

AGRICULTURAL AND BUSINESS CONDITIONS

IN THE TWELFTH FEDERAL RESERVE DISTRICT

Monthly Report to the Federal Reserve Board

by

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No. 6

THERE was a marked increase in trading activity in this district during May and reported sales at both retail and wholesale were greater in value than in the same month last year. In the retail trade, sales of 32 representative department stores and mail order houses were 15.5 per cent greater in value in May, 1922, than in May, 1921, this being the first month of the present year during which the value of such sales has been greater than in the corresponding month a year ago. In the wholesale trade the various lines (except automobile tires and shoes) report increases of 1 to 51 per cent in the dollar value of their sales during May, 1922, compared with May, 1921, by far the most favorable showing made this year. These increases evidence the greater purchasing power of the community growing out of increased activity in industry, an improved employment situation, and advancing prices for farm products.

Since January of this year there has been a steady increase in the production of lumber in this district and in May, reporting lumber mills operated at 100 per cent of normal capacity for the first time in two years. Orders received exceeded the output, and unfilled orders on hand at the close of the month were nearly twice as large as one year ago. Several of the principal copper mines of the district which recently resumed operations are now producing ore, and one more large company announced the opening of its mine during the month. During the present year each month's daily production of petroleum in California has exceeded that of the previous month, the month of May setting a production record of 357,376 barrels per day. Stored stocks of petroleum in that state, at 42,041,461 barrels, stand at the highest figure reached in the past five years.

Reported increases in industrial activity are confirmed by increased sales of electric power for industrial purposes. The most noteworthy improvement is reported in the Intermountain district where, largely in response to the growing needs of the mining industry, sales of electric power during April increased approximately 30 per cent over the previous month.

The crops of the district made favorable progress during May and normal yields are expected in most sections. Prices already made on some varieties of deciduous fruit are uniformly higher than those paid to the grower a year ago. Shearing of wool has been completed except in some parts of the northern states and about 90 per cent of the district clip (72,250,000 pounds) has already been sold. New clip wool has recently been purchased for 35 to 45 cents per pound compared with prices of 15 to 17 cents paid at this time last year.

The banking situation in the district changed little during the month. Rediscounts with the Federal Reserve Bank, both by city and country member banks were reduced, the total on June 14th being \$1,255,000, or 2.9 per cent, less than on May 10th. Loans and discounts of reporting member banks remained practically stationary and on June 7th were \$853,560,000 compared with \$853,231,000 on May 3rd. Interest rates on commercial paper (bought through brokers) and on customers' paper in four of the leading financial centers of the district declined one-quarter to one-half of 1 per cent during the month.

Building activity continues at record figures, the number of permits issued during May having been exceeded only in one month, October, 1921. Permits issued were 32.1 per cent greater in number and 59.1 per cent greater in value than in May, 1921. Debits to individual accounts in the district were 3.1 per cent greater

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in the four weeks ending May 31, 1922, than in the same four weeks in 1921, indicating an increase in the volume of business transacted. **Business failures** were less in number in May than in April, but liabilities were greater. Compared with May, 1921, the number of failures increased 14.5 per cent and the amount of liabilities 27.8 per cent. Savings deposits in the principal cities of the district have increased in each of the past seven months except April, and on May 31, 1922, were 4.4 per cent greater than on May 31, 1921.

In this district the condition of winter wheat declined during May, according to United States Department of Agriculture reports, and on June 1, the forthcoming 1922 crop **Grains** was estimated at 71,862,000 bushels, as compared with a May 1st forecast of 72,877,000 bushels, and a final estimated yield of 80,102,000 bushels in 1921. Since June 1st, drying winds are reported to have affected the condition of growing grains unfavorably in sections of Oregon and Washington. Planting of spring wheat has been delayed by unfavorable weather, but was finally completed late in May. The total acreage of spring wheat this season is reported to be slightly less than in 1921, being estimated at 2,233,000 acres compared with 2,253,000 acres sown the previous year. Based upon the acreage and condition

given, a yield of 40,261,000 bushels of spring wheat is estimated compared with 41,943,000 bushels harvested during 1921.

Under favorable weather conditions, barley fields in California matured rapidly, and the 1922 barley harvest is now in progress. A yield of approximately 36,840,000 bushels is in prospect. The 1921 barley crop in California was estimated at 29,700,000 bushels.

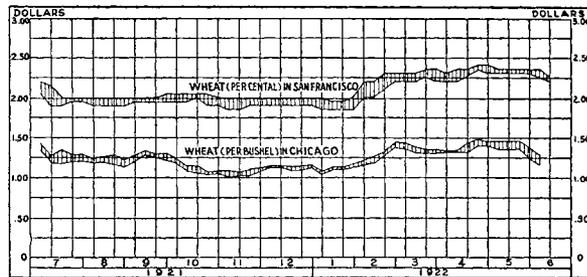
Total 1922 season plantings, and comparative estimated yields of wheat, barley and oats in the district follow:

	Acreage 1922 (acres)	Estimated Yield 1922 (bushels)	Actual Yield 1921 (bushels)
All Wheat ...	5,812,000	112,261,000	122,045,000
Barley	1,479,000	46,478,000	39,148,000
Oats	889,000	33,695,000	34,343,000

Comparative estimates of condition and yield of winter wheat, and of acreage, condition and yield of spring wheat, by states, are shown in table "A."

Movement of surplus stocks of 1921 crop wheat from the Pacific Coast continued in fair volume during May. Movement of 1921 crop barley from California practically ceased during May, stocks of barley remaining in that state on June 1st being estimated at 942,120 centals as compared with stocks of 5,059,340 centals held on December 1, 1921, and with 2,423,520 centals held on June 1, 1921. (One cental of barley equals approximately two bushels.)

Wheat prices on the Pacific Coast declined during May, in sympathy with the abrupt decline of wheat prices in eastern markets (see accompanying chart). Price fluctuations of wheat in the large marketing centers are reported to have been accentuated this season by the close adjustment of world supply and demand, and the absence of a stabilizing wheat surplus in European granaries. No. 1 Hard Wheat is now (June 16th) quoted at \$1.14 to



Weekly range in prices at Chicago for No. 2 red wheat (per bushel) and at San Francisco for milling wheat (per cental) during 1921-1922 cereal year

(A) Condition, Acreage and Estimated Yield of Wheat—

	WINTER WHEAT					SPRING WHEAT							
	Condition (Per cent of normal)				Estimated Yield*		Acreage Sown*		Condition (Per cent of normal)			Estimated Yield*	
	June, 1922	May, 1922	June, 1921	10-year average	1922 (bushels)	1921 (bushels)	1922 (acres)	1921 (acres)	June, 1922	June, 1921	10-year average	1922 (bushels)	1921 (bushels)
Arizona	92	92	75	..	1,330	840	..	..	..	..	..	..	..
California	90	90	80	78	13,347	8,355	..	..	..	..	..	..	..
Idaho	85	88	98	93	8,712	10,279	679	700	91	98	95	15,633	16,800
Nevada	93	..	96	94	48	61	22	18	93	96	94	593	432
Oregon	90	91	99	93	18,533	20,125	249	262	85	95	93	3,170	4,192
Utah	91	93	103	90	2,639	2,985	136	126	92	99	94	3,253	3,314
Washington ..	79	85	96	89	27,253	37,457	1,147	1,147	83	91	92	17,612	17,205
12th District...	..	..	..	..	71,862	80,102	2,233	2,253	..	..	..	40,261	41,943
United States..	81.9	83.5	77.9	81.5	607,333	584,795	18,639	19,706	90.7	93.4	92.8	247,175	207,861

*000 Omitted.

\$1.20 per bushel in the San Francisco market, as compared with prices of \$1.41 to \$1.44 per bushel on May 16th. The price of barley declined 10 cents per cental during the past month and is now (June 16th) quoted at \$1.30 to \$1.35 per cental, in the San Francisco market.

Flour output of 65 reporting mills in this district was at one-third of capacity during May, 1922, the figures showing little change as compared with the previous month or the same month a year ago (see table "B").

Sales of flour during May are reported to have been small in volume as buyers are purchasing only to meet current requirements, a situation which is expected to continue until new crop wheat is available and wheat and flour prices are more nearly in adjustment. Millers in the Pacific Northwest report that prices of desirable grades of milling wheat remain at high levels, although wheat prices in general declined sharply during May.

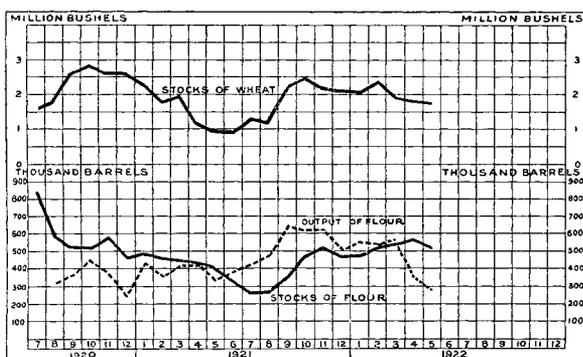
The trend of milling activity in this district, as indicated by the reports of 16 large milling companies, is shown in the accompanying chart. Total stocks of flour on hand June 1st are shown to be smaller than on May 1st, indicating that millers are producing less flour than they are selling in order to reduce surplus stocks, which have been slowly accumulating since the first of the year.

On June 15, 1922, stocks of 1921 crop California rice held in growers' hands were estimated at 1,000,000 bags of 100 pounds each (figures quoted refer to paddy or rough, uncleaned rice). The total crop last year amounted to 2,646,000 bags (132,300 tons). According to growers' estimates, the larger part of the rice sold during the 1921-1922 season has been moved at prices ranging from \$2.52 to \$2.70 per 100 pounds, the average return to the growers being \$2.52½ per 100 pounds of paddy rice of all grades. At the present time (June 15th) growers are reported to be receiving prices equivalent to \$2.75 per 100 pounds for No. 1 grade paddy rice, compared with \$2.00 per 100 pounds a year ago.

Nearly two-thirds of the 62 per cent of the 1921 California rice crop which has already been sold has been marketed in Japan. Between July 1, 1921, and June 1, 1922, approximately 56,000 tons (the equivalent of 1,120,000 bags of 100 pounds each) of California rice was exported to Japan, an amount equal to 40 per cent of the 1921 crop. The Japanese rice crop in 1921 was reported to be 1,494,237 tons (29,884,740 bags) below that of the previous year (9,974,437 tons or 199,488,740 bags) and a shortage of rice resulted, causing Japan to become a heavy importer of this foodstuff. It is estimated that approximately 450,000 tons (9,000,000 bags) of foreign rice will be needed in Japan this year in addition to the supply obtained from Korea.

