PRESERVING ECONOMIC HISTORY WITH FRED & ALFRED
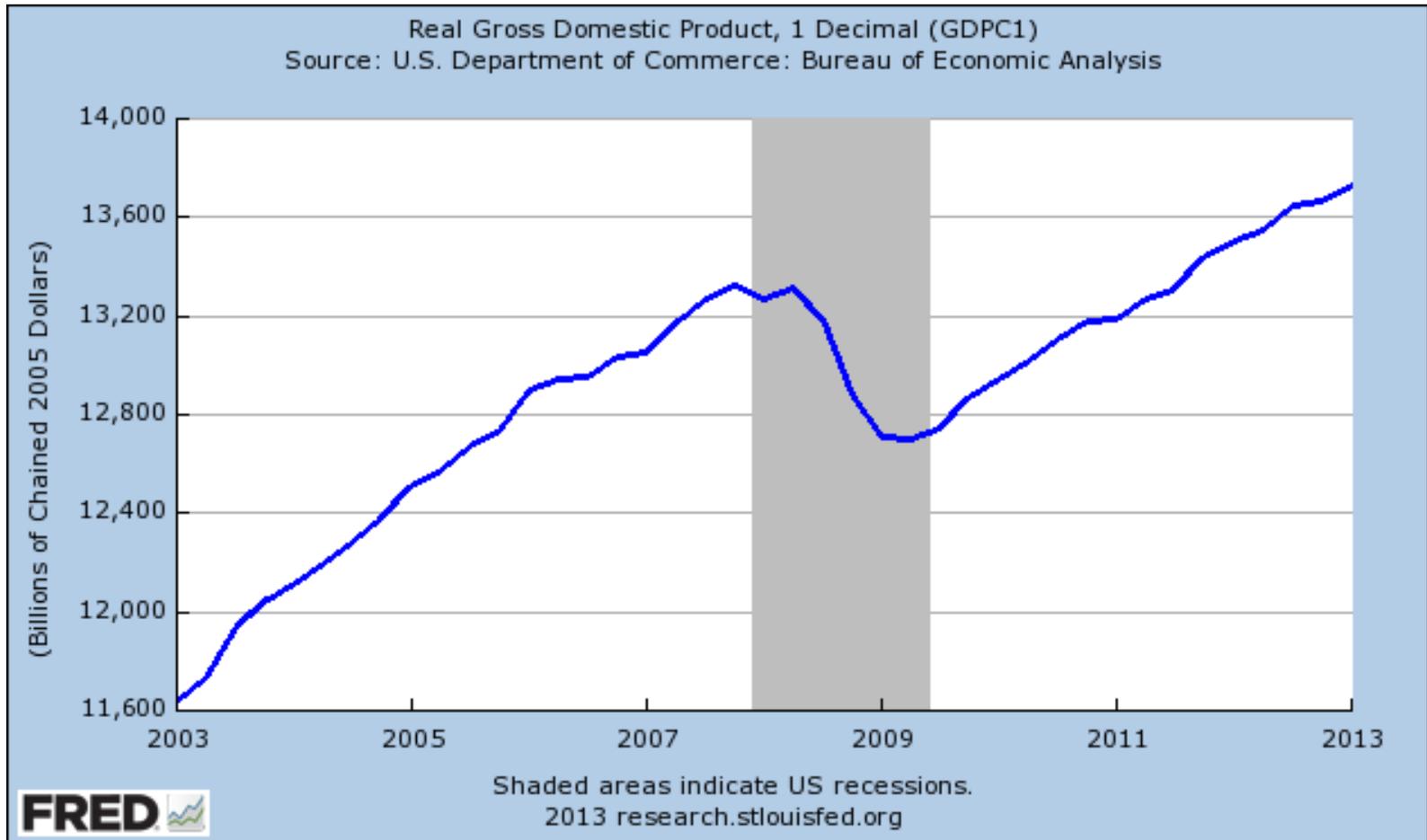
TRAVIS MAY, RESEARCH

U.S. and International
Sources

FRED shows the most current data

Slipping Down

Quarterly change at an annual rate in U.S. GDP

1.6%, revised from 2.4%

Source: Commerce Department

ET JOURNAL.

8 - 29, 2010

★★★★ $2.00

WSJ.com

...ers Bolder Moves

...ing More Securities If Economy Falters Further

...mulus" to the U.S. ...ould it be necessary. ...t sign of trouble for ...came Friday as the ...Department revised ...timate for second- ...wth in gross domes- ...The economy grew ...the period, not the ...rate previously esti-

...g GDP growth adds ...already created by ...me sales and other ...nsumers are shying ...pending. Technology ...Intel Corp. warned ...ird-quarter revenue

could fall short of estimates because of weak demand for personal computers.

