

Columbian College of Arts and Sciences

2026 Research Showcase



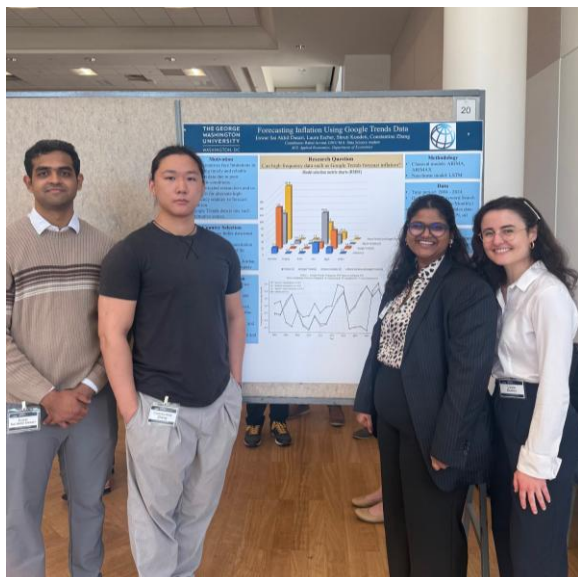
Department of Economics
Columbian College of Arts and Sciences

The Columbian College of Arts and Sciences' (CCAS) Research Showcase is an opportunity for all graduate and undergraduate students in CCAS programs to present their scholarship in a poster session to the broader CCAS community. The event marks the culmination of long-term research projects conducted by the students, giving them the chance to share their findings, receive feedback on their projects, and celebrate their hard work. This year, over twenty graduate and undergraduate students from the department presented their research, covering a range of topics from forecasting and international trade to economic development and public policy outcomes. We are incredibly proud of the work they accomplished!

MS in Applied Economics Students

Laura Escher, Shruti Kundeti, Eswar Sai Akhil Dasari, & Constantine Zhang

"Forecasting Inflation Using Google Trends Data"



Official economic data from most low and middle-income countries suffer from publication lags and frequent revisions, severely limiting the ability to forecast inflation in real time. This paper proposes incorporating Google Trends keyword search data to improve inflation forecast accuracy in three low and middle-income Middle Eastern economies given their persistently high inflation and volatile economic conditions: Turkey, Egypt, and Lebanon. A growing body of literature demonstrates the effectiveness of Google Trends data in improving inflation forecasts. Its high-frequency nature, immunity to revisions, and capacity to capture public sentiment and expectations

around economic events make it an ideal complement to official economic statistics. This research uses the annual percentage Consumer Price Index (CPI) from 2004 to 2024 as a measure of inflation. We also construct a Google Trends index from aggregated annual keyword data ranging from 2004 to 2024, organized across four channels: CPI components, currency and investment, labor market, and economic conditions. The paper uses the index created from Google Trends data and other macroeconomic variables to forecast inflation, such as exchange rates, the unemployment rate, global oil prices, broad money, and CPI. The paper evaluates three models: a baseline using historical inflation data alone, one augmented with macroeconomic variables, and one incorporating both macroeconomic variables and Google Trends data to test whether additional predictors improve forecast accuracy. Utilizing both univariate and multivariate forecasting models such as ARIMA, ARIMAX, and LSTM with 15 years of training and 5 years of test data, our analysis results confirm expected findings that Google Trends keywords improve inflation forecasts with reduced errors compared to baseline models excluding Google Trends data.

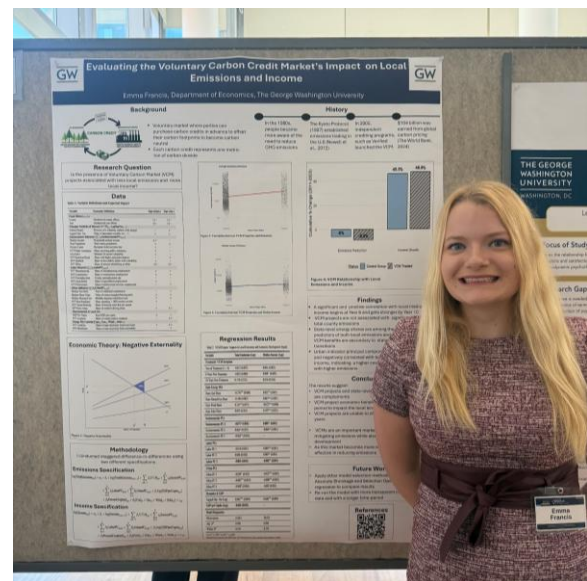
Emma Francis

“Voluntary Carbon Credit Market's Dual Benefit on Local Emissions and Economic Development”

Carbon neutrality is a prevalent topic in corporate sustainability practices and climate policy.