Weather conditions have been favorable this spring in California for planting and starting rice, although the crop is from two to three weeks later than usual. It is estimated that approximately 140,000 acres of land are now planted, as compared with 120,000 acres in 1921.

Weather conditions during May have been favorable throughout the district for deciduous fruits, and large yields of the principal varieties are expected. The apple crop in the Pacific Northwest, although large, will be smaller than the record crop of 1921. In California the 1922 crop probably will be larger



Monthly Flour Output, and Stocks of Wheat and Flour at End of Month, of 16 Reporting Milling Companies

(B) Milling—

	No. Mills Reporting		Output		Per Cent Mill Capacity in Operation		
	May, 1922	April, 1922	May, 1922 (barrels)	April, 1922 (barrels)	May, 1922	April, 1922	May, 1921
California	10	10	178,847	171,360	43.5	42.5	44
Idaho	5	3	27,600	13,566	49.1	55.1	47
Oregon	22	22	68,620	88,157	18.3	24.2	28
Washington	28	26	245,733	221,863	35.6	33.1	29
District	65	61	520,800	494,946	33.7	33.8	34

than the 1921 crop. For the entire district the 1922 estimate is for a yield of 39,882,000 bushels (approximately one bushel in a standard size box), as compared with 46,450,000 bushels harvested in 1921. The past month has brought improvement in the condition of peaches, the present estimate for this year's crop in California being 16,800,000 bushels (420,000 tons), which compares with the 1921 crop of 12,848,000 bushels (320,000 tons). Department of Agriculture estimates of condition and yield of apple and peach crops in this district, by states, for 1921 and 1922 are presented in table "C."

A larger than normal yield of berries, cherries and pears is in prospect in the Pacific Northwest, but reliable details are lacking. In California the condition of the principal fruit crops other than apples and peaches is shown in the following table prepared from figures furnished by the United States Department of Agriculture.

	Condition (per cent of normal)			
	June 1 1922	May 1 1922	June 1 1921	June 1 (average)
Apricots	55	52	45	68
Cherries	70	90	63	76
Pears	80	92	61	79
Plums	78	..	70	73
Prunes	76	95	69	78

Commercial factors estimate that total shipments of fresh deciduous fruits from California during the 1922 season will be from 50,000 to 55,000 carloads, compared with 42,000 carloads shipped in 1921. These shipments must compete with increased yields in Eastern states of most varieties of fruits. The Eastern crop last year was abnormally small.

Representative California fruit canners express indecision as to the extent of their operation during this season. They have not yet announced their opening prices on 1922 pack canned fruits. The following prices are being paid to growers of apricots, cherries, peaches and pears, compared with those paid in 1921 and 1920:

	Prices to Growers for Canning Fruits		
	1922 (per ton)	1921 (per ton)	1920 (per ton)
Apricots (Santa Clara)	\$100.00	\$ 60.00	\$100.00
Cherries (Black)	200.00	120.00	240.00
Peaches (No. 1 Cling)	60.00	35.00	110.00
Pears (No. 1 Bartlett)	71.25	61.75	100.00

A decline in the condition of the California prune crop has reduced commercial estimates of the 1922 yield from 150,000 to 105,000 tons, compared with 100,000 tons in 1921. Preliminary estimates of the prune crop in the Pacific Northwest indicate a yield of between 25,000 and 35,000 tons, compared with 14,000 tons in 1921. In May, independent California packers of dried fruit named basis opening prices on 1922 crop prunes, later revising them upward due to unfavorable reports on the new crop. Comparative basis opening prices for 1922 and 1921, and revised prices for 1922 crop prunes are as follows:

Size	Revised Opening Prices	Opening Prices	
	1922 Crop (per pound)	1922 Crop (per pound)	1921 Crop (per pound)
30/40.....	11½-11¾¢	10¼-10½¢	9¼-9½¢
40/50.....	9¼- 9½¢	8¼- 8½¢	7½-7¾¢
50/60.....	8¼- 8½¢	7 - 7¼¢	6 -6¼¢

It is estimated that the 1922 dried apricot tonnage will be small. Opening prices for Santa Clara "Blenheim" dried apricots have already been advanced approximately 4 cents per pound. The grade known as extra choice San Joaquin dried apricots, 1922 crop, opened at 23¾ cents per pound, and is now quoted at 24¼ cents, compared with 18¼ cents in 1921.

Shipments of oranges from California during May, 1922, totaled 3,151 cars, compared with 6,174 cars shipped during May, 1921.

Valencia oranges (which comprised the bulk of shipments during May) are reported this season to be only fair in quality and small in size. Members of the California Fruit Growers Exchange received an average price (f. o. b. California) of \$5.09 per box for oranges during May, 1922, as

(C) Condition and Estimated Yield of Apples and Peaches—

	APPLES					PEACHES				
	Condition			Estimated Yield*	Actual Yield*	Condition			Estimated Yield*	Actual Yield*
	June 1, 1922	June 1, 1921	10-year average	1922 (bushels)	1921 (bushels)	June 1, 1922	June 1, 1921	10-year average	(bushels)	(bushels)
California ...	83	53	79	7,221	6,500	98	73	82	16,800	12,848
Idaho	79	83	..	3,800	4,280	53	49	..	208	150
Oregon	80	90	83	5,100	5,571	82	50	65	400	190
Utah	93	80	..	1,007	1,037	85	53	64	1,034	763
Washington .	85	93	90	22,754	29,062	77	59	72	1,171	772
Total				39,882	46,450				19,613	14,723

*000 Omitted.

compared with \$4.49 per box in April, 1922, and \$2.75 per box in May, 1921. Exchange growers received an average price of \$4.68 per box for lemons during May, 1922, as compared with \$3.11 per box in May, 1921.

It is reported that little apparent permanent damage was done to orange groves by the killing frosts in January, although this year's crop will be curtailed as a result of the close pruning of fruit bearing wood made necessary in many orchards. Many lemon groves were severely injured, however, and the California Fruit Growers Exchange now estimates that approximately 2,000 acres of lemon trees will be pulled out this year or grafted to oranges. Orange and lemon crops now blooming and setting were reported by the United States Department of Agriculture to be in the following condition (as of June 1st):

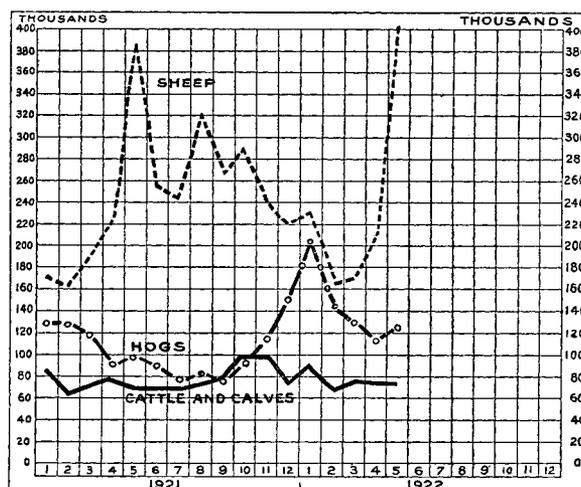
	Condition (percent of normal)			
	June 1 1922	May 1 1922	June 1 1921	10-year average
Oranges	75	78	92	92
Lemons	63	66	90	90

Favorable weather has prevailed over the range territory during the past month and a definite improvement in the condition of livestock is reported from all sections of the district, except the

Livestock southeastern part of Arizona, where a drouth is menacing feed and water supplies. Final reports on the spring lamb crop of the district show more serious losses, and a smaller total increase, than earlier estimates indicated. The normal average percentage of

increase in the district over a period of years is approximately 80 to 85 per cent but this year's increase is reported to be approximately 70 per cent.

Receipts of sheep during May, 1922, at eight principal markets of the district (403,390) show a large seasonal increase over receipts during April, and were three per cent larger than during May, 1921 (see table "D" and accompanying chart). Receipts of cattle show a decrease during May, as compared with April, but were larger than during May one year ago. Receipts of hogs continue considerably larger than they were a year ago.



Receipts of Livestock at Eight of the Principal Markets of the District 1921-1922. (Los Angeles, Ogden, Portland, Salt Lake City, San Francisco, Seattle, Spokane and Tacoma included)

(D) Receipts of Livestock—

	Cattle		Calves		Hogs		Sheep		Horses and Mules	
	May, 1922	May, 1921	May, 1922	May, 1921	May, 1922	May, 1921	May, 1922	May, 1921	May, 1922	May, 1921
*Los Angeles.....	17,241	14,827	8,529	6,293	36,179	25,059	43,290	41,265	..	..
Ogden	3,915	842	157	86	13,897	9,554	176,738	129,794	65	164
Portland	11,188	8,934	949	730	17,555	11,766	23,317	34,796	..	..
Salt Lake City...	3,309	1,999	163	97	6,174	3,683	57,533	64,688	107	114
*San Francisco ..	14,155	16,531	4,459	5,035	31,613	27,449	90,238	95,952	..	..
Seattle	4,564	3,894	79	142	11,824	12,276	5,176	5,802	75	29
Spokane	1,897	4,639	257	183	2,850	1,640	4,161	14,239	98	98
Tacoma	2,196	1,798	18	16	5,650	6,415	2,937	5,267	..	..
Twelfth District..	58,465	53,464	14,611	12,582	125,742	97,842	403,390	391,803	345	405

*Receipts in the Los Angeles and San Francisco Bay districts represent a majority of the animals slaughtered in California.

(E) Range in Livestock Prices—

Week of	Highest and Lowest Average Top Prices Per Hundredweight Received at Above Markets During May.				
	Fat Steers	Cows	Calves	Hogs	Lambs
May 8.....	\$7.00—8.50	\$4.50—7.00	\$6.50—11.00	\$10.10—12.00	\$8.50—14.50
May 15.....	7.25—9.00	5.50—7.25	6.50—11.00	10.25—12.00	8.50—14.00
May 22.....	7.25—9.00	5.00—7.25	6.50—11.00	10.50—12.00	8.50—13.10
May 29.....	7.00—9.00	5.00—7.25	6.50—11.00	10.50—12.50	8.50—13.10

In California marketing centers the trend of cattle prices was slightly downward during May (a normal tendency in this section at this time of the year). California cattle buyers, as well as buyers from the Pacific Northwest and Intermountain states, are now seeking fat cattle in California. Only a small supply is reported to be available. Other states of the district report that few fat cattle will be available for market before August or September.

The weekly range of top prices for livestock at the principal markets of the district during May is presented in table "E" (see preceding page).

Reports from wool growers indicate that early season estimates of the 1922 wool clip (72,250,000 pounds) remain approximately correct, although the clip in several sections is reported as slightly below expectations. Sheep shearing progressed rapidly during May, and by the end of the month approximately 90 per cent of the total clip had been collected.

