Introductory remarks:
New developments in central bank statistics around the world\textsuperscript{1}

Alfonso Rosolia,
Bank of Italy

\textsuperscript{1} This presentation was prepared for the WSC. The views expressed are those of the author and do not necessarily reflect the views of the BIS, the IFC or the central banks and other institutions represented at the event.
Discussion of papers in Session

New developments in central bank statistics around the world

Alfonso Rosolia
Bank of Italy

ISI World Statistics Congress 2021
Nowcasting and monitoring Israeli real economic activity

Ginker & Suhoy

• Nowcast of quarterly GDP growth and monthly index of economic activity
• Usual problems from lack of hard data for end points.
• Overcome PCA limitations from small number of monthly indicators with use of appropriate instrument

• Not clear to me what is an «instrument» in this context.
  If you have «monthly» proxy of GDP why need monthly nowcast?
  What properties is it supposed to have? How do you choose/verify?

• Any room for «big data»?
  Small economy has same number of phenomena as large economy;
  limited number of high frequency indicators does not mean limited number of high frequency informative developments.
An Experimental Index to Measure Inflation in the Pandemic
Kouvavas, Trezzi & Rollo

• Use monthly retail and services turnover monthly data to develop monthly weights for CPI
• Accounting for pandemic-related shifts in consumption increases 2020 inflation by 0.2pp.

• Basic but fundamental question for central banks.
• Reliability of results is crucial, hence so is that of underlying data sources

• Turnover data, its granularity and reference population have issues but hardly any «hard data» alternative.
• How about «complementary» sources? Can social networks/media help? Construct complementary info on perceived inflation pressures and/or consumption habits during pandemic.
Revealing investors’ sentiment amid COVID-19: the Big Data evidence based on internet searches

Armas & Tuazon

- Study response of Asian stock markets to pandemic (risk attitudes and gov’t response)
- $\Delta \log(\text{sp}) = F(\text{Covid Risk Attitude (CRA) index, Gov’t SI, Covid cases, fundamentals})$. 
- $\Delta \text{CRA}$ (vol. Google searches for Covid-related words) and GSI attract positive signs.

- Does CRA capture risk attitudes or simply «interest»?
  - Daily «Interest» may increase both in bad and good times.
- What about dynamic structure? Interactions of «interest» with $\Delta \#$ of cases?

- Experiment with «sentiment» indexes based on semantic analysis of social media content (Twitter, Facebook) to capture «meaning» and «reason» of Covid-related Google searches.
Sum up and a consideration

• 3 extremely useful statistical works on «traditionally» relevant issues for central banks based on «consolidated» empirical tools.

• Are there no «new developments» then?

Not really (and one is COVID, that put us all on the same boat asking the same questions). Clear examples of the possibilities and/or potential of addressing traditional issues and/or complementing traditional data sources by exploiting unconventional data sources.

Unconventional sources pose problems.
  Access can be complicated and unstable, tough for policy use
  Require conceptual reflections on how to
    extract «meaning»
    address selection -> «digital» data only generated by «digitalised» agents.
Thank you!