

# FEDERAL RESERVE BANK OF ST. LOUIS

## MONTHLY REVIEW OF

### GENERAL BUSINESS CONDITIONS

#### IN FEDERAL RESERVE DISTRICT No. 8

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**B**ROADLY speaking general business in this district during the past thirty days fully maintained the position of strength to which it had worked during the closing months of 1922, and in many important instances gains were pushed still further. The holiday trade far exceeded expectations and resulted in the distribution of an enormous volume of merchandise. Actual reports received on holiday business from merchants scattered throughout the district show gains of from 15 to 72½ per cent over their sales in 1921. Comment accompanying these statistics indicate that as a rule a better class of goods went into Christmas selections than was the case during the preceding season and the proportion of luxuries in the aggregate was considerably larger. Advices from the South were especially optimistic, the purchasing power of the people in that section having been strengthened by the advance in cotton prices, and successful marketing of tobacco, rice and other agricultural productions.

Much less than the usual seasonal slowing down in manufacturing activity has taken place, and in a number of important lines is not noticeable at all. The final fortnight of the old year and the first half of January were marked by increased orders, and unusually heavy shipping directions on goods already purchased. Roughly speaking the turn of the year found manufacturing facilities in the district engaged at from 78 to 100 per cent of capacity. In several of the basic industries, notably steel and textiles, outputs of plants is about as high as present conditions in the raw material and labor markets will permit of. A number of the reporting manufacturing interests have orders booked which will insure the present pace of operations for the next three months.

In the wholesale section of distribution the outstanding feature developed in replies to questionnaires sent out by this bank was the heavy increase in the volume of goods sold for forward delivery, as compared with the corresponding period a year ago. This is particularly marked in dry goods, boots and shoes, clothing and groceries. Some irregularity is noted in general price movements. Certain commodities declined slightly during the period, but elsewhere the trend was decidedly firmer, with the latter manifestation true in such important lines as iron and steel, lumber, textiles and certain drugs and chemicals. There was a slight weakening in cereal values, some groceries, flour, and dairy products. Cotton moved to new high prices on the crop.

As a result of the holiday trade and clearance sales during the first weeks of January, retail stocks, particularly in the large cities of the district, are generally under normal. The turnover in the clearance sales, according to early reports, was unusually large, the reduced prices having attracted numerous buyers. Wholesalers report a heavy volume of small orders from retail customers for immediate shipment, which is taken to indicate that requirements were underestimated and that the buyers are in urgent need of the goods. In this buying the question of delivery is of more importance than price, and it has not been possible in all cases to fill the orders for the forwardings specified. Despite increased rate of production, many manufacturers are unable to accept additional business for prompt delivery, their prospective outputs having been engaged for several months ahead.

Reports from the agricultural districts indicate a considerably greater degree of optimism prevailing among farmers than was the case at this time last year. The advance in prices of important products of the soil which took place during the closing months of 1922 improved the financial position of farmers, and preparations for spring planting campaigns are on an enlarged scale. While the South is exhibiting a disposition to plant a very large acreage to cotton, programs in that section include the raising of food crops and the continuing of diversification which was practiced during the several seasons immediately preceding. The demand for corn, incident to the heavily increased number of farm animals, is expected to be reflected in more extensive plantings of that cereal.

Further gains in employment were recorded during the period under review. The open winter has permitted of continuing construction work almost without interruption, and skilled laborers in the building crafts are in demand in all sections of the district. Reports of the U. S. Department of Labor indicate that voluntary idleness is at a minimum, and in a number of important industries many more skilled and common laborers are needed than can be procured. Some wage advances were reported, but these were in the main individual instances, there being no general scale increases.

Freight loadings of railroads operating in the district continue to show heavy gains over the corresponding period a year ago. The usual annual decline shown at the end of the business year was more gradual than in past seasons. Loadings of grain and grain products, live stock, merchandise and miscellaneous freight are holding up in excel-

lent shape. Passenger traffic continued the improvement noted in the two preceding issues of this report, the gain in December for the reporting roads being 18 per cent over the same month in 1921. The St. Louis Terminal Railway Association, which includes in its membership 26 roads operating through this gateway, interchanged 196,136 loads in December, against 205,056 loads in November, and 141,226 loads in December, 1921. During the first nine days of January 60,545 loads were interchanged, which compares with 59,336 loads for the same period in November and 38,345 loads for the first nine days of January, 1922.

There was a temporary betterment in the supply of cars at coal mines, due to the accumulation over the holidays, but in the immediate past empties have been as scarce as just before Christmas. The general demand for fuel improved somewhat with colder weather, and prices on virtually all grades have taken a sharp turn upward. Steaming coal is moving better, and many plants have put large tonnages into storage, the incentive being rumors of another coal strike in the spring. The U. S. Geological Survey estimates the output of soft coal during December at 46,450,000 net tons. This was the largest monthly record since March, 1922, and, in fact, it has been exceeded but once since December, 1920.

Production of automobiles for the country as a whole decreased slightly during December, the

output of passenger cars by companies reporting direct or through the Automobile Chamber of Commerce being 206,650 against 214,573 in November. Production of trucks in December totaled 16,627 against 21,275 in November. Sales of 230 dealers scattered through the district were 17 per cent larger in December than for the same month in 1921. A considerable part of the gain was in the rural districts, particularly in the South. Business in accessories and tires was reported brisk.

Reports relative to collections in all parts of the district were more universally favorable than at any time since this service was inaugurated. Liquidation of old indebtedness continues on a satisfactory scale, and current accounts are being paid promptly, with more than the usual number of merchants discounting their bills. Answers to 334 questionnaires addressed to representative interests throughout the Eighth Federal Reserve District asking for data relative to collections show the following results: 8.2 per cent excellent, 56.2 per cent good, 34.2 per cent fair and only 1.4 per cent poor.

Commercial failures in the Eighth Federal Reserve District during December, according to Dun's numbered 84, involving liabilities of \$987,491, against 142 in December, 1921, involving liabilities of \$3,873,516.

The per capita circulation of the United States on January 1 was \$42.81 against \$41.80 on December 1, and \$41.51 on January 1, 1922.

## MANUFACTURING AND WHOLESALE

**Boots and Shoes**—Sales of the 11 reporting interests in December were 25.2 per cent larger than for the same month in 1921, and 21.1 per cent in excess of the November total. Orders received during the first two weeks of January indicate a continuance of the recent gains. Factory operations range from 90 to 100 per cent of capacity. Save for a few isolated advances, prices were steady, but the trend is upward in sympathy with the upturn in raw materials. The demand for women's shoes was better than in several months, with indications for heavy buying during the next few weeks. As was the case throughout 1922 purchases of men's footwear was in heavy volume. Advance orders are considerably larger than for the corresponding time a year ago.

**Clothing**—Heavily increased volume of business over the corresponding period a year ago featured activities in this line during the past thirty days. December sales of the 23 reporting interests were 32½ per cent larger than for the same month in 1921, and 1¼ per cent in excess of November. The comment is made that the demand still centers in moderate priced goods, and some apprehension is expressed that a further advance in prices may result in a cessation of buying. Leading manufacturers and wholesalers have redoubled their efforts to hold down costs and selling prices. Advance orders for spring are generally heavier than last season.

**Iron and Steel Products**—The period under review was marked by a stiffening in prices of raw materials and further advances in certain finished and semi-finished goods. Order books of the steel plants show a heavy accumulation of business, which in many instances will insure the present pace of activity for the next four to six months.

Mill operations were at from 78 to 86 per cent of capacity. The usual lull in steel buying during the holiday season was little in evidence, and since the first of the year ordering has been on a large scale with the railroads, automobile builders and the building industry taking an important part in the movement. Pig iron prices responded to increased purchasing, and advanced on all grades. No. 2 Southern iron, 1.75 to 2.25 per cent silicon, advanced from \$21, the recent low, to \$24 per ton, and Northern iron of the same grade moved up to \$29 to \$30. Scrap iron and steel advanced from \$1 to \$5 per ton, according to variety. December sales of stove manufacturers, 7 reporting, were 62 per cent larger than for the same month in 1921; wire rope makers, 5 interests reporting, showed gains of 40 to 100 per cent; railway supplies, 5 interests reporting, showed gains of 18 to 58 per cent; farm implements, 6 interests reporting, gained 16 per cent; boiler works, 6 interests reporting showed a decrease of 42 per cent.

**Hardware**—December sales of the 12 reporting interests were 36.9 per cent larger than for the same month in 1921, but showed a decrease of 1.6 per cent under the November total. The demand for virtually the entire line is active, with wire and wire products, builders hardware, cutlery and goods used on farms particularly active. Several of the reporting firms comment on the better tone of their business in the country districts. Prices of steel goods continue to show an upward trend. Advance orders for sporting goods are larger than a year ago.

**Electrical Supplies**—Business in this line is reported improving, sales of the 12 reporting interests in December being 41.6 per cent larger than

for the same month in 1921, and 22 per cent in excess of the November total. The holiday demand had a stimulating effect on the distribution of radio sets, household appliances and fancy lamps. The almost uninterrupted building operations were reflected in orders for wiring, which were reported unusually heavy for this particular season. Public utility companies continue to purchase in heavy volume, and there is an excellent demand for electrical goods from the automotive industry.

**Flour**—Production of the 11 leading mills of the district in December was 346,030 barrels, which compares with 385,578 in November and 333,966 barrels in December, 1921. Business throughout the period under review was described as dull and unsatisfactory. Sales to the domestic trade were mainly in small lots for prompt delivery, with the South relatively more active than other sections of the trade territory. The export demand showed little life, the few bids from Continental Europe being too far out of line to result in bookings. A fair routine business with the Latin-American countries was reported. Mill operation was at from 55 to 70 per cent of capacity.

**Dry Goods**—The outstanding feature in this line was the heavy increase in orders for forward delivery as contrasted with the two preceding years. Some firms report gains in this respect as much as 68½ per cent over the corresponding period a year ago. Generally, business is active through the entire line, and during the period under review there was an unusually large volume of purchasing of small lots to fill in with. Some inquiry has appeared for goods for fall consumption, notably for blankets, outing flannels, underwear and hosiery. Comment is made that the demand for workmen's clothing, which was heavy during 1922, is keeping up in excellent shape. The trend of prices is upward, particularly on all goods based on cotton. Collections are almost universally satisfactory. December sales of the 11 reporting interests were 12 per cent larger than for the same month in 1921.

**Groceries**—The gradual improvement in this line noted in preceding issues of this review was pushed still further during the period under review. Sales of the 17 reporting interests during December were 18 per cent larger than for the corresponding month in 1921. Price changes during the past thirty days were of minor importance, save in the case of sugar, which declined. The holiday trade in candy, according to reports of leading manufacturers and distributors, was approximately double that

of the preceding season. Southern stores report a large advance business in supplies used on farms.

**Drugs and Chemicals**—For the first time in three months, the December sales of the 7 reporting interests showed a slight increase over the corresponding period a year ago. Comment is made upon the larger volume of stock orders, and improvement in the retail drug business, which latter is attributed to colder weather. The demand for heavy chemicals from manufacturers took a decided turn for the better. Sales of denatured alcohol were slightly in excess of last year. The trend of prices continues upward, with sixteen out of twenty-four changes in important articles representing advances. Insecticides and disinfectants are in active demand and strong.

**Furniture**—December sales of the 11 reporting interests were 12¾ per cent larger than for the same month in 1921, and 5 per cent under the November total. December, which is normally a quiet month in this line, developed unusual activity in all parts of the district. Manufacturers from this district exhibiting at the Chicago and Grand Rapids January sales report a brisk demand and the booking of substantial orders. Most of the leading factories are sold up for the next sixty to ninety days. Some price advances were recorded during the past thirty days, mainly to conform with the gradual upward movement in raw materials and wages.

**Lumber**—In the usually dull period from December 15 to January 15 there was considerable business done in practically all the woods, at prices showing either great firmness or moderate advances. The demand was especially large for the season in soft woods, in connection with continuing and prospective building operations. Mill sales of Southern pine, Douglas fir and other building lumbers were mainly to wholesalers and line and reshipping yards. Hardwood and factory grades of cypress, made substantial price gains, despite the release of stock accumulations at the mills by a much easier car supply. The industrial lumber requirement is also reflected in the well sold-up condition of low grade yellow pine stock, notably No. 3 lumber—suitable for boxing and crating. Plain sap gum, latterly, plain red and white oak, have been the features of the hardwood market. The rapidly increasing consumption of flooring mills has contributed to price betterment in the lower grades of oak, and the furniture demand to that of sap gum. Receipts of lumber at St. Louis last year increased 28½ per cent over those of 1921, and shipments 19¾ per cent.

**Industrial Power Consumption**—Increases and decreases in the use of electric power for industrial purposes during December about offset each other, the net for reporting centers being a decline of .6 per cent. Figures for the current month as compared with that of a year ago reflect notable industrial improvement, however, with a net increase for reporting centers of 47 per cent. Comparative figures follow:

Representative Customers	Dec., 1922		Nov., 1922		Dec., 1922 comp. to Nov., 1922		Dec., 1922 comp. to Dec., 1921	
Little Rock	11	680,822 k. w. h.		726,069 k. w. h.	— 6.2'		555,417 k. w. h.	+22.6
Louisville.....	64	3,489,759 "		3,084,000 "	+13.2		1,864,671 "	+87.2
Memphis ....	31	1,149,340 "		1,221,070 "	— 5.9		1,034,200 "	+11.1
St. Louis....	67	11,219,555 "		11,613,554 "	— 2.9		7,797,430 "	+43.9
Total....	173	16,539,476 "		16,644,693 "	— 0.6		11,251,718 "	+47.0

**Department Stores**—The condition of retail trade during December, 1922, in the leading cities of this district is reflected in the following statement, compiled from reports of 21 representative department stores:

(Percentages)	St. Louis	Louisville	Memphis	Little Rock	Evansville	Quincy	8th District
Net Sales:							
Dec., 1922, compared with Dec., 1921.....	+ 6.2	+ 1.5	+13.3	+ 4.5	+ 0.2	+ 6.9	+ 6.5
Period July 1 to Dec. 31, 1922, compared with same period in 1921.....	+ 5.0	+ 0.9	+11.9	- 4.1	- 7.7	+ 4.0	+ 4.8
Stocks at end of December, 1922:							
Compared with same month in 1921.....	- 0.7	-16.8	- 6.4	+ 9.2	-21.1	+31.2	- 1.8
Compared with stocks at end of Nov., 1922.....	-15.3	-27.7	-15.6	-17.0	-15.9	+ 2.9	-16.3
Average stocks on hand at end of each month since July 1, 1922, to average monthly sales during same period.....	326.9	312.6	402.4	472.1	571.5	430.5	350.3
Outstanding orders at close of Dec., 1922, compared with previous year's purchases.....	5.4	3.0	5.5	4.0	3.3	5.8	5.0

**AGRICULTURE**

Generally through this district conditions have been favorable for the growth of fall sown grains. There has been ample moisture, and no excessively cold weather, but snow protection is lacking and some apprehension is felt lest a sudden severe drop in temperatures should occur and cause winter killing. There are scattered reports from Illinois, Indiana and Missouri of the presence of Hessian fly and chinch bugs. Increased acreages of wheat are indicated in most of the chief growing counties of the district.

Some corn still remains shocked in the fields, but the general rule is that husking has been completed and the crop housed. An unusually heavy demand for corn for feeding purposes is reported, but the movement to market continues in limited volume. From Kentucky come complaints of irregularity in the corn supply, due to injury by drouth in some sections during the growing period.

Reports relative to fall plowing vary considerably, and in Missouri is about 66 per cent completed and more advanced than usual. Hard, dry soil, due to drouth earlier in the season, retarded this work in many localities.

The cotton season, so far as the grower is concerned, is practically over, and the completion of picking developed that in Arkansas the outturn was larger than earlier reports indicated. Prices have continued on the upturn, reaching a new high level for the crop. Recent reports indicate that the demand has centered chiefly in the lower grades, which grades, however, are much better than during prior seasons. This is due to the very favorable cropping season.

Rice threshing was completed early in December, and the final estimate on yield in Arkansas indicates approximately 47½ bushels per acre in 1922, or about 88.7 per cent of normal. The acreage was approximately 158,000. Prices have advanced recently, and range from 75c to \$1.25 per bushel, according to grade and quality.

The movement of tobacco in the burley and dark tobacco districts is in full swing, and prices realized to date have been satisfactory to producers. The cooperative marketing associations in both districts are working out well.

The U. S. Department of Agriculture estimates the yield of cotton in States of the Eighth Federal Reserve District and the total for the country as a whole as follows:

	BALES OF 500 POUNDS, GROSS WEIGHT		
	1922	1921 (Census)	5 yr. av. 1916-1920
Arkansas .....	1,040,000	796,936	1,038,809
Mississippi .....	1,010,000	813,014	959,919
Missouri .....	149,000	69,931	65,716
Tennessee .....	400,000	301,950	317,555
Total.....	2,599,000	1,981,831	2,381,999
United States.....	*9,964,000	**7,953,641	11,930,641

\*Does not include Lower California.

\*\*Includes about 8,000 bales of the 50,000 bales grown in Lower California.

Range of prices on typical products in the St. Louis market between December 15 and January 15, with closing quotations on each of these dates, and on January 14, 1922:

	Close Dec. 15	High	Low	Close Jan. 15	Close Jan. 14, 1922
May wheat ..... Per bu.	\$1.21¾	\$1.24¾	\$1.15⅝	\$1.17½	\$1.09¾
July wheat .....	1.11¾	1.14¾	1.08½	1.11	.98¾
September wheat .....	-----	1.07¾	1.05¾	1.07½	-----
May corn .....	.73⅞	.75⅞	.70	.73¼	.51⅝
July corn .....	.73¼	.74½	.70	.72⅝	.53¼
May oats .....	.48	.48⅞	.44½	.46½	.39
No. 2 red winter wheat.....	1.40	1.42	1.33	\$1.36 @ 1.40	\$1.21 @ 1.24
No. 2 hard wheat .....	1.24	1.25	1.13	1.18	1.09½
No. 2 corn.....	.76	.77½	.70	.72½	.46½ @ .46¾
No. 2 white corn .....	.77	.78	.70½	.74	.47
No. 2 white oats.....	.47½	.48½	.45½	.45½	.37 @ .38
Flour: soft patent..... Per bbl.	\$6.00 @ 7.00	7.25	6.00	6.00 @ 7.00	5.75 @ 6.00
Flour: hard patent.....	6.75	7.60	6.40	6.40 @ 6.60	5.80 @ 6.75
Middling cotton..... Per lb.	.25¾	.27½	.25¾	.27½	.18
Hogs on hoof..... Per cwt.	7.10 @ 8.35	9.90	6.75	6.75 @ 8.60	5.35 @ 8.50

Note—December wheat closed at \$1.21¼, December corn at 72¼c and December oats at 46c.

## COMMODITY MOVEMENT

Receipts and shipments of important commodities at St. Louis during December, 1922 and 1921, and November, 1922, as reported by the Merchants' Exchange, were as follows:

	Receipts			Shipments		
	Dec., 1922	Nov., 1922	Dec., 1921	Dec., 1922	Nov., 1922	Dec., 1921
Flour, barrels .....	362,870	392,610	382,020	468,710	637,060	381,395
Wheat, bushels .....	3,173,147	4,277,518	2,071,625	2,340,360	3,674,970	1,392,315
Corn, bushels .....	2,332,200	2,189,382	3,786,822	1,204,110	1,519,425	2,306,180
Oats, bushels .....	2,640,000	2,988,000	1,790,000	1,655,330	2,405,695	1,042,350
Lead, pigs.....	276,090	265,080	280,110	127,630	192,290	86,350
Zinc and Spelter, slabs.....	216,600	225,550	250,200	208,070	216,640	432,410
Lumber, cars.....	16,344	12,855	12,809	10,405	10,445	9,529
Meats, pounds.....	15,554,600	17,779,300	14,933,200	27,818,600	28,205,000	23,676,900
Fresh beef, pounds.....	200,900	198,700	20,000	20,634,200	21,365,300	20,623,900
Lard, pounds .....	4,557,100	4,674,100	3,063,700	9,530,000	8,801,700	5,566,400
Hides, pounds .....	5,757,600	6,250,400	6,493,800	9,498,700	9,128,500	7,421,900

## LIVE STOCK MOVEMENT

	Receipts			Shipments		
	Dec., 1922	Nov., 1922	Dec., 1921	Dec., 1922	Nov., 1922	Dec., 1921
Cattle and Calves.....	113,910	153,733	87,832	75,683	110,283	58,234
Hogs .....	398,002	361,772	337,226	245,981	233,992	240,486
Sheep .....	32,707	39,119	44,095	8,470	14,061	22,932
Horses and Mules.....	9,171	12,661	4,981	9,746	12,487	5,231

## BUILDING

Building permits issued in the five largest cities of the district in December were the largest for any single month in 1922, and in dollar value represented an increase of approximately 300 per cent over the corresponding month in 1921. Bulk of the increase was furnished by Memphis, where 208 permits for new construction, involving \$4,290,000, were issued. Generally throughout the district building operations maintained a brisk pace during the period under review. New projects specified in the December permits include hospitals, schools, cold storage plants, warehouses and churches, but as has been the case for a number of months, residential construction predominates. Production of Portland cement for the country as a whole in December was 8,671,000 barrels, which compares with 11,349,000 in November, and 6,559,000 in December, 1921.

Comparative building figures for December in leading cities of the district follow:

	New Construction				Repairs, etc.			
	Permits		Cost		Permits		Cost	
	1922	1921	1922	1921	1922	1921	1922	1921
St. Louis.....	426	300	\$1,644,985	\$ 718,930	560	292	\$696,886	\$260,790
Louisville .....	176	103	2,010,300	542,600	44	62	86,725	26,600
Memphis .....	208	241	4,290,364	1,229,160	34	38	33,250	15,960
Little Rock.....	63	46	220,050	430,020	76	94	24,291	24,567
Evansville .....	45	22	1,101,549	96,335	21	32	6,361	15,442
Dec. totals.....	918	712	\$9,267,248	\$3,017,045	735	518	\$847,513	\$343,359
Nov. totals.....	1,266	881	5,379,620	2,217,285	782	570	432,359	353,422
Oct. totals.....	1,513	1,179	5,892,607	3,355,088	979	790	461,030	333,396

## POSTAL RECEIPTS

	Quarter ended	Quarter ended	Quarter ended
	Dec. 31, 1922	Sept., 30, 1922	Dec. 31, 1921
St. Louis .....	\$3,061,724.27	\$2,318,915.75	\$2,634,058.14
Louisville .....	591,374.19	571,478.45	.....
Memphis .....	456,628.45	362,387.43	389,109.94
Little Rock .....	190,321.06	178,288.33	175,264.13
Evansville .....	141,141.14	117,921.56	118,331.55
Total.....	\$4,441,189.11	\$3,548,991.52	\$3,316,763.76

## CHANGES IN THE COST OF LIVING BETWEEN JULY, 1914 AND DECEMBER, 1922

The cost of living among wage earners' families in the United States on December 15, 1922, was 58.9 per cent higher than in July, 1914, according to figures collected monthly by the National Industrial Conference Board. Between November 15 and December 15, 1922, there was an increase of one-half of one point or three-tenths of one per cent. The changes in the budget within the month were continued increases in both food and fuel prices, and a decrease in clothing prices. Between July, 1920, when the peak of the rise in the cost of living since 1914 was reached, and December, 1922, the cost of living dropped 45.6 points or 22.3 per cent.

## FINANCIAL

The general tendencies in the financial situation noted in the preceding issue of this report continued almost without interruption during the past thirty days. Liquidation generally throughout the district is proceeding on a liberal scale, especially in the South where cotton is well out of the hands of producers and tobacco and rice are being satisfactorily marketed. Farmers and planters are settling with their merchants, and the latter in turn have materially cut down their loans at the banks. As a result of this cycle of settlements the financial institutions are heavily equipped with loanable funds, and with the demand moderately active only, rates charged by the commercial banks have eased off slightly. Further liquidation of loans based on grains, particularly wheat, was in evidence. The demand for funds to defray expenses of early farming operations is beginning to be felt in the South, but has not appeared in other sections of the district. In Northern tiers of the district the demand for purchasing and feeding live stock is well sustained. A number of banks are seeking investments for their surplus funds and are turning to Government obligations and the commercial paper market.

This district's quota of the issue of 4½ per cent Treasury notes, dated January 15, was heavily oversubscribed. Between December 16 and January 16 net deposits of the Federal Reserve Bank of St. Louis increased \$6,545,000. Federal Reserve notes in circulation decreased \$6,223,000, and there was a decrease of \$10,496,284 in paper discounted for member banks. The total reserve carried against deposit and Federal Reserve note liability increased 3.7 per cent, standing at 73.9 per cent on January 16.

**Commercial Paper** — Sales of reporting brokers in December ranged from 40 to 100 per cent over the corresponding month in 1921, and business during the first half of January indicates a continuance of these increases. The demand is considerably in excess of supplies, with both country and city banks purchasing. The largest buyers, however, have been financial institutions in the larger cities. In the immediate past some of the more important business houses have put out paper, but the rates are low, and keen competition is offered by banks of deposit. Rates range from 4½ to 4¾ per cent, which compares with 4½ to 5 per cent during the preceding thirty days.

**Savings Deposits** — The changes in the number of savings accounts and the amount of savings deposits, exclusive of postal savings deposits, since a month ago and a year ago, as reported by the largest member banks in the leading cities of this district, are shown in the following table:

	Jan. 3, 1923			Dec. 6, 1922		Jan. 4, 1922	
	Number Banks Reporting	Number Savings Accounts	Amount Savings Deposits	Number Savings Accounts	Amount Savings Deposits	Number Savings Accounts	Amount Savings Deposits
St. Louis .....	12	247,209	\$ 69,548,000	244,042	\$ 68,661,000	227,795	\$ 61,773,000
Louisville .....	7	*157,198	*23,055,000	*141,871	*21,496,000	124,390	19,927,000
Memphis .....	7	58,522	15,959,000	58,539	15,314,000	57,169	13,568,000
Little Rock .....	5	26,194	6,679,000	26,093	6,528,000	24,355	5,655,000
Evansville .....	4	22,633	8,956,000	22,340	8,590,000	20,716	8,232,000
Total.....	35	511,756	\$124,197,000	492,885	\$120,589,000	454,425	\$109,155,000

\*The large increase in savings accounts in Louisville over previous month is partly due to one of the reporting banks having absorbed a non-reporting bank on Dec. 26, 1922.

**Condition of Banks** — The condition of banks in this district and changes since a month ago and last year, are reflected in the following comparative statement showing the principal resources and liabilities of member banks in St. Louis, Louisville, Memphis, Little Rock and Evansville:

	Jan. 17, 1923	Dec. 13, 1922	Jan. 18, 1922
Number of banks reporting.....	37	37	37
Loans and discounts (including rediscounts):			
Secured by U. S. Govt. obligations.....	\$ 18,471,000	\$ 18,760,000	\$ 16,905,000
Secured by stocks and bonds other than U. S. Bonds..	142,578,000	138,931,000	122,151,000
All other loans and discounts.....	300,217,000	295,848,000	296,727,000
Total loans and discounts (including rediscounts).....	\$461,266,000	\$453,539,000	\$435,783,000
Investments:			
U. S. pre-war bonds.....	15,354,000	52,937,000	27,155,000
U. S. Liberty bonds.....	25,939,000		
U. S. Treasury bonds.....	10,896,000		
U. S. Victory notes and Treasury notes.....	25,226,000	15,431,000	3,676,000
U. S. Certificates of Indebtedness.....	3,518,000	3,635,000	4,669,000
Other bonds, stock and securities.....	87,297,000	87,922,000	69,468,000
Total Investments.....	\$168,230,000	\$159,925,000	\$104,968,000
Reserve Balance with Federal Reserve Bank.....	47,170,000	42,267,000	44,057,000
Cash in vault.....	7,653,000	9,008,000	7,234,000
Net demand deposits on which reserve is computed.....	386,184,000	356,617,000	310,051,000
Time deposits.....	181,951,000	176,419,000	154,821,000
Government deposits.....	10,665,000	11,541,000	4,643,000
Bills payable and rediscounts with Federal Reserve Bank:			
Secured by U. S. Government obligations.....	1,436,000	7,618,000	7,042,000
All other.....	1,336,000	8,940,000	18,842,000

**Debits to Individual Accounts** — The following table gives the total debits charged by banks to checking accounts, savings accounts and trust accounts of individuals, firms, corporations and U. S. Government and also certificates of deposits paid, in the leading cities of this district during the past month and corresponding period a year ago. Charges to the accounts of banks and bankers are not included. These figures are considered the most reliable index for indicating actual spending by the public during the period which they cover:

	For four weeks ending Jan. 17, 1923	For four weeks ending Dec. 13, 1922	Dec., 1922 comp. to Dec., 1921	For four weeks ending Jan. 18, 1922	Jan., 1923 comp. to Jan., 1922
East St. Louis and Nat. Stock Yards, Ill.	\$ 39,872,000	41,974,000	— 5.0%	\$ 30,599,000	+30.3%
Evansville, Ind.	33,617,000	28,943,000	+16.1%	23,621,000	+42.3%
Fort Smith, Ark.	11,282,000	12,846,000	—12.2%	.....	.....
Greenville, Miss.	4,975,000	4,745,000	+ 4.8%	.....	.....
Helena, Ark.	6,559,000	6,197,000	+ 5.8%	.....	.....
Little Rock, Ark.	61,269,000	58,552,000	+ 4.6%	41,677,000	+47.0%
Louisville, Ky.	161,792,000	135,886,000	+19.1%	90,802,000	+78.2%
Memphis, Tenn.	156,403,000	162,919,000	— 4.0%	106,365,000	+47.0%
Owensboro, Ky.	7,875,000	6,275,000	+25.5%	.....	.....
Quincy, Ill.	10,488,000	10,009,000	+ 4.8%	7,900,000	+32.8%
St. Louis, Mo.	691,440,000	549,165,000	+25.9%	501,535,000	+37.9%
Springfield, Mo.	14,668,000	13,187,000	+11.2%	11,190,000	+31.1%
Total	\$1,200,240,000	\$1,030,698,000	+16.4%	.....	+43.7%

### FEDERAL RESERVE OPERATIONS

During December the Federal Reserve Bank of St. Louis discounted for 221 of its 610 member banks, which compares with 211 of its 608 member banks accommodated in November. The discount rate of this bank remains unchanged at 4½ per cent.

Changes in the assets and liabilities of the Federal Reserve Bank of St. Louis since a month ago and last year are shown in the following comparative statement (in thousands of dollars):

	RESOURCES			LIABILITIES			
	Jan. 17, 1923	Dec. 13, 1922	Jan. 18, 1922	Jan. 17, 1923	Dec. 13, 1922	Jan. 18, 1922	
Gold Reserves.....	\$109,259	\$104,893	\$103,351	Capital paid in.....	\$ 4,830	\$ 4,813	\$ 4,606
Legal Tender, Notes, Silver, etc.....	13,226	11,048	13,251	Surplus .....	9,665	9,388	9,388
Total Cash Reserves..	\$122,485	\$115,941	\$116,602	Deposits .....	78,039	70,725	70,477
Discounts secured by Govt. obligations.....	7,372	13,451	17,820	F. R. Notes in circulation .....	88,145	94,501	88,645
Discounts otherwise secured or unsecured..	6,002	14,258	32,357	F. R. Bank Notes in circulation .....	.....	1,457	3,983
Bills bought in open market.....	14,926	12,660	415	Deferred availability items .....	40,692	40,922	31,466
U. S. Govt. securities....	24,450	21,116	7,866	Other Liabilities.....	688	1,161	651
Total Earning Assets..	\$ 52,750	\$ 61,485	\$ 58,468	Total Liabilities.....	\$222,059	\$222,967	\$209,216
Uncollected items.....	40,320	39,447	28,610	Combined Res. Ratio.....	73.7%	70.2%	73.3%
Other Resources.....	6,504	6,094	5,536				
Total Resources.....	\$222,059	\$222,967	\$209,216				

(Compiled January 20, 1923)

# FEDERAL RESERVE BANK OF ST. LOUIS



## MONTHLY REVIEW OF GENERAL BUSINESS CONDITIONS IN FEDERAL RESERVE DISTRICT No. 8

Released for Publication On and After the Morning of March 2, 1923

WILLIAM McC. MARTIN

CHAIRMAN OF THE BOARD AND FEDERAL RESERVE AGENT

**P**RODUCTION and distribution of merchandise in this district during the past thirty days, according to reports of leading interests in the lines investigated, was relatively larger in volume than usual at this particular season, and showed heavy gains over the corresponding periods during the two preceding years. The demand for all varieties of commodities is active, and in some important lines, notably textiles and iron and steel, business was restricted by inability to turn out or procure goods to forward on the deliveries specified in orders offered. Retail stocks generally are light, both in the city and country, and wholesalers and jobbers report an abnormally heavy volume, of small, fill-in orders for immediate shipment. This is construed as meaning that retailers underestimated their requirements and that demands of actual consumers have augmented with increased employment, improved conditions and higher prices in the markets for farm products.

The number of buyers at wholesale establishments in the large cities during late January and the opening weeks of February was larger than for any similar period since 1920. While their purchasing still indicates caution and conservatism, the size of orders placed and variety of goods taken reflect a greater degree of confidence in the near-term future at least. Commitments for forward delivery are steadily increasing, and in most lines are close to levels recognized as normal in pre-war years. The recent cold weather has served to stimulate the movement of winter merchandise, such as heavy clothing, rubber footwear, fuel, etc., which had lagged somewhat earlier in the season. From some sections came complaints of a slowing down in retail trade, due to snows, rains and heavy roads which prevented farmers coming to town and kept shoppers indoors in the cities. On the whole, however, the seasonable weather helped business and prospects, especially in the grain areas, where needed moisture and snow protection to growing crops was abundantly supplied.

Reports direct and indirect bearing on manufacturing indicate increasing activity. Replies to questionnaires from virtually all the leading interests show heavier outputs than a year ago, and a number point out that their production would have been larger but for the fact that they were unable to secure labor and raw materials sufficient to employ more of their plant capacity. Consumption of electric current by industrial consumers of the public utility plants in the four largest cities of the district showed further gains during January, and early

returns in February show a continuation of these increases. The movement of freight by railroads operating in the district is the heaviest on record for this season of the year.

Reports of the U. S. Department of Labor, and from State labor bureaus and private agencies indicate a further increase in employment and virtual cessation of voluntary unemployment. A scarcity of skilled workers is reported in the iron and steel, boot and shoe, clothing, fire clay and several other industries. More workers, both skilled and common, are needed at mines and smelters in the lead, zinc and oil camps, and there is a general shortage of skilled artisans in the building trades. Comment is made, especially in the South, of the heavy movement of farm labor to the industrial centers, and apprehension is felt that a shortage may develop in the cotton section next spring. The trend of wages continues upward, though no actual scale advances were reported in any large industry during the period under review.

Price movements were somewhat irregular, but the upward tendency in certain groups of commodities noted in the preceding issue of this report, continued in force. A feature has been the growing strength in building materials, practically everything in that category having moved to higher levels. There have been spotted advances in textiles, most pronounced in the list based on cotton. Certain finished and semi-finished iron and steel goods have been marked up and pig iron is very firm at the recent advance. Scrap iron and steel were sharply higher. Boots and shoes, clothing and millinery were in the main steady, but changes noted were mainly slight upward revisions. Canned goods, the demand for which is active, are somewhat higher and flour, sugar and certain other food staples have sustained small advances. Bread and bakery products generally were unchanged. Crude petroleum, gasoline and some other petroleum products were higher, while soft coal prices declined.

Cereal prices during the period under review were marked by rather broad fluctuations, the May wheat option moving over a range of close to 10c and No. 2 red winter wheat covering a spread of 14c in the cash market. There was a sharp dip in prices between January 15 and 23, but after the latter date a steady recovery set in and at the close on February 15 prices stood well over those of January 15. Corn advanced in response to the urgent demand for stock feeding purposes, with values touching the highest levels since 1920. May corn sold at 77 $\frac{3}{8}$ c per bushel on February 13, which

compares with 58 $\frac{7}{8}$ c on the corresponding day in 1922. Oats advanced in sympathy with wheat and corn, closing at 48c on February 14, against 43c on the same date a year ago. Cotton quotations moved over a narrow range, middling at St. Louis fluctuating between 27 $\frac{3}{4}$ c and 28 $\frac{3}{4}$ c and closing at 28 $\frac{1}{2}$ c on February 15, an advance of  $\frac{1}{2}$ c per pound for the thirty-day period. On the other hand live stock prices received by farmers were the lowest in several months.

There was a slight decline in freight car loadings on railroads operating in the district as compared with recent months, but this was explained entirely by weather and other seasonal considerations. Totals of all roads continue to run largely in excess of the corresponding periods in 1921 and 1922. Marked improvement has taken place in the car situation, and generally the lines are recovering from the disabilities incident to the strikes last year. For the third consecutive month gains were made in passenger traffic over the corresponding period a year ago, the increase in January amounting to approximately 11 per cent. The St. Louis Terminal Railway Association, which includes in its membership 26 roads operating through this gateway, interchanged 208,584 loads in January, the largest number handled by the company in the first month of any year, and comparing with 196,136 loads in December and 151,093 loads in January, 1922. During the first nine days of February 60,408 loads were interchanged against 49,199 for the corresponding period in 1922.

While colder weather caused a slight improvement in requirements of householders for coal, the fuel situation continues quiet, with prices of soft coal lower. Many mines in the district continue to operate at only slightly more than half time, but this curtailed rate of production apparently is able to meet all demands. The call for steaming coal is slow, and the storage movement among important industrials and public utilities noted toward the close of the year, has disappeared with banishment of fears of a coal miners' strike in the spring. Coke is in relatively firmer position than coal, the activity of smelting having increased the demand for metallurgical sizes. Domestic and industrial coke is also in excellent demand, with prices strong. Production of bituminous coal continues to hang around 11,000,000 tons per week. Total output for the

year to February 3 was 44,762,000 tons, against 43,732,000 tons for the corresponding period in 1922.

Production of automobiles for the country as a whole increased slightly during January, the output of passenger cars reporting direct or through the Automobile Chamber of Commerce being 223,653 against 207,483 in December. Production of trucks in January totaled 18,913 against 19,640 in December. Reports of 230 dealers scattered through the district indicate considerably less than the usual seasonal slowing down in business. Their sales in January were 13 $\frac{1}{2}$  per cent larger than a year ago, and early February returns indicate that this average will be bettered during the latter month. The largest increases were recorded in the Southern sections, where there has been marked improvement in sales of cars in the country. Sales and prospects resulting from the mid-February automobile show at St. Louis were considerably in excess of expectations. The accessory and tire trade during the past thirty days was described as the most active ever experienced at this particular season. Tire prices have been advanced by a number of leading manufacturers, and other advances are announced to take place within the next few weeks.

The high efficiency of collections in virtually all parts of the district noted in the preceding issue of this report continued during January and early February. The only backward spots reported were where heavy rains and snows have interfered with normal activities in rural sections. Wholesalers in the large centers report their customers are taking advantage of discounts allowed for prompt payments to a greater extent than for more than two years. In the South liquidation is particularly satisfactory in both retail and wholesale departments of distribution. Answers to 341 questionnaires addressed to representative interests throughout the Eighth Federal Reserve District asking for data relative to collections show the following results: 7.1 per cent excellent, 50.5 per cent good, 41.2 per cent fair and only 1.2 per cent poor.

Commercial failures in the Eighth Federal Reserve District during January, according to Dun's, numbered 81, involving liabilities of \$1,491,314, against 112 defaults with liabilities of \$3,400,430 in January, 1922.

The per capita circulation of the United States on February 1 was \$40.74 against \$42.81 on January 1, and \$39.91 on February 1, 1922.

## MANUFACTURING AND WHOLESALE

**Boots and Shoes**—Sales of the 11 reporting firms in January were 28.4 per cent larger than for the corresponding month in 1922, and 5.1 per cent in excess of the December total. The demand is active throughout the line, with sales of women's shoes relatively better than during the past few months. The comment is also made that sales of workmen's shoes continue at the high levels which characterized business throughout 1922. Orders for high grade shoes form a more considerable part in the total than was the case last season. Goods for Easter have been moving in excellent volume, and considerable ordering has been done for early summer. Factory operation continues at from 80 to 100 per cent of capacity, and advance business booked will assure this rate for the next

three months at least. Increasing stabilization is noted in the raw material market, including the various varieties of finished leather. No change in prices of finished footwear took place during the past thirty days.

**Clothing**—Somewhat more than the usual seasonal upturn in volume of business featured the clothing industry during January and early February. Gains over the preceding year, noted during the past several months, were well maintained, with increases most pronounced in orders for forward delivery. Spring lines are moving well, especially in the Southern and rural sections, and inquiries are being received in volume for summer wear. Sales of the 23 reporting interests were 26.9 per cent over the same month a year ago. Factory

operations of the larger interests are at capacity, with smaller ones averaging between 80 and 100 per cent, in face of scattered labor troubles. Prices of finished goods showed no change worthy of note, but the trend of raw materials continues upward, with a number of specific advances recorded. Woolen goods for fall lines have advanced from 10 to 16 per cent.

**Iron and Steel Products** — The demand for iron and steel products from all major sources continues excellent, and in many instances exceeds the ability of the works to supply under existing conditions of labor, raw materials and transportation. Prices continue the upward trend which commenced during the closing months of last year, with advances embracing additional commodities during the past four weeks. Many mills and foundries have disposed of their outputs for several months ahead, and some sections of the industry are more concerned with getting out goods than making new sales. Job foundries report augmented business, and the same is true of certain specialty makers, notably stove, farm implement, railway supplies and architectural iron. The demand for farm implements in the cotton sections is active, and purchases in the grain areas are considerably larger than a year ago. Among the articles on which higher quotations have been recorded are steel pipe, tubular goods, wire and wire products, sheets, steel strip, plates, shapes, bars and pig iron. No. 2 Southern iron, 1.75 to 2.25 per cent silicon, has advanced to \$25 per ton, with Northern iron of the same grade firmly held at \$29 to \$30. The melt of pig iron in January was approximately  $2\frac{3}{4}$  per cent larger than in December, and  $17\frac{1}{2}$  per cent larger than for January, 1922. Scrap iron and steel prices advanced from 10 to 22 per cent during the period under review, and a marked scarcity of steel grades and cast iron is reported. December sales of stove manufacturers, 7 reporting, were 81.6 per cent larger than for the same month in 1922; wire rope makers, 5 interests reporting, showed gains of 15 to 50 per cent; railway supplies, 5 interests reporting, showed increases of 12 to 31 per cent; farm implements, 6 interests reporting, gained 62 per cent and boiler works, 6 interests reporting, gained 132 per cent. The large increase shown by boiler works is attributed in part to several exceptionally heavy orders booked by two of the reporting interests.

**Hardware** — Activity in this line throughout the district featured the period under review, with Southern stores making an especially favorable showing. Sales of the 12 reporting interests in January were 61.9 per cent larger than for the same month in 1922, and 15.8 per cent larger than in December. Virtually the entire line is participating in the activity, but builders' hardware, cotton tools, wire products, cutlery and all sorts of goods for household use are in particularly strong demand. In some sections merchants complain of inability to secure certain varieties of goods. Comment is made by wholesalers in the larger centers on the heavy movement of spring goods. Advance orders for fishing tackle and the general line of seasonal sporting goods are large.

**Electrical Supplies** — The improvement in general business, almost uninterrupted building operations during the winter and heavy buying by public utility companies were factors in an increase of 38.5

per cent in total January sales of the 12 reporting interests. Orders for automobile equipment also aided in lifting the month's total. There is an excellent demand for small motors for household appliances, and more than the usual seasonal volume of contract work for wiring is reported. Supplies and equipment for mines and the oil fields are moving well. Radio business continues active.

**Flour** — Production of the 11 leading mills in the district in January was 321,725 barrels, which compares with 346,030 barrels in December, and 333,966 barrels in January, 1922. Business during the period under review was extremely dull, especially during the closing weeks of January. Domestic orders were light, and few shipping instructions were received. As a result milling operations were cut to only 50 to 60 per cent of capacity. The export demand continues quiet with the only business reported being routine transactions with the Latin American countries. Bids from Europe were mainly too far out of line to result in workings. With the advance of wheat prices toward the close of the period, some improvement developed in flour sales, and prices were slightly firmer.

**Dry Goods** — Improvement in conditions throughout the entire trade territory resulted in further marked gains in sales in this line. Total transactions of the 11 reporting interests in January were 54.3 per cent larger than for the same month in 1922, and 68.7 per cent in excess of December. The demand extends pretty well to the entire line, and some goods are becoming increasingly difficult to obtain. Southern retailers have taken a prominent part in the buying movement, and in many instances are placing substantial orders for fall and summer delivery. Further advances in the prices of certain cotton goods were recorded. Ready-to-wear clothing, hosiery and notions are reported moving in heavier volume than at any similar period in more than two years. Collections continue satisfactory.

**Groceries** — The flooded condition of streams and heavy roads in many sections of the district prevented salesmen from getting around and kept farmers from going to town, which conditions were responsible for a slight slowing down in sales in this line during the period under review. The 17 reporting interests showed an increase of 2.1 per cent in sales during January as compared with the same month in 1922 and 9.6 per cent under December. Conditions in the industry, however, are described as fundamentally good, with stocks in all positions in excellent shape. Canned goods are in strong demand, with prices tending higher. Sugar, coffee and several other items were higher, but generally prices remain about steady. Collections are good.

**Drugs and Chemicals** — The past thirty days were marked by decided improvement in this classification, sales of the 7 reporting interests being 18.6 per cent over the same period in 1922 and 23.2 per cent in excess of the December total. Prevalence of influenza and other winter maladies has served to stimulate the demand for remedial drugs, sales of which were the heaviest in any single month for more than a year. The retail trade is active, and the volume of sales was augmented by an unusually large number of stock orders. Improvement is reported in the demand for chemicals used in manufacturing. An excellent inquiry for insecticides is

reported. Prices generally continue their upward trend.

**Furniture**—Plant operation in the district averages close to 85 per cent of capacity with some large interests working full time, and the demand generally through the entire line continues active. Household furniture and furnishings for hotels and hospitals are moving in relatively larger volume than other varieties, but the call for office furniture is also brisk. "Market week," observed in St. Louis from February 5 to 10, brought in an unusually large number of buyers, and orders booked were well up to expectations. Sales of the 11 reporting interests were 23½ per cent larger than for the corresponding period a year ago.

**Lumber**—Increasing sales, advancing prices and a very heavy movement of stock featured the

**Industrial Power Consumption**—January figures from 3 of the 4 reporting centers show moderate increases over December in the use of electric power for industrial purposes, Louisville alone registering a decline. The increase over the previous year continues to mount, the January aggregate being 62.1 per cent against 47.0 last month. Comparative figures follow:

Representative Customers	Jan., 1923		Dec., 1922		Jan., 1923 comp. to Dec., 1922		Jan., 1923 comp. to Jan., 1922	
Little Rock	11	682,933 k. w. h.	680,822 k. w. h.		+0.3%	572,875 k. w. h.		+19.2%
Louisville.....	67	3,151,161 "	3,489,759 "		-9.7%	1,561,461 "		+101.8%
Memphis ....	31	1,254,260 "	1,149,340 "		+9.1%	1,257,780 "		-0.3%
St. Louis....	67	11,863,487 "	*11,413,475 "		+3.9%	7,068,012 "		+67.8%
Total....	176	16,951,841 "	16,733,396 "		+1.3%	10,460,128 "		+62.1%

\*Revised figures.

**Department Stores**—The condition of retail trade during January, 1923, in the leading cities of this district is reflected in the following statement, compiled from reports of 21 representative department stores:

(Percentages)	St. Louis	Louisville	Memphis	Little Rock	Evansville	Quincy	8th District
Net Sales:							
Jan., 1923, compared with Jan., 1922.....	+ 6.5	+11.0	+18.0	+10.7	+ 1.5	+10.0	+ 9.3
Period Jan. 1, to Jan., 31, 1923, compared with same period in 1922.....	+ 6.5	+11.0	+18.0	+10.7	+ 1.5	+10.0	+ 9.3
Stocks at end of January, 1923:							
Compared with same month in 1922.....	+11.4	-10.4	- 1.4	+12.8	-11.4	+22.0	+ 6.6
Compared with stocks at end of Dec., 1922....	- 8.4	- 2.2	- 2.2	+12.6	+ 1.7	+ 0.4	- 4.6
Average stocks on hand at end of each month since Jan. 1, 1923, to average monthly sales during same period.....	368.1	435.2	493.3	433.0	499.2	602.1	407.0
Outstanding orders at close of Jan., 1923, compared with previous year's purchases.....	12.2	7.5	10.8	13.6	.....	15.8	11.6

### AGRICULTURE

The condition of fall sown grains in this district underwent no marked change during the past thirty days. Rains and snows have helped wheat materially, and latest reports indicate a strong position for the crop, with less than usual winter killing. In some counties, where development had been backward, the lost ground has been recovered. Some complaints of Hessian fly are made, and alternate freezing and thawing has caused damage in certain sections.

Generally the movement of corn to primary markets has been slow, but this fact has mattered little, as local demands are good and prices are rising in feeder sections. The market for white potatoes has been very poor, with stocks heavy and prices low and in many localities the crop is keeping poorly. Prices for sweet potatoes are in the main satisfactory to producers.

In Arkansas approximately 80 per cent of the rice crop is out of the hands of raisers, and prices

wholesale lumber business during the period under review. Receipts of lumber at St. Louis for the first month of the year, 380,000,000 feet, were 89 per cent in excess of those of January, 1922, while the gain for shipments, 272,000,000 feet, was 81¾ per cent. Both hard and soft woods have shared in the demand, which comes from all major sources of consumption. Yellow pine and fir stocks have been heavily reduced at the mills, and wholesalers find it increasingly difficult to get lumber for early delivery. In the hard woods, sap gum, plain oak, soft maple and one or two other woods are extremely active. Only quartered gum, for which sap gum has been largely substituted by furniture makers, lags in movement. Both red and yellow cypress, red wood and red cedar products are full participants in the improvement.

for that cereal have been well sustained. Indications are that the rice acreage for 1923 will be slightly increased over that of 1922.

Weather as a rule has been favorable for handling tobacco, and the crop is being marketed in volume, with prices satisfactory. Approximately 200,000,000 pounds of leaf have been sold during the present marketing season by the Burley and Dark Tobacco Growers' Cooperative Associations, about 125,000,000 pounds representing burley sales. Both associations are functioning well, and prices thus far realized have been satisfactory. The recent excessive rains in Kentucky and Tennessee have interfered to some extent with tobacco deliveries by farmers.

General farm work throughout the district has made excellent progress. In most sections of the district plowing and the preparing of the soil for spring crops are in advance of the usual at this time

of year, though rains and snows have halted activities in the immediate past. The total number of live stock on farms in states of the district is the largest ever recorded, with dairy herds showing goodly increases over a year ago. Generally farm animals are in excellent health, the only complaints on this score received being of scattered cases of hog cholera in Indiana, Illinois and Missouri.

Considerable interest is centering in the next cotton crop, and early reports indicate a generally increased acreage. There has been much activity

in preparations for the new crop, and in Arkansas many planters have completed their plowing and the fields are in condition to plant. Throughout the South a vigorous campaign is being conducted with the view of inducing farmers to plant their food and feed crops this year as usual, and not to excessively increase their cotton acreage. A larger cotton acreage is indicated in Southern Missouri, and certain Illinois counties which have not heretofore raised cotton will put in small acreages this year.

Range of prices on typical products in the St. Louis market between January 15 and February 15, with closing quotations on each of these dates, and on February 15, 1922:

	Close Jan. 15	High	Low	Close Feb. 15	Close Feb. 15, 1922
May wheat.....Per bu.	\$1.17½	\$1.23¾	\$1.13¾	\$1.18½	\$1.36¾
July wheat..... "	1.11	1.15¼	1.08¾	1.12½	1.20¾
September wheat..... "	1.07½	1.14¾	1.06½	1.11¾	.....
May corn..... "	.73¾	.77¾	.70¾	.74¾	.61
July corn..... "	.72¾	.77½	.71¾	.75¾	.62¾
September corn..... "	.....	.77¼	.71¾	.76	.....
May oats..... "	.46½	.47¾	.45½	.47¼	.43
No. 2 red winter wheat..... "	\$1.36 @ 1.40	1.45	1.31	1.42	\$1.42 @ 1.44
No. 2 hard wheat..... "	1.18	1.23½	1.17	\$1.21 @ 1.22	1.35 @ 1.36
No. 2 corn..... "	.72½	.74½	.70	.73	.55½
No. 2 white corn..... "	.74	.76	.70	.74	.56 @ .57
No. 2 white oats..... "	.45½	.48	.43¼	.45½ @ .46	.39
Flour: soft patent.....Per bbl.	6.00 @ 7.00	7.00	6.00	6.00 @ 7.00	6.50 @ 7.50
Flour: hard patent..... "	6.40 @ 6.60	6.90	6.15	6.50	7.55 @ 8.35
Middling cotton.....Per lb.	.27½	.28¾	.27¾	.28½	.17¼
Hogs on hoof.....Per cwt.	6.75 @ 8.60	9.15	6.50	7.00 @ 8.85	7.50 @ 10.25

### COMMODITY MOVEMENT

Receipts and shipments of important commodities at St. Louis during January, 1923 and 1922, and December, 1922, as reported by the Merchants' Exchange, were as follows:

	Receipts			Shipments		
	Jan., 1923	Dec., 1922	Jan., 1922	Jan., 1923	Dec., 1922	Jan., 1922
Flour, barrels.....	332,070	362,870	406,830	461,450	468,710	414,820
Wheat, bushels.....	3,555,962	3,173,147	1,802,400	2,681,460	2,340,360	1,860,940
Corn, bushels.....	3,836,300	2,332,200	4,438,200	2,360,660	1,204,110	3,199,745
Oats, bushels.....	4,490,000	2,640,000	2,772,000	3,195,570	1,655,330	1,823,410
Lead, pigs.....	278,750	276,090	389,990	136,440	127,630	170,270
Zinc and Spelter, slabs.....	147,580	216,600	242,670	169,450	208,070	363,150
Lumber, cars.....	19,028	16,344	10,043	13,599	10,405	7,482
Meats, pounds.....	21,488,200	15,554,600	14,863,400	33,453,900	27,818,600	23,774,600
Fresh beef, pounds.....	488,900	200,900	20,000	17,944,700	20,634,200	20,450,800
Lard, pounds.....	7,189,700	4,557,100	4,190,200	13,025,700	9,530,000	8,024,700
Hides, pounds.....	7,974,900	5,757,600	6,714,700	10,942,900	9,498,700	7,775,000

### LIVE STOCK MOVEMENT

As reported by the St. Louis National Stock Yards, receipts and shipments of live stock in January, 1923 and 1922, and December, 1922, were as follows:

	Receipts			Shipments		
	Jan., 1923	Dec., 1922	Jan., 1922	Jan., 1923	Dec., 1922	Jan., 1922
Cattle and Calves.....	98,678	113,910	85,412	60,270	75,683	47,947
Hogs.....	453,481	398,002	364,812	284,462	245,981	275,093
Sheep.....	31,955	32,707	44,334	14,161	8,470	22,261
Horses and Mules.....	22,808	9,171	12,264	21,464	9,746	11,376

### BUILDING

January building permits issued in the five leading cities of the district, while falling below those of December, were more than three times greater in value than those issued in January, 1922. Especially heavy gains were made by Louisville and Memphis. Generally through the Southern section of the district, construction operations continue at a high level, and programs announced will insure the present pace during the first half of the year. Extensive preparations are being made for resumption of road building as soon as weather conditions permit. A shortage of building materials is holding down activities in

some localities, and generally the supply of skilled labor is below requirements. Total production of Portland cement in the United States during January was 7,704,000 barrels, which compares with 8,671,000 barrels in December and 2,931,000 barrels in January, 1922.

Comparative building figures for January in leading cities of the district follow:

	New Construction				Repairs, etc.			
	Permits		Cost		Permits		Cost	
	1923	1922	1923	1922	1923	1922	1923	1922
Evansville .....	71	30	\$ 193,825	\$ 59,195	46	36	\$ 14,375	\$ 26,257
Little Rock .....	84	74	248,450	294,130	89	70	31,758	34,852
Louisville .....	337	104	3,404,075	405,050	76	54	61,300	61,700
Memphis .....	343	260	1,386,125	557,400	52	33	35,750	21,800
St. Louis.....	555	246	2,218,380	958,085	482	285	341,946	161,445
Jan. totals.....	1,390	714	\$7,450,855	\$2,273,860	745	478	\$485,129	\$306,034
Dec. totals.....	918	712	9,267,248	3,017,045	735	518	847,513	343,359
Nov. totals.....	1,266	881	5,379,620	2,217,285	782	570	432,359	353,422

### CHANGES IN COST OF LIVING BETWEEN JULY, 1914 AND JANUARY, 1923

The cost of living among wage earners' families in the United States on January 15, 1923 was 58.1 per cent higher than in July, 1914, according to figures collected monthly by the National Industrial Conference Board. Between December 15, 1922 and January 15, 1923, there was a decrease of four-fifths of one point or one-half of one per cent. The only changes in the budget within the month were a decrease in average food prices, and an increase in clothing prices. A few decreases in gas rates were noted but not enough to affect the average for the country as a whole. Between July, 1920, when the peak of the rise in the cost of living since 1914 was reached, and January, 1923, the cost of living dropped 46.4 points or 22.7 per cent.

### FINANCIAL

Further liquidation of a satisfactory character took place in the South and other parts of the district during the period under review. Country banks report that their borrowing customers are cutting down their loans, and the demand in the farming areas at the moment is seasonably quiet. Some borrowing has taken place in the South to finance early farming operations, but this demand is not expected to materialize in volume before the middle of March. The recent advance in cereal values has resulted in the appearance of a moderate amount of grain paper, but the inquiry for funds for live stock purposes is less keen than heretofore. The general demand from commercial borrowers is somewhat spotted and irregular, some banks reporting good to brisk, while others describe it as only fair. Deposits are holding up in excellent shape, and the commercial banks are well equipped with loanable funds. In the immediate past there has been a slight stiffening in interest rates, but no specific advances except on commercial paper. Bills

discounted with this institution sustained a further decrease. There was a further increase in savings deposits. Between January 15 and February 15 deposits of the Federal Reserve Bank of St. Louis increased \$1,919,000. Federal Reserve notes in circulation decreased \$2,260,000 and there was a decrease of \$5,612,356 in paper discounted for member banks. Total reserve carried against deposit and Federal Reserve note liability decreased .6 per cent, standing at 72.2 on February 15.

**Commercial Paper**—Business of commercial paper brokers during January was extremely active, sales ranging from 140 to 250 per cent over the corresponding period a year ago. Returns for the first two weeks of February indicate a continuance of these gains. The larger business interests are putting out an increased volume of paper and the demand from both city and country financial institutions is excellent. Rates are firmer, ranging from 4½ to 4¾ per cent, with an occasional sale of less well-known names at 5 per cent.

**Debits to Individual Accounts**—The following table gives the total debits charged by banks to checking accounts, savings accounts and trust accounts of individuals, firms, corporations and U. S. Government and also certificates of deposit paid, in the leading cities of this district during the past month and corresponding period a year ago. Charges to the accounts of banks are not included. These figures are considered the most reliable index for indicating actual spending by the public during the period which they cover:

	For four weeks ending Feb. 14, 1923	For four weeks ending Jan. 17, 1923	Feb., 1923 comp. to Jan., 1923	For four weeks ending Feb. 15, 1923	Feb., 1923 comp. to Feb., 1922
East St. Louis and Nat'l Stock Yards, Ill.	\$ 40,021,000	\$ 39,872,000	+ 0.4%	\$ 33,222,000	+20.5%
Evansville, Ind.	29,089,000	33,617,000	-13.5%	20,002,000	+45.4%
Fort Smith, Ark.	10,586,000	11,282,000	- 6.2%	.....	.....
Greenville, Miss.	5,194,000	4,975,000	+ 4.4%	.....	.....
Helena, Ark.	5,254,000	6,559,000	-19.9%	.....	.....
Little Rock, Ark.	51,030,000	61,269,000	-16.7%	40,348,000	+26.5%
Louisville, Ky.	149,489,000	161,792,000	- 7.6%	118,307,000	+26.4%
Memphis, Tenn.	143,955,000	156,403,000	- 8.0%	85,006,000	+69.3%
Owensboro, Ky.	6,649,000	7,875,000	-15.6%	.....	.....
Quincy, Ill.	9,527,000	10,488,000	- 9.2%	7,474,000	+27.5%
St. Louis, Mo.	571,756,000	691,440,000	-17.3%	462,885,000	+23.5%
Springfield, Mo.	12,622,000	14,668,000	-13.9%	11,833,000	+ 6.7%
<b>Total.....</b>	<b>\$1,035,172,000</b>	<b>\$1,200,240,000</b>	<b>-13.8%</b>	<b>.....</b>	<b>+29.3%</b>

**Savings Deposits** — Changes in the number of savings accounts and the amount of savings deposits, exclusive of postal savings deposits, since a month ago and a year ago, as reported by the largest member banks in the leading cities of this district, are shown in the following table:

	Feb., 7, 1923			Jan. 3, 1923		Feb. 1, 1922	
	Number Banks Reporting	Number Savings Accounts	Amount Savings Deposits	Number Savings Accounts	Amount Savings Deposits	Number Savings Accounts	Amount Savings Deposits
Evansville .....	4	24,578	\$ 8,825,000	22,633	\$ 8,956,000	20,973	\$ 8,103,000
Little Rock .....	5	26,290	7,222,000	28,194	6,679,000	24,580	6,237,000
Louisville .....	7	161,783	22,846,000	157,198	23,055,000	130,788	19,863,000
Memphis .....	7	57,389	16,534,000	58,522	15,959,000	54,497	13,373,000
St. Louis .....	12	250,286	69,802,000	247,209	69,548,000	230,627	61,662,000
Total.....	35	520,326	\$125,229,000	511,756	\$124,197,000	461,565	\$109,248,000

**Condition of Banks** — The condition of banks in this district and changes since a month ago and last year, are reflected in the following comparative statement showing the principal resources and liabilities of member banks in Evansville, Little Rock, Louisville, Memphis and St. Louis:

	Feb. 14, 1923	Jan. 17, 1923	Feb. 15, 1922
Number of banks reporting.....	37	37	37
Loans and discounts (including rediscounts):			
Secured by U. S. Government obligations.....	\$ 17,911,000	\$ 18,471,000	\$ 16,616,000
Secured by stocks and bonds other than U. S. Bonds..	137,786,000	142,578,000	121,798,000
All other loans and discounts.....	302,898,000	300,217,000	298,778,000
Total loans and discounts.....	\$458,595,000	\$461,266,000	437,192,000
Investments:			
U. S. pre-war bonds.....	15,324,000	15,354,000	26,000,000
U. S. Liberty bonds.....	24,802,000	25,939,000	
U. S. Treasury bonds.....	9,742,000	10,896,000	8,053,000
U. S. Victory notes and Treasury notes.....	24,850,000	25,226,000	
U. S. Certificates of Indebtedness.....	3,709,000	3,518,000	5,979,000
Other bonds, stocks and securities.....	90,363,000	87,297,000	69,658,000
Total investments.....	\$168,790,000	\$168,230,000	109,690,000
Reserve Balance with Federal Reserve Bank.....	43,843,000	47,170,000	49,160,000
Cash in vault.....	8,330,000	7,653,000	6,603,000
Net demand deposits on which reserve is computed.....	384,705,000	386,184,000	320,360,000
Time deposits.....	184,571,000	181,951,000	155,996,000
Government deposits.....	4,410,000	10,665,000	13,742,000
Bills payable and rediscounts with Federal Reserve Bank: Secured by U. S. Government obligations....	1,401,000	1,436,000	4,546,000
All other.....	1,747,000	1,336,000	11,859,000

### FEDERAL RESERVE OPERATIONS

During January, the Federal Reserve Bank of St. Louis discounted for 192 of its 613 member banks, which compares with 221 of its 610 member banks accommodated in December. The discount rate of this bank remains unchanged at 4½ per cent.

