

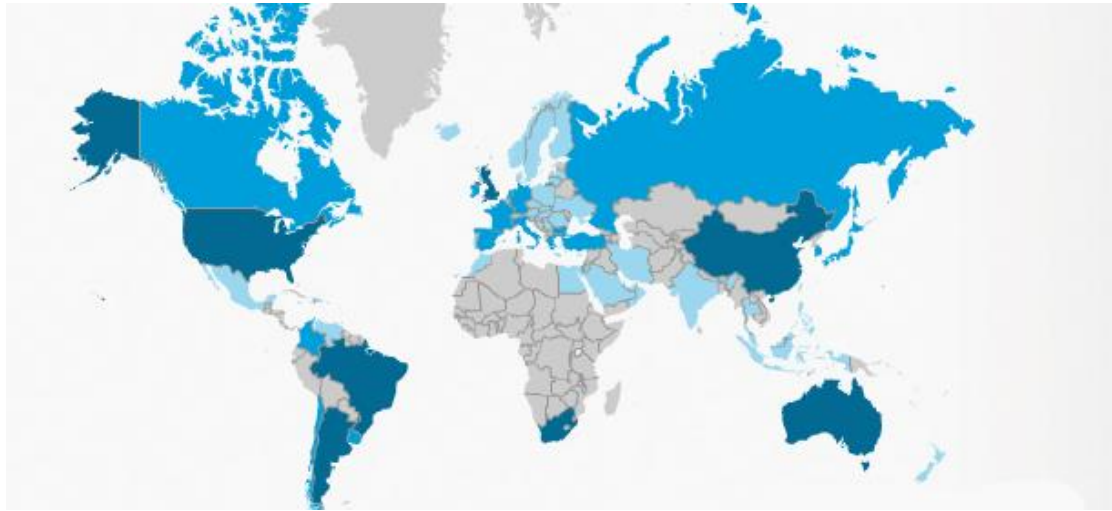
# Cleveland Fed Conversations on Central Banking

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Harvard Business School  
November 5, 2025

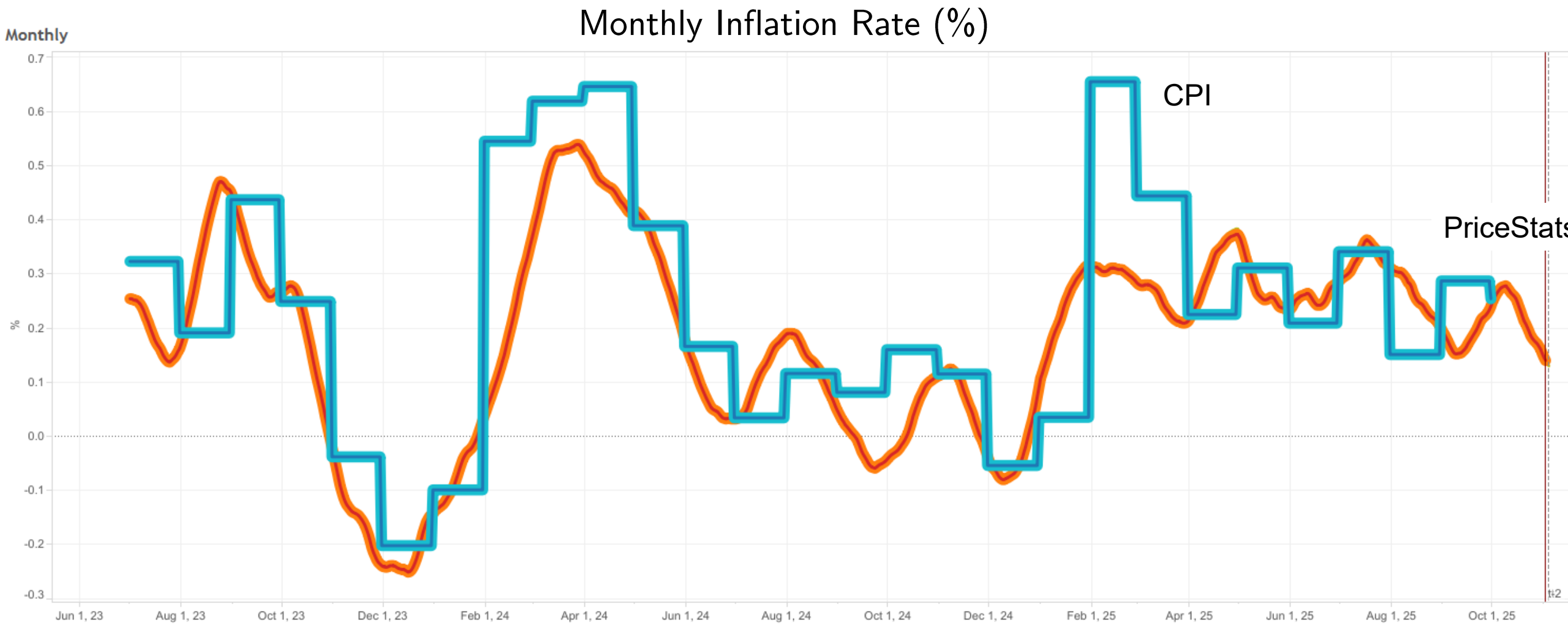
Disclaimer: Alberto Cavallo is a founder of PriceStats LLC, a private company that contributed proprietary price data for this research at no cost and with no requirement to review the findings.

