

Truflation Argentina CPI Inflation Index (TruCPI-AR)

Methodology

Contents

1. Executive Summary	3
2. Truflation Argentina CPI Inflation Index Framework	3
3. The Output Metrics	14
4. Truflation versus other Inflation Measurement Tools	16
5. Truflation Argentina CPI Inflation Index Benefits	18
6. Summary	19
7. Version History	20
APPENDIX A	21

1. Executive Summary

The Truflation Argentina CPI Inflation Index (TruCPI-AR) is a real time, market based measure of inflation designed to deliver transparent, high frequency insight into price trends across the Argentinian economy. Unlike traditional inflation metrics, which are published with a lag and rely heavily on sample surveys, the Truflation Index is constructed using actual market price data collected daily from more than 10 independent data providers, encompassing over 5 million data points. This approach enables a more timely and comprehensive view of inflation dynamics as they unfold.

By leveraging real-time transaction prices, the Truflation Argentina CPI Inflation Index captures shifting consumer price pressures across key components such as energy, food, housing, transportation and services. The result is a daily inflation signal that reflects prevailing market conditions, offering a more responsive and adaptive alternative to conventional inflation measures.

The index serves several critical functions:

- *Real-Time Economic Insight:* Provides up to date inflation readings that support faster, more informed decision making for policymakers, businesses and investors.
- *Market Sensitivity:* Responds dynamically to economic shocks and price volatility, delivering forward looking inflation signals.
- *Transparency and Objectivity:* Relies on observable market prices rather than survey estimates, enhancing reliability and user confidence.
- *Broad Utility:* Delivered via APIs, dashboards, and data products to support financial analysis, risk management, strategic planning, and economic research.

In an environment characterized by rapidly evolving price behavior, the Truflation Argentina CPI Inflation Index represents a next generation inflation benchmark, one that closely aligns with real economic activity and deepens understanding of inflation trends in real-time.

2. Truflation Argentina CPI Inflation Index Framework

The Truflation Argentina CPI Inflation Index employs a structured, multi step framework to construct a modern Consumer Price Index that accurately

reflects contemporary consumption patterns. The methodology is governed by strict guardrails to ensure that movements in the index are driven exclusively by observed price changes, rather than by structural or methodological distortions. This consistent and balanced approach enables Truflation to aggregate multiple independent data sources into a single, representative measure of consumer price inflation.

The index construction process follows seven core steps:

1. Household expenditure category definitions
2. Determination of relative importance (weights)
3. Data source selection
4. Data ingestion
5. Normalization and indexing
6. Categorization and relative weighting
7. Aggregation of sub-indices

Step 1: Household Expenditure Category definition

Before constructing the Truflation Argentina CPI Inflation Index, it is essential to understand how households allocate their spending. Accurate and up to date insights into population structure and consumption behavior ensure that each expenditure category is appropriately represented and weighted within the index.

This step focuses on:

- Identifying household spending patterns across goods and services
- Establishing the relative importance (weight) of each expenditure category
- Defining methods to cross reference and validate expenditure data across multiple independent sources
- Creating a robust foundation that supports forward looking analysis and forecasting

Clearly defined expenditure categories are critical to establishing reliable expenditure baselines. Each category definition must:

- Be precise and unambiguous to ensure accurate classification of goods and services
- Reflect actual consumption patterns within the Argentine economy
- Allow for validation against alternative and independent datasets

Exhibit 1 outlines the twelve (12) expenditure categories used by Truflation, together with their definitions. Collectively, these categories capture the full spectrum of goods and services consumed by Argentinian households.

Exhibit 1 - Truflation Argentina CPI Inflation Index 12 Expenditure Categories and Definitions

