

Price Data User Guide

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Preface

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Data in this series originates from [ONS RPI price data](#). Any errors are the author's own.

Introduction

The IFS have made available a set of derived expenditure and demographic data based on the Family Expenditure Survey (FES) and its successors the Expenditure and Food Survey (EFS) and the Living Costs and Food Survey (LCFS). For many applications, researchers need to combine the expenditure data with prices data. Prices data for the goods and services in the expenditure data is available at ONS but there is some work that needs to be done to create price data that can be combined with the expenditure data.

The expenditure data can be downloaded (subject to safeguarding) from the [UK Data Service](#).

The price data

The time period of our expenditure data (starting in 1974), the structure of the RPI changed somewhat so that categories of goods and services got combined or split up. In addition, there was a re-basing of the RPI in 1987.

In order to create a time series of price data that is consistent with the expenditure data, it is necessary to aggregate some of the RPI categories. This can be done using publically available [ONS price data](#) but in order to correctly combine categories of goods and services to create time series of prices, it is necessary to “chain” the different indices together. For more information on this process, please see Section 3.6 of [this document](#).

In order to create consistent prices, the following categories have been combined:

Table 1.

New category name	How constructed
poul_oth	Poultry + other meat
oth_snac	Restaur + oth_snac + takeaway
rec_toys	recsetc + rec_tape + toysetc + p_artic
entertain	entertai + uk_hols + for_hols
P_GD_SER	p_artic + chemgood + p_servs
LGOODS	aud_vis + recsetc + rec_tape + toysetc+ book_new +garden

Please also see the User Documentation that accompanies the main expenditure data. This will give you more information on variables names and the structure of the data.

How to use the price data

If you wish to use the price data in conjunction with the expenditure data, you will have to combine the spending data in the same way as is shown in Table 1.

To merge the price data into the expenditure data, you need to create a variable called `yrm` in the expenditure data as follows:

`yrm = year x 100 + month`

and merge the price data into the expenditure data using this variable.

To create real expenditure data, you need to create a deflator (or inflator) by dividing all your price data by a single data point for each category of good and divide (or multiply) your data by that value.