Wool buyers have been active during this season and growers have freely disposed of their holdings. Wool is being sold as fast as sheared and sacked, and over 90 per cent of the total wool clip of this district is reported to have been disposed of by outright sale or contract by the first of June.

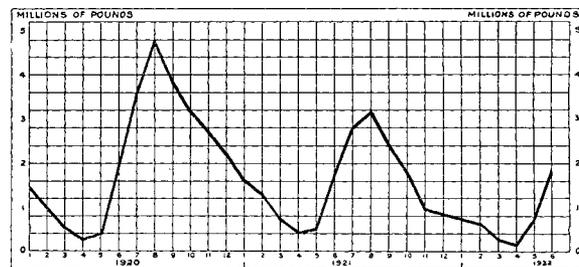
Further improvement in the statistical position of wool in domestic and foreign marketing centers, has been accompanied by advancing prices for raw wools. Growers are reported to be selling (on June 1st) average clips of fine grade, uncleaned wools at prices ranging from 35 to 40 cents per pound, as compared with prices of from 30 to 35 cents per pound secured one month ago. A year ago, comparable grades of wool sold at 15 and 17 cents per pound. More recently, some choice lots of wool are reported to have sold at 45 cents per pound. Growers in some sections are holding their remaining wool for this price or better.

During May there was an increase in the production of butter throughout the district and in California marketing centers large amounts were stored at advancing prices. A total of 1,066,969 pounds of butter moved into cold storage in the four principal markets of the district during the month, increasing holdings at these markets to 1,805,178 pounds on June 1, 1922, compared with holdings of 1,717,322 pounds on the same date a year ago (see table "F").

Butter prices in San Francisco advanced during May, fresh creamery butter (93 score)

which was selling on May 15th at 36½ cents a pound being quoted at 39½ cents on June 15th. A year ago this grade of butter was selling at 34½ cents. The explanation given for this advance is the continued demand for butter from other sections, including the Pacific Northwest, where a scarcity of butter exists because of the lateness of the spring season, which is the season of heavy production.

The average price to producers for raw milk declined 1 cent per 100 pounds in the Mountain



Seasonal Movement of Holdings of Cold Storage Butter at Four Principal Markets of the District, 1920-1922

Section during May, 1922 (see table "G"), and declined 18 cents per 100 pounds in the Pacific Section during the same period. Compared with May, 1921, prices have declined \$0.40 and \$0.66 per 100 pounds in the Mountain and Pacific sections, respectively.

The trend of prices was upward during May, continuing, although at a slower pace, the movement in progress during the present year.

The rapid advance in the prices of cotton and wool and the steady upward movement of the prices of cattle (on the Chicago market) were the outstanding

(F) Movement of Stocks of Cold Storage Butter—

	May, 1922 Net Increase (pounds)	May, 1921 Net Increase (pounds)	June 1, 1922 Holdings (pounds)	June 1, 1921 Holdings (pounds)
Los Angeles...	324,885	326,123	685,686	498,178
Portland	53,187	98,161	55,572	108,772
San Francisco.	648,535	583,673	1,022,230	865,700
Seattle	40,362	200,814	41,690	244,672
Totals	1,066,969	1,208,771	1,805,178	1,717,322

(G) Prices Received by Milk Producers*—

Section†	May, 1922 Range	May, 1922 Aver- age	April, 1922 Aver- age	May, 1921 Aver- age
Mountain (7 Mkts.)....	\$1.29-2.80	\$1.92	\$1.93	\$2.32
Pacific (9 Mkts.).....	1.45-3.80	2.16	2.34	2.82
U. S. (104 Mkts.).....	1.14-4.65	2.08	2.16	2.52

*All prices per hundredweight for milk testing 3.5 per cent butter fat.

†Mountain Section includes Idaho, Utah, Nevada and Arizona. Pacific Section includes Washington, Oregon and California.

features of the month. The principal price decline was in wheat which sold for July delivery at \$1.18 per bushel on June 2nd, compared with a price of \$1.39¾ on May 5th for May delivery. One year ago wheat for July delivery sold at \$1.33 to \$1.40 per bushel.

Deciduous fruit prices are definitely higher than one year ago. Trading in fresh, canned and dried fruit proceeded on a limited scale, the market being restricted by the small stocks available for sale and overshadowed by the impending new crop. New crop prices already named for choice dried apricots (23 cents per pound f. o. b. California) are 2 to 3 cents above those of one year ago and 1922 crop prunes are being quoted at prices one cent a pound higher than the 1921 opening prices. In the citrus fruit market oranges sold at advanced prices during May and lemons held the gains of recent months.

Rapid advances in the price of lead and slight increases in the selling price of copper were noted in the metal market during the

month. Lumber prices fluctuated from week to week but are generally at the same levels as at the close of April, and well above prices of one year ago.

Changes in the prices of some of the principal products of the district are shown in table "H."

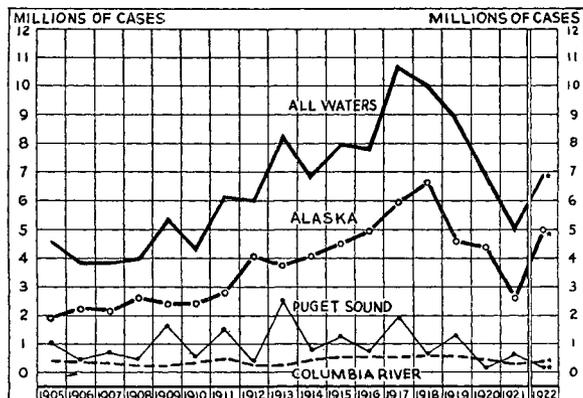
Canned salmon has been steadily moving into consumption during the present season (June 30, 1921, to June 30, 1922) and for the first time since 1919 stocks on the Pacific Coast are reported to be approximately normal. The 1921 pack of salmon by American canners was estimated at 3,617,396 cases and the carryover from the 1920 season at 2,160,000 cases (chiefly of the Pink and Chum varieties) making the total available for the 1921 season 5,777,396 cases. On June 1, 1922, total stocks of canned salmon remaining on the Pacific Coast (exclusive of British Columbia) were estimated at 1,045,000 cases. Stocks of salmon held by jobbers and retailers in the large marketing centers of the

(H) Commodity Prices—

Commodity	Unit	June 2, 1922	One Month Ago	One Year Ago	
Twenty Basic Commodities (F. R. B. of N. Y.) 1913=100.		138.1	133.1	127.0	
Wholesale Prices (U. S. Bureau of Labor*) 1913=100....		148.0	143.0	145.0	
Cost of Living (National Industrial Conference Board)					
July, 1914=100		154.9	154.8	165.7	
Cattle (Native Beef)... Weekly average price at Chicago..	100 lbs.	\$8.40	\$8.25	\$8.15	
Sheep	100 lbs.	7.10	9.00	4.60	
Lambs	100 lbs.	12.20	14.85	11.90	
Hogs	100 lbs.	10.45	10.25	7.90	
Wheat	Chicago contract prices for July and May				
Wheat	bu.	1.19¾-1.18†	1.42½-1.39¾‡	1.40¾-1.33½†	
Barley	Shipping Barley F. O. B. San Francisco.	1.35-1.40	1.45-1.55	1.30-1.35	
Rice	California Fancy Japan at San Francisco	\$4.85	\$4.90	\$4.20	
Cotton	Middling Uplands—Weekly range of spot quotations at New Orleans.....	lb.	20.50¢	18.12¢	11.75¢
Wool	Average of 98 quotations at Boston.....	lb.	71.44¢	58.98¢	40.92¢
Sugar	Beet granulated F. O. B. San Francisco.	lb.	5.90¢	5.60¢	6.55¢
Apples	N. W. Winesaps at New York.....	box	2.25-5.00	2.25-5.00	....
Oranges	Valencias, special brands, Los Angeles..	box	7.50-8.00	7.25-7.50	3.50-4.00
Lemons	Loose pack at Los Angeles.....	box	2.50-2.75	2.50-3.00	1.25-1.75
Dried Apples....	Choice in 50-lb. boxes F. O. B. California	lb.	.16½	.16½	.09½-.09¾
Dried Apricots...	Choice in 25-lb. boxes F. O. B. California	lb.	.23§	.26	.20-.21
Prunes	Size 40-50 in 25-lb. boxes F. O. B. Calif..	lb.	.12¼-.12½§	.14-.14¼	.11¼-.11¾
Raisins	Loose Muscatel in 25-lb. boxes F. O. B. California	lb.	.15¾	.15¾	.24¾
Canned Apricots.	Choice 2½s F. O. B. California.....	doz.	3.00	3.00	2.25
Canned Peaches..	Cling choice, 2½s F. O. B. California....	doz.	2.60	2.60	2.70
Canned Pears....	Bartlett, Standard 2½s, F. O. B. Calif....	doz.	3.00	3.00	2.65
Butter	93 score at San Francisco.....	lb.	.38½	.35	.35
Eggs	Extras—San Francisco.....	doz.	.27½	.27½	.28½
Copper	Electrolytic; New York Spot.....	lb.	.137½-.14	.13-.13½	.12½
Lead	New York Spot.....	lb.	5.65-6.00¢	5.25-5.50¢	4.70¢
Petroleum	California 35° and above.....	bb1.	2.45	2.45	2.70
Douglas Fir.....	2x4, 16-ft. No. 1 S1S1E F. O. B. Seattle..	M feet	14.50	14.50	12.50
Douglas Fir.....	12x12 Timbers F. O. B. Seattle.....	M feet	17.00	17.00	16.00

*Revised figures.
 †July wheat. ‡May wheat.
 §1922 Crop prices.

country are thought to be light as they have bought sparingly and to meet current needs only.



*Canners preparations for 1922 pack.

Total World Pack of Canned Salmon by Districts 1905-1921 inclusive, and canners' preparations for 1922 Pack

The trend of prices during the past year has been downward, as shown by the following comparison of spot prices for the principal varieties of salmon on June 1, 1922, with opening prices for these varieties in 1921:

Variety	Spot Price June 1, 1922 (per doz. No. 1 tall cans)	Opening Price, 1921 (per doz. No. 1 tall cans)
Alaska Reds	\$2.25	\$2.35
Pinks	1.05	1.10
Chums .....	.95	1.00

Alaska Red salmon sold within the above range of prices throughout the year. Prices of the Pink and Chum varieties dropped as low as 70 cents and 60 cents per dozen cans before the active demand for canned salmon during January and February, 1922, reduced the large surplus holdings. Subsequently all salmon prices advanced, the price of the Pink and Chum varieties rising to a level 5 cents above 1921 opening prices. In the late spring prices declined as the demand for canned salmon diminished. During the past two months (normally a period of activity in the canned salmon market) there have been some price concessions on cheaper grades.