Expenditure Categories	Category Definition
Food & Non-Alcoholic Beverages	- Food at home including cereals and bakery products, meat, poultry, fish, eggs, dairy, fruits, vegetables, and other foods at home. - Food away from home is meals and non-alcoholic beverages consumed outside of home.
Alcohol & Tobacco	- Alcoholic beverages (beer, wine, and spirits) - Tobacco products and smoking supplies.
Clothing & footwear	- Apparel for women, men, children. - Footwear - Related products and services.
Housing	- Owned dwellings that includes mortgages, property taxes, maintenance repairs, insurance, and other household expenses. - Rented dwellings including new and existing rentals - Other lodging that includes hotels, airbnb etc.
Utilities	- Electricity - Natural gas - Fuel oil - Water and other public services.
Household Durables & Daily Use Items	- Household operations (personal services, other household expenses) - Housekeeping supplies (laundry/cleaning supplies, other household products, postage, stationery etc) - Furnishings and equipment (textiles, furniture, floor coverings, appliances and miscellaneous household equipment).
Health	- Health insurance - Medical services - Pharmaceuticals - Medical supplies
Transportation	- Vehicle purchases (new & used cars and trucks, other vehicles) - Gasoline, other fuels, and motor oil - Other vehicle expenses (finance charges, maintenance and repairs, vehicle leases, rentals, insurance) - Public transportation
Communications	- Residential phone services, VOIP - Cellular phone services.

Recreation & Culture	- Admission fees - Audio and visual equipment and services - Pets toys hobbies and playground equipment - Other entertainment supplies and services
Education	- Education Services fees - Education books and materials.
Other	- Personal care products and services - Miscellaneous expenses (finance charges, funeral services etc)

Each of the twelve categories represents a share of total household expenditure. While category definitions remain consistent across all markets covered by Truflation, ensuring scalability and cross market comparability, the relative importance (weight) of each category varies by country and market, reflecting differences in local consumption behavior.

Step 2: Determining Relative Importance

Category weights are derived by triangulating multiple independent data sources to ensure robustness, neutrality and resilience against bias. The sources used in constructing the relative importance of the Truflation Argentina CPI Inflation Index include:

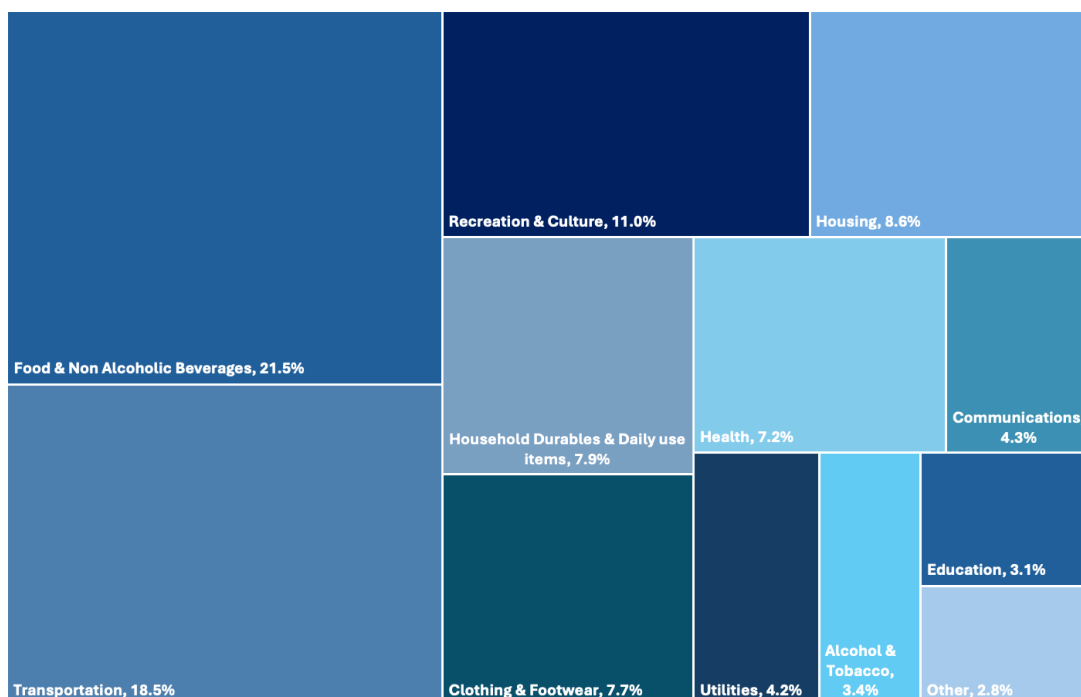
- Truflation Personal Inflation Calculator
- Credit card transaction data
- Census and mini-census data (where available)
- Household expenditure data sourced from Global Demographics, NielsenIQ, and government statistical agencies.

