

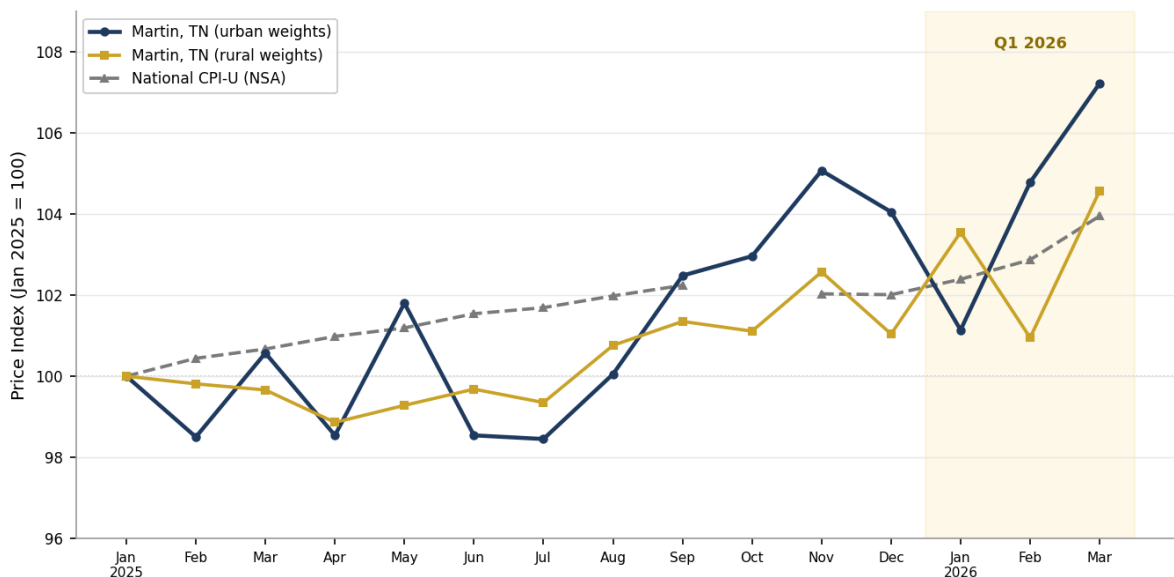


# Q1 2026 Local Consumer Price Index Report Martin, Tennessee

## 1. Summary

Using the base month of January 2025 (CPI = 100), the urban-weighted Consumer Price Index for Martin, TN averaged 104.38 during the first quarter of 2026, indicating that consumer prices stood approximately 4.4% above their January 2025 level. The quarterly average rose 0.3% relative to the fourth quarter of 2025 (104.03) and 4.7% relative to the first quarter of 2025 (99.69). The rural-weighted index averaged 103.02, a 3.2% increase over the same quarter one year earlier. At the close of the quarter, the urban index stood at 107.22 in March 2026, a 6.6% increase over March 2025. Both urban and rural index values are presented as the rural weights are fixed while urban weights adjust monthly.

Over the comparable period, the national Consumer Price Index for All Urban Consumers (CPI-U), not seasonally adjusted, rose 3.3% over the twelve months ending March 2026. Annual inflation in Martin thus ran at roughly twice the national rate, continuing a divergence first documented in early 2025. This gap is consistent with the higher transportation costs, localized scarcity, and limited retail competition that characterize Martin and other isolated rural markets, where a small number of price movements can exert outsized pressure on the local cost of living.



**Figure 1.** Martin, TN Consumer Price Index (urban and rural weights) compared with the national CPI-U, January 2025–March 2026, rebased to January 2025 = 100. The shaded band (right) marks Q1 of 2026.

Within the quarter, the urban index dipped in January (101.14) before climbing through February (104.78) and March (107.22). The all-items index rose 3.0% from the end of the fourth quarter (December, 104.05) to the end of the first (March, 107.22), with the gains concentrated in February

and March. Figure 1 presents the Martin urban and rural indexes alongside the rebased national CPI-U from January 2025 through March 2026 for simple comparison.

## 2. Detailed Report

The largest single contributor to the quarter’s increase was medical care, where the index rose 21.2% over the quarter and stood 28.0% above its prior-year level. Because the medical group draws on only a few sampled items, however, this figure should be read as indicative of direction rather than a precise magnitude (see Section 4). Apparel (+4.9% over the quarter), transportation (+4.6%), and the other goods and services group (+2.8%) also firmed, and the supplementary energy index rose 12.6% over the quarter—an early-season uptick, though energy remained 3.6% below its year-ago level.

At the all-items level, the urban index rose 3.0% over the quarter. Unlike later periods that would be dominated by energy, the first quarter’s increase was broad but moderate: most major groups posted small gains, only medical care moved sharply, and softer food prices provided a partial offset, with food at home down 0.2% over the quarter and 2.2% below its year-ago level. Housing rose 1.3% over the quarter and remained 7.0% above its year-ago level, reflecting movement in the shelter and owners’-equivalent-rent components.

