

## Preliminary results of scanner data analysis and their use to estimate Italian inflation

The acquisition process of scanner data for food and grocery products, started at the end of 2014, has progressively enlarged Istat database, which by the end of 2015 will include data coming from 37 provinces, pushing the territorial coverage of the data to 55% of the Italian population. The availability of highly detail information about quantities and turnover for a huge number of products sold by chain stores on weekly basis - made possible by the use of scanner data - opened the possibility for the adoption of more precise aggregation schemes at the lowest level of aggregation of indices. To address the issue, we carried out a preliminary analysis of different index formulas which focuses on fixed base indices only. The analysis confirms that the elasticity of the demand in each specific market plays a relevant role in deciding the most appropriate formula for the aggregation of the elementary indices and seem to suggest the use of a case by case approach for the compilation of indices at the lowest level of aggregation.