Changes in the assets and liabilities of the Federal Reserve Bank of St. Louis since a month ago and last year are shown in the following comparative statement (in thousands of dollars):

	RESOURCES			LIABILITIES			
	Feb. 14, 1923	Jan. 17, 1923	Feb. 15, 1922	Feb., 14, 1923	Jan., 17, 1923	Feb., 15, 1922	
Gold Reserves.....	\$ 99,970	\$109,259	\$114,978	Capital paid in.....	\$ 4,867	\$ 4,830	\$ 4,604
Legal Tender, Notes, Silver, etc.....	18,541	13,226	14,247	Surplus .....	9,665	9,665	9,388
Total Cash Reserves.....	\$118,511	\$122,485	\$129,225	Deposits .....	74,864	78,039	78,335
Discounts secured by Govt. obligations.....	6,897	7,372	13,572	F. R. Notes in circulation .....	87,500	88,145	85,017
Discounts otherwise secured or unsecured.....	5,828	6,002	24,364	F. R. Bank Notes in circulation .....			3,679
Bills bought in open market.....	11,495	14,926	1,469	Deferred availability items .....	37,519	40,692	29,611
U. S. Govt. securities.....	28,780	24,450	12,951	Other Liabilities.....	723	688	659
Total Earning Assets.....	\$ 53,000	\$ 52,750	\$ 52,356	Total Liabilities.....	\$215,138	\$222,059	\$211,293
Uncollected items.....	37,893	40,320	25,280	Combined Res. Ratio.....	73.0%	73.7%	79.1%
Other Resources.....	5,734	6,504	4,432				
Total Resources.....	\$215,138	\$222,059	\$211,293				

(Compiled February 17, 1923)

# FEDERAL RESERVE BANK OF ST. LOUIS



## MONTHLY REVIEW OF GENERAL BUSINESS CONDITIONS

### IN FEDERAL RESERVE DISTRICT No. 8

Released for Publication On and After the Afternoon of March 30, 1923

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CHAIRMAN OF THE BOARD AND FEDERAL RESERVE AGENT

**T**HE trend of general business in this district during the past thirty days was very emphatically in the direction of further improvement. In virtually all lines investigated sales of wholesale and retail merchants reflected expansion, and manufacturers carried their production higher than for any similar period since the early part of 1920, with many attaining the highest levels ever reached. Additional advances in commodity prices and wages were noted, and there were further accretions to the numbers of employed in the ranks of both common and skilled workers. A shortage of labor exists in several of the important industries, which fact coupled with inadequate transportation service and scarcity of raw materials, served to hold down output and distribution of manufactured goods.

Activities in the building industry were well sustained, for while permits issued in the five largest cities of the district during the short month of February fell below the January total, the dollar amount involved was 53.7 per cent greater than for February, 1922. In the smaller cities and in the country building plans are on an extensive scale, and programs for highway construction indicate a heavier volume of work of this sort during the coming spring and summer than ever before undertaken. The record of commercial mortality in February showed a radical change for the better, the total number of failures in this district being more than 50 per cent less than for the corresponding month in 1922, while in liabilities involved there was a shrinkage of \$3,644,497, or 78.1 per cent. Industrial power consumption in the four leading cities in February showed less than the usual seasonal decrease under January, only 2.5 per cent, and was 86.1 per cent larger than in February last year.

According to wholesalers in the larger cities the number of visiting buyers is considerably larger than during the two preceding seasons, and the comment is made that their purchases are in quantity which is in marked contrast with the small lot buying at this time last year. There has been steady growth in the volume of advance orders, and for the first time since early in 1920 there are signs of speculative buying. The sharp advance in raw material prices has served to inspire greater confidence in values of finished merchandise, and efforts are being made by retailers to take advantage of any future rise which may take place in the finished goods markets. A growing scarcity of certain varieties of goods is another factor in inciting retailers to provide against their forward requirements.

The upward trend in commodity prices noted in the preceding issue of this report continued during the period under review, despite the endeavors

of manufacturers and producers of raw materials to curb advances, which in many instances are deemed unwarranted by existing conditions of supply and demand. The more conservative element in the business community is apprehensive lest prices should mount to levels which will result in heavily curtailed buying on the part of the public and bring about a repetition of conditions such as precipitated the reaction in 1920. To date, however, the upward swing has acted as a stimulus to business and in the desire to obtain goods, service at the moment is counting more than price.

Marked strength with numerous advances has marked the textile market, particularly in goods based on cotton and silk. Japanese raw silk moved to the highest point touched since May, 1920, and raw cotton passed the 31c mark. Several important manufacturers of cotton goods have withdrawn certain of their products from the market because of sold-up conditions. Most building materials and iron and steel products sustained further advances, and numerous items in the list of drugs and chemicals have been marked up. All of the non-ferrous metals were higher, with copper, lead and zinc recording new high levels on the movement. With the exception of sugar, some canned goods and preserved products, food prices were relatively steady. Bread and bakery products showed no change worthy of mention, and there was the usual seasonal decline in eggs and produce.

Cereal prices fluctuated in a relatively narrow range during the past thirty days, and with the exception of cash wheat, which was lower, the close on March 15 was about on a parity with final quotations a month earlier. Generally the position of farmers in the grain areas is stronger than at the corresponding season last year, and in the South, where higher prices have been realized on cotton and the tobacco and rice crops have been profitably marketed, conditions are decidedly prosperous. Reports received to date indicate heavy plantings of cotton and cereals, and in fact all crops with the exception of white potatoes and possibly rice. Manufacturers of implements and other farm supplies are making unusual preparations to meet actual and prospective demands from the country.

Railroads operating in the district continue to handle the heaviest volume of freight ever recorded at this season of the year, and on merchandise and miscellaneous freight and certain other classifications the tonnage is the largest ever accommodated. Last year's totals are being exceeded, despite the fact that in the early months of 1922 an unusually heavy movement of coal was in progress in anticipation of the miners' strike. Passenger traffic in

February was approximately 12 per cent in excess of the same month last year, and slightly larger than in January, though the review month contained only 28 days. The car situation has been improved by a reduction of bad order equipment, and the delivery of new cars. The St. Louis Terminal Railway Association, which includes in its membership 26 roads operating through this gateway, interchanged 191,584 loads in February, against 208,584 loads in January and 150,704 loads in February, 1922. During the first nine days of March 67,545 loads were interchanged, against 52,599 loads for the corresponding period in 1922.

No change worthy of note has taken place in the coal situation, which continues dull and unsatisfactory from the viewpoint of the producer and distributor. The demand from all sources is slow and the trend of prices lower. The advancing season has caused the usual decline in domestic requirements, and steam users are disposed to postpone contracting for their future needs in hopes of further concessions. Mines in the district average from 2½ to 3 days of activity per week, and a number closed down because of lack of orders. Coke for smelting purposes is still scarce and strong in price, the demand being stimulated by the heavy operations at iron and steel plants. Slack created by the decrease in domestic consumption has been taken up by industrial users, and the by-product plants are easily disposing of their entire current output.

Production of automobiles for the country as a whole in February developed a notable increase over January, despite the fact that there were three more days in the latter than the former month. The output of passenger cars by manufacturers reporting direct or through the Automobile Chamber of Commerce was 259,169 in February against 223,412 in January. Production of trucks in February

totaled 20,970 against 18,531 the month before. Sales of 230 dealers scattered throughout the district were 52 per cent larger during the past thirty days than during the corresponding period a year ago, and 12½ per cent in excess of the January total. Business in the cities and country is reported brisk, and distributors of certain popular makes are behind on deliveries. This situation is due more to transportation handicaps than under-production, and the practice of driving cars from the factories has been revived to a large extent. The movement of tires and accessories has kept pace with that of new cars. A number of tire manufacturers have advanced their prices, and others have signified their intention of doing so in course of the next sixty days.

Accounts relative to collections indicate a slight slowing down as compared with the preceding month, but the general average of efficiency is considerably higher than for the corresponding period last year. Heavy rains and storms have had a tendency to interfere with normal conduct of business, especially in the rural sections, and heavier buying by retail merchants is absorbing more of their current available cash and necessitating requests for more extended credit. Answers to 338 questionnaires addressed to representative interests throughout the district asking for data relative to collections show the following results: 1.1 per cent excellent, 50 per cent good, 45.7 per cent fair and 3.2 per cent poor.

Commercial failures in the Eighth Federal Reserve District during February, according to Dun's numbered 81, involving liabilities of \$1,008,734, against 167 defaults with liabilities of \$4,653,734 in February, 1922.

The per capita circulation of the United States on March 1, was \$41.61 against \$40.74 on February 1, and \$40.31 on March 1, 1922.

## MANUFACTURING AND WHOLESALE

**Boots and Shoes** — There was a seasonal recession in sales of the 11 reporting interests during February as contrasted with January, amounting to 22.1 per cent, but the total was 10.5 per cent in excess of February, 1922. Orders received in early March indicate a substantial gain over the preceding year's business. Particular activity is noted in the movement of novelties and women's wear. Factory operation during the period under review was at capacity, with several of the larger interests reporting a heavier output than in any preceding month. The upward trend of raw materials continues, and there were fractional advances in finished goods. Skilled shoe workers are scarce, but common labor is in ample supply.

**Clothing** — Spring lines are being well taken in all parts of the district, particularly in the cotton sections, where a vigorous demand is noted for medium priced garments. Manufacturers continue full time operations in order to keep pace with orders, many of which are coming in by mail. This is attributed, in some cases, to small stocks but mainly to underestimated requirements. Buying continues in the face of scattered advances, sales for February exceeding those of a year ago by 26.9 per cent and showing an increase over January of 29.5 per cent. Prices of cotton goods are tending

upward, but re-orders indicate that this has as yet had no appreciable effect on buying. A scarcity of skilled labor is perplexing some manufacturers, as is the hesitation to accept orders for later delivery due to the uncertainty of the raw material market. A heavy increase in the distribution of men's hats, at about steady prices is reported, sales exceeding February, 1922 by 49.2 per cent, and showing an increase over January of 37.7 per cent. Millinery establishments report February business as 6 per cent less than in 1922, but this is attributed to an abnormal business last year, rather than any real diminution in buying.

**Iron and Steel Products** — Operations at foundries, mills and machine shops were further augmented during the period under review, but the increased rate of production has failed to keep abreast of orders, and backward deliveries are the rule. Purchasing by the railroads and automotive industry continues on a formidable scale, and heavy orders are being placed for structural steel and drilling supplies for the oil fields. Foundries specializing in gray castings report that they are refusing new business because of fully engaged capacity for two to three months ahead. The melt of pig iron in the district during February was the largest on record, and approximately 3¾ per cent

larger than in January. Pig iron prices have advanced further, No. 2 Southern, 1.75 to 2.25 per cent silicon, being quoted at \$26 to \$27, with Northern iron of the same grade bringing \$31, furnace. An advance affecting steel and iron bars, plates, shapes, hoops and other warehouse materials became effective March 1. A feature of the raw material market is the scarcity and strength of scrap iron and steel, all grades of which are at the highest levels in more than two years. February sales of stove manufacturers, 7 interests reporting were 59.8 per cent larger than for the same month in 1922; wire rope makers, 5 interests reporting, showed gains of 12 to 32 per cent; railway supplies, 5 interests reporting, showed increases ranging from 13½ to 315 per cent; farm implement factories, 6 interests reporting, gained 114 per cent and boiler works, 6 interests reporting showed gains of from 23 to 300 per cent.

**Hardware**—Steady improvement is reported by the 12 leading interests, whose total sales in February were 18¾ per cent larger than for the corresponding month in 1922. The movement of builders tools, farm implements and all varieties of goods for household use is brisk, and some difficulty is experienced in obtaining goods. Manufacturers are behind on orders, and the car shortage is hampering freer distribution. The demand for hoes and other implements used in cultivating cotton is especially strong. Seasonal sporting goods are being heavily bought.

**Electrical Supplies**—February sales of the 12 reporting interests were 19.5 per cent larger than for the same month in 1922, and 17.3 per cent over the January total. An excellent demand exists for special lines, such as radio sets, installation materials for new buildings, automotive equipment and household appliances, but less interest is reported in strictly merchandising items. The trend of prices is upward, especially on everything into which copper and steel enters. Some improvement in the demand for pole hardware and the general line used by public utilities companies is reported.

**Flour**—Production of the 11 leading mills in the district during February was 293,215 barrels, which compares with 321,725 barrels in January and 250,472 barrels in February, 1922. Business throughout the period under review was described as dull and unsatisfactory. Buying for domestic consumption is on a hand-to-mouth basis, and the export inquiry is confined to clears and low grade flour. Bids from abroad on patents and high grade flour have been too far out of line to result in workings. Mill operation was at about one-half of capacity.

**Dry Goods**—An active demand for virtually all items comprising this line featured business during the past thirty days. The inquiry for finished cottons was especially broad, with retailers disposed to purchase further ahead than has been the case in recent months. Trading in print cloths and gray goods was also in heavy volume, with prices firm. Sales of underwear for spring and early summer was considerably heavier than a year ago, and notions and ready-to-wear garments are being well taken. Knit goods and hosiery continue relatively quiet, stocks of the latter in jobbers' hands having been little reduced. Sales of the 11 reporting interests in February were 35½ per cent larger than for the corresponding month in 1922.

**Groceries**—Sales of the 20 reporting interests in February were 8.7 per cent larger than during the same month in 1922, and 2.3 per cent under the January total. Business of the few stores showing decreases was affected by purely local conditions, such as excessive rains and flooded streams and car shortages in the mining areas. Southern stores make a particularly favorably showing, their total sales being boosted by purchasing of seasonal goods, such as seed potatoes, onion sets and canned and preserved foods. Price changes during the period under review were mainly advances. Retail stocks are generally under normal for this season.

**Drugs and Chemicals**—Improvement in the demand for chemicals by manufacturers, an unusual amount of sickness and a good volume of stock orders were the principal factors in an increase of 8.1 per cent in the February sales of the 11 leading interests. Orders received during the first two weeks in March indicate still heavier gains as compared with the corresponding period in 1922. Remedial drugs, particularly those used in the treatment of influenza, are being consumed in large quantities. There is an excellent demand for fertilizers, insecticides and disinfectants, with stocks low and manufacturers backward on deliveries. Soda fountain supplies have been active throughout the winter, and sales of perfumes, cosmetics and other toilette articles continue in large volume. According to wholesalers and jobbers a feature in their business during the past year has been a notable increase in the variety of goods handled by retail drug stores.

**Furniture**—February sales of the 11 reporting interests were 13¼ per cent larger than for the corresponding month in 1922. Activity continues through the entire line, with goods for the household and office furniture making an especially favorable showing. Factory operation during the period under review was at 87 per cent of capacity, 2 per cent higher than during the preceding thirty days. Prices on finished goods are advancing, in sympathy with the upward movement in raw materials. A special market week for furniture and stoves has been planned by Evansville manufacturers, the dates for the exhibition being April 2 to 7.

**Lumber**—Around the middle of February wholesale buying began to slacken, and a month later comparative quiet obtained in both the soft wood and hardwood markets. The changed condition was a temporary reaction from winter's extremely active demand, very heavy movement and rapidly advancing prices. Owing, however, to the bigness of mill order files, the market at the sources of supply was affected only to the extent of halting the advances; and not so much as this resulted in the case of long leaf pine and fir timbers. Price softening has not extended beyond a considerable amount of lumber—very largely pine dimension and boards—whose resale while in transit is sought, and a small percentage of mill cut offered direct. With improving weather for building work, coupled with developing car shortage and slower shipments, a renewal of buying is in immediate prospect. The yards in St. Louis, especially those handling pine, are fairly swamped with orders and calls for deliveries. Urgent volume inquiries are coming to them from points as far east as the Hudson River.

**Industrial Power Consumption**— While certain seasonal shut-downs caused a slight decrease during February in the electricity consumed for industrial purposes, the increase over the previous year continues to mount, the February aggregate being 86.1 per cent against 62.1 per cent last month. Comparative figures follow:

Representative Customers	Feb., 1923	Jan., 1923	Feb., 1923 comp. to Jan., 1923	Feb., 1922	Feb., 1923 comp. to Feb., 1922
Little Rock 11	629,887 k. w. h.	682,933 k. w. h.	-7.8%	520,003 k. w. h.	+21.1%
Louisville..... 67	3,154,707 "	3,151,161 "	+0.1%	1,456,818 "	+116.5%
Memphis .... 31	1,350,180 "	1,254,260 "	+7.6%	744,380 "	+81.4%
St. Louis.... 68	11,400,771 "	11,877,095 "	-4.0%	6,161,988 "	+85.0%
Total.... 177	16,535,545 "	16,965,449 "	-2.5%	8,883,189 "	+86.1%

**Department Stores**— The condition of retail trade during February, 1923, in the leading cities of this district is reflected in the following statement, compiled from reports of 21 representative department stores:

(Percentages)	St. Louis	Louisville	Memphis	Little Rock	Evansville	Quincy	8th District
Net Sales:							
Feb., 1923, compared with Feb., 1922.....	+ 8.3	+ 6.1	+18.8	+17.0	- 0.6	+ 2.6	+10.2
Period Jan. 1, to Feb. 28, 1923, compared with same period in 1922.....	+ 7.4	+ 8.6	+18.7	+14.4	+ 0.5	+ 5.4	+ 9.8
Stocks at end of February, 1923:							
Compared with same month in 1922.....	+23.2	- 8.3	+ 5.4	+ 5.6	-13.6	+ 8.2	+14.2
Compared with stocks at end of Jan., 1923....	+27.3	+20.5	+11.3	+11.1	+ 7.3	+12.1	+22.2
Average stocks on hand at end of each month since Jan. 1, 1923, to average monthly sales during same period.....	406.2	405.0	531.0	511.8	686.4	572.1	438.7
Outstanding orders at close of Feb., 1923, compared with previous year's purchases.....	11.1	8.2	13.7	9.8	2.4	9.3	11.0

### AGRICULTURE

Fall sown grain in this district have come through the winter in good condition, the average making a more favorable showing than in territory further West and North. During the past thirty days moisture has been abundantly supplied, and except where floods have occurred, improvement has taken place.

Stocks of corn on farms on March 1, according to the U. S. Department of Agriculture, were smaller for all states in the Eighth Federal Reserve District than a year ago, with the exception of Kentucky. Early reports indicate a corn acreage this year about equal to that planted in 1922.

The preparation of land for new crops is in full swing, but this work has been seriously interfered with by heavy rains, storms and cold weather, which were general over the district. Plantings of early fruits and vegetables are expected to be the largest on record in this territory. Acreages of watermelons and white potatoes will be smaller.

Reports relative to live stock are almost universally favorable, there being considerably less than the usual amount of disease among the herds. Prices of cattle and hogs during the period under review were unsatisfactory to producers. Indications point to heavy supplies of spring lambs for marketing in April and May.

The U. S. Department of Agriculture, in its report as of March 1, 1923, gives the amount of corn, wheat and oats on farms in States of the Eighth Federal Reserve District as follows:

### CORN

	Stocks on Farm March 1 In Thousands of Bushels (i. e., 000 omitted)			Price per Bushel March 1 (cents)			Percentage of Crop of Merchantable Quality		
	1921	1922	1923	1921	1922	1923	1920	1921	1922
Arkansas .....	21,809	23,813	16,955	96	65	95	85	83	83
Illinois .....	150,784	128,506	115,837	55	50	67	82	86	93
Indiana .....	99,846	76,432	70,522	55	50	70	88	80	91
Kentucky .....	50,844	33,682	35,224	76	67	86	78	77	83
Mississippi .....	18,614	27,977	21,958	103	73	97	85	84	85
Missouri .....	99,956	69,494	59,594	61	55	75	80	81	85
Tennessee .....	50,137	43,542	33,948	85	61	92	84	82	84

### WHEAT

	Stocks on Farm March 1 In Thousands of Bushels (000 omitted)			Price per Bushel March 1 (cents)			Percentage of Crop Shipped Out of County Where Grown		
	1921	1922	1923	1921	1922	1923	1920	1921	1922
Illinois .....	10,008	6,555	7,760	155	128	115	60	59	67
Indiana .....	5,741	4,113	4,768	165	126	122	56	56	62
Kentucky .....	900	761	897	186	134	127	21	21	21
Missouri .....	9,037	5,243	5,435	165	117	112	54	57	63
Tennessee .....	725	720	673	198	131	132	18	22	20

### OATS

Illinois .....	78,749	46,262	31,903	39	34	43	48	46	45
Indiana .....	33,825	17,896	7,480	39	34	43	41	36	33
Missouri .....	25,740	15,895	3,574	47	40	55	18	11	10

Range of prices on typical products in the St. Louis market between February 15 and March 15, 1923, with closing quotations on each of these dates, and on March 15, 1922:

		Close Feb. 15	High	Low	Close March 15	Close March 15, 1922
May wheat.....Per bu.		\$1.18½	\$1.19¾	\$1.15¾	\$1.18⅞	\$1.28⅞
July wheat....."		1.12⅞	1.13¾	1.10⅞	1.11⅞	1.10½
September wheat....."		1.11⅞	1.13	1.09¾	1.10¾	1.05¾
May corn....."		.74⅞	.76	.72⅞	.74⅞	.58
July corn....."		.75¾	.77¾	.73¼	.77¾	.61¼
September corn....."		.76	.77¾	.74¾	.76¾	.62⅞
May oats....."		.47¼	.47¾	.44¾	.45½	.38¼
No. 2 red winter wheat....."		1.42	1.44	1.30	1.35	1.38
No. 2 hard wheat....."	\$1.21 @	1.22	1.21	1.17	\$1.17½ @ 1.19	\$1.28 @ 1.29
No. 2 corn....."		.73	.74½	.72½	.73¾	.55½ @ .56
No. 2 white corn....."		.74	.75½	.73	.74½	.56½ @ .57
No. 2 white oats....."	.45½ @	.46	.48½	.46	.46½ @ .47	.36 @ .37
Flour: soft patent.....Per bbl.	6.00 @	7.00	7.25	6.00	6.00 @ 7.00	6.50 @ 7.50
Flour: hard patent....."		6.50	6.75	5.75	6.00 @ 6.40	7.00 @ 7.30
Middling cotton.....Per lb.		.28½	.31	.28¾	.31	.17½
Hogs on hoof.....Per cwt.	7.00 @	8.25	8.85	5.75	6.00 @ 8.65	8.00 @ 10.40

### COMMODITY MOVEMENT

Receipts and shipments of important commodities at St. Louis during February, 1923 and 1922, and January, 1922, as reported by the Merchants' Exchange, were as follows:

	Receipts			Shipments		
	Feb., 1923	Jan., 1923	Feb., 1922	Feb., 1923	Jan., 1923	Feb., 1922
Flour, barrels.....	343,520	332,070	366,350	452,020	461,450	451,380
Wheat, bushels.....	2,257,388	3,555,962	2,286,000	1,780,350	2,681,460	1,749,370
Corn, bushels.....	3,120,000	3,836,300	4,113,200	2,146,830	2,360,660	2,345,585
Oats, bushels.....	1,939,190	4,490,000	2,584,000	2,029,340	3,195,570	1,722,070
Lead, pigs.....	235,840	278,750	232,080	108,030	136,440	135,740
Zinc and Spelter, slabs.....	138,700	147,580	133,720	177,140	169,450	391,540
Lumber, cars.....	14,805	19,028	10,271	11,682	13,599	7,885
Meats, pounds.....	15,152,500	21,488,200	13,650,700	28,287,900	33,453,900	22,230,100
Fresh Beef, pounds.....	92,100	488,900	129,100	16,754,000	17,944,700	15,916,600
Lard, pounds.....	4,754,000	7,189,700	4,016,400	11,434,200	13,025,700	8,033,700
Hides, pounds.....	5,669,300	7,974,900	6,618,500	7,208,300	10,942,900	7,699,300

### LIVE STOCK MOVEMENT

As reported by the St. Louis National Stock Yards, receipts and shipments of live stock in February, 1923 and 1922, and January, 1923, were as follows:

	Receipts			Shipments		
	Feb., 1923	Jan., 1923	Feb., 1922	Feb., 1923	Jan., 1923	Feb., 1922
Cattle and Calves.....	72,305	98,678	66,490	46,181	60,270	36,552
Hogs .....	381,987	453,481	289,520	256,489	284,462	216,463
Sheep .....	19,128	31,955	21,308	5,297	14,161	8,436
Horses and Mules.....	10,740	22,808	7,892	12,874	21,464	9,671

### CHANGES IN COST OF LIVING

The cost of living among wage-earners' families in the United States on February 15, 1923 was 57.5 per cent higher than in July, 1914, according to figures collected monthly by the National Industrial Conference Board. Between January 15 and February 15, 1923, there was a decrease of three-fifths of one point or four-tenths of one per cent. The only changes in the budget within the month were a further decrease in average food prices, and a continued increase in clothing prices. Between July, 1920, when the peak of the rise in the cost of living since 1914 was reached, and February, 1923, the cost of living dropped 47 points or 23 per cent.

### BUILDING

As compared with a year ago, building statistics in the five largest cities of the district for February reflect large gains, both in number of permits issued and dollar amounts involved. Work on buildings in course of construction and road operations were interfered with during the period under review by heavy rains, storms and cold weather. Southern cities report a scarcity of skilled artisans in the building trades, and the trend of wages is upward. Some further price advances were noted in building materials, affecting principally steel and iron goods, lumber and fire clay products. Complaints of delayed deliveries of materials are received from all sections of the district, due to the freight car shortage and oversold condition of many producers. Production of Portland cement for the country as a whole in February totaled 8,085,000 barrels, against 7,704,000 barrels in January, and 4,278,000 barrels in February, 1922.

Comparative building figures for February in leading cities of the district follow:

	New Construction				Repairs, etc.			
	Permits		Cost		Permits		Cost	
	1923	1922	1923	1922	1923	1922	1923	1922
St. Louis.....	426	363	\$2,114,555	\$1,060,540	387	341	\$550,345	\$225,195
Louisville.....	203	127	1,058,045	401,150	67	96	93,920	59,250
Memphis.....	323	251	1,999,625	1,492,170	37	30	52,000	37,440
Little Rock.....	70	61	164,425	726,715	135	116	44,554	49,969
Evansville.....	70	42	446,248	81,860	25	49	4,650	16,198
Feb. totals.....	1,092	844	\$5,782,898	\$3,762,435	651	632	\$745,469	\$388,052
Jan. totals.....	1,390	714	7,450,855	2,273,860	745	478	485,129	306,034
Dec. totals.....	918	712	9,267,248	3,017,045	735	518	847,513	343,359

### FINANCIAL

Improvement in the demand for funds from commercial borrowers is reflected in a slight increase in loans and discounts of member banks and a fair gain in bills discounted by this institution. Generally the banking and financial situation developed no changes worthy of note as contrasted with the preceding thirty days. There has been a fair volume of liquidation in the tobacco, and cotton areas, and the recent heavier movement of rice has resulted in the payment of loans based on that cereal. The demand for funds to finance live stock operations is holding up well, but generally agricultural requirements are seasonally quiet. Bankers report that, considering the volume of current business, inventories are relatively light, which fact has a tendency to hold down the amount of routine borrowing by commercial customers. Rates hold firm, with the quotation on commercial paper higher than thirty days ago. Deposits are holding up well, and there was a further increase in savings in the district. Between February 15 and March 15 deposits of the Federal Reserve Bank of St. Louis decreased \$2,635,000. Federal Reserve notes in

circulation decreased \$304,000 and there was an increase of \$6,876,139 in paper discounted for member banks. Total reserve carried against deposit and Federal Reserve note liability decreased 3.4 per cent, standing at 68.8 per cent on March 15.

**Commercial Paper**—Sales of commercial paper brokers during February ranged from 98 to 300 per cent larger than for the corresponding month in 1922, and with most interests were about on a parity with the six-year average for that particular month. Transactions during the first half of March indicate a continuance of the gains recorded in February. The increase in rates has had a tendency to curtail the volume of paper being put out by commercial concerns, but offerings are still quite liberal. City banks have withdrawn from the market to some extent, purchasing at the moment being mainly by institutions in the smaller communities. Rates have advanced to 5 per cent, from 4½ to 4¾ per cent during the preceding 30 days. A limited number of exceptionally choice names are selling at 4¾ per cent.

**Debits to Individual Accounts**—The following table gives the total debits charged by banks to checking accounts, savings accounts and trust accounts of individuals, firms, corporations and U. S. Government and also certificates of deposit paid, in the leading cities of this district during the past month and corresponding period a year ago. Charges to the accounts of banks are not included. These figures are considered the most reliable index for indicating actual spending by the public during the period which they cover:

	For four weeks ending March 14, 1923	For four weeks ending Feb. 14, 1923	Mar., 1923 comp. to Feb., 1923	For four weeks ending Mar. 15, 1922	Mar., 1923 comp. to Mar., 1922
East St. Louis and Nat'l Stock Yards, Ill. \$	36,133,000	\$ 40,021,000	— 9.7%	\$ 32,434,000	+11.4%
Evansville, Ind.....	33,688,000	29,089,000	+15.8%	25,732,000	+30.9%
Fort Smith, Ark.....	11,204,000	10,586,000	+ 5.8%	.....	.....
Greenville, Miss.....	3,931,000	5,194,000	—24.3%	.....	.....
Helena, Ark.....	5,024,000	5,254,000	— 4.4%	.....	.....
Little Rock, Ark.....	57,891,000	51,030,000	+13.4%	36,611,000	+58.1%
Louisville, Ky.....	154,911,000	149,489,000	+ 3.6%	123,247,000	+25.7%
Memphis, Tenn.....	138,268,000	143,955,000	— 4.0%	90,721,000	+52.4%
Owensboro, Ky.....	6,816,000	6,649,000	+ 2.5%	.....	.....
Quincy, Ill.....	11,338,000	9,527,000	+19.0%	8,429,000	+34.5%
St. Louis, Mo.....	584,922,000	571,756,000	+ 2.3%	489,975,000	+19.4%
Springfield, Mo.....	12,711,000	12,622,000	+ 0.7%	11,231,000	+13.2%
Total.....	\$1,056,837,000	\$1,035,172,000	+ 2.1%	.....	+23.1%

**Savings Deposits**— The changes in the number of savings accounts and the amount of savings deposits, exclusive of postal savings deposits, since a month ago and a year ago, as reported by the largest member banks in the leading cities of this district, are shown in the following table:

	March 7, 1923			February 7, 1923		March 1, 1922	
	Number Banks Reporting	Number Savings Accounts	Amount Savings Deposits	Number Savings Accounts	Amount Savings Deposits	Number Savings Accounts	Amount Savings Deposits
St. Louis .....	12	251,896	\$ 70,271,000	250,286	\$ 69,802,000	232,523	\$ 62,575,000
Louisville .....	7	163,723	22,746,000	161,783	22,846,000	131,713	20,045,000
Memphis .....	7	59,324	16,451,000	57,389	16,534,000	54,721	13,703,000
Little Rock.....	5	25,712	7,350,000	26,290	7,222,000	24,980	6,248,000
Evansville .....	4	23,737	8,956,000	24,578	8,825,000	21,003	8,133,000
Total.....	35	524,392	\$125,774,000	520,326	\$125,229,000	464,940	\$110,704,000

**Condition of Banks**— The condition of banks in this district and changes since a month ago and last year, are reflected in the following comparative statement showing the principal resources and liabilities of member banks in St. Louis, Louisville, Memphis, Little Rock and Evansville:

	March 14, 1923	February 14, 1923	March 15, 1922
Number of banks reporting.....	36*	36*	37
Loans and discounts (including rediscounts):			
Secured by U. S. Government obligations.....	\$ 18,033,000	\$ 17,911,000	\$ 14,512,000
Secured by stocks and bonds other than U. S. Bonds..	137,061,000	137,786,000	129,929,000
All other loans and discounts.....	304,248,000	302,898,000	292,657,000
Total loans and discounts.....	\$459,342,000	\$458,595,000	\$437,098,000
Investments:			
U. S. pre-war bonds.....	15,323,000	15,324,000	24,667,000
U. S. Liberty bonds.....	24,826,000	24,802,000	
U. S. Treasury bonds.....	9,587,000	9,742,000	
U. S. Victory notes and Treasury notes.....	24,393,000	24,850,000	10,544,000
U. S. Certificates of Indebtedness.....	3,034,000	3,709,000	6,486,000
Other bonds, stocks and securities.....	88,923,000	90,363,000	70,881,000
Total investments.....	\$166,086,000	\$168,790,000	\$112,578,000
Reserve balance with Federal Reserve Bank.....	44,499,000	43,843,000	43,315,000
Cash in vault.....	8,158,000	8,330,000	13,440,000
Net demand deposits on which reserve is computed.....	380,804,000	384,705,000	314,449,000
Time deposits.....	183,487,000	184,571,000	157,863,000
Government deposits.....	3,852,000	4,410,000	7,282,000
Bills payable and rediscounts with Federal Reserve Bank secured by			
U. S. Government obligations.....	2,733,000	1,401,000	1,335,000
All other.....	6,162,000	1,747,000	9,020,000

\*Decrease due to consolidation.

### FEDERAL RESERVE OPERATIONS

During February the Federal Reserve Bank of St. Louis discounted for 169 of its 616 member banks, which compares with 192 of its 613 member banks accommodated in January. The discount rate of this bank remains unchanged at 4½ per cent.

Changes in the assets and liabilities of the Federal Reserve Bank of St. Louis since a month ago and last year are shown in the following comparative statement (in thousands of dollars):

	RESOURCES			LIABILITIES			
	Mar. 14, 1923	Feb. 14, 1923	Mar. 15, 1922	Mar. 14, 1923	Feb. 14, 1923	Mar. 15, 1922	
Gold Reserves.....	\$ 97,197	\$ 99,970	\$104,403	Capital paid in.....	\$ 4,908	\$ 4,867	\$ 4,639
Legal Tender, Notes				Surplus .....	9,665	9,665	9,388
Silver, etc.....	20,367	18,541	15,060	Deposits .....	78,287	74,864	68,759
Total Cash Reserves.....	\$117,564	\$118,511	\$119,463	F. R. Notes in circulation .....	86,936	87,500	82,457
Discounts secured by				F. R. Bank Notes in circulation .....	—	—	3,338
Govt. obligations.....	8,524	6,897	8,406	Deferred Availability items .....	41,827	37,519	33,182
Discounts otherwise secured or unsecured.....	10,701	5,828	20,166	Other Liabilities.....	804	723	678
Bills bought in open market.....	9,923	11,495	1,247				
U. S. Govt. securities.....	28,836	28,780	18,013	Total Liabilities.....	\$222,427	\$215,138	\$202,441
Total Earning Assets.....	\$ 57,984	\$ 53,000	\$ 47,832	Combined Reserve Ratio..	71.2%	73.0%	79.0%
Uncollected items.....	40,650	37,893	29,271				
Other Resources.....	6,229	5,734	5,875				
Total Resources.....	\$222,427	\$215,138	\$202,441				

(Compiled March 19, 1923)

# FEDERAL RESERVE BANK OF ST. LOUIS



## MONTHLY REVIEW OF GENERAL BUSINESS CONDITIONS IN FEDERAL RESERVE DISTRICT No. 8

Released for Publication On and After the Morning of April 30, 1923

WILLIAM McC. MARTIN

CHAIRMAN OF THE BOARD AND FEDERAL RESERVE AGENT

REPORTS from leading interests covering general business in this district during the past thirty days are almost unanimously optimistic. Production of commodities as a whole maintained the high levels of the two or three months immediately preceding, and in a number of instances further gains were reported and new high records set. Distribution and consumption have kept full pace with production, manufacturers and wholesalers reporting unusually heavy shipments, which in a large majority of cases were well in excess of the corresponding period a year ago. The comment is made that a marked distinction exists between the situation now and that prevailing during the early months of 1920. At present there is little buying by retailers in excess of their actual requirements, speculative purchasing being almost entirely absent, while during the earlier period there was a disposition to accumulate heavy stocks and to pyramid orders in order to profit by price advances which it was believed were about to occur.

In the country retail distribution has been stimulated by the approach of the spring farming season, especially in the South, where preparations are in progress for seeding cotton, corn and other crops. In the large cities the purchasing power of the public has been materially augmented by universal employment of labor of all descriptions. Government, State and private labor agency reports indicate an almost total absence of unemployment other than that of a voluntary character. The demand for clerical and shop workers has undergone distinct improvement during the past sixty days, and there continues a shortage of skilled and common labor in many of the principal industries. Scattered reports from the agricultural communities tell of a scarcity of farm help, the drain of workers from the country to the chief industrial centers being keenly felt. The trend of wages, both in the city and country, is still toward higher levels, and several specific advances were reported in important groups.

While the general trend of commodity prices continues upward, changes during the period under review were less marked than earlier in the year, and in a number of lines a more stable basis is in evidence. Further advances were noted in goods based on iron and steel, and in the list of textiles there were upward revisions. Shoes, hats and clothing remain very firm, but no changes worthy of note were recorded, and the same was true of furniture, drugs and chemicals, groceries and stationery. While considerable interest in fall stocks is being manifested, it is confined largely to inquiries with

the view of testing the market rather than for the actual closing of contracts.

Order books of manufacturers and wholesalers, however, are much better filled with future business now than at the corresponding period a year ago. A considerable amount of reordering in small lots is taking place, indicating that retail merchants have underestimated their requirements rather than overbought. In some sections of the district country retail trade has been handicapped by unseasonably cool weather and heavy rains, but in the cities shopping has suffered little interruption and the volume of sales shows an excellent increase over the same time a year ago. From all sections of the district reports relative to the Easter trade are satisfactory. Specialties of all sorts, particularly confectionery, were bought in large quantities.

The movement of cereals and other farm products to market during March showed a fair gain over the February total and was considerably in excess of the corresponding period a year ago. The urgent demand and higher prices for corn and oats stimulated marketing of those grains, and the movement of wheat from country elevators and farms was slightly above normal for this season. Generally prices of farm products were higher than thirty days ago, with gains particularly notable in the case of corn and oats futures and cash wheat. No. 2 red winter wheat sold in the St. Louis market at \$1.43 on April 14, which compares with \$1.35 on March 15. Between the same dates cash corn advanced approximately 10c per bushel. Middling cotton ranged from 29c to 31c per pound, closing at the minor figure of the spread on April 14. Live stock prices showed no marked variations as compared with the preceding thirty days, but average returns on cattle, hogs and sheep were somewhat under those current at the same time in 1922. Receipts of hogs at the St. Louis market in March totaled 422,429 head, against 286,203 head in March, 1922.

Revenue freight loadings of railroads operating in this district developed further heavy gains during the period under review, and in the case of several of the Southwestern lines were the largest ever recorded for this particular season of the year. Merchandise and miscellaneous freight account for something more than 50 per cent of the increase, but with the exception of coal, virtually all classifications show increases over a year ago. Passenger traffic continued the improvement noted during the two preceding months, the gain in March being 14 per cent over the same month in 1922. The St. Louis Terminal Railway Association, which

includes in its membership 26 roads operating through this gateway, interchanged 222,694 loads in March, the largest number in more than two years, and comparing with 191,642 loads in February and 172,895 loads in March, 1922. During the first nine days of April 63,580 loads were interchanged, against 67,545 loads during the same period in March and 40,346 loads for the first nine days of April, 1922.

The relatively low temperatures prevailing over the northern section of the district helped the domestic coal trade, but generally the fuel situation developed no change from the unsatisfactory conditions existing earlier this year. Prices of bituminous coal declined further, but the lower levels have failed to stimulate buying to any noticeable extent. Steam users are holding back on contracting in hopes of obtaining still further price concessions, with the result that steam sizes are accumulating at the mines and on track. In the Illinois fields operations at the mines average no more than three days per week. The car supply is more plentiful, and the low rate of operation is due chiefly to lack of orders. In the Kentucky field operations have been interfered with by a strike of miners. According to the U. S. Geological Survey the estimated cumulative production of soft coal for the country as a whole in the present calendar year to April 7 was 148,867,000 net tons, which compares with 133,123,000 net tons for the same period in 1922, 109,288,000 net tons in 1921 and 144,876,000 net tons in 1918.

Production of automobiles for the country as a whole in March developed an enormous gain, many makers reporting the largest month's output in their history. The output of passenger cars by manufacturers reporting direct or through the Automobile Chamber of Commerce was 319,527 in March against 259,383 in February. Production of trucks in March

was 34,063 against 21,411 in February. Distribution, according to reports of 230 dealers scattered through the district, is keeping well abreast of production. Sales of these dealers in March exceeded those of the same month in 1922 by 61¼ per cent, and were the largest for any month since this record has been kept. The demand extends well through all classes of passenger cars, but with the heaviest gains being recorded in medium price makes. Sales of country dealers show relatively heavier increases than those in the large cities. Tires and accessories have moved in proportionate volume to new cars, gains over the preceding month and a year ago being shown by virtually all the reporting dealers.

Collections generally continue to make a favorable showing, both in the wholesale and retail sections of distribution. Some backward spots were reported in the country, where storms and flooded streams have interfered with the normal course of communication. Wholesalers in the large cities report prompt returns on current accounts, but with fewer customers taking advantage of cash discounts than earlier in the year. Excellent liquidation has taken place in the tobacco areas, and there has been considerable liquidation of indebtedness based on live stock and grain. Answers to 390 questionnaires addressed to representative interests in all lines throughout the district asking for data relative to collections show the following results: 1.8 per cent excellent; 42.8 per cent good; 51.8 per cent fair and 3.6 per cent poor.

Commercial failures in the Eighth Federal Reserve District during March, according to Dun's, numbered 107, involving liabilities of \$1,508,844, against 173 defaults with \$2,529,541 of indebtedness in March, 1922.

The per capita circulation of the United States on April 1 was \$41.98, against \$41.61 on March 1, and \$40.37 on April 1, 1922.

## MANUFACTURING AND WHOLESALE

**Boots and Shoes**—Sales of the 11 reporting interests in March were 18.5 per cent larger than for the corresponding month in 1922, and exceeded the February total by 17.6 per cent. While several manufacturers report minor advances on certain specialties, there was no general price change during the period under review, but the trend of values is upward in sympathy with higher raw materials and labor costs. Factory operations range from 92 to 100 per cent of capacity, and two manufacturers report a larger output in March than for any previous month. The desire for extreme styles is stimulating the demand for women's wear, and as has been the case for the past several months, there is almost limitless demand for men's work shoes.

**Clothing**—A sustained demand for all lines is reported from virtually every section of the district, with some pronounced increases in the cotton sections. While the trend of both raw and finished products is higher, wholesalers report a "marked price resistance" and an almost universal tendency to buy for present needs alone. As a result of this attitude, stocks in retailers' hands are barely normal, with no steps taken to increase them beyond seasonal needs. Manufacturing operations continue at full time, except where scattered labor troubles have caused cessation. With most lines, particularly those based on cotton, feeling the effects of price

stiffening during the month, demand is reported as tending toward moderate and lower priced garments. Scarcity of skilled labor is reflected in scattered wage increases, which some manufacturers report they have absorbed. Sales of the 11 reporting interests show an increase over March, 1922 of 27.0 per cent and exceed February, 1923, by 2.7 per cent. Wholesale hatters report March business as 13.3 per cent in excess of the same month a year ago, with a 5 per cent price advance during the same period. Wholesale milliners, who are experiencing the usual seasonal demands for new styles and models, report an emphatic improvement, March sales showing an increase of 23.2 per cent over the corresponding month a year ago.

**Iron and Steel**—While purchasing of iron and steel goods has slowed down somewhat during the past few weeks, the tendency in both prices and production continues upward, though the former are more stabilized and the range narrower. Mills, foundries and machine shops are heavily booked on future orders, and despite the enormous shipments of the past six weeks, sufficient business is still on hand to insure the present rate of operations through the third quarter of the year. Consumption continues at the highest point thus far attained on the movement, with the railroads, automotive and building industries and the oil and mining fields still

the heaviest buyers. The demand for wire and wire products is in excess of the supply, and all varieties of warehouse goods, particularly shapes, plates and bars, are moving well, with stocks light and assortments incomplete. The melt of pig iron in the district during March was the largest on record, and approximately  $6\frac{1}{4}$  per cent larger than in February. Pig iron prices advanced further, No. 2 Southern, 1.75 to 2.25 per cent silicon, going to \$28, with Northern iron of the same grade bringing \$32.50 per ton, furnace, and small lots for prompt delivery selling as high as \$33. March sales of stove manufacturers, 7 interests reporting, were 46.1 per cent larger than for the same month in 1922; wire rope makers, 5 interests reporting, showed gains of  $14\frac{1}{2}$  to 62 per cent; railway supplies, 5 interests reporting, gained  $46\frac{1}{4}$  per cent; farm implements, 6 interests reporting, showed increases of from 12 to 200 per cent and boiler works, 6 interests reporting, showed gains of from 35 to 140 per cent.

**Hardware** — Sales of the 12 reporting interests in March were 29.7 per cent larger than during the same month in 1922, and 33.6 per cent in excess of the February total. Sales in the country show improvement with the advancing crop season, especially to the South, where hand implements, wire screening and other goods used on farms are moving actively. The demand for builders hardware continues excellent, and supplies for the oil camps are being well taken. As has been the case for the past several months, shelf hardware and all varieties of goods for household use are selling well. The continued advance in prices has made for conservatism in buying by retailers, orders being largely confined to immediate needs. Collections are reported generally good.

**Electrical Supplies** — Building extensions by public utilities companies, wiring of old homes, installations in new buildings, and a strong demand for radio sets and household electrical appliances were the chief factors in further gains in this classification. March sales of the 12 reporting interests were 35.1 per cent larger than for the same month a year ago, and 24.8 per cent greater than in February. Prices continue upward, and through the line average about 5 per cent higher for the period under review. Heavy sales of copper wire and pole hardware were reported by several firms.

**Flour** — Production of the 11 leading mills in the district during March was 350,000 barrels, which compares with 293,215 barrels in February, 321,725 barrels in January and 329,428 barrels in March, 1922. Business throughout the period under review was described as dull, and unsatisfactory. The domestic trade is on hand-to-mouth basis, and aside from a small movement of clears and low grade flours, virtually nothing was sold for export. Toward the middle of April there was a slight advance in prices, caused by the upturn in cash wheat, but this failed to stimulate buying. Mill operation was at from 55 to 60 per cent of capacity.

**Dry Goods** — While March reports indicate a continued heavy demand for all goods in this classification, an increasing conservatism is in evidence, due chiefly to the recent stiff price advances. Cold weather and heavy rains during the latter part of March and early April had a tendency to curtail distribution in many parts of the district, especially in the country. The influx of buyers in the large

cities was somewhat under expectations, but an unusually large number of orders by mail is reported. Price advances were noted in some cotton and silk goods, but the market as a whole is more stable than thirty days ago. The demand for ready-to-wear goods is reported brisk, but sales of hosiery and knit goods are somewhat disappointing. The comment is made by several of the largest firms that their sales in the oil, lumber, and cotton districts are relatively better than in other sections, with some backwardness noted in the typical grain areas. March sales of the 11 reporting interests were 29.3 per cent larger than for the same month in 1922.

**Groceries** — While reports are not uniformly favorable, varying considerably in reference to locality, the line as a whole continues the gradual improvement noted in the two preceding issues of this report. Sales of the 23 reporting interests in March were 6.2 per cent in excess of the same month in 1922, and 14.3 per cent over the February total. Flooded streams and heavy roads in many localities seriously hampered distribution, and in some sections farmers are buying only what they are obliged to have. In the South supplies for farms and plantations are showing the seasonal improvement, and trade in the large cities is generally good. Prices, with few exceptions, show little change worthy of note as contrasted with the preceding month.

**Drugs and Chemicals** — Sales of the 11 reporting interests in March showed a gain of 6.7 per cent over the same time last year, and were 11.0 per cent larger than in February. Remedial drugs and heavy chemicals for use by manufacturers accounted for a large part of the gains, with insecticides and sundries next in importance. The prevalence of influenza in virtually all parts of the district has resulted in unusually heavy sales of drugs. Sales of calcium arsenate in the South for use against boll weevil while large were under expectations, which fact is attributed by wholesalers to the high price. Generally prices have not been firmly maintained, but several important advances were noted, among which may be mentioned Paris green, which has advanced 8c per pound.

**Furniture** — While some slowing down in new orders has taken place during the past few weeks, attributable to the advance in prices, continued improvement is reported in this line. Sales of the 12 reporting interests in March were 44.6 per cent in excess of the same month in 1922. Activity prevails through the entire line, but furniture for new homes and for outfitting new hotels, hospitals, etc., is relatively more active than other descriptions. Floor coverings are moving in larger volume than at any time since the early part of 1920. Factory operation during the period under review was at approximately 90 per cent of capacity. There has been a notable revival in the demand for iron beds.

**Lumber** — The demand for lumber since the middle of March has been comparatively quiet, but the movement from mills has been very heavy and retail distribution increasingly active. In March the receipts of lumber in St. Louis were the largest, in point of footage, in the history of the trade — 344,000,000 feet. At present, as well as for the past three weeks, the local pine yards have been using teams and trucks to keep pace with the call

for deliveries to jobs. Their shipping business has also been of good volume. Price levels have not been sensibly affected as yet by the lull in wholesale buying. Some items of yard stock, such as dimension and boards, have shown moderate changes in the direction of price easement, and timbers are not

as strong as they were. But with these exceptions, mill prices in yellow pine and fir hold well against the lowering tendency. Hardwoods are affected mainly in respect of red gum, especially quartered stock, and various items in the rest of the list—though the whole market is slightly easier.

**Industrial Power Consumption**—Industrial power consumption continues to keep pace with trade expansion, totals for March showing further gains over the preceding month as well as the corresponding period in 1922. Acceleration in the motor industry and seasonal expansion of refrigerating operations account partly for the increase over February, 1923, which four of the five reporting cities register. The gain over a year ago may be attributed to the the general business expansion.

Representative Customers	March, 1923		February, 1923		Mar., 1923 comp to Feb., 1923		Mar., 1923 comp. to Mar., 1922	
	March, 1923	February, 1923	March, 1922	February, 1922	March, 1922	February, 1922	March, 1922	February, 1922
Evansville .. 40	1,045,434 k. w. h.	954,433 k. w. h.	778,207 k. w. h.	778,207 k. w. h.	+ 9.5%	778,207 k. w. h.	+34.3%	778,207 k. w. h.
Little Rock 11	648,139 "	629,887 "	628,030 "	628,030 "	+ 2.9%	628,030 "	+ 3.2%	628,030 "
Louisville.... 67	3,321,937 "	3,154,707 "	2,035,265 "	2,035,265 "	+ 5.3%	2,035,265 "	+63.2%	2,035,265 "
Memphis .... 31	1,302,060 "	1,350,180 "	817,980 "	817,980 "	- 3.6%	817,980 "	+59.2%	817,980 "
St. Louis.... 68	11,751,026 "	11,400,771 "	6,971,695 "	6,971,695 "	+ 3.1%	6,971,695 "	+68.6%	6,971,695 "
<b>Total.... 217</b>	<b>18,068,596 "</b>	<b>17,489,978 "</b>	<b>11,231,177 "</b>	<b>11,231,177 "</b>	<b>+ 3.3%</b>	<b>11,231,177 "</b>	<b>+60.9%</b>	<b>11,231,177 "</b>

**Department Stores**—The condition of retail trade during March, 1923, in the leading cities of this district is reflected in the following statement, compiled from reports of 22 representative department stores:

(Percentages)	St. Louis	Louisville	Memphis	Little Rock	Evansville	Quincy	8th District
<b>Net Sales:</b>							
March, 1923, compared with March, 1922.....	+26.5	+ 7.8	+28.7	+35.1	+51.0	+17.8	+25.2
Period Jan., 1, to March 31, 1923, compared with same period in 1922.....	+14.1	+ 7.4	+22.5	+20.5	+32.4	+11.7	+15.2
<b>Stocks at end of March, 1923:</b>							
Compared with same month in 1922.....	+15.9	- 6.6	+ 6.7	+13.9	+ 6.1	+ 3.0	+10.9
Compared with stocks at end of Feb., 1923....	+ 2.4	+ 7.5	+12.0	+11.2	+10.4	+ 6.1	+ 5.5
†Average stocks on hand at end of each month since January 1, 1923, to average monthly sales during same period.....	364.2	357.8	505.2	521.8	695.7	593.9	407.1
Outstanding orders at close of March, 1923, compared with previous year's purchases	8.8	6.8	12.1	8.3	5.8	6.9	9.0

†This item represents rate of stock turnover, smallest figure indicating the most rapid rate. If it is desired to consider the rate from a per month viewpoint, the first digit on the left represents the number of whole months required for a single turnover and succeeding digits the accompanying decimal fraction. Example: If the figure for the current month is 407.0 it indicates that with the volume of sales reported during the first 3 months of 1923, there is a complete stock turnover every 4 7/100 months or approximately 3 times a year. The 5 remaining items are shown as percentage increases or decreases.

### AGRICULTURE

Reports relative to early sown grains reflect varied conditions, and indicate deterioration in certain localities. On the whole, however, the outlook in this district for winter wheat and oats is considerably more favorable than in other sections of the grain belt. The cold weather in late March and early April retarded growth, and there was some damage from alternate freezing and thawing. While the plant has small growth, except in the rich river bottoms, it is well rooted and generally of healthy color. Under favorable weather conditions from this time on the lost ground can easily be recovered. There are scattered reports from Missouri, Illinois and Indiana, of Hessian fly and chinch bugs.

Planting of corn continues in the South, and further North good progress has been made in preparation of the soil for seeding this crop. Despite preparations for larger cotton acreages, the area seeded to corn in the southern stretches of the district will probably be as large as last season. Unofficial reports indicate that the corn acreage in the northern sections will be slightly larger than that of last year, though it is still too early to form a definite opinion in this regard.

Lack of sunshine and cold weather have retarded growth of grasses, and pastures as a rule are backward for this season. In some counties clover has been killed by severe weather. Generally farm work was further advanced on March 1 than

has been the case in several years, but since that date unfavorable weather has held back field work.

The extreme low temperatures in mid-March resulted in serious damage to the fruit crops. In Arkansas peaches were damaged about 65 per cent, pears 85 per cent, cherries 25 per cent, plums 90 per cent and strawberries 10 per cent. The Missouri farm peach crop is estimated at only 40 per cent of normal. Heavy damage was reported to early vegetables from the low temperatures, and shipments of truck and early ground fruits will be considerably delayed. Planting of gardens is backward.

Generally live stock continues in good condition, there being a minimum of disease reported among the herds. Considerable mortality among spring lambs and pigs was reported as a result of the cold snap.

Transplanting of tobacco is later than usual, and in some sections there has been damage to fields and seed beds by cold weather. The greater part of the 1922 Burley tobacco crop has either been sold or delivered to the Cooperative Association. Nearly all the markets and cooperative receiving houses will close this month. In the dark tobacco district the crop is moving freely, with the unsold portion of the independent tobacco comparatively small. The Cooperative Association is receiving freely at all points.

Preparation of the soil for cotton planting has been completed, and seeding is in progress in the Southern counties. Planting has been delayed by cold, wet weather, and the crop generally is backward. Indications generally point to larger acreages. A shortage of labor is reported from many counties.

The U. S. Department of Agriculture, in its report as of April 1, 1923, gives the condition of winter wheat in states of the Eighth Federal Reserve District as follows:

**WINTER WHEAT**

	Dec. 1, 1922	Condition April 1		Price 1922	Price April 1 1923
		10 yr. av.	1922		
	%	%	%	cents	cents
Arkansas .....	83	88	86	83	122
Illinois .....	90	84	93	82	120
Indiana .....	90	83	90	78	125
Kentucky .....	89	87	94	85	135
Mississippi .....	84	87	88	77	175
Missouri .....	90	85	88	84	117
Tennessee .....	83	86	95	85	135

Range of prices on typical products in the St. Louis market between March 15 and April 14, 1923, with closing quotations on each of these dates, and on April 15, 1922:

	Close March 15	High	Low	Close April 14	Close April 15, 1922
May wheat.....Per bu.	\$1.18 <sup>3</sup> / <sub>8</sub>	\$1.25 <sup>7</sup> / <sub>8</sub>	\$1.17 <sup>3</sup> / <sub>8</sub>	\$1.25 <sup>3</sup> / <sub>4</sub>	\$1.39 <sup>1</sup> / <sub>2</sub>
July wheat .....	1.11 <sup>7</sup> / <sub>8</sub>	1.21 <sup>1</sup> / <sub>2</sub>	1.11 <sup>5</sup> / <sub>8</sub>	1.21	1.22 <sup>7</sup> / <sub>8</sub>
September wheat.....	1.10 <sup>3</sup> / <sub>4</sub>	1.20 <sup>5</sup> / <sub>8</sub>	1.11 <sup>1</sup> / <sub>4</sub>	1.20 <sup>3</sup> / <sub>4</sub>	1.18 <sup>1</sup> / <sub>4</sub>
May corn.....	.74 <sup>7</sup> / <sub>8</sub>	.82 <sup>7</sup> / <sub>8</sub>	.74 <sup>5</sup> / <sub>8</sub>	.82 <sup>5</sup> / <sub>8</sub>	.59 <sup>5</sup> / <sub>8</sub>
July corn.....	.76 <sup>3</sup> / <sub>8</sub>	.83 <sup>1</sup> / <sub>2</sub>	.76	.83	.63 <sup>5</sup> / <sub>8</sub>
September corn.....	.76 <sup>3</sup> / <sub>4</sub>	.82 <sup>3</sup> / <sub>4</sub>	.77 <sup>1</sup> / <sub>8</sub>	.82 <sup>1</sup> / <sub>2</sub>	.65 <sup>7</sup> / <sub>8</sub>
May oats.....	.45 <sup>1</sup> / <sub>2</sub>	.47	.45 <sup>1</sup> / <sub>4</sub>	.47	.38 <sup>3</sup> / <sub>4</sub>
No. 2 red winter wheat.....	1.35	1.43	1.35	\$1.42 @ 1.43	\$1.44 @ 1.47
No. 2 hard wheat.....	\$1.17 <sup>1</sup> / <sub>2</sub> @ 1.19	1.27	1.18 <sup>1</sup> / <sub>2</sub>	1.26	1.37 @ 1.38
No. 2 corn.....	.73 <sup>3</sup> / <sub>4</sub>	.83 <sup>1</sup> / <sub>2</sub>	.74 <sup>1</sup> / <sub>2</sub>	.83 <sup>1</sup> / <sub>2</sub>	.58
No. 2 white corn.....	.74 <sup>1</sup> / <sub>2</sub>	.85	.75 <sup>1</sup> / <sub>2</sub>	.84 @ .84 <sup>1</sup> / <sub>2</sub>	.58 <sup>1</sup> / <sub>2</sub>
No. 2 white oats.....	.46 <sup>1</sup> / <sub>2</sub> @ .47	.48	.47 <sup>1</sup> / <sub>2</sub>	.47 <sup>3</sup> / <sub>4</sub>	.38 @ .38 <sup>1</sup> / <sub>2</sub>
Flour: soft patent.....Per bbl.	6.00 @ 7.00	7.25	6.00	6.25 @ 7.25	6.00 @ 7.00
Flour: hard patent.....	6.00 @ 6.40	6.75	6.00	6.50 @ 6.75	7.45 @ 7.75
Middling cotton.....Per lb.	.31	.31	.29	.29	.17
Hogs on hoof.....Per cwt.	6.00 @ 8.65	8.80	5.75	5.50 @ 8.65	8.25 @ 10.45

**COMMODITY MOVEMENT**

Receipts and shipments of important commodities at St. Louis during March, 1923 and 1922, and February, 1923, as reported by the Merchants' Exchange, were as follows:

	Receipts			Shipments		
	Mar., 1923	Feb., 1923	Mar., 1922	Mar., 1923	Feb., 1923	Mar., 1922
Flour, barrels.....	409,840	343,520	412,770	573,800	452,020	592,815
Wheat, bushels.....	2,312,821	2,257,388	2,451,443	2,035,090	1,780,350	2,407,290
Corn, bushels.....	2,844,618	3,120,000	2,210,000	2,184,990	2,146,830	2,403,325
Oats, bushels .....	3,285,670	1,939,190	1,886,000	2,608,000	2,029,340	1,867,830
Lead, pigs.....	296,550	235,840	404,630	158,780	108,030	146,490
Zinc and Spelter, slabs.....	442,070	138,700	252,340	281,320	177,140	303,910
Lumber, cars.....	22,204	14,805	15,085	15,575	11,682	10,218
Meats, pounds.....	17,937,000	15,152,500	13,754,800	32,212,000	28,287,900	22,246,900
Fresh Beef, pounds.....	605,000	92,100	62,600	16,204,300	16,754,000	15,612,300
Lard, pounds.....	4,402,500	4,754,000	2,709,500	15,630,200	11,434,200	7,083,600
Hides, pounds.....	7,678,700	5,669,300	5,310,700	9,048,300	7,208,300	7,871,800

**LIVE STOCK MOVEMENT**

As reported by the St. Louis National Stock Yards, receipts and shipments of live stock in March, 1923 and 1922, and February, 1923, were as follows:

	Receipts			Shipments		
	Mar., 1923	Feb., 1923	Mar., 1922	Mar., 1923	Feb., 1923	Mar., 1922
Cattle and Calves.....	72,971	72,305	72,312	46,346	46,181	41,931
Hogs .....	422,429	381,987	286,203	232,866	256,489	196,039
Sheep .....	23,505	19,128	22,335	6,956	5,297	6,574
Horses and Mules.....	11,007	10,740	9,567	12,449	12,874	10,918

**POSTAL RECEIPTS**

	Quarter Ended March 31, 1923	Quarter Ended December 31, 1922	Quarter Ended March 31, 1922
St. Louis .....	\$2,832,359.70	\$3,061,724.27	\$2,471,204.81
Louisville .....	599,847.76	591,374.19	.....
Memphis .....	403,438.30	456,628.45	360,445.17
Little Rock .....	178,288.33	190,321.06	172,713.80
Evansville .....	131,144.18	141,141.14	119,883.63
Total.....	\$4,145,078.27	\$4,441,189.11	\$3,024,247.41

**CHANGES IN COST OF LIVING**

The cost of living in the United States on March 15, 1923, was 59.2 per cent higher than in July, 1914, according to the National Industrial Conference Board. This represents an increase of one-half of one per cent since November, 1922, brought about by a continued rise in clothing prices, higher rents and an increase in the cost of sundries. The average cost of fuel and gas decreased but the changes were so slight within the four-month period as to leave unchanged the index number for fuel and light combined. Between July, 1920, when the peak of the rise in the cost of living since 1914 was reached, and March, 1923, the cost of living dropped 22.2 per cent; within the month from February 15 to March 15, 1923, the cost of living rose 1.1 per cent.