# PriceStats

- **Online data collection** from +1500 large retailers in **27 countries**
- Measuring inflation every day **since 2011**, published with only a 3-day lag
- Two types of indicators: inflation & PPP (international relative prices)
- Covering about 60% of CPI weights, all goods, few services and no shelter



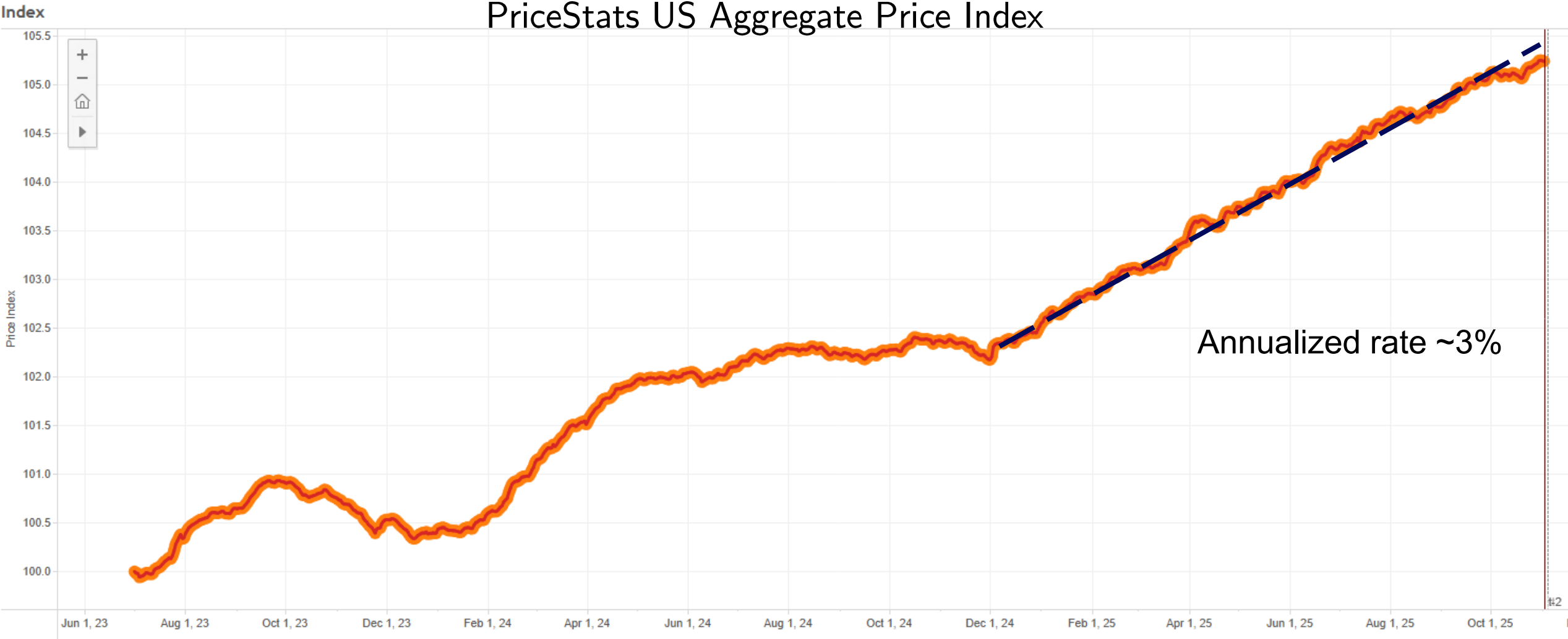
# US aggregate inflation, NSA



Source: PriceStats – State Street, BLS

Data Updated: PriceStats 9/3, CPI until July

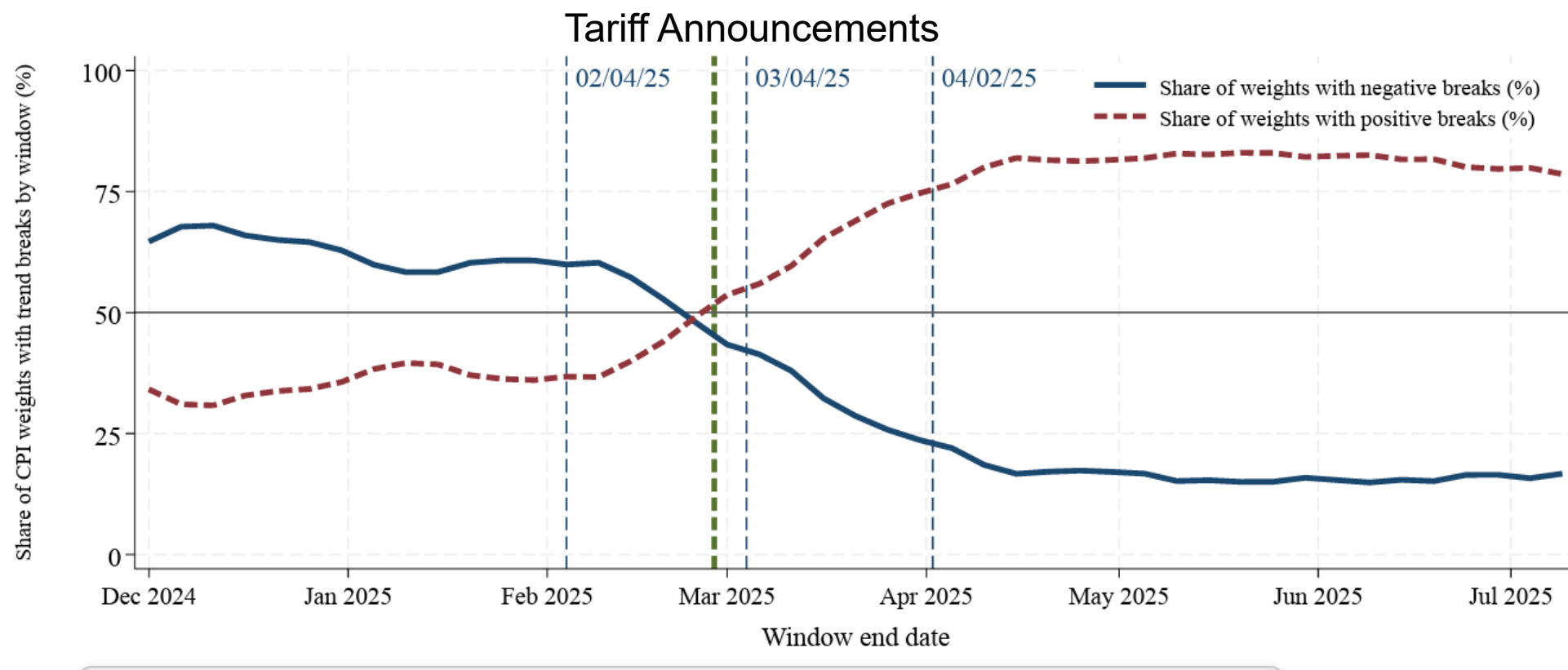
# Frequency: the daily price index helps detect changes in the inflation trend