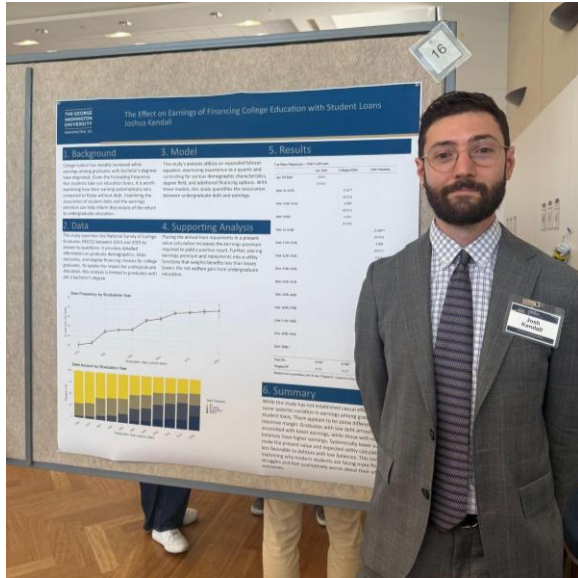
Voluntary carbon credit markets (VCM) allow firms to achieve carbon neutrality while financially supporting foresters and farmers. Despite the VCM's growth, its environmental and economic impacts on local communities remain overlooked. While previous literature suggests that the VCM can improve local economies and pollution levels, few studies empirically test the magnitude and consistency of these local effects. This paper aims to address this gap by assessing how VCM impacts local emissions and economic outcomes.

Greenhouse gas emissions are a negative externality and VCM can address market failure. This study employs panel data and differences-in-differences to examine whether the introduction of a VCM property is associated with notable differences in local economic outcomes and emissions. The results suggest that VCM projects exhibit a positive correlation with local economic activity and a negative correlation with local greenhouse gas emissions. These results present insights for future policies that promote both local economic development and emissions reductions.



Josh Kendall

“The Effect on Earnings of Financing College Education with Student Loans”



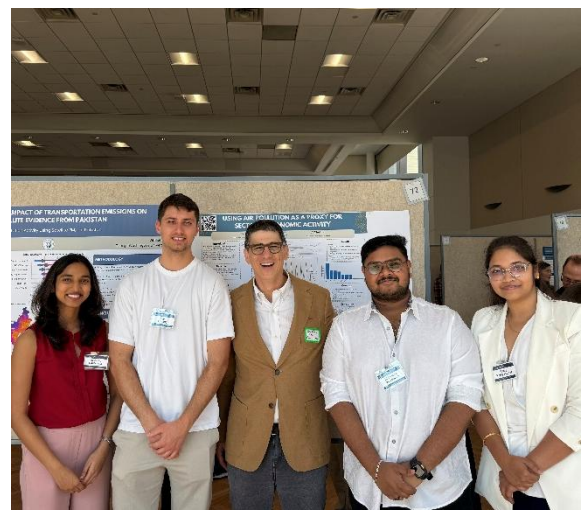
As university tuition has increased and wages for college graduates have stagnated, an undergraduate degree purchased with student loans seems less valuable than it used to be. Do additional years of education still pay dividends if a student took out debt to get them? Using data from the Survey of Consumer Finances and the National Survey of College graduates, this paper explores how earnings vary for workers with undergraduate degrees funded with or without student loans. Employing an expanded Mincer equation and an indicator for if the graduate financed with debt along with controls for degree fields, demographics, and other financing sources,

this paper estimates the effect of student debt on earnings. Though research is still ongoing, this paper expects to find that students with debt are worse off than their debt free counterparts. Combined with the ongoing financial burden of paying off the debt, perhaps an alternate career path would have been better for them.

Maxi Leiding & Relsy Puthal

“Air Pollution as a Proxy for Economic Activity”

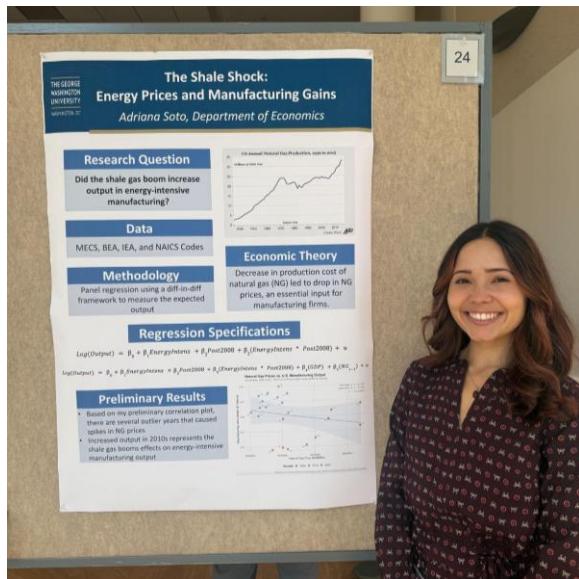
Reliable, high-frequency measures of economic activity are often unavailable at subnational levels in developing economies, limiting timely analysis of sectoral performance. Traditional proxy indicators such as Nighttime Lights provide useful insights into aggregate economic activity but suffer from limitations including saturation in dense urban regions and an inability to distinguish between specific productive sectors. This study explores the potential of satellite-derived air pollution data as an alternative and



complementary proxy for economic activity. Different pollutants are closely tied to distinct economic processes: Nitrogen Oxides (NOx) are primarily associated with combustion and transportation, Sulfur Oxides (SOx) with industrial and energy production, Methane (CH₄) with hydrocarbon-related activities, and PM2.5 with a combination of transportation and industrial emissions. These pollutant-specific signatures offer the possibility of mapping environmental data to sector-level economic dynamics. To evaluate this framework across different economic contexts, the study applies the analysis to sectoral data from Algeria and Myanmar, where detailed GDP estimates allow for comparison between pollution indicators and economic performance.