## BUILDING

March building permits issued by the five largest cities of the district were numerically and in dollar amount the largest for any month this year, and exceeded those of March, 1922, by more than 71 per cent. Severe weather interfered to some extent with construction work in progress, but not to any serious extent, and operations continue at the highest rate on record for this particular season. In the South road building has opened up actively, and elsewhere in the district highway construction programs on a large scale will be pushed as soon as weather conditions permit. In the March permits residential construction heads the list, with business structures, public buildings and hotels forming an important portion of the total. A shortage of skilled artisans in the building trades is reported from all sections of the district. The demand for building materials continues unabated, with prices averaging about 3 per cent higher for the month. Production of Portland cement for the country as a whole in March totaled 9,880,000 barrels, against 8,085,000 barrels in February, and 6,685,000 barrels in March, 1922.

Comparative building figures for March in leading cities of the district follow:

	New Construction				Repairs, etc.			
	Permits		Cost		Permits		Cost	
	1923	1922	1923	1922	1923	1922	1923	1922
St. Louis .....	753	626	\$3,503,005	\$1,495,940	589	502	\$734,580	\$303,065
Louisville .....	382	233	1,898,795	1,217,150	81	143	84,735	86,750
Memphis .....	438	393	1,464,625	1,332,600	70	32	24,625	12,840
Little Rock.....	98	87	520,900	263,540	122	156	56,608	69,032
Evansville .....	126	66	337,085	201,347	87	82	16,380	30,343
March totals.....	1,797	1,405	\$7,724,410	\$4,510,577	949	915	\$916,928	\$502,030
February totals.....	1,092	844	5,782,898	3,762,435	651	632	745,469	388,052
January totals.....	1,390	714	7,450,855	2,273,860	745	478	485,129	306,034

## FINANCIAL

During the period under review the banking and financial situation in the district underwent few changes worthy of note. The demand for credits from all sources continued fairly active but the volume of new loans was pretty well balanced by liquidation of earlier indebtedness, with the result that the position of the commercial banks remained about the same as thirty days ago. Loanable funds of banks in the larger cities were augmented by deposits resulting from large payments to boot and shoe, dry goods and other mercantile interests with which April is an important settlement month. Interest rates fluctuated narrowly, advancing slightly during the early weeks of the period, but showing a disposition to ease off toward mid-April. In the country, particularly to the South, borrowing to finance spring farm operations is beginning to appear but not in volume sufficient to affect the general situation. Excellent liquidation is reported by banks and merchants in the tobacco areas, where marketing is progressing on a satisfactory basis. Some further slowing down in the demand for financing live stock operations is reported, and there was a considerable reduction in loans based on grain. Deposits of this bank and its member

banks showed only minor variation, and the gradual upward trend of savings continues. Between March 15 and April 15 deposits of the Federal Reserve Bank of St. Louis increased \$4,341,697. Federal Reserves notes in circulation decreased \$5,029,190. There was an increase of \$4,463,874 in paper discounted for member banks. Total reserve carried against deposit and Federal Reserve note liability decreased 1 per cent, standing at 67.8 per cent on April 15.

**Commercial Paper**—Sales of reporting commercial brokerage houses during March were from 4½ to 22 per cent larger than for the corresponding period in 1922, but from 16 per cent less to 2 per cent larger than for February. Activity in this line has slowed down as contrasted with earlier months this year. Offerings of paper are less plentiful, especially of prime quality, and the demand seems to center in that grade. Generally stocks of paper in brokers' hands are light. City banks have withdrawn from the market, buying being confined largely to country institutions, and very scattered. Rates were higher than thirty days ago, ranging from 5 to 5¼ per cent.

## DEBITS TO INDIVIDUAL ACCOUNTS

	For four weeks ending April 18, 1923	For four weeks ending Mar. 21, 1923	April, 1923 comp. to Mar., 1923	For four weeks ending April 19, 1922	April, 1923 comp. to April, 1922
East St. Louis and Nat'l Stock Yards, Ill.....	\$ 38,294,000	\$ 28,473,000	+34.5%	\$ 33,715,000	+13.6%
El Dorado, Ark.....	14,376,000	28,023,000	—12.1%	22,820,000	+22.8%
Evansville, Ind.....	11,567,000	11,048,000	+ 4.7%	3,532,000	+ 2.7%
Fort Smith, Ark.....	3,629,000	4,116,000	—11.8%	3,360,000	+30.7%
Greenville, Miss.....	4,391,000	5,276,000	—16.8%	35,099,000	+63.0%
Helena, Ark.....	57,214,000	58,437,000	— 2.1	122,601,000	+18.9%
Little Rock, Ark.....	145,788,000	149,265,000	— 2.3%	90,037,000	+66.5%
Louisville, Ky.....	149,943,000	146,548,000	+ 2.3%	4,853,000	+25.7%
Memphis, Tenn.....	6,099,000	6,878,000	—11.3%	9,038,000	+22.8%
Owensboro, Ky.....	11,096,000	11,577,000	— 4.2%	508,358,000	+22.7%
Quincy, Ill.....	623,969,000	589,562,000	+ 5.8%	11,658,000	+ 8.6%
St. Louis, Mo.....	12,663,000	12,935,000	— 2.1%		
Springfield, Mo.....					
Total.....	*\$1,092,676,000	\$1,056,002,000	+ 3.5%	\$845,071,000	+27.9%

\*Not including El Dorado.

**Savings Deposits**—Changes in the number of savings accounts and the amount of savings deposits, exclusive of postal savings deposits, since a month ago and a year ago, as reported by the largest member banks in the leading cities of this district, are shown in the following table:

	April 4, 1923			March 7, 1923		April 5, 1922	
	Number Banks Reporting	Number Savings Accounts	Amount Savings Deposits	Number Savings Accounts	Amount Savings Deposits	Number Savings Accounts	Amount Savings Deposits
St. Louis.....	12	251,995	\$ 70,737,000	251,896	\$ 70,271,000	234,558	\$ 63,462,000
Louisville .....	7	164,846	23,168,000	163,723	22,746,000	133,167	20,431,000
Memphis .....	7	59,294	16,309,000	59,324	16,451,000	56,889	13,209,000
Little Rock.....	5	25,810	7,606,000	25,712	7,350,000	24,092	6,183,000
Evansville .....	4	23,805	9,018,000	23,737	8,956,000	21,023	8,190,000
Total.....	35	525,750	\$126,838,000	524,392	\$125,774,000	469,729	\$111,475,000

**Condition of Banks**—The condition of banks in this district and changes since a month ago and last year, are reflected in the following comparative statement showing the principal resources and liabilities of member banks in St. Louis, Louisville, Memphis, Little Rock and Evansville:

	April 11, 1923	March 14, 1923	April 12, 1922
Number of banks reporting.....	*36	*36	37
Loans and discounts (including rediscounts):			
Secured by U. S. Government obligations.....	\$ 16,163,000	\$ 18,033,000	\$ 13,934,000
Secured by stocks and bonds other than U. S. Bonds..	136,034,000	137,061,000	124,986,000
All other loans and discounts.....	301,334,000	304,248,000	287,320,000
Total loans and discounts.....	\$453,531,000	\$459,342,000	\$426,240,000
Investments:			
U. S. pre-war bonds.....	15,323,000	15,323,000	25,134,000
U. S. Liberty bonds.....	24,420,000	24,826,000	
U. S. Treasury bonds.....	9,033,000	9,587,000	8,416,000
U. S. Victory notes and Treasury notes.....	24,414,000	24,393,000	
U. S. Certificates of Indebtedness.....	5,815,000	3,034,000	4,395,000
Other bonds, stocks and securities.....	86,793,000	88,923,000	74,322,000
Total investments.....	\$165,798,000	\$166,086,000	\$112,267,000
Reserve Balance with Federal Reserve Bank.....	42,403,000	44,499,000	41,476,000
Cash in vault.....	8,385,000	8,158,000	6,957,000
Net demand deposits on which reserve is computed.....	369,215,000	380,804,000	319,964,000
Time deposits.....	183,194,000	183,487,000	159,173,000
Government deposits.....	10,322,000	3,852,000	4,461,000
Bills payable and rediscounts with Federal Reserve Bank secured by			
U. S. Government obligations.....	3,510,000	2,733,000	1,798,000
All other .....	7,614,000	6,162,000	6,407,000

\*Decrease due to consolidation.

### FEDERAL RESERVE OPERATIONS

During March the Federal Reserve Bank of St. Louis discounted for 191 of its 620 member banks, which compares with 169 of its 616 member banks accommodated in February. On April 5 this bank established a rate of 4½ per cent on agricultural and live stock paper with maturities between 6 and 9 months, which class of paper became eligible for rediscount under provisions of the amendment of March 4, 1923. On all other classes of paper the rate remains unchanged at 4½ per cent.

Changes in the assets and liabilities of the Federal Reserve Bank of St. Louis since a month ago and last year are shown in the following comparative statement (in thousands of dollars):

	RESOURCES			LIABILITIES		
	April 18, 1923	Mar. 14, 1923	April 19, 1922	April 18, 1923	Mar. 14, 1923	April 19, 1922
Gold Reserves.....	\$ 80,934	\$ 97,197	\$ 93,447	Capital paid in.....	\$ 4,925	\$ 4,908
Legal Tender Notes				Surplus .....	9,665	9,665
Silver, etc.....	18,722	20,367	18,435	Deposits .....	74,020	78,287
Total Cash Reserves.....	\$ 99,656	\$117,564	\$111,882	F. R. Notes in circulation .....	80,512	86,936
Discounts secured by				F. R. Bank Notes in circulation .....		3,365
Govt. obligations.....	14,550	8,524	7,300	Deferred availability items .....	43,409	41,827
Discounts otherwise secured or unsecured.....	15,294	10,701	18,136	Other liabilities.....	848	804
Bills bought in open market.....	11,966	9,923	820	Total Liabilities.....	\$213,379	\$222,427
U. S. Govt. securities.....	22,180	28,836	24,940	Combined Res. Ratio.....	64.5%	71.2%
Total Earning Assets.....	\$ 63,990	\$ 57,984	\$ 51,196			
Uncollected items.....	43,484	40,650	28,201			
Other Resources.....	6,249	6,229	8,081			
Total Resources.....	\$213,379	\$222,427	\$199,360			

# FEDERAL RESERVE BANK OF ST. LOUIS



## MONTHLY REVIEW OF GENERAL BUSINESS CONDITIONS IN FEDERAL RESERVE DISTRICT No. 8

Released for Publication On and After the Afternoon of May 31, 1923

WILLIAM McC. MARTIN

CHAIRMAN OF THE BOARD AND FEDERAL RESERVE AGENT

**A** SLOWING down in the pace of activities, which in some lines is quite sharply defined, has featured general business in this district during the past thirty days. As contrasted with the preceding several months the volume of new buying was smaller, though the comparison with a year ago exhibits continued large gains. Production of commodities held at the recent high levels and in a few instances new records were established, but a large portion of the goods turned out were for application on old orders. Books of both manufacturers and wholesalers are still well filled with future business, especially those dealing in goods for common consumption. In the clothing, dry goods, boot and shoe and drug and chemical lines future business is much heavier than at the corresponding seasons during 1922 and 1921.

The chief reasons given for the present lull are unfavorable weather conditions and extreme caution on the part of buyers. The latter manifestation, it is explained, is due to the recent advances in price, the rapidity of which had a tendency to disturb confidence in ultimate consumption. On all sides there is a marked desire to hold down inventories and take only such finished goods and raw materials as can be disposed of within the next sixty to ninety days. Prices generally reflect the quieter mood prevailing in trade and industry. Advances, except in a few instances, have halted, and where changes have taken place declines considerably outnumber the advances. The offering of premiums for prompt delivery of merchandise, which was noted earlier in the year, has almost entirely disappeared.

Fundamentally conditions remain sound and extremely healthy, the present lull being looked upon by the more conservative element of the business community as only temporary and an excellent symptom. It has had the effect of putting the brakes on the upward price movement and permitting a more even balance throughout industry. The general demand for commodities remains large and the public is filling its wants. There are numerous favorable factors which point to a continuance of good business, chief among which are moderate stocks, universal employment of labor, high wages and an ample supply of banking credits. At no time in recent years have production and distribution of commodities kept more closely to actual consumption than at present.

Replies to questionnaires addressed to leading interests in the principal lines indicate considerable variation in results obtained in different sections. The comment is made that business in the South is relatively better than in the typical grain and stock raising areas. The recent declines in grain prices has served to emphasize conservatism in localities where cereals

form the leading crops. The marketing and movement of grains to market has fallen off and farmers are purchasing only what they are obliged to have. In the cotton region, on the other hand, buying of merchandise of all sorts is on a more liberal scale and collections are in the main satisfactory. The same is true of the tobacco country, where farmers are being paid for their crops which they marketed through the cooperative associations.

Unseasonably cool weather, accompanied in many localities by excessive precipitation, played an important part in final business results during the period under review. In addition to hampering farm operations and germination of crops, these conditions held down the movement of seasonal merchandise, and prevented farmers from coming to town. On the whole, however, preparation of the soil is well up to normal in this district, due to the unusually favorable weather for plowing last fall and winter. Generally reports from the agricultural communities are optimistic, though in the case of the leading crops, the season is backward, and some replanting of cotton has been necessary, due to the light frosts and too abundant moisture. Pastures have been immensely benefited by the rains, and growing crops are making good progress, particularly winter wheat.

Railroads operating in this district continue to report record freight loadings for this time of year and on some classifications entirely new records are being established. Heavy gains over the two preceding years are shown by all roads reporting to this bank. As was the case during the preceding thirty-day period, a considerable part of the increase is accounted for by merchandise and miscellaneous freight. Passenger traffic recorded a gain of approximately 7 per cent over the corresponding month last year. The St. Louis Terminal Railway Association, which includes in its membership 26 roads operating through this gateway, interchanged 212,006 loads in April, against 222,694 loads in March, 191,642 loads in February, 208,584 loads in January and 138,690 loads in April, 1922. During the first nine days of May, 60,907 loads were interchanged, against 63,580 loads for the corresponding period in April and 40,346 loads for the same time in 1922.

Save for a further slight weakening in prices, the coal situation underwent no change worthy of note as contrasted with the preceding thirty days. The demand for steaming coal has improved somewhat during the immediate past, and some screenings are being accumulated by large consumers. The demand for everything else, however, is extremely quiet. Contracting for coal by dealers is backward, and in turn they report little buying by householders. An-

thracite and smokeless are beginning to be stored in a small way. By-product coke producers, who have opened books to contract through next March, report a good response, especially from domestic users. Production of bituminous coal for the country as a whole during the first 107 working days of the year was 189,506,000 net tons, which compares with 148,683,000 net tons for the same period in 1922 and 137,614,000 net tons in 1921.

April production of automobiles for the country as a whole set another record and showed a large gain over March, the previous peak month. The output of passenger cars by manufacturers reporting direct or through the Automobile Chamber of Commerce was 343,698 in April, against 319,332 in March. Production of trucks in April totaled 36,674 against 33,966 in March. Sales of automobiles in this district during the period under review showed a slight slowing down as contrasted with the preceding month, with the heaviest decreases in the large cities. Business in the country is holding up relatively well. Sales of 230 dealers scattered through the district in April were approximately 8 per cent less than in March, but 20½ per cent larger than during April, 1922. Purchasing of accessories has about kept pace with

business in new cars, though somewhat less than the seasonal gain in tire sales is noted.

Reports relative to collections indicate a slight recession from the high efficiency of the preceding three months. Unfavorable weather in the country is held partially responsible for the slowing down and the decline in grain prices is also a factor. In the tobacco and rice areas liquidation has been on a large scale, and generally through the South merchants are getting in their money promptly. Wholesalers report that there have been some requests for extensions in the grain sections. Answers to 388 questionnaires addressed to representative interests in all lines throughout the district asking for data relative to collections show the following results: 3.8 per cent excellent; 38.1 per cent good; 51.4 per cent fair and 6.7 per cent poor.

Commercial failures in the Eighth Federal Reserve District during April, according to Dun's numbered 80, involving liabilities of \$2,168,109, against 107 defaults in March with \$2,529,541 of indebtedness.

The per capita circulation of the United States on May 1 was \$42.04, against \$41.98 on April 1, and \$40.06 on May 1, 1922.

## MANUFACTURING AND WHOLESALE

**Boots and Shoes**—Sales of the 11 reporting interests in April were 6.3 per cent larger than for the corresponding month in 1922, and 21.2 per cent under March this year. The decrease in April under March is due to seasonal considerations, though somewhat larger than usual. The demand throughout the entire line continues active, with an especially heavy call for novelties and colored leather goods. Prices were unchanged during the period under review on finished goods, and raw materials held firm at the recent advances. Factory operation continues at the recent high levels, and plants turning out specialties and novelties are working at full capacity.

**Clothing**—In contrast to the diminution of purchasing in certain lines, buying of clothing is generally steady, with some manufacturers reporting exceptional fall bookings. Price, however, continues to be the dominant consideration, and scattered recessions have been noted in various lines. Unseasonable weather in the past thirty days has retarded late spring purchases, but withal jobbers and wholesalers report good increases over the corresponding period in 1922. Full labor employment is causing increased sales of corduroy goods, and one large firm specializing in cheaper overcoats has called in this line after booking more than capacity for fall delivery. The market for higher priced garments is spotty, but stocks of these varieties are barely normal and no general price recession has taken place. On the other hand, the decline in raw cotton has been reflected in rather general though small decreases in cotton goods. Sales of the 11 reporting interests show an increase of 18.9 per cent over April, 1922.

**Iron and Steel**—New buying of goods in this classification has slowed down perceptibly during the past six weeks, but the pressure for deliveries of both raw and finished materials continues strong. Mills and foundries have a sufficient accumulation of orders on their books to keep them going at the present pace for the next few months, and several important steel makers report they have sold their outputs through

the balance of the year. Prices of finished products hold firm, but the disposition on part of manufacturers to ask premiums for prompt deliveries has about disappeared. Sales of pig iron in this district during the period under review have been extremely light, and considerably less than the usual interest in third quarter requirements is in evidence. Prices of pig iron are steady on a basis of \$27 to \$28 for No. 2 Southern, 1.25 to 2.25 per cent silicon, and \$32 to \$33 for Northern iron of the same grade. Sharp declines have taken place in scrap iron and steel prices, with the demand almost at a standstill. Warehouse stocks of iron and steel goods are moderate, but warehousemen are postponing replenishing in hopes of obtaining concessions later on. Fabricators of building materials report a slowing down in specifications. April sales of stove manufacturers, 7 interests reporting, were 60.7 per cent larger than during the same month last year and 4.7 per cent under the preceding month this year; wire rope makers, 5 interests reporting, showed gains of 9 to 37½ per cent over last year; railway supplies, 5 interests reporting, gained 83 per cent; farm implements, 6 interests reporting, showed gains of 40 to 159 per cent and boiler works, 6 interests reporting, showed gains of from 42 to 305 per cent.

**Hardware**—April sales of the 12 reporting interests were 49.8 per cent larger than during the same month in 1922, and 5.9 per cent under the March total. An excellent demand continues for all varieties of essential hardware, but purchasing by retailers has developed a distinct falling off during the past month, and competition is considerably keener than earlier in the year. Generally goods are more plentiful and easier to obtain, deliveries by factories being more efficient. There is still a shortage of wire nails and other wire products. Price advances have halted, and on several articles there were slight declines. Builders hardware continues active.

**Electrical Supplies**—The demand generally through this line has abated considerably as contrasted with earlier months this year, but as compared with 1922 volume continues to make a favorable showing. Sales of the 12 reporting interests in April were 26.3 per cent larger than for the same month in 1922, but 7.7 per cent under March this year. Building operations are creating a demand for lighting installation equipment and a large variety of household appliances. Sales to public utility companies are holding up well, but less interest is displayed in radio sets and general merchandising items.

**Flour**—Production by the 11 leading mills of the district during April was 297,726 barrels, which compares with 350,064 barrels in March and 252,868 barrels in April, 1922. Millers report the usual end-of-the season quietness. Large buyers are deferring making commitments until something more definite is known relative to the new wheat crop. Routine consumptive buying holds up fairly well, but no improvement has taken place in the export demand. Mill operation during the period under review was approximately 60 per cent of capacity.

**Dry Goods**—Uncertainty relative to prices of many items in this classification, coupled with unseasonable weather, has caused a slowing down in new buying. The trend of all goods based on cotton is easier, due to the decline in raw cotton. A number of Eastern mills have lowered their quotations. Print cloths, sheetings and other staple goods have been marked down slightly, and there was a decline in denims amounting to 10 per cent, effective May 14. The number of buyers at the wholesale establishments in the cities has not been large, but mail order business is holding up relatively well. Buying for spot delivery is on a hand-to-mouth basis, but future orders booked are large, the volume with several of the leading interests being from 3 to 5 times as great as at the corresponding period last year. April sales of the 11 reporting interests were 20.5 per cent larger than for the same month in 1922.

**Groceries**—A gain of 19.2 per cent was shown in April sales of the 25 reporting interests over those of the corresponding month in 1922, but the April total was 2.8 per cent under March this year. Wet weather in the country and the agitation against the high price of sugar had a tendency to slow down buying. In certain commodities the price tendency is downward, notably in coffee, meats and lard. Sugar was higher, also canned fruits. Retail stocks are in the main of

moderate proportions, and buying continues largely on a hand-to-mouth basis. Collections are reported fair to good.

**Drugs and Chemicals**—Aside from some slowing down in orders for chemicals for use in manufacturing, business in this classification shows little change from the recent high stage of activity. Sales of the 11 reporting interests in April were 8.6 per cent over the corresponding month in 1922, and 13.9 per cent under the March total this year. Firmness with an advancing tendency, especially in the fine chemical market, was noted in prices up to about May 1, when values became more stabilized. Small spot stocks and the higher shipment prices abroad, as well as increased production costs of American manufacturers were given as the chief factors in the strength. The demand for insecticides and fertilizers was under expectations, due largely to unfavorable weather for farm work. Carbolic acid, tartaric acid and ammonia sulphate were among the items on which advances were reported.

**Furniture**—Sales of the 12 reporting interests in April were 38 per cent in excess of those of the same month in 1922, and 4 per cent under March this year. There is a decided abatement in new orders, but most of the factories are well equipped with future business, and will be able to maintain the present rate of production during the next ninety days. No change in prices worthy of note was reported in either raw or finished materials. There is a scarcity of glass and some hardware. Factory operation was at from 85 to 90 per cent of capacity.

**Lumber**—The three outstanding features of the wholesale lumber trade during the period under review were light demand, continued heavy movement from the mills on orders placed earlier in the season, and a weakening price tendency. Established price declines are not, however, as yet recorded except in some of the hardwoods such as gum and oak, notably and to a less extent in the shop grades of some other lumbers. Concessions in "specials" and on transit stock represent about the measure of price easement in building lumber. Consumption on building account continues at unprecedented levels, with factory consumption also very large. Softwood yards are accordingly very busy with deliveries, and are still taking on a great amount of new business, especially those in the larger cities. The movement of lumber through the St. Louis market in April was in large volume, exceeding that of April, 1922, by more than 7,500 cars.

**Industrial Power Consumption**—Considerable irregularity characterized April industrial power reports, four centers indicating that unseasonable weather had curtailed operations at certain plants—notably refrigerating—and thus reduced total consumption, while St. Louis reports that further industrial acceleration more than offsets any decline due to unseasonably low temperatures. The increasing period of daylight is also partially responsible for the retardation.

Representative Customers	Apr. 1923		Mar. 1923		Apr., 1923 comp. to Mar. 1923		Apr., 1922 comp. to Apr., 1923	
		k.w.h.		k.w.h.		k.w.h.		%
Evansville....	40	1,039,391	631,824	1,045,434	— 0.6%	694,499	+49.7%	
Little Rock..	11	631,824	648,139	648,139	— 2.5	669,121	— 5.9	
Louisville ....	67	3,261,665	“	3,321,937	— 1.8	2,098,280	+55.4	
Memphis.....	31	1,171,460	“	1,302,060	—11.1	941,900	+24.4	
St. Louis.....	68	12,576,196	“	11,751,026	+ 7.0	9,943,864	+26.5	
Total.....	217	18,680,536	“	18,068,596	+ 3.4	14,347,664	+30.2	

**Department Stores**—The condition of retail trade during April, 1923, in the leading cities of this district is reflected in the following statement, compiled from reports of 22 representative department stores:

(Percentages)	St. Louis	Louisville	Memphis	Little Rock	Evansville	Quincy	8th District
Net Sales:							
Apr., 1923, compared with Apr., 1922.....	+ 8.4	+ 3.4	+16.8	+12.6	+ 6.2	+ 5.8	+ 9.2
Period Jan. 1, to Apr. 30, 1923, compared with same period in 1922.....	+13.1	+ 5.9	+21.0	+18.0	+24.3	+ 9.8	+13.7
Stocks at end of April, 1923:							
Compared with same month in 1922.....	+20.7	- 2.1	+ 9.8	+23.6	+12.6	+11.7	+15.5
Compared with stocks at end of March, 1923.....	+ 3.4	+ 3.5	+ 3.0	+ 4.7	+ 5.9	+ 3.5	+ 3.5
Average stocks on hand at end of each month since Jan. 1, 1923, to average monthly sales during same period.....	366.4	433.3	506.8	406.5	720.2	589.6	417.3
Outstanding orders at close of Apr., 1923, compared with previous year's purchases.....	7.4	4.7	10.3	6.6	5.4	4.0	7.3

### AGRICULTURE

Agricultural prospects throughout the district are as a whole good, with indications pointing to large yields of the principal crops. The season to date has been backward, which has retarded germination of sown crops and delayed farm work, and there are complaints of excessive moisture, but an unusual amount of preparation was possible last fall and winter, which fact served to offset delays experienced this spring.

Winter wheat came out of the cold weather in fair condition, and has made excellent progress since, being benefited by plentiful rains. A feature of the crop in Missouri and Illinois is the uniformity of growth. The March freezes did some damage and in the river bottoms floods have destroyed limited acreages, but good gains have been made since the middle of April by the crop as a whole.

Corn planting has been going forward as rapidly as weather conditions would permit, and it is expected that seeding will be completed by the last week of May. Despite plans for heavier cotton planting, corn acreages in the South are expected to be slightly over a year ago. While it is still too early to form an accurate estimate, unofficial reports indicate that the corn acreage in the northern section of the district will be about the same as last season.

Growers of tobacco are rapidly preparing the ground for planting. Plant beds are generally in good condition and in most of the heavy growing sections the supply of plants will be adequate for the planting of an increased acreage. Growers in the dark leaf district are being paid for their crop marketed through

the cooperative association. It is expected that the receiving houses of the Dark Tobacco Growers Cooperative Association will be closed for the present handling season by the first of June.

Plowing for rice is practically finished, but sowing is backward on account of the extreme wet weather and shortage of labor. The average price paid for No. 1 and No. 2 grades of rough rice is 96c, however, there is a very small amount of rice still in farmer's hands. The movement of clean rice has been slow during the past thirty days.

The condition of live stock in the district continues very satisfactory, there being considerably less than the usual amount of disease among the herds. Pastures have benefitted greatly by the recent rains.

Barring peaches, plums, and cherries, which were injured by the freezes in March and April, the outlook for fruits is in the main favorable. The apple crop escaped severe damage, and in the commercial areas prospects are good. Strawberries in the southwest section promise about 82 per cent of a full crop, against 90 per cent last year. Planting of gardens is backward, due to the cool, wet weather. Generally through the district an increased interest is being taken in town gardens.

Cotton planting has been delayed, and the season to date has been against progress for the growing plant. Some replanting has been necessary in Arkansas and Missouri because of light frosts and heavy rains. Indications in all cotton raising states of the district are for increased acreages.

### WINTER WHEAT

The U. S. Department of Agriculture, in its report as of May 1, 1923, gives the condition of winter wheat in States of the Eighth Federal Reserve District as follows:

	Acreage 1923		Condition May 1			Production 1922 Dec. Est.	Forecast 1923		
	Per cent abandoned	Acres remaining to be harvested	Ten year avg.	%			Production from May 1 condition	PRICE MAY 1	
				1922	1923		1922	1923	
Arkansas.....	4.0	82,000	91	88	86	1,118,000	882,000	125	120
Illinois.....	5.5	3,224,000	85	89	91	53,025,000	52,751,000	121	119
Indiana.....	6.0	2,088,000	86	89	78	29,754,000	30,293,000	127	124
Kentucky.....	3.5	620,000	88	95	86	7,475,000	7,092,000	136	131
Mississippi.....	8.0	4,000	87	87	84	60,000	59,000	175	.....
Missouri.....	1.8	3,076,000	87	87	87	38,750,000	43,086,000	120	115
Tennessee.....	2.5	442,000	88	93	88	4,484,000	4,629,000	140	135
United States.....	14.3	39,750,000	87.5	83.5	80.1	586,204,000	578,287,000	121.0	109.8

### COMMODITY PRICES

Range of prices on typical products in the St. Louis market between April 14 and May 15, 1923, with closing quotations on each of these dates, and on May 15, 1922:

		Close April 14	High	Low	Close May 15	Close May 15, 1922
May wheat.....	Per bu.	\$1.25 1/4	\$1.26 1/8	\$1.16	\$1.17	\$1.39 7/8
July wheat.....	" "	1.21	1.23	1.11 1/8	1.13 5/8	1.22 1/2
September wheat.....	" "	1.20 1/4	1.21 1/2	1.10 3/8	1.12 3/8	1.17 5/8
May corn.....	" "	.82 5/8	.85 1/4	.80	.83 1/2	.59 1/2
July corn.....	" "	.83	.85	.78 3/4	.81 1/8	.63
September corn.....	" "	.82 1/8	.83 3/8	.76 1/4	.78 1/4	.65 5/8
May oats.....	" "	.47	.47	.43 1/4	.44 1/4	.39 1/4
July oats.....	" "	.....	.47 1/2	.44	.43 3/4	.41
No. 2 red winter wheat..	" "	\$1.42 @ \$1.43	1.46	1.30	1.39	\$1.47 @ 1.48
No. 2 hard wheat.....	" "	1.26	1.28	1.19	1.21	1.38
No. 2 corn.....	" "	.83 1/2	.87	.82	.83	.60
No. 2 white corn.....	" "	.84 @	.86 1/2	.82 1/2	\$.85 @ .85 1/2	.60 1/2 @ .61 1/2
No. 2 white oats.....	" "	.47 3/4	.49	.45 1/2	.46 @ .46 1/2	.40 1/2 @ .41
Flour—soft patent.....	Per bbl.	6.25 @ 7.25	7.25	6.00	6.00 @ 7.00	6.75 @ 7.50
Flour—hard patent.....	" "	6.50 @ 6.75	6.85	6.30	6.30 @ 6.65	7.80 @ 8.00
Middling cotton.....	Per lb.	.29	.29	.25 1/2	.26	.19 1/2
Hogs on hoof.....	Per cwt.	5.50 @ 8.65	8.65	5.00	5.25 @ 8.10	8.50 @ 10.95

### COMMODITY MOVEMENT

Receipts and shipments of important commodities at St. Louis during April, 1923 and 1922, and March, 1923, as reported by the Merchants' Exchange, were as follows:

	Receipts			Shipments		
	Apr. 1923	Mar. 1923	Apr. 1922	Apr. 1923	Mar. 1923	Apr. 1922
Flour, barrels.....	403,590	409,840	303,400	543,530	573,800	437,865
Wheat, bushels.....	2,024,400	2,312,821	1,422,225	2,055,470	2,035,090	1,331,660
Corn, bushels.....	2,180,192	2,844,618	1,196,000	1,795,075	2,184,990	1,212,195
Oats, bushels.....	2,824,000	3,285,670	1,294,000	2,847,990	2,608,000	1,352,345
Lead, pigs.....	239,400	296,550	308,670	136,280	158,780	122,150
Zinc and Spelter, slabs..	360,640	442,070	198,180	218,780	281,320	164,150
Lumber, cars.....	20,686	22,204	13,131	16,455	15,575	9,699
Meats, pounds.....	18,350,000	17,937,000	17,417,300	30,077,600	32,212,000	22,365,600
Fresh beef, pounds.....	861,200	605,000	31,000	21,780,400	16,204,300	16,336,600
Lard, pounds.....	5,594,700	4,402,500	3,318,200	13,393,100	15,530,200	6,764,800
Hides, pounds.....	5,596,700	7,678,700	6,992,700	9,600,900	9,048,300	8,025,400

### LIVE STOCK MOVEMENT

As reported by the St. Louis National Stock Yards, receipts and shipments of live stock in April, 1923 and 1922, and March, 1923, were as follows:

	Receipts			Shipments		
	Apr. 1923	Mar. 1923	Apr. 1922	Apr. 1923	Mar. 1923	Apr. 1922
Cattle and Calves.....	75,383	72,971	55,835	38,202	46,346	32,110
Hogs.....	393,036	422,429	262,953	216,946	232,866	184,144
Sheep.....	19,968	23,505	20,497	7,638	6,956	5,519
Horses and Mules.....	5,932	11,007	4,981	6,684	12,449	5,750

### BUILDING

In both number and dollar amount involved, building permits issued during April in the five largest cities of the district were heavily in excess of the same month in 1922, and held well up to the high totals of recent months. Work on buildings in course of construction was pressed forward with little interruption during the period under review, but road work was seriously hampered by heavy rains. The trend of wages in the building trades continues upward, and there were several specific scale advances since the preceding issue of this report. A scarcity of both skilled and common labor is reported from virtually all sections of the district. No change worthy of note was reported in prices of building materials. Production of portland cement for the country as a whole in April was 11,359,000 barrels, the largest since last November, and comparing with 9,880,000 barrels in March and 9,243,000 barrels in April, 1922.

Comparative building figures for April in leading cities of the district follows:

	New Construction				Repairs, etc.			
	Permits		Cost		Permits		Cost	
	1923	1922	1923	1922	1923	1922	1923	1922
St. Louis.....	970	677	\$3,276,250	\$1,705,718	635	583	\$614,555	\$409,203
Louisville.....	405	295	1,443,385	1,997,250	215	233	123,000	178,300
Memphis.....	469	427	1,393,125	1,340,280	101	29	36,500	20,600
Little Rock.....	153	69	460,345	176,275	131	143	51,185	43,258
Evansville.....	142	85	940,395	180,740	128	109	28,760	25,060
Apr. totals.....	2,139	1,553	\$7,513,500	\$5,400,263	1,210	1,097	\$854,000	\$676,421
Mar. totals.....	1,797	1,405	7,724,410	4,510,577	949	915	916,928	502,030
Feb. totals.....	1,092	844	5,782,898	3,762,435	651	632	745,469	388,052

### CHANGES IN COST OF LIVING

The cost of living among wage earners' families in the United States on April 15, 1923, was 59.1 per cent higher than in July, 1914, according to figures collected monthly by the National Industrial Conference Board. Between March 15 and April 15, 1923, there was a decrease of one-tenth of one point or less than one-tenth of one per cent. Coal prices declined noticeably from March 15 to April 15. The other changes in the budget within the month were very slight. Between July, 1920, when the peak of the rise in the cost of living since 1914 was reached, and April, 1923, the cost of living dropped 45.4 points or 22.2 per cent.

### FINANCIAL

The demand for credits in this district during the past thirty days was somewhat more active than during the similar period immediately preceding, with improvement most marked in the South, where seasonal demands for planting and financing of agricultural operations generally are beginning to be felt. In the grain areas there was further liquidation of loans based on cereals and live stock, and borrowing by farmers in that territory has not as yet developed in heavy volume. Marketing of early fruits and vegetables in the South is backward, due to the unseasonably cool and wet weather. The demand from commercial sources is less keen than heretofore, especially among the large wholesale and industrial interests whose collections in April were unusually large and permitted of their reducing commitments at the banks. Payments to tobacco planters are being made by the cooperative marketing associations, and excellent liquidation is reported from the tobacco areas. The general demand for investment bonds has subsided considerably, but this bank's quota of the 4¼ per cent

U. S. Treasury notes, dated May 15, was heavily oversubscribed. Between April 15 and May 15 deposits of the Federal Reserve Bank of St. Louis decreased \$1,923,000 and there was an increase of \$7,252,000 in paper discounted for member banks. Total reserve carried against deposit and Federal Reserve note liabilities decreased .9 per cent, standing at 67 per cent on May 15.

**Commercial Paper**—Business of reporting brokerage houses during April was described as good, their sales ranging from 14½ to 30 per cent larger than for the corresponding month in 1922, but slightly under the March totals. The opening weeks of May witnessed a sharp falling off in volume, due to the fact that large manufacturers and wholesalers were able to finance themselves largely with their own resources and to the marketing of the \$400,000,000 issue of U. S. Treasury notes. Country banks were the best buyers, though some financial institutions in the larger cities were also in the market. Rates remained steady at 5 to 5¼ per cent.

**Debits to Individual Accounts**—The following table gives the total debits charged by banks to checking accounts, savings accounts and trust accounts of individuals, firms, corporations and U. S. Government and also certificates of deposit paid, in the leading cities of this district during the past month and corresponding period a year ago. Charges to the accounts of banks not included. These figures are considered the most reliable index for indicating actual spending by the public during the period which they cover:

	For Four weeks ending May 16, 1923	For four weeks ending Apr. 18, 1923	May 1923 comp. to Apr. 1923	For four weeks ending May 17, 1922	May 1923 comp. to May 1922
East St. Louis and Nat'l. Stock Yards, Ill.....	43,048,000	38,294,000	+12.4%	39,721,000	+ 8.4%
El Dorado, Ark.....	12,689,000	14,376,000	-11.7		
Evansville, Ind.....	30,414,000	28,023,000	+ 8.5	26,636,000	+14.2
Fort Smith, Ark.....	10,980,000	11,567,000	- 5.1		
Greenville, Miss.....	3,200,000	3,629,000	-11.8	3,171,000	+ 0.9
Helena, Ark.....	4,105,000	4,391,000	- 6.5	3,699,000	+11.0
Little Rock, Ark.....	53,820,000	57,214,000	- 5.9	35,756,000	+50.5
Louisville, Ky.....	142,998,000	145,738,000	- 1.9	124,565,000	+14.8
Memphis, Tenn.....	116,150,000	149,943,000	-22.5	102,433,000	+13.4
Owensboro, Ky.....	5,790,000	6,099,000	- 5.0	4,415,000	+31.1
Quincy, Ill.....	11,563,000	11,096,000	+ 4.2	8,721,000	+32.6
St. Louis, Mo.....	632,004,000	623,969,000	+ 1.3	506,408,000	+24.8
Springfield, Mo.....	13,352,000	12,663,000	+ 5.4	10,309,000	+29.5
Total.....	1,080,113,000	1,107,052,000	- 2.4	865,834,000	+22.0

**Savings Deposits**—The changes in the number of savings accounts and the amount of savings deposits, exclusive of postal savings deposits, since a month ago and a year ago, as reported by the largest member banks in the leading cities of this district, are shown in the following table:

Banks Reporting	May 2, 1923		April 4, 1923		May 3, 1922		
	Number Savings Accounts	Amount Savings Deposits	Number Savings Accounts	Amount Savings Deposits	Number Savings Accounts	Amount Savings Deposits	
St. Louis.....	12	255,006	\$ 71,292,000	251,995	\$ 70,737,000	235,191	\$ 63,795,000
Louisville.....	7	164,453	23,221,000	164,846	23,168,000	133,912	20,502,000
Memphis.....	7	60,913	16,210,000	59,294	16,309,000	55,395	13,437,000
Little Rock.....	5	26,063	7,233,000	25,810	7,606,000	25,222	6,101,000
Evansville.....	4	23,898	8,964,000	23,805	9,018,000	20,935	8,155,000
Total.....	35	530,333	\$126,920,000	525,750	\$126,838,000	470,655	\$111,990,000

**Condition of Banks**—The condition of banks in this district and changes since a month ago and last year, are reflected in the following comparative statement showing the principal resources and liabilities of member banks in St. Louis, Louisville, Memphis, Little Rock and Evansville.

	May 9, 1923 *36	April 11, 1923 *36	May 10, 1922 37
Number of banks reporting.....			
Loans and discounts (including rediscounts)			
Secured by U. S. Government obligations.....	\$ 15,175,000	\$ 16,163,000	\$ 13,418,000
Secured by stocks and bonds other than U. S. Bonds.....	134,714,000	136,034,000	126,635,000
All other loans and discounts.....	308,438,000	301,334,000	278,356,000
<b>Total loans and discounts.....</b>	<b>458,327,000</b>	<b>453,531,000</b>	<b>418,409,000</b>
Investments			
U. S. pre-war bonds.....	15,332,000	15,323,000}	
U. S. Liberty bonds.....	22,509,000	24,420,000}	27,011,000
U. S. Treasury bonds.....	8,968,000	9,033,000}	
U. S. Victory notes and Treasury notes.....	24,304,000	24,414,000	9,615,000
U. S. Certificates of Indebtedness.....	5,143,000	5,815,000	5,090,000
Other bonds, stocks and securities.....	85,089,000	86,793,000	75,828,000
<b>Total Investments.....</b>	<b>161,345,000</b>	<b>165,798,000</b>	<b>117,544,000</b>
Reserve Balance with Federal Reserve Bank.....	42,033,000	42,403,000	44,837,000
Cash in vault.....	8,255,000	8,385,000	7,039,000
Net demand deposits on which reserve is computed.....	365,421,000	369,215,000	320,080,000
Time deposits.....	182,345,000	183,194,000	161,493,000
Government deposits.....	7,236,000	10,322,000	6,454,000
Bills payable and rediscounts with Federal Reserve Bank secured by			
U. S. Government obligations.....	7,404,000	3,510,000	3,425,000
All other.....	9,788,000	7,614,000	4,244,000

\*Decrease due to consolidation

### FEDERAL RESERVE OPERATIONS

During April the Federal Reserve Bank of St. Louis discounted for 201 of its 622 member banks, which compares with 191 of its 620 member banks accommodated in March. The discount rate of this bank remains unchanged at 4½ per cent on all classes and maturities of paper.

Changes in the assets and liabilities of the Federal Reserve Bank of St. Louis since a month ago and last year are shown in the following comparative statement (in thousands of dollars).

<b>RESOURCES</b>				<b>LIABILITIES</b>			
	May 16, 1923	Apr. 18, 1923	May 17, 1922		May 16, 1923	April 18, 1923	May 17, 1922
Gold Reserves.....	\$81,937	\$ 80,934	\$ 83,999	Capital paid in.....	\$ 4,932	\$ 4,925	\$ 4,691
Legal Tender Notes—Silver, etc	17,738	18,722	17,679	Surplus.....	9,665	9,665	9,388
<b>Total Cash Reserves.....</b>	<b>\$ 99,675</b>	<b>\$ 99,656</b>	<b>\$101,678</b>	Deposits.....	71,873	74,020	68,554
Discounts secured by Govt. obligations.....	15,026	14,550	7,540	F. R. Notes in circulation.....	76,961	80,512	72,496
Discounts otherwise secured and unsecured.....	17,497	15,294	14,762	F. R. Bank Notes in circulation.....			3,335
Bills bought in open market.....	11,158	11,966	2,190	Deferred availability items.....	39,945	43,409	34,301
U. S. Gov't. Securities.....	17,433	22,180	28,216	Other Liabilities.....	973	848	797
<b>Total Earning Assets.....</b>	<b>\$ 61,114</b>	<b>\$ 63,990</b>	<b>\$ 52,708</b>	<b>Total Liabilities.....</b>	<b>\$204,349</b>	<b>\$213,379</b>	<b>\$193,544</b>
Uncollected items.....	37,731	43,484	31,551	<b>Combined Res. Ratio.....</b>	<b>67.0%</b>	<b>64.5%</b>	<b>72.1%</b>
Other Resources.....	5,829	6,249	7,607				
<b>Total Resources.....</b>	<b>\$204,349</b>	<b>\$213,379</b>	<b>\$193,544</b>				

(Compiled May 18, 1923)

# FEDERAL RESERVE BANK OF ST. LOUIS



## MONTHLY REVIEW OF GENERAL BUSINESS CONDITIONS IN FEDERAL RESERVE DISTRICT No. 8

Released for Publication On and After the Morning of June 30, 1923

WILLIAM McC. MARTIN

CHAIRMAN OF THE BOARD AND FEDERAL RESERVE AGENT

**I**RREGULAR and rather "spotted" conditions are indicated in reports covering business and industrial activities and agriculture in this district during the past thirty days. The general trend was toward a further slowing down in the distribution and production of commodities, accompanied by slight lowering in price levels and a more marked disposition to conservatism on the part of merchants and the public. Labor continues fully employed at high remuneration, the financial and banking position is strong, spending as indicated by debits to individual accounts is high, and the purchasing power of the public remains potentially as great as heretofore. The tendency, however, is to await more definite news relative to the outcome of crops before making extensive commitments. Wholesalers and jobbers in the large cities are pursuing the policy of bringing down their stocks to reasonable size, while retailers are confining their purchases to such goods as they can dispose of from month to month. This policy has worked back to manufacturers, who have curtailed their ordering of raw materials, despite generally small inventories.

Specifically the most important factor in creating the status outlined has been unfavorable weather. Throughout the entire district temperatures have been unseasonably low, and rainfall excessive. Flooded rivers and heavy roads have seriously interfered with communication in the country, and the excessive moisture has had a derogatory effect on crop progress, especially in rich bottom lands. Germination and development of planted crops has been retarded, and fields have been too soggy to permit of much needed cultivation. The latter fact is true particularly of corn and cotton, replanting of extensive acreages having been necessary in the case of both these crops. Considerable irreparable damage was done to fruit crops by hail in the commercial areas, and to wheat by flooding of lowlands. On the whole, however, crop prospects can be better described as backward than poor, and with favorable weather to harvest a large part of the deterioration may be repaired.

In addition to its adverse effects on agriculture, the cool, wet weather has retarded both wholesale and retail distribution of merchandise. Farmers have been unable to come to town to purchase supplies, and in the cities the movement of seasonal goods, particularly light wearing apparel, has been disappointing. Wholesalers report that in many localities their salesmen on the road have been delayed in making their schedules and in the lumbering sections logging operations have been interfered with by high water. Large forces of timber cutters have been idle for several weeks, and many sawmills in Tennessee, Arkansas and

Mississippi have been forced to suspend operations and will remain closed until logging service is resumed. The movement of early fruits and vegetables to market is backward, and considerably later than a year ago.

Reports of manufacturers in the leading industrial centers indicate that production is making more rapid strides in catching up with the demand, and deliveries of finished and semi-finished products are considerably easier than was the case sixty days ago. Orders booked, however, are still large, and in many lines of sufficient size to insure the present pace of activity through the summer and early fall. The comment is made that competition is keener and in some lines there are small accumulations of stocks for the first time in more than nine months.

The general trend in the raw material market, both in respect to supplies and prices, is easier. Lead and slab zinc were lower under pressure of more liberal spot offerings, and there were minor declines in some basic textile materials, cereals and other farm products. Raw cotton finished the thirty day period higher. The general run of building materials showed little variation as compared with the preceding month. Hogs touched the lowest price level this year.

Replies to questionnaires addressed to leading wholesale and jobbing interests stress the conservative attitude of a large proportion of their customers. Routine orders for goods are numerous and bulk satisfactorily in the aggregate, but there is a total absence of speculative buying. Retail stocks are in the main light, and considerable reordering is being done. Less than the usual number of cancellations are being received, customers as a rule taking their goods as they come, and in many instances pressing for and even anticipating deliveries. The demand in all lines is varied, with the call for novelties and new styles in clothing, shoes and millinery particularly strong. As was the case during the preceding thirty days, results obtained in certain sections of the district were notably better than in others, with the Southern areas purchasing in relatively heavier volume than the typical grain sections.

The movement of cereals and other farm products to market was smaller than a year ago, due mainly to lateness of the season and heavy rains. Receipts of live stock, however, were larger than either the preceding month or the corresponding period in 1922. Grain prices in the St. Louis market declined sharply during the closing weeks of May and the first week of June, but part of the loss was recovered toward the middle of the latter month. Wheat values were especially affected by the downturn and are still considerably out of line with other cereals and prices generally.

Cotton was strong throughout the period under review, and closed sharply higher. Packers reported the demand for fresh meats somewhat below normal for this season. Beef prices were firm to higher, pork weak to lower and mutton uneven.

Freight car loadings of railroads operating in the district established new high records for this season of the year. Totals showed enormous gains over the corresponding periods in 1922 and 1921. There was a slight decrease in the miscellaneous freight and merchandise classification, but this was offset by gains in the movement of farm products, coke, and mine and forest products. Further improvement was noted in the car situation, and the roads are making extensive preparations for handling the crop movement. Passenger traffic is maintaining its recent gains, the increase of reporting roads during May being 5.2 per cent over the same month last year. The St. Louis Terminal Railway Association, which includes in its membership 26 railroads operating through this gateway, interchanged 207,094 loads in May, which compares with 212,006 loads in April, 222,694 loads in March and 165,168 loads in May, 1922. During the first nine days of June 57,713 loads were interchanged, against 60,907 loads for the corresponding period in May and 48,935 loads for the same time in 1922.

Backwardness on the part of householders and steam users in contracting for their future requirements, coupled with ample stocks of all varieties, made for an extremely dull coal situation during the period under review. Save for the usual advance of 25c per ton asked by dealers on June 1, prices were mainly unchanged. Mines in the district were operating only from one and a half to three days per week, but even with this low stage of activity, difficulty was experienced in disposing of outputs. About the only fuel being stored in quantity is by the railroads and public utility companies. Considerably less than the normal amount of coal has been engaged by domestic consumers. Coke is relatively much more active than coal, the by-product manufacturers reporting a good demand from both industrial and domestic customers at steady to firm prices. Metallurgical coke continues active. Production of bituminous coal for the country as a whole for the calendar year to June 2 was 231,110,000 tons, which compares with 167,112,000 tons for the corresponding period in 1922.

Product of automobiles for the country at large

during May established another high record, both passenger cars and trucks showing moderate gains over April, the previous peak month. The output of passenger cars by manufacturers reporting direct or through the Automobile Chamber of Commerce was 350,073 in May, against 343,793 in April. Production of trucks in May totaled 42,373 which compares with 36,786 in April. Reports received from 230 dealers scattered through the district indicate a rather sharp falling off in sales as compared with the preceding thirty days, but a substantial gain (approximately 14.7 per cent) as compared with same period in 1922. Trade in the country was much less active than heretofore, due in a measure to unseasonable weather. The comment is made that the demand for high price cars is relatively slower than for medium and cheap makes. The movement of accessories and tires has slowed down markedly since the middle of May and some price reductions were made in both. The number of used cars on the market showed little variation as compared with the preceding month.

A slight slowing down in collection efficiency took place during the period under review. The number of backward spots showed an increase, but in nearly all cases local conditions were responsible for the decline in settlements. In the flooded areas merchants are getting in their money more slowly, and generally in the agricultural sections farmers are too busy with field work to attend to paying their bills. Wholesalers in the large centers report that they are being paid promptly, and some of them have surplus funds which they are lending on call. There has been good liquidation in the tobacco sections, where the cooperative associations are paying planters for their crops. Answers to 392 questionnaires addressed to representative interest in all lines throughout the district asking for data relative to collections show the following results: 2.8 per cent excellent; 36.8 per cent good; 53.8 per cent fair and 6.8 per cent poor.

Commercial failures in the Eighth Federal Reserve District during May, according to Dun's numbered 63, involving liabilities of \$760,293 against 80 defaults with liabilities of \$2,168,109 in April and 117 failures with indebtedness of \$1,750,033 in May, 1922.

The per capita circulation of the United States on June 1 was \$42.34, against \$42.04 on May 1 and \$39.87 on June 1, 1922.

## MANUFACTURING AND WHOLESALE

**Boots and Shoes**—Sales of the 11 reporting interests in May were 27.2 per cent larger than for the corresponding month in 1922 and 71 per cent in excess of the April total this year. The heavy gain in May over April is accounted for by the fact that goods purchased for fall are shipped heavily in May, and carry datings as far ahead as October. Since the middle of May there has been a decrease in purchasing, most marked in men's working shoes and other staple lines. The demand for novelties and colored leather goods is holding up relatively well, with plants specializing on these articles working at or near full capacity. No changes worthy of note were reported during the period under review either in finished goods or raw materials. The trend in raw materials, however, is slightly easier.

**Clothing**—While there has been some slowing down in purchasing for immediate requirements, the

volume of business for fall delivery is considerably in excess of the corresponding period last year. The movement of summer apparel at retail has been greatly retarded by the unseasonably cool weather and rains. The demand for overalls and working clothes generally is reported brisk. In men's suits buyers continue to show preference for medium and low price goods. Except in individual instances where special sales were conducted, prices were generally unchanged during the period under review. Sales of the 11 reporting interests in May were 12.6 per cent larger than for the same month in 1922, but 12.9 per cent under the April total this year.

**Iron and Steel**—While new buying of iron and steel continues in good volume and covers a great diversity of products, the demand has dropped below the level of current output, with the result that unfilled orders of many leading interests have decreased and

deliveries in some lines are easier. The record production of pig iron and steel ingots in May served to lessen apprehension relative to raw materials, and in this district users of pig iron continue to defer covering their requirements for the third and fourth quarters. Purchasing by the railroads is holding up well, and the oil fields and building industry are still absorbing enormous tonnages. Steel prices show a disposition to soften in spots, with small reductions in sheets, bars, nuts and bolts, etc. Quotably pig iron was steady at \$27 per ton for No. 2 Southern, 1.75 to 2.25 per cent silicon, and \$32 for Northern iron of the same grade. Some resale iron was available slightly below these figures, and one small Southern blast furnace interest cut its price to \$25. There were further sharp declines in scrap iron and steel, affecting virtually all classes and grades of material. Warehousemen report a slowing down in the routine demand for their goods, and their stocks are somewhat larger than thirty days ago. May sales of stove manufacturers, 7 interests reporting, were 27.7 per cent larger than in May, 1922, and 10.4 per cent less than April this year; wire rope makers, 5 interests reporting showed gains of from 30 to 92 per cent over the same month in 1922; railway supplies, 5 interests reporting, gained 34 per cent over May, 1922, but lost 8.4 per cent as compared with April; farm implements, 6 interests reporting, showed gains of from 12 to 68.2 per cent, and boiler works, 6 interests reporting, gained 65 per cent over May, 1922.

**Hardware**—During the past thirty days builders hardware has been the most interesting feature under this classification. Sales in May with a number of stores reached unprecedented volume, but since June 1 there has been a decided falling off, which is attributed to the completion of many buildings and postponement of construction work contemplated. The demand for hand implements, wire netting, refrigerators and other seasonal goods is reported somewhat under normal. Prices of a number of steel items and shelf hardware have declined slightly, but nails and wire products generally held firm. Wholesalers and jobbers report an unusually large number of mail orders, but orders from salesmen on the road are under expectations, which latter fact is partly ascribed to interference with communications occasioned by heavy rains. Sales of the 12 reporting interests in May were 31.1 per cent larger than for the same month in 1922, and 14.4 in excess of April this year.

**Electrical Supplies**—In face of unseasonable weather, which has held down buying of fans and other summer goods, total sales of the 12 reporting interests in May were 3.3 per cent in excess of the same month in 1922, and 5.2 per cent over the April total. The demand for wiring and equipment in new buildings is stimulating business, and improvements and extensions by public utilities companies are accounting for a heavy movement of supplies. Stocks in all positions are moderate, but factories have been catching up on orders, and deliveries are easier. Aside from a decline in copper, prices were for the most part steady.

**Flour**—Production by the 11 leading mills of the district in May totaled 302,791 barrels which compares with 297,064 barrels in April, 350,064 barrels in March and 279,979 barrels in May, 1922. Throughout the period under review the demand from all sources continued quiet, and mill operation was at only 55 to 60

per cent of capacity. Prices were lower in sympathy with the decline in wheat. Domestic car lot buyers are disposed to hold off awaiting the new wheat crop, and ordering generally is on a hand-to-mouth basis. There was some export inquiry for new crop flours, but prices were out of line. Sellers are seemingly unwilling to quote lower prices than those prevailing on old flours.

**Dry Goods**—Sales of the 11 reporting interests in May were 9.8 per cent larger than for the corresponding period in 1922, and 8.7 per cent in excess of the April total this year. Excessive rains and the break in cotton prices early in May had a disturbing effect, and buyers are disposed to purchase with the utmost caution. Special sales were conducted by several of the larger stores which in the main met excellent response, and were largely accountable for the increase in total sales in May over April. New orders received during the first half of June were disappointing, but all the reporting stores have advance business considerably in excess of the same period last year. Some price declines were reported. The demand for the better grades of dress goods in is relatively more active than for staples. Hosiery continues quiet.

**Groceries**—Business in this classification during May about held its own with the corresponding month last year, the total this season being .6 per cent greater than in 1922. As compared with April, sales in May decreased 3.2 per cent. Complaints were general of unseasonable weather, with flooded rivers and bad roads preventing salesmen from making their rounds. The usual seasonal falling off in the demand for canned goods was noted, but prices were well maintained, and sales of canned goods for fall and winter delivery were well up to expectations. Uncertainty relative to sugar prices has resulted in heavy curtailment in the volume of that staple being bought.

**Drugs and Chemicals**—While the demand for drugs and chemicals was quiet during the past thirty days, due to unseasonable weather, business in specialties held up well and sales of the 11 reporting interests for May showed a gain of 30.2 per cent over the same period in 1922 and 27.1 per cent over April this year. The movement of insecticides, stock condition powders and fertilizers was heavy, and there were large gains in sales of soda fountain supplies, cosmetics, sundries and paper goods. An upward price trend was noted in drugs, the advances affecting opium, antipyrine, denatured alcohol, oxalic acid and balsam tolu. The retail trade in all sections of the district was reported active.

**Furniture**—May sales of the 12 reporting interests were 16.2 per cent over the same month in 1922, and 2 per cent over the April total. A perceptible slowing down in orders was noted during the opening weeks of June, which is attributed partly to the fact that buyers are waiting for the sales at Chicago and Grand Rapids, at which styles and prices for fall are largely determined. There were no changes in prices of raw or finished goods during the period under review. Factory operation was at from 70 to 80 per cent of capacity.

**Lumber**—With an increasing tendency on the part of buyers to limit their purchases to immediate needs and restriction of building programs in some sections of the country, there was a shrinkage in the demand for soft woods. Yellow pine developed an easier trend toward the end of May. Manufacturers were making heavy deliveries on prior bookings. Late

in May selling pressure increased, and reductions approximating 10 per cent. from peak prices began to appear. Few cancellations were reported, dealers for the most part urging deliveries, and a constant stream of fill-in orders, chiefly mixed cars, indicated light stocks in dealers' hands. There was little in the way of forward buying, however. While hardwoods declined in demand, wet weather restricted logging operations and served to offset weakening influences.

**Industrial Power Consumption**—Consumption of electricity for industrial purposes continues at the recent high level, with substantial gains being registered over the immediately preceding months and the corresponding period in 1922. Unfavorable weather, which has prevented certain seasonal expansions, is partly responsible for the declines registered in two reporting cities.