These primary inputs are subsequently validated against Truflation's proprietary data feeds and additional third-party sources, such as retail sales data from SEPA, mortgage spending datasets and external reference providers including Statista.

By integrating and harmonizing datasets that employ differing collection methodologies and coverage scopes, Truflation produces a comprehensive and unbiased representation of consumer spending behavior.

The relative importance of each expenditure category is reviewed and updated annually, with new weights implemented each April using the prior year's data. This annual recalibration ensures that the index remains closely aligned with evolving consumer preferences and spending patterns. Exhibit 2 presents the relative importance of the twelve expenditure categories used in the Truflation Argentina CPI Inflation Index for 2026.

Exhibit 2 – Truflation Argentina CPI Inflation Category Importance for 2026



Step 3: Data Sources

Truflation collaborates with a broad and diverse network of data partners to ensure a robust and representative data universe to calculate accurate average prices across all categories and subcategories. This diversified sourcing strategy minimizes measurement error, avoids dependence on any single provider and reduces the risk of systemic bias or single points of failure.

Data is licensed from a combination of commercial and public sources, including data aggregators and research institutions. The Truflation Argentina CPI Inflation Index currently incorporates data from more than 10 providers and aggregators, each contributing to census level coverage. Collectively, these partnerships give Truflation access to over 5 million individual price points for goods and services, far exceeding traditional inflation indices, which typically rely on approximately 230,000 observations.

The network of data providers is dynamic and continuously evolving. Truflation regularly expands and refines its partnerships to improve coverage, granularity, and accuracy. Current data partners (non-exhaustive) include NielsenIQ, SEPA, GfK, Big Mac Index, Numbeo, Global Petro Prices, Trivago, Kayak, Il Mercado among others.

Prior to inclusion in the index, each data partner is subject to a rigorous audit and certification process. This process includes:

- A comprehensive review of the provider’s data collection methodology.

- An assessment of data representativeness, including geographic coverage, alignment with the Argentinian population distribution, and estimated market share relative to Truflation's category and subcategory definitions.
- Evaluation of data quality, validation procedures, internal controls and error checking systems.
- Completion of all administrative and legal approvals, ensuring Truflation has the rights to integrate, aggregate and repurpose the data within the index.

Until all requirements are fully satisfied, new data providers remain in a sandbox environment. Only upon successful completion of the audit and certification process are providers formally incorporated into the Truflation Argentina CPI Inflation Index.

Step 4: Data Ingestion

The Truflation Argentina CPI Inflation Index ingests data from partners that update at varying intervals; daily, weekly, or monthly. Each dataset is incorporated at its native update frequency, enabling the index to reflect price changes as soon as new information becomes available. As a result, Truflation publishes inflation readings up to 30 times faster than traditional inflation measures, which are typically released monthly with an average publication lag of approximately 45 days. In contrast, Truflation updates its indices on a daily basis.

All new data is collected each day at 23:00 Coordinated Universal Time (UTC). Historical price observations are ingested directly into Truflation's source database, with each data provider maintained in a dedicated, immutable table to preserve data integrity and auditability.

Data Quality

Every data ingestion triggers a mandatory daily quality control (QC) process. During QC, data is not altered or adjusted; instead, Truflation verifies the integrity, consistency, and representativeness of each data source. The key quality control checks include:

- *Historical Data Comparison:* Incoming data is compared against historical observations from the same source to assess consistency. Any inconsistencies trigger a red flag.
- *Data Presence and Continuity:* Each source is reviewed to ensure sufficient historical depth, at least 13 consecutive months (adjusted for data frequency), to support year over year comparisons. Missing data triggers a red flag. For weekly or monthly datasets, the most recent verified value is carried forward daily until a new observation is received.

- Example: September data may be carried forward throughout October until October data is received in early November, at which point it replaces the interim values.
- *Current Data Validation*: Incoming observations are checked to ensure they differ appropriately from previously logged values and that no expected data points are missing. If data remains unchanged or absent beyond the expected update interval, a red flag is raised.
- *Data Variation Thresholds*: If new data deviates by more than $\pm 5\%$ from the prior observation from the same source, it is flagged for review. If no issues are detected, the data is cleared to proceed.