The intent of canners to put up a larger pack of canned salmon this year than in 1921 is indicated in the preparations for the 1922 pack, as shown in the following table:

	Pack Preparations 1922 (cases)	Actual Pack 1921 (cases)
Alaska	4,994,000	2,604,973
Puget Sound	160,000	653,490
Columbia River	450,000	323,241
Other U. S. Waters.....	117,000	35,692
Total	5,721,000	3,617,396

Private factors estimate that the actual 1922 pack of canned salmon in American waters probably will be between 4,000,000 and 4,500,000 cases (from 70 to 80 per cent of pack preparations) as compared with an actual pack of 3,617,396 cases during the 1921 season.

For the first time in two years reporting lumber mills in Oregon, Washington and Idaho operated at 100 per cent of normal capacity during May, compared with

Lumber 95 per cent in April and 75 per cent in January. In California the output of some white and sugar pine mills was slightly curtailed during May, due to strike conditions, but these mills are now reported to be operating at normal capacity.

Based on reports of 191 mills in the four lumber associations in this district, production of lumber in May, 1922, was 543,283,000 feet compared with 388,109,000 feet in May, 1921, an increase of 155,174,000 feet, or 39.9 per cent. The volume of sales also increased during May, 1922, orders received by reporting mills totaling 607,159,000 feet compared with 424,725,000 feet in April, 1922, and 354,132,000 feet in May, 1921, an increase of 42 per cent over the previous month and 71.4 per cent over May, 1921. Shipments made during May, 1922, amounted to 546,977,000 feet compared with 424,725,000 feet shipped in April, 1922, and 350,231,000 feet shipped in May, 1921. In the three associations for which figures are available unfilled orders at the close of May totaled 481,490,000 feet compared with 426,940,000 feet on April 30, 1922, and 251,234,000 feet on May 31, 1921.

There was little change in the domestic market for lumber during the past month. Although there was a slight decrease in the demand for lumber from California, a corresponding increase in the demand for lumber to be used in railroad work was reported. Many mills that in the immediate past have supplied only intercoastal and foreign trade, received orders from the agricultural sections of the Middle West during May, and that large lumber consuming territory again appears to be actively in the market. Approximately 75 per cent of the present domestic demand for lumber is from retail yards and is thought to be largely for use in general building and construction work. The improvement which has been discernible in the lumber market during the past few months is reflected in the sharp upward movement of prices of many items, the advance beginning during the month of April. Prices (f. o. b. mills) of representative items of Douglas fir, California redwood and sugar

pine as of June 3, 1922, April 1, 1922, and June 4, 1921, are shown in the following table:

	June 3, 1922 (per M)	April 1, 1922 (per M)	June 4, 1921 (per M)
Douglas fir (f. o. b. mills)			
No. 2 grade and better			
F. G. finish 1x8-10, 6 to 16 feet	\$51.00	\$51.00	\$51.00
No. 2 grade and better F. G. ceiling 5/8x4, 10 to 16 feet	31.00	28.00	21.00
No. 2 grade and better drop siding 1x6, 10 to 16 feet..	35.00	30.00	23.00
No. 1 common timber 12x32 and under	17.00	15.00	16.00
Redwood (f. o. b. mills)			
clears 1x5, 14 to 20 feet..	80.00	80.00	85.00
Rustic 1x4, 14 to 20 feet...	80.00	80.00	90.00
Sugar Pine (f. o. b. mills)			
No. 1 and 2 clear, 4x4....	160.00	155.00	150.00
No. 1 shop, 5 and 6x4.....	68.25	64.80	55.00

In the foreign market, Australia, Chile, China, Peru and Japan were the largest purchasers of Pacific Coast lumber during the month of May.

Log production in the district during May was estimated to be 90 per cent of the normal capacity based on working days of eight hours. Weather conditions have improved and only a few camps at the higher elevations are now prevented from operating by snow and ground conditions. Log production in the inland mountains is increasing rapidly while on the coast operators are gradually amassing stocks of logs sufficient to insure sawmills a continuous cut while at the same time permitting the usual two weeks shut down of logging camps begin-

ning about July 4th. The present supply of logs is reported to be 15 per cent greater than in April, 1922, and 25 per cent greater than in May, 1921.

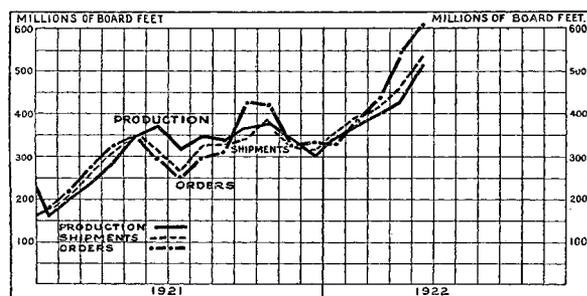
Comparative figures of the cut, orders, shipments and unfilled orders of the four associations in this district during May, 1922, and May, 1921, are shown in table "I."

Reports received from eight of the 17 principal copper mines in this district show that they produced 22,764,000 pounds of copper in

April, 1922, compared with 19,288,000 pounds in March, 1922, and 14,747,000 pounds in April, 1921. It was in

April, 1921, that the policy of drastic curtailment of output was put into effect by nearly all of the principal copper mines in order to reduce large surplus stocks, and it is only recently that this policy has been abandoned or modified. In addition to mines which have previously renewed operations (commented upon in our April report) recent reports from the copper mining regions of this district announce the resumption of production by the United Verde Copper Company in its Arizona mines and the resumption of smelting by the International Smelting Company's plant at Tooele, Utah.

The advance in the price of refined copper which began about the middle of April was accelerated in May, the price of electrolytic copper for prompt delivery at New York City being now (June 12th) 14 cents per pound, compared with 12 5/8 cents during the first part of April when the lowest price of this year was recorded. Only once before since November, 1920, has copper sold for as high as 14 cents, namely for a few days in December, 1921. The recent strength of the market is attributed to the heavy sales which have been consummated, those for May being estimated at 200,000,000 pounds, the largest of any month since March, 1920. Production of copper in the United States during April was 59 per cent of normal, compared with 46 per cent of normal during March.



Lumber Production, Orders Received, and Shipments in Twelfth Federal Reserve District as Reported by Four Lumber Associations, 1921-1922

(I) Lumber—

	West Coast Lumbermen's Association		Western Pine Manufacturers' Association		California White and Sugar Pine Manufacturers' Association		California Redwood Association		TOTAL	
	May, 1922	May, 1921	May, 1922	May, 1921	May, 1922	May, 1921	May, 1922	May, 1921	May, 1922	May, 1921
Average No. of Reporting Mills.	128	114	43	49	8	7	12	12	191	182
Cut*	350,683	233,753	117,075	94,198	31,943	24,230	43,582	35,928	543,283	388,109
Shipments*	359,153	255,325	121,281	64,495	31,342	12,619	35,201	17,792	546,977	350,231
Orders*	400,512	260,049	137,825	59,275	27,002	14,025	41,820	20,783	607,159	354,132
Unfilled Orders* ..	285,030	180,837	140,700	37,000	..	..	55,760	33,487	481,490	251,324

*In thousands of feet.

Reports received from 15 mines in the district engaged in the production of gold, silver and lead show a small decrease in the actual output of metal in April, 1922, compared with March, 1922, and an increase in the production of silver and lead and a decrease in output of gold compared with April a year ago.

Comparative figures of the output of metal of 15 reporting mines in April, 1922, March, 1922, and April, 1921, follow:

	April 1922	March 1922	April 1921
Gold (oz.)	33,774	34,189	46,329
Silver (oz.)	676,849	718,822	499,956
Lead (lbs.)	5,758,095	5,879,550	5,542,870

The 10 per cent reduction in interstate railroad freight rates, effective July 1st, insofar as it reduces the cost of mining supplies and lowers the charges for shipping ore and metal is expected to help the mining industry. In many sections the cost of producing metal is still proportionately much higher than in pre-war years.

Average prices for copper, silver, lead and zinc (shown below) reflect the improvement which has taken place in the metal market during the last three months. The most noteworthy advance has been in the price of lead, the May average being 5.4 cents per pound compared with 5.1 cents per pound in April and 4.7 cents per pound in March.

	Average Price		
	May 1922 (cents)	April 1922 (cents)	May 1921 (cents)
Copper (lb.)			
(N. Y. Electrolytic)	13.361	12.823	12.992
Lead (lb.) (New York)	5.420	5.115	4.952
Silver (oz. troy)			
(New York Foreign)	71.154	66.575	59.810
Zinc (lb.) (St. Louis)	5.110	4.906	4.848

A new high record for production of petroleum in California was established in May, 1922, when the average daily output totaled 357,376 barrels, compared with

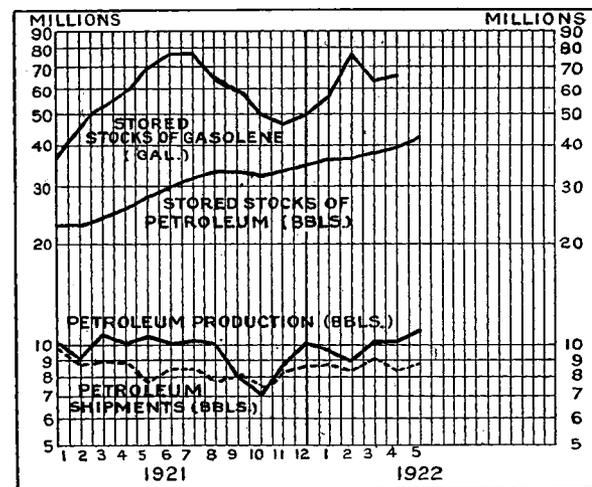
Petroleum 341,077 barrels in April, 1922, and 337,101 barrels in May, 1921. Consumption also increased slightly during the month, May average daily shipments of 284,910 barrels being 4,055 barrels greater than average daily shipments in April. With exception of September and October, 1921, when the oil workers' strike was in progress in the San Joaquin Valley oil fields, production has ex-

ceeded consumption in each of the last 18 months and, as a result, stored stocks on May 31st totaled 42,041,461 barrels, the highest figure reached during the past five years. Sixty-four new wells with an initial daily production of 45,685 barrels were completed during April and four wells abandoned, a net increase of 60 producing wells during the month.

In the accompanying tabulation, furnished by the Standard Oil Company of California, the proven area of California oil fields is shown as 97,255 acres. These figures represent only the actually proven area and make no allowance for the territory that is generally regarded as proven but which has not been fully drilled.

Statistics on oil field operations as furnished by the Standard Oil Company of California are shown in table "J."