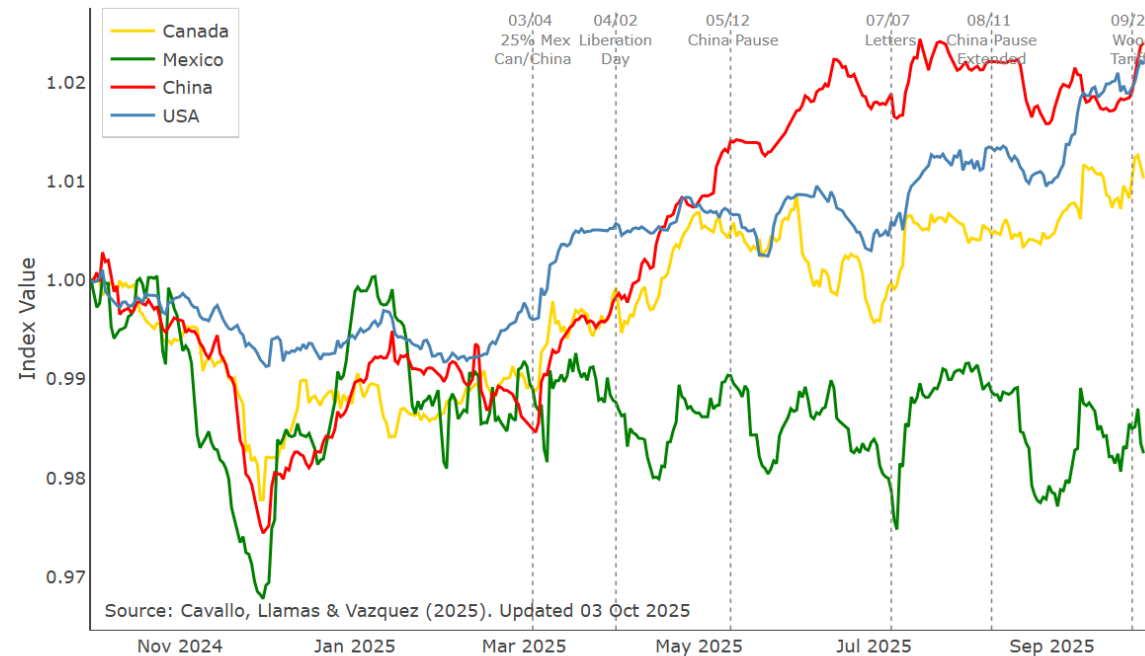
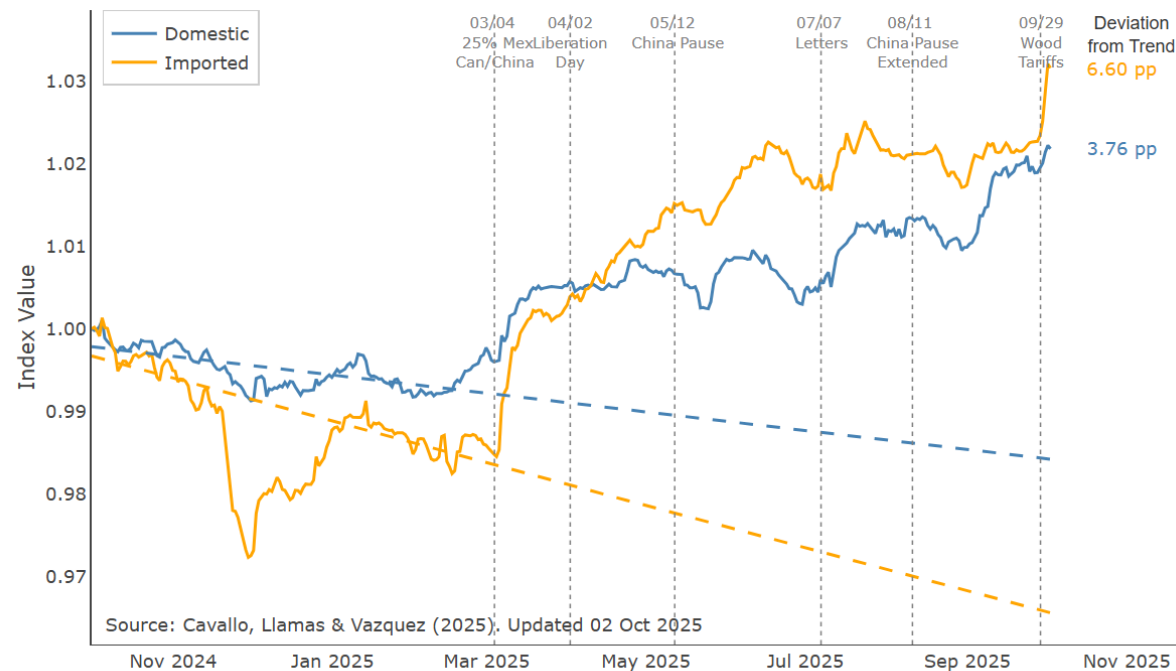
Source: PriceStats – State Street