If a red flag is raised at any stage, a detailed investigation is initiated, either internally or in coordination with the data provider and continues until resolution. If the investigation extends beyond one business day, the most recently verified data from that source is temporarily carried forward as interim input. Once the issue is resolved and the new data is validated, it replaces the interim values and proceeds to the calculation stage.

Historical Data Backcasting for New Providers

When onboarding new data providers, Truflation evaluates the historical depth of the dataset. If a dataset does not extend back to January 1, 2018, Truflation applies a backcasting methodology using existing category or sub-category index data.

Illustrative example: Cereals data provider that only has data from January 1st 2020:

- Extract the existing Cereals index data from the Truflation Argentina CPI Inflation Index from January 1, 2020 onward.
- Compare the existing series with the new dataset to calculate a correlation factor.
- Apply this correlation factor to the existing Cereals index from January 1, 2018 through December 31, 2019.
- Validate and ingest the resulting extended series into the system.

Once verified, the new dataset is added to the database as a date stamped entry, becoming part of the active calculation universe. The system records the exact backcast period, documenting the start and end dates of the historical data incorporated.

Data Integrity and Immutability

All source data tables within Truflation are immutable. Upon ingestion, every data point is time stamped and permanently preserved. Historical data is never overwritten, only supplemented with new or revised observations.

All calculations are likewise time stamped, enabling Truflation to:

- Maintain full historical transparency
- Support reproducibility and auditability
- Enable customized client use cases

As a result, Truflation maintains two distinct datasets:

- *Frozen Values*: These values are published as of a specific date and are immutable once finalized. They do not change, even if higher quality or revised source data becomes available later. Frozen values are displayed across Truflation dashboards and ensure consistency, reproducibility, and auditability.
- *Unfrozen Values*: These values are updated over time to incorporate late arriving or higher quality source data. Historical observations may be revised to improve accuracy. Unfrozen data is available to subscribing customers through Truflation's delivery channels, alongside frozen data.

Monthly Index Updates and Change Management

In addition to daily data ingestion, Truflation conducts monthly index updates on the 15th of each month. This process includes adding new data providers or removing existing ones. Index trends may change for three primary reasons:

- The addition or removal of data sources.
- Significant enhancements or revisions by existing data providers.
- Updates to Truflation's calculation model, including annual category weight updates or changes to raw data inputs.

When such changes occur, Truflation performs a parallel run to assess their impact on index levels, trends and correlations. This process includes:

- Explaining observed changes across key metrics
- Verifying affected components using appropriate analytical techniques
- Documenting outcomes in Truflation's quality control log
- Communicating changes and their impact to customers via email and the Truflation dashboard on the effective date

Ingested Date vs Published Date

Once data is ingested and successfully passes all quality control procedures, it moves to the calculation stage and is then locked until publication at 23:59 UTC on the following day.

This intentional delay ensures:

- Adequate time to resolve any outstanding QC issues.
- Independence between data ingestion timing and index activation.
- Protection against data transmission or system disruptions.

For example data collected at 23:00 UTC on January 4 is published at 23:59 UTC on January 5. Accordingly, the index values published on January 5, reflect pricing data from January 4.

Step 5: Normalizing and Indexing

At this stage, each data partner's raw price data is converted into a normalized price index. This process is performed independently for every data source to ensure consistency, comparability and methodological integrity across all datasets.

The index construction follows the steps outlined below:

- *Base Value:* The system identifies a price observation dated January 1, 2018, which is assigned a base index value of 100. If a data point is not available for this exact date, the exception automatically triggers a red flag, and the dataset is subject to the standard onboarding and validation procedures applied to new data providers.
- *Current Value:* The current value is defined as the most recent verified observation, adjusted to reflect the 24-hour publication delay applied across the index.
- *Index Calculation Formula:* $\text{Current Index Value} = (\text{Current Value} \div \text{Base Value}) \times 100$.

Following index construction, Truflation conducts a second automated Quality Control (QC) review, which includes:

- Historical data comparison
- Verification of data presence and continuity
- Current data consistency checks
- Data variation threshold analysis

If the indexed data successfully passes this QC process, it is cleared to advance to the next stage of calculation. Should any red flags arise, the process is paused and the dataset is escalated for manual review and resolution before proceeding.