Adriana Soto

“Lessons from Energy Price Shocks: The Shale Gas Boom and Energy-Intensive Manufacturing”



This paper will investigate how the shale gas boom led to increased manufacturing outputs in energy-intensive manufacturing industries. From a microeconomic perspective, these innovations represent a positive supply shock that lowered energy prices and reduced input costs for downstream firms. Theory suggests that technological advancements increased domestic energy supply and reduced natural gas prices, generating production gains in industries with high energy dependence. These industries include chemical and fertilizer manufacturing, and heavy machinery manufacturing, all of which rely heavily on energy as a core production input. Lower

energy costs allowed these sectors to expand output relative to less energy intensive industries. To estimate this effect, I build on prior research showing that declines in natural gas prices are associated with increased output in energy-intensive manufacturing industries (Melick, 2018). I employ a difference-in-differences framework to examine changes in manufacturing output across industries with varying levels of energy intensity before and after the shale boom, spanning from 2000 to 2018. This model will include controls for items that could impact energy prices and manufacturing output, such as GDP, energy imports, region. Using industry-level output data from the BEA to measure output gains, alongside natural gas price data from the

IEA, the model includes industry fixed effects and a lagged price term to account for delayed production responses to energy input cost changes. This model allows me to identify how technological advancements in energy extraction translated into downstream production gains in energy-intensive manufacturing sectors.

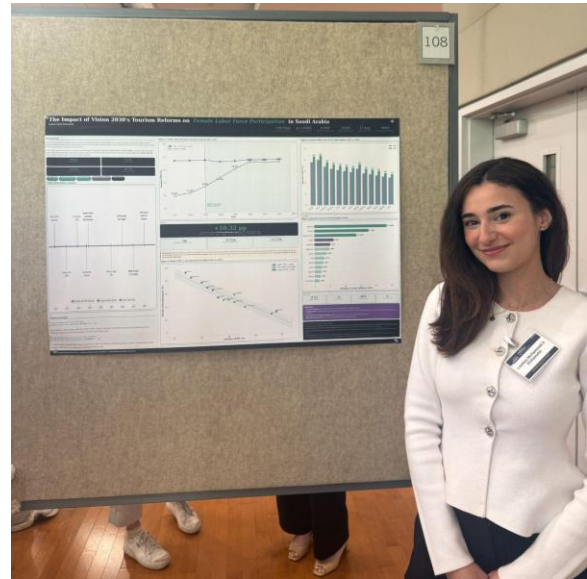


Undergraduate Economics Students

Lowlwa Alshamekh

“The Impact of Vision 2030's Tourism Sector Reforms on Female Labor Force Participation in Saudi Arabia”

This paper examines whether Vision 2030's tourism sector reforms, specifically the tourism liberalisation policy in 2019, increased female labor force participation in Saudi Arabia and in the tourism sector. Using a difference-in-differences framework with Saudi Arabia as the treated unit and five GCC countries: the UAE, Kuwait, Bahrain, Oman, and Qatar as controls. I estimate the effect of the 2019 tourism visa liberalization on Saudi female labor force participation rates over 2017–2024. In addition, I tested this with a regional panel fixed-effects regression using data from 13 Saudi regions and cities over 2021–2024, using GASTAT Labor Force Survey data and domestic tourism arrivals from the Saudi Ministry of Tourism. The difference-in-differences estimate shows that Saudi Arabia's female labor force participation rate increased by 10.32 percentage points more than comparable GCC economies following the 2019 reforms, a result significant at the 0.1 percent level with an adjusted R-squared of 0.968. The regional panel provides further evidence of substantial cross-regional variation in tourism intensity and female labor force participation, with a negative correlation between female participation and unemployment rates across regions, consistent with labor market absorption. These findings suggest that targeted sector-specific reforms and policies can accelerate female economic participation even in economies where cultural and institutional barriers have historically constrained women's workforce entry and involvement, with implications for other developing economies seeking to close gender gaps in labor force participation.



Zane Balian

“The Price of Fear: Violent Crime and Property Values in Washington, DC”



This paper estimates the causal effect of violent crime on residential property values in Washington, DC using a square-level panel of property transactions and police incident data spanning 2008 to 2023. Employing a two-way fixed effects design that exploits within-tract variation in crime over time, I find that a one percent increase in the log-rescaled violent crime measure reduces property values by approximately 2.2 percent, while property crime has no significant effect. The result is robust to alternative lag structures, property characteristic controls, and transaction-level specifications. A formal structural break test reveals that the

capitalization effect was concentrated entirely before 2015 and has been statistically indistinguishable from zero since, a pattern consistent with DC's longrun homicide decline from a crack-era peak of 482 murders in 1991 to historic lows by 2012 to 2015, coinciding with the city's most intensive period of gentrification. As crime fell and housing demand surged, the marginal deterrent effect of crime on buyer decisions compressed toward zero. The impact of violent crime is also larger in low-crime and high-income neighborhoods, consistent with diminishing marginal effects and differential buyer mobility. These findings indicate that housing markets capitalize violent crime risk in ways that are deeply context-dependent.

