M1 -- M1 Measure of the Money Stock

1. Expressed in billions of dollars, seasonally adjusted. Quarterly vintages. Monthly observations.

2. First Quarterly Vintage: 1965:Q4.

3. First Monthly Observation: 1947:M1 (1959:M1, in vintages starting with 1974:Q1).

4. High-Frequency Source: H.6 release, Federal Reserve Board.

5. Deep-History Source: *Money Stock Revisions*, Federal Reserve Board.

6. Vintage Names: M1*yy*Q*q*, where *yy* is the year of the vintage (two digits), Q represents the word quarter, and *q* (1 to 4) is the quarter of the vintage, collected in the middle of the quarter (February 15, May 15, August 15, and November 15).

7. Vintage Dates: Quarterly vintages reflect the data available in the middle of the quarter.

Special Notes

1. **M165Q4 to M171Q1 – Change in Variable Name**. In vintages from 1965:Q4 to 1971:Q1, the variable we call M1 is denoted the Total Money Stock in the *Federal Reserve Bulletin* (see, for example, the March 1971 *Bulletin*) and defined as the sum of currency plus demand deposits. In the April 1971 *Bulletin*, the Fed began to denote this variable, M1. The variable M2 is also defined for the first time in the April 1971 *Bulletin*.

2. **M180Q1 to M180Q4, and M181Q4 – Change in Variable Name**. Starting with the 2/8/80 H.6, the Fed replaced the M1 measure of the money stock with the M1-A and M1-B measures-- with M1-A defined as currency plus demand deposits and M1-B defined as M1-A plus NOW and ATS accounts at banks and thrift institutions, credit union share draft accounts and demand deposits at mutual savings banks (i.e., M1-A plus other checkable deposits at banks and thrift institutions). We use the M1-B measure, which appears (as M1) in our vintages from 1980:Q1 to 1980:Q4 and in 1981:Q4. In the 1/15/82 H.6, the Fed replaced the M1-A/ M1-B measures with a newly defined measure, called M1, defined as currency plus travelers checks plus demand deposits plus other checkable deposits. Thus, vintages from 1982:Q1 forward use this measure. (A comparison of the monthly observations in the 1/8/82 H.6, which contains the M1-A/M1-B split, with those in the 1/15/82 H.6, which eliminates the split and reports the newly defined M1 measure, indicates an exact correspondence between new M1 and old M1-B.) Note that in our data sets we continue to refer to the M1 measure of the money stock as M1, even when we use the M1-B concept.

3. **M181Q1 to M181Q2 – Missing Observations.** Due to missing deep-history reports, the

1981:Q1 vintage only contains observations starting from the period 1977:M1, and the 1981:Q2 vintage only contains observations starting from 1980:M1. In both cases, there is evidence of a deep-history revision, and we do not have the associated deep-history reports.