Step 6: Categorization and Relative Weighting

At this stage, each indexed data source is classified into its appropriate category and subcategory. A single data source may contribute to multiple categories or sub categories, depending on the breadth and scope of its coverage.

Example: NielsenIQ data contributes to several expenditure areas, including:

- Food at Home
- Alcohol & Tobacco

- Household Durables and Daily Use Items (e.g., small appliances, household goods, stationery)
- Recreation & Culture (e.g., pet food and toys)
- Other (e.g., personal care products)

Each data source is assigned a relative weighting factor within its category or subcategory. These weights are calibrated against existing sources and are determined using three equally weighted components:

1. *Number of Items Tracked*: Data sources covering a larger number of individual items receive a higher weighting. This is calculated as:

$$\text{Items tracked by new source} \div \text{Items tracked in the existing category or sub category}$$

2. *Data Representativeness*: Representativeness is assessed based on geographic coverage, population coverage and contribution to national sales within the category.
 - a. A nationally representative dataset receives a factor of 1.0
 - b. Sub-national datasets are adjusted proportionally.

Example:

- a. Geographic coverage: 15% of the Argentinian population → factor 0.15
- b. Market share within that geography: 50%
- c. Final representation factor: $0.15 \times 0.50 = 0.075$

3. *Data Collection Methodology*: Weighting adjustments reflect the robustness of data collection:
 - a. Census-level data: factor 1.0
 - b. Primary collection methods (e.g., surveys with quality controls): 50% discount
 - c. Secondary collection methods (e.g., social or claimed data): an additional 50% discount, resulting in a 75% total discount.

These three components are combined in equal proportion to determine the final relative weighting of each data source within its assigned category or subcategory.

The final weight calculation:

$$\text{Weight in Truflation CPI} = \text{Sub-Category Weight} \times \text{Sub-Category Relative Importance}$$

Relative importance values are stored in a dedicated database table. A full breakdown of category and subcategory weights for the Argentina Inflation Index is provided in Appendix A.

Step 7: Aggregation of sub-indices

Following the application of relative weightings, an adjusted index is calculated for each data series by multiplying the normalized source index by its assigned weight:

$$\text{Adjusted Index} = \text{Source Index} \times \text{Weight in the TruCPI-AR Index}$$

All component indices are then aggregated upward to form their respective subcategories, which are subsequently aggregated into categories and ultimately into the headline Truflation Argentina CPI Inflation Index.

Upon completion of aggregation, Truflation performs a third automated Quality Control (QC) review, which includes:

- Historical data comparison
- Verification of data presence and continuity
- Current data consistency checks
- Data variation analysis

If the data successfully passes this final QC stage, it proceeds to the delivery phase. Should any red flags be identified, the process is immediately halted and escalated for manual investigation and formal sign-off by at least two authorized individuals within Truflation.

Treatment of Consumer Substitution

The use of census level data provides a significant methodological advantage for Truflation, as it inherently captures consumer substitution effects without the need for explicit modeling. Unlike traditional inflation measures that rely on substitution formulas or hedonic quality adjustments, Truflation's approach reflects evolving consumer behavior organically through the breadth and depth of its underlying pricing data.

Truflation collects price, volume and spending information across a wide range of goods and services, enabling the calculation of true average prices. For example, within food categories, pricing data is captured across all available stock keeping units (SKUs). This comprehensive coverage, combined with volumetric information, allows the index to naturally reflect real world shifts in consumer purchasing patterns over time.

As a result, Truflation does not apply separate substitution adjustments. Instead, the index is designed to provide the most complete and accurate

representation of consumer experiences possible, based directly on observed market behavior rather than inferred assumptions.

3. The Output Metrics

The Truflation Argentina CPI Inflation Index is updated daily and produces the following data outputs:

- Truflation Argentina CPI Inflation headline index value (current day)
- Truflation Argentina CPI Inflation headline index value (one year prior)
- Year over year percentage change in the headline index
- Index values for each category and subcategory (current day)
- Index values for each category and subcategory (one year prior)
- Year over year percentage change for each category and subcategory
- Full historical time series

The Truflation Argentina CPI Inflation Index, along with all associated category and subcategory indices, is available through the Truflation Dashboard. The level of data granularity and historical depth accessible to users depends on their subscription tier. At Truflation's highest subscription level, the Enterprise Solution, users have access to the full suite of indices outlined in Exhibit 3.

