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Title: What do missing prices mean for the choice of index number method with alternative data?

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Abstract:

Price missingness and product churn in scanner and web-scraped data can be problematic for the calculation of price indices using multilateral methods. Internationally, splicing methods are used in conjunction with multilateral methods to avoid revising CPIs. However, these splicing methods can be shown to downwardly bias price indices, particularly for seasonal products and those with a high churn rate. In this presentation we look at how big the problem of price missingness and product churn really is for the use of alternative data sources in CPIs, and whether price imputation could help resolve these challenges.

REFERENCES

ONS, Price missingness and the choice of index number method, 2022 (pending)