# Detecting turning points in inflation dynamics - e.g. US, 2025

Figure 11: United States - Rolling Windows Analysis



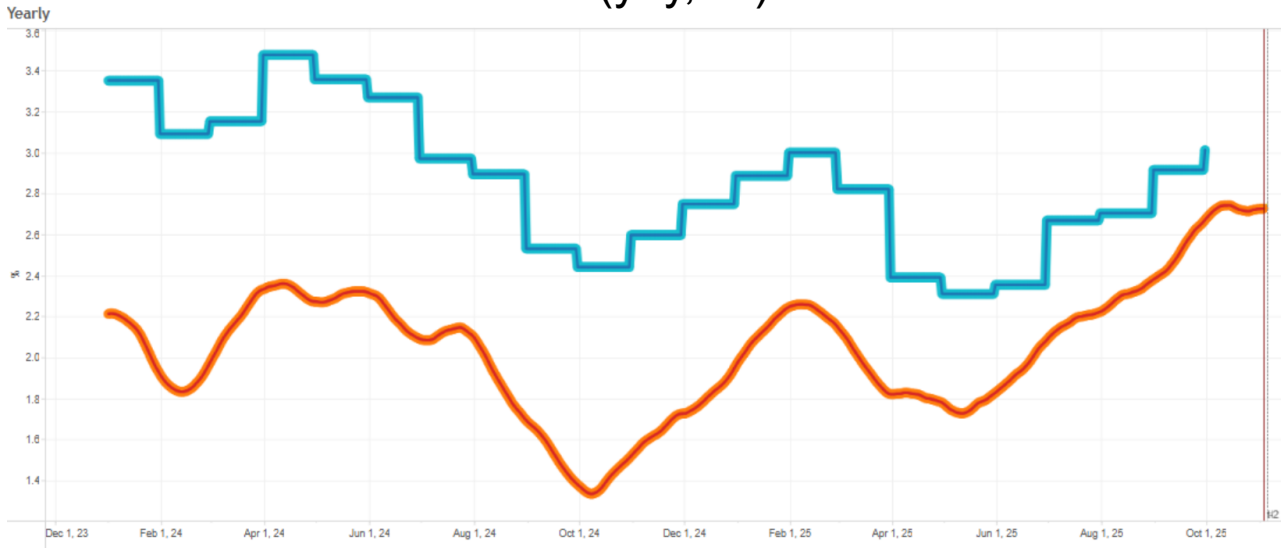
Granularity → e.g. What is the price impact of the tariffs?



<https://www.pricinglab.org/tariff-tracker/>

# Coverage differences can lead to gaps in levels

PriceStats (w/o shelter) and all-items CPI (with shelter)  
(yoy, %)

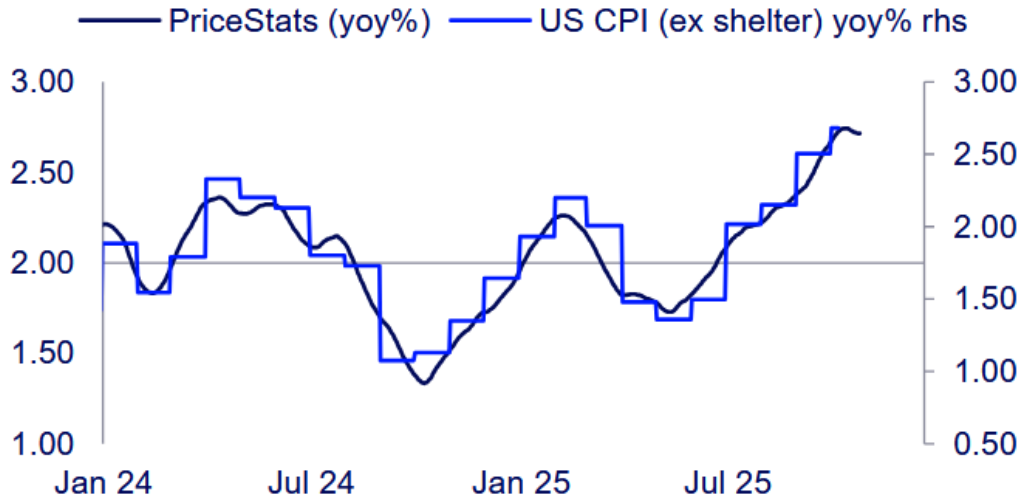


Michael Metcalfe

28 October 2025

Alt data update: Not so scary heading into Halloween

Figure 2 PriceStats annual rate versus official data



Source: State Street Markets, PriceStats

## Like all statistics, PriceStats has some advantages and disadvantages

|                                            | Advantages                                                                                                                                                                                 | Disadvantages                                                                                                                                                                     |
|--------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Private</b>                             | Innovations, Flexibility<br>Available during gov. shutdowns<br>Check on official data (e.g. Argentina)                                                                                     | Not public good → Rivalrous & excludable.<br>Proprietary methods / Less transparent<br>No incentives to produce all statistics (e.g. city level, distributional, small countries) |
| <b>Method<br/>Online data<br/>scraping</b> | Cheaper than surveys<br>High-Frequency (daily) + Low latency (quick)<br>Anticipation → e.g. turning points<br>Granularity → e.g. tariff impact<br>Large samples → e.g. detect cheapflation | No shelter → 30% of CPI basket<br>Few services → surveys needed there<br>Large data challenges<br>Scraping blocking, noisy                                                        |

Complement, not substitute of official CPIs or survey methods