**Table 1.** *Martin, TN index levels and changes by major expenditure group, Q1 2026 (base January 2025 = 100).*

Expenditure Group	Index (Mar 2026)	Change over Q1 (Dec–Mar)	12-Month Change (Mar)
Food at Home	99.38	–0.2%	–2.2%
Food Away from Home	101.53	+0.8%	+0.0%
Housing	108.77	+1.3%	+7.0%
Apparel	112.78	+4.9%	+11.5%
Transportation	102.71	+4.6%	+2.3%
Medical Care	120.36	+21.2%	+28.0%
Recreation	103.71	0.0%	+3.7%
Education & Communication	101.73	+0.8%	+1.7%
Other Goods and Services	104.17	+2.8%	+5.8%
<b>All Items (Urban)</b>	<b>107.22</b>	<b>+3.0%</b>	<b>+6.6%</b>
<i>Energy (supplementary)</i>	<i>105.68</i>	<i>+12.6%</i>	<i>–3.6%</i>

*Energy is shown for reference and is embedded within the Housing and Transportation groups; it is not added to the all-items total.*

On a twelve-month basis, the firmest categories were medical care (+28.0%), apparel (+11.5%), and housing (+7.0%), while food at home fell 2.2% and food away from home was essentially unchanged. As noted, the medical care, recreation, and other-services figures rest on relatively few sampled items and are best read as indicative of direction rather than precise magnitudes (see Section 4 below).

Table 2 situates the Martin indexes against the national benchmark for the months of the quarter. The national CPI-U registered twelve-month increases of 2.4% in January, 2.4% in February, and 3.3% in March 2026; the corresponding Martin urban increases were 1.1%, 6.4%, and 6.6%. The wider month-to-month swings in our Martin series, including the soft January reading, reflect both the smaller local sample and genuine local volatility relative to the broad national index.

**Table 2.** *Martin, TN indexes and the national CPI-U, first quarter 2026 (base January 2025 = 100).*

Month	Martin Urban	Martin Rural	National CPI-U
January 2026	101.14	103.55	102.39
February 2026	104.78	100.95	102.87
March 2026	107.22	104.57	103.95
<b>Q1 2026 average</b>	<b>104.38</b>	<b>103.02</b>	<b>103.07</b>

### 3. Methods

This index follows the architecture of the national CPI while adapting it to a small rural market. It was initially modeled on the Local Economic Indicators Project (LEIP) established by Dr. Paul Mason at the University of North Florida (University of North Florida, 2025) and incorporates modern collection and weighting practices (Graf, 2020; Konny, 2020).

Prices are first converted to relatives against the January 2025 base period. Item relatives are combined within approximately twenty-six expenditure sub-groups (e.g., rent, household energy, dairy, and medical services) using a geometric mean, the elementary-aggregation formula used for most components of the national CPI. Sub-group indexes are then combined into all-items measures using expenditure weights, with any sub-group lacking data in a given month dropped and the remaining weights renormalized. Two parallel indexes are produced: an urban-weighted index using Bureau of Labor Statistics relative-importance weights, and a rural-weighted index using twelve harmonized (R-HICP) expenditure classes. Weights are held fixed within the calendar year and updated annually.

Prices are collected on the first Wednesday of each month from area retailers and service providers, including grocery and general-merchandise stores, restaurants, utilities, and healthcare, housing, and personal-service providers. These are supplemented by published rates for standardized national and state-priced items. Collecting on a fixed first-Wednesday schedule reduces distortions from weekend pricing, store closures, and within-month perishability cycles.

For comparison, the national CPI-U (all items, not seasonally adjusted; BLS series CUURO000SA0) is rebased to the January 2025 base and compared on a twelve-month basis, with not-seasonally-adjusted figures used on both sides to ensure comparability.

### 4. Data Quality and Limitations

Several features of this index warrant caution in interpretation. The sample is drawn from a single small market and is concentrated in a limited number of outlets, so an isolated promotion or stockout can move a thin category more than it would move the national index. This caution applies with particular force to the first quarter's medical care result: that group draws on only a handful of sampled items, so its large quarterly and annual increases reflect the behavior of a few observations and should be read as indicative of direction rather than precise magnitudes. The same caveat applies to the recreation group. Shelter, the largest single component, currently rests on a small number of observations, including one tracked rental unit and several owners'-equivalent-rent estimates; additional rental observations are being incorporated to strengthen this component.

One gap affects the national comparison. The national index for October 2025 was not published owing to the 2025 lapse in federal appropriations and appears as a missing value in Figure 1; the Martin series is unaffected, as local collection continued throughout. The quarter's figures are otherwise drawn from complete monthly data for both the local and national series.

## 5. Acknowledgements / Attribution

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This report is a product of the Economics and Business Innovation Lab (EBIL) at the University of Tennessee at Martin and was produced by its founding director, Dr. Anthony R. Delmond, who conducted the analysis. Data were collected by Dr. Delmond, Chayil Watkins, and Sara Ullrich. Claude (Anthropic, Claude Opus 4.8) was used in report construction and formatting.

## 6. References

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### ABOUT EBIL

The Economics and Business Innovation Lab (EBIL) at the University of Tennessee at Martin conducts applied economic research and analysis for West Tennessee and the surrounding region, including regional economic indicators, economic-impact studies, and business-innovation initiatives. The Martin, TN Consumer Price Index is a recurring EBIL data product, maintained to give local businesses, policymakers, and residents a timely, locally grounded measure of price change in their own market.