Chesapeake Dowdy

“Estimating Demand for Cosmetics, Perfume, and Bath Preparations Before, During, After the Global Financial Crisis”

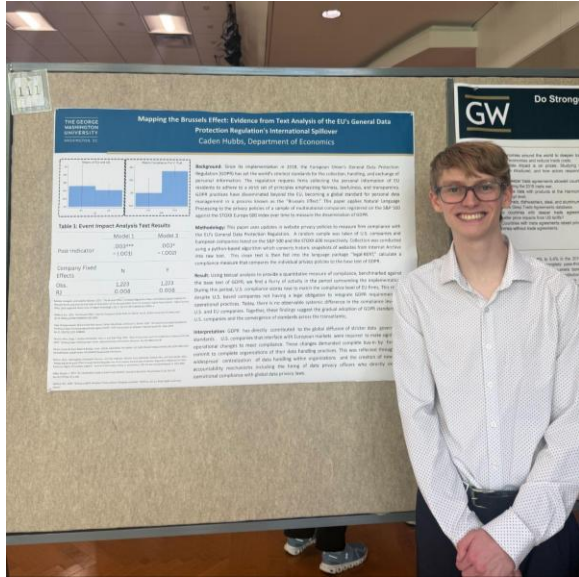
This paper utilizes an Almost Ideal Demand System (AIDS) to construct demand for Cosmetics, Perfume, and Bath Preparations and related goods from the Consumption Expenditure Survey and track how demand changed with the Global Financial Crisis. The results can be applied to test the “Lipstick Effect,” a theory that consumption of lipstick and other cosmetics increases during recessions. Cosmetics were found to be a normal good before and after the recession, with expenditure elasticities of demand 1.37 and 0.97, but became inferior during with an expenditure elasticity of demand -2.77. Jewelry became a much stronger luxury good during the recession with an expenditure elasticity of demand of 8.22 compared with 1.85 beforehand. Substitutability and complementarity between cosmetics and jewelry or dresses evolved with the crisis as well.



Caden Hubbs

“Mapping the Brussels Effect: Evidence from Text Analysis of the EU's General Data Protection Regulation's International Spillover”

The increasingly digitized economy has enabled the rapid flow of information, but these same networks of exchange have given rise to risks of misuse. To address such concerns, the European Union’s 2018 General Data Protection Regulation (GDPR) provides some of the world's strictest guidelines on the collection, handling, and exchange of personal information. These standards have disseminated globally in a process described as The Brussels Effect, where multinational firms adopt EU standards across global operations rather than segmenting operations. Building on qualitative studies of GDPR impact on firm behavior, this study aims to provide a quantitative measure of regulatory compliance through the application of natural language processing textual analysis techniques. This approach compares the privacy policies of 100 randomly selected companies (50 from the US S&P 500, and 50 from the EU STOXX 600) to rules dictating what



information firms are required to share with consumers on how data is managed in Articles 13 & 14 of the GDPR. By flagging verbs indicative of various common data handling practices, a natural language processing algorithm is able to identify specific data practices in privacy policies, and measure firm compliance directly with the base text of GDPR, generating a similarity score. Using these scores in a means-difference test between the US-based and EU-based companies reveals a global convergence of similarity scores, signaling that US-based firms not obligated to follow GDPR standards are adopting requirements similarly to directly affected EU-based companies.

An additional event impact analysis of GDPR's original 2018 implementation finds the immediate compliance shock on US firms.

Elek Krizsan

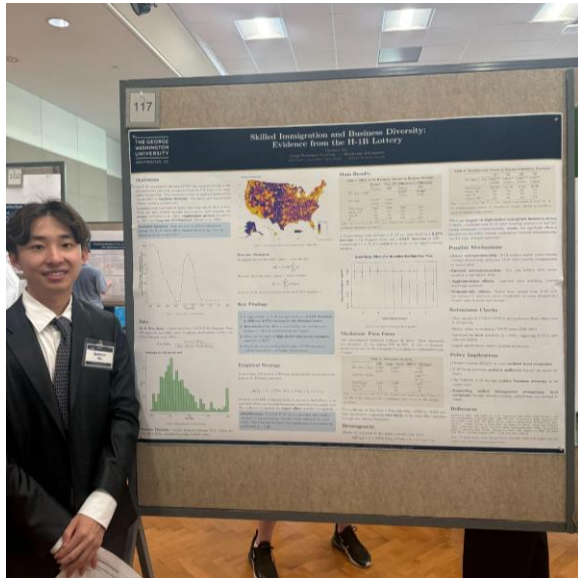
“Do Stronger Trade Ties Reduce Tariff Shocks? Evidence from 2018 US Tariffs”

This paper studies whether countries with deeper trade agreements – those covering more policy areas – saw a smaller impact on their trade with the United States as a result of the tariffs it imposed in 2018. Using monthly trade data, I track how import prices and volumes responded to tariffs over twelve months following their imposition, comparing that response across countries with deeper versus shallower trade relationships with the US. The results offer evidence on whether having deep, institutionalized relationships with trading partners makes countries less vulnerable to sudden, unilateral tariffs.



Spencer Ma

“Skilled Immigration and Business Diversity: Evidence from the H-1B Lottery”



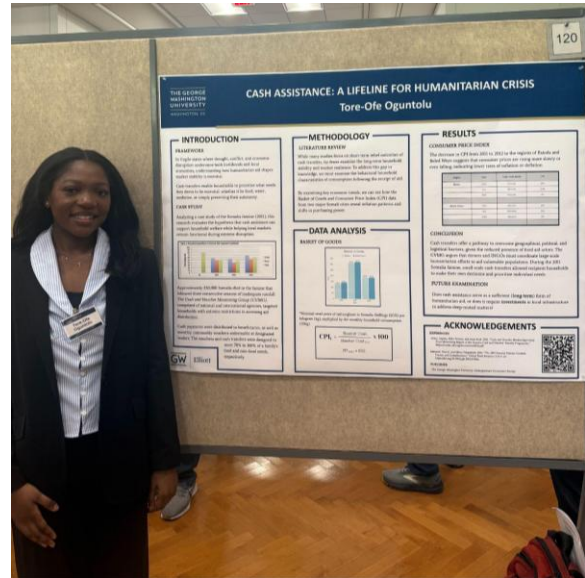
As policymakers debate high-skilled immigration, the H-1B program— which allocates 85,000 visas annually through a randomized lottery— is typically viewed as a tool for addressing labor shortages in tech and semiconductor manufacturing. Yet beyond employment and wages, skilled immigration may also reshape local economic structure. The relationship between high-skilled foreign labor and business diversity— the variety and concentration of firms within a region— remains understudied, despite its relevance for entrepreneurship, resilience, and long-run growth. This paper investigates whether skilled immigration affects business diversity and