All of this drives home a grim political reality for the Obama administration and for Democrats facing elections this fall: What many had hoped would be a "summer of recovery" is ending on a dismal note.
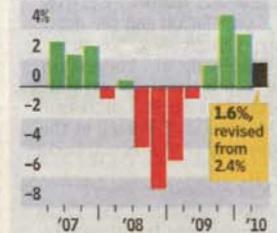
"The pace of recovery in output and employment has slowed
Please turn to page A2

■ Economy will dog Democrats up to November A2
■ For updates from Jackson Hole during the weekend, WSJ.com

Slipping Down

Quarterly change at an annual rate in U.S. GDP

1.6%, revised from 2.4%

Source: Commerce Department

# Many people may be familiar with the concept of 'revised' data

Vintage Data and Revisions

Observations for Series ID: GDPC1, Real Gross Domestic Product, 1 Decimal

Observation Period	Real-Time Period	Value
2013-01-01 to 2013-03-31	2013-04-26 to 2013-05-29	13750.1
	2013-05-30 to 2013-06-25	13746.2
	2013-06-26 to 9999-12-31	13725.7

Real Gross Domestic Product, 1 Decimal (GDPC1) Vintages: 2013-04-26, 2013-05-30, 2013-06-26
Source: U.S. Department of Commerce: Bureau of Economic Analysis
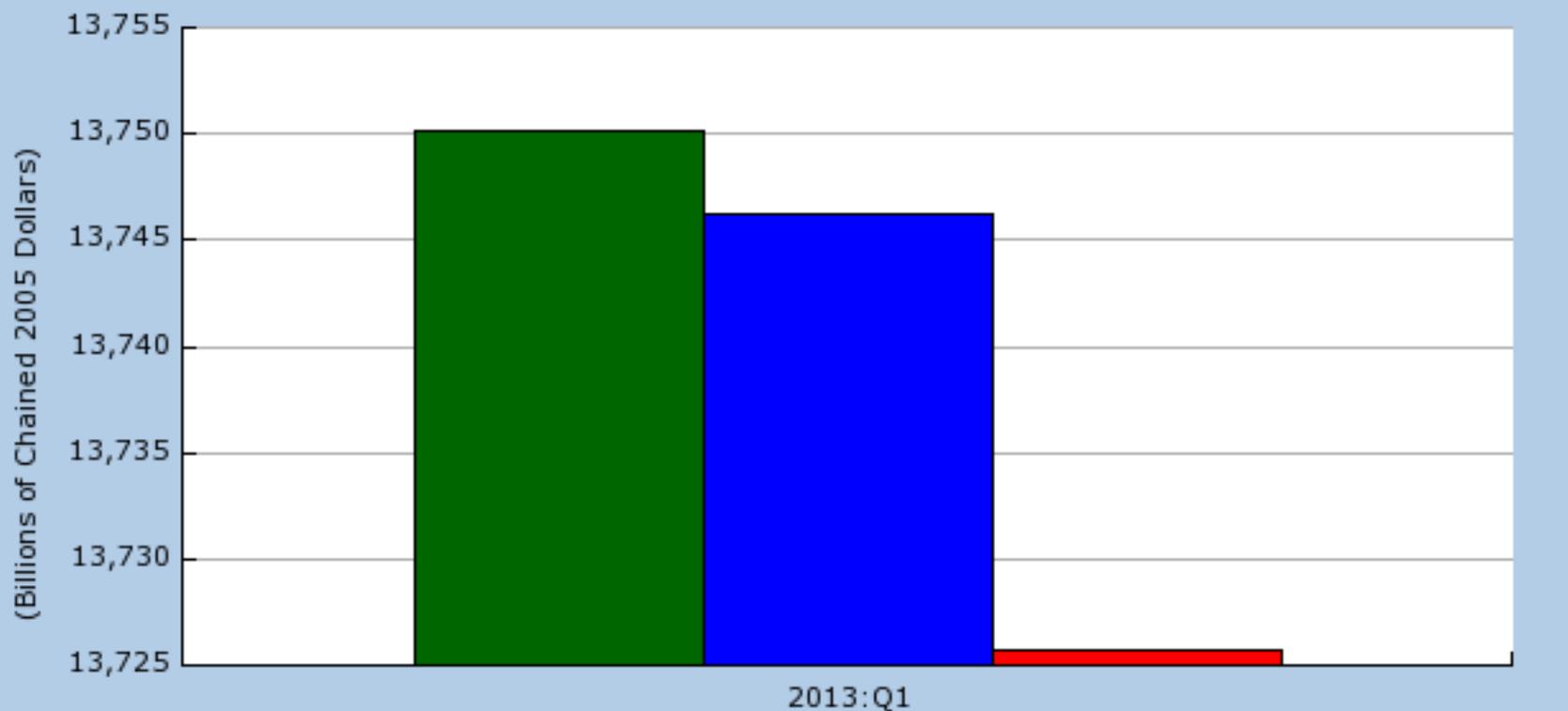
Metadata revises as well