Representative Customers	May 1923		Apr. 1923		May 1923 comp. to Apr., 1923		May 1923 comp. to May 1922	
	k.w.h.		k.w.h.		%	k.w.h.	%	
Evansville....	40	1,060,273	1,039,391		+ 2.0%	658,386	+61.0%	
Little Rock..	11	757,696	631,824		+19.9	720,932	+ 5.1	
Louisville ....	67	3,098,494	3,261,665		- 5.0	2,206,411	+40.4	
Memphis.....	31	1,119,620	1,171,460		- 4.4	975,360	+14.8	
St. Louis.....	*67	13,801,124	*12,666,676		+ 9.0	12,050,989	+14.5	
Total.....	216	19,837,207	18,771,016		+ 5.7	16,612,078	+19.4	

\*Revised figures

**Department Stores**—The condition of retail trade during May, 1923, in the leading cities of this district is reflected in the following statement, compiled from reports of 22 representative department stores:

(Percentages)	St. Louis	Louisville	Memphis	Little Rock	Evansville	Quincy	8th District
<b>Net Sales:</b>							
May, 1923, compared with May, 1922.....	+ 4.6	+ 0.1	+13.8	+12.5	+36.2	+ 3.9	+ 6.4
Period Jan. 1, to May 31, 1923, compared with same period in 1922.....	+11.5	+ 4.5	+19.3	+16.6	+27.4	+ 8.7	+12.2
<b>Stocks at end of May, 1923:</b>							
Compared with same month in 1922.....	+17.4	- 1.8	+ 9.7	+22.0	+ 7.3	+13.5	+13.5
Compared with stocks at end of April, 1923.....	- 4.1	- 5.1	- 0.8	- 7.1	- 6.0	- 0.7	- 3.9
<b>Average stocks on hand at end of each month since Jan. 1, 1923, to average monthly sales during same period.....</b>	359.2	416.5	499.4	489.3	672.7	533.3	408.2
<b>Outstanding orders at close of May, 1923, compared with previous year's purchases.....</b>	7.8	3.5	10.1	6.5	7.1	7.2	7.4

## AGRICULTURE

Crops generally in this district are from two to three weeks late, and during the period under review temperatures were too low and moisture too abundant for growth and development in virtually all sections. Fields have been too wet for cultivation, and in the case of corn, cotton, potatoes and other vegetables and ground fruits weed growth has made considerable headway. In the bottom lands high water has wrought considerable injury to wheat, and irreparable damage was done to berries and fruits by hail storms in important producing areas. On the whole, however, the outlook of the principal crops is for fair production, and with favorable weather from this to harvest, results should be satisfactory. In this general region years of heavy rainfall have almost invariably been coeval with big production, light crops being the result of drouth rather than excessive moisture.

While the average condition of winter wheat, according to Government figures, suffered a decline in May in States of this district, the total predicted yield is in excess of the 1922 total. Cutting is under way in the southern tiers of the belt, and weather permitting, will be in full swing by the first of July. There are complaints of lodging in a number of counties; Hessian fly and chinch bugs have appeared in numbers in Illinois, Indiana and Missouri. Generally the plant has fine color, and has headed out well, though there are some reports of rank growth and poor stooling, due to excessive moisture.

Reports relative to corn vary considerably, with

the predominating note being accounts of too abundant rains, which have prevented cultivation and necessitated considerably more than the usual replanting. In the uplands in the southern States the plant has a good stand and color, with the acreage about on a parity with last year. Much late corn is being planted with the view of furnishing silage, but with favorable weather and a late fall, much of this should mature and augment the total of grain harvested.

The hay crop was injured in some localities by winter killing, particularly clover, and due to the cool late spring the growth of grasses has been slow, and meadows and pastures are short.

Fruit prospects generally in the district are hardly as good as a year ago. The condition of peaches, plums and pears is low, and ground fruits are backward. Advices relative to the apple crop in commercial areas are conflicting, and the outlook is problematical. While backward, truck crops are in the main doing well, and indications are for yields equal to, or somewhat larger than last year.

In the tobacco sections both the Burley and Dark Tobacco Growers Cooperative Associations have functioned satisfactorily. The Burley Association has paid growers on the 1922 crop upward of \$34,000,000, principally the proceeds of medium and common grades of tobacco. It still has on hand approximately 50,000,000 pounds of the best grades. Fully 50 per cent of tobacco pooled with the Dark Tobacco Association has been sold at satisfactory prices. An un-

usual effort is being made to raise a large crop of tobacco this year, but the backward season and scarcity of plants has interfered somewhat with planting programs. About 40 per cent of the crop has been set, and indications point to an acreage fully as large as last season.

Seeding of rice has been delayed by wet weather, and the total acreage in this district is likely to be slightly less than in 1922.

The U. S. Department of Agriculture, in its report as of May 1, 1923, gives the condition of winter wheat and oats in states of the Eighth Federal Reserve District as follows:

Winter Wheat	CONDITION		PRODUCTION COMPARISONS		FORECAST 1923—PRODUCTION from condition		FARM PRICE PER BU.	
	June 1		5 yr. av.	1922	from condition		June 1	
	10 yr. av.	1923	1917-21	Dec. Est.	May 1	June 1	1922	1923
	%	%	*Bu.	*Bu.	*Bu.	*Bu.	cents	cents
Illinois	80	80	46,692	53,025	52,751	56,485	116	112
Indiana	82	80	34,608	29,754	30,293	32,406	121	120
Kentucky	84	85	8,625	7,475	7,092	7,378	136	130
Missouri	78	83	43,140	38,750	43,086	44,423	115	111
United States	82.3	76.3	589,858	586,204	578,287	580,541	.....	.....

Continued cool and wet weather has further delayed progress of the cotton crop. There are complaints of weedy fields, and much replanting has been necessary. The crop is from two to three weeks late. In Southeast Missouri and Arkansas damage from flooding of the bottom lands is reported.

Generally the condition of live stock continues excellent. Farm labor, particularly in some sections of the South, is scarce.

Oats	ACREAGE 1923		CONDITION		PRODUCTION COMPARISONS		PRODUCTION FORECAST 1923		FARM PRICE PER BU.	
	% of 1922	Acres	June 1		5 yr. av.	1922	From June 1		June 1	
			10 yr. Av.	1923	1917-21	Dec. Est.	Condition	1922	1923	
			%	%	*Bu.	*Bu.	*Bu.	Cents	Cents	
Illinois	102	3,937	87	87	171,843	110,010	142,146	32	44	
Indiana	120	1,644	86	83	69,747	28,770	53,489	35	45	
Missouri	115	1,285	83	78	50,189	17,872	31,673	41	53	
United States	101.1	40,768	89.0	85.6	1,377,903	1,201,436	1,256,456	38.4	44.9	

\* In thousands of bushels—i. e., 000 omitted.

**COMMODITY PRICES**

Range of prices on typical products in the St. Louis market between May 15 and June 15, 1923, with closing quotations on each of these dates, and on June 15, 1922:

		Close May 15		High	Low	Close June 15		Close June 15, 1922	
July wheat.....	Per bu.	\$1.13 <sup>5</sup> / <sub>8</sub>	\$1.16 <sup>1</sup> / <sub>8</sub>	\$1.16 <sup>1</sup> / <sub>8</sub>	\$1.05 <sup>3</sup> / <sub>8</sub>	\$1.09 <sup>5</sup> / <sub>8</sub>	\$1.07	\$1.07	\$1.07
September wheat.....	" "	1.12 <sup>3</sup> / <sub>8</sub>	1.14 <sup>1</sup> / <sub>8</sub>	1.14 <sup>1</sup> / <sub>8</sub>	1.06	1.07 <sup>1</sup> / <sub>8</sub>	1.08 <sup>1</sup> / <sub>8</sub>	1.08 <sup>1</sup> / <sub>8</sub>	1.08 <sup>1</sup> / <sub>8</sub>
December wheat.....	" "	1.12 <sup>3</sup> / <sub>8</sub>	1.12 <sup>3</sup> / <sub>8</sub>	1.12 <sup>3</sup> / <sub>8</sub>	1.08 <sup>3</sup> / <sub>8</sub>	1.10 <sup>5</sup> / <sub>8</sub>	1.12 <sup>3</sup> / <sub>8</sub>	1.12 <sup>3</sup> / <sub>8</sub>	1.12 <sup>3</sup> / <sub>8</sub>
July corn.....	" "	.81 <sup>1</sup> / <sub>8</sub>	.84	.84	.77 <sup>5</sup> / <sub>8</sub>	.83 <sup>1</sup> / <sub>2</sub>	.60 <sup>1</sup> / <sub>4</sub>	.60 <sup>1</sup> / <sub>4</sub>	.60 <sup>1</sup> / <sub>4</sub>
September corn.....	" "	.78 <sup>1</sup> / <sub>2</sub>	.80 <sup>1</sup> / <sub>2</sub>	.80 <sup>1</sup> / <sub>2</sub>	.74 <sup>3</sup> / <sub>8</sub>	.77 <sup>5</sup> / <sub>8</sub>	.63 <sup>1</sup> / <sub>4</sub>	.63 <sup>1</sup> / <sub>4</sub>	.63 <sup>1</sup> / <sub>4</sub>
December corn.....	" "	.66 <sup>5</sup> / <sub>8</sub>	.63 <sup>3</sup> / <sub>4</sub>	.63 <sup>3</sup> / <sub>4</sub>	.66 <sup>5</sup> / <sub>8</sub>	.66 <sup>5</sup> / <sub>8</sub>	.63 <sup>1</sup> / <sub>4</sub>	.63 <sup>1</sup> / <sub>4</sub>	.63 <sup>1</sup> / <sub>4</sub>
July oats.....	" "	.43 <sup>3</sup> / <sub>4</sub>	.46	.46	.42 <sup>1</sup> / <sub>4</sub>	.43 <sup>3</sup> / <sub>8</sub>	.35	.35	.35
No. 2 red winter wheat....	" "	1.39	1.42	1.42	1.20	1.30	\$1.17 @	1.18	1.18
No. 2 hard wheat.....	" "	1.21	1.26	1.26	1.12	1.14	\$1.13 @	1.16	1.16
No. 2 corn.....	" "	.83	.87 <sup>1</sup> / <sub>2</sub>	.87 <sup>1</sup> / <sub>2</sub>	.81	.86	.58	.58	.58
No. 2 white corn.....	" "	.85 @	.85 <sup>1</sup> / <sub>2</sub>	.88 <sup>1</sup> / <sub>2</sub>	.82	.88	.60	.60	.60
No. 2 white oats.....	" "	.47 <sup>3</sup> / <sub>4</sub>	.47 <sup>3</sup> / <sub>4</sub>	.47 <sup>3</sup> / <sub>4</sub>	.44	.45 <sup>1</sup> / <sub>2</sub>	.35 <sup>1</sup> / <sub>2</sub>	.35 <sup>1</sup> / <sub>2</sub>	.35 <sup>1</sup> / <sub>2</sub>
Flour—soft patent.....	Per bbl.	6.25 @	7.25	7.00	5.50	5.50 @	6.50	5.75 @	6.75
Flour—hard patent.....	" "	6.50 @	6.75	6.70	5.85	6.05 @	6.30	6.90 @	7.25
Middling cotton.....	Per lb.	.29	.29 <sup>1</sup> / <sub>2</sub>	.29 <sup>1</sup> / <sub>2</sub>	.26	.29	.22	.22	.22
Hogs on hoof.....	Per cwt.	5.50 @	8.65	8.15	4.50	4.50 @	7.25	8.50 @	10.75

Note: May wheat closed at \$1.13<sup>1</sup>/<sub>4</sub>; May corn at 85c and May oats at 44c.

**COMMODITY MOVEMENT**

Receipts and shipments of important commodities at St. Louis during May, 1923 and 1922, and April, 1923, as reported by the Merchants' Exchange, were as follows:

	Receipts			Shipments		
	May 1923	Apr. 1923	May 1922	May 1923	Apr. 1923	May 1922
Flour, barrels.....	394,370	403,590	348,210	482,820	543,530	444,140
Wheat, bushels.....	2,211,625	2,024,400	2,558,400	2,325,645	2,055,470	2,284,320
Corn, bushels.....	1,617,370	2,180,192	2,870,352	1,085,025	1,795,075	2,148,575
Oats, bushels.....	2,534,000	2,824,000	2,603,625	2,142,960	2,847,990	1,950,260
Lead, pigs.....	210,360	239,400	406,880	106,080	136,280	217,110
Zinc, slabs.....	325,690	360,640	338,320	250,600	218,730	308,040
Lumber, cars.....	23,201	20,686	19,518	16,188	16,455	14,392
Meats, pounds.....	20,914,100	18,350,000	20,510,300	33,512,900	30,077,600	28,389,100
Fresh beef, pounds.....	504,300	861,200	.....	24,040,600	21,780,400	19,205,100
Lard, pounds.....	6,433,500	5,594,700	4,447,800	14,912,500	13,393,100	8,010,000
Hides, pounds.....	4,583,100	5,596,700	7,264,700	8,579,400	9,600,900	8,849,700

**LIVE STOCK MOVEMENT**

As reported by the St. Louis National Stock Yards, receipts and shipments of live stock in May, 1923 and 1922, and April, 1923, were as follows:

	Receipts			Shipments		
	May 1923	Apr. 1923	May 1922	May 1923	Apr. 1923	May 1922
Cattle and Calves.....	98,445	75,383	91,939	47,791	38,202	47,095
Hogs.....	419,953	393,036	337,158	233,829	216,946	219,866
Sheep.....	53,932	19,968	49,635	14,753	7,638	16,205
Horses and Mules.....	3,804	5,932	3,758	3,834	6,634	4,009

### BUILDING

As indicated by permits issued in the five largest cities of the district and reports from contractors, builders and architects in smaller communities, building activity during the period under review maintained high levels which have featured recent months. May permits exceeded those of the preceding month and the corresponding period last year both numerically and in point of money involved. Outside work was interfered with to some extent by excessive rains, but building under construction was being pushed rapidly to completion. There is a scarcity of artisans in the building crafts, and the trend of wages is higher, with specific demands for increased scales being made by certain unions in St. Louis and other cities. Prices of building materials were more stable than has been the case for several months. Production of Portland cement for the country as a whole in May set a new high record, the total being 12,910,000 barrels, against 11,359,000 barrels in April and 11,176,000 barrels in May, 1922.

Comparative building figures for May in leading cities of the district follows:

	New Construction				Repairs, etc.			
	Permits		Cost		Permits		Cost	
	1923	1922	1923	1922	1923	1922	1923	1922
St. Louis .....	974	858	\$3,701,095	\$2,099,960	747	666	\$465,291	\$296,920
Louisville .....	552	331	1,784,260	3,210,250	199	197	138,885	128,950
Memphis .....	477	338	1,691,375	1,032,644	91	89	29,750	49,330
Little Rock .....	92	88	225,495	297,605	142	155	73,850	46,991
Evansville .....	139	112	277,639	249,545	104	121	19,815	31,660
May totals .....	2,234	1,727	\$7,879,864	\$6,890,004	1,283	1,228	\$727,591	\$553,851
Apr. totals .....	2,139	1,553	7,515,500	5,400,263	1,210	1,097	854,000	676,421
Mar. totals .....	1,797	1,405	7,724,410	4,510,577	949	915	916,928	502,030

### FINANCIAL

Further improvement in the demand for credits, both for commercial and agricultural purposes, took place during the period under review. To the South increased requirements for financing the cotton crop were reported, and the movement of early fruits and vegetables has temporarily stimulated borrowing in areas which specialize in these productions. Banks in the Memphis and Louisville territory report a good demand from the lumber and building material interests. June settlements with the large mercantile interests in leading cities of the district were in good volume, the ratio of collections to outstandings in a number of notable instances making a better showing than last season. The demand for funds to finance live stock is holding up well, but the recent heavy marketing of cattle, hogs and sheep has resulted in liquidation which about offsets new borrowing on this account. Continued heavy payments to planters by the tobacco cooperative marketing associations have released considerable amounts to the banks, and collections in that general section are good. While loans of member banks in the district increased and deposits

declined slightly during the past thirty days, loanable funds continue ample for all legitimate business needs. Quotably rates remain about steady. Between May 15 and June 15 deposits of the Federal Reserve Bank of St. Louis decreased \$1,320,000 and there was an increase of \$4,328,785 in paper discounted for member banks. Total reserve carried against deposit and Federal Reserve note liabilities decreased 1.6 per cent, standing at 65.4 per cent on June 15.

**Commercial Paper**—Total sales of reporting brokerage houses during May were 6 per cent under the corresponding month in 1922 and 16.2 per cent under April this year. Generally business was satisfactory during the period under review, with a distinct improvement during the first two weeks of June. The demand from all sources is brisk, and considerably in excess of offerings. Prime names are readily absorbed, with both city banks and financial institutions in the smaller communities in the market. An easier trend was noted in rates, but quotably the market held steady at 5 to 5½ per cent.

**Debits to Individual Accounts**—The following table gives the total debits charged by banks to checking accounts, savings accounts and trust accounts of individuals, firms, corporations and U. S. Government and also certificates of deposit paid, in the leading cities of this district during the past month and corresponding period a year ago. Charges to the accounts of banks not included. These figures are considered the most reliable index for indicating actual spending by the public during the period which they cover:

	For Four weeks ending June 13, 1923	For four weeks ending May 16, 1923	June 1923 comp. to May 1923	For four weeks ending June 14, 1922	June 1923 comp. to June 1922
East St. Louis and Nat'l. Stock Yards, Ill. ....	43,653,000	43,048,000	+ 1.4%	36,140,000	+20.8%
El Dorado, Ark. ....	12,565,000	12,689,000	— 1.0		
Evansville, Ind. ....	29,262,000	30,414,000	— 3.8	25,776,000	+13.5
Fort Smith, Ark. ....	10,390,000	10,980,000	— 5.4		
Greenville, Miss. ....	2,922,000	3,200,000	— 8.7	3,533,000	—17.3
Helena, Ark. ....	3,659,000	4,105,000	—10.9	4,055,000	— 9.8
Little Rock, Ark. ....	50,718,000	53,820,000	— 5.8	34,805,000	+45.7
Louisville, Ky. ....	150,734,000	142,998,000	+ 5.4	132,527,000	+13.7
Memphis, Tenn. ....	111,638,000	116,150,000	— 3.9	94,734,000	+17.8
Owensboro, Ky. ....	5,187,000	5,790,000	—10.4	3,972,000	+30.6
Quincy, Ill. ....	10,686,000	11,563,000	— 8.2	8,627,000	+23.9
St. Louis, Mo. ....	637,061,000	632,004,000	+ 0.8	513,248,000	+24.1
Springfield, Mo. ....	14,992,000	13,352,000	+12.3	12,986,000	+15.4
<b>Total</b> .....	<b>1,083,467,000</b>	<b>1,080,113,000</b>	<b>+ 0.3</b>		<b>+21.8</b>

**Savings Deposits**—The changes in the number of savings accounts and the amount of savings deposits, exclusive of postal savings deposits, since a month ago and a year ago, as reported by the largest member banks in the leading cities of this district, are shown in the following table:

	Number Banks Reporting	June 6, 1923		May 2, 1923		June 7, 1922	
		Number Savings Accounts	Amount Savings Deposits	Number Savings Accounts	Amount Savings Deposits	Number Savings Accounts	Amount Savings Deposits
St. Louis.....	12	255,636	\$ 68,270,000	255,066	\$ 71,292,000	236,781	\$ 64,697,000
Louisville.....	7	168,806	23,719,000	164,453	23,221,000	135,195	20,810,000
Memphis.....	7	60,057	16,112,000	60,913	16,210,000	55,668	14,690,000
Little Rock.....	5	26,319	7,178,000	26,063	7,233,000	26,130	6,006,000
Evansville.....	4	24,083	8,994,000	23,898	8,964,000	20,679	8,138,000
Total.....	35	534,901	\$124,273,000	530,333	\$126,920,000	474,451	\$114,341,000

**Condition of Banks**—The condition of banks in this district and changes since a month ago and last year, are reflected in the following comparative statement showing the principal resources and liabilities of member banks in St. Louis, Louisville, Memphis, Little Rock and Evansville.

	June 13, 1923	May 9, 1923	June 14, 1922
Number of banks reporting.....	*36	*36	37
Loans and discounts (including rediscounts)			
Secured by U. S. Government obligations.....	\$ 11,727,000	\$ 15,175,000	\$ 16,176,000
Secured by stocks and bonds other than U. S. Bonds.....	140,983,000	134,714,000	124,375,000
All other loans and discounts.....	299,806,000	308,438,000	271,929,000
Total loans and discounts.....	452,516,000	458,327,000	412,480,000
Investments			
U. S. pre-war bonds.....	15,336,000	15,332,000	
U. S. Liberty bonds.....	23,450,000	22,509,000	27,836,000
U. S. Treasury bonds.....	9,024,000	8,968,000	
U. S. Victory notes and Treasury notes.....	23,994,000	24,304,000	13,660,000
U. S. Certificates of Indebtedness.....	10,490,000	5,143,000	8,297,000
Other bonds, stocks and securities.....	87,635,000	85,089,000	81,928,000
Total Investments.....	169,929,000	161,345,000	131,721,000
Reserve Balance with Federal Reserve Bank.....	40,535,000	42,033,000	40,675,000
Cash in vault.....	8,225,000	8,255,000	7,231,000
Net demand deposits on which reserve is computed.....	359,942,000	365,421,000	318,100,000
Time deposits.....	181,536,000	182,345,000	160,508,000
Government deposits.....	8,819,000	7,236,000	9,414,000
Bills payable and rediscounts with Federal Reserve Bank secured by			
U. S. Government obligations.....	8,860,000	7,404,000	2,689,000
All other.....	12,853,000	9,788,000	2,691,000

\*Decrease due to consolidation

### FEDERAL RESERVE OPERATIONS

During May the Federal Reserve Bank of St. Louis discounted for 228 of its 623 member banks, which compares with 201 of its 622 member banks accommodated in April. The discount rate of this bank remains unchanged at 4½ per cent on all classes and maturities of paper.

Changes in the assets and liabilities of the Federal Reserve Bank of St. Louis since a month ago and last year are shown in the following comparative statement (in thousands of dollars):

	RESOURCES			LIABILITIES			
	June 13, 1923	May 16, 1923	June 14, 1922	June 13, 1923	May 16, 1923	June 14, 1922	
Gold Reserves.....	\$81,941	\$ 81,937	\$ 74,193	Capital paid in.....	\$ 4,951	\$ 4,932	\$ 4,708
Legal Tender Notes—Silver, etc	15,953	17,738	16,665	Surplus.....	9,665	9,665	9,388
Total Cash Reserves.....	\$ 97,894	\$ 99,675	\$ 90,858	Deposits.....	72,260	71,873	67,849
Discounts secured by Govt.				F. R. Notes in circulation.....	73,910	76,961	68,694
obligations.....	15,265	15,026	6,430	F. R. Bank Notes in			3,348
Discounts otherwise secured				circulation.....			
and unsecured.....	20,846	17,497	12,265	Deferred availability items.....	36,413	39,945	33,297
Bills bought in open market.....	9,077	11,158	9,597	Other Liabilities.....	1,042	973	937
U. S. Gov't. Securities.....	11,512	17,433	31,605	Total Liabilities.....	\$198,241	\$204,349	\$188,221
Total Earning Assets.....	\$ 56,700	\$ 61,114	\$ 59,897	Combined Res. Ratio.....	67.0%	67.0%	66.5%
Uncollected items.....	37,320	37,731	29,921				
Other Resources.....	6,327	5,829	7,545				
Total Resources.....	\$198,241	\$204,349	\$188,221				

### CHANGES IN COST OF LIVING

Cost of living in the United States on May 15, 1923, was 60.3 per cent higher than in July, 1914, according to figures collected monthly by the National Industrial Conference Board. Between April 15 and May 15, 1923, there was an increase of 1.2 points or eight-tenths of one per cent. Coal prices declined while rents and the cost of clothing advanced within the month. Food prices remained unchanged. Between July, 1920, when the peak of rise in the cost of living since 1914 was reached, and May, 1923, the cost of living dropped 44.2 points or 21.6 per cent.

(Compiled June 18, 1923)

# FEDERAL RESERVE BANK OF ST. LOUIS



## MONTHLY REVIEW OF GENERAL BUSINESS CONDITIONS IN FEDERAL RESERVE DISTRICT No. 8

Released for Publication On and After the Afternoon of July 30, 1923

WILLIAM McC. MARTIN

CHAIRMAN OF THE BOARD AND FEDERAL RESERVE AGENT

**R**EPORTS relative to general business conditions in this district during the past thirty days again reflect considerable irregularity, but on the whole activities were maintained at a pace about equal to that of the similar period immediately preceding, with any change in the status being in the direction of slight improvement. As contrasted with last year, business in virtually all lines was distinctly better, especially in point of unfilled orders on books of merchants and manufacturers. Stocks in all positions are in healthy condition, and somewhat more emphasis was noted in the recent policy of both wholesalers and retailers to hold commitments within conservative limits. Manufacturers, save in rare instances, are not making up stocks for which they have not received orders, and their purchasing of raw materials is along extremely conservative lines.

Retail distribution was greatly stimulated by the arrival of hot weather and midyear special sales, response to the latter having been almost universally satisfactory. Summer apparel of all sorts has moved in heavy volume, and purchasing of vacation supplies, seasonal sporting goods, and merchandise for household consumption was considerably larger than during the corresponding period last year. Another factor in accelerating retail trade has been the large number of price reductions. These reductions have not been general in any one line, but affect scattering articles in a number of classifications. In order to keep their organizations intact, many manufacturers have made concessions in prices of their products, which in turn have been passed along to the public by retail establishments.

A general comment with reporting wholesale and jobbing interests is upon the growth of competition during the past two or three months. More intensive effort in the way of salesmanship and service is required to obtain business than was the case earlier in the year. The general trend of finished merchandise is in the direction of easier prices, and there were a number of specific price reductions, applying to important items in the textile, iron and steel, grocery and other classifications. Goods are more plentiful and in most lines production has made further progress in catching up with consumption.

While there were some fluctuations in the number of persons employed during the period under review, voluntary idleness continues at a minimum. Temporary closing down of mines and smelters in the lead and zinc fields released a large number of workers, but many of these were absorbed by farms, where wheat harvesting and threshing have been in progress. A feature of the employment situation is the urgent call for common labor, particularly on farm and road building work. From many sections of the South come complaints of a scarcity of farm help, which is

ascribed in large measure to the exodus of negro laborers to Northern industrial centers. In several of the larger cities temporary idleness has resulted from strikes and internecine troubles among unions in the building industry. Increased employment is reported by public utility companies, meat packing, retail stores and refrigerating and produce commission interests. Less than the usual seasonal defections from ranks of laborers in the iron and steel plants during the first weeks of July were reported.

More seasonable weather was beneficial to growing crops, and as a whole prospects underwent improvement during the past six weeks. Belated cultivation was made possible by drying out of fields, and reports from all sections of the district indicate that farmers have made the best possible use of the opportunity to accomplish necessary work. Optimism which the outlook for enlarged yields might have engendered, however, was dispelled in a large measure by the sharp decline in wheat values. The movement of this product was considerably under the corresponding period last year, and where possible farmers are holding their grain for a more favorable market.

The present level of wheat prices is the lowest since the outbreak of the war in 1914. Corn, on the other hand, advanced to a new high record for the year, No. 2 cash corn selling in the St. Louis market at 89c per bushel on July 14, against 86c on June 15, and 64-1/2c on July 15, 1922. Hog prices are still depressed, though showing some recovery from the recent low. Cotton was lower during the period under review, middling declining from 29c to 27-1/2c per pound in the St. Louis market. The demand for spot cotton was described as dull, and centering in grades which have been to a large extent exhausted.

Traffic of the railroads operating in this district continues to exceed all previous performance for this season. Total loadings for all roads of the country during the week of June 30 was 1,021,000 cars, the largest aggregate on record, and making an average for six weeks of nearly 1,000,000 cars. Increases were reported in the farm products, lumber and coal classifications, while merchandise and miscellaneous freight about held their own as compared with the preceding thirty days. Despite the enormous movement of freight, further improvement in the car situation is noted, indicating increased operating efficiency. The St. Louis Terminal Railway Association, which includes in its membership 26 roads operating through this gateway, interchanged 187,035 loads in June, which compares with 207,094 loads in May and 167,610 loads in June, 1922. During the first 9 days of July 51,472 loads were interchanged, against 57,713 loads for the corresponding period in June and 44,704 loads in July, 1922. A sharp gain

in passenger traffic was made, amounting to 13 per cent for reporting roads in this district.

The recent hot spell had a tendency to emphasize dullness in the coal market. Household holders are purchasing sparingly, dealers reporting less than the average storage in cellars for this season. Continued declines in prices have caused steam users to hold off filling their requirements in the hope of obtaining further concessions later on. A further reduction in production in the Illinois and Arkansas fields took place, and Kentucky producers complain of a dull market for their output. Stocks of bituminous coal in the hands of commercial consumers in the country as a whole are approximately 42,000,000 tons, and with production holding up to 10,500,000 tons per week, little apprehension is felt relative to supplies for the fall and winter. Production of soft coal in the United States during the first 159 working days of 1923, or to July 7, totaled 282,035,000 tons, which compares with 191,528,000 tons during the corresponding period last year and 207,196,000 tons in 1921.

June production of automobiles for the country as a whole, while still considerably in excess of the same month in 1922, showed a slight decrease under the record total of May. The output of passenger cars by manufacturers reporting direct to or through the Automobile Chamber of Commerce was 337,048 in June, against 350,073 in May. Production of trucks in June totaled 39,945 against 42,373 in May. Reports of 230 dealers scattered through the district indicate a satisfactory business during the final week of June and opening weeks of July. Their sales were 8.5 per cent larger than during the preceding thirty days and 15 per cent in excess of the corresponding

period in 1922. Country dealers report heavy replacement sales, and a fair volume of buying by new owners. The call at the moment centers principally in standard cars, and medium and low price makes. Business in used cars is dull, but the number on the market is less than a year ago, and the buying-in value of secondhand vehicles is approximately 20 per cent less than at this time in 1922. Business in accessories has about kept pace with sales of new cars, but recent price cuts by a number of tire manufacturers have had a tendency to disturb that market, and dealers are purchasing on a hand-to-mouth basis.

Reports relative to collections indicate a very "spotted" situation. Efficiency in the wheat belt is notably under that of other sections of the district. Wholesalers in the large centers report that they are getting their money promptly, especially from the South. In the tobacco areas further payments to growers by the cooperative associations have resulted in satisfactory liquidation of debts. Answers to questionnaires addressed to 400 representative interests in all lines throughout the district show the following results: 1 per cent excellent, 42 per cent good, 54 per cent fair and 3 per cent poor.

Commercial failures in the Eighth Federal Reserve District during June, according to Dun's, numbered 68, involving liabilities of \$2,450,239 against 63 defaults with liabilities of \$760,293 in May and 125 failures with indebtedness of \$1,525,233 in June, 1922.

The per capita circulation of the United States on July 1 was \$42.51, against \$42.34 on June 1 and \$39.86 on July 1, 1922.

## MANUFACTURING AND WHOLESALE

**Boots and Shoes**—The continuous gains in the boot and shoe industry noted during the past year or more were pushed further during the period under review. Sales of the 11 reporting interests during June were 11.5 per cent larger than for the corresponding month in 1922 and 2.0 per cent in excess of May, 1923. Orders received during the first two weeks of June were in satisfactory volume, and indicate a good increase over the same fortnight last season. Prices of finished goods underwent no change worthy of note, but a slight easing was reported in raw materials. Factory operation declined slightly, and was at from 80 to 98 per cent of capacity.

**Clothing**—Buying for fall delivery has been on the whole in satisfactory volume. Demand centers chiefly in medium price and cheap lines, jobbers reporting that price rather than quality is the main factor in selling. Stocks in retailers hands are below normal for this season. Summer apparel has moved in large volume, the turnover being particularly heavy during the last week of June and the opening weeks of July. Fall lines are selling at steady to slightly higher prices. Two important interests specializing in medium priced garments have withdrawn their fall lines entirely, after selling to factory capacity. Cancellations have been few in number, due to small stocks and close buying. June sales of the 11 reporting interests were 2.7 per cent larger than last year and 9.8 per cent over the May total this year.

**Iron and Steel Products**—The period under review was marked by heavy production and shipments,

but a halting condition of new business. Additional price reductions were noted which had a tendency to create uncertainty among buyers, who are disposed to postpone filling future needs. This is true especially in respect to raw materials, contracts for which are considerably under normal for this time of year. Pig iron developed a further downward trend, the price of No. 2 Southern iron, 1.75 to 2.25 per cent silicon, dropping to \$25, while Northern iron of the same grade was obtainable at \$28. The leading producer of the district reduced his quotation to \$29, furnace. New buying of steel, while still in good volume, has fallen considerably below shipments, and all varieties of goods are more plentiful. Purchasing by the railroads is on a less liberal scale than heretofore, and less material is being taken by the automotive industry. Fabricators of structural iron and steel report a dropping off in specifications. New construction in the oil fields continues heavy, and is furnishing a broad outlet for drilling and storage materials. The decline in wheat prices has had a derogatory effect on the farm implement trade. Seasonal quietness is reported in the stove industry, a number of leading factories having closed down temporarily for repairs. June sales of stove manufacturers, 7 interests reporting, were 47.0 per cent larger than in June, 1922, and 0.7 per cent under the May total this year; wire rope makers, 5 interests reporting, gained 48.5 per cent over the same month in 1922; railway supplies, gained 79 per cent

over June, 1922, but lost 1.2 per cent as compared with May this year; farm implements, 6 interests reporting, showed a loss of 28.9 per cent under June last year, but gained 73.4 per cent over the preceding month this year, and boiler works, 6 interests reporting, gained 63.8 per cent over June, 1922, and 10.2 per cent over May this year.

**Hardware**—As contrasted with May there was a rather sharp falling off in business, but the comparison with the same month in 1922 discloses continued heavy gains. Buying by retailers is on a very conservative basis and confined largely to well defined needs, though assortments are being well kept up. Jobbers are placing conservative orders for fall and winter stocks. Sales of the 12 reporting interests in June were 38.4 per cent larger than for the same month in 1922, and 11.4 per cent under the May total this year.

**Electrical Supplies**—June sales of the 12 reporting interests were 25.6 per cent larger than for the same month last year and 21.7 per cent in excess of the May total. The recent hot spell had a stimulating effect on sales of electric fans. There is good demand for electric ranges, washing machines, vacuum cleaners and other household appliances. Some slowing down in sales of fixtures and electrical equipment for new buildings was noted. Buying by public utilities companies continues active.

**Flour**—Production by the 11 leading mills of the district in June totaled 286,463 barrels, which compares with 302,791 barrels in May, 297,726 barrels in April and 223,428 barrels in June, 1922. Business during the closing weeks of June and the first week of July was extremely dull. Buyers were holding off, awaiting the new wheat crop, and endeavoring to purchase old flour on a basis of new wheat prices, which millers were unwilling to accept. During the second week in July there was a marked revival in interest, with mills selling fair quantities. Some inquiry for export has developed, but in the main bids were too far out of line to result in workings. Prices generally were lower in sympathy with the decline in wheat. Mill operation during the past thirty days was at approximately 50 per cent of capacity.

**Dry Goods**—Sales of the 11 reporting interests in June exceeded those of a year ago by 31.9 per cent and were 21.8 per cent larger than in May, 1923. Hot weather had a stimulating effect on retail business, and during the past six weeks merchants have made much progress toward liquidating late spring and summer stocks. Generally there is a disposition to purchase with caution, and to await the outcome of crops before making heavy commitments for fall and winter. Prices on print cloths and other goods based on cotton have declined in price, and there were some

reductions in silk goods. Some reordering of men's summer wear lines was reported. Hosiery and knit goods continue dull.

**Groceries**—Generally dull conditions were reported in the grocery line. Lack of confidence on the part of retailers has held their purchases down to a minimum, and in the grain sections considerable depression is felt because of the decline in wheat prices. Increased supplies of fresh fruits and vegetables have cut down the demand for canned goods. Prices showed only minor variations during the period under review, with advances and declines about balancing. Sales of the 20 reporting interests in June were 1.3 per cent less than for the same month last year and 0.7 per cent under the May total this year.

**Drugs and Chemicals**—No change worthy of note has taken place in this industry during the past thirty days. Volume of sales has been greatly assisted by heavy purchasing of soda fountain supplies and other seasonal goods. Some remedial drugs were slightly higher, but on the whole prices held about steady. Sales of the 11 reporting interests in June were 1.4 per cent in excess of the same month in 1922, and 22.0 per cent under the May total this year.

**Furniture**—June sales of the 12 reporting interests were 27.3 per cent larger than for the corresponding month in 1922, but 6.7 per cent under the May total of this year. The volume of new buying shows a further decline, but the factories are still busy on old work, and average operation was approximately 80 per cent of capacity. Sales of floor coverings and furniture for homes constitutes the most active feature of the trade. The demand for office furniture has picked up during the past six weeks, and is now close to normal for this season. An easier trend in prices is noted, though there were few specific reductions. Raw materials, particularly lumber and glass, were lower. A special sales period will be held in St. Louis from August 7 to 11, and in Evansville sometime in September.

**Lumber**—Seasonal quietness featured the lumber business during the period under review. The trend of values was easier, and buyers were withholding orders mainly with the idea of obtaining better terms later on. Southern pine and Western fir and spruce were notably unsettled at a \$4 to \$6 lower level, and gum, oak and cottonwood, in the hardwoods, have declined heavily. The first and second grades in most of the other hardwoods have also declined, and lower prices were reported on yellow cypress in the common shop grades. On the other hand red cypress and redwood have held steady, and the same is true of most items in such woods as ash, poplar, elm, maple and basswood. Conditions are now more favorable for logging operations in the district, and an increased output is indicated.

**Industrial Power Consumption**—Continuance, in the main, of the recent high pace of industrial activity, together with certain seasonal expansions, notably in the refrigerating line, resulted in increases over May in three of the five reporting centers and for the district as a whole. The increase over the previous year, 17.2 per cent, while comparatively large, is 2.2 per cent less than that reported last month.

	Representative Customers	June, 1923	May, 1923	June 1923 comp. to May, 1923	June, 1922	June 1923 comp. to June 1922
Evansville....	40	1,212,394 k.w.h.	1,060,273 k.w.h.	+14.3%	834,669 k.w.h.	+45.3%
Little Rock..	11	792,707 "	757,696 "	+ 4.6	769,494 "	+ 3.0
Louisville ...	67	3,064,742 "	3,098,494 "	- 1.1	2,282,724 "	+34.3
Memphis.....	31	931,060 "	1,119,620 "	-16.8	800,700 "	+16.3
St. Louis.....	67	14,397,668 "	13,801,124 "	+ 4.3	12,717,027 "	+13.2
Total.....	216	20,398,571 "	19,837,207 "	+ 2.8	17,404,614 "	+17.2

**Retail**—The condition of retail trade during June, 1923, and for the calendar year to date is reflected in the following statement, compiled from reports of 22 representative department stores:

(Percentages)	St. Louis	Louisville	Memphis	Little Rock	Evansville	Quincy	8th District
<b>Net Sales:</b>							
June, 1923, compared with June, 1922.....	+10.8	+15.1	+ 6.0	+23.0	+ 7.3	+10.4	+11.6
Period Jan. 1, to June 30, 1923, compared with same period in 1922.....	+10.7	+ 6.3	+16.7	+17.6	+22.1	+ 9.0	+11.6
<b>Stocks at end of June, 1923:</b>							
Compared with same month in 1922.....	+15.1	— 3.6	+ 8.3	+21.6	+ 2.1	+10.5	+11.5
Compared with stocks at end of May, 1923.....	— 3.5	—10.1	— 4.1	— 8.5	— 7.3	— 5.0	— 5.1
†Average stocks on hand at end of each month since Jan. 1, 1923, to average monthly sales during same period.....	359.1	404.7	476.9	501.7	643.0	578.0	403.4
Outstanding orders at close of June, 1923, compared with previous year's purchases.....	8.7	6.6	9.0	4.7	8.5	10.7	8.2

† This item represents rate of stock turnover, smallest figure indicating the most rapid rate. If it is desired to consider the rate from a per month viewpoint, the first digit on the left represents the number of whole months required for a single turnover and succeeding digits the accompanying decimal fraction. Example: If the figure for the current month is 403.0 it indicates that with the volume of sales reported during the first 6 months of 1923, there is a complete stock turnover every 4-3/100 months or approximately 3 times a year.

The 5 other items represent percentage increases or decreases.

## AGRICULTURE

Generally speaking the period under review witnessed improvement in agricultural prospects in this district. Weather conditions were more favorable for promoting growth and development of seeded crops, and in addition farmers were able finally to enter their fields and accomplish much-needed cultivation. Reports from all sections indicate that farm operations have been on an aggressive scale, more work having been performed in the past four weeks than during the preceding two months.

Harvesting of winter wheat has been completed, and threshing is in progress in many localities. Early returns from the machines indicate high quality, and yields well up to, and in a number of instances exceeding the Government's July 1 estimate. With the exception of Kentucky, all states of the district will produce more wheat than in 1922. Weather has been ideal for harvesting, and less difficulty has been experienced in obtaining hands in Missouri and Illinois than anticipated. Production for the district, according to the Government's July 1 estimate, is placed at 83,130,000 bu., against 78,652,000 bu. in 1922.

Advices relative to oats, the harvest of which is about completed, indicate the general condition to be about average, some fields being very good and others poor. The outturn for the district as a whole is considerably in excess of a year ago.

In virtually all sections corn has benefited immensely by the recent sunshine and high temperatures. Intensive cultivation has put fields in prime condition, and only in a limited area has weed growth gotten out of hand. Stands generally are good and the color healthy. Fields as far North as the Missouri River counties are in the tasseling stage. The ultimate outcome is dependent entirely on weather conditions to harvest, but with an ordinary amount of rainfall and barring early frost, results should be equal to those of last season. Arkansas reports a reduced acreage, which is especially marked in the cotton counties. Total yield for the district is estimated by the U. S. Department of Agriculture at 376,930,000 bushels, against 394,916,000 bushels actually produced in 1922.

Reports relative to fruits, vegetables and small crops generally vary considerably, but in the main the outlook has improved during the past thirty days. The cherry crop in the Northern section of the district was one of the largest on record, and indications are for a record yield of blackberries. Prospects for

apples in Missouri and Arkansas are considerably better than was expected, the condition in the latter state being 64 per cent, indicating a yield of 4,637,000 bushels. Complaints of heavy dropping of apples are received from sections of Illinois, Missouri and Indiana. Peaches are turning out better than expected, especially in the Arkansas commercial district where damage was wrought by freezing. This crop, however, is short. Grapes generally are in fine condition, and with the increased number of vines, the outturn will probably be among the largest on record in this district.

Both white and sweet potatoes are doing well as a rule, though latest reports indicate a spotted condition. The quality of early potatoes harvested is reported exceptionally high.

Acreage seeded to rice this year is about 14 per cent less than in 1922, due to flooded fields during the planting period and scarcity of farm labor. The indicated yield in Arkansas, based on the July 1 condition and acreage, is 5,494,000 bushels, against 7,350,000 bushels harvested in 1922.

The general condition of the tobacco crop is described as good, especially in the burley growing section. In the Green River, aircured and dark districts scarcity of labor has interfered to some extent with cultivation, but the average condition is up to that of last season. The cooperative Association in the dark fired district is endeavoring to have the undelivered portion of the 1922 crop, delivered in order to complete the prizing of the unsold tobacco, place the leaf in storage and secure warehouse receipts. For the first time in many years, an attempt has been made to revive commercial planting of tobacco in Northwest Arkansas, and there has been an increase of 20 per cent in the acreage of that State.

The recent hot spell has been of material benefit to the cotton crop, both in promoting growth and permitting of cultivation. Reports from scattered sections indicate some improvement during the past two weeks. Reports of boll weevil are increasing, and grasshoppers and other insect pests are causing trouble. In Missouri cotton is improving, with some neighborhood shortages of labor reported. Cotton production in the Eighth Federal Reserve District is estimated at 2,030,000 bales, which compares with 2,085,000 bales last year.

The U. S. Department of Agriculture, in its report as of July 1, 1923, gives the condition of winter wheat, oats and corn in states of the Eighth Federal Reserve District as follows:

Winter Wheat	CONDITION July 1		PRODUCTION COMPARISONS*		FORECAST 1923—PRODUCTION*		FARM PRICE PER BU.	
	10 yr. av.	1923	5 yr. av. 1917-21	1922 Dec. Est.	From June 1	From July 1	1922	1923
	%	%					cents	cents
Illinois	80	83	46,692	53,025	56,485	57,532	102	98
Indiana	80	84	34,608	29,754	32,406	34,201	103	103
Kentucky	83	85	8,625	7,475	7,378	7,325	119	122
Missouri	79	81	43,140	38,750	44,423	42,356	102	96
Tennessee	80	81	5,400	4,484	4,678	4,583	123	133
United States	81.4	76.8	589,858	586,204	580,541	585,889	.....	.....

Oats	CONDITION July 1		PRODUCTION COMPARISONS*		FORECAST 1923—PRODUCTION*		FARM PRICE PER BU.	
	10 yr. av.	1923	5 yr. av. 1917-21	1922 Dec. Est.	From June 1	From July 1	1922	1923
	%	%					cents	cents
Illinois	81	85	171,843	110,010	142,146	145,571	33	40
Indiana	79	80	69,747	28,770	53,489	53,923	34	42
Missouri	78	83	50,189	17,872	31,673	35,836	42	49

Corn	ACREAGE		CONDITION July 1		PRODUCTION COMPARISONS*		FORECAST 1923 PRODUCTION*		FARM PRICE PER BU.	
	% of 1922	1923 Acres	10 yr. Av.	1923	5 yr. av. 1917-21	1922 Dec. Est.	From July 1	From July 1	1922	1923
			%	%			Condition	Condition	cents	cents
Illinois	102	8,995	86	86	338,259	313,074	317,164	317,164	55	78
Indiana	101	4,813	85	85	181,607	176,305	178,779	178,779	56	81
Kentucky	100	3,145	88	87	94,542	88,060	86,189	86,189	83	101
Mississippi	85	2,480	81	68	57,601	51,065	37,438	37,438	87	107
Missouri	104	6,396	84	85	186,377	175,275	179,408	179,408	65	89
Tennessee	92	3,013	86	77	89,033	75,440	68,554	68,554	80	108
United States	100.7	103,112	85.2	84.9	2,931,271	2,890,712	2,877,437	2,877,437	62.2	86.5

\*In thousands of bushels—i. e., 000 omitted.

### COMMODITY PRICES

Range of prices on typical products in the St. Louis market between June 15 and July 14, 1923, with closing quotations on each of these dates, and on July 15, 1922:

		Close June 15		High	Low	Close July 14		Close July 15, 1922	
July wheat	Per bu.		\$1.09½	\$1.09½	\$ .95½		\$ .95½		\$1.11½
September wheat	" "		1.07½	1.08¼	.96		.96		1.11¾
December wheat	" "		1.10½	1.10¾	.99¾		.99¾		1.14¾
July corn	" "		.83½	.86	.81½		.85½		.64
September corn	" "		.77½	.79¾	.72½		.76½		.64½
December corn	" "		.66½	.67½	.60¼		.62½		.61¾
July oats	" "		.43½	.43¾	.39½		.39½		.36
No. 2 red winter wheat	" "		1.30	1.26	.97	\$ .97 @	1.00	\$1.14 @	1.16
No. 2 hard wheat	" "	1.13 @	1.14	1.12	.96	.96 @	.98	1.15 @	1.18
No. 2 corn	" "		.86	.88	.84		.87		.64½
No. 2 white corn	" "		.88	.90	.85½	.88½ @	.89		.64½
No. 2 white oats	" "		.45½	.45	.41½	.41½ @	.42		.40½
Flour—soft patent	Per bbl.	5.50 @	6.50	6.50	5.00	5.00 @	6.00	5.50 @	6.25
Flour—hard patent	" "	6.05 @	6.30	6.35	5.75	5.75 @	6.20	7.40 @	7.70
Middling cotton	Per lb.		.29	.29	.27½		.27½		.23
Hogs on hoof	Per cwt.	4.50 @	7.25	8.40	4.75	6.50 @	7.65	8.00 @	10.90

### COMMODITY MOVEMENT

Receipts and shipments of important commodities at St. Louis during June, 1923 and 1922, and May, 1923, as reported by the Merchants' Exchange, were as follows:

	Receipts			Shipments		
	June 1923	May 1923	June 1922	June 1923	May 1923	June 1922
Flour, barrels	355,930	394,370	323,950	463,730	482,820	454,400
Wheat, bushels	1,606,843	2,211,625	1,570,975	1,732,675	2,325,645	1,785,110
Corn, bushels	2,344,152	1,617,370	2,613,000	1,702,650	1,085,025	2,197,285
Oats, bushels	2,748,000	2,534,000	2,620,800	2,302,690	2,142,960	2,282,545
Lead, pigs	202,920	210,360	404,430	107,730	106,080	226,120
Zinc, slabs	302,260	325,690	351,030	281,200	250,600	295,630
Lumber, cars	20,547	23,201	20,183	14,252	16,188	14,560
Meats, pounds	22,184,800	20,914,100	19,469,500	31,119,900	33,512,900	27,282,000
Fresh beef, pounds	47,400	504,300	147,000	22,863,000	24,040,600	20,247,700
Lard, pounds	6,478,800	6,433,500	3,258,400	12,531,700	14,912,500	8,074,600
Hides, pounds	4,148,500	4,583,100	6,314,800	5,342,100	8,579,400	9,565,100

### LIVE STOCK MOVEMENT

As reported by the St. Louis National Stock Yards, receipts and shipments of live stock in June, 1923 and 1922, and May, 1923, were as follows:

	Receipts			Shipments		
	June 1923	May 1923	June 1922	June 1923	May 1923	June 1922
Cattle and Calves	94,164	98,445	113,647	56,977	47,791	67,652
Hogs	348,559	419,953	298,492	197,304	233,829	197,799
Sheep	92,412	53,932	117,068	24,525	14,753	50,625
Horses and Mules	1,848	3,804	2,106	2,451	3,834	2,186

## BUILDING

While there was a rather sharp decrease in the number and value of building permits issued in the five largest cities of the district during June, a fair gain was recorded over the corresponding month in 1922. A slowing down in building of large structures is noted, permits issued being mainly for dwelling houses, flats and bungalows. Work on buildings in course of construction was pushed without interruption, and the number of unfinished structures has been considerably reduced. Road building is making headway in all states of the district. Production of portland cement for the country as a whole in June was 12,382,000 barrels, against 12,910,000 barrels in May and 11,245,000 barrels in June, 1922.

Comparative building figures for June in leading cities of the district follow:

	New Construction				Repairs, etc.			
	Permits		Cost		Permits		Cost	
	1923	1922	1923	1922	1923	1922	1923	1922
St. Louis.....	879	780	\$2,582,305	\$2,068,140	663	530	\$323,560	\$368,615
Louisville.....	273	252	731,300	1,407,350	148	157	132,294	170,600
Memphis.....	382	405	1,478,625	1,284,720	112	34	38,250	19,920
Little Rock.....	106	51	247,010	183,574	144	132	75,045	47,965
Evansville.....	144	84	262,270	281,030	72	82	13,415	23,545
June totals.....	1,784	1,572	\$5,301,510	\$5,224,814	1,139	935	\$582,564	\$630,645
May totals.....	2,234	1,727	7,679,864	6,890,004	1,283	1,228	727,591	553,851
Apr. totals.....	2,139	1,553	7,515,500	5,400,263	1,210	1,097	854,000	676,421

## POSTAL RECEIPTS

	Quarter ended June 30, 1923	Quarter ended Mar. 31, 1923	Quarter ended June 30, 1922
St. Louis.....	\$2,693,973.21	\$2,832,359.70	\$2,430,695.47
Louisville.....	569,133.31	599,847.76	.....
Memphis.....	434,656.62	403,438.30	378,275.73
Little Rock.....	186,652.08	178,288.33	161,204.98
Evansville.....	139,854.39	131,144.18	123,107.21
Total.....	\$4,024,319.61	\$4,145,078.27	.....

## FINANCIAL

The financial situation in this district during the past thirty days showed only minor changes as compared with the similar period immediately preceding. Further improvement in the demand for credits was noted, coming mainly from the agricultural areas, and during the first week of July accommodations granted member banks reached a new high for the year and were more than double those at the corresponding time in 1922. Southern banks report a broader call for money, seasonal with progress of the cotton crop, and needs for financing the harvest and early movement of wheat are being felt. The general demand from mercantile borrowers is somewhat more active than heretofore, with relatively little liquidation from that source. Deposits of member banks dropped to a new low level for the year. The trend of interest rates charged by commercial banks was slightly firmer, though only minor changes were noted in actual quo-

tations. Between June 15 and July 15 there was an increase of \$6,926,372 in the amount of paper discounted by this institution for its member banks, and a gain of \$527,000 in Federal reserve notes in circulation. Total reserve carried against deposit and Federal reserve note liabilities decreased 1.1 per cent, standing at 66.4 per cent on July 15.

**Commercial Paper**—Business of commercial brokerage interests during the period under review was described as active. Sales were slightly in excess of the preceding month, and in most cases showed good gains over the corresponding period in 1922. Both supply and demand were in large volume, with purchasing well divided between city and country banks. As has been the case for some time, the demand centers chiefly in choice names, more of which were offered than has been the case in several months. Rates were steady at 5 to 5-1/4 per cent.

**Debits to Individual Accounts**—The following table gives the total debits charged by banks to checking accounts, savings accounts and trust accounts of individuals, firms, corporations and U. S. Government and also certificates of deposit paid, in the leading cities of this district during the past month and corresponding period a year ago. Charges to the accounts of banks not included. These figures are considered the most reliable index for indicating actual spending by the public during the period which they cover.

	For four weeks ending July 11, 1923	For four weeks ending June 13, 1923	July 1923 comp. to June 1923	For four weeks ending July 12, 1922	July 1923 comp. to July 1922
East St. Louis and Nat'l. Stock Yards, Ill.....	\$ 40,632,000	\$ 43,653,000	— 6.9%	\$ 37,787,000	+ 7.5%
El Dorado, Ark.....	10,861,000	12,565,000	—13.5	.....	.....
Evansville, Ind.....	31,078,000	29,262,000	+ 6.2	31,526,000	— 1.4
Fort Smith, Ark.....	9,501,000	10,390,000	— 8.6	9,909,000	— 4.1
Greenville, Miss.....	2,792,000	2,922,000	— 4.4	3,286,000	—15.0
Helena, Ark.....	3,614,000	3,659,000	— 1.2	3,551,000	+ 1.8
Little Rock, Ark.....	42,971,000	50,718,000	—15.3	34,198,000	+25.7
Louisville, Ky.....	155,103,000	150,734,000	+ 2.8	133,273,000	+16.4
Memphis, Tenn.....	106,380,000	111,638,000	— 4.7	93,199,000	+14.1
Owensboro, Ky.....	5,175,000	5,187,000	— 0.2	4,828,000	+ 7.2
Quincy, Ill.....	9,658,000	10,686,000	— 9.6	8,528,000	+13.3
St. Louis, Mo.....	629,872,000	637,061,000	— 1.1	561,677,000	+12.1
Springfield, Mo.....	12,228,000	14,992,000	—18.4	11,662,000	+ 4.9
<b>Total.....</b>	<b>1,059,865,000</b>	<b>1,083,467,000</b>	<b>— 2.2</b>	<b>.....</b>	<b>+12.4</b>

**Savings Deposits**--The changes in the number of savings accounts and the amount of savings deposits, exclusive of postal savings deposits, since a month ago and a year ago, as reported by the largest member banks in the leading cities of this district, are shown in the following table:

	July 3, 1923			June 6, 1923		July 5, 1922	
	Number Banks Reporting	Number Savings Accounts	Amount Savings Deposits	Number Savings Accounts	Amount Savings Deposits	Number Savings Accounts	Amount Savings Deposits
St. Louis.....	12	255,497	\$ 72,922,000	255,638	*\$ 72,602,000	238,640	\$ 65,348,000
Louisville.....	7	168,867	23,839,000	168,806	23,719,000	134,258	20,892,000
Memphis.....	7	60,550	16,072,000	60,057	16,112,000	55,896	14,880,000
Little Rock.....	5	26,344	7,484,000	26,319	7,178,000	25,194	6,097,000
Evansville.....	4	24,616	9,590,000	24,083	8,994,000	20,657	8,339,000
Total.....	35	535,874	\$129,907,000	534,903	*\$128,605,000	474,645	\$115,556,000

\*Revised figures

**Condition of Banks**--The condition of banks in this district and changes since a month ago and last year, are reflected in the following comparative statement showing the principal resources and liabilities of member banks in St. Louis, Louisville, Memphis, Little Rock and Evansville.

	July 11, 1923	June 13, 1923	July 12, 1922
Number of banks reporting.....	*36	*36	37
Loans and discounts (including rediscounts)			
Secured by U. S. Government obligations.....	\$ 11,329,000	\$ 11,727,000	\$ 15,673,000
Secured by stocks and bonds other than U. S. Bonds.....	137,001,000	140,983,000	124,543,000
All other loans and discounts.....	293,618,000	299,306,000	270,990,000
Total loans and discounts.....	446,948,000	452,516,000	411,206,000
Investments			
U. S. pre-war bonds.....	15,335,000	15,336,000	
U. S. Liberty bonds.....	23,184,000	23,450,000	28,718,000
U. S. Treasury bonds.....	9,373,000	9,024,000	
U. S. Victory notes and Treasury notes.....	24,764,000	23,994,000	11,998,000
U. S. Certificates of Indebtedness.....	6,406,000	10,490,000	9,366,000
Other bonds, stocks and securities.....	87,875,000	87,635,000	81,491,000
Total Investments.....	166,937,000	169,929,000	131,573,000
Reserve Balance with Federal Reserve Bank.....	39,832,000	40,535,000	34,921,000
Cash in vault.....	8,464,000	8,225,000	6,841,000
Net demand deposits on which reserve is computed.....	351,199,000	359,942,000	319,500,000
Time deposits.....	182,469,000	181,536,000	162,397,000
Government deposits.....	7,205,000	8,819,000	4,131,000
Bills payable and rediscounts with Federal Reserve Bank secured by			
U. S. Government obligations.....	11,627,000	8,860,000	2,041,000
All other.....	14,995,000	12,853,000	1,555,000

\*Decrease due to consolidation.

**FEDERAL RESERVE OPERATIONS**

During June the Federal Reserve Bank of St. Louis discounted for 230 of its 624 member banks, which compares with 228 of its 623 member banks accommodated in May. The discount rate of this bank remains unchanged at 4½ per cent for all classes and maturities of paper.

Changes in the assets and liabilities of the Federal Reserve Bank of St. Louis since a month ago and last year are shown in the following comparative statement (in thousands of dollars):

RESOURCES				LIABILITIES			
	July 11, 1923	June 13, 1923	July 12, 1922		July 11, 1923	June 13, 1923	July 12, 1922
Gold Reserves.....	\$83,209	\$ 81,941	\$ 72,229	Capital paid in.....	\$ 4,951	\$ 4,951	\$ 4,769
Legal Tender Notes--Silver, etc.	12,777	15,953	13,541	Surplus.....	9,665	9,665	9,388
Total Cash Reserves.....	\$ 95,986	\$ 97,894	\$ 85,770	Deposits.....	70,794	72,260	61,235
Discounts secured by Govt. obligations.....	18,498	15,265	5,722	F. R. Notes in circulation.....	73,827	73,910	67,717
Discounts otherwise secured and unsecured.....	24,882	20,846	11,211	F. R. Bank Notes in circulation.....			3,343
Bills bought in open market.....	4,446	9,077	13,856	Deferred availability items.....	34,074	36,413	31,036
U. S. Gov't. Securities.....	7,251	11,512	25,739	Other Liabilities.....	1,006	1,042	831
Total Earning Assets.....	\$ 55,077	\$ 56,700	\$ 56,528	Total Liabilities.....	\$194,317	\$198,241	\$178,319
Uncollected items.....	35,893	37,320	28,320	Combined Res. Ratio.....	66.4%	67.0%	66.5%
Other Resources.....	7,361	6,327	7,701				
Total Resources.....	\$194,317	\$198,241	\$178,319				

**CHANGES IN COST OF LIVING**

Cost of living in the United States on June 15, 1923, was 60.1 per cent higher than in July, 1914, according to figures collected by the National Industrial Conference Board. Between May 15 and June 15, 1923, there was a decrease of one-tenth of one per cent. The only changes in the budget within the month were a decline in the cost of clothing and an increase in food prices. Between June, 1920, when the peak of the rise in the cost of living since 1914 was reached, and June, 1923, the cost of living dropped 21.7 per cent.

(Compiled July 20, 1923)

# FEDERAL RESERVE BANK OF ST. LOUIS



## MONTHLY REVIEW OF GENERAL BUSINESS CONDITIONS IN FEDERAL RESERVE DISTRICT No. 8

Released for Publication On and After the Morning of August 30, 1923

WILLIAM McC. MARTIN

CHAIRMAN OF THE BOARD AND FEDERAL RESERVE AGENT

ACCORDING to representative interests in a majority of leading lines, business in this district during the past thirty days has proceeded along a steady, even course, with results in the main satisfactory. In many instances less than the usual seasonal slowing down in production and distribution of commodities is reported, and while the recent conservatism in purchasing is still strongly in evidence, somewhat more interest is being manifested in goods for fall and winter consumption. Most of the concerns reporting state that their sales compare well with the similar period immediately preceding and exceed totals for the corresponding period a year ago by good margins. As has been the case for the past several months, however, a considerable degree of irregularity exists in business as a whole. In certain sections response has been markedly better than elsewhere, while some entire lines, and individual interests in others, have fallen below the general average in point of results obtained. Local conditions are largely responsible for the backward spots, as, for instance, depressed prices in the wheat areas and unfavorable weather conditions which made for uncertainty in localities where other crops are specialized in.

During early August the number of buyers visiting wholesale establishments in the chief cities of the district was considerably larger than during the preceding two or three years, and the character of their purchases, while confined in large measure to actual and well defined requirements, bulked heavily in the aggregate. A general comment by wholesalers and jobbers is that their customers are pressing them for prompt shipment of goods purchased, and since August 1 there have been numerous requests to forward merchandise which had been ordered for later delivery. These manifestations, coupled with an unusually light volume of cancellations, are taken to indicate small stocks in retailers hands and an excellent current demand for commodities by the public.

The extreme hot weather of July and early August resulted in an unusually heavy movement of summer goods, both in the city and country. Retailers report that they were able to liquidate a large volume of merchandise which had been relatively quiet earlier in the season. This is true especially of ready-to-wear clothing, sporting goods and hardware. A considerable amount of reordering was necessitated by the run on certain varieties of goods, which in many instances wholesalers were unable to supply because of exhausted stocks. Manufacturers of beverages and soda fountain supplies report enormous sales, the July volume for two leading interests being the largest on record for that particular month. Sales of golf and baseball supplies were of record proportions.