firm concentration at the county level. Immigrants are more likely than natives to start businesses (Beine et al., 2024; Kerr & Kerr, 2020), and through entrepreneurship they stimulate firm creation and labor demand (Azoulay et al., 2022; Peri et al., 2015). A more diverse business environment fosters economic resilience (de Soyres et al., 2024), supports employment growth (Frenken et al., 2007), and contributes to long-term development (Glaeser et al., 2010). To identify causal effects, the quasi-random visa allocation in the 2016 H-1B lottery is leveraged using a continuous difference-in-differences design. A county-level win-rate proxy is constructed by matching USCIS approval data with Labor Condition Applications, filtering for lotterybound applications, and computing the approval-to-application ratio following Mahajan et al. (2024). This is merged with County Business Patterns panel data, and two diversity measures are computed: the Herfindahl-Hirschman Index (HHI) and the Shannon Diversity Index. An event study confirms no significant pre-treatment trend differences. Main estimates show that a ten-percentage point increase in lottery success is associated with a 0.64% decline in HHI and a 0.27% increase in the Shannon Index. Results are robust to placebo tests, pandemic-year exclusions, and alternative standard error treatments. Mediation analysis indicates the diversity gains operate primarily through new business formation, with heterogeneity analysis revealing especially strong effects in immigrant-intensive, high-skilled industries. Together, these findings suggest skilled immigration reshapes the broader economic structure of local regions by increasing industry diversity and reducing concentration.

Tore-Ofe Oguntolu

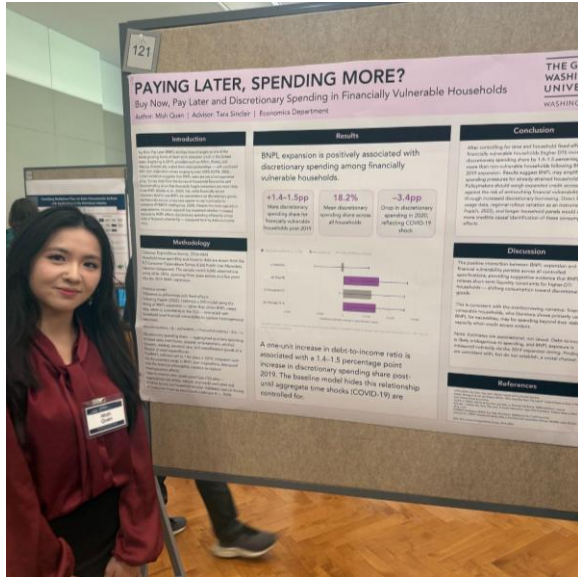
“Cash Assistance: A Lifeline for Humanitarian Crisis”

In fragile states where drought, conflict, and economic disruption undermine both livelihoods and local economies, understanding how humanitarian aid shapes market stability is essential. Analyzing a case study of the Somalia famine (2011), this research evaluates whether cash transfer programming can support household welfare while preventing a larger market collapse. Using calculations for the Basket of Goods and Consumer Price Index, the data analysis examines fluctuations in staple food prices. It assesses the responsiveness of supply networks under such crisis conditions. The findings demonstrate how cash transfers increase household consumption, sustain demand for essentials, and allow for flexibility in fragile markets. While criticism persists regarding the risk of dependency and corruption, the evidence exhibits cash programming as a practical tool for immediate relief and stabilization. The results of this study suggest that implementing permanent aid distribution programs is necessary to ensure the long-term sufficiency of humanitarian assistance in vulnerable regions.



Mish Quan

“Paying Later, Spending More? Buy Now, Pay Later (BNPL) and Discretionary Spending Outcomes in Financially Vulnerable Households”



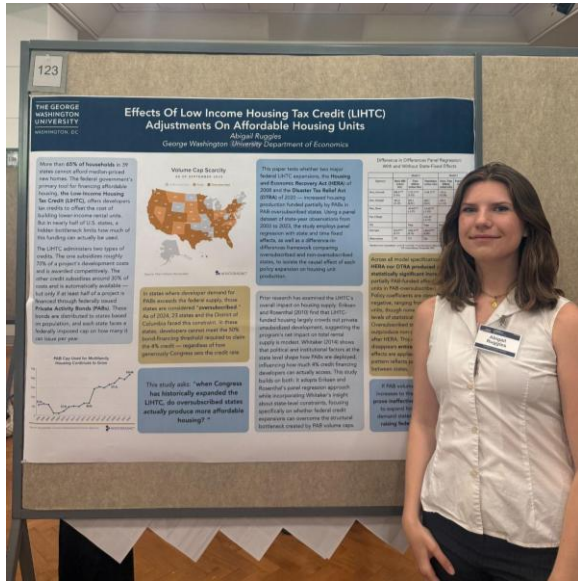
Buy Now, Pay Later (BNPL) services have expanded rapidly in the United States in recent years, becoming a widely used alternative form of short-term credit for smaller purchases. Some evidence suggests that BNPL can help households smooth consumption for necessary expenses, while other research highlights potential risks of increased overborrowing and financial strain. This paper examines whether BNPL expansion is associated with heterogeneous changes in discretionary spending across households with varying levels of financial vulnerability, measured by debt-to-income ratios. BNPL expansion is associated with larger increases in discretionary