| Observation Range | | | | | Real-Time Period | |
Start	End	Freq.	Units	Seas. Adj.	Start	End
1947:Q1	1995:Q3	Q	Bil. of 1987 $	SAAR	1991-12-04	1996-01-18
1947:Q1	1999:Q2	Q	Bil. of Chn. 1992 $	SAAR	1996-01-19	1999-10-27
1947:Q1	2003:Q3	Q	Bil. of Chn. 1996 $	SAAR	1999-10-28	2003-12-09
1947:Q1	2009:Q1	Q	Bil. of Chn. 2000 $	SAAR	2003-12-10	2009-07-30
1947:Q1	2013:Q1	Q	Bil. of Chn. 2005 $	SAAR	2009-07-31	Current

A little history…

Driven by former Director of Research, Bob Rasche

Looked for original releases of economic data

Paucity of results

Previously too costly for institutions to store revised data

What do data-providing institutions do?

Issue their press releases

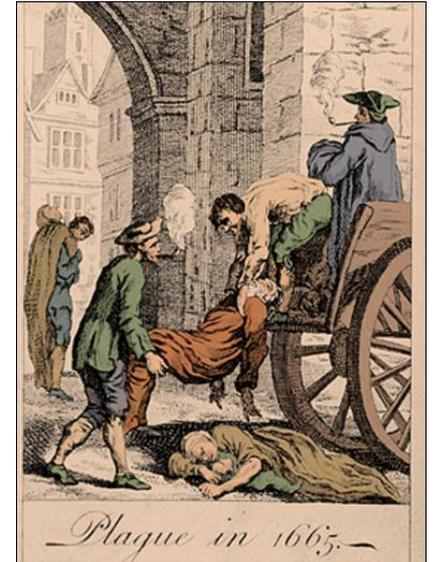## Update the data
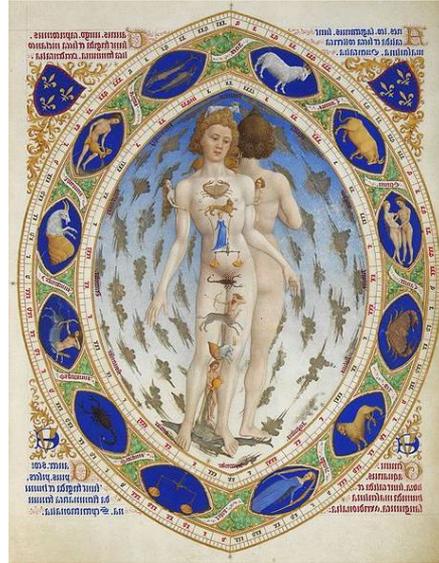
Write over the old data

Very few sources for vintage data

Very few series are offered

We rebuilt FRED to handle vintage data

Interns and analysts in research constructed older data points.

Western medical treatment through the 19th century was unsophisticated

Plague in 1665.

But because of limited knowledge, not because of a lack of reason.

Evaluating 1970's monetary policy is similar

Economist John Taylor famously analyzed the policy actions of the Federal Reserve.

Fed adheres to rules during periods of low inflation, rules that map current inflation and production to policy interest rates.

However, he found that these rules were not followed during the high inflation periods of the 1970s.

Evaluating 1970's monetary policy is similar

That study used more complete, revised data.

Another economist, Anastasios Orphanides redid the same study with vintage data.

He found that the high and low inflation periods were indistinguishable:

Policymakers were adhering to the same rules given the information they had at the time (Orphanides, 2002).

Data isn't the whole story:

Providing context, and other economic history resources is important too.

Check out FRED, ALFRED and FRASER for yourself:

FRED:

http://research.stlouisfed.org/fred2

ALFRED:

http://alfred.stlouisfed.org/

FRASER:

http://fraser.stlouisfed.org

Have any questions about economic data?

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