

Borradores de Economía - Tweeting Inflation: Real-Time measures of Inflation Perception in Colombia

Descargar Keep in mind

The series Working Papers on Economics is published by the Office for Economic Studies at the *Banco de la República* (Central Bank of *Colombia*). It contributes to the dissemination and promotion of the work by researchers from the institution. This series is indexed at Research Papers in Economics (RePEc).

On multiple occasions, these works have been the result of collaborative work with individuals from other national or international institutions. The works published are provisional, and their authors are fully responsible for the opinions expressed in them, as well as for possible mistakes. The opinions expressed herein are those of the authors and do not necessarily reflect the views of Banco de la República or its Board of Directors.

AUTHOR OR EDITOR Muñoz-Martínez Jonathan Orozco David Ramos-Veloza Mario Andrés

The series *Borradores de Economía* (Working Papers on Economics) contributes to the dissemination and promotion of the work by researchers from the institution. On multiple occasions, these works have been the result of collaborative work with individuals from other national or international institutions. This series is indexed at Research Papers in Economics (RePEc). The opinions contained in this document are the sole responsibility of the author and do not commit Banco de la República or its Board of Directors.

Publication Date: Friday, 17 of November 2023 **Abstract**

This study follows a novel approach proposed by Angelico et al. (2022) using Twitter to measure inflation perception in Colombia in real time. By applying machine learning techniques, we implement two real-time indicators of inflation perception and show that both exhibit a dynamic similar to inflation and inflation expectations for the sample period January 2015 to March 2023. Our interpretation of these results suggests that our indicators are closely linked to the underlying factors that drive inflation perception. Overall, this approach provides a valuable instrument for gauging public sentiment towards inflation and complements the traditional inflation expectations measures used in the inflation–targeting framework.