	Proven Acreage Jan. 1, 1922	Total Barrels per acre to Jan. 1, 1922
Kern River	8,045	28,378
McKittrick	1,685	37,175
Midway-Sunset	42,709	10,365
Los Hills-Belridge	5,077	9,021
Coalinga	15,297	16,823
Lompoc-Santa Maria	8,409	12,556
Ventura-Newhall	5,068	5,697
Los Angeles-Salt Lake	2,700	20,810
Whittier-Fullerton	7,835	29,726
Summerland	230	10,394
Miscellaneous	200	5,450
	<u>97,255</u>	<u>15,051</u>



Production, Shipments and Stored Stocks of Petroleum, and Refinery Stored Stocks of Gasolene (California) 1921-1922

(J) Petroleum—

	May, 1922	April, 1922	May, 1921
Production (daily average)	357,376 bbls.	341,077 bbls.	337,101 bbls.
Shipments (daily average)	284,910 bbls.	280,965 bbls.	250,070 bbls.
Stored Stocks (end of month)	42,041,461 bbls.	39,795,057 bbls.	28,054,710 bbls.
New Wells Opened	64	49	59
With Daily Production	45,685 bbls.	17,330 bbls.	21,130 bbls.
Wells Abandoned	4	9	6

Activity in the principal industries of the district as reflected in sales of electric power for industrial purposes, approached normal levels, during April. In the district as a whole the mining industry consumed 28.4 per cent more power in April, 1922, than in April, 1921. Electric power sales to oil producers in California and to the lumber camps and mills of the Pacific Northwest were respectively 2 per cent and 36.8 per cent larger in April, 1922, than in April a year ago.

The usual seasonal increase in sales to agricultural consumers did not occur in April, 1922, and sales to this industry were 49.2 per cent less than in April, 1921, a decline accounted for by the lateness of the spring rains this year which lessened the need for power to pump water for irrigation purposes. Largely as a result of this decline in agricultural sales, total sales of industrial power in the district were 1.3 per cent less in April, 1922, than in April a year ago.

The following table presents some of the recent significant developments in sales of electric power for industrial purposes by districts and by industries:

Percentage Increase or Decrease (—) in Sales of Electric Power to Industries during April, 1922, as compared with April, 1921.

	Agriculture	Mining	Manufacturing	Total Industrial Sales
California	—50.6	3.2	4.8	—4.6
Pacific Northwest...	—39.4	23.8	—2.8	1.0
Intermountain	—47.1	185.9	—11.8	14.8
Twelfth District....	—49.2	28.4	1.1	—1.3

Statistics on production and sales of electric energy during April, as reported by 17 principal power companies in the district, are presented in table "K."

According to reports received from labor

authorities in the seven states of this district, the employment situation was further improved during May as compared with April. Compared with May, 1921,

Labor there has been a marked increase in employment in practically all sections and industries. Present unemployment is confined almost entirely to unskilled labor which is rapidly being absorbed in seasonal occupations. Continued unusual building activity has caused a shortage of skilled laborers in certain trades in some sections of the district. Part-time employment which was resorted to a year ago in many industrial plants and trades in some of the cities of this district has now been largely discontinued.

Increased activity in agriculture, railroad construction, building, lumbering and fishing has increased the demand for both skilled and unskilled laborers in all sections of the Pacific Northwest. Salmon fishing and canning began during the month of May furnishing employment for a large number of men. Reports from establishments in the principal lumbering sections of Oregon, Washington and Idaho show that 77,400 men were on the payrolls June 1, 1922, compared with 54,000 men on June 1, 1921, an increase of 23,400, or 43 per cent.

Little forced unemployment was reported in California during May, large construction projects and the farms of the state employing practically all of the available labor. The demand for laborers in the mining and petroleum industries increased during May but employment in these industries is still below normal. An employment survey recently made by the Bureau of Labor Statistics of the State of California shows that 546 manufacturing concerns in California employed 110,351 workers at the close of May, 1922, compared with 108,880

(K) Electric Energy—

	Plant Capacity K. W.			Peakload K. W.			Plant Output K. W. H.		
	April, 1922	March, 1922	April, 1921	April, 1922	March, 1922	April, 1921	April, 1922	March, 1922	April, 1921
California (8 companies reporting)	973,925	973,925	857,595	600,394*	651,636*	577,918*	278,542,418	273,414,999	285,940,114
Pacific Northwest (4 companies reporting) ..	320,995	311,905	305,495	101,631*	137,680*	97,734*	88,056,893	96,053,368	86,573,250
Intermountain States (5 companies reporting) ..	218,497	212,997	203,937	99,118*	85,962*	100,473*	48,131,266	42,150,236	43,250,032
Twelfth District (17 companies reporting) ..	1,513,417	1,498,827	1,367,027	801,143*	875,278*	776,125*	412,604,986	411,598,603	413,552,856

	Number of Industrial Consumers			Connected Industrial Load H. P.			Industrial Sales K. W. H.		
	April, 1922	March, 1922	April, 1921	April, 1922	March, 1922	April, 1921	April, 1922	March, 1922	April, 1921
California	49,366	48,552	45,216	1,295,259*	1,373,568*	1,210,804*	148,952,741	147,973,420	156,219,178
Pacific Northwest	8,920	8,703	8,773	122,740*	121,628*	116,529*	54,328,034	57,232,546	53,755,435
Intermountain States ..	9,769	9,688	8,877	270,391*	290,337*	252,100*	27,181,932	20,443,312	23,666,455
Twelfth District	68,055	66,943	62,866	1,688,390*	1,785,533*	1,579,433*	230,462,707	225,649,278	233,641,068

*Not reported by all companies. Figures so marked are comparable under respective headings and dates, but not strictly accurate for comparison with other portions of the table.

on April 30, 1922, and 104,227 on March 31, 1922.

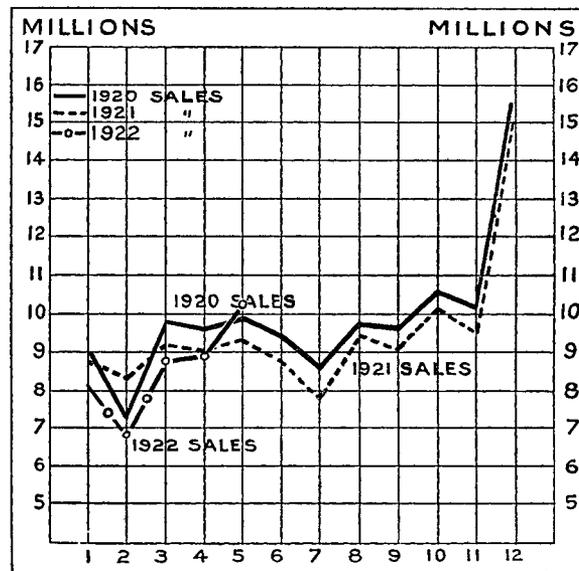
Employment in the Intermountain states (Arizona, Idaho, Nevada and Utah) during May, increased compared with April, due principally to increased mining activity and the need for laborers in the agricultural sections. Unemployment resulting from the coal miners' strike in Utah was reduced by the absorption of large numbers of coal miners in the copper mining industry which is again active after a period of depression lasting more than a year. A shortage of experienced miners was reported in some districts.

In Portland and Seattle employment in manufacturing industries increased during May compared with April but in Los Angeles and San Francisco a decrease occurred according to figures compiled by the United States Employment Service of the Department of Labor, from the reports of firms employing 501 men or more. Figures showing the actual and the percentage increase or decrease in employment in the manufacturing industries of these cities are given in the following table:

	Numerical Increase or decrease (—) in employment during May, 1922 compared with April, 1922	Percentage Increase or decrease (—) in employment during May, 1922 compared with April, 1922
Los Angeles.....	—197	— .7
Portland	25	.3
San Francisco.....	—222	— 3.0
Seattle	4	.1

Sales at retail were 15.5 per cent greater in

dollar value in May, 1922, than in May, 1921, according to reports received from 32 representative department stores and mail order houses in six cities of this district. This is the first month during the present year in which sales have been greater in value than in the same month a year ago, the declines in previous months ranging from 1.3 per cent in April to 9.1 per cent in February. Of the 32 reporting stores,



Net Sales of 22 Department Stores in Twelfth Federal Reserve District (In Millions of Dollars)

(L) Retail Trade Activity—

CONDITION OF RETAIL TRADE DURING MAY, 1922
In Federal Reserve District No. 12
(32 Stores Reporting)

	Los Angeles	Oakland	Salt Lake City	San Francisco	Seattle	Spokane	District
No. of reporting firms.....	6	4	4	8	5	3	32
Net sales (percentage increase or decrease) May, 1922, compared with May, 1921	24.0	3.1	— 3.3	19.5	9.4	— 8.1	15.5
May, 1922, compared with April, 1922	13.7	5.5	23.7	40.8	8.6	3.4	19.5
Period Jan. 1 to May 31, 1922, compared with the same period in 1921..	4.9	—12.5	—14.2	.3	— 3.8	—11.9	— 1.2
Stocks: (percentage increase or decrease) May, 1922, compared with May, 1921	1.1	3.7	2.2	4.8	— 7.5	1.8	— 9.0
May, 1922, compared with April, 1922	— 9.9	.1	— 3.4	— 8.7	— .4	— 3.5	— 6.3
Percentage of average stocks on hand at close of each month since Jan. 1, 1922, to average monthly sales during same period	433.9	602.8	542.9	450.4	435.1	694.2	462.7
Percentage outstanding orders at close of May, 1922, to total purchases during year 1921.....	7.9	..	..	10.0	11.4	6.9	9.1

20 showed an increase in the value of sales in May, 1922, compared with May, 1921. Compared with April, 1922, May sales increased in all reporting cities, the greatest gain (40.8 per cent) being in San Francisco where many large "sales" were held.

The amount of the average sale (cash, charge and C. O. D.) reported by 12 stores was \$2.21 in May, 1922, compared with \$2.27 in April, 1922, and \$2.18 in May, 1921. The number of individual sales transactions in May, 1922, was 19.9 per cent greater than in April, 1922, and 15.7 per cent greater than in May, 1921. Following is a statement of the average sale (cash, charge and C. O. D.) in Los Angeles, Salt Lake City, San Francisco and Seattle.