In the general run of commodities further progress was made toward price stabilization. In goods for

ordinary consumption fewer changes were reported, and save in a few notable instances basic materials were steady or fluctuated within narrow lines. During July raw cotton declined sharply, but a good part of the loss was recovered in the buying movement initiated in early August, and based largely on adverse weather and crop reports. Wheat declined to a new low on the crop during the latter part of July, but made substantial recovery in the second week of August. The usual seasonal fluctuations were noted in fruits, vegetables and other farm products reaching the market in quantity at this time of year. Prices on these products were in the main satisfactory to producers, and transportation facilities were considerably more adequate than during the past several seasons. A sharp reduction in the retail price of gasoline occurred during the third week of August.

The recent upturn in raw cotton values has had a stimulating effect on business throughout the Southern part of the district, and has tended to halt declines in the textile market. During the past week orders for cotton goods have increased in volume, and a number of Eastern mills have withdrawn prices quoted earlier in the month on fabrics and knit goods. In sympathy with higher cotton, there has been a firmer trend in silks, and the woolen goods market has shown an improved tone since the opening of spring lines by leading producers. The comment is made, however, that the demand for woollens for women's wear is relatively much more active than materials for men's apparel, the latter continuing sluggish, especially on the higher grades.

Reports relative to crops during the period under review were mixed and not uniformly favorable. The extreme heat was detrimental to fruits and vegetables, and small crops generally, besides doing more or less damage to corn in the dry areas. Good rains were fairly general over the district during early August, and the moisture proved of great benefit to cereals, hay and pastures. Prospects as a whole continue excellent for large yields of all the leading crops, several of which promise to exceed last year's totals. According to the U. S. Department of Agriculture the composite condition of all crops in states wholly or partly within the Eighth Federal Reserve District (100 equals 10-year average) was 96.6 per cent on August 1, against 105.9 per cent on the corresponding date in 1922.

According to officials of railroads operating in this district, freight traffic continues to surpass all previous records for this time of year. Loadings of the Southwestern lines were particularly heavy, and show large gains in the merchandise and miscellaneous freight classifications over the corresponding period of a year ago. Gains were also shown in the movement of lumber and other forest products, coal, oil and live stock.

Freight offered has been moved promptly, with fewer complaints of delays from shippers of agricultural products than in more than a decade. Unusual preparations made for handling the wheat movement have proved fully adequate to accommodate the tonnage offered. Steady gains in passenger traffic continue and for reporting roads amounted to 15 per cent during the period under review, as compared with the same time last year. The St. Louis Terminal Railway Association, which includes in its membership 26 roads operating through this gateway, interchanged 195,318 loads during July, against 187,035 loads in June and 163,690 in July, 1922. During the first 9 days of August 62,799 loads were interchanged, against 51,472 for the corresponding period in July and 44,704 loads during the first 9 days of August last year.

Continued dullness, accompanied by easier prices, featured the market for coal during the period under review. Throughout July purchasing by householders was at a minimum, and little interest was manifested by steam users, except where exceptional bargains proved an incentive for storing. Abundant supplies have given consumers the best of the situation, and they are disposed to shop around in order to obtain best possible terms before filling their requirements. Production of coke by the by-product ovens has been at or near to capacity, and large accumulations are beginning to appear in their storage yards. The threatened strike of anthracite miners has failed thus far to stimulate the demand for hard coal in this territory. Production of bituminous coal for the country as a whole during the first 183 days of 1923, or to August 4, was 324,998,000 net tons, which compares with 207,608,000 net tons during the corresponding period last year, 237,186,000 net tons in 1921 and 344,200,000 net tons in 1918. Stocks of soft coal held by consumers on July 1 were estimated by the Geological Survey at 45,000,000 tons, an increase of 3,000,000 tons for the month.

Production of automobiles for the country as a whole continues to maintain its recent high levels. The number of vehicles turned out in July fell slightly under the June total, which latter month was in turn a little below the peak production of May, but as contrasted with July, 1922, last month's output showed a heavy increase. The output of passenger cars by manufacturers reporting direct or through the Auto-

#### MANUFACTURING AND WHOLESALE

**Boots and Shoes**—Sales of the 11 reporting interests during July were 5.6 per cent larger than for the same month in 1922, and 5.1 per cent under the June total this year. Current demand is holding up well, with shipments on past orders heavy and some reordering from sections of the South. Cancellations are at a minimum. Comment is made upon the unusually large number of new stock orders, and initial reports from salesmen sent out in early August indicate liberal commitments for late fall and winter wear. The demand for novelties continues strong, but the tendency is toward more conservative styles in both men's and women's goods. Prices of finished goods were steady to a shade lower, but with the exception of hides, raw materials displayed marked firmness. Factory operation was at from 70 to 90 per cent of capacity, as compared with 80 to 98 the month before. The decrease in activity is ascribed mainly to hot weather and absence of operatives on vacations.

**Clothing**—Manufacturers and jobbers report a

mobile Chamber of Commerce was 297,173 cars in July against 337,048 in June. Production of trucks in July totaled 29,712 against 39,945 in June. Sales of 230 dealers scattered through the district during July were 7.3 per cent larger than in June and 15.8 per cent in excess of July, 1922. A feature of the month's activities was the unusually heavy purchases of cars by country dealers for immediate delivery to customers. In numerous instances these cars were driven from the large distributing centers by the country dealer. New models placed on the market by several important manufacturers have had a tendency to stimulate interest and increase sales. The market for parts and accessories has kept well abreast of that for new cars. The used car situation shows little change as compared with a month ago, but in the larger cities the number for sale has increased more rapidly than the demand. The tire market continues in an unsatisfactory condition. Further price cuts have disturbed the psychology of buyers, and purchasing by both dealers and the public is on a necessity basis.

Reports relative to collections indicate a slowing down through the district generally as compared with recent months. Backwardness is particularly marked in the retail section of distribution, and in the case of large cities this is explained in part by the absence of numerous credit customers on vacations. Wholesalers report some backwardness on the part of merchants in the wheat sections, and efficiency in the coal mining areas is not as high as heretofore. In the Southern tiers of the district, especially in the tobacco and cotton sections, merchants are getting in their money promptly, and there has been some liquidation of indebtedness to the banks. Answers to 328 questionnaires addressed to representative interests in various lines throughout the Eighth Federal Reserve District show the following results; 3.1 per cent excellent; 31.3 per cent good; 58.3 per cent fair and 7.3 per cent poor.

Commercial failures in the Eighth Federal Reserve District during July, according to Dun's, numbered 47, involving liabilities of \$563,872, against 68 defaults with liabilities of \$2,450,239 in June, and 87 failures with indebtedness of \$1,721,083 in July, 1922.

The per capita circulation of the United States on August 1 was \$42.51, against \$42.51 on July 1, and \$39.86 on August 1, 1922.

brisk demand for fall lines. Price concessions have proved an attraction in some instances, though the chief incentives to buying are scant retail stocks and large demand by ultimate consumers. The number of buyers in the large cities, especially in St. Louis where a Fashion Pageant was held in mid-August, has been larger than for several years. A number of important manufacturers have disposed of their prospective production for fall wear and are preparing for spring lines. The hot spell of July and early August contributed to the movement of a heavy volume of summer apparel, both in men's and women's lines, with interest well divided between cheaper and better grades. July sales of the 11 reporting interests were 5.7 percent in excess of the same month in 1922 and 26.7 percent above the preceding month this year. Extreme hot weather and price uncertainty are mentioned by millinery interests as contributing causes to more conservative purchasing by retailers. July sales of reporting firms in this line were 6.3 per cent under

those of July, 1922.

**Iron and Steel Products**—Some improvement in new buying in this classification took place during late July, and the first half of August was marked by further betterment. Buyers generally seem more disposed to accept current prices, and many heavy consumers who have deferred filling their wants in hopes of more favorable terms, are now coming into the market. There was the usual seasonal slowing down in operations at mills, foundries and machine shops, but plans are being made to increase production with the return of cool weather. The trend of prices on finished and semi-finished iron and steel goods was slightly lower during the past thirty days, but actual changes were narrow. Mills and foundries are still well supplied with unfilled orders, and steel deliveries show only moderate improvement as the insistence of buyers for tonnage is keeping mill books in a highly liquid state. Quotations on pig iron were rather irregular, with the minor end of the range showing a decline of about \$1.50 per ton under the preceding month. Some resale iron brought as low as \$23.50 for the base grade, but No. 2 Southern, 1.75 to 2.25 per cent silicon, has held fairly steady in the range from \$24 to \$26 per ton. Northern iron of the same grade is quoted at \$27 to \$28 per ton, furnace. Fabricators of structural iron and steel have been doing an active business in small lots for prompt delivery, but report a falling off in large orders. Warehouse interests report a slowing down in the demand for their commodities, and their purchases are on a hand-to-mouth basis. Purchasing by the railroads continues in good volume. July sales of stove manufacturers, 7 interests reporting, were 44.5 per cent larger than in July, 1922, and 19.7 per cent in excess of the June total this year; wire rope makers, 5 interests reporting gained 27.6 per cent over the same month last year, but showed a decrease of 8.3 per cent under June this year; railway supplies, 5 interests reporting, showed a gain of 80 per cent in July over the same period in 1922, but a decrease of 21.5 per cent under the June total this year; farm implements, 6 interests reporting gained 4.2 per cent over July, 1922, but showed a decrease of 19.4 per cent under the June total this year and boiler works, 6 interests reporting gained 21.6 per cent over last July and lost 15 per cent as compared with June this year.

**Hardware**—While showing a good increase over July, 1922, sales of the reporting interests decreased rather sharply under the preceding month this year. Farmers, particularly in the grain belt, are buying only what they are obliged to, and ordering generally is on a conservative basis. Certain typical summer goods moved in large volume, but there was a falling off in buying of the more regular and staple lines. Builders hardware continues in excellent demand in the large cities, but the call from rural districts is considerably less active than heretofore. Sporting goods and automobile accessories are relatively the most active items in the line. Sales of the 12 reporting interests in July were 24.5 per cent larger than in July, 1922, but 13.8 per cent under the June total this year.

**Electrical Supplies**—Uncertainty relative to the price situation and seasonal considerations caused a decrease in July sales of the 12 reporting interests of 21.0 per cent under the preceding month, but the total was 40.5 per cent in excess of July, 1922. The comment is made that labor troubles are affecting sales of lines of contractors' supplies. Prices were in the

main steady, but a decline of 10 per cent in certain staple house-wiring devices was reported. Some slowing down in noted in the demand for ornamental lamps and fixtures.

**Flour**—Production of the 11 leading mills of the district in July totaled 291,332 barrels, against 286,463 barrels in June, 302,791 barrels in May and 223,428 barrels in June, 1922. Business during July and through the first week of August continued quiet, but since that time there has been a decided improvement in both sales and inquiries, accompanied by a stiffening in prices. Soft wheat flours have been heavily taken by the domestic trade, with the South figuring prominently in the buying. Several large Government contracts were awarded which helped to bring up the total volume. Some export business is reported, mainly to the British Isles. Mill operation during the past thirty days has been at from 60 to 75 per cent of capacity, with some soft wheat mills running full time.

**Dry Goods**—July sales of the 11 reporting interests were 12.0 per cent larger than for the corresponding period a year ago and 3.4 per cent greater than the preceding month this year. The recent advance in raw cotton had a tendency to restore confidence in prices of all textiles, and wholesalers report that many customers who had held up shipment on goods purchased have requested that the orders be forwarded. New lines of spring dress goods are moving well, and some improvement is noted in the demand for sheetings, print cloths and other staple lines. Hosiery and knit goods generally continue quiet. The demand for notions is holding up well, with prices mainly unchanged.

**Groceries**—Reports relative to business in this classification reflect rather spotted conditions. While July sales of the 20 reporting interests were 3.9 per cent larger than for the same month in 1922 and 3.6 per cent in excess of the June total this year, some leading stores report dull, unsatisfactory trade in many sections of the territory. Future buying is at a minimum, and the large amount of fresh fruits and vegetables on the market have cut down sales of canned and dried products. Sugar prices have declined about 2 cents per pound during the past 60 days, and sales of candy are reported slow and disappointing. Prices generally showed only minor changes during the period under review.

**Drugs and Chemicals**—A feature of the drug and chemical trade during the past thirty days has been an unusually heavy demand for insecticides and spraying materials, particularly from the South. Dealers have been unable to supply the demand, and numerous emergency orders have been placed with manufacturers. Business generally through the line is holding up in excellent shape, sales of the 11 reporting interests during July being 14.0 per cent larger than for the same month in 1922, and 4.3 per cent in excess of the preceding month this year. Soda fountain supplies have been active, and there is a good demand for heavy chemicals from manufacturers. The retail drug business is reported good in virtually all parts of the district. Prices were for the most part steady, with an upward trend in drugs.

**Furniture**—While continuing to show good gains over a year ago, reporting interests state that there has been a slowing down in buying as contrasted with earlier months this season. Several important factories have

closed temporarily, while others have curtailed production. Buying is largely on a necessity basis, and expectations of lower prices have a tendency to hold down commitments for future requirements. Prices on finished goods were steady, but some reductions were reported on raw materials, notably certain grades of lumber and hardware. July sales of the 12 reporting interests were 22.2 per cent above those of July, 1922, but 10.8 per cent under June this year. Evansville will hold a special trade week September 10 to 15 inclusive.

**Lumber**—While continuing quiet, the lumber situation has developed some slight improvement since the first week in August. The general attitude of all

users, however, is to purchase with the utmost conservatism. The movement of Southern pine has picked up, and shipments of Douglas fir are in larger volume than heretofore. Hard woods are maintaining a fairly active movement, with purchases by the automotive industry continuing to lead current buying. Furniture manufacturers increased their takings slightly during the past thirty days. Prices on Southern oak and gum and the upper grades of birch show a further slight softening tendency. Maple, ash, elm and poplar are generally firm, due mainly to buying by the automotive interests. Hardwood floorings have shown no increase in demand and have declined further.

**Industrial Power Consumption**—Reports from the five leading cities of the district indicate that the increased demand for electricity for industrial purposes is more than counterbalancing the seasonal decrease in consumption usual in the summer months. Recent statistics covering the smaller cities and country communities also show the tendency is steadily in the direction of augmented consumption. During late July and early August the amount of electricity used by refrigeration plants was the largest on record for any similar period in this district. Utility companies report an unusually large number of new concerns applying for power facilities in the industrial centers.

Representative Customers	July, 1923		June, 1923		July, 1923 comp. to June, 1923		July, 1922 comp. to July, 1922	
	Customers	k.w.h.	Customers	k.w.h.	%	k.w.h.	%	
Evansville....	40	1,177,842	40	1,212,394	- 2.8%	840,799	+40.1%	
Little Rock..	11	876,025	11	792,707	+10.5	586,341	+49.4	
Louisville....	67	3,952,797	67	*3,664,742	+ 7.9	3,222,273	+22.7	
Memphis.....	31	806,840	31	931,060	-13.3	926,280	-13.2	
St. Louis.....	67	14,768,393	67	14,393,636	+ 2.6	13,243,612	+11.5	
<b>Total.....</b>	<b>216</b>	<b>21,581,897</b>	<b>216</b>	<b>20,994,539</b>	<b>+ 2.8</b>	<b>18,819,305</b>	<b>+14.7</b>	

\*Revised figure

**Retail**—The condition of retail trade during July, 1923 is reflected in the following statement, compiled from reports of 22 representative department stores:

(Percentages)	Evansville	Little Rock	Louisville	Memphis	Quincy	St. Louis	8th District
<b>Net Sales:</b>							
July, 1923, compared with July, 1922.....	+ 3.7	+32.1	+11.3	+13.3	+ 6.0	+14.1	+15.1
<b>Stocks on hand at end of July, 1923:</b>							
Compared with July, 1922.....	+ 0.6	+31.7	- 4.6	+28.5	+12.4	+13.9	+15.1
Compared with stocks at end of June, 1923.....	- 5.2	- 0.8	- 4.2	- 4.3	+ 3.1	- 3.6	- 3.3
<b>Average stocks on hand at end of each month since July 1, 1923, to average monthly sales during same period</b>	767.7	632.4	523.3	629.5	761.3	480.8	540.5
<b>Outstanding orders at close of July, 1923, compared with purchases for calendar year 1922.....</b>	1.4	4.6	8.2	11.4	10.0	10.9	9.8

### AGRICULTURE

Threshing of winter wheat has progressed under generally favorable conditions, and is completed in most sections. Delays were encountered in spots, due to showers and scarcity of farm hands. Early returns indicate yields well up to official estimates, and almost universally quality is excellent. The movement of wheat to market is considerably behind the corresponding period last year, due to lateness of the crop and a disposition on the part of farmers to hold their stocks for better prices. Toward the end of July a new low on the crop was touched, but since that time the market has effected a good upward reaction. Total wheat production for the district is estimated at 79,479,000 bushels against 78,652,000 bushels last year.

In all states of the district corn prospects improved during July, and with the exception of Mississippi and Tennessee, August 1 condition indicates heavier yields than a year ago. During the past two weeks there has been deterioration in some localities, due to extreme heat and insects. Chinch bugs are present in portions of Missouri, Illinois, Indiana and Arkansas, and there are scattered accounts of damage from cut worm. Rains are needed in a number of sections and late planted fields with little cultivation are in critical condition. Corn production for the district is estimated at 403,782,000 bushels against 394,916,000 bushels in 1922.

The yield of oats for the district as a whole will be considerably larger than last year, but under the five-year average (1917-21). In Illinois early oats have turned out well as a rule, but late oats were pinched to some extent by drouth and rust, also chinch bugs in some localities, though the yield will be near to average. Elsewhere the crop is reported very uneven, both as to yield and quality. The output of oats for this district is estimated at 54,743,000 bushels against 35,861,000 bushels a year ago.

Generally hay in the district is fair, but the dry spring and recent extreme high temperatures have seriously handicapped this crop. In many localities the condition of pastures has deteriorated during the past four weeks, though recent scattered rains have wrought marked improvement in areas affected. Health of livestock is almost uniformly good, reports of disease being unusually light for this season. Stock feeding in the fall will be largely contingent upon this season's corn crop, as stocks of old corn are low and prices high.

Both white and sweet potatoes are in fair shape, though the former variety have suffered from the extreme high temperatures. Fruits and vegetables have developed no radical changes since the preceding issue of this report, though there are many complaints of gardens being dried up by the hot weather of late July and early August. Most recent estimates indicate that production of tree fruits, notably apples and

peaches, will be under last year's total.

Rice in Arkansas has made excellent progress during the past thirty days, and as a whole prospects are very encouraging. The acreage is approximately 80 per cent of last year's. The clean rice market continues strong, with the movement active.

Good rains are reported over most of the tobacco producing sections, and improvement has been noted in this crop during the past two weeks. However, in some localities in the dark fired district rains were of a character to cause some tobacco to be washed out, but the amount is comparatively small. Cutting has begun in a limited way in the burley district, and with favorable weather pushed rapidly. Indications are that the dark fired, green river and air-cured crops will be ready to cut early in September. The Cooperative Marketing Association in the burley and green

river district report no sales, whereas the dark fired Association is making sales of common to medium leaf and the better grade of lugs. Increased acreage is the rule in all districts.

Reports relative to the cotton crop received since August 1 indicate extremely irregular conditions. On the whole, however, losses about counterbalance gains, leaving the situation much as set forth in the Government's estimate as of July 25. In Arkansas, weather has been generally favorable, and the same is true of Missouri, Tennessee, and Mississippi. In some localities there has been too much moisture for best results. Boll weevil infestation is rather general, but damage from that source is spotted. Universally, the crop is late. Based on the August 1 condition, the crop for this district is estimated at 2,099,000 bales, against 2,085,000 bales last season.

The U. S. Department of Agriculture, in its report as of August 1, 1923, makes the following estimates of winter wheat production, and condition of corn and oats in states of the Eighth Federal Reserve District:

Winter Wheat	TOTAL PRODUCTION IN BUSHELS			YIELD PER ACRE BU.		QUALITY PER CENT		FARM PRICE PER BU.	
	1923	1922	1917-21 av.	1923	10 yr. Av.	1923	10 yr. Av.	AUGUST 1, 1923	
Illinois.....	58,032,000	53,025,000	46,692,000	18.0	17.4	90	90	86	98
Indiana.....	34,452,000	29,754,000	34,608,000	16.5	15.8	91	89	88	99
Kentucky.....	7,688,000	7,475,000	8,625,000	12.4	11.8	91	89	84	97
Missouri.....	39,988,000	38,750,000	43,140,000	13.0	13.7	88	88	82	94
U. S. Total.....	568,386,000	586,204,000	589,858,000	15.4	14.3	90.1	89.0	...	...

Corn	PRODUCTION COMPARISONS			FORECAST 1923 PRODUCTION		FARM PRICE PER BU.		
	1923 %	10 year av. %	1922 (Dec. est.)	5 yr. Av. 1917-21	From Aug. 1 Condition	From July 1 Condition	AUGUST 1	
Illinois.....	85	78	313,074,000	338,259,000	334,884,000	317,164,000	81	56
Indiana.....	88	80	176,305,000	181,607,000	192,713,000	178,779,000	84	59
Kentucky.....	85	81	88,060,000	94,542,000	90,356,000	86,189,000	102	84
Mississippi.....	66	77	51,065,000	57,601,000	37,646,000	37,438,000	100	73
Missouri.....	85	76	175,275,000	186,377,000	195,718,000	179,408,000	89	66
Tennessee.....	77	82	75,440,000	89,033,000	71,575,000	68,554,000	110	84
U. S. Total.....	84.0	80.1	2,890,712,000	2,931,271,000	2,981,752,000	2,877,437,000	87.4	84.4

Oats	PRODUCTION COMPARISONS			FORECAST 1923 PRODUCTION		FARM PRICE PER BU.		
	1923 %	10 year av. %	1922 (Dec. est.)	5 yr. Av. 1917-21	From Aug. 1 Condition	From July 1 Condition	AUGUST 1	
Indiana.....	80	77	28,770,000	69,747,000	54,975,000	53,923,000	35	32
Illinois.....	85	78	110,010,000	171,843,000	148,917,000	145,571,000	33	31
Missouri.....	80	75	17,872,000	50,189,000	35,261,000	35,836,000	38	41

**COMMODITY PRICES**

Range of prices on typical products in the St. Louis market between July 14 and August 15, 1923, with closing quotations on each of these dates, and on August 15, 1922:

		Close July 14	High	Low	Close Aug. 15	Close Aug. 15, 1922
September wheat	Per bu.	\$.96	\$1.01 <sup>3</sup> / <sub>4</sub>	\$.93 <sup>1</sup> / <sub>2</sub>	\$1.01 <sup>5</sup> / <sub>8</sub>	\$.98 <sup>3</sup> / <sub>4</sub>
December wheat	" "	.99 <sup>3</sup> / <sub>4</sub>	1.04 <sup>5</sup> / <sub>8</sub>	.97 <sup>1</sup> / <sub>2</sub>	1.04 <sup>3</sup> / <sub>8</sub>	.99 <sup>7</sup> / <sub>8</sub>
May wheat	" "		1.09 <sup>3</sup> / <sub>8</sub>	1.03	1.09 <sup>1</sup> / <sub>8</sub>	1.04 <sup>3</sup> / <sub>4</sub>
September corn	" "	.76 <sup>1</sup> / <sub>8</sub>	.78 <sup>1</sup> / <sub>8</sub>	.74 <sup>3</sup> / <sub>4</sub>	.78 <sup>1</sup> / <sub>8</sub>	.57 <sup>5</sup> / <sub>8</sub>
December corn	" "	.62 <sup>1</sup> / <sub>2</sub>	.65 <sup>1</sup> / <sub>2</sub>	.62	.62 <sup>1</sup> / <sub>8</sub>	.52 <sup>1</sup> / <sub>2</sub>
May corn	" "		.65 <sup>1</sup> / <sub>8</sub>	.63 <sup>1</sup> / <sub>2</sub>	.64 <sup>5</sup> / <sub>8</sub>	.55 <sup>3</sup> / <sub>4</sub>
September oats	" "		.36	.35	.36	.30 <sup>7</sup> / <sub>8</sub>
No. 2 red winter wheat	" "	.97 @ 1.00	1.04	.93 <sup>1</sup> / <sub>2</sub>	1.04	\$1.02 @ 1.04
No. 2 hard wheat	" "	.96 @ .98	1.02	.94	1.01 <sup>1</sup> / <sub>2</sub>	1.00
No. 2 corn	" "	.87	.90 <sup>1</sup> / <sub>2</sub>	.84	\$.86 @ .87	.58 @ .61 <sup>1</sup> / <sub>2</sub>
No. 2 white corn	" "	.88 <sup>1</sup> / <sub>2</sub> @ .89	.90	.84 <sup>1</sup> / <sub>2</sub>	.84 <sup>1</sup> / <sub>2</sub> @ .85	.59 @ .59 <sup>1</sup> / <sub>2</sub>
No. 2 white oats	" "	.41 <sup>1</sup> / <sub>8</sub> @ .42	.45	.39	.39 <sup>1</sup> / <sub>2</sub> @ .40	.32 <sup>1</sup> / <sub>2</sub>
Flour—soft patent	Per bbl.	5.00 @ 6.00	6.25	5.00	5.25 @ 6.25	5.25 @ 6.25
Flour—spring patent	" "	5.75 @ 6.20	6.35	5.60	6.10 @ 6.25	6.05 @ 6.70
Middling cotton	Per lb.	.27 <sup>1</sup> / <sub>2</sub>	.27 <sup>1</sup> / <sub>4</sub>	.22 <sup>1</sup> / <sub>2</sub>	.24 <sup>1</sup> / <sub>2</sub>	.21 <sup>1</sup> / <sub>2</sub>
Hogs on hoof	Per cwt.	6.50 @ 7.65	8.70	5.00	5.50 @ 8.70	6.75 @ 10.25

**COMMODITY MOVEMENT**

Receipts and shipments of important commodities at St. Louis during July, 1923 and 1922, and June, 1923, as reported by the Merchants' Exchange, were as follows:

	Receipts			Shipments		
	July 1923	June 1923	July 1922	July 1923	June 1923	July 1922
Flour, barrels.....	387,100	355,930	330,060	436,650	463,730	423,010
Wheat, bushels.....	5,775,272	1,606,843	5,149,844	2,876,650	1,606,843	2,813,160
Corn, bushels.....	2,616,057	2,344,152	3,324,400	1,795,710	1,702,650	2,317,860
Oats, bushels.....	2,452,000	2,748,000	2,588,000	2,272,430	2,302,690	1,877,930
Lead, pigs.....	141,650	202,920	289,710	112,590	107,730	140,040
Zinc, slabs.....	345,350	302,260	213,210	322,980	281,200	164,470
Lumber, cars.....	19,407	20,547	14,370	13,454	14,252	10,958
Meats, pounds.....	21,400,300	22,184,800	19,150,400	32,490,000	31,119,900	28,917,400
Fresh beef, pounds.....	1,129,300	47,400	73,500	23,482,100	22,863,000	21,090,800
Lard, pounds.....	5,739,200	6,478,800	4,768,000	11,231,300	12,531,700	8,907,700
Hides, pounds.....	6,318,000	4,148,500	5,584,900	8,886,600	5,342,100	7,778,700

## LIVE STOCK MOVEMENT

As reported by the St. Louis National Stock Yards, receipts and shipments of live stock in July, 1923 and 1922, and June, 1923, were as follows:

	Receipts			Shipments		
	July 1923	June 1923	July 1922	July 1923	June 1923	July 1922
Cattle and Calves.....	138,969	94,164	106,427	81,504	56,977	63,081
Hogs.....	337,862	348,559	216,286	207,353	197,304	148,002
Sheep.....	79,209	92,412	97,113	23,351	24,525	30,469
Horses and Mules.....	2,548	1,848	2,829	2,536	2,451	2,640

## BUILDING

For the second consecutive month the number and value of building permits issued during July in the five largest cities of the district showed a decline. In addition scattered reports from the smaller towns and rural communities indicate a slowing down in new construction enterprises. There is still much activity on buildings in course of construction, and the work, it is estimated, will keep labor in the building trades well employed during the balance of the year. Except in scattered localities where heavy rains temporarily suspended operations, road building is progressing on a large scale. Wages in all the building crafts continue at their recent peak levels. Production of portland cement for the country as a whole in July was 12,620,000 barrels, which compares with 12,382,000 in June and 11,557,000 in July, 1922.

	New Construction				Repairs, etc.			
	Permits		Cost		Permits		Cost	
	1923	1922	1923	1922	1923	1922	1923	1922
St. Louis.....	825	744	\$2,454,685	\$1,691,915	568	503	\$451,778	\$294,032
Louisville.....	301	223	823,865	957,425	117	119	79,709	102,525
Memphis.....	328	399	952,500	2,310,095	107	30	95,125	18,840
Little Rock.....	79	45	327,000	134,140	85	108	51,989	34,580
Evansville.....	112	67	241,675	139,500	69	53	11,925	15,740
July totals.....	1,645	1,478	\$4,799,725	\$5,233,075	946	813	\$690,526	\$465,717
June totals.....	1,784	1,572	5,301,510	5,224,814	1,139	935	582,564	630,645
May totals.....	2,234	1,727	7,679,864	6,890,004	1,283	1,228	727,591	553,851

## FINANCIAL

As has been the case for some time past, the banking and credit position in this district during the period under review continued strong, and constitutes the most favorable factor in the business situation as a whole. Deposits of the commercial banks are holding up well, and lending institutions are amply equipped with funds to meet all demands of business. Further improvement in the demand for credits was noted, a large portion of the increased inquiry coming from the agricultural sections, particularly the grain areas where the movement of wheat is under way. Southern banks report larger borrowings, and financial institutions specializing in financing the flour milling industry report more activity from that source than in the past three years. The demand from general mercantile sources is of a good, steady character, but the present conservative stocks and rapid turnover have a tendency to hold down the total loans to business interests below the normal volume for this season. The trend of interest rates charged by commercial banks continued slightly upward, this tendency being more noticeable since the second week in August. The number of commercial failures in the district in July

was the smallest for any month since October, 1920. Between July 15 and August 15 there was an increase of \$8,420,988 in the amount of paper discounted by this institution for member banks. Total reserves carried against deposit and Federal Reserve note liabilities decreased 2.2 per cent, standing at 64.2 per cent on August 15.

**Commercial Paper**—Following several months of marked activity, the commercial paper market during the past thirty days showed a very decided slowing down. June sales of reporting brokerage interests dropped 14.6 per cent under the corresponding month in 1922, and business in early August indicates that results for that month as a whole will be smaller than a year ago. The low prices of wheat and disposition of farmers to hold their stocks have been factors in smaller buying of paper by country banks, while city institutions are finding demands from regular borrowing customers sufficient to absorb their loanable funds. Rates were higher, ranging from 5 to 5½ per cent, against 5 to 5¼ per cent during the preceding thirty days. Only the choicest names are being bought at the minor figure of the spread.

## DEBITS TO INDIVIDUAL ACCOUNTS

	For four weeks ending Aug. 8, 1923	For four weeks ending July 11, 1923	Aug 1923 comp. to July, 1923	For four weeks ending Aug. 9, 1922	Aug. 1923 comp. to Aug., 1922
E. St. Louis and Nat'l Stock Yards, Ill.	\$ 39,940,000	\$ 40,632,000	- 1.7%	\$ 33,388,000	+19.6%
El Dorado, Ark.....	9,140,000	10,861,000	-15.8	.....	.....
Evansville, Ind.....	28,618,000	31,078,000	- 7.9	26,120,000	+ 9.6
Fort Smith, Ark.....	9,067,000	9,501,000	- 4.6	8,474,000	+ 7.0
Greenville, Miss.....	2,424,000	2,792,000	-13.2	2,653,000	- 8.6
Helena, Ark.....	3,227,000	3,614,000	-10.7	3,789,000	-14.8
Little Rock, Ark.....	46,156,000	42,971,000	+ 7.4	31,377,000	+47.1
Louisville, Ky.....	135,603,000	155,103,000	-12.6	117,521,000	+15.4
Memphis, Tenn.....	93,776,000	106,380,000	-11.8	83,810,000	+11.9
Owensboro, Ky.....	5,359,000	5,175,000	+ 3.6	4,887,000	+ 9.7
Quincy, Ill.....	10,799,000	9,658,000	+11.8	8,841,000	+22.1
St. Louis, Mo.....	570,828,000	629,872,000	- 9.4	513,383,000	+11.2
Springfield, Mo.....	11,570,000	12,228,000	- 5.4	11,570,000	0.0
<b>Total</b> .....	966,507,000	1,059,865,000	- 8.8	.....	+14.3

**Savings Deposits**—The changes in the number of savings accounts and the amount of savings deposits, exclusive of postal savings deposits, since a month ago and a year ago, as reported by the largest member banks in the leading cities of this district, are shown in the following table:

	August 1, 1923			July 3, 1923		August 2, 1922	
	Number Banks Reporting	Number Savings Accounts	Amount Savings Deposits	Number Savings Accounts	Amount Savings Deposits	Number Savings Accounts	Amount Savings Deposits
St. Louis.....	12	241,334	\$ 71,681,000	255,497	\$ 72,922,000	239,655	\$ 65,044,000
Louisville.....	7	167,183	23,296,000	168,867	23,839,000	133,304	20,719,000
Memphis.....	7	67,286	18,451,000	60,550	16,072,000	56,206	14,486,000
Little Rock.....	5	26,850	7,262,000	26,344	7,484,000	24,783	6,131,000
Evansville.....	4	24,772	9,050,000	24,616	9,590,000	20,719	8,353,000
Total.....	35	527,425	\$129,740,000	535,874	\$129,907,000	474,667	\$114,733,000

**Condition of Banks**—The condition of banks in this district and changes since a month ago and last year, are reflected in the following comparative statement showing the principal resources and liabilities of member banks in St. Louis, Louisville, Memphis, Little Rock and Evansville.

	Aug. 8, 1923	July 11, 1923	Aug. 9, 1922
Number of banks reporting.....	*36	*36	37
Loans and discounts (including rediscounts)			
Secured by U. S. Government obligations.....	\$ 11,799,000	\$ 11,329,000	\$ 14,487,000
Secured by stocks and bonds other than U. S. Bonds.....	137,568,000	137,001,000	123,395,000
All other loans and discounts.....	309,427,000	298,618,000	274,916,000
Total loans and discounts.....	458,794,000	446,948,000	412,798,000
Investments			
U. S. pre-war bonds.....	15,325,000	15,335,000	
U. S. Liberty bonds.....	23,517,000	23,184,000	31,898,000
U. S. Treasury bonds.....	9,350,000	9,373,000	
U. S. Victory notes and Treasury notes.....	21,255,000	27,366,000	14,773,000
U. S. Certificates of Indebtedness.....	6,563,000	3,804,000	7,497,000
Other bonds, stocks and securities.....	84,707,000	87,875,000	82,726,000
Total Investments.....	160,717,000	166,937,000	136,894,000
Reserve Balance with Federal Reserve Bank.....	41,556,000	39,832,000	42,285,000
Cash in vault.....	7,840,000	8,464,000	6,715,000
Net demand deposits on which reserve is computed.....	345,910,000	351,199,000	323,565,000
Time deposits.....	190,633,000	182,469,000	168,128,000
Government deposits.....	5,228,000	7,205,000	4,620,000
Bills payable and rediscounts with Federal Reserve Bank secured by			
U. S. Government obligations.....	9,943,000	11,627,000	2,675,000
All other.....	18,927,000	14,995,000	1,050,000

\*Decrease due to consolidation.

#### FEDERAL RESERVE OPERATIONS

During July the Federal Reserve Bank of St. Louis discounted for 251 of its 624 member banks, which compares with 230 of its 624 member banks accommodated in June. The discount rate of this bank remains unchanged at 4½ per cent for all classes and maturities of paper.

Changes in the assets and liabilities of the Federal Reserve Bank of St. Louis since a month ago and last year are shown in the following comparative statement (in thousands of dollars):

RESOURCES				LIABILITIES			
	July 18 1923	June 20 1923	July 19 1922		July 18 1923	June 20 1923	July 19 1922
Gold Reserves.....	\$79,562	\$ 72,620	\$ 72,495	Capital paid in.....	\$ 4,951	\$ 4,951	\$ 4,769
Legal Tender Notes—Silver, etc.	13,660	15,472	12,176	Surplus.....	9,665	9,665	9,388
Total Cash Reserves.....	\$ 93,222	\$ 88,092	\$ 84,671	Deposits.....	70,687	70,528	62,560
Discounts secured by Govt. obligations.....	17,910	17,652	5,898	F. R. Notes in circulation.....	73,244	73,701	66,908
Discounts otherwise secured and unsecured.....	28,328	29,918	11,202	F. R. Bank Notes in circulation.....			3,291
Bills bought in open market.....	3,445	7,359	14,415	Deferred availability items.....	34,153	32,785	30,824
U. S. Gov't. Securities.....	7,251	8,409	26,064	Other Liabilities.....	1,020	1,133	835
Total Earning Assets.....	\$ 56,934	\$ 63,338	\$ 57,579	Total Liabilities.....	\$193,720	\$192,763	\$178,575
Uncollected items.....	36,040	34,745	29,307	Combined Res. Ratio.....	64.8	61.1	65.4
Other Resources.....	7,524	6,588	7,018				
Total Resources.....	\$ 193,720	\$192,763	\$178,575				

#### CHANGES IN COST OF LIVING

Cost of living in the United States on July 15, 1923, was 61.9 per cent higher than in July, 1914, according to the National Industrial Conference Board. Between June 15 and July 15, 1923, there was an increase of 1.1 per cent. This was brought about by advances in the cost of food and clothing and increases in rents. Fuel prices were a little lower, while average sundries and light charges remained unchanged. Between July, 1920, when the peak of the rise since 1914 was reached, and July, 1923, the cost of living dropped 20.8 per cent. Within this three-year period a number of shifts in costs occurred. Food and clothing prices and the average cost of all sundries combined were lower in 1923 than in 1920. Rents, on the other hand, in 1923 were at the highest average yet reached for the country as a whole. Coal prices, after mounting much higher during the winter 1922-1923, in July, 1923 were at the same level as in July, 1920.

(Compiled August 20, 1923)

# FEDERAL RESERVE BANK OF ST. LOUIS



## MONTHLY REVIEW OF GENERAL BUSINESS CONDITIONS IN FEDERAL RESERVE DISTRICT No. 8

Released for Publication On and After the Afternoon of September 29, 1923

WILLIAM McC. MARTIN

CHAIRMAN OF THE BOARD AND FEDERAL RESERVE AGENT

**G**ENERAL business in this district during the past thirty days was featured by slight improvement over the similar period immediately preceding, and as contrasted with a year ago the gains of recent months were well maintained. The acceleration was due in part to seasonal considerations, but according to reports of a majority of leading interests in all lines scattered through the district, the principal factor favorably affecting the situation was a distinct improvement in expectations of the business community for fall and winter trade. There is less uncertainty on the part of merchants and the public relative to commodity prices. Declines which developed toward the end of April and continued through July, have become less marked and in a number of lines have terminated. Some raw materials, notably cotton, silk and sugar, advanced with the result of stimulating the demand for goods based on them.

Other favorable influences on trade were generally satisfactory results of agricultural operations, higher prices for cereals, cotton and other farm products, continued activity in the building industry, high level of employment among all classes of labor, strong banking and financial position, low record of commercial mortality, somewhat better collection efficiency and the arrival of more seasonable weather. Stocks in all positions continue in an extremely healthy condition, with inventories unusually light for this time of year. Buying of merchandise for prompt shipment is relatively much more active than for forward delivery, especially in the case of goods for common consumption. This, however, is construed as a healthy symptom, for while it deprives wholesalers and manufacturers of the satisfaction of a backlog of orders, it will extend purchasing through a longer period.

The disposition to caution and conservatism on the part of both merchants and manufactures is still strongly in evidence. The latter are making up but few goods for which orders have not been received, and their purchases of raw materials are being shaped in accord with this policy. As was the case during the preceding two months, the volume of reordering by retail merchants is unusually large, and cancellations and requests for deferred deliveries on goods ordered is at a minimum. In the main goods are plentiful, manufacturers having caught up well with their orders. In the case of certain products based on iron and steel, however, some scarcity still exists, and the recent upturn in cotton and silk prices has resulted in the withdrawal from the market of a number of important producers of cotton and silk goods. Several leading manufacturers of clothing have sold their prospective outputs for fall consumption and closed their books for that delivery.

The marketing and movement of cereals and agricultural products generally, while slightly below nor-

mal, has picked up noticeably since the middle of August. Higher prices for wheat in late August and early September resulted in heavier sales in this territory, and total shipments of that cereal in August, while below a year ago, were considerably larger than during July. Shipments of hogs and cattle continue to run well ahead of last year's totals. Reports relative to prospective wheat acreage to be seeded this fall vary widely, but indications are for a sharp reduction under last season. The recent rise in wheat prices has improved sentiment to some extent in the typical wheat areas, but producers still consider present levels out of line with other commodities, and where possible, farmers are holding their stocks for a higher market. According to the U. S. Department of Agriculture the composite condition of all crops in states wholly or partly within the Eighth Federal Reserve District (100 equals 10-year average) was 100.17 per cent, on September 1, against 96.9 per cent on August 1.

Retail trade throughout the district was stimulated by cooler weather, and the movement of seasonal goods was heavy, particularly wearing apparel. A general comment of reporting stores is that a greater variety of goods is being called for than at this time last year, and in the large cities and generally through the South there is a better demand for more expensive articles. Jewelers report that their business during the first weeks of September showed marked improvement, the volume being larger than could be entirely accounted for by seasonal change. Furniture, floor coverings and draperies are being well taken, and all varieties of hardware for household use are in active demand. Sales of reporting department stores in August were in excess of the same month in 1922, and results during the first two weeks of September indicate a continuance of the gain over a year ago.

Loadings of revenue freight by railroads in the district during the period under review again exceeded all previous records for this time of year. A large part of the increase over the corresponding period in 1922 was accounted for by the movement of merchandise and miscellaneous freight. For the week ending August 25 loadings in this classification were the largest ever recorded. Good increases were also shown in lumber, live stock, farm products and coal. Passenger traffic continues its recent gains, the improvement for reporting roads during August amounting to 17.5 per cent as compared with the same month in 1922. The St. Louis Terminal Railway Association, which includes in its membership 26 roads operating through this gateway, interchanged 217,651 loads in August, which number was exceeded only once before—in March, 1923, when 222,694 loads were interchanged—and comparing with 195,318 loads in July, 187,035 loads in June and 182,683 loads in August, 1922.

During the first nine days of September 63,533 loads were interchanged, against 62,799 for the first nine days of July and 56,561 for the corresponding period in 1922.

The drop in temperature toward the end of August caused a slight improvement in the demand for coal from domestic users, but settlement of the anthracite strike and the enormous current production has banished all apprehension on the part of householders relative to winter supplies. Stocks in the hands of consumers increased further, and are now estimated at approximately 60,000,000 tons. Retail yards are fairly well stocked, and dealers report that uncertainty relative to prices is holding down orders by their customers. Inquiries for coke are numerous, and by-product manufacturers in the district report good sales, both for domestic and commercial consumption, with prices steady. Offerings of metallurgical coke have increased, and with a slowing down in pig iron production, an easier tone is noted in furnace grades. According to the U. S. Geological Survey the estimated production of soft coal for the country as a whole during the first eight months of 1923 was 367,260,000 net tons, which compares with 231,496,000 net tons in 1922, 266,910,000 net tons in 1921, and 391,824,000 net tons in 1918. The present year's production to September 1 was 18 per cent ahead of the average production during the corresponding periods of the nine years, 1914-1922.

Production of automobiles for the country as a whole in August, while below the high figures of April, May and June, registered a slight gain over the July total and was greatly in excess of August, 1922. The output of passenger cars reporting direct or through the Automobile Chamber of Commerce was 313,972 in August against 297,173 in July. Production of trucks in August totaled 29,882 against 29,712 in July. A slowing down in sales of new cars in August as compared with July was indicated in reports of 230 dealers scattered through the district, but a slight

gain was recorded over the corresponding period last year. The demand for more expensive makes was relatively quieter than was the case with moderate and cheap cars. The comment was rather general that accessories moved better, relatively, than automobiles. Lower prices for gasoline and putting out of new models by a number of manufacturers have served to stimulate inquiries, and considerable optimism is expressed relative to the outlook for fall trade. Parts business continues good, but commitments are not extending beyond 60 to 90 days. Tire stocks have been materially reduced by recent sales and reduced production, and the tone of the tire market showed slight improvement.

Collections generally continue to make a good showing, both in the retail and wholesale sections of distribution. Since the middle of August, liquidation of indebtedness in the wheat territory has augmented, reflecting higher prices and increased marketings of the fine grain. Throughout the South bills are being paid promptly, though some backward spots are noted. Heavy rains early in September have interfered with collections in some sections. Further payments to growers by the cooperative associations have eased the situation in the tobacco districts. Retailers in the large cities report collections during early September slightly better than normal. Answers to 334 questionnaires addressed to representative interests in various lines throughout the district show the following results for August: 3.8 per cent excellent; 36.6 per cent good; 52.9 per cent fair and 6.7 per cent poor.

Commercial failures in the Eighth Federal Reserve District during July, according to Dun's, numbered 45, involving liabilities of \$694,960, against 47 defaults with liabilities of \$563,872 in July and 135 failures with indebtedness of \$2,347,687 in August, 1922.

The per capita circulation of the United States on September 1 was \$42.85 against \$42.51 on August 1, and \$39.93 on September 1, 1922.

## MANUFACTURING AND WHOLESALE

**Boots and Shoes**—August sales of the 11 reporting interests were 6.0 per cent larger than for the same month in 1922 and 15.2 per cent under the July total this year. The demand is described as active through the line, but with particular emphasis on fancy goods and special styles. Uncertainty relative to future styles is interfering somewhat with programs of manufacturers, who are hesitating about making up large stocks until something more definite is known about what will be called for. A slightly easier trend in prices of finished goods was reported, and raw materials were firm, with certain upper grades of leather higher. Orders being booked currently are largely for prompt shipment, less than 25 per cent being for forward delivery. Factory operations are at from 85 to 100 per cent of capacity, with labor conditions easier than during the preceding month. Collections are reported better.

**Clothing**—The continuance of relatively full employment and the rather sharp upturn in spot and future cotton prices gave stimulus to what was already a normal month for clothiers. Clearance sales contributed to a satisfactory liquidation of summer suitings and a broad demand is reported for sport clothes. Sales of the 10 reporting interests were 33.1 per cent in excess of those of a year ago and 42.5 per cent over

July, 1923, the latter purely seasonal. Cool weather since September 1 has given an impetus to fall buying, with some firms reporting that higher priced goods are in better demand than in recent months. Dealers in mens' hats report their business in healthy condition and while shipments exceed those of a year ago, new commitments, for which they report sharp competition, show a decrease of 4.4 per cent under those of August, 1922.

**Iron and Steel Products**—New bookings during the period under review were sustained at or slightly better than the rate of the similar period just preceding. There has been a decided improvement in the volume of inquiries directed to manufacturers and jobbers, and the character of the inquiry is indicative of reduced stocks and actual need of the tonnage specified. Price fluctuations in finished and semi-finished steel products were narrow. Job foundries and specialty makers have received a fair volume of new orders, and are extending their commitments for raw materials. Buying by the railroads continues on a liberal scale, and the automotive interests are also accounting for heavy tonnages of materials going into that class of construction. Structural iron and steel fabricators report a

decided slump in large contracts, but a steady, active business in jobs running from 25 to 75 tons. Warehouse interests complain of a backwardness on the part of their customers, and they in turn are buying on a hand to mouth basis. Steel plants specializing in railroad castings are operating at capacity, and have orders which will insure the present pace for the next 60 to 90 days. A further decline in buying of drilling and oil working supplies was reported. Pig iron receded in price, No. 2 Southern (1.75 to 2.25 per cent silicon) dropping to \$23.50 to \$24 per ton. Northern iron of the same grade is quoted at \$26 to \$27 furnace. The scrap iron and steel market displayed greater activity than in several months, with prices on some grades a shade higher. August sales of stove manufacturers, 7 interests reporting, were 5.3 per cent larger than in August, 1922, and 25.0 per cent in excess of the July total this year; wire rope makers, 5 interests reporting gained 12.8 per cent over August, 1922, and 2.7 per cent over the July total this year; railway supplies, 5 interests reporting showed a gain of 44.5 per cent over August, 1922, and 1 per cent over the July total this year; farm implement makers, 6 interests reporting, decreased 8 per cent in August as compared with a year ago, and 14 per cent as contrasted with July this year; boiler works, 6 interests reporting, showed no change in August as compared with last year, and a decrease of 14 per cent as contrasted with July this year.

**Hardware**—August sales of the 12 reporting interests were 16.0 per cent larger than for the same month in 1922 and 12.0 per cent in excess of July this year. Seasonal hardware is moving in normal volume, and the demand for all varieties of goods for household use is active. Sales of hunters' supplies and sporting goods were well in excess of the same period last year. Builders hardware and tools continue in good demand, and sundries and specialties are moving in satisfactory volume.

**Electrical Supplies**—New construction and extensions by public utility companies, coupled with continued activity in the building industry were the chief factors in an increase in August sales of the 12 reporting interests of 22.2 per cent over the same period a year ago. As contrasted with July this year, however, there was a decline of 17.5 per cent. Prices were steady, except for a decline in copper wire and wiring devices. The demand for radio sets, lamps and household appliances is holding up in excellent shape.

**Flour**—Production by the 11 leading mills of the district in August was 433,218 barrels, the largest in more than a year, and comparing with 291,332 barrels in July, 286,463 barrels in June and 363,367 barrels in August, 1922. Business during the past thirty days was the most satisfactory since 1920. Free sales were made to the domestic trade, particularly in the South, where wholesalers and jobbers are stocking up for the fall and winter trade. In addition to actual sales, shipping directions on flour previously disposed of were satisfactory, and mills are busy grinding flour for delivery on old orders. Export demand developed improvement, both to Europe and Latin America. Bids from abroad were nearer in line than for a number of months, and large workings were reported. Mill operation was at from 70 to 100 per cent of capacity, as compared with 60 to 75 per cent during the preceding 30 days.

**Dry Goods**—Most firms report a healthy condition and, since September 1, a steady, conservative demand over rather broader lines than in recent months. The field has been unsettled, however, by the perpendicular rise in raw cotton, which has placed some manufacturers in a rather difficult position. Wholesalers, too, are not inclined to purchase, except for immediate needs, though there has been more than the normal amount of buying in printcloths and sheetings. Some jobbing centers report a better demand from retailers on account of the rise, but the general tendency is not to make unnecessary commitments at present figures. The demand for silk goods has been active in the face of a 10 to 20 per cent rise since September 1, while woolen prices are firm with demand only moderate. August sales of the 11 representative interests decreased six-tenths of one per cent under those of a year ago, but showed a seasonal increase of 28.8 per cent over the previous month.

**Groceries**—Although August business in most sections was slightly in excess of a year ago, some comments indicate that normal commitments will not be made by retailers until the outcome of crops yet to be gathered is ascertained. The seasonal marketing of vegetables and the closing of some mines has also contributed to the rather spotty conditions that exist, but withal August sales of the 20 reporting interests were 2.4 per cent in excess of the same month a year ago and exceeded July, 1923, by 8.5 per cent. A moderate upturn in spot and future sugar prices since September 1, has lent a firmness to the entire list and dealers generally speak of a much more healthy demand during the first two weeks of the current month.

**Drugs and Chemicals**—August sales of the 11 reporting interests were 7.0 per cent larger than for the same month in 1922, and 1.0 per cent in excess of July this year. Conditions in the drug and chemical line, while only moderately active during the past thirty days, developed a steadier tone. The unusual demand for insecticides from the cotton districts did much to raise the average of monthly sales. Price changes have been relatively few in number, but where made, the trend was slightly upward, particularly on remedial drugs and proprietary preparations. Opening of the school season stimulated sales of paper goods, stationery and class-room supplies. The demand from manufacturers for heavy chemicals holds up well. Sales of candy continue subnormal.

**Furniture**—Marked hesitation on the part of dealers in stocking up for fall and winter trade and uncertainty relative to prices had a tendency to hold down the volume of business in this industry during the period under review. Despite this handicap, however, August sales of the 16 reporting interests showed a gain of 9.0 per cent over the same month in 1922, and 10.8 per cent over the preceding month this year. The markets recently held in Grand Rapids and Chicago were disappointing in point of volume of sales, and this has affected the tone of business in other centers. Bedroom suites and general household furniture are relatively more active than other varieties. The demand for office furniture is reported quiet. Some factories are running only 2 to 3 hours per day, but the general average for the district was about 70 per cent of capacity.

**Lumber**—Notwithstanding that local yards and woodworking interests did an extraordinarily large

amount of winter and early spring stock purchasing, lumber consumption has been so heavy that there was a considerable volume of filling-in business for mills, both in the early and late summer periods. Since the beginning of September the demand has developed the proportions of renewed stock buying, especially in the major soft woods, notably in yellow pine. The Japanese earthquake has had a sentimentally helpful effect on the fir market as a price tonic, without as yet quotably changing open values. Yellow pine, how-

ever, is up \$1 to \$2 on common boards, with varyingly small advances on all the more active items in the list. The hardwood situation has also improved to some extent since late August, but demand has not as yet had the effect of raising the general level of prices. The strengthening of some items has been measurably offset by continuing declines in others. Cypress, both red and yellow, is weak. The same is true of California redwood, which is rather strongly competitive with the former.

**Industrial Power Consumption**—In contrast to past summer showings, consumption during August exhibited a sharp upturn, and, for the first time since these figures have been compiled, all reporting centers show a uniform trend, indicating that the increased demand is general. Expansion of operations by flour mills, a slightly increased demand from industrials and peak operations of refrigerating plants are given as the causes for the increase. The totals, in the aggregate, are the largest on record.

Representative Customers	Aug., 1923		July, 1923		Aug., 1923 comp. to July, 1923		Aug., 1922		Aug., 1923 comp. to Aug., 1922	
		k.w.h.		k.w.h.	%	k.w.h.		k.w.h.	%	
Evansville.....	40	1,268,628	1,177,842	876,025	+ 7.7%	999,683	40	999,683	+26.9%	
Little Rock.....	11	890,268	876,025	876,025	+ 1.6	529,899	11	529,899	+68.0	
Louisville.....	67	4,740,756	3,952,797	3,952,797	+19.9	3,720,997	67	3,720,997	+27.4	
Memphis.....	31	1,027,380	806,840	806,840	+27.3	867,420	31	867,420	+18.4	
St. Louis.....	66	15,068,675	14,768,393	14,768,393	+ 2.0	12,872,720	66	12,872,720	+17.1	
Total.....	215	22,995,707	21,581,897	21,581,897	+ 6.5	18,990,719	215	18,990,719	+21.1	

**Retail**—The condition of retail trade during August is reflected in the following statement, compiled from reports of 22 representative department stores:

(Percentages)	Evansville	Little Rock	Louisville	Memphis	Quincy	St. Louis	8th District
Net Sales:							
Aug. 1923, compared with Aug., 1922.....	+ 9.1	+29.8	+ 5.7	+ 5.9	+13.0	+ 9.1	+10.4
Period July 1 to Aug. 31, 1923 compared with same period in 1922.....	+ 6.5	+30.9	+ 8.1	+ 9.9	+ 7.9	+11.1	+12.4
Stocks on hand at end of Aug., 1923:							
Compared with Aug., 1922.....	+ 9.6	+27.4	- 0.7	+29.9	+ 7.0	+14.3	+15.7
Compared with stocks at end of July, 1923.....	+ 6.8	+ 4.2	+10.3	+ 3.6	+ 6.2	+10.7	+ 8.6
Average stocks on hand at end of each month since July 1, 1923, to average monthly sales during same period.....	769.6	625.3	516.6	643.1	698.9	485.0	541.4
Outstanding orders at close of Aug., 1923 compared with purchases for calendar year 1922.....	7.7	13.4	12.5	14.3	9.7	10.0	11.5

## AGRICULTURE

Reports covering agriculture during the period under review indicate considerable unevenness, both with reference to specific products and localities. In certain sections developments were much more satisfactory than elsewhere, and some crops made progress while others deteriorated. However, the general average on September 1 for the district as a whole was well above the August 1 condition. Prices in the main were more satisfactory to producers, advances being recorded on wheat, corn, oats, cotton and a number of the less important products.

Corn scored distinct improvement during August, and according to the U. S. Department of Agriculture the yield for the Eighth Federal Reserve District will be 421,893 bushels, against 394,916 bushels in 1922. In Illinois prospects were described as the best in years. Missouri corn on September 1 was 83 per cent of a full crop, indicating 31.95 bushels to the acre; the Kentucky crop is estimated at 95,168,000 bushels against 88,060,000 bushels last year; the Tennessee condition was bettered in August by 7 per cent, or 7,000,000 bushels, and in Indiana, there was a gain in condition of 4 per cent during August, which brought the total estimate up to 201,476,000 bushels, against 192,712,000 bushels in 1922. Excessive rains during early September have done some damage to corn in the lowlands, and dry weather is needed be-

tween this and harvest to obtain best results.

Total wheat output for the district is estimated at 79,472,000 bushels, which compares with 78,652,000 bushels harvested in 1922. Latest advices indicate that the seeding of new wheat is proceeding slowly, both on account of unfavorable weather and indecision on the part of farmers as to intended area. Prices between this and the final seeding date will be an important factor in determining the acreage.

The September 1 forecast places the outturn of oats in the district at 52,003,000 bushels, an increase of more than 16,000,000 bushels over the 1922 crop.

Fruit crops are somewhat under last year, though in some localities the outlook is for heavy yields. Grapes in many important sections were damaged as a result of spring frosts and insects. The commercial apple crop in Missouri, Illinois and Arkansas will be under a year ago. Vegetables, on the other hand, are better than in 1922, particularly potatoes, which promise large yields in all the chief producing areas.

Hay yields are in the main disappointing due to unfavorable weather earlier in the year. Pastures have been benefitted by recent precipitation, and barring early frosts should provide food for livestock for some weeks to come. Livestock is reported to be in good condition generally, there being an unusually small amount of disease among the herds.

Weather in the immediate past has been more favorable for the tobacco crop, and about 75 per cent of the burley crop is cut and housed. In the dark fired district about 70 per cent of the crop is cut and housed, but wildfire continues to spread, and while this is largely local, it has caused considerable damage. Approximately 76 per cent of the crop has been cut in the Green river and aircured district, and a large portion was cut green to protect it from ravages of wildfire. Despite the numerous reverses suffered by the dark crop, the outlook for fine quality and heavy production is good, due to the large acreage and the fact that damage was confined to isolated localities.

Harvesting of the rice crop in Arkansas is under

way, and early returns indicate spotted conditions. The September 1 condition was estimated by the U. S. Department of Agriculture at 82 per cent of normal. As compared with previous years, very little old rice remains in the country. The clean rice market remains strong and movement satisfactory, with prices ranging from 4½¢ to 7¢ per pound.

Weather conditions in the cotton growing sections since September 1 have been in the main unfavorable for development of the crop. Excessive moisture has caused sprouting in the bolls in some counties, and in bottom lands fields were too wet to permit of picking. There are scattered reports of damage from boll weevil and army worm.

The U. S. Department of Agriculture, in its report as of September 1, 1923, gives the condition of corn and oats in the states of this district as follows:

Corn	CONDITION		PRODUCTION COMPARISONS*		FORECAST 1923 PRODUCTION*		FARM PRICE PER BU.	
	September 1.		5 yr. Av.	1922	From Condition		September 1	
	10 year av.	1923	1917-21	(Dec. est.)	Aug. 1	Sept. 1	1922	1923
	%	%	Bu.	Bu.	Bu.	Bu.	cents	cents
Illinois.....	75	90	338,259	313,074	334,884	362,678	55	80
Indiana.....	80	92	181,607	176,305	192,713	201,473	59	83
Kentucky.....	80	89	94,542	88,060	90,356	95,168	85	103
Mississippi.....	76	66	57,601	51,065	37,646	38,137	84	106
Missouri.....	68	83	186,377	175,275	195,718	204,384	63	88
Tennessee.....	81	84	89,033	75,440	71,575	78,589	85	107
Oats								
Illinois.....	78	83	171,843	110,010	148,917	146,394	30	33
Indiana.....	76	70	69,747	28,770	54,975	48,909	33	34
Missouri.....	73	72	50,189	17,872	35,261	32,382	38	39

\* In thousands of bushels—i. e., 000 omitted.