Exhibit 3 - Truflation Argentina CPI Inflation Indexes

Category	Subcategories	Components
Truflation Argentina CPI Inflation	- Core & Non Core - Goods & Services	
Food & Non Alcoholic Beverages	- Food at Home - Food Away from Home	- Food at Home - Cereals Index - Food at Home - Dairy - Food at Home - Fruit & Veg - Food at Home - Meat, Fish & Eggs - Food at Home - Other Foods
Housing	- Owned Housing	
Transportation	- Gasoline - Public Transportation	
Utilities	- Natural Gas Utilities - Electricity Utilities	

Health		
Household & Daily Items	- Housekeeping Supplies	
Alcohol & Tobacco	- Alcoholic Beverages	
Clothing & Footwear	- Women and girls	
Communications		
Education		
Recreation & Culture		
Others		

All Truflation Argentina CPI Inflation Indexes are distributed through multiple delivery channels, including the Truflation Dashboard, APIs, FTP, and other data feeds, providing users with seamless access to the full dataset.

The TruCPI-AR Index was launched in August 2024, with historical data extending back to January 1, 2018.

In addition to the headline Truflation Argentina CPI Inflation Index and its category and subcategory indices, the underlying price level data enables the construction of a suite of specialized sub indices that provide deeper insights into inflation dynamics. These include:

Sub-Indices	Definition / Methodology
Truflation Argentina CPI Aggregate Inflation Index (TruCPIAgg-AR)	Aggregated inflation measures the cumulative change in prices over a specified period. It is calculated as the percentage change between the current index level and a defined base period. For the Truflation Argentina CPI Aggregated Index, the base period is January 20, 2020. Consequently, the aggregated inflation figure reflects the total price change from January 20, 2020, to the present day.
Truflation Argentina CPI Core Inflation Index (TruCPIC-AR)	Core inflation measures the change in prices excluding the volatile categories of food and energy prices which are subject to sudden price shocks providing a clearer picture for monetary policy by focussing on the broader, more stable inflation pressures. It reflects the underlying persistent price trends.
Truflation Argentina CPI Non-Core Inflation Index (TruCPInc-AR)	Non Core inflation measures the change in prices of food and energy components only.

Truflation Argentina CPI Goods Inflation Index (TruCPIg-AR)	Goods inflation measures the change in prices of physical products purchased by consumers, such as food, clothing, electronics, vehicles, and household items. It reflects how the cost of tangible goods evolves over time and is influenced by factors like supply chain disruptions, raw material costs, production expenses, and retail pricing trends.
Truflation Argentina CPI Services Inflation Index (TruCPIS-AR)	Services inflation tracks the change in prices for non-tangible products or services, including education, transportation, health care, insurance, utilities, housing and leisure activities. It captures shifts in the cost of services provided to consumers and is affected by labor costs, regulatory changes, demand for services, and operational expenses.

The underlying price index data also allows users to calculate percentage changes across all categories and subcategories for custom intervals, including day over day, month over month, or other user defined periods.

4. Truflation versus other Inflation Measurement Tools

For decades, Argentina’s National Institute of Statistics and Census (INDEC) Consumer Price Index (IPC) has served as the official benchmark for measuring inflation in the country. More recently, Truflation Argentina has emerged as an alternative indicator, offering a different lens on Argentina’s inflation dynamics.

Both metrics aim to track changes in the prices of goods and services over time, but they differ fundamentally in purpose, methodology, data sources, and behavior. INDEC’s CPI is designed as an official, policy relevant cost of living index, while Truflation is designed to provide a near-real-time indicator of price changes using high-frequency market data.

From a methodological standpoint, there are several key differences in data coverage, timeliness, and calculation approaches. The main distinctions between the INDEC CPI and Truflation Argentina are outlined below.

