



# WEIGHT UPDATE IN MEXICO'S CPI - 2022

••• **Group of Experts on Consumer  
Price Indices**

**Session 5: Producing CPI under lockdown**

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# Weight update for Mexico's CPI - 2022



- México CPI is a fixed base Laspeyres - type price index
  - Price reference period: second half of July 2018
  - Weight update: around every 4 years, weighting structure is kept fixed throughout the period
  - Next weight update: July 2022
  - Primary data source for CPI weights: National Survey of Household Income and Expenditure 2020
  
- National Survey of Household Income and Expenditure (NSHIE)
  - Identifies income and expenditures made by resident households
  - Conducted continuously every two years with temporary coverage of 10 tens and recording periods of weekly, monthly, quarterly and semi - annual historic expenses depending on the type of expenditure
  - In 2020 NSHIE was scheduled to be carried out with coverage throughout the year but it was suspended due to the pandemic
  - Only 20 tens of NSHIE 2020 were covered: January – March and August – November plus recording periods
  - Based on probability sampling methods NSHIE data is statistically reliable for the CPI weights

# Weight update for México's CPI - 2022



## ➤ Weight update with NSHIE 2020 expenditure

- INEGI plans to use 2020 consumption expenditure for deriving weights for CPI 2022
- Composite estimating of 2020 expenditure data: NSHIE 2020 January – March (prepandemic) plus NSHIE 2020 August – November (mid - pandemic)
- In addition, adjustments will be made for goods or services particularly affected by the pandemic
- In 2024 INEGI will update weighting structure with NSHIE 2022 data to remove adjustments no longer needed

## ➤ Difficulties and Challenges

- Adjustments in 2020 expenses to soften the effect of the pandemic due to the lastingness of weighting structure until 2024
- Weight update every two years and chained indices
- Supplement biannual NSHIE with a smaller survey with coverage throughout the year