	May 1922	April 1922	May 1921
Los Angeles	\$2.25	\$2.62	\$2.33
Salt Lake City	1.87	1.87	2.18
San Francisco	2.64	2.44	3.06
Seattle	1.69	1.75	1.69
District	\$2.21	\$2.27	\$2.18

Collections were characterized by reporting firms as follows:

	Excellent	Good	Fair	Poor
Number of Firms.....	1	13	6	0

A statistical record of the movement of stocks on hand, outstanding orders, and the rate of turnover of stocks for reporting stores is given in the following table:

	Percentage increase or decrease (—) in the value of Stocks at end of month compared with same month of year previous	Percentage Outstanding Orders at end of month to total purchases during Year 1921	Annual Rate of Turnover of Stocks indicated at end of month
January, 1922..	3.4	8.9	2.4
February, 1922..	—4.3	10.3	2.3
March, 1922..	—2.4	9.5	2.3
April, 1922..	—4.3	7.2	2.4
May, 1922..	—9.0	9.1	2.6

Table "L" gives in detail statistics in regard to sales, stocks and outstanding orders as furnished by 32 department stores and mail order houses in this district (see opposite page).

Following a period of unusual dullness in April, trade at wholesale improved rapidly in May and the value of sales during the month compared favorably with sales in May, 1921. Detailed reports received from 192 representative firms in 10 lines of business show increases in the value of sales in eight of these lines varying from 1 per cent in stationery to 51.4 per cent in agricultural implements. In-

(M) Wholesale Trade—

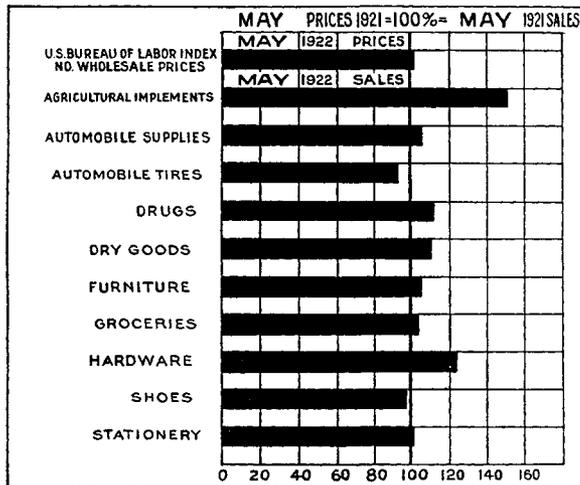
(1a) Percentage of increase or decrease (—) in net sales during May, 1922, compared with May, 1921

Number of re- porting firms..	Agricultural Implements	Auto Supplies	Auto Tires	Drugs	Dry Goods	Furniture	Groceries	Hardware	Shoes	Stationery
20	23	20	17	8	14	16	32	22	14	26
Los Angeles....	322.1	9.1	5.1	..	— 2.8	— 5.2	1.1	40.1	15.8	.6
Portland	29.4	4.1	6.4	..	..	6.8	9.9	21.9	13.4	1.0
Salt Lake City..	37.3	.08	60.3	..	..	..	9.9	9.2	..	10.4
San Francisco...	81.5	.6	9.1	1.6	7.8	3.9	— 2.1	9.8	—12.9	— 6.4
Seattle .....	..	7.4	—14.8	..	31.4	..	41.2	35.3	19.2	10.8
Spokane	—28.0	..	13.6	..	..	..	— 9.5	8.8	..	— 1.0
Tacoma .....	..	..	..	..	20.7	1.4	19.3	— 3.0	..	..
District	51.4	5.7	— 7.3	11.0	10.5	3.8	3.4	23.7	— 2.5	1.0

(1b) Percentage of increase or decrease (—) in net sales from January 1, to May 31, 1922, compared with the same period last year.

Number of re- porting firms..	Agricultural Implements	Auto Supplies	Auto Tires	Drugs	Dry Goods	Furniture	Groceries	Hardware	Shoes	Stationery
23	20	17	8	14	16	32	22	14	26	
Los Angeles....	89.5	— .9	33.7	..	—11.3	—12.1	2.2	27.9	6.0	— 2.1
Portland	—30.8	— 9.4	6.1	..	..	9.3	— 7.8	— 4.5	— 7.9	— 9.2
Salt Lake City..	—29.1	—17.1	4.8	..	..	..	— 6.1	—15.3	..	— 5.8
San Francisco...	— 4	—14.8	— 5.3	— 2.4	— 2.0	2.5	— 7.8	— 7.6	— 8.8	—19.2
Seattle .....	..	—10.4	23.8	..	36.3	..	10.3	14.7	3.0	8.8
Spokane	—45.2	..	— 5.3	..	..	..	—14.8	—16.0	..	—10.0
Tacoma .....	..	..	..	..	23.4	23.1	4.1	— 6.4	..	..
District	—11.0	— 7.7	— 8.8	5.3	3.8	3.0	— 5.5	4.6	— 5.1	— 8.5

asmuch as general prices at wholesale have been practically stationary during the past year (the wholesale price index number of the United States Department of Labor increased 2 per cent from May, 1921, to May, 1922) it is probable that the physical volume as well as the value of trade at wholesale was greater in May, 1922, than in May, 1921.



Dollar Value of Sales of Representative Wholesale Houses and General Wholesale Prices in May, 1922, Compared with May, 1921

The average net increase or decrease (—) in the value of sales of all reporting firms in each line of business was as follows:

Line of Business	May, 1922 compared with May 1921		Five Months ending May 31, 1922 compared with same period in 1921
	May 1921	April 1922	
Agricultural Implements..	51.4	3.8	—11.0
Automotive Supplies.....	5.7	8.2	— 7.7
Automobile Tires.....	— 7.3	8.5	— 8.8
Drugs	11.0	5.0	5.3
Dry Goods	10.5	6.8	3.8
Furniture	3.8	5.7	3.0
Groceries	3.4	13.6	— 5.5
Hardware	23.7	14.3	4.6
Shoes	— 2.5	.4	— 5.1
Stationery	1.0	— 2.7	— 8.5

Collections during the past five months have

been reported as follows:

Month	No. of Firms Reporting Collections as		
	Excellent	Good	Fair
January	4	40	80
February	1	28	78
March	3	30	92
April	5	37	95
May	7	50	87

One hundred and nineteen firms reported their collections on June 1, 1922, and June 1, 1921, as follows:

Percentage of Past Due Accounts on June 1, 1922, to Total Amount Due from Customers on the Same Date

Line of Business	Number of Firms	Percentage	
		1922	1921
Agricultural Implements.....	5	40.9	30.5
Automobile Tires.....	6	27.1	25.5

Percentage of Collections during Month (May) to Total Amount Due from Customers (outstanding) on First of that Month

Line of Business	Number of Firms	Percentage	
		1922	1921
Automobile Supplies.....	18	58.5	60.9
Drugs	5	77.6	72.8
Dry Goods.....	10	40.9	43.0
Furniture	11	50.7	47.8
Hardware	17	48.0	45.8
Shoes	9	36.2	34.2
Stationery	14	62.9	60.2

Percentage of Outstandings June 1, 1922, to May, 1922, Sales

Line of Business	Number of Firms	Percentage	
		1922	1921
Groceries	24	120.8	108.1

Statements of increases or decreases (—) in the value of sales of 192 reporting firms during May, 1922, compared with May, 1921, and the five months of 1922 compared with the same period in 1921 are shown in table "M" (see preceding page).

The total number of motor vehicle registrations (exclusive of motorcycles) in the states of this district during the first quarter of 1922 was approximately 1,004,001, compared with 863,480 vehicles registered in the first quarter of 1921, an increase of 16.2 per cent. Segregated according to states, the 1922 statement reveals an increased number of reg-

(N) Registrations of Motor Vehicles, Passenger and Commercial—

State	January 1, 1922 to April 1, 1922		January 1, 1921 to April 1, 1921		1921	1920	Percentage increase or decrease (—) first quarter compared with same period in 1921
	Registrations	Value	Registrations	Value			
Arizona	25,582		25,734		35,049	34,559	— .59
California	672,354*		552,676*		691,344	583,623	21.6
Idaho	25,800		30,979		51,264	50,861	—16.7
Nevada	7,192		8,000		10,820	10,459	—10.1
Oregon	93,360		89,217		118,615	103,790	4.6
Utah	25,403		36,297		47,485	42,571	—30.0
Washington	154,310		120,577		194,983	173,934	27.9
Total	1,004,001		863,480		1,149,560	999,797	16.2

*February 1st to April 30th.

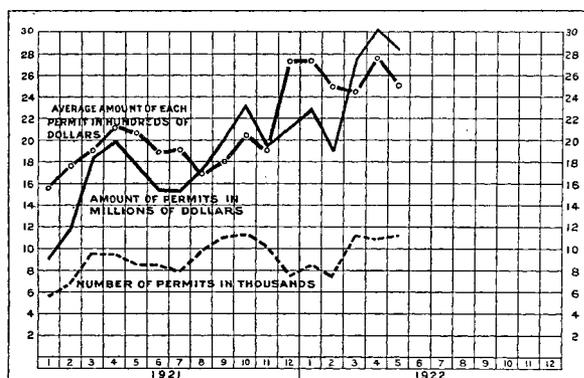
istrations in California, Oregon and Washington, and a smaller number of registrations in the Intermountain states (Arizona, Idaho, Nevada and Utah). Comparative figures for the states of the district are given in table "N" (see opposite page).

Building permits issued in 20 principal cities of this district during May numbered 11,266 with an estimated valuation of \$28,271,238 compared with 8,525 permits issued in May, 1921, with a valuation of \$17,763,732, an increase of 32.1 per cent in number and 59.1 per cent in value. In comparison with April, 1922, the figures for May, 1922, represent an increase of 331, or 3.2 per cent in number and a decrease of \$2,096,126, or 6.8 per cent in value. The number of permits issued during May was the

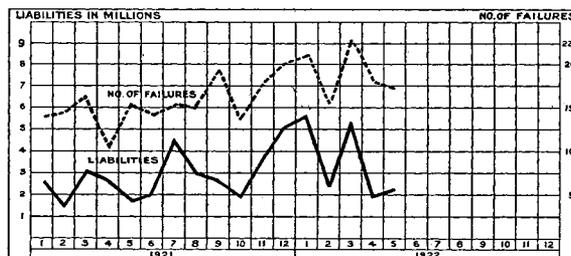
second highest ever recorded in this district and indicates that the urgent demand for new structures evident throughout the present year has not abated. Comparing May, 1922, with the same month a year ago, there were increases in the value of building permits granted in 16 of the 20 reporting cities.

The accompanying chart shows the number, total valuation and average value of building permits issued in this district since January, 1921. Comparative figures of the number and value of building permits issued in 20 reporting cities during May, 1922, April, 1922, and May, 1921, are shown in table "O."