- *Data Sources:* INDEC’s CPI relies on structured price surveys collected from physical retail outlets across urban centers using statistically designed samples. Where prices cannot be directly observed, estimation and imputation techniques are applied. Data collection follows a fixed schedule, which introduces reporting lags. Truflation, by contrast, draws on high frequency census level market data, including online prices, APIs, data aggregators and direct feeds from providers. This approach allows for rapid updates and is less constrained by traditional survey based sampling frameworks.

- *Basket Construction and Weighting:* The INDEC CPI is based on a fixed basket of goods and services derived from household expenditure surveys, reflecting consumption patterns from a prior period. Expenditure weights are updated infrequently, meaning changes in consumer behavior such as substitution during periods of high inflation are incorporated with a lag. Truflation uses a dynamic basket, with weights updated more frequently to reflect current consumption behavior. This enables quicker capture of substitution effects and spending shifts, though it reduces long term comparability relative to a fixed basket index.
- *Housing Costs:* INDEC's CPI includes housing-related costs such as rents, utilities, and maintenance, measured through surveyed prices and regulated tariffs. These components tend to reflect administrative adjustments and periodic revisions. Truflation incorporates market based housing costs, including rents and modeled ownership costs where applicable, using observed price movements and financial data, providing a more immediate reflection of housing cost pressures faced by consumers.

Exhibit 4 - Comparison between INDEC CPI and Truflation Argentina CPI Inflation

	INDEC CPI	Truflation (Argentina CPI)
Publication	National Institute of Statistics and Census (INDEC)	Truflation
Data Source	Surveys & price collection; imputation where prices are unavailable	Market price data from 10+ data sources
# of Data Points	Fixed basket of 300 goods and services with about 230,000 observations every month	5+ million items of goods and services
Publish Frequency	Monthly	Daily
Markets / Indexes	Headline, Goods, Services, Core and categories	Headline, Goods, Services, Core and categories
Weighting	Based on the National Expenditure Survey from 2016	Updated annually from last year's consumption pattern
Substitution Model	Yes, a chain linked Laspeyres framework.	Not Applicable
Calculation	$(\text{Current period} - \text{previous period}) / \text{previous period} \times 100\%$	$(\text{Current period} - \text{previous period}) / \text{previous period} \times 100\%$
Exclusions	No exclusions	No exclusions
Main Users	Government, Central Bank, Economists & Analysts	Businesses, Retail Users, Economists & Analysts

Truflation's data and methodologies have been validated by academic institutions and economists, including Pennsylvania State University and the Stockholm School of Economics, among others.

5. Truflation Argentina CPI Inflation Index Benefits

The Truflation Argentina CPI Inflation Index (TruCPI-AR) offers several distinct advantages over traditional inflation measures, benefiting policymakers, investors, businesses, and individual users alike:

- **Real-Time Inflation Insights:** Unlike official government inflation measures in Argentina, which are published monthly with a reporting lag, Truflation is updated daily. This allows users to track inflation as it unfolds, identify turning points earlier, and respond more quickly to emerging price pressures or disinflation trends.
- **Leading Indicator Advantage:** Truflation functions as a leading indicator relative to Argentina's official INDEC CPI, often signaling shifts in inflation trends ahead of official releases. This lead time provides a meaningful advantage for forecasting, strategy, and decision-making, enabling timely adjustments to policies, investment portfolios, pricing strategies, or hedging programs.
- **Unmatched Data Depth and Coverage:** Truflation tracks over 5 million daily price points across goods and services sourced from 10+ data providers. This breadth of coverage enables a more accurate representation of real-world consumer spending, reduces reliance on statistical assumptions such as substitution adjustments, and enhances robustness during periods of high volatility or rapid price changes conditions frequently observed in Argentina.
- **More Realistic Reflection of Inflation:** Unlike the INDEC CPI, which relies on outdated Household expenditure surveys from 2016 and a fixed basket of 300 items that reflect historical consumption patterns, Truflation updates its weightings annually and continuously tracks prices across millions of items. This methodology delivers a more current, intuitive, and realistic measure of how inflation is impacting Argentine consumers in real-time.
- **Transparency and Methodological Consistency:** Truflation indices are constructed using observable market prices, creating a clear and direct linkage between underlying data and published inflation readings. The methodology is consistent, systematic, and externally validated by academic institutions, economists, and professional analysts,

reinforcing confidence in its use for high-stakes analytical and financial decisions.

