README file for the replication package of "Energy Prices and Inflation Expectations: Evidence from Households and Firms"

This README file explains the steps you need to perform to replicate the results in "Energy Prices and Inflation Expectations: Evidence from Households and Firms" by Nils Wehrhöfer.

Data Availability

The paper uses a variety of data sets from different sources with differing levels of public availability. In the following, I describe the different data sets, their source, and level of availability, as well as how to get access to them:

- The Bundesbank Online Panel: Households (BOP-HH) is a monthly survey of German households provided by the Deutsche Bundesbank. Due to German data protection and privacy laws, the data must not be made publicly available. The data used in the paper include information on households' residence locations and thus can only be accessed on the premises of Deutsche Bundesbank after a successful application with the Research Data and Service Centre of the Deutsche Bundesbank. More information on the data and how to access it can be found here: https://www.bundesbank.de/en/bundesbank/research/survey-on-consumer-expectations-bop-hh/bop-hh-848330
- The Bundesbank Online Panel: Firms (BOP-F) is a quarterly survey of German firms provided by the Deutsche Bundesbank. Due to German data protection and privacy laws, the data must not be made publicly available. It can only be accessed on the premises of Deutsche Bundesbank after a successful application with the Research Data and Service Centre of the Deutsche Bundesbank. More information on the data and how to access it can be found here: https://www.bundesbank.de/en/bundesbank/research/survey-of-firms-bop-f
- Consensus Economics is a private firm that collects macroeconomic forecasts of banks, investment firms, and economic think tanks. The data is proprietary and must not be made publicly available. It can be accessed for a fee from Consensus Economics. More information on the data and how to access it can be found here: https://www.consensuseconomics.com/
- The consumer price index data is provided by the Federal Statistical Office (*Statistisches Bundesamt*). The data can be accessed under the following link: https://www.destatis.de/EN. The data can be shared publicly and are part of the replication package.
- The electricity price index for German households is taken from Verivox. The data can be accessed under the following link: https://www.verivox.de

/strom/verbraucherpreisindex/. The wholesale electricity price in Germany is taken from the Federal Network Agency (*Bundesnetzagentur*). The data can be accessed under the following link: https://www.smard.de/en/downloadcenter/download-market-data/. Natural gas, crude oil, and coal prices from the Federal Reserve Economic Data series PNGASEUUSDM, DCOILBRENTEU, and PCOALAUUSDM. The data can be accessed under the following link: https://fred.stlouisfed.org. The data can be shared publicly and are part of the replication package.

- The Google Trends data for the keyword "*Strompreis* is provided by Google. The data can be accessed under the following links: https://trends.google.de/trends/. The data can be shared publicly and are part of the replication package.
- The crosswalk from county IDs (*Kreisnummer*) to local labor market IDs (*Arbeitsmarktregion*) is provided by the Federal Office for Building and Regional Planning (*Bundesamt für Bauwesen und Raumordnung*). It is publicly available under the following link: https://www.bbsr.bund.de/BBSR/DE/forschung/raumbeobachtung/Raumabgrenzungen/deutschland/regionen/arbeitsmarktregionen/Arbeitsmarktregionen.html. The data can be shared publicly and are part of the replication package.

Software Requirements

The programs were run using Stata 18 and the following packages: winsor2 (version 1.1), gtools (version 1.10.1), binscatter (version 7.02), reghdfe (version 6.12.5), estout (version 3.31), esttab (version 2.1.1), did_imputation (version from November 22, 2023), xtscc (version 1.4) add_info (provided in the replication package), passthrough (provided in the replication package), pvalue (provided in the replication package)

Description of programs

- **master.do**: The master file sets all paths and calls the other do-files.
- **01_read_external.do**: This file reads in all external data and generates all variables needed for the analysis. It also creates descriptive statistics and graphs.
- **02_read_bop_hh.do**: This file reads in the BOP-HH data, merges it with the external data, and generates all variables needed for the analysis. It also creates descriptive statistics and graphs.
- **03_read_bop_f.do**: This file reads in the BOP-F data for the main analysis, merges it with the external data, and generates all variables needed for the analysis. It also creates descriptive statistics and graphs.
- **04_read_shiftshare.do**: This file reads in the BOP-F data for the shift-share analysis, merges it with the external data, and generates all

variables needed for the analysis. It also creates descriptive statistics and graphs.

- **05_analysis_bop_hh.do**: This file runs all analyses on the household level.
- **06_analysis_bop_f.do**: This file runs all analyses besides the shiftshare analysis on the firm level.
- **07_analysis_shiftshare.do**: This file runs the shiftshare analysis on the firm level.

Instructions to Replicators

To replicate the graphs and tables in the paper, one has to adjust all paths in the master do-file. In addition, the BOP-HH data sets for waves 21 to 29, including the restricted data, have to be located in the folder "${path_orig}/BOPHH". The BOP-F data sets for waves 1 to 41 have to be located in the folder "${path_orig}/BOPF". All external data sets (arbeitsmarktregionen-2020.csv, consensus_economics.csv, cpi.csv, cpi_elec.csv, DCOILBRENTEU_2021_2024.csv, electricity_wholesale_2021_2024.xlsx, google_trends.csv, PCOALAUUSDM_2021_2024.csv, prices_crosswalk.csv, verivox.xlsx, PNGASEUUSDM_2021_2024.csv) have to be located in "${path_orig}/external".