spending among financially vulnerable households, reflecting the role of expanded credit access and behavioral factors such as instant gratification. By focusing on discretionary spending, this paper provides evidence on how short-term credit expansion may influence consumption patterns, particularly among financially vulnerable households, and contributes to understanding the potential financial risks associated with BNPL usage.

Abigail Ruggles

“The Effect Of Adjustments to the Low Income Housing Tax Credit (LIHTC) Program On Affordable Housing Unit Development”

The Low-Income Housing Tax Credit (LIHTC) serves as the federal government's primary policy tool for the development of affordable housing today. This study explores the relationship between past LIHTC expansions and affordable housing development in the U.S. Building on previous studies by economists Michael Eriksen and Stuart Rosenthal examining the LIHTC’s crowd-out effects in 10-mile geospatial areas, this paper analyzes the effect of LIHTC credits in states that are oversubscribed to private activity bond (PAB) volume caps. PABs are critical to financing affordable housing units, as the application of a 4% LIHTC credit hinges on the fact that a potential housing development project must be 50% funded by PABs. This paper seeks to



determine if federal expansions to the LIHTC under the Housing and Economic Recovery Act of 2008 (HERA) and the Disaster Tax Relief Act of 2020 (DTRA) affected the number of affordable housing units developed with the the LIHTC’s 4% credit in PAB-oversubscribed states. This study relies on a panel dataset of 23 states that have maintained PAB oversubscription status from 2003 to 2023, combining HUD property-level LIHTC data with Novogradac’s state PAB subscription reports and U.S. Census population data. From this dataset, this study employs a regression to estimate how HERA and DTRA impacted 4% LIHTC-funded housing production,

establishing controls for state and time-fixed effects. The study also incorporates a difference-in-differences framework, comparing PAB oversubscribed and non-oversubscribed states. Preliminary results of this paper suggest that HERA in 2008 and the DTRA in 2020 increased 4% credit-funded affordable housing development. This implies that federal credit expansions have a positive effect on housing development in PAB-oversubscribed states. This research contributes to ongoing discussions regarding housing affordability in the U.S. today among policymakers as they consider further LIHTC adjustments to improve housing supply nationally.

Christina Salemme

“Financial Literacy: Effects on Retirement Planning Behavior”

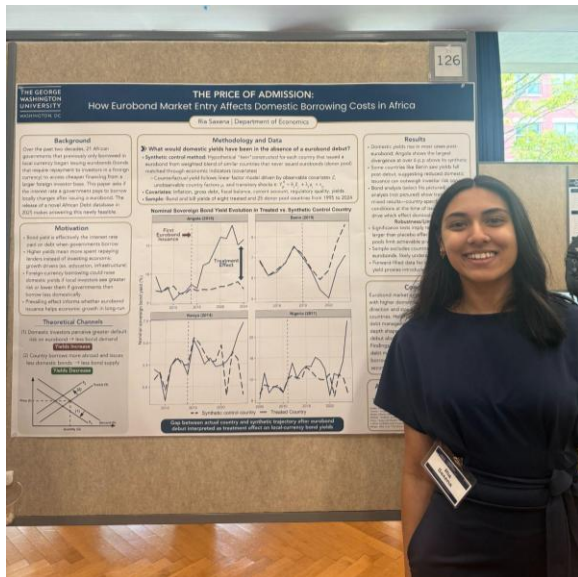
Financial literacy plays a critical role in influencing household financial and retirement planning behaviors. This study seeks to examine how financial literacy affects household choices in comprehensive retirement planning strategies by employing both binomial and multinomial logit models. The binomial model results show that individuals who are financial literate are more likely to engage in retirement planning rather



than none at all. The multinomial model then extends these findings to model how financial literacy affects simultaneous choices among four distinct retirement planning strategies: no planning, employer-only planning, individual-only planning, and comprehensive planning. The results of the multinomial logit model indicate that higher literacy scores increase the probability of adopting comprehensive planning over no planning, individual-only and employer-only planning.

Ria Saxena

“The Price of Admission: How Eurobond Market Entry Affects Domestic Borrowing Costs in Africa”



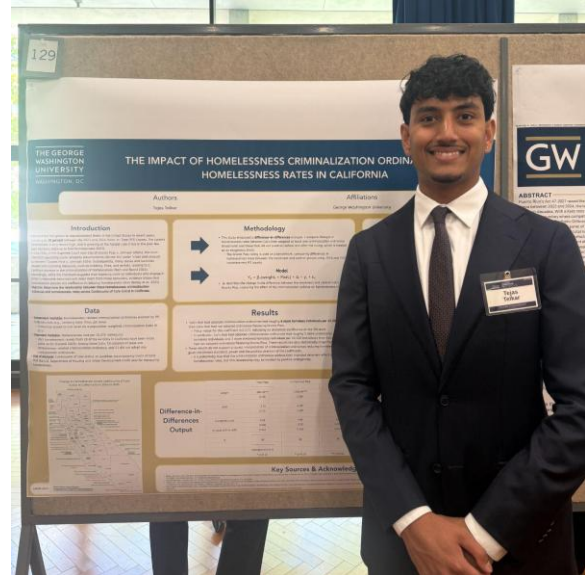
Over the past two decades, 21 African governments that previously only borrowed in their local currencies began issuing eurobonds for the first time—bonds that require repayment in a foreign currency. This paper explores if the interest rate a government pays to borrow in its local currency changes after issuing a eurobond. Previous research has examined what motivates governments to issue eurobonds and its effects on broader economic outcomes like GDP or inflation, but no study has measured its impact on local-currency borrowing costs.

