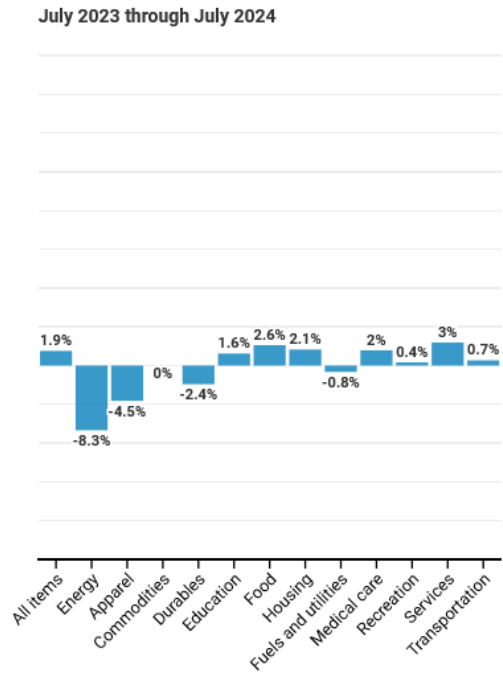
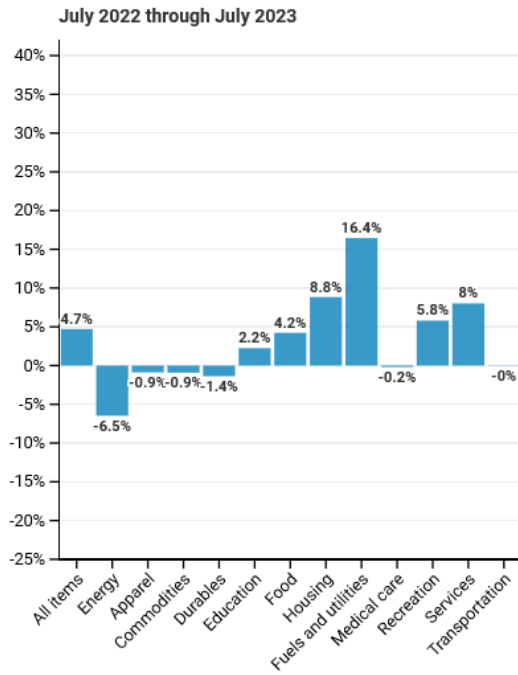
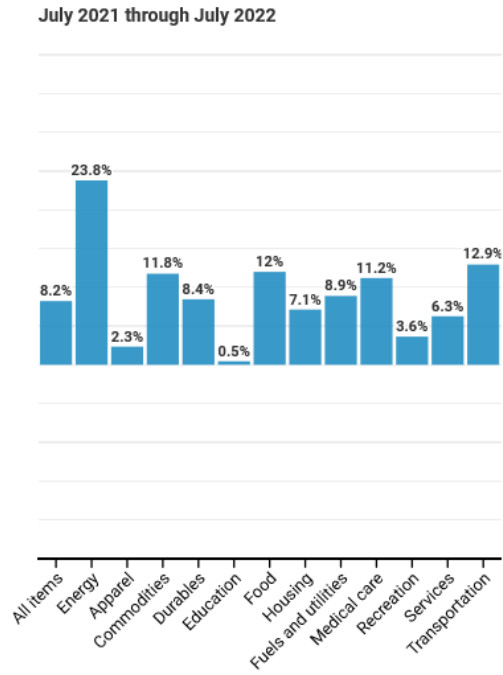
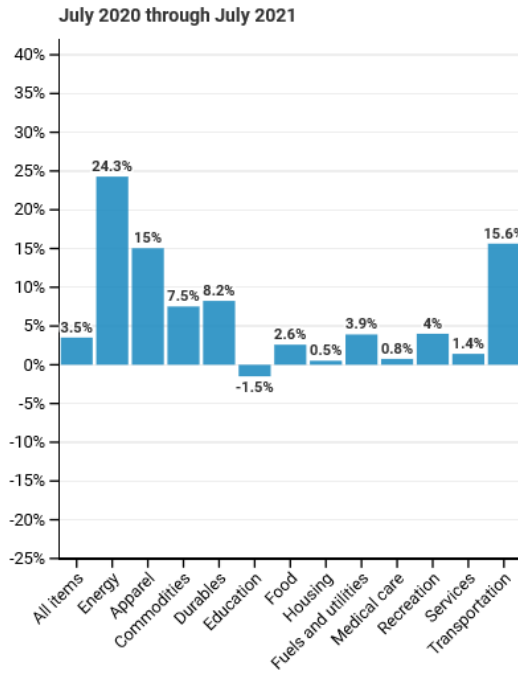


Inflation in metro Denver over the last 12 months was 1.9%—1 percentage point below the national average (BLS CPI Survey)ⁱⁱ

- Of the 23 urban consumer price indices tracked by the BLS, Denver–Aurora–Lakewood's ranks 11th in total growth since the end of 2020.
- Average annual inflation between 2010 and 2020 was 2.51%. Since July 2023, two of the prices shown on page 4 have grown by more than that. 11 have grown by less.
- The two prices that grew the fastest over the last 12 months were those of services and food, which grew by 3% and 2.6% respectively.

Price Changes in Metro Denver over the Previous Year

Source: BLS CPI-U Data



ⁱ 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.

ⁱⁱ <https://www.bls.gov/cpi/>