PRESERVING ECONOMIC HISTORY WITH FRED & ALFRED

TRAVIS MAY, RESEARCH
FRED shows the most current data
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

<table>
<thead>
<tr>
<th>Observation Period</th>
<th>Real-Time Period</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013-01-01 to 2013-03-31</td>
<td>2013-04-26 to 2013-05-29</td>
<td>13750.1</td>
</tr>
<tr>
<td></td>
<td>2013-05-30 to 2013-06-25</td>
<td>13746.2</td>
</tr>
<tr>
<td></td>
<td>2013-06-26 to 9999-12-31</td>
<td>13725.7</td>
</tr>
</tbody>
</table>
### Metadata revises as well

<table>
<thead>
<tr>
<th>Observation Range</th>
<th>Freq.</th>
<th>Units</th>
<th>Seas. Adj.</th>
<th>Real-Time Period</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Start</strong></td>
<td><strong>End</strong></td>
<td></td>
<td></td>
<td><strong>Start</strong></td>
</tr>
<tr>
<td>1947:Q1</td>
<td>2013:Q1</td>
<td>Q</td>
<td>Bil. of Chn. 2005 $</td>
<td>SAAR</td>
</tr>
</tbody>
</table>
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 constructed older data points.

Interns and analysts in research
Western medical treatment through the 19th century was unsophisticated 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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