### COMMODITY PRICES

Range of prices on typical products in the St. Louis market between August 15 and September 15, 1923, with closing quotations on each of these dates, and on September 15, 1922:

		Close Aug. 15	High	Low	Close Sept. 15	Close Sept. 15, 1922
September wheat.....	Per bu.	\$1.01½	\$1.05¼	\$.99¼	\$1.01¼	\$1.02½
December wheat.....	"	1.04½	1.08½	1.03	1.03¼	1.00½
May wheat.....	"	1.09½	1.13½	1.07½	1.07½	1.05¼
September corn.....	"	.78½	.89	.77½	.87	.60¾
December corn.....	"	.62½	.70	.62½	.66¾	.56½
May corn.....	"	.64½	.69¾	.64½	.67¾	.59¾
September oats.....	"	.36	.41	.36¾	.40¾	.34½
No. 2 red winter wheat.....	"	1.04	1.14	.97	\$1.06 @ 1.10½	\$1.11 @ 1.13
No 2 hard wheat.....	"	1.01½	1 07½	.99½	1.04	1.03
No 2 corn.....	"	\$.86 @ .87	.89½	.84½	.89½	.61 @ .61¾
No 2 white corn.....	"	.84½ @ .85	.91	.84½	.89½ @ .90	.61¾
No 2 white oats.....	"	.39½ @ .40	.44	.39 ¼	.43½	.40
Flour: soft patent.....	Per bbl.	5.25 @ 6.25	6.50	4.85	5.00 @ 5.50	5.25 @ 6.25
Flour: spring patent.....	"	6.10 @ 6.25	6.40	5.60	5.60 @ 6.15	5.90 @ 6.10
Middling cotton.....	Per lb.	.24½	.27½	.24½	.27½	.21¾
Hogs on hoof.....	Per cwt.	5.50 @ 8.70	9.80	5.00	5.60 @ 9.60	6.75 @ 9.80

### COMMODITY MOVEMENT

Receipts and shipments of important commodities at St. Louis during August, 1923 and 1922, and July, 1923, as reported by the Merchants' Exchange, were as follows:

	Receipts			Shipments		
	Aug. 1923	July 1923	Aug. 1922	Aug. 1923	July 1923	Aug. 1922
Flour, barrels.....	445,590	387,100	428,280	564,290	436,650	571,385
Wheat, bushels.....	5,833,912	5,775,272	7,058,479	4,398,235	2,876,650	6,379,160
Corn, bushels.....	2,581,800	2,616,057	2,568,800	1,987,155	1,795,710	1,771,950
Oats, bushels.....	3,434,000	2,452,000	2,580,000	2,733,290	2,272,430	2,159,155
Lead, pigs.....	215,830	141,650	322,230	157,150	112,590	245,680
Zinc, slabs.....	277,290	345,350	166,940	269,360	322,980	279,550
Lumber, cars.....	20,034	19,407	15,228	14,486	13,454	12,488
Pork Products.....	21,825,600	21,400,300	19,527,000	32,867,500	32,490,000	28,565,800
Dressed beef, pounds.....	1,252,300	1,129,300	43,300	27,223,600	23,482,100	24,256,900
Lard, pounds.....	7,533,800	5,739,200	6,229,300	13,339,200	11,231,300	10,019,400
Hides, pounds.....	6,738,500	6,318,000	6,954,000	9,433,900	8,886,600	8,934,100

### LIVE STOCK MOVEMENT

As reported by the St. Louis National Stock Yards, receipts and shipments of live stock in August, 1923 and 1922, and July, 1923, were as follows:

	Receipts			Shipments		
	Aug. 1923	July 1923	Aug. 1922	Aug. 1923	July 1923	Aug. 1922
Cattle and Calves.....	161,789	138,969	157,864	110,889	81,504	102,403
Hogs.....	336,456	337,862	240,535	227,920	207,353	158,565
Sheep.....	59,944	79,209	81,668	19,604	23,351	20,866
Horses and Mules.....	5,961	2,548	6,031	4,329	2,536	4,827

### BUILDING

The period under review was marked by continued activity in the building industry. Work on buildings in course of construction was pushed forward, and a large number of new enterprises were started. In the five largest cities of the district permits issued during August were the largest since May, and approximately 11.1 per cent in excess of the corresponding period last year. The gain was largely in the South, with Memphis making the most favorable showing. In the new permits, residential construction continues to lead, both in number and value. There is still a scarcity of skilled laborers in the building crafts, and wages are at the highest levels ever recorded in most sections. Manufacturers of building materials report an active demand for all their products, but little variation in prices as contrasted with the preceding month. Production of portland cement for the country as a whole in August was the highest on record, 14,971,000 barrels, against 13,712,000 barrels in July and 12,967,000 barrels in August, 1922.

Comparative building figures for August in leading cities of the district follow:

	New Construction				Repairs, etc.			
	Permits		Cost		Permits		Cost	
	1923	1922	1923	1922	1923	1922	1923	1922
St. Louis.....	974	803	\$1,940,935	\$1,780,450	666	538	\$430,070	\$426,220
Louisville.....	306	287	757,747	1,113,000	128	134	60,444	130,375
Memphis.....	360	311	2,104,310	1,476,240	70	139	34,580	61,427
Little Rock.....	80	62	265,860	202,545	149	58	52,590	55,500
Evansville.....	149	76	261,020	153,025	62	64	10,565	17,815
Aug. Totals.....	1,869	1,539	\$5,329,872	\$4,725,260	1,075	933	\$588,249	\$691,337
July Totals.....	1,645	1,478	4,799,725	5,233,075	946	813	690,526	465,717
June Totals.....	1,784	1,572	5,301,510	5,224,814	1,139	935	582,564	630,645

### FINANCIAL

The feature of the banking and financial situation during the past thirty days has been a marked improvement in the demand for money, which is reflected in a sharp upturn in bills discounted both of this institution and member banks, which are at the high point of the year. While loans are pretty well distributed through all classes of borrowers, the heaviest requirements relatively are noted among handlers of agricultural products, particularly cotton. Harvesting and the movement of that staple in this district have gotten under way, and despite lateness of the crop, requirements in the South to date are apparently heavier than a year ago. Cotton seed oil interests are requiring larger amounts for financing their operations, due to the high cost of cotton seed, which is selling around \$45 a ton as against \$25 to \$30 this time last year. The accelerated movement of wheat and other cereals during late August and early September has had a tendency to augment the demand from that source, and banks specializing in financing the flour milling industry report continued strong call from that class of borrowers. Banks in the large distributing centers report an active demand from their mercantile customers. Deposits of member banks declined slightly during the period under review, but are somewhat in excess of the corresponding period a year ago. A moderate decline

has taken place in banks' holdings of investments, which fact taken in conjunction with the movement of deposits, indicates that more of their funds are being utilized to finance current requirements. Between August 15 and September 15 there was an increase of \$10,833,263 in the amount of paper discounted by this institution for member banks. Total reserves carried against deposit and Federal reserve note liabilities decreased 8.5 per cent, standing at 55.7 per cent on September 15.

**Commercial Paper**—Following a period of quietness during early August, business of reporting brokers took a turn for the better toward the end of that month, and has continued on a very satisfactory basis since. The volume of sales was materially assisted by heavy purchases by banks in Texas, where surplus funds were created by liquidation of cotton stocks. Offerings throughout the period under review were plentiful, but decreased somewhat toward the middle of September. Rates were firm in the range between 5¼ and 5½ per cent. Some few choice names were sold as low as 5 per cent, and a few transactions as high as 5¾ per cent were reported. Relatively little commercial paper is being purchased by banks in the large centers, their funds being well occupied in the service of regular customers.

**Savings Deposits**—The changes in the number of savings accounts and the amount of savings deposits, exclusive of postal savings deposits, since a month ago and a year ago, as reported by the largest member banks in the leading cities of this district, are shown in the following table:

	September 5, 1923			August 1, 1923		September 6, 1922	
	Number Banks Reporting	Number Savings Accounts	Amount Deposits	Number Savings Accounts	Amount Deposits	Number Savings Accounts	Amount Deposits
St. Louis.....	12	255,636	\$72,158,000	241,334	\$71,681,000	240,963	\$66,909,000
Louisville.....	7	169,166	23,347,000	167,183	23,296,000	133,312	20,960,000
Memphis.....	7	67,249	18,326,000	67,286	18,451,000	57,058	14,255,000
Little Rock.....	5	27,181	7,333,000	26,850	7,262,000	24,867	6,158,000
Evansville.....	4	24,644	8,994,000	24,772	9,050,000	21,876	8,433,000
Total.....	35	543,876	\$130,158,000	527,425	\$129,740,000	478,076	\$116,715,000

### CHANGES IN COST OF LIVING

Cost of living in the United States on August 15 was 61.6 per cent higher than in July, 1914, according to figures compiled by the National Industrial Conference Board. Between July 15 and August 15 there was a decrease of two-tenths of one per cent. Between July, 1920, when the peak of the rise in the cost of living since 1914 was reached, and August, 1923, the cost of living dropped 21 per cent.

#### DEBITS TO INDIVIDUAL ACCOUNTS

	For four weeks ending Sept. 19, 1923	For four weeks ending Aug. 22, 1923	Sept. 1923 comp. to Aug., 1923	For four weeks ending Sept., 20, 1922	Sept. 1923 comp. to Sept., 1922
E. St. Louis and Nat'l. Stock Yards. Ill.	45,532,000	41,480,000	+ 9.8%	32,250,000	+41.2%
El Dorado, Ark.	7,919,000	8,091,000	- 2.1	.....	.....
Evansville Ind.	28,017,000	26,836,000	+ 4.4	23,861,000	+17.4
Fort Smith, Ark.	9,486,000	9,085,000	+ 4.4	9,769,000	- 2.9
Greenville, Miss.	2,631,000	2,455,000	+ 7.2	2,917,000	- 9.8
Helena, Ark.	3,866,000	3,672,000	+ 5.3	4,581,000	-15.6
Little Rock, Ark.	51,002,000	43,297,000	+17.8	42,798,000	+19.2
Louisville, Ky.	128,721,000	129,436,000	- 0.5	115,234,000	+11.7
Memphis, Tenn.	104,335,000	91,080,000	+14.6	93,707,000	+11.3
Owensboro, Ky.	4,459,000	4,990,000	-10.7	4,227,000	+ 5.5
Quincy, Ill.	9,082,000	10,208,000	-11.0	8,343,000	+ 8.9
St. Louis, Mo.	553,939,000	547,971,000	+ 1.1	507,523,000	+ 9.1
Springfield, Mo.	12,921,000	11,948,000	+ 8.1	11,367,000	+13.7
<b>Total</b>	<b>961,910,000</b>	<b>930,549,000</b>	<b>+ 3.4</b>	<b>.....</b>	<b>+11.4</b>

**Condition of Banks**—The condition of banks in this district and changes since a month ago and last year, are reflected in the following comparative statement showing the principal resources and liabilities of member banks in St. Louis, Louisville, Memphis, Little Rock and Evansville:

	Sept. 12, 1923	Aug. 8, 1923	Sept. 13, 1922
Number of banks reporting.....	*36	*36	*36
Loans and discounts (including rediscounts)			
Secured by U. S. Government obligations.....	\$12,445,000	\$11,799,000	\$15,562,000
Secured by stocks and bonds other than U. S. Bonds.....	139,697,000	137,568,000	124,493,000
All other loans and discounts.....	310,985,000	309,427,000	279,851,000
<b>Total loans and discounts.....</b>	<b>463,127,000</b>	<b>458,794,000</b>	<b>419,906,000</b>
Investments			
U. S. pre-war bonds.....	15,334,000	15,325,000	36,045,000
U. S. Liberty Bonds.....	23,591,000	23,517,000	
U. S. Treasury bonds.....	8,723,000	9,350,000	
U. S. Victory notes and Treasury notes.....	20,564,000	21,255,000	12,645,000
U. S. Certificates of Indebtedness.....	6,238,000	6,563,000	7,391,000
Other bonds, stocks and securities.....	84,886,000	84,707,000	84,176,000
<b>Total Investments.....</b>	<b>159,336,000</b>	<b>160,717,000</b>	<b>140,257,000</b>
Reserve Balance with Federal Reserve Bank.....	40,433,000	41,556,000	38,591,000
Cash in vault.....	7,950,000	7,840,000	7,246,000
Net demand deposits on which reserve is computed.....	344,204,000	345,910,000	331,997,000
Time deposits.....	188,688,000	190,633,000	170,415,000
Government deposits.....	2,678,000	5,228,000	3,749,000
Bills payable and rediscounts with Federal Reserve Bank secured by			
U. S. Government obligations.....	13,568,000	9,943,000	1,363,000
All other.....	25,188,000	18,927,000	1,712,000

\* Decrease due to consolidation

#### FEDERAL RESERVE OPERATIONS

During August the Federal Reserve Bank of St. Louis discounted for 258 of its 624 member banks, which compares with 251 of its 624 member banks accommodated in July. The discount rate of this bank remains unchanged at 4½ per cent for all classes and maturities of paper.

Changes in the assets and liabilities of the Federal Reserve Bank of St. Louis since a month ago and last year are shown in the following comparative statement (in thousands of dollars):

RESOURCES				LIABILITIES			
	Sept. 19 1923	Aug. 15 1923	Sept 20 1922		Sept 19 1923	Aug. 15 1923	Sept 20 1922
Gold Reserves.....	\$ 62,011	\$ 80,935	\$ 75,029	Capita paid in.....	\$ 4,995	\$ 4,987	\$ 4,786
Legal Tender, Notes, Silver etc	10,607	11,594	8,101	Surplus.....	9,665	9,665	9,388
<b>Total Cash Reserves.....</b>	<b>\$ 72,618</b>	<b>\$ 92,529</b>	<b>\$ 83,130</b>	Deposits.....	67,572	71,505	63,349
Discounts secured by Gov't.				F. R. Notes in circulation.....	72,310	72,521	74,260
obligations.....	21,108	18,912	8,054	F.R. Bank Notes in circulation	.....	.....	3,411
Discounts otherwise secured				Deferred availability items....	36,627	34,205	35,642
and unsecured.....	47,919	32,455	16,860	Other Liabilities.....	1,344	1,104	901
Bills bought in open market..	40	1,111	14,153	<b>Total Liabilities.....</b>	<b>\$192,513</b>	<b>\$193,987</b>	<b>\$191,737</b>
U. S. Gov't. securities.....	3,672	7,251	28,212	<b>Combined Res. Ratio .....</b>	<b>51.9%</b>	<b>64.2%</b>	<b>60.4%</b>
<b>Total Earning Assets..</b>	<b>\$ 72,739</b>	<b>\$ 59,729</b>	<b>\$ 67,279</b>				
Uncollected Items.....	39,121	34,571	35,930				
Other Resources.....	8,035	7,158	5,398				
<b>Total Resources.....</b>	<b>\$192,513</b>	<b>\$193,987</b>	<b>\$191,737</b>				

(Compiled Sept. 20, 1923)

# FEDERAL RESERVE BANK OF ST. LOUIS



## MONTHLY REVIEW OF GENERAL BUSINESS CONDITIONS IN FEDERAL RESERVE DISTRICT No. 8

Released for Publication On and After the Morning of October 31, 1923

WILLIAM McC. MARTIN

CHAIRMAN OF THE BOARD AND FEDERAL RESERVE AGENT

**R**EPORTS relative to business in this district during the past thirty days indicate rather spotted conditions. In a number of lines, notably those involving goods for common consumption, the recent active pace has been maintained, and as a rule, slight gains over the corresponding period last year are reported. Elsewhere, however, accounts are less favorable, and there are complaints of hesitation on the part of buyers in filling their requirements, particularly those further ahead than sixty to ninety days. In lines where gains are reported the general comment is made that the improvement has taken place on hand-to-mouth buying, and that sales are numerous rather than large. Recession in volume of trade in goods based on iron and steel was reported. The sharp declines in pig iron and coke prices failed to bring melters into the market for these materials, and contracting for last quarter needs is considerably under normal for this period of the year. The coal market was dull and weak, with a general disposition on the part of both steam users and householders to postpone purchasing. A slowing down, partially seasonal, has taken place in the automotive industry, with subsidiary lines, such as tires, depressed.

In addition to unevenness in the several lines of trade, irregularity is reported in results obtained in different sections of the district. Trade in the large cities, particularly the retail department, is holding up well, reflecting continued heavy employment and the arrival of more seasonable fall weather. Through the typical grain and live stock areas relatively less activity is reported, and some backwardness is noted in the mining districts. Active marketing of cotton in the South at high prices has served to stimulate business in that general section, and has done much to strengthen trade morale. Business in the tobacco districts is holding up well, and the same is true of sections where rice is the principal crop. Late fruit and vegetable crops are turning out well, with marketing conditions in the main satisfactory. This has had a tendency to quicken the movement of merchandise in the truck and fruit producing areas.

As compared with the similar period immediately preceding, the principal change in manufacturing activity was in iron and steel, furniture, automobiles, chemicals, and several minor classifications. In these lines the trend was in the direction of curtailed operations, though shipments were in volume about on a parity with the month before, and above those of the corresponding period in 1922. In the immediate past some improvement has taken place in advance ordering of boots and shoes, dry goods, confectionery, and hardware, though generally future buying continues considerably below normal for this season. In virtually all lines investigated the proportion of goods being ordered for immediate shipment, as compared

with purchases for deferred delivery, is unusually large. Inventories of raw materials in hands of manufacturers continue light, and recent price fluctuations have emphasized the disposition to acquire supplies only sufficient to run from month to month or to apply on orders for finished products actually booked.

Employment conditions during the period under review showed little change as a whole, but according to the Employment Service of the U. S. Department of Labor, were somewhat spotted. In some industries payrolls were smaller and a small surplus of skilled laborers developed. Common labor remains in good call, though with less pressure for workers than earlier in the year. There is a good demand for track laborers, common labor on road building and river improvement work. Wages continue at the recent high levels. In the building industry a shortage of certain classes of mechanics still obtains, notably plasterers, lathers, and bricklayers. Demand for general farm help is steady, with the supply, however, fully equal to requirements except in some southern counties where a shortage of cotton pickers is reported.

Developments in agriculture were on the whole satisfactory, and a greater degree of optimism was noted in rural communities. The principal factor affecting sentiment was the sharp upturn in prices of cereals and other farm products. For the first time since 1920, corn crossed the dollar mark, and on October 11 No. 2 white corn sold at \$1.16 per bushel in the St. Louis market. Between September 15 and October 15, December wheat advanced 7-5/8c and December corn 9-5/8c per bushel, while cash wheat was up 6c to 10c and cash corn 9 1/2c to 11 1/2c per bushel. Middling cotton in the St. Louis market closed at 29 1/4c on October 15, which compares with 28 1/2c on September 15, and 21 3/4c on October 15, 1922. According to the U. S. Department of Agriculture the composite condition of all crops in states wholly or partly in the Eighth Federal Reserve District (100 equals 10-year average) was 98.45 per cent on October 1, against 100.17 on September 1 and 97.2 per cent on October 1, 1922.

Marketing of crops and the arrival of cooler weather has had a stimulating effect on the retail department of distribution. The movement of seasonal goods is reported brisk, both in the city and country, with sales of clothing running ahead of the same period in 1922. Department stores in five largest cities of the district showed a fair gain in volume of sales during September as contrasted with a year ago, and cumulative sales since July 1 were 11.7 per cent larger than for the corresponding period in 1922. As has been the case for the past several months, retail stocks are moderate, and more than the usual amount of re-ordering to fill out assortments and broken lines is reported. Business of mail order and chain stores

continues active, with sales running ahead of last year.

As compared with previous years, loadings of revenue freight by railroads operating in this district continue at unprecedented levels. Gains are shown in practically all classifications, and are particularly noteworthy in merchandise and miscellaneous freight. For the week ended September 29 total loading for the country as a whole was 1,097,274 cars, the largest on record, and exceeding the previous high record made in the week ending September 1, 1923, by 4,707 cars. The St. Louis Terminal Railway Association, which includes in its membership 26 roads operating through this gateway, interchanged 220,169 loads in September, the largest single month's total on record with the exception of March, 1923, when 222,694 load were interchanged, and comparing with 217,651 loads in August, 195,318 loads in July and 185,545 loads in September, 1922. During the first nine days of October 64,337 loads were interchanged, against 63,533 for the corresponding period in September and 58,550 for the first nine days of October, 1922. Passenger traffic of reporting roads increased 17 per cent in September over the same month last year.

The demand for coal from all sources continues dull and listless, with the trend of bituminous prices sharply downward. Absence of ordering has caused a reduction in the running of most mines in the district. Mild weather has checked deliveries of fuel to householders, and dealers' yards are heavily stocked. Steam users are purchasing on a hand-to-mouth basis, the general disposition being to postpone contracting for distant requirements in anticipation of still further price concessions. The number of oil burners installed in recent months has adversely affected the retail coal situation. The movement of coke is slow, both metallurgical and domestic, with prices of the former grades lower. There has been slight decline in production of soft coal during the past several weeks, but the total output for the calendar year to October 6 was 424,257,000 tons, against 280,751,000 tons for the same period in 1922, 311,382,000 tons in 1921 and 454,515,000 tons in 1918.

September production of automobiles for the country as a whole, while well in excess of the corresponding month last year, showed a rather sharp decline under the August total. The output of passenger cars by manufacturers reporting direct or

through the Automobile Chamber of Commerce was 298,600 in September against 313,972 in August. Trucks built in September numbered 27,841 against 29,882 in August. A further slowing down in the distribution of automobiles during the period under review was indicated in reports of 230 dealers scattered through the district. September sales of these interests were approximately 10 per cent below the August total, but close to 6 per cent in excess of the corresponding period last year. The movement of accessories decreased during September as compared with August, but was slightly greater than in September, 1922. A further slight reduction in tire stocks was reported, but this branch of the industry continues depressed. Stocks of used cars were heavier on September 1 than a month earlier, and dealers report great difficulty in making sales. The unsatisfactory status of the used car market is ascribed partly to the large number of cheap and attractive new models being put out by manufacturers. Dealers report the usual seasonal increase in demand for closed cars.

Reports relative to collections during September reflect a slight improvement as compared with the preceding month. Extensive marketing of crops has stimulated payments in the country, particularly in the grain areas, where farmers are liquidating their indebtedness. The most favorable accounts are from the South, where the higher prices for cotton have strengthened the cash position of planters. Wholesalers in the large centers report some irregularity in collection returns, but in the main they are fair to good. Retailers, particularly in large cities, are getting in their money promptly. Answers to 344 questionnaires addressed to representative interests in various lines throughout the district show the following results; 2.7 per cent excellent, 41.0 per cent fair, 50 per cent good and 6.3 per cent poor.

Commercial failures in the Eighth Federal Reserve District during September, according to Dun's, numbered 71, involving liabilities of \$536,652, against 45 defaults with liabilities of \$694,960 in August and 100 failures for \$2,417,725 in September, 1922.

The per capita circulation of the United States on October 1 was \$43.45, which compares with \$42.85 on September 1, and \$41.04 on October 1, 1922.

## MANUFACTURING AND WHOLESALE

**Boots and Shoes**—Sales during September of the 11 reporting interests were 1.6 per cent larger than for the corresponding month in 1922 and 14.7 per cent under the August total this year. Immediate business is reported very satisfactory, but there is considerable hesitation on the part of retail merchants in placing future orders, due largely to uncertainty relative to styles. Since the opening of the current month, however, some improvement in future buying has developed, and about 33½ per cent of the orders received during this period were for deferred delivery. Prices were steady to a shade lower, one leading manufacturer announcing reductions on a large part of his line. Aside from a lower trend in sole leather, raw materials were unchanged. The tendency in spring footwear is in the direction of less extreme styles. Factory operation ranged from 80 to 100 per cent of capacity, with plants making certain grades of women's shoes running full time.

**Clothing**—Although demand in this line has, during recent months, been above the average of general business in this district, a sharp demarcation is now noticeable between business for spot and future delivery, the former holding up well, but the latter somewhat quiet. A variation in present demand is also seen in the several sections, with retailers in typical cotton sections reordering in small lots, whereas mining regions report demand dull. Mild temperatures up to the middle of October served, in some sections, to cause postponement of fall buying by the public, though for the district as a whole retail trade in this line is fully normal. Factory operations, largely on old orders, are at from 80 to 100 per cent of capacity. Continued strength in raw cotton, with correspondingly firm prices for goods based thereon, has served to keep some prospective buyers out of the market, but withal September sales of 11 representative interests were 27.0 per cent in excess of the same month

last year, though 4.3 per cent under the August, 1923, total. September sales of men's hats were about 4 per cent above those of the corresponding month in 1922, but the size of the average order is sufficiently below normal to suggest inventory caution on the part of retailers.

**Iron and Steel Products**—As contrasted with earlier months of the year, a sharp decrease in new ordering has taken place during the past six weeks, and mills and foundries are cutting heavily into old orders. Buying of both finished and semi-finished materials by ultimate consumers is on an extremely conservative basis, and inquiries for goods to be delivered further ahead than sixty to ninety days have fallen in marked degree. The demand for gray castings has slowed down, and foundries specializing in these lines have curtailed their operations. Fabricators of structural iron and steel report a diminishing volume of specifications, especially for major contracts, and the demand for reinforcing concrete bars is at the lowest point in many months. Generally, however, prices of finished steel have held fairly steady, reductions being confined to certain interests whose accumulations have forced them to seek an outlet for surplus stocks. Buying by the railroads continues on a fairly liberal scale, but smaller tonnages are being taken by the automotive industry. Pig iron sustained a further sharp decline, No. 2 Southern, 1.75 to 2.25 per cent silicon, dropping to \$20, and Northern iron of the same grade selling at \$24, as against \$24 and \$27 per ton, respectively, during the preceding month. Heavy price cuts were made through the entire list of scrap iron and steel. The break in raw material prices has failed utterly to stimulate buying, the majority of melters being disposed to postpone contracting for future wants and to fill their current needs in the open market. An exception to the general downward trend was furnished by stove manufacturers, whose business is holding up well. September sales of the 7 reporting stove builders were 24.5 per cent larger than for the same month last year and 22.2 per cent over August this year. Wire rope manufacturers, 5 interests reporting, showed a decline of 13 per cent in September sales under those of the same month in 1922, and a decrease of 20 per cent under the August total this year; railway supplies, 5 interests reporting, showed a gain of 16 per cent over September last year but a decrease of 22 per cent as compared with August this year; farm implement makers, 6 interests reporting, decreased 14.5 per cent in September as contrasted with a year ago, and 26 per cent under the August total; manufacturers of boilers, stacks, elevators and other miscellaneous products, 8 interests reporting, showed a decrease of 3.3 per cent in September sales under those of the same month in 1922, and a loss of 12 per cent as compared with August this year.

**Hardware**—The 12 reporting interests show September sales 10.9 per cent in excess of those of the corresponding month in 1922, but 16.7 per cent under the August total this year. No change of importance took place during the period under review, except that a slight slowing down in orders has taken place since October 1. Keen competition is reported for business in all territories. The demand for builders' hardware holds up well, and the same is true of household supplies. Cutlery and hand implements have slowed down.

**Electrical Supplies**—Continued buying by public utilities, an active demand for radio equipment and initial buying of holiday goods accounted for an increase of 2.7 per cent in sales of the 12 reporting interests during September as compared with the same month last year. As contrasted with August sales the September total decreased 14.9 per cent. Prices were unchanged, except for a reduction in copper and wire and pole line hardware.

**Flour**—Production by the 11 leading mills of the district during September was 411,018 barrels, which compares with 433,218 barrels in August, 291,332 barrels in July and 364,306 barrels in September, 1922. Business during September was described as active and satisfactory. Sales to the domestic trade were large, especially in the South, and decided improvement took place in the export demand. A slowing down in new business developed during the first weeks of October, but shipping directions on old orders were good. Prices advanced in sympathy with the upturn in wheat. Mill operations were at from 70 to 95 per cent of capacity.

**Dry Goods**—Prices in primary lines, especially cotton goods, have been firm to higher due to the upturn in the staple or in sympathy with its continued strength. Buying, however, is confined mainly to prompt or nearby delivery, with wholesalers and jobbers hesitating to make large commitments because of a belief that consumers will not buy freely at levels based on the present values of raw cotton. Print cloths and gray goods are in good demand at firmer prices, but gingham for spring are barely steady, despite higher cotton and wages. Hosiery is more active than in recent months and general merchandise and notions of the line have been well taken. The silk market has been unsettled by the perpendicular rise in raws, and buying is only fair at the higher levels. Demand for holiday goods has been light to date, except neckwear, which has moved in satisfactory volume. September sales of 11 representative interests exceeded those of a year ago by 5.5 per cent and were 0.3 per cent in excess of August, 1923. Millinery business is healthy with prices firm in view of strength in cotton and silk. September sales of 5 representative interests exceeded those of the corresponding month in 1922 by 6.4 per cent. Collections are reported satisfactory.

**Groceries**—September business in practically all sections of the district was good and with stocks generally light, indications are for a continuance of the present condition during the fall and winter. Prices generally are firm, with some grades of coffee a shade higher, reflecting labor troubles among dock workers in New Orleans. Sugar is dull. Forward buying has not appeared in normal volume since the first week in October, but many small orders are quickening turnover of wholesalers' stocks. An increasing demand for holiday goods was noted in mid-October but orders in this category are still relatively light. September sales of 22 representative interests were 4.0 per cent in excess of those for the same month a year ago and 13.4 per cent over the total for August, 1923.

**Drugs and Chemicals**—Business in this classification is barely holding its own, sales of the 11 reporting interests for September showing a loss of 4.0 per cent over the same month in 1922. As compared with August, the September total decreased 4.5 per cent. The movement of insecticides has been in heavy

volume, and has in a measure offset decreases in sales of heavy chemicals to manufacturers. Prices showed little change, advances about balancing declines. The usual seasonal increase in sales of sundries is noted, and a steady increase in the demand for cosmetics and toilet articles continues. The retail drug trade is active with collections generally good.

**Furniture**—Reports of leading interests indicate considerable variance in results during the period under review. Some factories are operating at from 80 to 90 per cent of capacity and shipping their full output, while others have about completed orders on hand and complain of backwardness in new buying. Several plants have reduced production and contemplate temporary shut-downs unless new business materializes. Prices of finished goods were unchanged and glass and hardware held steady after their recent declines. Some grades of lumber were firmer. September sales of the 16 reporting interests were 1.1 per cent less than the same month in 1922, and 4.1 per cent under the August total this year.

**Lumber**—Expansion in the demand for southern

pine and other building lumbers featured this industry during the past thirty days. Generally fall business is reported normal, with price improvement well up to past averages for the season. Mills for the most part are operating at or close to capacity, and there are some complaints of car shortage in the principal soft wood producing areas. Since October 1 demand has receded to some extent, despite seasonal buying by country yards in good cotton and corn territory. The hard wood market is still characterized by an upward price tendency on some classes of stock, due to concentration on them to the neglect of other classes or varieties of the same hard woods. Sap gum, both plain and quartered, is active and strong. The lower grades of oak are also moving well, chiefly as a result of buying by the flooring mills, and the same is true of maple, elm, ash, and cottonwood. Thick elm, however, judging from the attitude of automobile manufacturer toward shipments, is apparently in overplentiful supply. Plain and quartered red gum and the first and second grade of oak continue dull. Hard wood production is on a large scale.

**Industrial Power Consumption**—The demand for electricity for industrial purposes shows not only a seasonal decline in refrigeration load, but some decreases from scattered industrials. Although an increase was registered for September as compared with a year ago, this is the smallest for any month this year and compares with a 39.95 per cent cumulative increase for the first six months of 1923, and a 29.84 per cent increase for the year to date.

Representative Customers	Sept. 1923		Aug. 1923		Sept. 1923 comp. to Aug. 1923	Sept. 1922		Sept. 1923 comp. to Sept. 1922
	k.w.h.		k.w.h.			k.w.h.		
Evansville.....	40	1,043,358	1,268,628	k.w.h.	-17.7%	862,941	k.w.h.	+20.9%
Little Rock.....	11	808,314	890,268	"	- 9.2	553,591	"	+46.0
Louisville.....	67	4,414,647	4,740,756	"	- 6.9	3,804,081	"	+22.5
Memphis.....	31	1,002,960	1,027,380	"	- 2.4	881,580	"	+13.8
St. Louis.....	68	14,097,981	15,068,675	"	- 6.4	13,226,690	"	+ 6.6
Totals.....	217	21,367,260	22,995,707	"	- 7.1	19,128,883	"	+11.7

**Retail**—The condition of retail trade is reflected in the following statement, compiled from reports of 22 representative department stores:

(Percentages)	Evansville	Little Rock	Louisville	Memphis	Quincy	St. Louis	8th District
Net Sales:							
Sept., 1923, compared with Sept., 1922.....	+22.9	+29.7	- 2.5	+ 9.2	+17.3	+ 9.4	+10.1
Period July 1 to Sept. 30, 1923, compared with same period in 1922.....	+11.3	+30.4	+ 4.5	+ 9.4	+11.8	+10.7	+11.7
Stocks on hand at end of Sept., 1923:							
Compared with Sept., 1922.....	+ 2.6	+22.5	- 2.3	+23.0	+ 8.5	+14.3	+13.7
Compared with stocks at end of Aug. 1923.....	+10.7	+13.3	+15.6	+ 9.6	+ 8.4	+ 4.2	+ 8.1
Average stocks on hand at end of each month since July 1, 1923, to average monthly sales during same period.....	756.0	649.1	512.5	612.8	624.8	433.8	509.3
Outstanding orders at close of Sept. 1923, compared with purchases for calendar year 1922.....	13.7	7.9	10.6	13.8	7.7	8.7	9.8

**AGRICULTURE**

During September changes in production prospects of major crops in this district were in the direction of reduced yields. However, with the exception of cotton and hay, outputs will exceed those of a year ago, and in the case of the lesser crops the outlook, both as to production and marketing conditions, is in the main satisfactory. According to figures of the U. S. Department of Agriculture the most significant change as compared with the preceding month was in cotton, the indicated yield of which on October 1 was 1,781,000 bales, a decrease of 166,000 bales under the September 1 forecast and a loss of 304,000 bales from the 1922 estimate. The total indicated corn crop on October 1 was 406,836,000 bushels, a decrease of 15,057,000 bushels, but greater by 1,920,000 bushels than the outturn in 1922. Oats, with an indicated production of 50,289,000 bushels on October 1, represented a decrease of 1,714,000 bushels under the September 1 forecast, but an increase of 14,428,000 bushels over last season's total. The indicated hay crop on October 1 was 7,486,000 tons, against 7,084,000

tons on September 1, and 8,217,000 tons actually produced in 1922.

Reports from scattered sections of the district indicate that corn is maturing slowly and somewhat unevenly, and husking and silo filling are backward as compared with a year ago. In some sections considerable corn is down, and elsewhere there are complaints of light and chaffy quality. Generally drying weather is needed to insure best results.

Threshing of small grains has finally been completed, following one of the most unfavorable threshing seasons in years, especially in the Northern stretches of the district. Recent moisture has put the soil in good condition for working, and wheat seeding is going forward rapidly. In Missouri, Illinois, and Indiana, farmers are closely observing fly immune dates. The acreage in all states of the district will be under that of last year.

Prospects for potatoes are the most promising in several years. In Missouri the average indicated yield is 101 bushels to the acre as compared with 60

bushels last year. In Illinois the October condition was 82 per cent of normal, indicating a total production of 10,539,000 bushels, against 7,497,000 bushels in 1922. The outturn of sweet potatoes will also be well in excess of last year's crop.

Apples are now being harvested and moving to market in good volume. Color and quality are in the main fine. In Illinois and Missouri, apple prospects improved during September, the principal gains being in commercial orchards. Late truck crops were benefitted by the rains in September, and the same is true of pastures, which are generally in good condition. Reports relative to live stock are for the most part favorable, there being few complaints of disease among the herds. Hog cholera is reported from scattered counties in Missouri, Illinois and Indiana.

Despite a sharp reduction in prospective tobacco production in states of the district during September, due principally to unfavorable weather, the year's output will be in excess of the 1922 crop. In Kentucky the crop of all types is estimated at 507,125,000 pounds, which compares with a prospect on Septem-

ber 1 for 565,186,000 pounds and actual output in 1922 of 446,250,000 pounds. In Tennessee the condition of the crop, as harvested, was 85 per cent, indicating a production of 113,000,000 pounds against 94,250,000 pounds in 1922. For the country as a whole, the tobacco crop is estimated at 1,550,716,000 pounds against 1,324,840,000 pounds in 1922 and a 5-year average, 1917-1921 inclusive, of 1,361,149,000 pounds. Approximately 45,000,000 pounds of the 1922 crop of tobacco are now in the hands of the Burley Tobacco Growers Cooperative Association and a like amount in the hands of the Dark Tobacco Association. Large buyers are postponing purchasing until the exact status of the 1923 crop is known.

Threshing of rice in Arkansas is in progress and some new rice has been delivered to the mills. Milling quality is generally good, but early returns indicate a reduction in yield per acre as compared with last season and the ten year average. An active demand continues for old rice, and stocks have been well cleared up.

The U. S. Department of Agriculture gives the condition of corn and tobacco in states of this district as follows:

Corn	CONDITION		FORECAST 1923 PRODUCTION*		Harvested PRODUCTION*		FARM PRICE PER BU.	
	1923	10 year av.	From Oct. 1	From Sept. 1	1922	5 yr. av.	1923	1922
	%	%	Condition	Condition	Bu.	Bu.	cents	cents
Illinois.....	85	76	338,706	362,678	313,074	338,259	80	56
Indiana.....	86	82	184,608	201,473	176,305	181,607	82	57
Kentucky.....	88	82	92,715	95,168	88,060	94,542	98	82
Mississippi.....	65	75	38,366	38,137	51,065	57,601	100	82
Missouri.....	83	70	197,483	204,384	175,275	186,377	86	61
Tennessee.....	84	81	78,589	78,589	75,440	89,033	107	79
<b>Tobacco</b>								
Kentucky.....	86	82	507,125	565,186	446,250	445,022	....	....
Tennessee.....	85	84	113,042	121,922	94,250	85,308	....	....

\*In thousands (000 omitted)

COMMODITY PRICES

Range of prices on typical products in the St. Louis market between September 15 and October 15, 1923, with closing quotations on each of these dates, and on October 16, 1922:

		Close Sept. 15	High	Low	Close Oct. 15	Close Oct. 16, 1922
December wheat.....	Per bu.	\$1.03 1/4	\$1.12 3/8	\$1.02 3/8	\$1.10 7/8	\$1.11 1/8
May wheat.....	"	1.07 1/2	1.15 1/4	1.07 1/4	1.13 1/4	1.11 3/4
July wheat.....	"	.....	1.09 1/2	1.05 1/4	1.08 1/4	1.03 1/4
December corn.....	"	.66 3/4	.79	.66 3/4	.77 3/8	.67
May corn.....	"	.67 3/4	.76 3/8	.67 3/4	.75 1/2	.67 1/4
July corn.....	"	.....	.76 3/4	.72 3/8	.75 3/8	.67
December oats.....	"	.....	.44 1/2	.43 1/2	.43 1/2	.44 1/2
No. 2 red winter wheat.....	"	\$1.06 @ 1.10 1/2	1.23	1.05	\$1.17 @ 1.20	\$1.27 @ 1.29
No 2 hard wheat.....	"	.....	1.18	1.03 1/2	1.10 @ 1.12	1.13 @ 1.19
No 2 corn.....	"	.....	.89 1/2	.88	1.09 @ 1.09 1/2	.73 @ .73 1/2
No. 2 white corn.....	"	.89 1/2 @ .90	1.16	.89	1.10 1/2 @ 1.12	.73 1/2 @ .74
No 2 white oats.....	"	.....	.43 1/2	.42 1/2	.45 1/2 @ .46	.47 1/2
Flour: soft patent.....	Per bbl.	5.00 @ 5.50	6.25	5.00	5.25 @ 6.25	5.75 @ 7.00
Flour: spring patent.....	"	5.60 @ 6.15	6.50	5.85	6.10 @ 6.20	6.10 @ 6.30
Middling cotton.....	Per lb.	.27 1/2	.29 1/4	.28	.29 1/4	.21 3/4
Hogs on hoof.....	Per cwt.	5.60 @ 9.60	9.00	4.50	6.50 @ 8.25	7.50 @ 9.65

NOTE: September wheat closed at \$1.06 1/2; September corn at 91c and September oats at 43c.

COMMODITY MOVEMENT

Receipts and shipments of important commodities at St. Louis during September, 1923 and 1922, and August 1923, as reported by the Merchants' Exchange, were as follows:

	Receipts			Shipments		
	Sept. 1923	Aug. 1923	Sept. 1922	Sept. 1923	Aug. 1923	Sept. 1922
Flour, barrels.....	438,600	445,590	383,120	527,920	564,290	545,825
Wheat, bushels.....	3,028,086	5,833,912	3,460,884	2,962,030	4,398,235	2,539,380
Corn, bushels.....	2,406,714	2,581,800	2,796,300	1,473,980	1,987,156	1,734,200
Oats, bushels.....	3,184,320	3,434,000	1,760,000	2,312,320	2,733,290	1,345,145
Lead, pigs.....	132,820	215,830	384,890	151,410	157,150	218,690
Zinc, slabs.....	157,860	277,290	147,390	136,380	269,360	211,029
Lumber, cars.....	18,172	20,034	16,313	12,815	14,486	12,084
Pork products, pounds.....	23,564,800	21,825,600	23,451,900	31,363,000	32,867,500	30,913,500
Dressed beef, pounds.....	1,069,300	1,252,300	.....	24,446,000	27,223,600	20,965,600
Lard, pounds.....	6,311,800	7,533,800	7,736,900	10,019,700	13,339,200	10,400,800
Hides, pounds.....	5,466,800	6,738,500	4,967,500	8,960,300	9,433,900	7,489,600

### LIVE STOCK MOVEMENT

As reported by the St. Louis National Stock Yards, receipts and ship ments of live stock in September, 1923 and 1922, and August, 1923, were as follows:

	Receipts			Shipments		
	Sept. 1923	Aug. 1923	Sept. 1922	Sept. 1923	Aug. 1923	Sept. 1922
Cattle and Calves.....	165,388	161,789	175,481	117,264	110,889	116,660
Hogs.....	374,760	336,456	253,963	259,647	227,920	166,117
Sheep.....	59,854	59,944	48,235	33,275	19,604	17,004
Horses and Mules.....	7,455	5,961	9,990	7,941	4,329	8,927

### BUILDING

Permits for new buildings in the five largest cities of the district during September showed a gain of 26.6 per cent over August and 62.9 per cent over September, 1922. Further progress in the direction of stabilization of building material prices was noted in September. In all sections of the district mechanics in the building trades continue well employed. Production of cement for the country as a whole in September exceeded all previous records, totaling 13,109,000 barrels, against 12,967,000 barrels in August and 11,424,000 barrels in September, 1922. Comparative figures for September follow:

	New Construction				Repairs, etc.			
	Permits		Cost		Permits		Cost	
	1923	1922	1923	1922	1923	1922	1923	1922
St. Louis.....	909	790	\$5,204,620	\$1,390,157	608	552	\$388,010	\$324,960
Louisville.....	282	226	1,004,849	901,200	123	107	53,687	63,175
Memphis.....	351	316	1,348,620	2,142,540	65	50	24,180	25,440
Little Rock.....	63	71	177,238	384,830	153	141	53,427	40,036
Evansville.....	134	58	276,860	100,705	80	62	14,460	10,999
Sept. totals.....	1,739	1,461	\$8,012,187	\$4,919,432	1,029	912	\$533,764	\$464,610
Aug. totals.....	1,869	1,539	6,329,872	4,725,260	1,075	933	588,249	691,337
July totals.....	1,645	1,478	4,799,725	5,233,075	946	813	690,526	465,717

### FINANCIAL

Further improvement in the demand for money took place during the period under review, with the augmented borrowing principally in the South, where requirements for financing cotton, rice, cotton seed, and in smaller measure tobacco, are being keenly felt. Banks in the larger centers are being called upon for funds to handle the movement of cotton, and due to the high price of cotton seed, requirements of crushing mills are larger than during the past several seasons. Generally in the cotton sections there has been small reduction of loans to country banks, and some of the smaller institutions are seeking investments for surplus funds. Liberal October settlements of boot and shoe, dry goods and some other interests have resulted in a reduction of their commitments with the banks. Fair liquidation of grain loans is reported, the total volume being well under the preceding month. A slight slowing down in demands from the flour milling industry was noted, and the inquiry from other manufacturers is somewhat less active than heretofore. Net demand deposits of member banks decreased slightly during the period under review while discounts of member banks with this institution reached the highest point of the year. A slight stiffening in rates on certain classes of loans was noted, but actual rates asked

by commercial banks were mainly steady. Between September 15 and October 15 there was an increase of \$11,504,287 in the amount of paper discounted by this institution for member banks, and a gain of \$3,528,000 in Federal Reserve notes in circulation. Total reserves carried against deposit and Federal Reserve note liabilities decreased 1.8 per cent, standing at 53.9 per cent on October 15. On October 12 this reserve percentage touched 48.5, the lowest point in more than two years.

**Commercial Paper**—Sales of reporting brokers during September were 2¼ per cent greater than for the same period a year ago. Business during the first two weeks of October took a sharp turn for the better, with sales of several firms running as high as 50 per cent in excess of the same time in 1922. Buying is described as quite general, mainly in small lots, with the South figuring most prominently in the total. City banks, as has been the case for several months, are purchasing relatively less paper than country institutions. The supply through September was satisfactory, but a scarcity, particularly of prime names, has developed since October 1. Rates were unchanged at 5¼ to 5½ per cent.

### POSTAL RECEIPTS

	Quarter ended Sept. 30, 1923	Quarter ended June 30, 1923	Quarter ended Mar. 31, 1923	Quarter ended Sept. 30, 1922
St. Louis.....	\$2,478,703.06	\$2,693,973.21	\$2,832,359.70	\$2,318,915.75
Louisville.....	577,965.20	569,183.31	599,847.76	.....
Memphis.....	408,563.68	434,656.62	403,438.30	362,387.43
Little Rock.....	189,580.54	186,652.08	178,288.33	178,288.33
Evansville.....	119,949.68	139,854.39	131,144.18	117,921.56
<b>Totals</b> .....	<b>\$3,774,762.16</b>	<b>\$4,024,319.61</b>	<b>\$4,145,078.27</b>	.....

### SAVINGS DEPOSITS

	Oct. 3, 1923		Sept. 5, 1923		Oct. 4, 1922		
	Number Banks Reporting	Number Savings Accounts	Amount Savings Deposits	Number Savings Accounts	Amount Savings Deposits	Number Savings Accounts	Amount Savings Deposits
St. Louis.....	12	256,032	\$72,315,000	255,636	\$72,158,000	241,668	\$66,817,000
Louisville.....	7	163,375	23,559,000	169,166	23,347,000	140,721	21,053,000
Memphis.....	7	67,722	18,131,000	67,249	18,326,000	57,460	14,391,000
Little Rock.....	5	27,370	7,125,000	27,181	7,333,000	24,965	6,323,000
Evansville.....	4	24,462	8,998,000	24,644	8,994,000	22,067	8,552,000
<b>Totals</b> .....	<b>35</b>	<b>588,991</b>	<b>\$130,128,000</b>	<b>543,876</b>	<b>\$130,158,000</b>	<b>486,881</b>	<b>\$117,136,000</b>

### DEBITS TO INDIVIDUAL ACCOUNTS

	For four weeks ending Oct. 17, 1923	For four weeks ending Sept. 19, 1923	Oct. 1923 comp. to Sept. 1923	For four weeks ending Oct. 18, 1922	Oct. 1923 comp. to Oct. 1922
E. St. Louis and Nat'l. Stock Yards, Ill.	\$43,347,000	\$45,532,000	- 4.8%	\$40,678,000	+ 6.8%
El Dorado, Ark.	7,362,000	7,919,000	- 7.0	.....	.....
Evansville, Ind.	29,680,000	28,017,000	+ 5.9	28,499,000	+ 4.1
Fort Smith, Ark.	13,699,000	9,486,000	+44.4	13,825,000	- 0.9
Greenville, Miss.	3,420,000	2,631,000	+30.0	3,412,000	+ 0.2
Helena, Ark.	4,999,000	3,866,000	+29.3	7,403,000	-32.5
Little Rock, Ark.	63,321,000	51,002,000	+24.2	57,065,000	+11.0
Louisville, Ky.	143,334,000	128,721,000	+11.4	128,711,000	+11.4
Memphis, Tenn.	135,925,000	104,335,000	+30.3	135,784,000	+ 0.1
Owensboro, Ky.	5,597,000	4,459,000	+25.5	4,328,000	+29.3
Quincy, Ill.	10,029,000	9,082,000	+10.4	9,706,000	+ 3.3
St. Louis, Mo.	636,143,000	553,939,000	+14.8	604,682,000	+ 5.2
Springfield, Mo.	14,232,000	12,921,000	+10.1	11,574,000	+23.0
<b>Totals</b>	<b>\$1,111,088,000</b>	<b>\$961,910,000</b>	<b>+15.5</b>	<b>.....</b>	<b>+ 5.6</b>

**Condition of Banks**—The condition of banks in this district and changes since a month ago and last year, are reflected in the following comparative statement showing the principal resources and liabilities of reporting member banks in St. Louis, Louisville, Memphis, Little Rock and Evansville:

	Oct. 10, 1923	Sept. 12, 1923	Oct. 11, 1922
Number of banks reporting.....	*36	*36	37
Loans and discounts (including rediscounts)			
Secured by U. S. Government obligations.....	\$12,679,000	\$12,445,000	\$15,362,000
Secured by stocks and bonds other than U. S. Bonds.....	141,626,000	139,697,000	127,484,000
All other loans and discounts.....	315,253,000	310,985,000	283,986,000
<b>Total loans and discounts.....</b>	<b>469,558,000</b>	<b>463,127,000</b>	<b>426,832,000</b>
Investments			
U. S. pre-war bonds.....	15,204,000	15,334,000	36,512,000
U. S. Liberty bonds.....	22,487,000	23,591,000	
U. S. Treasury bonds.....	8,726,000	8,723,000	
U. S. Victory notes and Treasury notes.....	18,594,000	20,564,000	14,124,000
U. S. Certificates of Indebtedness.....	5,790,000	6,238,000	6,007,000
Other bonds, stocks and securities.....	83,061,000	84,886,000	86,766,000
<b>Total investments.....</b>	<b>153,862,000</b>	<b>159,336,000</b>	<b>143,409,000</b>
Reserve Balance with Federal Reserve Bank.....	38,706,000	40,433,000	40,285,000
Cash in vault.....	8,220,000	7,950,000	7,868,000
Net demand deposits on which reserve is computed.....	333,924,000	344,204,000	333,058,000
Time deposits.....	189,230,000	188,688,000	173,181,000
Government deposits.....	7,888,000	2,678,000	4,428,000
Bills payable and rediscounts with Federal Reserve Bank			
Secured by U. S. Government obligations.....	13,552,000	13,568,000	1,427,000
All other.....	34,068,000	25,188,000	6,796,000

\*Decrease due to consolidation.

### FEDERAL RESERVE OPERATIONS

During September, the Federal Reserve Bank of St. Louis discounted for 271 of its 626 member banks, which compares with 258 of its 624 member banks accommodated in August. The discount rate of this bank remains unchanged at 4½ per cent on all classes and maturities of paper.

Changes in the assets and liabilities of the Federal Reserve Bank of St. Louis since a month ago and last year are shown in the following comparative statement (in thousands of dollars):

RESOURCES				LIABILITIES			
	Oct. 17, 1923	Sept. 19, 1923	Oct. 18, 1922		Oct. 17, 1923	Sept. 19, 1923	Oct. 18, 1922
Gold Reserves.....	\$70,657	\$62,011	\$97,878	Capital paid in.....	\$ 5,016	\$ 4,995	\$ 4,787
Legal Tender Notes—				Surplus.....	9,665	9,665	9,388
Silver, etc.....	10,067	10,607	5,018	Deposits.....	70,336	67,572	64,728
<b>Total Cash Reserves.....</b>	<b>\$80,724</b>	<b>\$72,618</b>	<b>\$102,896</b>	F. R. Notes in circulation.....	76,004	72,310	86,425
Discounts secured by Gov't. obligations.....	22,684	21,108	7,268	F. R. Bank Notes in circulation.....	.....	.....	3,396
Discounts otherwise secured and unsecured.....	49,260	47,919	18,405	Deferred availability items.....	45,816	36,627	46,694
Bills bought in open market.....	7	40	8,810	Other Liabilities.....	1,311	1,344	957
U. S. Gov't. securities.....	.....	3,672	26,563	<b>Total Liabilities.....</b>	<b>\$208,148</b>	<b>\$192,513</b>	<b>\$216,375</b>
<b>Total Earning Assets.....</b>	<b>\$71,951</b>	<b>\$72,739</b>	<b>\$61,046</b>	Combined Res. Ratio.....	55.2%	51.9%	68.1%
Uncollected items.....	47,450	39,121	47,096				
Other Resources.....	8,023	8,035	5,337				
<b>Total Resources.....</b>	<b>\$208,148</b>	<b>\$192,513</b>	<b>\$216,375</b>				

### CHANGES IN COST OF LIVING

The cost of living in the United States on September 15, 1923, was slightly more than one per cent higher than on August 15, 1923 according to figures collected by the National Industrial Conference Board. This increase was occasioned by increases in food prices within the month of 2.1 per cent and 2.4 per cent in clothing prices. Between July, 1914, and September, 1923, the cost of living increased 63.4 per cent; this takes account of a decrease of 20.1 per cent between July, 1920, when the peak of the rise in the cost of living since 1914 was reached, and September, 1923.

(Compiled Oct. 20, 1923).

# FEDERAL RESERVE BANK OF ST. LOUIS



## MONTHLY REVIEW OF GENERAL BUSINESS CONDITIONS IN FEDERAL RESERVE DISTRICT No. 8

Released for Publication On and After the Afternoon of November 30, 1923

WILLIAM McC. MARTIN

CHAIRMAN OF THE BOARD AND FEDERAL RESERVE AGENT

**T**HE past thirty days have developed no sharp contrasts in general business in this district as compared with the similar period immediately preceding. Irregularity continues to feature trade, reports from leading interests in certain lines indicating fair activity, while in other classifications there is a tendency to slow down. Almost universally the comment is made that purchasing of commodities is on an extremely cautious and conservative basis. The total volume of distribution of merchandise is large, but orders being placed currently are for the most part small, and represent well defined needs. Stocks in all positions are in healthy condition and retailers in both the large cities and country are keeping up their assortments. The demand from ultimate consumers is holding up well, and the quality of merchandise called for is as a rule better than during the corresponding period a year ago. In the immediate past, however, there has been some reaction on the part of the public against price advances in textiles, particularly in the case of goods based on cotton. Uncertainty relative to styles is having a tendency to hold back purchasing of boots and shoes and wearing apparel.

Wholesalers showing holiday goods report results in the main satisfactory, though the volume of future ordering is somewhat under that of past seasons. The advent of cooler weather has served to stimulate the movement of typical winter merchandise with the exception of fuel, which continues dull. There were further recessions in output of certain manufacturing lines, notably iron and steel. In this classification shipments are in excess of new business and unfilled orders were materially reduced. Throughout October, purchasing of pig iron in this district was unusually backward, but further price concessions since the first week in November have resulted in the placement of substantial tonnages. A number of important melters, who for several months past have held consistently aloof from the market, are now covering on their requirements for the balance of this year and into the first quarter of 1924.

Changes in the employment situation were not marked, and largely seasonal in character. Leading industries, according to the Employment Service of the U. S. Department of Labor, are employing normal forces for this period of the year, although dullness prevails in some lines. There are sufficient building mechanics in the larger centers, except St. Louis, where construction operations are on a large scale. Road building and farm labor requirements are still a big factor in the call for unskilled labor,

although heavy rains have retarded outdoor work in some sections. In the lead and zinc mining areas activity was fairly well maintained, but the lack of demand for soft coal is reflected in further curtailment of production in all fields of the district. Many mines in Southern Illinois have been working only two to three days per week. Consumption of electrical power by industrial users in the five largest cities of the district during October showed a slight gain over the September total and was 14.7 per cent in excess of October, 1922.

Marketing of farm products has been on a liberal scale, and while prices realized by producers were not uniformly satisfactory, agriculturists in many sections are liquidating their indebtedness. The recent advance in cotton prices is reflected in increased optimism and actual purchasing of commodities in the South. Wholesalers in the chief jobbing centers report an unusually heavy volume of reordering by Southern customers. In many important cotton growing sections, however, the output is very light, and the movement to market is slow, due to lateness of the crop and lack of demand from consumers. Tobacco, both in the burley and dark sections, is being stripped and prepared for the markets, which will open during the next few weeks. Cereal prices declined rather steadily during the period under review, December wheat in the St. Louis market falling from \$1.10 $\frac{7}{8}$  on October 15 to \$1.04 on November 15 and December corn from 79 $\frac{3}{4}$ c to 76 $\frac{3}{4}$ c. December oats were down 2c per bushel, closing at 43 $\frac{1}{2}$ c on November 15. Values of cash grains were proportionately lower.

With the exception of cotton, which deteriorated somewhat during October, the period under review brought no marked changes in crop conditions. The November 1 report of the U. S. Department of Agriculture for the most part verified estimates of the preceding month for production of leading crops in states of this district. The outturn of corn will be larger in bushels than a year ago, but there are numerous complaints of poor quality, due to unfavorable weather and insect damage. According to the Department's report, the average yields per acre of all crops combined in states wholly or partly in this district, duly weighted, compared with the average for recent years, was 91.03 per cent, against 97.4 per cent last year, 103 per cent in 1921 and 93.2 per cent in 1920. Generally favorable conditions have attended gathering and marketing of late crops, and weather has been auspicious for farm work and live stock.

In the matter of car loadings, the performance of railroads operating in this district continues to surpass all previous years for this particular season. All roads reporting show gains over the preceding month, also over the corresponding period last year. According to the American Railway Association, total loading for the country as a whole for the week ended October 27 was 1,073,965 cars, a gain of 1,084 over the preceding week and of 74,247 cars for the corresponding week in 1922. The St. Louis Terminal Association, which includes in its membership 26 roads operating through this gateway, interchanged 226,242 loads in October, the largest single month's total on record, and comparing with 220,169 loads in September, 217,651 loads in August and 209,036 loads in October, 1922. During the first nine days of November 66,020 loads were interchanged, against 64,337 loads during the first nine days of October and 64,767 loads during the corresponding period a year ago. Passenger traffic of reporting roads, while continuing to increase, showed a lower rate of gain in October than during September, the betterment being 6 per cent in October against 17 per cent in September over the same months in 1922.

Quietness and lack of interest on the part of consumers were the outstanding features in the fuel situation during most of the period under review. There were reports of additional mines closing down, and reductions of outputs by active pits. Demand centers largely in the cheaper grades of coal for household consumption, and steaming users are not making their wants known. Contracting is considerably under normal for this season, and yards are well stocked. By-product coke manufacturers report slowness in the movement of both metallurgical and domestic sizes, and stores at ovens are augmenting in size. In the immediate past, cooler weather has stimulated the retail trade to some extent. Production of bituminous coal for the country as a whole during the first 260 working days of 1923, or to November 3, was 467,300,000 tons, against 322,588,000 tons for the corresponding period in 1922, 353,327,000 tons in 1921 and 499,955,000 tons in 1918.

Production of automobiles for the country as a whole during October showed a continuance of the large gains made each month during 1923 over the same periods last year, and combined output of passenger cars and trucks increased 8.4 per cent

over the September total. Manufacturers reporting direct or through the Automobile Chamber of Commerce built 334,244 passenger cars in October, against 298,600 in September. The October production of trucks totaled 29,638 against 27,841 during the preceding month. According to reports of 230 dealers scattered through the district, distribution of new cars in October was about 10 per cent in excess of the same month in 1922, but slightly under the September total this year. Comment is made upon the steadily growing demand for closed cars of all makes, while touring models are being neglected. Trade in accessories is relatively more active than in automobiles, which fact is partly attributable to special selling and advertising campaigns. Tires continue slow, both in the retail and jobbing departments of distribution. Uncertainty relative to prices has a tendency to hold down purchases of dealers to absolute requirements. The used car market shows slight improvement, stocks being described as normal for this season, and less in number and value than a year ago.

Reports relative to collections show rather spotted conditions, particularly with reference to locality. In the grain sections the liquidation of crops has resulted in extensive settlements by farmers, and in the cotton sections payments have been on a satisfactory scale. Some backwardness is noted in the mining fields, and retailers in the large cities report a slowing down as contrasted with the preceding thirty days. October settlements of wholesalers particularly hoot and shoe and dry goods, were large, and resulted in some reduction by these interests of their commitments at the banks. Answers to 355 questionnaires addressed to representative interests in various lines throughout the district show the following results: 0.9 per cent excellent; 35.3 per cent good; 57.1 per cent fair and 6.7 per cent poor.

Commercial failures in the Eighth Federal Reserve District during October, according to Dun's numbered 84, involving liabilities of \$1,308,833 against 71 defaults with liabilities of \$536,652 in September and 91 failures for \$1,661,606 in October, 1922.

The per capita circulation of the United States on November 1 was \$43.27, which compares with \$43.45 on October 1 and \$41.44 on November 1, 1922.

## MANUFACTURING AND WHOLESALE

**Boots and Shoes**—Sales of the 11 reporting interests during October were 4.8 per cent larger than for the corresponding month in 1922, and 23.8 per cent in excess of the September total this year, the latter change largely seasonal. While the policy of buying for immediate needs continues general, orders for future shipment are proportionately larger than earlier in the season. Prices were unchanged, save in the case of several interests which reduced quotations on certain lines in order to stimulate their movement. Some grades of leather were easier, but the general run of raw materials holds steady. Orders received from sales-

men on the road during the opening weeks of November were reported satisfactory. Factory operation was at from 85 to 100 per cent of capacity.

**Clothing**—In contrast with a satisfactory demand for goods for nearby delivery, spring lines have met relatively poor response and business in the latter category booked for the season thus far is less than for the corresponding period last year. Spring lines being shown exhibit only minor price variation as contrasted with current levels. While the demand in the main has been fully up to expectations, retailers and the ultimate consumers are being governed largely by prices in their pur-

chasing, and this has resulted in a number of manufacturers being obliged to absorb additional costs. The advent of cooler weather has stimulated the movement of finished woollens and worsteds, but the comment is made that women's wear is selling more satisfactorily than men's garments. October sales of 14 reporting interests were 14.4 per cent larger than for the same month in 1922, and 22.4 per cent under the preceding month this year, the latter change being largely seasonal. Labor is plentiful and factory operation was at from 80 to 100 per cent of capacity. Manufacturers of men's hats report a seasonal decrease during October and sales for that month as compared with a year ago show a decrease of 0.7 per cent. Bookings of straw hats for spring have exceeded the capacity of several manufacturers.

**Iron and Steel Products**—An easier trend in prices for both finished and raw materials in this classification has caused a hesitancy on the part of consumers, and there is a general disposition to purchase on an extremely conservative basis. Mills and foundries through the district report that new commitments have improved in spots, but the total volume is still under shipments, which fact is reflected in a further reduction of unfilled orders. Ordering of finished iron and steel for first quarter delivery is considerably under normal for this season, and the same is true of pig iron. Throughout October the pig iron market was dull and easier, additional price declines failing to bring out ordering. During the first two weeks of November, however, there was an excellent revival in pig iron purchasing, larger tonnages being placed during the first half of the month than during the six to eight weeks immediately preceding. No. 2 Southern iron, 1.75 to 2.25 per cent silicon, declined to \$18.50 per ton, furnace, and Northern iron of the same grade was obtainable at as low as \$22.50. Buying by the railroads was somewhat more active, sales of track materials and materials for repairing, equipment and buildings being in fair volume. The demand from the automotive industry, while under recent months, is well in excess of a year ago. Fabricators of building materials report a falling off in specifications, and no improvement in the demand for drilling and general materials for the oil fields was noted. In tin plate, where the price for the first quarter of 1924 has been reaffirmed, there has been good ordering. Except for an advance of 50c per day to moulders in job foundries in the St. Louis district, no change in wages was reported. October sales of stove manufacturers, 7 interests reporting, were 5.7 per cent larger than for the same month in 1922, and unchanged from the preceding month this year; wire products manufacturers, 5 reporting, showed a decrease of 6.7 per cent in October sales under a year ago and 3 per cent under the preceding month this year; railway supplies, 5 reporting, gained 39.8 per cent over October, 1922, and 8.2 per cent over September this year; farm implement makers, 6 reporting, gained 8 per cent over October, 1922, but showed a decrease of 2.4 per cent under September this year; manufacturers of boilers, stacks, elevators and other mis-

cellaneous products, 8 reporting, gained 34 per cent over October, 1922, but decreased 7.3 per cent under September this year.