Business failures in the Twelfth Federal Reserve District during May, 1922, were approximately the same in number and liabilities as in April, 1922, but were greater in both number and liabilities than in May, 1921. The total liabilities of 173 failures in May of this year were \$2,200,338 compared with liabilities of \$1,908,432 for 179 failures in April. Compared with



Building Permits Issued in 20 Principal Cities, Twelfth Federal Reserve District, 1921-1922



Business Failures, Twelfth Federal Reserve District, 1921-1922

(O) Building Permits—

	May, 1922		April, 1922		May, 1921		Per Cent Increase or Decrease (-) in Value May, 1922 compared with May, 1921
	No.	Value	No.	Value	No.	Value	
Berkeley	192	\$ 652,400	173	\$ 430,200	132	\$ 284,621	129.2
Boise	103	61,705	98	73,347	95	77,595	— 20.4
Fresno	192	993,500	235	641,474	166	312,435	217.9
Long Beach.....	301	1,502,551	350	2,475,597	291	1,428,865	5.1
Los Angeles.....	4,024	9,327,504	3,983	12,959,686	2,624	7,433,760	25.4
Oakland	813	2,243,745	772	1,850,160	565	1,033,323	117.1
Ogden	76	139,660	34	97,360	73	155,720	— 10.3
Pasadena	297	851,924	284	961,396	249	633,102	34.5
Phoenix	59	119,810	43	91,590	83	196,755	— 39.1
Portland	1,404	2,916,755	1,366	1,865,970	1,268	1,454,320	100.5
Reno	23	69,190	20	66,500	19	24,750	179.5
Sacramento	347	507,210	305	532,303	219	560,695	— 9.5
Salt Lake City.....	195	538,105	138	330,270	197	409,220	31.4
San Diego	382	628,883	395	821,446	294	416,298	51.0
San Francisco.....	786	4,377,066	766	3,993,720	500	1,097,151	298.9
San Jose.....	78	166,640	85	341,310	43	46,254	260.2
Seattle	990	1,643,030	973	1,632,175	1,044	1,566,005	4.9
Spokane	480	395,817	408	359,190	257	174,380	126.9
Stockton	147	357,810	119	551,955	71	84,647	322.7
Tacoma	377	777,933	388	291,715	335	373,836	108.0
District	11,266	\$28,271,238	10,935	\$30,367,364	8,525	\$17,763,732	59.1

May, 1921, the number of failures increased by 22, or 14.5 per cent, and the amount of liabilities increased \$478,861, or 27.8 per cent. The average liabilities of business failures in May, 1922, were \$12,718 compared with \$10,661 in April, 1922, and \$11,400 in May, 1921.

R. G. Dun & Company's comparative figures of the number and liabilities of business failures in the states of this district during May, 1922, and April, 1922, follow:

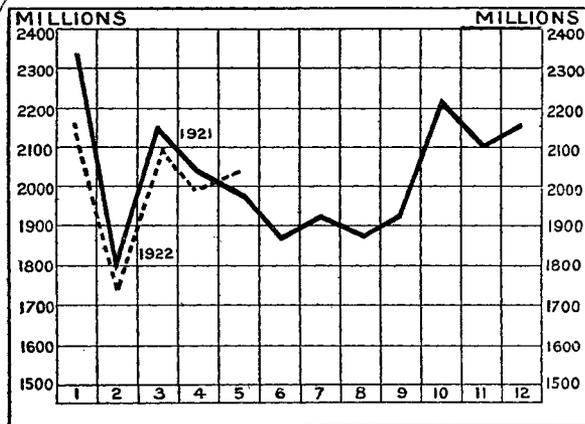
	May, 1922		April, 1922	
	No.	Liabilities	No.	Liabilities
Arizona	2	\$ 37,200	2	\$ 33,156
California	88	1,230,002	76	1,019,050
Idaho	6	28,243	5	82,571
Nevada	1	3,000	1	700
Oregon	25	406,164	45	380,353
Utah	7	59,608	8	17,582
Washington	44	436,121	42	375,020
District	173	\$2,200,338	179	\$1,908,432

The volume of business in this district during May, 1922, as indicated by reports of debits to individual accounts in the principal clearing house centers was less than in the preceding month, but greater than in **Bank Debts** May, 1921. Total debits to individual accounts reported by 184 banks in 21 cities during the four weeks ending May 31, 1922, were \$1,802,766,000 compared with \$1,935,386,000 in the preceding four weeks, a decrease of \$132,620,000, or 6.8 per cent. Compared with the same four weeks in 1921, total debits to individual accounts in 20 cities showed an increase of \$54,603,000, or 3.1 per cent.

In the year period May, 1921, to May, 1922, the United States Bureau of Labor index number of wholesale prices advanced 2 per cent and it is probable that retail prices declined slightly during the same period. An increase of 3.1 per cent in debits to individual accounts indicates, therefore, an increase in the actual physical volume of business transacted in May, 1922, compared with May, 1921. The accompanying chart shows the monthly movement of debits to individual accounts during 1921 and 1922 to date. Comparative figures of debits to individual accounts in 21 clearing house centers during the four weeks ending May 31, 1922, May 3, 1922, and June 1, 1921, are shown in table "P."

The total amount in all savings accounts as reported by 75 banks in seven principal cities, increased 58 hundredths of 1 per cent during the month ending May 31st, being on that date \$747,296,000 compared with \$742,928,000 on April 30th.

Excepting the month ending April 30th, this is the seventh successive increase in the monthly totals of savings accounts. Slight decreases during the month ending May 31st in Oakland and Salt Lake City were more than made up by increases in Los Angeles, Portland, San Francisco, Seattle and Spokane. The increase in Portland was 4.4 per cent, offsetting the loss that occurred in that city during the previous month.



Debits to Individual Accounts in 20 Principal Cities, Twelfth Federal Reserve District, 1921-1922

Note: The figures used in preparing the above chart are for calendar months and are partly estimated.

crease of \$132,620,000, or 6.8 per cent. Compared with the same four weeks in 1921, total debits to individual accounts in 20 cities showed an increase of \$54,603,000, or 3.1 per cent.

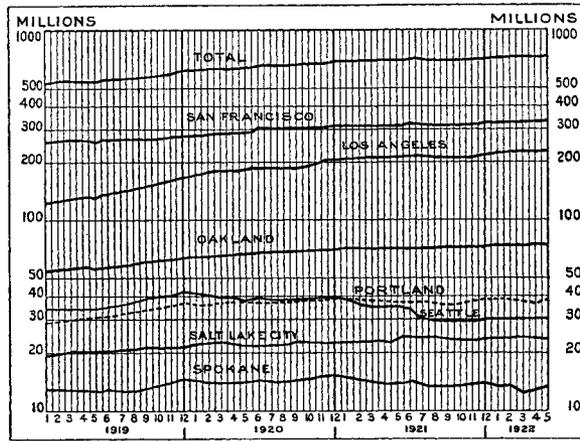
Savings Accounts

(P) Bank Debts*

	Four weeks ending May 31, 1922	Four weeks ending May 3, 1922	Four weeks ending June 1, 1921
Berkeley	\$ 18,688	\$ 15,211	\$ 10,706
Boise	11,119	9,724	8,708
Fresno	35,667	46,507	35,186
Long Beach	26,744	27,920	19,885
Los Angeles.....	463,754	459,227	374,892
Oakland	75,652	81,600	77,146
Ogden	19,299	16,312	11,740
Pasadena	23,192	24,891	19,655
Phoenix†	18,460	14,925	..
Portland	112,617	129,900	128,677
Reno	8,884	8,718	9,928
Sacramento	51,165	59,473	44,181
Salt Lake City....	49,224	50,963	45,407
San Diego	34,627	40,155	29,310
San Francisco	613,065	682,862	682,529
San Jose	16,233	17,780	15,805
Seattle	122,798	141,557	118,183
Spokane	42,710	41,278	39,735
Stockton	18,603	20,801	16,492
Tacoma	31,304	34,809	33,122
Yakima	8,961	10,773	8,416
District	\$1,802,766	\$1,935,386	\$1,729,703

*000 Omitted.
†Figures for 1921 not available.

The increase in savings accounts during the year ending May 31st was 4.4 per cent. In comparison with figures of one year ago, Portland now shows a gain and the loss in the case of Spokane is smaller than it has been for several months. The greatest increases have been in the three principal cities of California.



Savings Accounts in Banks in Seven Principal Cities of the Twelfth Federal Reserve District, 1919-1922

The changes in savings accounts in each city from one month and one year ago are shown in table "Q," and in the accompanying chart are shown the changes since January, 1919.

Reports received by this bank from 36 of the principal accepting banks in the district show a slight increase in the amount of acceptances bought in May, 1922, compared with April,

1922, and a marked increase (\$1,257,206, or 32 per cent) in the amount of bills accepted. This latter increase was participated in by all sections of the Pacific Coast but it was particularly large in the Pacific Northwest

Acceptances where bills accepted amounted to \$1,261,874 in May, 1922, compared with \$423,487 in April, 1922 (see table "R"). The principal commodities upon which these acceptances were based were wheat, cotton, canned fruit, and sugar.

The rate on prime bank bills (3 1/8 to 3 3/8 per cent) quoted during the latter part of May fell 1/8 per cent on June 14th, reducing the selling rate on eligible member bank bills to 3 per cent. Several factors are responsible for this low rate including the low rates carried by recent issues of Government paper and the competition among dealers for the limited amount of high-grade paper available.

The supply of acceptances created by Pacific Coast banks and seeking discount in the open market was more nearly equal to the demand during May than has been the case in recent months, and the transfer of bills from other districts was unnecessary. A general classification according to maturity of bills marketed during the past two months shows a marked preference among buyers for bills of 60 and 90-day maturities.

	May 15 to June 15	April 15 to May 15
30 days.....	2.4%	19.6%
60 days.....	45.8%	11.5%
90 days.....	51.6%	58.5%
120 days.....	0.2%	10.4%

(Q) Savings Accounts*—

	Number of Banks	May 31, 1922	April 30, 1922	May 31, 1921	Per Cent Increase or Decrease (—) May 31, 1922 over May 31, 1921
Los Angeles	13	\$231,821	\$230,474	\$213,024	8.1
Oakland	7	74,990	75,231	72,616	3.2
Portland	9	38,239	36,574	37,602	1.7
Salt Lake City.....	9	24,548	24,750	24,980	— 1.7
San Francisco.....	16	333,494	332,628	317,271	4.9
Seattle	15	30,321	30,125	35,022	—13.4
Spokane	6	13,883	13,146	14,059	— 1.3
Total	75	\$747,296	\$742,928	\$714,574	4.4

*000 Omitted.

