

# The use of CPI in Danish RTI

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# Content

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- Introduction to Danish CPI
- The use in Danish RTI
- Known problems: substitution effects

# Introduction to Danish CPI

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- Monthly, t+12
- Shows the development of the prices of goods and services bought by private households in Denmark
- Publication groups by international standard (*COICOP (classification of individual consumption by purpose)*)
  - 12 main groups
  - 150 detailed groups

# Introduction to Danish CPI

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## Methodology

- 24.000 goods and services, 1800 shops and businesses
- Price collection period of 8 days
  - Price collectors
  - Questionnaires
  - Internet
- 450 base indices calculated by month on month chaining

# Introduction to Danish CPI

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## Methodology - cont.

- Base indices weighted with fixed weights
- Weights are based on national accounts and Household Budget Survey
- Updated every 3rd years
- Bellow base indices, business weights and product weights are used
  - Updated more frequently (yearly)

## [Data example](#)

## The use in Danish RTI

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- Data is put into RTI production when published
- Group level, detailed level and a few base indices
- Weights from CPI
- Only deflation on commodity groups (nationally) and EU aggregates

## The use in Danish RTI

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- Deflation is performed on turnovers
- Deflated turnovers are aggregated and from that, indices are calculated
- Deflation of the three commodity groups:
  - Food and other everyday commodities weighted from 2 groups and 1 detailed group
  - Clothing etc. is a single group alone
  - Other commodities weighted from 16 detailed groups and 4 base indices
    - But fuel (other commodities from 4730) is deflated separately with fuel price index

## Deflation of EU aggregates

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- No additional price indices from CPI
- But special calculated price indices
  - Housing equipment
  - Medical equipment
  - Internet shops (4791)