**Fire-Clay Products**—Activity in refractories has been stimulated by the recent lull in demand for steel, the consequent blowing out of stacks being the occasion for relining a goodly number of open hearth furnaces. There has been a brisk demand for cement kiln lining blocks, and the lime industry has taken large tonnages. Bung arches and 9 inch straights have moved in good volume, but square edge tile and special shapes are in only fair demand due partly, manufacturers say, to a lull in new construction on a large scale and to the depression in the oil industry. A \$3 reduction in Missouri No. 1 brick, a similar cut in the intermediate grade and a \$5 drop in Missouri high grade were effective the middle of October. Reports of five representative interests show October business as 14.8 per cent in excess of the same month a year ago and 14.6 per cent over September, 1923. Orders booked by reporting firms during the first twenty days of November indicate a total for that month approximately 12 per cent in excess of October.

**Hardware**—October sales of the 12 reporting interests were 6.3 per cent larger than for the same month in 1922 and 4.8 per cent in excess of September this year. Current orders are reported satisfactory, and in some sections retail merchants are increasing their commitments for forward delivery. Retail stocks are being kept up well, and seasonal goods are moving in large volume. The demand for building hardware has slowed down somewhat, but is fully equal to this time last year. Some reordering of hunters' supplies is noted, and the call for roofing materials, paints and kindred lines is reported fair. Prices average about steady, declines offsetting advances through the line.

**Electrical Supplies**—Business under this classification is reported generally satisfactory, sales of the 12 reporting interests during October being 10.6 per cent larger than for the same month in 1922 and 5.8 per cent in excess of the September total this year. Ordering of radio sets and fancy lamps has been stimulated by the approach of the holiday season. Some recession in the demand for special wiring devices is noted, and there is the usual seasonal slowing down in outside construction work by public utilities companies. Aside from a slight reduction in bare and insulated copper wire and cables, no price changes were reported.

**Flour**—Production of the 11 leading mills of the district during October was 446,009 barrels, the largest in more than two years, and comparing with 411,018 barrels in September, 433,218 barrels in August and 365,841 barrels in October, 1922. Business during most of the period under review was described as dull and unsatisfactory. Aside from routine orders from Latin-American countries, the export trade was almost at a standstill. Cable offers for export to Europe brought no replies or bids too far out of line to result in workings. The domestic demand was confined to small lots, mainly from regular customers of the mills. Plant operations were at from 65 to 90 per cent of capacity.

**Dry Goods**—The outstanding feature in this classification was a general upward revision through the list of cotton goods. Price advances affected virtually all the chief items and were particularly notable in sheetings, print cloths, denims and ducks. Higher quotations on finished materials were in sympathy with the sharp upturn in raw cotton, which touched a new high on the crop. Ordering for future delivery has been stimulated somewhat by the price advance, and another effect has been a disposition on the part of spinners and weavers to withhold quotations on goods for forward shipment. Further downward adjustment in silk prices took place during early November, and the market for goods based on that staple continues unsettled. Ordering of holiday lines of toys and neckwear is reported only fair, retailers being disposed to postpone purchasing as long as possible. October sales of the 11 reporting interests decreased 6.8 per cent under those of the same month in 1922, and were 20.4 per cent below the September aggregate this year. Milliners report a slight slowing down in business, which they ascribe to uncertainty relative to prices and styles. Their October sales fell 12.7 per cent below the same month last year.

**Groceries**—Reports from different sections of the district exhibit striking irregularity, but in the aggregate business in this line is better than at any time since last spring. Canned goods are moving in satisfactory volume in spite of large fruit and vegetable crops in many sections. Coffee is in excellent demand, with prices firm, except in the lower grades. Sugar is weak, due largely to increased offerings of Louisiana and western beet sugars at slight concessions. Many retailers have increased stocks in anticipation of holiday demand, but withal the quantity of goods in retailers' hands is not above normal for this season. October sales of 20 representative interests exceeded those of the same month a year ago by 4.5 per cent and were 8.6 per cent in excess of the September, 1923, total.

**Drugs and Chemicals**—October sales of the 11 reporting interests were 7.2 per cent in excess of the same period in 1922, and 7.9 per cent larger than the preceding month this year. Routine sales were supplemented by the opening of an unusually

large number of new retail drug stores, the past three months witnessing more activity in this direction than noted during the past several years. Generally through the list of drugs and chemicals, the tendency was toward greater stabilization in values. An exception was Japanese products, some of which have sustained sharp advances since the earthquake. A slowing down was noted in the demand for heavy chemicals from manufacturers.

**Furniture**—Reports indicate extremely spotted conditions, some cities showing gains while others exhibit losses as compared with a year ago. Universally the comment is made that buying is on a hand-to-mouth basis, and has decreased perceptibly in volume since the end of October. Many retailers are holding off in anticipation of lower prices, particularly on household furniture. Raw materials hold very firm, particularly lumber and glass, which continue in large demand from the automotive industry. Stocks in all positions are low, there being a disposition to hold down inventories, both on the part of jobbers and retailers. Sales of the 24 reporting interests in October were 2.3 per cent less than for the same month in 1922, and 3.5 per cent in excess of September this year.

**Lumber**—The situation in this industry has undergone seasonal change since the preceding issue of this report. There was a premature decline in the autumn wholesale demand for building lumber, despite the good and continued retail distribution. Hardwood buying has decreased sharply since November 1. Logging conditions and the log supply have been good for several weeks, and production and shipments of hardwood are running large. Prices have weakened in sympathy with decreased buying. Not a great deal of stock is being pushed for sale. The great bulk of offerings in building lumber is made up of transit cars and surplus items of Southern pine. These are being dumped, rather than sold, on the market and prices obtained bear little relation to those prevailing for mixed cars, or that the mills would quote on a line of stock. Except vertical grain flooring, major items in the Western fir list are also more or less affected in price by the present slack demand. Yellow cypress is exhibiting further weakness in the upper grades.

**Industrial Power Consumption**—The demand for electricity for industrial purposes, which during September exhibited a 7.1 per cent decrease under the preceding month, the first such decrease since last February, has again turned upward. October not only showed an increase as compared with September, but a gain of 14.7 per cent over October, 1922. September's increase over the corresponding month last year was 11.7 per cent.

Representative Customers	Oct. 1923		Sept. 1923		Oct. 1923 comp. to Sept. 1923	Oct. 1922		Oct. 1923 comp. to Oct. 1922
		k.w.h.		k.w.h.			k.w.h.	
Evansville .....	40	1,053,868	1,043,358	808,314	+ 1.0%	882,476	882,476	+19.4%
Little Rock.....	11	852,853	808,314	808,314	+ 5.5	626,606	626,606	+36.1
Louisville .....	67	4,282,760	4,414,647	4,414,647	- 3.0	3,562,968	3,562,968	+20.2
Memphis .....	31	1,146,220	1,002,960	1,002,960	+14.3	1,007,280	1,007,280	+13.8
St. Louis.....	68	14,295,947	14,097,981	14,097,981	+ 1.4	12,776,949	12,776,949	+11.9
Total.....	217	21,631,648	21,367,260	21,367,260	+ 1.2	18,856,279	18,856,279	+14.7

**Retail**—The condition of retail trade is reflected in the following statement, compiled from reports of 22 representative department stores:

(Percentages)	Evans-ville	Little Rock	Louis-ville	Memphis	Quincy*	St. Louis	Spring-field	8th District
Net Sales:								
Oct., 1923, compared with Oct., 1922 .....	+20.8	+18.2	+10.3	+ 7.1	+ 9.7	+ 9.2	+ 7.6	+ 9.0
Period July 1 to Oct. 31, 1923, compared with same period in 1922.....	+13.6	+22.3	+ 5.6	+ 8.6	+14.3	+10.2	+17.5	+10.8
Stocks on hand at end of Oct., 1923:								
Compared with Oct., 1922.....	+ 8.3	+28.9	+ 5.1	+22.4	+12.4	+15.0	+23.3	+16.1
Compared with stocks at end of Sept., 1923.....	+ 8.9	+ 7.1	+12.4	+ 5.5	+ 4.1	+ 3.5	+ 3.0	+ 5.7
Average stocks on hand at end of each month since July 1, 1923, to average monthly sales during same period ....	725.8	649.0	510.4	561.1	509.8	426.3	522.3	493.2
Outstanding orders at close of Oct., 1923, compared with purchases for calendar year 1922.....	3.7	6.9	5.8	11.9	6.6	6.6	.....	7.4

\*Disparity in Quincy figures as compared with a month ago is due to failure of one firm there to report.

A comparison of October figures with September indicates that retail demand is hardly maintaining its pace of the past few months. Increase in net sales during September as compared with a year ago was 10.1 per cent versus 9.0 per cent for October. Normal seasonal upturn in demand, however, has enabled merchants to quicken their turnover from 599.3 for September to 493.2 for October. Heavy deliveries of goods on order in anticipation of fall and holiday buying has reduced outstanding orders from 9.8 per cent for September 30 to 7.4 per cent at end of October.

## AGRICULTURE

Reports relative to the winter wheat crop are in the main favorable. The plant has a good stand and color, and with ample moisture in the soil will go into the winter in a strong position. Immunity dates from Hessian fly were closely observed in seeding, and more attention has been given to seed quality than in past seasons. Unofficial estimates place the acreage at from 10 to 15 per cent under last season.

Husking and cribbing of corn is making good progress, but is backward, due to lateness of the crop and heavy autumn rains. Reports relative to quality reflect very uneven conditions, there being a large amount of low grade and moist corn in a number of important producing areas. In Illinois the merchantable quality of the crop is 79 per cent, compared with 90 per cent of the 1922 crop and the average of 83 per cent. The proportion merchantable in Missouri is 81 per cent, which is below last year. In Arkansas the yield per acre was 15.5 bushels and total production 32,782,000 bushels, which was only about half the crop of 1917 and other favorable years. Corn of merchantable quality in Arkansas is estimated at 68 per cent of the total output, and will not meet the needs of livestock within that state. Of the total crop of 185,300,000 bushels in Indiana, 78 per cent, or 144,534,000 bushels, is of merchantable quality. The Kentucky corn crop was slightly larger in size than that of 1922, but quality this year is 80 per cent against 83 per cent last season.

Late fruits have turned out better than expected, especially in point of quality. During the final weeks of the season conditions were favorable for development of apples, particularly in Illinois, and yields in well cared for orchards have been high as a rule. The Illinois state apple crop is estimated at 7,357,000 bushels, which compares with the average of 4,779,000 bushels, and the commercial crop is placed at 981,000 barrels. The total apple crop in Indiana is estimated at 5,035,000 bushels and the commercial crop at 252,000 barrels. In Missouri the total yield was smaller by 17 per cent than last year, with the commercial crop totaling 706,000 barrels against 1,250,000 barrels in 1922. In Arkansas the crop is 55 per cent of normal and commercial production 544,500 barrels.

The yield of white potatoes in the principal producing states of the district was much in excess

of last year, and quality as a rule is high. In Illinois the total output was 10,948,000 bushels against 7,497,000 bushels in 1922; in Missouri 9,207,000 bushels against 5,400,000 bushels in 1922; in Indiana, 7,875,000 bushels against 5,624,000 bushels in 1922 and Tennessee, 2,880,000 bushels against 2,560,000 bushels in 1922. Sweet potatoes and peanuts have turned out well, and marketing of these products is proceeding on a generally satisfactory basis.

The total production of tobacco of all types in Kentucky is estimated at 476,280,000 pounds, against 446,250,000 pounds in 1922, and the yield per acre, 840 pounds against 859 pounds the year before. The Tennessee tobacco crop totals 111,540,000 pounds against 94,250,000 pounds in 1922, and the yield per acre 780 pounds this year against 772 pounds in 1922. Indiana produced 19,800,000 pounds against 16,200,000 pounds in 1922. For the first time in many years tobacco was grown commercially in Boone and Benton counties, Arkansas. In Missouri tobacco yielded 1,100 pounds to the acre, or 7,700,000 pounds against 4,500,000 pounds in 1922. Quality in many of the leading growing areas is somewhat under that of last season, due to unfavorable weather during the planting and growing seasons, and damage from wild fire and other sources. The leaf is being stripped and prepared for the great markets, which will open within the next few weeks.

Approximately 90 per cent of the rice crop in Arkansas has been harvested and shocked, and threshing is now in progress. Some damage was done to this crop by early frost, but weather has been favorable for harvest and threshing and rice being stored or marketed is in excellent condition. Demand is strong and marketing conditions all that could be desired. Prices range from \$1.10 for low grades to \$1.35 per bushel for the best varieties.

Farm labor supply is reported adequate through the district. In the Northern sections, fall operations on farms have been delayed somewhat by wet weather, but generally the average amount of work completed is normal for this season. Sporadic outbreaks of hog cholera are reported, but nowhere has the disease gotten beyond control. Generally the condition of livestock is good.

The U. S. Department of Agriculture gives the condition of corn and tobacco as follows:

Corn	Yield Per Acre		PRODUCTION*			Quality		FARM PRICE	
	1923		1923	Harvested	5 yr. av.	1923		PER BU.	
	Prelim.	10 yr. av.	Prelim.	1922	1917-21	1923	1922	1923	1922
	Bu.	Bu.	Bu.	Bu.	Bu.	%	%	cents	cents
Illinois .....	37.5	33.5	337,312	313,074	338,259	79	90	74	56
Indiana .....	38.5	36.0	185,300	176,305	181,607	78	88	70	54
Kentucky ....	28.5	26.9	89,632	88,060	94,542	80	83	88	70
Mississippi....	14.5	17.6	35,960	51,065	57,601	76	82	110	81
Missouri.....	30.0	26.1	191,880	175,275	186,377	81	84	85	63
Tennessee....	24.5	24.9	73,941	75,440	89,033	80	81	100	76
Tobacco									
	Lbs.	Lbs.	Lbs.	Lbs.	Lbs.				
Kentucky ....	840	859	476,280	446,250	445,022	83	88		
Tennessee....	780	772	111,540	94,250	85,308	83	88		

\*In thousands (000 omitted).

### COMMODITY PRICES

Range of prices on typical products in the St. Louis market between October 15 and November 15, 1923, with closing quotations on each of these dates, and on November 15, 1922:

		Close Oct. 15	High	Low	Close Nov. 15	Close Nov. 15, 1922
December wheat.....	Per bu.	\$1.10 $\frac{7}{8}$	\$1.10 $\frac{7}{8}$	\$1.03 $\frac{1}{2}$	\$1.04	\$1.18 $\frac{1}{4}$
May wheat.....	" "	1.13 $\frac{1}{4}$	1.14 $\frac{3}{8}$	1.08 $\frac{1}{4}$	1.09	1.16 $\frac{1}{2}$
July wheat.....	" "	1.08 $\frac{1}{8}$	1.08 $\frac{1}{8}$	1.04	1.04 $\frac{1}{4}$	1.06 $\frac{1}{4}$
December corn .....	" "	.77 $\frac{3}{8}$	.80 $\frac{1}{4}$	.72 $\frac{7}{8}$	.76 $\frac{3}{8}$	.70 $\frac{3}{8}$
May corn .....	" "	.75 $\frac{1}{2}$	.77 $\frac{1}{8}$	.70 $\frac{7}{8}$	.73 $\frac{1}{2}$	.70 $\frac{3}{8}$
July corn .....	" "	.75 $\frac{3}{8}$	.76 $\frac{7}{8}$	.71 $\frac{3}{4}$	.73 $\frac{1}{4}$	.70 $\frac{3}{4}$
December oats .....	" "	.43 $\frac{1}{2}$	.44	.41 $\frac{1}{2}$	.43 $\frac{1}{2}$	.45
May oats .....	" "	.....	.46 $\frac{3}{4}$	.46 $\frac{1}{2}$	.46	.44 $\frac{3}{4}$
No. 2 red winter wheat..	" "	\$1.17 @ 1.20	1.18	1.09	\$1.10 @ 1.13	\$1.27 @ 1.31
No. 2 hard wheat.....	" "	1.10 @ 1.12	1.10	1.05	1.05 @ 1.05 $\frac{1}{2}$	1.21 @ 1.22
No. 2 corn.....	" "	1.09 @ 1.09 $\frac{1}{2}$	1.11	.90	1.02	.72 @ .72 $\frac{1}{2}$
No. 2 white corn.....	" "	1.10 $\frac{1}{2}$ @ 1.12	1.14	.92	1.03	.71 $\frac{1}{2}$ @ .73 $\frac{1}{2}$
No. 2 white oats.....	" "	.45 $\frac{1}{2}$ @ .46	.46 $\frac{1}{4}$	.42 $\frac{1}{2}$	.45	.45 $\frac{1}{4}$ @ .45 $\frac{1}{2}$
Flour: soft patent.....	Per bbl.	5.25 @ 6.25	6.25	5.25	5.25 @ 6.25	6.00 @ 7.00
Flour: spring patent.....	" "	6.10 @ 6.20	6.35	5.75	5.85 @ 6.00	6.45 @ 6.50
Middling cotton .....	Per lb.	.... @ 29 $\frac{1}{4}$	.33 $\frac{1}{2}$	.29 $\frac{1}{4}$	.... @ .33 $\frac{1}{2}$	.... @ .26 $\frac{1}{4}$
Hogs on hoof.....	Per cwt.	6.50 @ 8.25	7.90	5.00	5.25 @ 6.90	7.00 @ 8.40

### COMMODITY MOVEMENT

Receipts and shipments of important commodities at St. Louis during October, 1923, and 1922, and September, 1923, as reported by the Merchants' Exchange, were as follows:

	Receipts			Shipments		
	Oct. 1923	Sept. 1923	Oct. 1922	Oct. 1923	Sept. 1923	Oct. 1922
Flour, barrels .....	524,460	438,600	417,860	630,380	527,920	638,450
Wheat, bushels .....	3,141,130	3,028,086	3,945,936	2,454,520	2,962,030	3,069,580
Corn, bushels .....	1,997,527	2,406,714	2,524,600	1,110,410	1,473,980	2,066,690
Oats, bushels .....	3,580,000	3,184,320	2,820,000	2,745,560	2,312,320	2,084,905
Lead, pigs .....	118,520	132,820	372,350	176,290	151,410	288,190
Zinc, slabs .....	196,390	157,860	244,140	184,130	136,380	270,120
Lumber, cars .....	21,834	18,172	13,659	14,986	12,815	10,834
Pork products, pounds...	25,691,800	23,564,800	22,967,100	35,140,000	31,363,000	31,319,300
Dressed beef, pounds....	3,762,600	1,069,300	102,900	32,523,100	24,446,000	21,949,800
Lard, pounds .....	7,291,200	6,311,800	5,247,200	9,734,600	10,019,700	10,868,400
Hides, pounds .....	9,967,100	5,466,800	4,790,100	12,166,500	8,960,300	6,550,300

### LIVE STOCK MOVEMENT

As reported by the St. Louis National Stock Yards, receipts and shipments of live stock in October, 1923, and 1922, and September, 1923, were as follows:

	Receipts			Shipments		
	Oct. 1923	Sept. 1923	Oct. 1922	Oct. 1923	Sept. 1923	Oct. 1922
Cattle and Calves.....	197,147	165,388	207,283	116,891	117,264	129,420
Hogs .....	479,708	374,760	295,819	314,690	259,647	185,872
Sheep .....	52,714	59,854	53,861	25,257	33,275	22,889
Horses and Mules.....	13,366	7,455	13,798	11,564	7,941	13,236

### BUILDING

The value of permits for new construction issued in the five largest cities of the district during October showed a sharp decrease as compared with the September total, also as compared with October, 1922. Only once before this year, in July, was the monthly total under that of the corresponding period in 1922. The total for the first ten months of 1923, \$63,582,330, represents an increase of 30.2 per cent over the \$48,832,337 aggregate for the corresponding period in 1922. Numerically the permits issued in October were greater than either September this year or October, 1922, indicating that small residential construction continues to head the list of new building enterprise. Work on buildings under way has been pushed under favorable weather conditions, and labor in the building industry continues well employed.

Production of portland cement for the country as a whole in October established a new high record, the total being 13,350,000 barrels, against 13,109,000 barrels in September and 12,286,000 barrels in October, 1922. Comparative figures for October follow:

	New Construction				Repairs, etc.			
	Permits		Cost		Permits		Cost	
	1923	1922	1923	1922	1923	1922	1923	1922
St. Louis.....	968	785	\$1,711,270	\$2,683,245	635	578	\$400,425	\$274,038
Louisville .....	313	262	766,094	690,725	136	103	82,168	53,575
Memphis .....	391	341	988,260	2,137,360	83	70	28,990	41,460
Little Rock.....	92	67	252,565	161,750	193	153	74,133	66,526
Evansville .....	142	58	269,320	219,527	86	75	15,040	25,431
Oct. totals.....	1,906	1,513	\$3,987,509	\$5,892,607	1,133	979	\$600,756	\$461,030
Sept. totals.....	1,739	1,461	8,012,187	4,919,432	1,029	912	533,764	464,610
Aug. totals.....	1,869	1,539	6,329,872	4,725,260	1,075	933	588,249	691,337

### FINANCIAL

The demand for credits for general purposes, while somewhat less brisk than heretofore, continues fairly active, and total loans of member banks increased slightly during the period under review. Country banks have materially reduced their commitments with city correspondents, reflecting extensive marketing of crops and settlements by farmers. In the large cities of the South loans have increased, due to heavy seasonal requirements for moving the cotton crop. Needs for financing the tobacco crop are making themselves felt, and are reflected in heavier borrowings in Louisville and elsewhere in the tobacco belt. There has been no change worthy of note in grain and milling requirements, though the heavier movement of corn in the immediate past has resulted in some borrowing on that account. The demand for funds from mercantile sources is following the routine course noted at this particular season. October settlements with wholesale and jobbing interests were heavy, and there was some increase in deposits, though this item is under the level of the corresponding period a year ago. A feature of the activities of this institution during the past month has been the large volume of bill of lading drafts, largely covering cotton shipments, discounted for member banks.

The trend of interest rates is easier, accommodations by commercial banks to customers averaging about one-fourth of one per cent lower than thirty days ago. Between October 15 and November 15 there was an increase of \$823,506 in the amount of paper discounted by this bank for its members and a gain of \$290,000 in Federal Reserve notes in circulation. Total reserves carried against Federal Reserve note and deposit liabilities decreased 0.6 per cent, standing at 54.5 on November 15.

**Commercial Paper**—An active demand throughout the month resulted in October sales of reporting brokers showing an increase of 71.3 per cent over the same period in 1922 and a gain of 18.2 per cent over the preceding month this year. Banks in the large cities, particularly St. Louis, were large buyers, and while country institutions were also in the market, the demand from that source was spotted and less active than during the preceding thirty days. A slowing down in business has taken place since November 1, due more to lack of offerings than to any recession in the demand. Prevailing rates on commercial paper during October ranged from 5 to 5¼ per cent, but since November 1, the trend has been lower, some choice names selling at 4¾ per cent.

### SAVINGS DEPOSITS

	Number Banks Reporting	Nov. 7, 1923		Oct. 3, 1923		Nov. 1, 1922	
		Number Savings Accounts	Amount Savings Deposits	Number Savings Accounts	Amount Savings Deposits	Number Savings Accounts	Amount Savings Deposits
St. Louis.....	12	256,817	\$73,216,000	256,062	\$72,315,000	243,362	\$67,204,000
Louisville .....	7	148,573	24,725,000	163,375	23,559,000	141,568	21,447,000
Memphis .....	5*	66,169	17,736,000	67,722	18,131,000	57,930	14,503,000
Little Rock.....	5	27,819	7,102,000	27,370	7,125,000	25,014	6,332,000
Evansville .....	4	24,465	8,962,000	24,462	8,998,000	22,215	8,572,000
Total.....	33*	523,843	\$131,741,000	538,991	\$130,128,000	490,089	\$118,058,000

\*Decrease due to consolidation.

### DEBITS TO INDIVIDUAL ACCOUNTS

	For four weeks ending Nov. 14, 1923	For four weeks ending Oct. 17, 1923	Nov., 1923 comp. to Oct., 1923	For four weeks ending Nov. 15, 1922	Nov., 1923 comp. to Nov., 1922
E. St. Louis and Natl. Stock Yards, Ill.....	\$44,755,000	\$43,347,000	+ 3.2%	\$40,397,000	+10.8%
El Dorado, Ark.....	6,884,000	7,362,000	- 6.5	.....	.....
Evansville, Ind. ....	28,558,000	29,680,000	- 3.8	28,986,000	- 1.5
Fort Smith, Ark.....	14,489,000	13,699,000	+ 5.8	14,066,000	+ 3.0
Greenville, Miss. ....	3,915,000	3,420,000	+14.5	4,130,000	- 5.2
Helena, Ark. ....	6,363,000	4,999,000	+27.3	8,318,000	-23.5
Little Rock, Ark.....	65,567,000	63,321,000	+ 3.5	61,703,000	+ 6.3
Louisville, Ky. ....	140,914,000	143,334,000	- 1.7	130,022,000	+ 8.4
Memphis, Tenn. ....	154,880,000	135,925,000	+13.9	161,199,000	- 3.9
Owensboro, Ky. ....	5,022,000	5,597,000	-10.3	4,646,000	+ 8.1
Quincy, Ill. ....	9,734,000	10,029,000	- 2.9	9,358,000	+ 4.0
St. Louis, Mo.....	642,794,000	636,143,000	+ 1.0	572,923,000	+12.2
Springfield, Mo.....	14,203,000	14,232,000	- 0.2	12,324,000	+15.2
Totals.....	\$1,138,622,000	\$1,111,088,000	+ 2.4	.....	+ 7.9

**Condition of Banks**—The condition of banks in this district and changes since a month ago and last year, are reflected in the following comparative statement showing the principal sources and liabilities of reporting member banks in Evansville, Little Rock, Louisville, Memphis and St. Louis.

	Nov. 7, 1923	Oct. 10, 1923	Nov. 8, 1922
Number of banks reporting.....	*35	*36	37
Loans and discounts (including rediscounts).....			
Secured by U. S. Government obligations.....	\$ 12,756,000	\$ 12,679,000	\$ 15,957,000
Secured by stocks and bonds other than U. S. Bonds....	142,925,000	141,626,000	132,666,000
All other loans and discounts.....	316,367,000	315,253,000	294,269,000
Total loans and discounts.....	\$472,048,000	\$469,558,000	\$442,892,000
Investments			
U. S. pre-war bonds.....	15,192,000	15,204,000	
U. S. Liberty bonds.....	23,433,000	22,487,000	52,557,000
U. S. Treasury bonds.....	6,808,000	8,726,000	
U. S. Victory notes and Treasury notes.....	17,862,000	18,594,000	14,864,000
U. S. Certificates of Indebtedness.....	5,325,000	5,790,000	3,561,000
Other bonds, stocks and securities.....	85,212,000	83,061,000	86,874,000
Total investments.....	\$153,832,000	\$153,862,000	\$157,856,000
Reserve Balance with Federal Reserve Bank.....	37,054,000	38,706,000	41,510,000
Cash in vault.....	8,304,000	8,220,000	10,384,000
Net demand deposits on which reserve is computed.....	330,855,000	333,924,000	341,210,000
Time deposits.....	192,297,000	189,230,000	176,443,000
Government deposits.....	4,220,000	7,888,000	4,992,000
Bills payable and rediscounts with Federal Reserve Bank			
Secured by U. S. Government obligations.....	14,134,000	13,552,000	6,593,000
All other.....	35,648,000	34,068,000	9,605,000

\*Decrease due to consolidation.

### FEDERAL RESERVE OPERATIONS

During October the Federal Reserve Bank of St. Louis discounted for 287 of its 626 member banks, which compares with 271 of its 626 member banks accommodated in September. The discount rate of this bank remains unchanged at 4½ per cent on all classes and maturities of paper.

Changes in the assets and liabilities of the Federal Reserve Bank of St. Louis since a month ago and last year are shown in the following comparative statement (in thousands of dollars):

RESOURCES				LIABILITIES			
	Nov. 14 1923	Oct. 17 1923	Nov. 15 1922		Nov. 14 1923	Oct. 17 1923	Nov. 15 1922
Gold Reserves.....	\$ 74,995	\$ 70,657	\$104,212	Capital paid in.....	\$ 5,003	\$ 5,016	\$ 4,801
Legal Tender Notes—				Surplus .....	9,665	9,665	9,388
Silver, etc.....	9,775	10,067	8,887	Deposits .....	70,655	70,336	67,701
Total Cash Reserves.....	\$ 84,770	\$ 80,724	\$113,099	F. R. Notes in circulation..	76,843	76,004	95,792
Discounts secured by Govt. obligations.....	20,934	22,684	13,721	F. R. Bank Notes in circulation .....			2,456
Discounts otherwise se- cured and unsecured....	52,810	49,260	18,281	Deferred availability items.	47,992	45,816	53,234
Bills bought in open market.....	29	7	9,730	Other Liabilities.....	1,484	1,311	1,051
U. S. Govt. securities.....			22,215	Total Liabilities.....	\$211,642	\$208,148	\$234,423
Total Earning Assets...\$	73,773	\$ 71,951	\$ 63,947	Combined Res. Ratio.....	57.5%	55.2%	69.2%
Uncollected items.....	44,358	47,450	51,611				
Other Resources.....	8,741	8,023	5,766				
Total Resources.....	\$211,642	\$208,148	\$234,423				

### CHANGES IN COST OF LIVING

Cost of living in the United States on October 15 was 64.1 per cent more than for the pre-war month of July, 1914, according to the National Industrial Conference Board. This was, however, 19.8 per cent less than for the peak month of July, 1920. Changes between Sept. 15, and Oct. 15, 1923 resulted in an increase of .4 per cent during that period. There were increases of .7 per cent in the cost of food, .6 per cent for clothing and 1 per cent for fuel. Wages changes during the month ending November 14 reveal a greater number of increases granted than any month since June. Detailed changes are shown in the table following:

ITEM	Relative Importance in Family Budget	PERCENTAGE OF INCREASE IN THE COST OF LIVING ABOVE AVERAGE PRICES IN JULY, 1914, TO—			PERCENTAGE OF DECREASE IN THE COST OF LIVING ON OCTOBER 15, 1923, FROM AVERAGE PRICES IN—	
		July, 1920	September 1923	October, 1923	July, 1920	September, 1923
Food.....	43.1	119	49	50	31.5	0.7*
Shelter.....	17.7	58	75	75	10.8*	No Change
Clothing.....	13.2	166	75	76	33.8	0.6*
Fuel and Light.....	5.6 <sup>1</sup>	66	76	78	7.2*	1.1*
(Fuel).....	(3.7)	(92)	(92)	(94)	(1.0)*	(1.0)*
(Light).....	(1.9)	(15)	(46)	(46)	(27.0)*	(No Change)
Sundries.....	20.4	85	73	73	6.4	No Change <sup>2</sup>
Weighted average of all items.....	100.0	104.5	63.4 <sup>1</sup>	64.1	19.8	0.4*

\*Increase.

(Compiled Nov. 21, 1923.)

# FEDERAL RESERVE BANK OF ST. LOUIS



## MONTHLY REVIEW OF BUSINESS CONDITIONS IN FEDERAL RESERVE DISTRICT No. 8

Released for Publication On and After the Morning of December 31, 1923

WILLIAM McC. MARTIN

CHAIRMAN OF THE BOARD AND FEDERAL RESERVE AGENT

**I**RRREGULARITIES which featured business during the preceding three months continued in evidence during the period under review. In some lines results were satisfactory, while in others a decided slowing down was indicated in reports of leading interests. Unevenness extended as well to localities, there being sections in which trade was all that could be desired, while elsewhere local influences made for a curtailment of activity. Poor crops in some areas have resulted in reduced purchasing power of agriculturists, and the persistent dullness in fuel situation is reflected in a contraction of business in the coal fields. Depression in the petroleum industry is another factor adversely affecting trade in specific areas, and unseasonably warm weather, excessive rains and heavy roads have interfered with routine distribution of merchandise to ultimate consumers, particularly in the country.

On the other hand in the larger centers of population and in sections where crops were ample or prices for farm products high enough to offset reduced yields, business has been satisfactory. Sales of department stores, which for November were 2.6 per cent in excess of the same month a year ago, are lagging somewhat behind the cumulative figure of 8.0 per cent for the period July 1 to date. Reports from retailers in rural communities and small towns indicate that the holiday shopping in the country is relatively less active than in the cities, which fact is ascribed in part to absence of the stimulus of seasonable weather and the poor condition of roads.

As contrasted with the preceding thirty days, changes in wholesale and jobbing were largely seasonal in character, but in some lines the tendency is to slow down, especially on future business. Keen competition is reported, and the policy of retail merchants to purchase only for well defined needs remains unchanged. The number of small orders is exceptionally heavy and stocks and assortments on retail shelves are being well kept up. In a number of important manufacturing lines further curtailment of output was reported, which was reflected in a retarded movement of raw materials, especially notable in textiles, chemicals, hides and some of the metals. Building activities are well sustained throughout the district, November permits issued in the five largest cities showing good gains both over the preceding month and the corresponding period a year ago. The demand for building materials was active, with further progress in price stabilization reported.

Employment conditions underwent but little change during the period under review, and are in the main satisfactory. Some reduction of forces in industrial plants was reported, notably in iron and steel works and shoe factories, and the arrival of winter weather has curtailed operations on road and river work. Mechanics in the building trades are well employed, especially in St. Louis, where there are no indications of slackening. Common labor is plentiful, with a small surplus in some localities. Seasonal factors are partly responsible for increased unemployment in automobile and related industries, while taking of inventories has resulted in lessened activities in shoe manufacturing plants. Employment in the candy and confectionery industry and in retail establishments showed gains. The demand for domestics continues in excess of the supply, but there is a surplus of clerical workers in certain centers.

Some slowing down in the marketing of farm products, as compared with the preceding thirty days, was noted during the period under review. This was partly attributable to seasonal considerations, but low prices and unsatisfactory marketing conditions are causing farmers to hold stocks to some extent. The movement of wheat and oats to market during November was in considerably smaller volume than a year ago, but corn showed a slight gain.

Price fluctuations of leading agricultural products of the district were rather broad. Wheat, which declined during mid-November, reacted upward later in the period, the options closing  $1\frac{1}{2}c$  to  $2c$  higher on December 15 than on November 15, and cash wheat from  $1\frac{1}{2}c$  to  $3c$  higher. Between November 15 and December 15 middling cotton at St. Louis ranged from  $34c$  to  $36\frac{3}{4}c$  per pound, the latter price which was attained on November 30, being a new high on the crop. Live stock prices declined, hogs in the St. Louis market selling at the lowest level since March 1912. Opening of the tobacco markets developed considerable diversity of results, but with initial price averages indicating slight declines as compared with last year.

While railroads operating in this district continued to exceed all previous records in the matter of seasonal freight loadings, the trend for the country as a whole during recent weeks has been in the direction of a decline in traffic movement. For the week ending December 1, according to the American Railway Association, loading of revenue freight by roads in the United States totaled 835,296 cars, a decrease of 154,291 cars un-

der the preceding week and a loss of 5,116 cars as compared with the corresponding period in 1922. This was the first time since early in the year that a decrease under the corresponding week in 1922 was recorded. The downward trend in freight movement is due in large part to seasonal factors, but the fact that such a large volume of freight was forwarded early in the year is given as the principal reason for the recession at this time. The St. Louis Terminal Railway Association, which includes in its membership 26 roads operating through this gateway, interchanged 207,973 loads in November, against 226,242 loads in October, 220,169 loads in September and 205,056 loads in November, 1922. During the first nine days of December 58,585 loads were interchanged, against 66,020 loads during the first nine days of October and 59,336 loads during the corresponding period of November, 1922. Passenger traffic of roads reporting to this bank increased 4.5 per cent during November over the same month last year.

Extremely dull conditions, accompanied by lower prices, continue to feature the fuel situation in this district. Domestic demand is unusually backward for this time of year, and yards are well stocked. Additional mines have been closed in all coal fields, and operations have been further curtailed at active pits. Despite this reduced pace of production, considerable difficulty is experienced in disposing of outputs. Uncertainty relative to prices is causing steam users to postpone contracting for 1924 requirements, and liberal accumulations at mines and on tracks have banished all apprehension on the part of consumers relative to ability to secure coal when they need it. There has been some contracting on the part of users of metallurgical coke in the immediate past, but the volume of such orders is under normal for this season. By-product coke manufacturers report apathy in the demand from householders, and surplus stocks on their yards are augmenting in size. Production of bituminous coal for the country as a whole for the first 289 working days of this year, or to December 8, was 516,660,000 net tons, against 376,932,000 for the corresponding period in 1922, 393,165,000 in 1921 and 551,039,000 net tons in 1918.

Taken as a whole, collections through the district are barely normal for this period of the year. Some slowing down in efficiency as contrasted with the two months immediately preceding was reported, and in certain sections results are considerably more satisfactory than elsewhere. Current bills of wholesalers in the large cities are being paid fairly promptly, though several lines report that their settlements in November were not as large as for the same month in 1922. In the tobacco districts, where marketing of the crop is in progress, merchants report satisfactory payments, and the same is true in the areas where rice is the principal crop. Considerable diversity is noted in reports of retailers, with those in the cities making a relatively better showing than in the rural communities. Answers to 354 questionnaires addressed to representative interests in va-

rious lines throughout the district show the following results:

	Excellent	Good	Fair	Poor
Nov. 1923.....	0.9%	34.9%	55.7%	8.5%
Oct. 1923.....	0.9	35.3	57.1	6.7
Nov. 1922.....	6.4	50.0	40.6	3.0

Commercial failures in Eighth Federal Reserve District during November, according to Dun's, numbered 109, involving liabilities of \$2,233,369, against 84 defaults with liabilities of \$1,308,833 in October, and 120 failures for \$2,060,085 in November, 1922.

Per capita circulation of the United States on December 1 was \$44.01, which compares with \$43.27 on November 1, and \$41.80 on December 1, 1922.

## MANUFACTURING AND WHOLESALE

### Automobiles

For the country as a whole, production of automobiles and trucks during November showed a decrease as contrasted with October, but compared with November, 1922, a gain of 32.1 per cent was recorded. The output of passenger cars by companies reporting direct or through the National Automobile Chamber of Commerce during November was 284,758 against 334,244 in October. Production of trucks in November totaled 27,374 against 29,638 in October. Sales of passenger cars have been stimulated to some extent by the holiday season, and the movement of accessories is reflecting an intensive selling campaign. According to reports of 230 dealers scattered through the district, November sales were approximately 12 per cent larger than for the same month in 1922. The used car situation is reported in better condition than for more than eight months, the number in dealers' hands having decreased materially during November and December. No change for the better has taken place in the tire industry. Buying by jobbers is on a hand to mouth basis, and the movement to ultimate consumers is slow. Uncertainty relative to prices is holding down contracting for 1924 needs to a minimum.

### Boots and Shoes

Sales of the 11 reporting interests during November were 3.4 per cent under those of the same month in 1922, and 21.3 per cent below the October total this year. Since December 1 there has been considerable improvement in orders for spring wear, several of the larger interests reporting sales in excess of the corresponding period last year. The comment is made that the keenest sort of competition exists, and retailers are purchasing with more than ordinary caution. Prices for finished goods underwent no change, but further weakness developed in raw materials. Factory operation decreased slightly during the period under review, being at from 80 to 90 per cent of capacity. A number of factories will be closed from one to two weeks during inventory time.

### Clothing

With retail movement of winter apparel retarded by mild weather, fill-in business during December has been negligible and disappointing.

There has been only fair demand for overcoats, and heavy woolen goods have moved slowly. As retailers are occupied with holiday trade, jobbers are not doing much spot business, except on goods for January sales. Advance orders for spring are about 10 per cent below those of a year ago. November sales of 11 representative interests were 0.3 per cent under those of the same month a year ago and 37.9 per cent under the October, 1923, total, the latter partially seasonal. November sales of reporting hatters were 4.1 per cent under those of a year ago, with open weather bringing only light demand for velours and other winter styles. Orders booked for spring continue well in excess of those of a year ago.

#### Drugs and Chemicals

Reports from leading interests in this classification indicate extremely spotted conditions. Some concerns report good gains, while others show rather sharp declines as compared with a year ago. The heaviest losses reported are in sales of heavy chemicals to manufacturers, but in the aggregate these losses are offset partially by gains in sales of seasonal drugs and holiday sundries. During the period under review the trend was toward more stable prices on numerous important items. Actual price changes were on a smaller scale, but advances continue to outnumber declines, particularly on crude drugs, spot supplies of which are light. Sales of the 11 reporting interests in November were 2.1 per cent in excess of the same month in 1922, and 6.3 per cent under the preceding month this year.

#### Dry Goods

Further upward revisions throughout the list of cotton goods during November brought the average of that line about one cent per yard higher and caused some curtailment of buying, both by wholesalers and retail trade. In spite of this advance, cotton goods manufacturers are in many instances selling below replacement cost. Orders for holiday lines have been numerous and often, but decidedly small, and buying of mid-winter goods has been retarded by unusually mild weather. Women's ready-to-wear has been taken in fair volume, but silks are quiet with prices lower. Overproduction continues in hosiery and there is keen competition among manufacturers for business in this line. November sales of 11 representative interests were 11.1 per cent under those of the same month a year ago and 13.6 per cent under the October, 1923, total. Orders for future delivery on books of reporting firms are barely two-thirds of the volume of future commitments placed at this time last year. The decrease is attributed largely to unsettled conditions in cotton goods lines.

#### Electrical Supplies

Continued activity in new construction and a brisk demand for holiday goods, particularly radio apparatus, were the principal factors causing an increase of 8.5 per cent in November sales of the 12 reporting interests over those of the corresponding month in 1922, and a gain of 1.0 per cent over the preceding month this year. The movement of lighting fixtures, shades and general household appliances is reported excellent. Some recession in the demand for pole and line hardware is noted, but

sales of automobile equipment are holding up well. The high cost of cotton yarns has advanced the price of nonmetallic flexible conduit and all insulated wires and cables.

#### Fire-Clay Products

Although some seasonal slowing down has been experienced during the past thirty days, business continues on a healthy basis, with small orders predominating. Nine-inch straights have moved in good volume, and record cement production has been reflected in a brisk demand for kiln liners. Adverse conditions in the oil industry have resulted in smaller tonnages being taken there. Stocks among consumers are universally low. November sales of 5 representative interests were 6.7 per cent in excess of the same month a year ago, but 19.2 per cent under the October, 1923 total. Many orders for first quarter requirements were placed during December, sales for the first three weeks of the month running ahead of the November rate. Inquiries continue numerous.

#### Flour

Production of the 11 leading mills of the district during November was 404,824 barrels, which compares with 446,009 barrels in October, 411,018 barrels in September, and 385,578 barrels in November, 1922. Quietness featured business throughout the period under review, especially in the case of new orders, which were confined largely to regular customers of the mills. Buying in the South was relatively better than in other sections, with the call chiefly for soft flours. Some current business was done with the West Indies in clears and straights, but bids from Europe were scarce and for the most part too low to result in business. Mill operation was at from 60 to 85 per cent of capacity.

#### Furniture

Anticipation of lower prices on the part of dealers is making for a hesitating market in this classification. Another retarding factor is the desire of retailers and jobbers to bring stocks to as low a point as possible against taking of inventory. Manufacturers declare that concessions under present price levels are improbable in view of raw materials and labor costs. Glass, hardware and paints and varnishes are firm, while advances have taken place in some grades of lumber. The general feeling is optimistic for trade during next year, and extensive preparations are being made by manufacturers for the January market. Sales of the 24 reporting interests during November were 18.2 per cent under those of the corresponding period last year, and 16.0 per cent under the October, 1923, total.

#### Groceries

Comments of reporting firms continue to exhibit considerable irregularity. In sections where the cotton crop has been particularly short, in the coal mining regions and in sections where tobacco is being held there is adverse comment, while in most of the larger centers buying is holding up well. Sugar stocks in jobbers' hands are low, despite shading of price. Good coffees continue firm. Canned goods are in normal demand. Retailers' total stocks are normal or below. November sales

of 20 representative interests were 3.4 per cent in excess of the same month a year ago, but 7.0 per cent under the October, 1923, total, the latter partially seasonal. Candy manufacturers report a good demand, sales of holiday goods being 9.6 per cent in excess of last year. Interest centers largely in medium priced varieties. With Christmas trade disposed of, manufacturers' and jobbers' stocks had, by late December, dwindled to a very low point. Retail candy stocks are only normal.

#### Hardware

November sales of the 12 reporting interests were 9.5 per cent larger than for the same month in 1922, but showed a seasonal decrease of 3.8 per cent under October this year. Uncertainty relative to future prices is having a tendency to hold down commitments to well defined requirements. The movement of goods during early December was in satisfactory volume, with indications pointing to heavier total sales than a year ago. The demand for building hardware continues active, and winter goods are being well taken.

#### Iron and Steel Products

Activities at leading mills, foundries and machine shops receded slightly during the period under review. Placing of orders by consumers is under some restraint due to uncertainty relative to prices and a general disposition to hold down stocks to as low a point as possible against taking of inventory. Additional open hearth furnaces have been extinguished, and several of the larger companies are planning to close down their works temporarily for repairs and inventory. In finished and semi-finished materials only minor price changes were recorded, but users of steel have been requesting concessions, which on some classes of products have been granted. While new business has been slow in arriving, old bookings are enabling mills and foundries to run at from 65 to 80 per cent of capacity, and some specialty manufacturers, notably castings for railroad cars and heating apparatus, are working on full schedule. The heavy buying movement of pig iron, which continued through November, has been succeeded by a period of quietness, but the advance in prices incident to the heavy purchasing has held firm. No. 2 Southern iron, 1.75 to 2.25 per cent silicon, is quoted at \$21, furnace, while Northern iron of the same grade is held at \$23. A sharp upturn in scrap iron and steel prices has taken place, advances of from \$1 to \$3 being noted on virtually all items in quoted lists. Buying by the railroads continues in good volume, and the automotive industry is accounting for large tonnages. Structural steel fabricators report steady demand, with the number of specifications for smaller jobs being more numerous than usual at this season. Warehouse interests report quietness in the demand for their goods, and stocks larger than in a number of months. Plants specializing in gray castings report no change in the status of their business as compared with the preceding thirty days. November sales of stove manufacturers, 7 interests reporting, were 10.8 per cent under the same month in 1922, and 26.0 per cent under the preceding month this year; wire products manufacturers, 5 reporting, showed a decrease of 10.2 per cent under

November, 1922, and a loss of 16.0 per cent as compared with October this year; railway supplies, 5 reporting, gained 10.3 per cent over November, 1922, but decreased 37.7 per cent under October this year; farm implement makers, 6 reporting, decreased 8.0 per cent under November, 1922, and 4.2 per cent under October this year; manufacturers of boilers, stacks, elevators and other miscellaneous products, 8 interests reporting, gained 19.3 per cent over November, 1922, but decreased 1.8 per cent under October this year.

#### Lumber

An early recession in the fall buying movement of soft woods has been followed by an unusually early opening of winter buying of this description of lumber. Consequent on sustained large retail distribution and improved prospects for building and railroad consumption next year, stock inquiries from line yards and other sources began to appear in volume at the outset of December. Carload buying started to increase at the same time, notwithstanding the nearness of the holidays. The mills are now asking varying advances, ranging from \$1 per thousand feet up for Southern pine and Western fir yard stock, with special reference to lower grades. Shed stock has been only sentimentally affected, no actual advances having been established, though the feeling is firm. The hardwood situation continues hopeful, though the holiday season and heavy production through the fall weigh upon the demand. Sap gum has somewhat receded in price. Red cypress has been selling fairly well to the yard trade, but the yellow variety is quiet and much depressed in all thicknesses in the shop grade. Receipts of lumber in St. Louis for the first eleven months of 1923 were 218,463 cars, an increase of 57,807 cars over the corresponding period in 1922.

#### Industrial Power Consumption

While November brought some decline, partly seasonal, in the consumption of electricity for industrial purposes, it is significant that not one of the reporting cities registers a decrease over the same month a year ago. Curtailment of refrigeration operations is largely responsible for the decreases shown, although the automotive industry and shoe manufacturers took smaller loads than during October, 1923. Detailed figures follow:

	No. of Custom- ers	Nov. 1923 *K. W. H.	Oct. 1923 *K. W. H.	Nov. 1923 comp. to Oct. 1923	Nov. 1922 *K. W. H.	Nov. 1923 comp. to Nov. 1922
Evansville.....	40	988	1,054	- 6.3%	909	+ 8.7%
Little Rock.....	11	778	853	- 8.8	726	+ 7.2
Louisville.....	67	3,936	4,283	- 8.1	3,665	+ 7.4
Memphis.....	31	1,477	1,146	+28.9	1,221	+21.0
St. Louis.....	70	15,000	15,348	- 2.3	12,280	+22.1
Totals.....	219	22,179	22,684	- 2.2	18,801	+18.0

\*In thousands (000 omitted)

The following figures, compiled by U. S. Department of the Interior, give kilowatt production for both lighting and industrial purposes for the entire country.

1923	By Water Power	By Fuels	Totals
August.....	1,570,160,000	3,099,870,000	4,670,030,000
September.....	1,464,462,000	3,073,339,000	4,537,801,000
October.....	1,491,344,000	3,479,719,000	*4,971,063,000

\*Largest on record.

**RETAIL.**

Although holiday shoppers have apparently been more numerous this year than ever before, the public is buying in moderation. Mild weather throughout December contributed toward a slacking of trade in staple goods. Demand for overcoats and gloves has been slow and sales of furs lagging, although a brisk demand is noticeable for women's short fur coats. Thirty-eight and one-tenth per cent of reporting retail stores show losses for November as compared with the same month a year ago against 4.5 per cent in October and 13.4 per cent in September. On the other hand, business of 5 and 10 cent stores and of chain grocery stores is surpassing all previous records. Last minute shopping has been in good volume and most reporting stores expect December sales to show small increases over those of a year ago. November reports of 21 department stores, shown in the table following, indicate some slackening in the demand noted in immediately preceding months. The fact that stocks on hand have increased 10.7 per cent while sales show only 2.6 per cent increase over the same period a year ago is taken to indicate a decline from expected levels of buying rather than speculation in merchandise. Detailed department store figures follow:

	Net Sales	Stocks on hand	Outstanding Orders
	Nov. 1923 comp. to Nov. 1922	End Nov. 1923, comp. to end Nov. 1922	End Nov. 1923, comp. to purchases for 1922
Evansville, Ind.....	+ 8.5%	+ 8.1%	1.8%
Little Rock, Ark....	+ 7.7	+23.6	2.7
Louisville, Ky.....	+12.2	- 1.6	3.6
Memphis, Tenn.....	- 3.6	+19.5	8.2
Quincy, Ill.....	- 1.0	+12.4	-
St. Louis, Mo.....	+ 0.7	+ 8.7	6.0
Springfield, Mo.....	- 3.5	+18.0	-
Eighth District.....	+ 2.6	+10.7	5.6

**AGRICULTURE**

The chief agricultural development during the period under review was the inauguration of sales of the 1923 tobacco crop. Virtually all the loose leaf markets in the burley, aircured, Green river, stemming and dark fired districts were opened, and initial receipts were heavy. Quality of the crop, as indicated by leaf so far delivered, is ordinary, of red to dingy color, and bearing considerable trace of houseburn. Prices for good to medium tobacco are not as high as in 1922, whereas the common grades selling under \$20 per 100 pounds are about as high as last year. Daily average prices in some markets are below a year ago, but the decline is due to poorer quality of offerings this season. In the stemming district several sales were made as high as \$43 per 100 pounds, with the average around \$15.50, as compared with \$17.50 a year ago. In certain portions of the dark tobacco district offerings consist of common, light-bodied, light-colored, lightly fired leaf, in doubtful condition. It is believed that with larger receipts and offerings quality generally will show improvement. However, there is doubtless a considerable quantity of common tobacco in the current crop. Cooperative marketing associations are conducting sales, and are making advances to their members.

Husking and housing of corn has made good progress, and some quickening in the movement to market is noted. Returns from a number of sections indicate that yields are below expecta-

tions. Excessive precipitation during the fall resulted in some moulding in the shock, and an unusually large amount of soft and chaffy corn, and grain of high moisture content is reported. In Illinois, Indiana and Missouri a large amount of corn is being cribbed for feeding on farms.

Weather and soil conditions have been generally auspicious for germination, and fall-planted crops are entering the cold weather in excellent condition. Winter wheat has a good stand and color and but few complaints of fall dryness or Hessian fly have been heard. Prospects are for a smaller acreage of winter wheat, due to the decision of farmers to plant less this year than last, and to unfavorable weather which prevented producers from getting in all the area intended.

Pastures are in better shape than usual at this time of year, due to abundant rains and relatively high temperatures. Aside from more than ordinary prevalence of hog cholera in scattered sections, the condition of all classes of live stock is reported good. Late farm work has made favorable progress generally, but fall plowing was seriously hampered in some areas by too much rain. The supply of farm labor continues adequate.

Rice in Arkansas is approximately 85 per cent threshed, with conditions extremely unfavorable for this operation during the period under review. Yields of late-maturing varieties were considerably lessened by frost in late October. Heavy deliveries of rough rice to mills have resulted in decline in prices, though the cleaned rice market continues strong under a broad and active demand.

**Commodity Prices**

Range of prices on typical products in the St. Louis market between November 15 and December 15, 1923, with closing quotations on the latter date, and on December 15, 1922:

	High	Low	Close Dec. 15,	Close Dec. 15, 1922
<b>Wheat</b>				
December.....per bu.	\$1.08 $\frac{1}{2}$	\$1.03 $\frac{1}{2}$	\$1.06	\$1.22
May....." "	1.13 $\frac{1}{2}$	1.08 $\frac{1}{2}$	1.10 $\frac{1}{2}$	1.21 $\frac{1}{2}$
July....." "	1.08	1.03 $\frac{1}{2}$	1.05 $\frac{1}{2}$	1.11 $\frac{1}{2}$
No. 2 red winter....." "	1.18	1.10	\$1.13 @ 1.14 $\frac{1}{2}$	1.40
No. 2 hard....." "	1.10	1.04	1.07	1.24
<b>Corn</b>				
December....." "	.76 $\frac{1}{2}$	.73 $\frac{1}{2}$	.73 $\frac{1}{2}$	.75
May....." "	.76 $\frac{1}{2}$	.73 $\frac{1}{2}$	.73 $\frac{1}{2}$	.73 $\frac{1}{2}$
July....." "	.77 $\frac{1}{2}$	.73	.74 $\frac{1}{2}$	.73 $\frac{1}{2}$
No. 2....." "	.91	.72	.74	.76
No. 2 white....." "	.88	.75	.76	.77
<b>Oats</b>				
December....." "	.44 $\frac{1}{2}$	.43	.43 $\frac{1}{2}$	.46 $\frac{1}{2}$
May....." "	.48 $\frac{1}{2}$	.46	.47	.48
No. 2 white....." "	.47 $\frac{1}{2}$	.44 $\frac{1}{2}$	.45	.47 $\frac{1}{2}$
<b>Flour</b>				
Soft patent....." bbl	6.25	5.25	5.25 @ 6.25	\$6.00 @ 7.00
Spring patent....." "	6.10	5.60	5.75 @ 6.00	6.75
Middling cotton....." lb.	.36 $\frac{1}{2}$	.34	.34 $\frac{1}{2}$	.25 $\frac{1}{2}$
Hogs on hoof....." cwt.	8.40	5.00	5.75 @ 8.40	7.10 @ 8.35

**Commodity Movement**

Receipts and shipments of important commodities at St. Louis during November, 1923, and 1922, and October, 1923, as reported by the Merchants' Exchange, were as follows:

	*Receipts		*Shipments			
	Nov. '23	Oct. '23	Nov. '22	Nov. '23	Oct. '23	Nov. '22
Beef, lbs.....	589	3,763	199	25,324	32,523	21,367
Corn, bu.....	2,134	1,998	2,189	842	1,110	1,520
Flour, bbls.....	476	524	393	558	630	638
Hides, lbs.....	8,221	9,967	6,250	10,304	12,167	9,129
Lard, lbs.....	6,795	7,291	4,674	11,564	9,735	8,805
Lead, pigs.....	155	119	265	215	176	192
Lumber, cars...	19	22	13	14	15	10
Oats, bu.....	2,646	3,580	2,988	1,908	2,746	2,408
Pork, lbs.....	22,907	25,692	17,779	31,342	35,140	28,207
Wheat, bu.....	2,259	3,141	4,278	1,819	2,455	3,675
Zinc, slabs.....	171	196	226	154	184	217

\* In thousands (000 omitted).

### Live Stock Movement

Receipts and shipments of live stock at St. Louis during November, 1923 and 1922, and October, 1923, as reported by the National Stock Yards, were as follows:

	*Receipts			*Shipments		
	Nov. 1923	Oct. 1923	Nov. 1922	Nov. 1923	Oct. 1923	Nov. 1922
Cattle and Calves	125	197	154	79	117	110
Hogs	451	480	362	281	315	234
Horses and Mules	8	13	13	11	12	12
Sheep	34	53	39	16	25	14

\*In thousands (000 omitted)

### BUILDING

In building permits issued in the five leading cities of the district during November, residential construction again predominated. In St. Louis, for example, \$2,938,600 of the total valuation—\$4,199,000—for permitted construction represented dwellings, bungalows, cottages and apartments. Weather has been generally favorable for outside work, and excellent progress was made on buildings in course of construction. A gain of 74.6 per cent was made in November permits over those of October and a gain of 29.5 per cent over November, 1922. A considerable part of the increase, however, is accounted for by the influx of applications to build occasioned by abrogation of the St. Louis zoning law. Building labor is reported generally adequate, the only shortage being in certain skilled crafts in St. Louis. Production of portland cement for the country as a whole during November decreased slightly, the total output being 12,603,000 barrels against 13,350,000 barrels in October, and 11,349,000 barrels during November, 1922.

Building figures for November follow:

	New Construction				Repairs, etc.			
	Permits		*Cost		Permits		*Cost	
	1923	1922	1923	1922	1923	1922	1923	1922
Evansville	106	56	\$197	\$108	74	45	\$29	\$15
Little Rock	74	89	196	255	85	145	27	90
Louisville.....	268	198	582	1,256	88	85	102	48
Memphis.....	295	288	1,791	1,159	40	56	17	31
St. Louis.....	849	635	4,199	2,602	547	451	372	249
Nov. totals	1,592	1,266	\$6,965	\$5,380	834	782	\$547	\$433
Oct. totals	1,906	1,513	3,988	5,893	1,133	979	601	461
Sept. totals	1,739	1,461	8,012	4,919	1,029	912	534	465

\*In thousands of dollars (000 omitted)

### Rents in St. Louis

Figures compiled by this bank indicate that rents in St. Louis, which have undergone an almost uninterrupted rise since 1914, are approaching stabilization and that this tendency is more pronounced in residential than in business property. Reports from local real estate and rental agencies, depicted in Fig. 1, indicate that a smaller percentage of those reporting show increases in residential rents during November, 1923, than for the same month a year ago. There were, however, during November, 1923, fewer decreases than for November, 1922, the predominate tendency in residential rents being toward a fixation of price at present levels. Rent movement in local business property continues slightly upward, and it is estimated that a shortage of 11 per cent of present floor space exists in business buildings. Just prior to November 20, when the Supreme Court of Missouri declared the St. Louis zoning ordinance invalid, real estate men had expressed the opinion that local apartment supply was adequate. Since then, however, applications for the erection of sev-

eral large apartment buildings in heretofore restricted districts have caused some revision of opinion and a belief that a slight shortage in that category still exists. Present estimates also indicate a shortage of 15 per cent of the present number of single family dwellings.

Fig. 2 give a comparison, for the entire United States, of the cost of all commodities with rents and factors contributing to the cost of rent.

Figure 1  
Movement of Residential Rents in St. Louis.

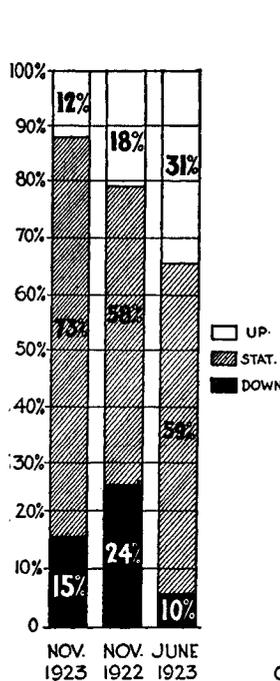
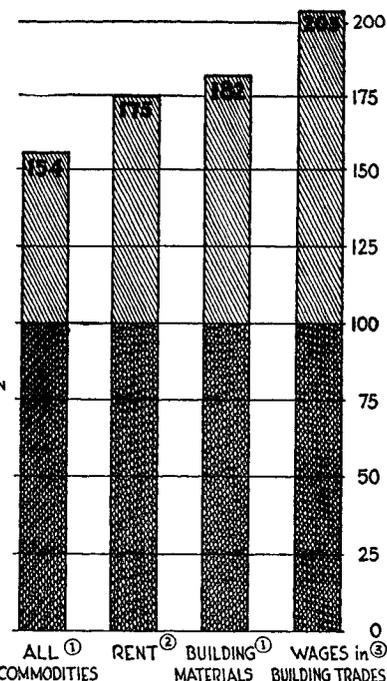


Figure 2  
Comparative Increase in Cost of All Commodities, Rents, Building Materials, and Wages in Building Trades.