This paper applies the synthetic control method, which constructs a hypothetical version of each country to estimate local-currency interest rates if the country had never issued a eurobond. Results covering eight African economies associate initial eurobond issuance with higher local-currency bond yields, with a majority of countries showing actual yields above their synthetic controls after the debut. The direction of this effect is consistent with investors pricing in added risk from the new foreign-currency obligation—the “price of admission” for a government to tap foreign-currency financing. These findings suggest governments could prioritize borrowing in local currency to lower domestic interest costs, allowing them to spend more on investments such as infrastructure that drive long-term growth instead.

Tejas Telkar

“Criminalizing Homelessness: Impact of Homelessness Criminalization Ordinances on Homelessness Rates in California”

Criminalization laws aimed at deterring homelessness-related activities are not reliable at reducing homelessness rates. Yet despite their general ineffectiveness, state and local governments have continued to adopt these ordinances amid growing concerns about unprecedented levels of homelessness and the need to reduce its visibility and maintain public order. This was especially true following the Supreme Court case *Grants Pass v. Johnson* (2024), in which these governments were permitted to regulate public property encampments without violating the 8th Amendment. As a result, many California cities

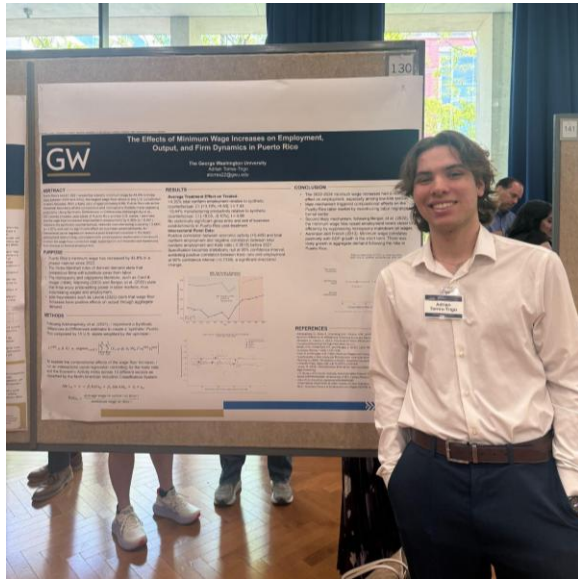


rapidly began imposing anti-camping policies and penalties for violations. This paper examines the relationship between these criminalization ordinances and homelessness rates across Continuums of Care (CoCs) in California. Using a difference-in-differences analysis, the paper compares average total homelessness rates between CoCs that adopted at least one criminalization ordinance and those that did not before and after the treatment effect, which is treated as an exogenous shock from the court ruling. Homelessness data for 29 California CoCs is collected from a 2025 homelessness Point-In-Time (PIT) count conducted by the Hub for Urban Initiatives, and city-level homelessness criminalization ordinance data is available from the National Homelessness Law Center. Cities that adopted ordinances are matched to CoCs to determine the share of the CoC impacted by the ordinances. The results indicate that CoCs that had adopted criminalization ordinances had roughly 14 more homeless individuals per 10,000 than CoCs that had not adopted ordinances, following *Grants Pass*. Nonetheless, a causal interpretation is limited, as ordinance adoption appears endogenous with homelessness rates, and the absence of parallel pre-trends between the treatment and control groups further supports this. While the data provide preliminary evidence supporting the existing literature on the ineffectiveness of homelessness criminalization ordinances, more data over time are required to better illustrate this relationship and determine policy implications.

Adrian Torres-Trigo

“The Effects of Minimum Wage Increases on Employment, Output, and Firm Dynamics in Puerto Rico”

Recent research has increasingly questioned the canonical prediction that minimum wages have negative effects on employment. This paper studies Puerto Rico's Act 47-2021, which raised the island's minimum wage by 44.8% in three steps between 2022 and 2024, the largest minimum