(R) Acceptances*—

	Amount Accepted		Created in Twelfth District		Amount Bought				Amount held at close of month	
	May, 1922	April, 1922	May, 1922	April, 1922	May, 1922	April, 1922	May, 1922	April, 1922	May, 1922	April, 1922
					All Other	Total	Total			
Pacific Northwest	\$1,261,874	\$ 423,487	\$ 738,000	\$ 50,080	\$ 77,525	\$ 579,109	\$2,296,520*	\$ 629,189	\$ 2,903,578	\$ 2,513,606
Northern California ..	3,445,273	3,180,794	2,689,343	2,989,942	1,385,684	116,904	4,115,624*	3,106,846	2,157,000	2,326,251
Southern California ..	419,502	265,162	412,364	542,109	2,005,736	3,966,103	2,418,100	4,507,212	8,639,872	10,261,019
Other Districts	0	0	0	0	0	0	0	0	0	0
Total	\$5,126,649	\$3,869,443	\$3,839,707	\$3,582,131	\$3,468,945	\$4,661,116	\$8,830,244	\$8,243,247	\$13,700,450	\$15,100,876

*Figures of one bank included in "Total Amount Bought" but not included under headings of amount bought "Created in Twelfth District" or "All Other."

Fractional declines in interest rates were reported from all but one of the banking centers of the district during May. The rate charged on high grade customer's paper declined from 6 to 5½ per cent in San Francisco, from 7 to 6 per cent in Los Angeles, and from 7 to 6½ per cent in Portland. Rates on commercial paper bought through brokers declined from one-quarter to one-half of 1 per cent in all cities except Salt Lake City and Seattle and are now uniform at 4¼ to 4½ per cent throughout the district (Salt Lake City not included). The general level of rates on other classes of paper remained practically unchanged during the month.

A statement of the prevailing interest rate on commercial paper in Federal Reserve Bank and branch cities for the 30-day period ending June 5 and May 5, 1922, follows:

	Commercial Paper of Customers		Paper Bought Through Brokers	
	June 5	May 5	June 5	May 5
San Francisco	5½-6	6	4½	4½-4¾
Los Angeles	6	7	4½	5
Seattle	7	7	4½	4½
Portland	6½	7	4¼	4½
Salt Lake City.....	7	7	..	..
Spokane	7	7	4¼	4¾

On May 26, 1922, the Treasury Department offered for subscription an issue of United States Treasury Certificates of Indebtedness, designated as Series TD2-1922, bearing interest at the rate of 3½ per cent, dated June 1, 1922, and maturing on December 15, 1922. The amount offered was \$200,000,000, and the subscription books were closed at noon on the date of issue. Total subscriptions received in the 12 Federal Reserve districts amounting to \$383,541,500. Subscriptions entered with the Federal Reserve Bank of San Francisco totaled \$31,114,500, of which \$14,120,000 was allotted by the Treasury Department. The amount of subscriptions in this district was exceeded only by the amount of subscriptions in the districts of the Federal Reserve Banks of New York, Chicago and Philadelphia.

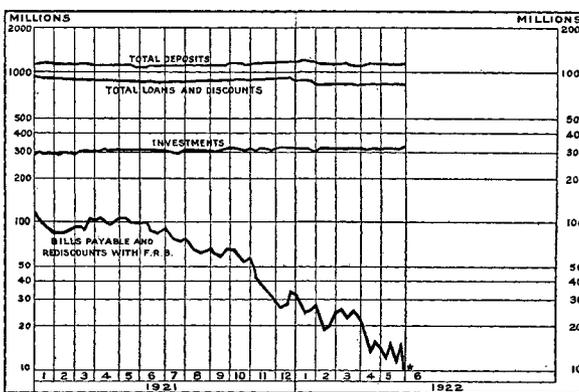
On June 8th, the Secretary of the Treasury announced an offering of one-year 3¾ per cent Certificates of Indebtedness, Series TJ-1923, dated and bearing interest from June 15, 1922. The subscription books for Certificates of Indebtedness, Series TJ-1923, closed at noon, June 15th. The amount of Certificates offered

was \$250,000,000 and the subscriptions aggregated \$469,797,000, of which \$273,000,000 were allotted. The Federal Reserve Bank of San Francisco received subscriptions amounting to \$32,655,000 and was subsequently authorized by the Treasury Department to allot \$17,650,000 of this amount. On June 8th an issue of 4¾ per cent Treasury Notes, Series B-1925, dated June 15, 1922, maturing December 15, 1925, was also offered for subscription through the federal reserve banks. The latter notes were offered only in exchange for 4¾ per cent Victory Notes.

Borrowings from the Reserve Bank of 68 reporting member banks in the principal cities of this district have continued to decline. On June 7th they amounted to \$7,060,000, compared with \$14,672,000 on May 3rd, and \$97,109,000 on June 8, 1921. There was practically no change in the loans and discounts of the reporting member banks during the five weeks ended June 7th, but their investments increased \$9,304,000, or 2.9 per cent. Loans and

Banking Situation

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* \$7,060,000 on June 7, 1922

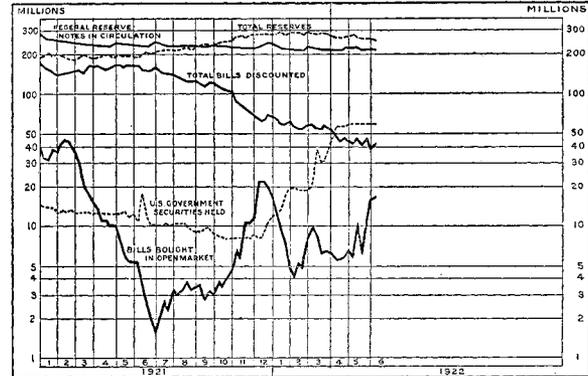
Total Deposits, Loans and Discounts, Investments, and Bills Payable and Rediscounts of Reporting Member Banks

discounts, exclusive of rediscounts, have changed but little during the same period. Including rediscounts, loans and discounts are 6.7 per cent less than a year ago. Total deposits on June 7th were \$1,168,061,000, 1.3 per cent greater than on May 3rd, and 8.4 per cent greater than a year ago.

June statements of the Federal Reserve Bank of San Francisco show that bills discounted for all member banks were \$42,024,000 on June 14th, compared with \$43,279,000 on May 10th. On June 7th bills discounted amounted to \$37,810,000, the lowest point reached this year. If from the figures of bills discounted by this bank, the borrowings of the

68 reporting member banks be subtracted, figures will be obtained representing the borrowings of non-reporting member banks, largely made up of banks located in the smaller cities and the rural communities. Such borrowings also continued to decline. On June 7th they were \$30,750,000, compared with \$31,107,000 on May 3rd and \$37,037,000 on February 1st. The Federal Reserve Bank's holdings of United States Government securities did not appreciably change during the five weeks ended June 14th, but bills bought in the open market increased from \$6,091,000 to \$16,764,000. The net result of changes in the earning assets of the bank noted above has been an increase of \$9,458,000 in the total (from \$109,379,000 to \$118,837,000). Total reserves declined \$24,419,000 to \$255,008,000 during the period under review, total deposits declined \$1,420,000 to \$142,591,000, and Federal Reserve Notes in actual circulation declined \$217,233,000. The amount of Federal Reserve Notes in circulation reached its highest point (\$239,-

434,000) on January 4th, and its lowest point (\$212,299,000) on February 21st. The average of the figures representing notes in circulation on the last 24 statements of the Federal Reserve Bank of San Francisco is \$221,566,000. The fluctuations above and below this average have not been great.



Total Reserves, Federal Reserve Note Circulation, Bills Discounted, U. S. Government Securities Held, and Bills Bought in the Open Market, Federal Reserve Bank of San Francisco

PRINCIPAL RESOURCE AND LIABILITY ITEMS OF REPORTING MEMBER BANKS IN RESERVE CITIES IN TWELFTH FEDERAL RESERVE DISTRICT

	June 7, 1922	May 3, 1922	June 8, 1921
Number of Reporting Banks	68	68	68
Loans and Discounts (exclusive of rediscounts).....	\$ 853,560,000	\$ 853,231,000	\$ 850,853,000
Investments	324,471,000	315,167,000	305,194,000
Cash in Vault and with Federal Reserve Bank.....	98,971,000	98,887,000	96,692,000
Total Deposits	1,168,061,000	1,152,807,000	1,077,301,000
Bills Payable and Rediscounts with Federal Reserve Bank.....	7,060,000	14,672,000	97,109,000

COMPARATIVE STATEMENT OF CONDITION OF FEDERAL RESERVE BANK OF SAN FRANCISCO AT CLOSE OF BUSINESS, JUNE 14, 1922

	June 14, 1922	May 10, 1922	June 15, 1921
RESOURCES			
Total Reserves	\$255,008,000	\$279,427,000	\$201,787,000
Bills Discounted	42,024,000	43,279,000	149,889,000
Bills Bought in Open Market.....	16,764,000	6,091,000	3,853,000
United States Government Securities.....	60,049,000	60,009,000	18,086,000
Total Earning Assets.....	\$118,837,000	\$109,379,000	\$171,828,000
All Other Resources*.....	49,208,000	40,581,000	58,591,000
Total Resources	\$423,053,000	\$429,387,000	\$432,206,000
LIABILITIES			
Capital and Surplus.....	\$ 22,562,000	\$ 22,578,000	\$ 21,504,000
Total Deposits	142,591,000	144,011,000	127,973,000
Federal Reserve Notes in Actual Circulation.....	217,233,000	226,674,000	229,983,000
All Other Liabilities†.....	40,567,000	36,124,000	50,771,000
Total Liabilities	\$423,053,000	\$429,387,000	\$432,206,000
*Includes "Uncollected Items".....	42,357,000	33,851,000	54,763,000
†Includes "Deferred Availability Items".....	35,417,000	30,409,000	41,177,000

BUSINESS, INDUSTRY AND FINANCE
IN THE
UNITED STATES

Monthly Summary by Federal Reserve Board

June 27, 1922

THE outstanding features of the economic development during the month have been the continued and noteworthy increase in the physical volume of production and a continuance of the advance in prices noted for the month of May, the wholesale price index number of the United States Bureau of Labor statistics showing an increase of five points (or 3.4 per cent) for that month. An increase of production is noted in highly finished lines of manufacture as well as in basic industries. Wholesale groceries and hardware show a very pronounced advance over April but in dry goods and shoes a seasonal recession is reported. The retail trade for the first time in many months is in excess of that a year ago.

Although the production of anthracite coal has been reduced practically to nothing, the production of

bituminous coal of non-union mines has increased somewhat, at the same time that the petroleum output for the month has shown an advance as compared with April.

General employment conditions have taken a very decided turn for the better. In some lines a scarcity of labor is now reported as, for example, in the steel and building trades. Demand for agricultural labor also continues upwards.

Of fundamental interest has been the continued downward tendency of discount and money rates. In the New York market the charge for call funds has been as low as $2\frac{3}{4}$ per cent. Rates for commercial paper have also tended distinctly downward. During the month the Federal Reserve Banks of New York and Boston reduced the discount rate to 4 per cent.