- ***Applicability for Financial and Analytical Use Cases:*** Truflation is well suited for financial market and analytical applications. Its timeliness and sensitivity make it valuable for inflation now casting, macro economic research, trading, risk management, and real time monitoring of cost pressures. By capturing early changes in price dynamics, the index supports informed decision-making in environments where traditional monthly measures may be too slow or insufficiently granular, particularly in high inflation economies like Argentina.

6. Summary

The Truflation Argentina CPI Inflation Index (TruCPI-AR) provides a faster, more detailed, and more realistic view of inflation than Argentina's official INDEC CPI. Updated daily using 5+ million price points from multiple data sources, it offers near-real-time insights and often acts as a leading indicator ahead of monthly government releases. By using frequently updated weightings and observable market prices, Truflation better captures current consumer behavior and inflation dynamics, making it especially valuable for forecasting, investment decisions, risk management, and real-time economic analysis in a high inflation environment.

Key foundations:

- Data Sources: 10+
- Data Points: 5+ million
- Update Frequency: Daily
- Most Recent Household Expenditure Weight Update: 2026

This next generation inflation index supports a wide range of applications, from smarter, faster market hedging strategies to help offset higher cost of living expenses.

By combining real-time price data with broad market coverage, the Truflation Argentina CPI Inflation Index offers a timely, actionable, and transparent view of inflation, empowering investors, businesses, policymakers, and researchers alike.

7. Version History

Version	Date Released	Notes
1.0	August 24, 2024	Genesis of the Truflation Argentina CPI Inflation Index
1.1	May 14, 2026	2026 weighting update and new data partners

APPENDIX A

Relative Importance for Argentina

Below is the relative importance data, including the exact weights of each category, sub category and constituents for the Truflation Argentina CPI Inflation Index.

Truflation Category	Truflation Sub-Category	Weighting
Food & Non-alcoholic Beverages		21.5%
Food & Non-alcoholic Beverages	Food at home	16.3%
Food & Non-alcoholic Beverages	Food away from home	5.2%
Housing		8.6%
Housing	Other lodging	0.5%
Housing	Owned dwellings	3.7%
Housing	Rented dwellings	4.4%
Transportation		18.5%
Transportation	Gasoline, other fuels, and motor oil	7.2%
Transportation	Other vehicle expenses	1.8%
Transportation	Public and other transportation	4.9%
Transportation	Vehicle purchases (net outlay)	4.6%
Utilities		4.2%
Utilities	Electricity	2.1%
Utilities	Fuel oil and other fuels	0.2%
Utilities	Natural gas	0.9%
Utilities	Water and other public services	1.0%
Health		7.2%
Health	Drugs	1.7%
Health	Health insurance	2.7%
Health	Medical services	1.3%
Health	Medical supplies	1.5%
Household Durables & Daily Use Items		7.9%
Household Durables & Daily Use Items	Household furnishings and equipment	3.3%

Household Durables & Daily Use Items	Household operations	2.3%
Household Durables & Daily Use Items	Housekeeping supplies	2.3%
Alcohol & Tobacco		3.4%
Alcohol & Tobacco	Alcoholic beverages	1.5%
Alcohol & Tobacco	Tobacco products and smoking supplies	1.9%
Clothing & Footwear		7.7%
Clothing & Footwear	Children under 2	0.6%
Clothing & Footwear	Footwear	1.3%
Clothing & Footwear	Men and boys	1.8%
Clothing & Footwear	Other apparel products and services	1.1%
Clothing & Footwear	Women and girls	2.8%
Communications		4.3%
Communications	Cellular phone service	2.8%
Communications	Residential phone, VOIP & phone cards	1.5%
Education		3.1%
Education	Education fees	1.9%
Education	Reading	1.3%
Recreation & Culture		11.0%
Recreation & Culture	Audio and visual equipment and services	1.6%
Recreation & Culture	Fees and admissions	5.0%
Recreation & Culture	Pets, toys, hobbies and playground goods	1.6%
Recreation & Culture	Other entertainment supplies, equip services	2.7%
Other		2.8%