

Monitoring the economy with big data

The use of real-time data in economic forecasting – also known as “nowcasting” – is gaining popularity. Technology has made it possible to collect data on everything from traffic volumes on major shopping streets, to electricity consumption in office buildings and factories. *The Business Times* looks at some examples of how real-time data might help economists and policymakers get a clearer idea of what is really going on in an economy. **BY CHIA YAN MIN**



The Billion Prices Project, an initiative by the Massachusetts Institute of Technology, gathers price data by scraping information from online retailers around the globe. The data is then aggregated to measure inflation on a daily basis.



Online job platforms can offer data on which sectors are hiring, what roles are most in demand and the types of jobs workers are searching for.



Startups like Orbital Insight and SpaceKnow analyse high-resolution satellite images to track trends in traffic flow, oil storage reserves and construction activity, among others. For instance, Orbital calculated from photos showing the depth of shadows cast by floating lids of giant oil tanks in China that the world's largest energy consumer may have stored more crude than official government estimates. The company has also teamed up with World Bank researchers to help better identify areas of extreme poverty.



Governments can monitor real-time electricity and water consumption in factories and offices as a measure of economic activity. This data can also be used to gauge occupancy rates in apartment blocks, as an indicator of rental market sentiment.