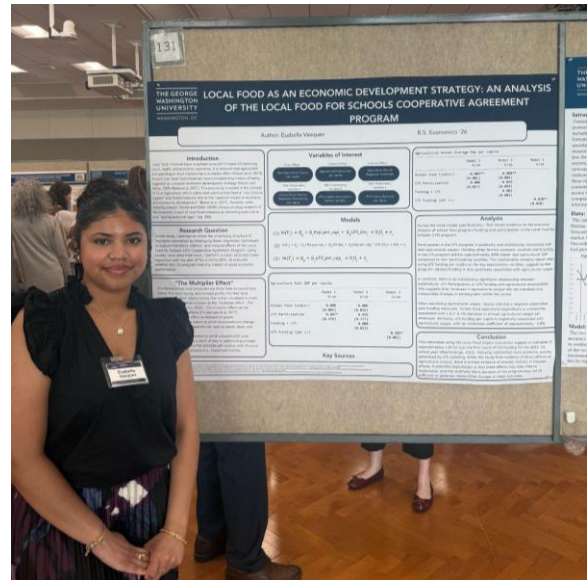
wage shock in any U.S. jurisdiction in recent decades. Puerto Rico presents a uniquely powerful natural experiment: as a U.S. territory subject to the federal Fair Labor Standards Act but with a Kaitz ratio of approximately 0.60, the highest of any U.S. jurisdiction, it sits at the theoretical boundary where competing models make opposing predictions. Using a Synthetic Differences-in-Differences approach, I estimate causal effects on nonfarm employment, manufacturing productivity, and business establishments across a twelve-year panel. Results suggest a pattern that the canonical framework does not fully resolve: positive employment gains alongside a loss in

manufacturing productivity alongside a minimal effect on the creation of new business establishments. Drawing on Manning (2003), Card and Krueger (1994), and Berger, et al. (2022), I argue that this pattern is consistent with the monopsony-reallocation framework in which minimum wages correct monopsonistic wage suppression and trigger a compositional shift which raises overall employment but point toward negative productivity consequences.

Esabella Vasquez

“Local Food as an Economic Development Strategy: An Analysis of the Local Food for Schools Cooperative Agreement Program”

Local food initiatives have long been regarded as a popular economic development strategy. The U.S. Department of Agriculture (USDA) has further advanced this idea with the introduction of the 1996 Farm-to-School program and, most recently, with its Local Food for Schools Cooperative Agreement Program. This Local Food for Schools program emerged from COVID-19-era policy efforts aimed at bolstering local food supply chain resilience and reinforcing relationships between schools and local producers, particularly small and disadvantaged farmers. To evaluate this program as a local economic development strategy, this study examines the effect of its 2022 funding disbursements on 2024 local economic performance indicators at both the state and county levels.

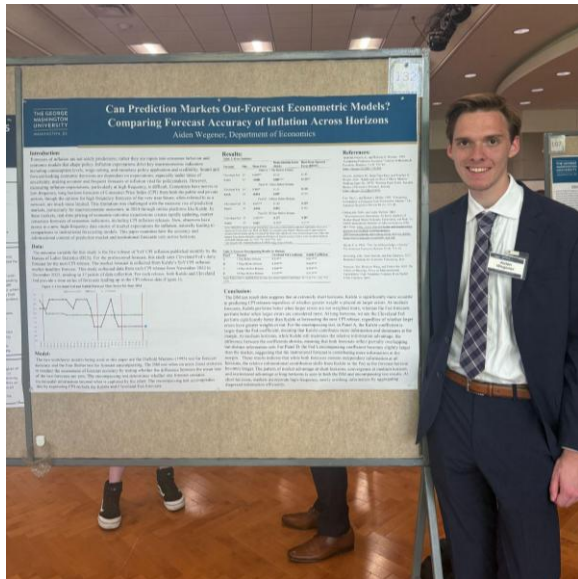


This study employs traditional econometric linear regression and spatial regression approaches, departing from the common use of input-output models such as IMPLAN, which often fail to accurately capture small farm behavior. The state-level analysis uses a cross-sectional linear regression of economic performance on program funding. Given that previous literature has found significant levels of spatial dependence in local food and growth metrics, the county-level analysis uses a Spatial Durbin Model to estimate these relationships. Spatial dependence refers to a situation where values observed in one county depend on the values of neighboring observations at nearby counties, making it essential to account for geographic spillovers in this empirical analysis.

Preliminary findings indicate that, at both the state and county levels, program funding has a statistically significant but economically negligible positive effect on select short-run local economic performance indicators. These results are consistent with past empirical findings suggesting that the impact of local food initiatives on economic performance is limited, raising questions about the effectiveness of federally-funded local food initiatives as an economic development strategy.

Aiden Wegener

“Can Prediction Markets Outforecast the Fed?: Comparing Forecast Accuracy of CPI Inflation Across Horizons”



With the recent growth of prediction markets, economists have begun to consider the forecasting capabilities of these markets for various economic indicators. While existing studies typically evaluate prediction market forecast accuracy at a single horizon, this study analyzes how each method performs at various horizons, specifically for forecasting monthly CPI inflation releases. By collecting forecasts from both the Cleveland Fed’s daily CPI forecast and Kalshi’s CPI inflation market at 1-, 7-, 14-, and 28-day horizons across 37 releases from 2022 to 2025, this paper uses Diebold-Mariano and forecast encompassing (Fair-Shiller) test results to

compare the accuracy and informational advantages of the two forecasting methods. The results show that prediction market forecasts significantly outperform the Cleveland Fed nowcast at the 1-day horizon. However, this advantage diminishes at longer horizons, as forecast accuracy converges at 7 and 14 days, and the Cleveland Fed exhibits lower forecast error at the 28-day horizon. Encompassing tests indicate that both forecasts contain independent information at longer horizons, while the market forecast becomes increasingly dominant as the release date approaches. These findings suggest that for forecasting CPI inflation releases, prediction markets function best as a real-time information aggregator by gaining an informational advantage only as new information arrives close to release date. At long horizons, the results suggest that prediction markets lose their informational advantage and become more volatile, likely due to greater forecast dispersion. The Fed forecast, which is more stable across horizons, exhibits lower forecast error at these longer horizons.