- (1) From Bureau of Labor Statistics (1913-100)
- (2) From National Industrial Conference Board (1914-100)
- (3) From F. R. Bank of New York (1914-100)

### FINANCIAL

Aside from a slight quickening in the demand for credits, more pronounced during the second week of December, banking and financial conditions underwent no marked change during the period under review. Liquidation of bank loans has been on a large scale and quite general, though some backward spots are noted, chiefly in sections of the South where the cotton crop was a failure. Opening of the tobacco markets has resulted in the payment of some loans based on that commodity, and in the rice areas loans are being taken up. The increased movement of corn has augmented the demand for credits from that source, and in some sections borrowing for financing live stock, particularly cattle, is more active. The demand from wheat and milling interests, however, is quieter than thirty days ago. Banks, particularly in the large cities, report increased commitments by mercantile customers. Deposits are tending upward, the total on December 12 for reporting member banks of this institution being at the highest point since June 13 last. Loans of reporting member banks increased rather sharply, but their dis-

counts with the Federal reserve bank showed a heavy decline. Total stocks, bonds and other securities held by reporting member banks decreased to a new low for the year during the week ending November 21. A moderate upturn occurred between that date and December 19. Between November 15 and December 15 there was a decrease of \$17,573,-338 in the amount of paper discounted by this bank for its members and an increase of \$1,142,015 in Federal reserve notes in circulation, the latter change being due largely to the demand for currency for the holiday season.

**Commercial Paper**

With an active demand and fairly liberal supplies of commercial paper, business of reporting firms was active during the period under review. Some slowing down in purchasing developed about December 12, which was attributed to withdrawal of the large city banks from the market because of increasing demands from regular borrowing customers. Rates were a shade easier, ranging from 4¾ to 5¼ per cent. Sales to country banks in the South continue heavy, though the lower rate is serving to contract the movement through that outlet. Business of reporting firms during November was 27.5 per cent larger than for the same month in 1922, and 25.0 per cent under October this year, the latter change being seasonal.

**Debits to Individual Accounts**

	*For Four Weeks Ending			Dec. 1923 comp. to Dec. 1922	Dec. 1923 comp. to Nov. 1923
	Dec. 12, 1923	Nov. 14, 1923	Dec. 13, 1922		
E. St. Louis and Nat'l. Stock Yards, Ill.....	\$44,174	\$44,755	\$41,974	- 1.3%	+ 5.2%
El Dorado, Ark.....	6,229	6,884	.....	- 9.5	.....
Evansville, Ind.....	30,011	28,558	28,943	+ 5.1	+ 3.7
Fort Smith, Ark.....	14,527	14,489	12,846	+ 0.3	+13.1
Greenville, Miss.....	4,628	3,915	4,745	+18.2	- 2.5
Helena, Ark.....	8,272	6,363	6,197	+30.0	+33.5
Little Rock, Ark.....	73,659	65,567	58,552	+12.3	+25.8
Louisville, Ky.....	142,719	140,914	135,886	+ 1.3	+ 5.0
Memphis, Tenn.....	180,408	154,880	162,919	+16.5	+10.7
Owensboro, Ky.....	5,809	5,022	6,275	+15.7	- 8.0
Quincy, Ill.....	9,725	9,734	10,009	- 0.1	- 2.8
St. Louis Mo.....	621,824	642,794	549,165	- 3.3	+13.2
Sedalia, Mo.....	3,837	.....	.....	.....	.....
Springfield, Mo.....	13,560	14,203	13,187	- 4.5	+ 2.8
<b>Totals.....</b>	<b>\$1,155,545</b>	<b>\$1,138,078</b>	<b>\$1,030,698</b>	<b>+ 1.5</b>	<b>+11.5</b>

\*In thousands (000 omitted)  
†Not including Sedalia

**Condition of Banks**

Changes in the condition of banks in this district are reflected in the following statement showing the principal resources and liabilities of reporting member banks in Evansville, Little Rock, Louisville, Memphis and St. Louis (in thousands of dollars):

	Dec. 12, 1923	Nov. 7, 1923	Dec. 13, 1922
Number of banks reporting.....	*35	*35	37
Loans and discounts (incl. rediscounts).....			
Secured by U. S. obligations.....	\$11,853	\$12,756	\$18,760
Secured by other stocks and bonds.....	146,338	142,925	138,931
All other loans and discounts.....	312,138	316,367	295,848
<b>Total loans and discounts.....</b>	<b>\$470,329</b>	<b>\$472,048</b>	<b>\$453,539</b>
Investments.....			
U. S. pre-war bonds.....	15,193	15,192	.....
Liberty bonds.....	21,861	23,433	52,937
Treasury bonds.....	6,956	6,808	.....
Victory and Treasury notes.....	17,103	17,862	15,431
Certificates of Indebtedness.....	5,591	5,325	3,635
Other securities.....	86,000	85,212	87,922
<b>Total investments.....</b>	<b>\$152,704</b>	<b>\$153,832</b>	<b>\$159,925</b>
Reserve balance with F. R. bank.....	41,377	37,054	42,267
Cash in vault.....	8,980	8,304	9,008
Net demand deposits.....	350,185	330,855	356,617
Time deposits.....	189,760	192,297	176,419
Government deposits.....	1,444	4,220	11,541
Bills payable and rediscounts with Federal reserve bank.....			
Secured by U. S. obligations.....	7,536	14,134	7,618
All other.....	28,295	35,648	8,940

\*Decrease due to consolidation

**Savings Deposits**

	No. of Banks	Dec. 5, 1923		Nov. 7, 1923		Dec. 6, 1922	
		No. of Accts.	*Amount Deposits	No. of Accts.	*Amount Deposits	No. of Accts.	*Amount Deposits
Evansville	4	24,371	\$ 8,974	24,465	\$ 8,962	22,340	\$ 8,590
Little Rock	5	27,940	7,146	27,810	7,102	26,093	6,528
Louisville	7	†136,830	†24,434	148,573	24,725	141,871	21,496
Memphis	5	66,916	17,882	66,169	17,736	53,539	15,314
St. Louis	12	237,073	73,426	256,817	73,216	244,042	68,661
<b>Totals</b>	<b>33</b>	<b>513,130</b>	<b>\$131,862</b>	<b>523,343</b>	<b>\$131,741</b>	<b>492,885</b>	<b>\$120,589</b>

\*In thousands of dollars (000 omitted)  
†16,000 Xmas Savings Accounts matured Dec. 1, 1923.

**Federal Reserve Operations**

During November the Federal Reserve Bank of St. Louis discounted for 284 of its 627 member banks, which compares with 287 member banks accommodated in October. The discount rate of this bank remains unchanged at 4½ per cent.

Changes in the assets and liabilities of the Federal Reserve Bank of St. Louis since a month ago and last year are shown in the following comparative statement (in thousands of dollars):

	Dec. 12, 1923	Nov. 14, 1923	Dec. 13, 1922
<b>RESOURCES</b>			
Gold reserves.....	\$ 93,649	\$ 74,995	\$104,893
Legal tender notes, silver, etc.....	8,357	9,775	11,048
<b>Total cash reserves.....</b>	<b>\$102,006</b>	<b>\$ 84,770</b>	<b>\$115,941</b>
Discounts secured by Gov't. obligations.....	16,928	20,934	13,451
Discounts otherwise se- cured and unsecured.....	37,676	52,810	14,258
Bills bought in open market.....	72	29	12,660
U. S. Gov't. securities.....	.....	.....	21,116
<b>Total earning assets.....</b>	<b>\$ 54,676</b>	<b>\$ 73,773</b>	<b>\$ 61,485</b>
Uncollected items.....	38,370	44,358	39,447
Other resources.....	9,405	8,741	6,094
<b>Total resources.....</b>	<b>\$204,457</b>	<b>\$211,642</b>	<b>\$222,967</b>

	Dec. 12, 1923	Nov. 14, 1923	Dec. 13, 1922
<b>LIABILITIES</b>			
Capital paid in.....	\$ 5,012	\$ 5,003	\$ 4,813
Surplus.....	9,665	9,665	9,388
Deposits.....	72,981	70,655	70,725
F.R. notes in circulation....	77,676	76,843	94,501
F.R. bank notes in circulation.....	.....	.....	1,457
Deferred availability items	37,632	47,992	40,922
Other liabilities.....	1,491	1,484	1,161
<b>Total liabilities.....</b>	<b>\$204,457</b>	<b>\$211,642</b>	<b>\$222,967</b>
Combined reserve ratio	67.7%	57.5%	70.2%

**ANNOUNCEMENT**

The Federal Reserve Bank of St. Louis has just issued a booklet entitled "Advantages of Membership in the Federal Reserve System."

The booklet explains in a concise and comprehensive way the purposes of the Federal Reserve Act, as well as the privileges and advantages that banks enjoy as members of the System. It also gives the requirements of membership.

Copies of the booklet may be obtained on request.

# FEDERAL RESERVE BANK OF ST. LOUIS



## MONTHLY REVIEW OF BUSINESS CONDITIONS IN FEDERAL RESERVE DISTRICT No. 8

Released for Publication On and After the Afternoon of January 30, 1924

WILLIAM McC. MARTIN

CHAIRMAN OF THE BOARD AND FEDERAL RESERVE AGENT

**T**HE principal change in the aspect of general business in this district during the past thirty days, as reflected by current reports to this bank, is a greater degree of optimism on the part of business men regarding prospects for the next few months. While there has been no big increase in activities and conservatism is still the rule in purchasing commodities, the chief factors which influence commerce and industry are in the main favorable to a continuance of the conditions which obtained during the closing months of 1923 and gradual betterment as the present year progresses. Manufacturing and wholesale have recovered at a normal rate from the holiday let-down and in some lines, notably iron and steel, there has been slight improvement. The financial and banking situation at the opening of the year displays great strength, employment in both the large cities and smaller communities is at high levels, agriculturists are getting more satisfactory returns on their products, and the purchasing power of the public, as indicated by savings accounts, wage scales and current bank debits, is in a healthy position.

Reports relative to the holiday trade were somewhat uneven, results in certain sections being disappointing. On the whole, however, things were fully up to expectations and large quantities of goods were moved into consumptive channels. Selections of Christmas shoppers covered a broad variety of merchandise, with luxuries and the more expensive articles making up a relatively large part of the total. Stocks carried over were relatively small, except in the case of clothing, and special sales held during January have assisted materially in reducing accumulations in this category. The recent drop in temperature, which furnished the first really cold weather of the winter, served to stimulate the movement of seasonal goods, particularly heavy apparel, foot coverings, and fuel. Trade in winter wear in the South has been more active than at any time this season, and wholesalers and manufacturers are receiving numerous small fill-in orders, nearly all of which are accompanied by requests for immediate shipment.

The end of the inventory period discloses generally moderate stocks of both raw materials and finished goods. Manufacturers are purchasing supplies for the first half of the year with extreme caution and conservatism, and the same attitude is general among wholesalers and jobbers. Future orders on the books of reporting wholesale establishments in almost all lines are considerably smaller than at the corresponding period a year ago. This is true particularly of dry goods interests, whose customers are postponing forward commitments because of uncertainty relative to raw cotton. Retailers are purchasing heavily, but their orders are frequent and small in size, and there has been no change from the recent

policy of taking only such goods as can be currently disposed of or sold a month or six weeks ahead. Competition in all lines continues keen, and during the past several weeks there has been apparent a resistance on the part of ultimate consumers to the upward price trend in certain textiles.

With the exception of cotton goods, however, the period under review was marked by an absence of wide price fluctuations in manufactured products. There were the usual seasonal changes in certain food products, and advances were scored in some grades of lumber, lead and zinc, gasoline and several items in the drug and chemical list. The trend of cereal values was upward, with corn recording a sharp advance in the St. Louis market. Between December 15 and January 15, May corn advanced  $6\frac{3}{8}$ c per bushel and cash corn 4c. The wheat options were unchanged to 1c higher, but cash wheat was 4c to  $4\frac{1}{2}$ c higher. July oats were  $2\frac{3}{4}$ c higher and No. 2 white oats in the cash market 4c higher. Middling cotton in the St. Louis market fluctuated between 34c and  $35\frac{1}{2}$ c, the high point being reached toward the close of December. A decline took place during the second week in January, and the close on January 15 was 34c, which was  $\frac{1}{2}$ c under the final quotation on December 15.

Only minor changes occurred in the employment situation during the past thirty days. According to the Employment Service of the Department of Labor, unemployment was no greater than normal for this season. Temporary idleness resulted from the closing down of industrial plants for inventory and repairs. The outstanding feature was a rather sharp curtailment in forces employed at railroad shops, but it should be remembered that capacity forces were employed in the shops until a short time ago. Cold weather caused some slackening in building activities, especially outside of St. Louis, and road construction is off to some extent, but still absorbs much common labor. Meat packing establishments, flour mills and other manufacturing plants are running at normal, and the holiday trade furnished employment for many persons. Domestic help is scarce. Some reduction was reported in the number of men employed in the operating departments of railroads.

The drop to zero temperatures had a decidedly stimulating effect on the fuel situation, which for the first time in a number of months has been brought to a status approximating normal for the season. Dealers have been able to empty their yards, and have placed fair orders with mine operators. Operations in both the Illinois and Kentucky fields have been increased, and activities have been resumed at some pits which had been closed. Many industrial consumers of coal who had postponed purchasing on account of the inventory period have been forced into the

market, and a scarcity of screenings has developed in some quarters. Prices generally have not been materially affected, though the market displays a stronger tendency than heretofore, and certain Illinois coals have advanced slightly in the immediate past. The movement of domestic coke has been more active than at any time this winter, with by-product manufacturers drawing upon their stock piles. Metallurgical coke continues quiet, with contracting for first half requirements somewhat smaller than ordinary at this season.

Railroads operating in the district report a seasonal recession in the volume of freight handled, but as contrasted with former years, the movement continues on a large scale. According to the American Railway Association, loading of revenue freight for the week ended December 29 was 615,431 cars, a decrease of 261,826 cars under the preceding week and 88,793 cars under the same week in 1922, but a gain of 86,875 cars over the corresponding week in 1921. The sharp decrease as compared with the week of December 22 was due to the Christmas holidays. On December 31 the railroads of the country had 312,338 surplus freight cars, an increase of 74,995 over the week before. The St. Louis Terminal Railway Association, which includes in its membership 26 roads operating through this gateway, interchanged 189,644 loads in December, the smallest number since last June, and comparing with 207,973 loads in November, 226,242 loads in October, and 196,136 loads in December, 1922. Passenger traffic of roads reporting to this bank increased 4.7 per cent in December over the same month in 1922.

Reports relative to collections, while still indicating rather spotted conditions, were somewhat more favorable than for the preceding month. In the typical grain areas payments show improvement, and generally through the South, except where the cotton crop was short, collection efficiency is high. Initial marketing of tobacco has resulted in the liquidation of loans based on that commodity, and settlements in the rice growing sections have been on a satisfactory scale. Retailers in the large cities report that they are getting in their money promptly. Complaints of backwardness are still received from the coal mining districts. January 1 settlements with wholesale interests in the large cities were slightly better than a year ago. Answers to 386 questionnaires addressed to representative interests in various lines throughout the district show the following results:

	Excellent	Good	Fair	Poor
Dec. 1923.....	5.7%	33.6%	50.0%	10.7%
Nov. 1923.....	0.9	34.9	55.7	8.5
Dec. 1922.....	8.2	56.2	34.2	1.4

Commercial failures in the Eighth Federal Reserve District during December, according to Dun's, numbered 96, involving liabilities of \$1,954,500, against 109 defaults with indebtedness of \$2,223,369 in November and 84 failures for \$897,491 in December, 1922.

Per capita circulation of the United States on January 1 was \$44.22, which compares with \$44.01 on December 1 and \$42.81 on January 1, 1923.

## MANUFACTURING AND WHOLESALE

### Automobiles

Passenger car and truck production for the country as a whole during December was less by 3.1 per cent than during November, the decrease being accounted for in part by the closing of plants for the holidays. As compared with a year ago the December output showed a gain of 35.4 per cent. Companies

reporting direct or through the Automobile Chamber of Commerce built 275,121 passenger cars in December against 284,758 in November. Production of trucks in December totaled 27,275, which compares with 27,374 in November. Sales of passenger cars during December, according to reports of 230 dealers scattered through the district, were 11.0 per cent larger than for the same month in 1922, and 3.5 per cent in excess of the November total. The comment was general that the holiday stimulus to the trade, both in cars and accessories, was more pronounced than in any previous year. No improvement was noted in the tire situation, which continues slow and unsettled. Used car sales were described as about normal for the time of the year, but in many instances selling was accomplished under unusual pressure and by dint of sharp price reductions.

### Boots and Shoes

December sales of the 11 reporting interests were 2.0 per cent larger than for the corresponding month in 1922, and 25.1 per cent in excess of the November total. Uncertainty relative to styles and prices, coupled with the general disposition to caution, caused backwardness in future buying during December, but orders received since January 1 show distinct improvement. Prices of finished goods remained stationary, but a firmer tone was noted in raw materials. Some specific advances were recorded on novelty leather and other specialties, and the trend of hides and sole leather was upward. The demand for women's and children's shoes is relatively more active than men's wear. Factory operation was at from 75 to 85 per cent of capacity. Boot and shoe production in this district during December was 8.2 per cent under the November total.

### Clothing

Accounts from reporting interests in this line indicate rather mixed conditions. Orders for immediate or reasonably prompt delivery are holding up in excellent shape, but purchasing for spring is generally backward, and considerably under the corresponding period last season. There is some hesitation due to uncertainty relative to price and styles. Women's wear is the most active department of the trade, sales having been stimulated by numerous new and attractive designs and patterns. Cloakings of large patterns have been in extensive use, and the demand for such designs, both in cheap and expensive cloths, is active. The recent cold weather has assisted in moving a large volume of heavy wear, both men's and women's, though in many instances at reduced prices. Prices on spring lines are slightly higher than those current on similar goods last fall. December sales of the 12 reporting interests were 15.1 per cent larger than for the same month in 1922, and 13.9 per cent under the November, 1923, total. The decrease from November to December was accounted for in large part by seasonal considerations. December sales of reporting wholesale hatters showed a 12.1 per cent decrease under those of the same month a year ago, but no discouraging signs are in evidence inasmuch as a fair spring business has been booked.

### Drugs and Chemicals

Sales of the 11 reporting interests in December were about even with the corresponding month in 1922, and 7.3 per cent under November, 1923. The demand for drugs and fine chemicals continues fair, and buying by wholesalers and jobbers for spring

delivery is in satisfactory volume. A further slowing down in purchases of heavy chemicals by manufacturers was noted in December, but more activity in this department has developed since the first of January. Prices of drugs showed a number of changes, with advances outnumbering declines. Among the items to advance were arsenic and arsenic products, castor oil and the essential oils. The botanical drug market was easier. Inquiries for spraying materials for delivery in the spring were reported good.

### Dry Goods

A conspicuous feature of the textile situation is a trend toward medium priced novelty fabrics which is limiting demand for standard merchandise. Cheaper goods throughout the line are moving well, but the public and retail merchants are adverse to purchasing the more expensive merchandise. Demand for cotton goods continues light and curtailment of production was more noticeable. Prices hold steady. Brown sheetings, gray cloths and fine convertibles are being bought sparingly. Demand for silk is relatively better than for cotton, with some substitutions noted because of advances in cotton quotations. Hosiery continues slow and unsettled. December sales of 11 representative interests were 11.3 per cent under the December, 1922 total and 27.0 per cent under the November, 1923 mark. Orders placed during the first three weeks of January were about equal to those of the same period a year ago, but future business on the books of reporting firms is considerably less than at this time in 1923. The millinery business exhibits no changes of importance, with December sales of reporting firms showing a 2.1 per cent increase over December, 1922.

### Electrical Supplies

Business in this classification underwent a rather decided slump in December, sales of the 12 reporting interests for that month showing a decrease of 8.5 per cent under the same period in 1922, and a decline of 3.1 per cent as compared with November, 1923. Weakness in the copper market is given as one cause for hesitancy on the part of consumers in filling their needs, and generally buying is on a hand-to-mouth basis. The cold weather had a tendency to curtail outside work on construction jobs and repair work by the public utilities companies. The movement of holiday goods, especially radio sets, household appliances and fancy lighting fixtures, was in good volume. Prices generally were stationary during the period under review.

### Fire-Clay Products

A steady demand from all industries except oil characterized this line during the past thirty days. The high rate of cement production is reflected in large orders for kiln-liners and nine-inch straights by cement manufacturers. The automobile industry continues to take large tonnages, and there is a moderate demand from producers of iron and steel. December sales of 5 representative interests exceeded those of the same month in 1922 by 11.7 per cent, but were 13.7 per cent under the November, 1923 total. Business booked by reporting firms during the first three weeks of January was at a rate 8 per cent in excess of the December total, but during the same weeks in January, 1923, sales were at a rate 19 per cent greater than during December, 1922. Production of reporting firms averages 73 per cent of capacity.

### Flour

Production at the 11 leading mills of the district during December was 323,697 barrels, which compares with 404,824 barrels in November, 446,009 barrels in October and 346,030 barrels in December, 1922. Business during the closing weeks of December was rather quiet, though there were fair shipping directions from the South for soft flours, and some clears were sold for export. Following the usual holiday quietness, the trade developed considerable improvement in early January, and during the second week of the month prices advanced slightly. Sales from the mills, particularly of soft flours to Southern customers, were freer than in a long while, and with shipping directions good, the feeling generally was more hopeful. There was a fair volume of demand for clear flours for export, but prices offered were below the views of sellers. Mill operation was at from 60 to 75 per cent of capacity.

### Furniture

The disposition on the part of retailers to buy only sufficient goods for immediate requirements, and expectations of lower prices were the chief factors in causing declines in December sales of manufacturers and wholesalers in this district. The 26 reporting interests show December sales 18.0 per cent under those of the same month in 1922 and 12.5 per cent under the November, 1923 total. Prices showed no change worthy of note, but some revisions are expected as a result of the furniture market held in Chicago during the first three weeks of January. Manufacturers exhibiting their goods at that market report that they booked a good volume of orders, and generally expectations are for improved business during the next few months. Upholstered goods, metal furniture, dining room sets and floor coverings are in relatively better demand than other goods in the line.

### Groceries

Unseasonably warm weather during the six weeks preceding Christmas and a determination on the part of retailers to carry light stocks, contributed toward a curtailment in the demand for holiday goods. December sales of 19 representative interests were 2.7 per cent under those of the same month a year ago and 15.6 per cent under the November, 1923, total, the latter partly seasonal. In spite of keen competition, there has been a more optimistic tone since January 1, and this feeling has been accentuated by firmer prices in several staple lines. Canned goods are in better demand and a record movement of condiments continues. Slightly higher sugar prices during January lent a further firmness to the general list and has given some impetus to buying by retailers. In spite of an influx of cheap coffees, prices on choice grades continue firm to 2c higher while a ½c advance in cheaper grades went into effect.

### Hardware

Except for certain specialties, builders' hardware and wire goods, the demand in this line developed recessionary tendencies. Sales of the 12 reporting interests in December were 8.8 per cent under the same month in 1922, and 13.0 per cent under November, 1923. The comment is made that farmers are buying only what they are absolutely obliged to have, and the heaviest losses in sales are in the rural districts. Future business on books of reporting interests

was considerably less than a year ago, but the first two weeks in January developed some improvement in this respect.

### Iron and Steel Products

Activity in iron and steel products, particularly finished steel, since the first of the year, has been well up to expectations. New business placed has been in fair volume, and tentative inquiries indicate that further buying is likely in the not distant future. Stocks in consumers' hands are moderate, having been cut down by routine consumption during the closing weeks of 1923 and further curtailed for inventory taking. A number of mills, foundries and machine shops, which had planned to close down or sharply reduce operations for inventory and repairs, have been working at or close to the rate maintained during the preceding thirty days. Several of the steel interests and specialty makers have slightly expanded their operations in order to handle increased specifications and orders for finished products. Prices generally remain unchanged, both of raw and finished materials. Pig iron buying during December was quiet, and confined chiefly to small lots for prompt shipment, but some tonnages were contracted for since the second week in January, and resumption of purchasing for balance of the first and through the second quarter is expected in the near future. The upturn in scrap iron and steel prices was pushed still further, a number of important items having touched new high points on the movement. No. 2 Southern iron, 1.75 to 2.25 per cent silicon, was quoted at \$21.50 to \$23.00 furnace, while Northern iron of the same grade sold at \$23 to \$24. Railroads continue the chief factor in steel and iron buying, with the automotive industry second in order. Fabricators of structural iron and steel report a continued steady demand for materials for small projects, and some improvement is noted in buying by the oil industry. Orders for bars and sheets have been large, and manufacturers of tin plate are well situated in the matter of forward business. Manufacturers of radiators and heating apparatus have been working at capacity. December sales of stove manufacturers, 7 interests reporting, were 36.6 per cent under the same month in 1922 and 31.5 per cent under the November, 1923 total; railway supplies, 5 reporting, decreased 28.0 per cent under December, 1922, and 26.5 per cent under November, 1923; farm implement makers, 6 reporting, decreased 14.5 per cent under December, 1922, and 12.0 per cent under November, 1923; manufacturers of boilers, stacks, elevators, radiators and other miscellaneous products, 12 reporting, decreased 14.0 per cent under December, 1922, and 5.8 per cent under November, 1923.

### Lumber

A considerable amount of buying in the soft woods, especially yellow pine, developed in December, with the effect of stimulating prices rather markedly on yard items. Common boards were bought very largely, and, as a result, prices on this stock sustained an advance of from \$2 to \$3 per thousand feet. Dimension was also affected by the upward trend. Shed stock, except in certain items, has also shared in the upward movement, but to a less notable extent. Fir prices have moved up an average of about \$1 per thousand. The hardwood situation has been affected by unfavorable weather in the South. Production

has been curtailed and with some betterment in demand and a scarcity of dry items, the market displays strength. Mills in the Memphis territory have advanced prices on an average of \$5 per thousand since January 1.

### Consumption of Electricity

The Christmas holidays and year-end shut-downs account for a part of the decrease in electricity consumed for industrial purposes during December as compared with November, 1923. It is significant, however, that in addition to seasonal curtailment some slowing down is noted in representative lines, including shoe factories, the automotive industry and miscellaneous light manufacturing. Comparison with December, 1922, however, shows a substantial increase for the five reporting centers, though the bulk of it is in St. Louis.

Detailed figures follow:

	No. of custom-ers	Dec. 1923	Nov. 1923	Dec. 1923	Dec. 1922	Dec. 1922
		*K.W.H.	*K.W.H.	comp. to Nov. 1923	*K.W.H.	comp. to Dec. 1922
Evansville .....	40	915	988	- 7.4%	898	+ 1.9%
Little Rock.....	11	748	778	- 3.9	681	+ 9.8
Louisville .....	67	3,852	3,936	- 2.1	3,832	+ 0.5
Memphis .....	31	1,143	1,477	-22.6	1,149	- 0.5
St. Louis.....	69	15,102	15,000	+ 0.7	11,922	+26.7
Totals.....	218	21,760	22,179	- 1.9	18,482	+17.7

\*In thousands (000 omitted).

The following figures, compiled by the Department of Interior, give kilowatt production for both lighting and industrial purposes for the entire country:

1923	By water power		By fuels	Totals
	September .....	1,465,439,000	3,069,488,000	4,534,927,000
October .....	1,475,837,000	3,468,266,000	4,944,103,000	
November .....	1,515,775,000	3,326,706,000	4,842,481,000	

†Largest on record.

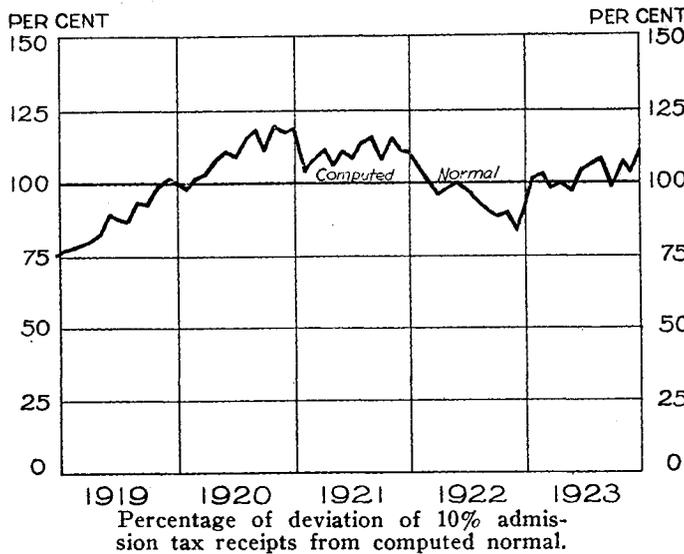
### RETAIL

Severe weather during the last week of December quickened the movement of typically winter merchandise. December sales, that in many reporting establishments were running under last year's rate during the first half of the month, exceeded December, 1922 figures in 15 out of 22 reporting department stores. Sales for December, 1923 are below the high rate of increase over 1922 noted in the early fall, and the amount of stock on hand indicates that retailers anticipated a somewhat larger demand than occurred. The January movement of overcoats is described as better, with many sales being accounted for because of price concessions, especially since the middle of the month. Sales of furs and of women's coats have been stimulated by the more seasonable weather as well as by special price offerings. Demand for gloves is described as brisk. Rubber goods have also moved well in spite of an advance of about 10 per cent on items in which cotton enters into the manufacturing process. Shoes are in only fair demand, due partly to the relatively open winter thus far. A preference for silks is noted because of advances in cotton, and good buying of silk yard goods is reported. Sales of reporting chain stores continue at record volume for this season. December department store figures follow:

	Net sales comparisons		Stocks on hand	Annual rate of
	Dec. 1923 to Dec. 1922	Six months ending Dec. 31, 1923, to same period, 1922	Dec. 31, 1923 comp. to Dec. 31, 1922	stock turnover for six months ending Dec. 31, 1923
Evansville .....	+ 3.6%	+ 9.7%	+ 5.9%	2.16
Little Rock.....	+ 7.0	+15.0	+17.6	2.71
Louisville .....	+ 4.9	+ 5.7	- 2.9	4.01
Memphis .....	- 0.7	+ 3.8	+15.3	2.51
Quincy .....	- 1.1	+ 8.1	+11.9	2.54
St. Louis .....	+ 5.7	+ 7.2	+13.4	3.33
Springfield .....	- 6.0	+ 7.4	+14.1	1.55
8th District .....	+ 4.3	+ 7.3	+12.3	3.04
Entire U. S.....	+ 6.0	+ 8.4	+11.8	3.33

### AMUSEMENT RECEIPTS

The volume of amusement receipts is sometimes considered a margin of the purchasing power of the public in excess of the amount represented by savings and by purchasing of necessities. The curve shown in the chart below is based on admission tax collections reported by the several Collectors of Internal Revenue in states wholly or partly within the Eighth Federal Reserve District. The collections include tax paid at theaters and for other amusements. Allowance has been made for normal seasonal variation. The curve reaches a maximum during the inflation period in 1920, but lags behind the retardation of business during 1921, reaching its later minimum toward the end of 1922. The year 1923 exhibits only a slight upward tendency, actual receipts for that calendar year being 1.4 per cent above the average of the five year period.



### AGRICULTURE

Smaller acreages of wheat than seeded in 1922 are indicated for all states of the district. In Illinois a reduction of about 600,000 acres in the area sown last fall is reported, and the average condition is slightly below normal. Generally, however, stands of fall sown grains are good, and the arrival of the recent extreme cold weather found most fields with snow protection. The crop is now in the dormant stage, so that it is impossible to estimate the extent of possible damage from unfavorable weather conditions or other factors. The movement of wheat to market during December was considerably under the corresponding month in 1922.

The recent cold weather has been beneficial for corn, and in Illinois and other sections of the district where excessive rains had interfered with husking and cribbing, farmers have been able to complete these operations, and virtually the entire crop has been housed. The condition of corn arriving at market has undergone considerable improvement since the drop in temperature, but there is still a relative scarcity of the higher grades. Receipts at the chief markets have been heavy, especially at St. Louis. The grain has been readily absorbed and large amount were being shipped South for export. Reports from many sections indicate that an unusually large quantity of corn is being fed to live stock, and the movement direct from growers to feeders continues heavy and at prices which compare favorably with those paid at terminal markets.

Reports relative to the amount of fall plowing and soil preparation accomplished vary rather widely. In some areas field work was delayed by heavy rains, but the warm weather which lasted well through December permitted of later work than ordinary, and the general average is estimated to be about on a parity with that of the past several seasons.

According to the Department of Agriculture wages of farm labor were higher last year than since 1920. The average rate with board was \$33.18 and without board \$46.91 a month. The rates in 1914 were \$21.05 and \$29.88 respectively. Farm help is everywhere adequate to the demand, and during the past fall more work was performed by farmers and their families than in a number of years.

The warm, wet spell which followed opening of the loose leaf tobacco markets made difficult the proper handling of delivered tobacco on account of its being soft or in too high order. The sudden change to zero weather proved a further disability to handling the leaf and retarded the movement to market. Recent sales of dark tobacco averaged around \$12 and for burley around \$23. While in pounds the 1923 crop exceeds the 1922 production by approximately 15 per cent, the quality is lower. For this reason fine dark tobacco is scarce and will bring close to last year's prices. The Dark Tobacco Growers Marketing Association has opened its receiving houses in the Green river, stemming and one sucker districts with relatively light receipts of 1923 stock. Receiving houses in the dark fired district have not been opened, but will be in the near future. The Burley Tobacco Growers Cooperative Association has been actively receiving at its houses, and has requested growers to curtail deliveries in order to avoid congestion. About 85 per cent of the burley growers have joined the association. The comment is made in a number of markets that the export demand for low grades of tobacco is better than in past years, which fact is ascribed to unsatisfactory financial conditions in Europe.

Due to extremely wet weather throughout December, threshing of rice in Arkansas was seriously delayed, and a considerable portion of the crop, estimated at from 10 to 15 per cent, still remains in the fields. Deterioration of rice in the shock is reported from some counties, but elsewhere fields were kept well drained and relatively little damage occurred. The demand for clean rice continues active and strong, with good grades selling at from \$1.10 to \$1.20 per bushel. The rough rice market is less active than heretofore because most of the mills filled up with stock prior to the holidays. The feeling among rice farmers is more optimistic than for more than three years, and indications point to a slight increase in acreage this spring.

In the cotton areas the belief prevails that the recent cold weather killed many boll weevils. Although it is conceded that the new crop will be an expensive one to produce, the general attitude is hopeful, and every effort will be made to raise a large amount of cotton.

### Live Stock Movement

Receipts and shipments of live stock at St. Louis, as reported by the National Stock Yards, were as follows:

	*Receipts			*Shipments		
	Dec. 1923	Nov. 1923	Dec. 1922	Dec. 1923	Nov. 1923	Dec. 1922
Cattle and Calves.....	99	125	114	54	79	76
Hogs.....	432	451	398	257	281	246
Horses and Mules.....	8	8	8	8	11	10
Sheep.....	34	34	33	16	16	8

\*In thousands (000 omitted).

**Commodity Movement**

Receipts and shipments of important commodities at St. Louis, as reported by the Merchants' Exchange, were as follows:

	*Receipts			*Shipments		
	Dec. 1923	Nov. 1923	Dec. 1922	Dec. 1923	Nov. 1923	Dec. 1922
Beef, lbs.....	30	589	200	27,890	25,324	20,635
Corn, bu.....	4,522	2,134	2,332	1,967	842	1,214
Flour, bbls.....	420	476	363	532	558	469
Hides, lbs.....	8,034	8,221	5,758	9,782	10,304	9,498
Lard, lbs.....	6,503	6,795	4,557	12,600	11,564	9,530
Lead, pigs.....	215	155	276	186	215	128
Lumber, cars.....	18	19	16	12	14	10
Oats, bu.....	2,906	2,646	2,640	2,383	1,908	1,657
Pork, lbs.....	17,442	22,907	15,555	27,331	31,342	27,820
Wheat, bu.....	2,271	2,259	3,173	1,722	1,819	2,351
Zinc, slabs.....	368	171	217	225	154	208

\*In thousands (000 omitted).

**Commodity Prices**

Range of prices on typical products in the St. Louis market between December 15, 1923, and January 15, 1924, with closing quotations on the latter date, and on January 15, 1923:

	High	Low	Close Jan. 15	Close	
				Jan. 15, 1923	Jan. 15, 1924
Wheat					
May .....per bu.	\$1.11 $\frac{3}{4}$	\$1.06 $\frac{1}{4}$	\$1.10 $\frac{3}{4}$	\$1.17 $\frac{1}{2}$	\$1.17 $\frac{1}{2}$
July .....	1.06 $\frac{1}{2}$	1.03 $\frac{1}{2}$	1.06 $\frac{1}{2}$	1.11	1.11
September .....	1.06 $\frac{1}{4}$	1.05	1.05 $\frac{3}{4}$	1.07 $\frac{1}{2}$	1.07 $\frac{1}{2}$
No. 2 red winter .....	1.09	1.20	\$1.17 @ 1.19	\$1.36 @ 1.40	1.40
No. 2 hard.....	1.11	1.03 $\frac{1}{2}$	1.11	1.11	1.07
Corn					
May .....	.80 $\frac{1}{2}$	.72 $\frac{1}{4}$	.80	.73 $\frac{1}{4}$	.73 $\frac{1}{4}$
July .....	.74	.80 $\frac{1}{2}$	.80 $\frac{3}{4}$	.72 $\frac{3}{4}$	.72 $\frac{3}{4}$
September .....	.80 $\frac{3}{4}$	.79	.80 $\frac{3}{4}$	.78	.78
No. 2 .....	.78	.71	.78	.72 $\frac{1}{2}$	.72 $\frac{1}{2}$
No. 2 white .....	.80	.71	.80	.74	.74
Oats					
May .....	.49 $\frac{3}{4}$	.46	.49 $\frac{3}{4}$	.46 $\frac{1}{2}$	.46 $\frac{1}{2}$
No. 2 white.....	.48 $\frac{1}{2}$	.44	.48 $\frac{1}{2}$	.45 $\frac{1}{2}$	.45 $\frac{1}{2}$
Flour					
Soft patent.....per bbl.	6.50	5.25	5.50 @ 6.50	6.00 @ 7.00	6.00 @ 7.00
Spring patent.....	6.40	5.60	6.00 @ 6.25	6.40 @ 6.60	6.40 @ 6.60
Middling cotton.....per lb.	.35 $\frac{1}{2}$	.34	.34	.27 $\frac{1}{2}$	.27 $\frac{1}{2}$
Hogs on hoof.....per cwt.	7.80	5.00	5.25 @ 5.35	6.75 @ 8.60	6.75 @ 8.60

NOTE: December wheat closed at \$1.04 $\frac{1}{4}$ ; December corn at 71c and December oats at 44 $\frac{1}{4}$ c.

**BUILDING**

Winter building activity on an almost unprecedented scale continued through the first week in January, at which time the extreme cold weather caused a slowing down on outside work. In the large cities, particularly St. Louis, building labor is fully employed, and in several crafts a small shortage of workers is reported. The demand for all kinds of building materials continues brisk, and manufacturers are adding to their stocks in anticipation of heavy call when the spring building season opens. Permits issued in the five largest cities of the district in December showed a decrease of 28.4 per cent under the same month in 1922, but in the earlier year the total was abnormally heavy, due to the inclusion of several large building enterprises in Memphis and St. Louis. Extensive road building programs for 1924 are planned in states of the district, and work on them will be begun as soon as weather conditions permit. Production of cement for the country as a whole in December totaled 9,997,000 barrels, which compares with 8,671,000 barrels in December, 1922. The total output, 35,950,000 barrels, in 1923 was the largest on record. Building figures for December follow:

	New Construction				Repairs, etc.			
	Permits		*Cost		Permits		*Cost	
	1923	1922	1923	1922	1923	1922	1923	1922
Evansville .....	46	45	\$ 123	\$1,102	48	21	\$ 14	\$ 6
Little Rock.....	56	63	109	220	63	76	66	24
Louisville .....	161	176	687	2,010	51	44	30	87
Memphis .....	209	208	2,520	4,290	20	34	12	33
St. Louis.....	543	426	3,196	1,645	358	560	268	697
Dec. totals.....	1,015	918	\$6,635	\$9,267	540	735	\$390	\$847
Nov. totals.....	1,592	1,266	6,965	5,380	834	782	547	433
Oct. totals.....	1,906	1,513	3,988	5,893	1,133	979	601	461

\*In thousands of dollars (000 omitted).

**FINANCIAL**

The past thirty days have been featured by no marked changes in the financial and banking situation. The general demand for credits has receded somewhat, and there has been fair liquidation, particularly in the South where returns from marketing of cotton, rice and tobacco are being used to pay debts. Increased sales of corn by producers have been a factor in settlements in the grain areas, but borrowings by elevator and commission interests to finance the movement of this cereal have served to augment loans by banks in some sections. January 1 settlements with manufacturing and wholesale interests were in the main satisfactory. Banks in the larger centers of population report that their mercantile customers are slightly increasing their commitments, but the demand is nowhere urgent and funds are ample for all legitimate requirements. The trend of interest rates charged for the general run of commercial loans is easier. In some parts of the South where crops were short liquidation has been relatively light, and extensions of loans are being requested. The demand for financing live stock holds up well. Deposits of member banks scored a fair gain, and there was a small increase in loans and discounts. Their discounts with this institution, however, showed a further sharp decline, the decrease between December 15 and January 15 being \$13,179,122. Between the same dates there was a decrease of \$5,066,000 in Federal Reserve notes in circulation, this being accounted for largely by the usual falling off in the demand for currency following the holidays. The reserve carried against combined Federal reserve note and deposit liabilities increased 7.2 per cent, standing at 75.2 per cent on January 15.

**Commercial Paper**

The demand from both city and country banks for commercial paper suffered a rather sharp decline in late December, and during the first half of January continued light. However, sales in early December were in good volume, and reporting brokers showed an increase for that month of approximately 16.5 per cent over the same period in 1922, and as compared with November, 1923, the December total was larger by 7.0 per cent. Supplies of paper are plentiful enough, but the easier rates, coupled with the fact that banks are finding full employment for their funds through their regular customers, tend to hold down the volume of investment in commercial paper. Rates ranged in this district from 4 $\frac{3}{4}$  to 5 per cent, but in some Eastern centers as low as 4 $\frac{1}{2}$  per cent was done on prime names.

**Savings Deposits**

	Number of banks reporting	*Amount of savings deposits			Jan. 1924 comp. to Dec. 1923	Jan. 1924 comp. to Jan. 1923
		Jan. 2, 1924	Dec. 5, 1923	Jan. 3, 1923		
		1924	1923	1923		
Evansville .....	4	\$ 9,062	\$ 8,974	\$ 8,956	+ 1.0%	+ 1.2%
Little Rock .....	5	7,278	7,146	6,679	+ 1.8%	+ 9.0%
Louisville .....	7	26,012	24,434	23,055	+ 6.5%	+12.8%
Memphis .....	5	18,619	17,882	15,959	+ 4.1%	+16.7%
St. Louis.....	12	73,852	73,426	69,548	+ 0.6%	+ 6.2%
Totals.....	33	\$134,823	\$131,862	\$124,197	+ 2.2%	+ 8.6%

\*In thousands (000 omitted).

**Debits to Individual Accounts**

	*For four weeks ending			Jan. 1924 comp. to Dec. 1923	Jan. 1924 comp. to Jan. 1923
	Jan. 16, 1924	Dec. 12, 1923	Jan. 17, 1923		
E. St. Louis and Nat'l. Stock Yards, Ill.	\$ 38,848	\$ 44,174	\$ 39,872	-12.1%	- 2.6%
El Dorado, Ark.	5,870	6,229	.....	- 5.8	.....
Evansville, Ind.	30,689	30,011	33,617	+ 2.3	- 8.7
Fort Smith, Ark.	12,315	14,527	11,282	-15.2	+ 9.2
Greenville, Miss.	4,573	4,628	4,975	- 1.2	- 8.1
Helena, Ark.	6,446	8,272	6,559	-22.1	- 1.7
Little Rock, Ark.	61,061	73,669	61,269	-17.1	- 0.3
Louisville, Ky.	150,135	142,719	161,792	+ 5.2	- 7.2
Memphis, Tenn.	162,738	180,408	156,403	- 9.8	+ 4.0
Owensboro, Ky.	7,266	5,809	7,875	+25.1	- 7.7
Quincy, Ill.	9,449	9,725	10,488	- 2.8	- 9.9
St. Louis, Mo.	654,932	621,824	691,440	+ 5.3	- 5.3
Sedalia, Mo.	4,894	3,837	.....	+27.5	.....
Springfield, Mo.	12,894	13,560	14,668	- 4.9	-12.1
<b>Totals</b>	<b>\$1,162,110</b>	<b>\$1,138,078</b>	.....	<b>+ 2.1</b>	<b>+ 4.1</b>

\*In thousands (000 omitted).  
†This is the first time a decrease under the corresponding period in the immediately preceding year has been recorded since March, 1922.

**Federal Reserve Operations**

During December the Federal Reserve Bank of St. Louis discounted for 279 of its 630 member banks, which compares with 284 of its 627 member banks accommodated in November. The discount rate of this bank remains unchanged at 4½ per cent for all classes and maturities of paper.

Changes in the assets and liabilities of the Federal Reserve Bank of St. Louis since a month ago and last year are shown in the following comparative statement:

**RESOURCES**

	*Jan. 16, 1924	*Dec. 19, 1923	*Jan. 17, 1923
Gold with Federal Reserve Agent	\$ 56,309	\$ 49,656	\$ 81,608
Gold redemption fund with U. S. Treasury	3,414	4,057	3,632
Gold held exclusively against F. R. notes	\$ 59,723	\$ 53,713	\$ 85,240
Gold settlement fund with F. R. Board	31,435	25,152	21,143
Gold and gold certificates held	5,622	4,356	2,876
<b>Total gold reserves</b>	<b>\$ 96,780</b>	<b>\$ 83,221</b>	<b>\$109,257</b>
Reserves other than gold	12,573	7,120	13,226
<b>Total reserves</b>	<b>\$109,353</b>	<b>\$ 90,341</b>	<b>\$122,485</b>
Non-reserve cash	4,756	7,048	5,081
<b>Bills discounted:</b>			
Secured by U. S. Government obligations	16,846	21,129	7,372
Other bills discounted	26,316	40,301	6,002
<b>Total bills discounted</b>	<b>\$ 43,162</b>	<b>\$ 61,430</b>	<b>\$ 13,374</b>
Bills bought in open market	348	29	14,926
<b>U. S. Government securities:</b>			
Bonds	.....	.....	7,306
Treasury notes	541	.....	10,666
Certificates of indebtedness	750	.....	6,478
<b>Total U. S. Government securities</b>	<b>\$ 1,291</b>	.....	<b>\$ 24,450</b>
<b>Total earning assets</b>	<b>\$ 44,801</b>	<b>\$ 61,459</b>	<b>\$ 52,750</b>
Uncollected items	35,539	37,833	40,320
Bank premises	1,402	1,345	919
All other resources	175	74	504
<b>TOTAL RESOURCES</b>	<b>\$196,026</b>	<b>\$198,100</b>	<b>\$222,059</b>

**LIABILITIES**

F. R. notes in actual circulation	\$ 72,286	\$ 77,478	\$ 88,145
<b>Deposits:</b>			
Member banks—reserve account	70,617	65,920	76,349
U. S. Government	2,270	853	525
Other deposits	601	527	1,165
<b>Total deposits</b>	<b>\$ 73,488</b>	<b>\$ 67,300</b>	<b>\$ 78,039</b>
Deferred availability items	34,676	37,106	40,692
Capital paid in	5,006	5,012	4,830
Surplus	10,072	9,665	9,665
All other liabilities	498	1,539	688
<b>TOTAL LIABILITIES</b>	<b>\$196,026</b>	<b>\$198,100</b>	<b>\$222,059</b>
<b>MEMO—Contingent liability on bills purchased for foreign correspondents</b>	<b>764</b>	<b>787</b>	<b>1,593</b>
Ratio of total reserves to deposit and F. R. note liabilities combined	75.0%	62.4%	73.7%

In thousands (000 omitted).

**Condition of Banks**

Changes in the condition of banks in this district are reflected in the following statement showing the principal resources and liabilities of reporting member banks in Evansville, Little Rock, Louisville, Memphis and St. Louis:

	*Jan. 16, 1924	*Dec. 12, 1923	*Jan. 17, 1923
Number of banks reporting	†35	†35	37
<b>Loans and discounts (incl. rediscounts)</b>			
Secured by U. S. obligations	\$ 11,253	\$ 11,853	\$ 18,471
Secured by other stocks and bonds	152,795	146,338	142,578
All other loans and discounts	307,041	312,138	300,217
<b>Total loans and discounts</b>	<b>\$471,089</b>	<b>\$470,329</b>	<b>\$461,266</b>
<b>Investments</b>			
U. S. pre-war bonds	14,992	15,193	15,354
Liberty bonds	24,668	21,861	25,939
Treasury bonds	7,061	6,956	10,896
Net demand deposits	17,403	17,103	25,226
Certificates of indebtedness	8,070	5,591	3,518
Other securities	86,625	86,000	87,287
<b>Total investments</b>	<b>\$158,819</b>	<b>\$152,704</b>	<b>\$168,220</b>
Reserve balance with F. R. bank	42,229	41,377	47,170
Cash in vault	8,028	8,980	7,653
Net demand deposits	363,623	350,185	386,184
Time deposits	196,972	189,760	181,951
Government deposits	4,649	1,444	10,665
<b>Bills payable and rediscounts with Federal reserve bank</b>			
Secured by U. S. obligations	5,788	7,536	1,436
All other	19,039	28,295	1,336

\*In Thousands (000 omitted).  
†Decrease due to consolidation.

**Postal Receipts**

	*For quarter ended				Dec. 1923 comp. to Dec. 1922
	Dec. 31, 1923	Sept. 30, 1923	June 30, 1923	Dec. 31, 1922	
Evansville	\$ 145	\$ 120	\$ 140	\$ 141	+ 2.8%
Little Rock	208	190	186	190	+ 9.5%
Louisville	680	578	569	591	+15.1%
Memphis	476	408	435	457	+ 4.2%
St. Louis	3,244	2,478	2,694	3,062	+ 5.9%
<b>Totals</b>	<b>\$4,753</b>	<b>\$3,774</b>	<b>\$4,024</b>	<b>\$4,441</b>	<b>+ 7.0%</b>

\*In thousands (000 omitted).

**COST OF LIVING**

Cost of living in the United States on December 15, 1923 had decreased three-tenths of one per cent from the November 15 level, according to the National Industrial Conference Board. Between November 15 and December 15, 1923 there was an increase in the average cost of clothing and a decrease for food. These changes were each less than one per cent. There were also decreases in coal prices in some of the larger cities, but these were not sufficient to justify any change in the level of fuel prices for the country as a whole. Between July, 1920, when the peak of the rise in the cost of living since 1914 was reached, and December, 1923, the cost of living decreased 19.3 per cent. The net increase since July, 1914 was 65.0 per cent.

The following table shows in detail changes noted above.

Item	Relative importance in family budget	Percentage of increase in the cost of living above average prices in July, 1914, to .....			Percentage of decrease in the cost of living on Dec. 15, 1923, from average prices in	
		July 1920	Nov. 1923	Dec. 1923	July 1920	Nov. 1923
Food*	43.1	119	51	50	31.5	0.7
Shelter	17.7	58	80	80	13.9**	No change
Clothing	13.2	166	74	75	34.2	0.6**
Fuel and light	5.6	66	76	76	6.0**	No change
(Fuel)	(3.7)	(92)	(93)	(93)	(0.5)**	(No change)
(Light)	(1.9)	(15)	(43)	(43)	(24.3)**	(No change)
Sundries	20.4	85	74	74	5.9	No change
Weighted average						
of all items	100.0	104.5	65.3	65.0	19.3	0.3

\*Food price changes are from the United States Bureau of Labor Statistics.  
\*\*Increase.

The purchasing value of the dollar based on cost of living in December, 1923 was 60.6 cents as contrasted with one dollar in July, 1914.

(Compiled January 21, 1924)

# FEDERAL RESERVE BANK OF ST. LOUIS



## MONTHLY REVIEW OF BUSINESS CONDITIONS IN FEDERAL RESERVE DISTRICT No. 8

Released for Publication On and After the Morning of February 29, 1924

WILLIAM McC. MARTIN

CHAIRMAN OF THE BOARD AND FEDERAL RESERVE AGENT

GENERAL business during the past thirty days, as reflected in reports of representative interests throughout the district, was in the main satisfactory. While considerable irregularity still exists and some weak spots are in evidence, recent gains in certain lines were maintained and in a few instances increased. Routine distribution and consumption of commodities continues heavy and stocks in all positions are of moderate proportions. Without any growth in buying for forward requirements nor change from the policy of conservatism which has prevailed for many months, retail merchants are placing fair orders for additional supplies, and the character of their purchases indicates no contraction in the outlet to final consumers. Due to almost universal employment at high wages, the purchasing power of the public in the industrial centers continues in a strong position, and with improvement in market conditions and prices of farm products, reports from the country are more encouraging.

As compared with a year ago, when a rapid expansion was taking place in commerce and industry, a number of important lines show rather sharp decreases in sales. However, the situation now is apparently on a sounder and more satisfactory basis than during the earlier period. Further progress has been made in price stabilization, changes during the past thirty days having been relatively narrow, and there is an almost entire absence of speculation in commodities. While their books show a smaller volume of advance orders than during past years at this season, merchants and manufacturers view this as a rather healthy symptom and take it to indicate that the goods which have not been ordered in advance will be purchased currently during the next few months, thus insuring a continuance of activity at least through the first half of the year.

Production in a number of the major industries turned upward during January, and the rate maintained during that month was continued during the opening weeks of February. Iron and steel production for the country as a whole reversed the record of the preceding few months, and showed good gains. The output of automotive vehicles was larger than during December, and heavily in excess of January, 1923. There were increases in outputs of a majority of the principal manufacturers of building materials, and the building industry generally through the district was active. Railroads continue to accommodate an enormous volume of freight traffic, loadings during January being larger than for any like month in history. The boot and shoe industry registered large gains over the corresponding period a year ago, and there were increases in orders booked by job foundries and manufacturers of certain iron and steel specialties. Slight

increases were reported by wholesale grocery and clothing interests.

Decreases, on the other hand, were shown in sales of manufacturers and distributors of hardware, drugs and chemicals, dry goods, electrical supplies, furniture and railway supplies. Distributors of textiles complain that their customers are disposed to strongly resist any price advances, and are centering their demands in the cheaper grades of goods. This attitude has resulted in curtailment of sales, and in a majority of instances, the reduction of profit margins to a minimum. In a lesser degree the same is true in hardware and furniture. In the latter line, jobbers and retailers are holding down their purchases to such goods as they absolutely have to have, and are insistent upon reductions in prices, which manufacturers say they are unable to grant because of the high cost of raw materials and labor.

Unevenness marked the movement of food products during the period under review. The general line of staple groceries was more active than heretofore, but the dressed beef trade was listless and wholesale meat prices are low, ranging from 20 to 70 per cent under the peak levels, and in some cases are under 1913 prices. Marketing of hogs continues on an enormous scale, farmers being disposed to ship their stock because of the high price of feed. The flour and feed situation underwent no change worthy of note, the dull conditions of the preceding thirty days still obtaining. Cereal prices fluctuated rather broadly, but closing quotations on February 15 were about on a parity with those on the same date in January. Spot cotton in the St. Louis market ranged from 34c to 32½c between January 15 and February 15, the low figure of the range being recorded on the latter date.

Employment conditions throughout the district, according to the Employment Service of the U. S. Department of Labor, continue in the main satisfactory. While there is some surplus building labor in the northern sections, spring building activities are expected to rapidly absorb the available supply. Normal quotas of employees are being maintained in most industries, many operatives who were temporarily released during the inventory period having been reengaged. There is still a good call for common labor on road and river work, and farm help is in better demand than at the same time last year. Some unemployment is reported among railroad workers, particularly in the shop crafts. Unemployment among negroes in St. Louis and other Northern centers, noted during the preceding month, still prevails.

With the return of milder temperatures and diminishing fears of a serious coal strike in spring, the fuel situation lost much of the spontaneity which featured it during the cold weather a few weeks back. The

domestic demand has eased off materially in the larger cities, and the movement to the country is described as slow and below normal for this time of year. Some contracting and storage by steam users was in progress, but this was confined chiefly to the larger industrial centers, sales to the small towns and country being relatively light. Producers report, however, that there have been few cancellations of orders placed during the extreme cold weather, and filling of these orders has served to maintain a movement of fair proportions. Production for the country as a whole was well sustained during January, the Geological Survey showing a larger bituminous output during that period than in any previous year, with the weekly average exceeding 11,500,000 tons.

January business of railroads operating in this district showed a large gain over the same month in 1923, and in point of total number of cars loaded with revenue freight was the record January in the history of the lines. These results were accomplished in face of the inclement weather, which hampered log and lumber loading in the South and generally interfered with traffic. According to the American Railway Association loading for the country as a whole for the week ending February 2 totaled 929,936 cars, an increase of 38,000 cars over the preceding week and a gain of 64,000 cars over the corresponding week last year. Coal loadings totaled 198,955 cars, a high record as compared with corresponding weeks in previous years. The St. Louis Terminal Railway Association, which includes in its membership 26 roads operating through this gateway, interchanged 211,541 loads during January, the largest number ever handled in any January, and comparing with 189,644 loads in December, 207,973 loads in November and 208,584 loads in January, 1923. During the first nine days of February 64,721 loads were interchanged against 51,581 loads for the first nine days of December, and 60,408 loads for the corresponding period a year ago. Passenger traffic of the reporting roads decreased 2 per cent in January under the same month in 1923.

Considerable irregularity is reflected in reports on collections. In some sections returns are satisfactory, while elsewhere there are complaints of backwardness. Some delays were occasioned by heavy snows and rains, which prevented farmers from coming to town, and interfered with means of communication. Improvement was noted in the coal mining areas, particularly Illinois, where increased activity at many mines aided the communities in which they are located. In the tobacco and rice sections there has been good liquidation, but numerous backward spots are reported in the cotton areas, due to reduced yields and failure of the 1923 crop. Wholesalers in the large cities report settlements of accounts due in February under the corresponding period last year. Answers to 410 questionnaires addressed to representative interests in the various lines throughout the district show the following results:

	Excellent	Good	Fair	Poor
Jan. 1924.....	1.7%	25.2%	63.0%	10.1%
Dec. 1923.....	5.7	33.6	50.0	10.7
Jan. 1923.....	7.1	50.5	41.2	1.2

Commercial failures in the Eighth Federal Reserve District during January, according to Dun's, numbered 143, involving liabilities of \$1,669,880, against 96 defaults with indebtedness of \$1,954,500 in December and 97 failures for \$1,855,028 in January, 1923.

The per capita circulation of the United States on February 1 was \$41.77, which compares with \$44.22 on January 1, and \$40.74 on February 1, 1923.

## MANUFACTURING AND WHOLESALE

### Automobiles

Production of passenger cars and trucks for the country as a whole during January increased 4.3 per cent over December and was 30.1 per cent greater than in January, 1923. Complete figures of passenger cars produced in January by companies reporting direct or through the Automobile Chamber of Commerce were 287,211 against 275,287 in December. Trucks built in January numbered 28,247 against 27,068 in December. Distribution of automobiles and accessories throughout the district continues active. Sales of passenger cars during January, according to reports of 230 dealers, were 1.2 per cent larger than for the same month in 1923, and 12 per cent in excess of the December total. The entire line participated in the activity, but purchases of medium price cars were relatively larger than the more expensive makes. Sales of accessories in January showed a gain of approximately 10 per cent over the same month in 1923, due in large measure to intensive selling campaigns. Stocks of new cars in hands of dealers show the usual seasonal increase. Used car stocks are moderate, and in both numbers and investment value represented, are below those at the corresponding period last year. Several price changes were reported by manufacturers of passenger cars, most of which represented upward revisions. The tire market continues depressed, but stocks in hands of jobbers and dealers have been reduced, and on standard sizes price declines have been halted.

### Boots and Shoes

Sales of the 11 reporting interests in January were 21.6 per cent larger than for the corresponding month in 1923 and 3.1 per cent less than in December. Orders booked during the first half of February were in satisfactory volume, and indicate a substantial increase for that month as contrasted with the same period last year. As has been the case for several months, business in women's and children's wear is relatively much better than in men's shoes. Factories working exclusively on women's novelty goods are operating full time and in many instances are behind on deliveries. The comment is made that uncertainty relative to styles is holding back future business. There was no change worthy of note in prices of finished goods but raw materials reflect the firmer trend in hides, and some fancy and novelty leathers were higher. Factory operation was at from 80 to 100 per cent of full capacity. The total number of pairs of shoes produced in this district during December was 7.1 per cent less than during the preceding month, and for the country as a whole, December production decreased 15.8 per cent under the November total.

### Clothing

Seasonal improvement was noted in sales of men's clothing and generally the movement of both women's and men's wear was more satisfactory than during the preceding month. The comment is made, however, that ordering is on an extremely conservative basis, with uncertainty relative to prices and styles tending to hold down commitments for forward delivery. The spell of mild weather in early February brought an end to reordering of winter goods, and stocks in that category have been well cleaned up. Special clearance sales by retailers during January met with good response, and accounted for the movement of a large volume of apparel. Prices quoted by wholesalers and jobbers underwent no change worthy of mention during

the period under review, but in many instances concessions were made by retailers in order to dispose of accumulations of cold weather goods. January sales of the 11 reporting interests were 6.3 per cent larger than for the corresponding period in 1923, but 12.7 per cent under the December total.

#### Drugs and Chemicals

As compared with a year ago, January sales of the 11 reporting interests showed a decrease of approximately 7.9 per cent, but the total was 13 per cent in excess of that of December, 1923. The demand for remedial drugs was described as brisk, and sales of sundries and soda fountain supplies and fixtures were larger than a year ago. Decreases were reported generally in sales of heavy chemicals to manufacturers, and future orders of insecticides were in smaller volume than during the corresponding period in 1923. Increases in sales of cosmetics were offset by a smaller movement of candy. The price trend of fine drugs continues upward, and there were several specific advances in important proprietary preparations.

#### Dry Goods

Purchasing of goods in this classification continues on an extremely conservative basis, due mainly to irregularity in prices and the recent broad fluctuations in raw cotton. Future orders on books of wholesalers and jobbers are considerably smaller than at the same time a year ago, and a rather sharp reduction in January shipments was reported. Buyers visited the chief distributing centers in large numbers, but their orders were for the most part small in size and piecemeal in character. The general comment of retail merchants was that their customers are unwilling to pay higher prices, and they are shaping their purchases accordingly. Retail stocks are universally light, which fact leads to the belief among wholesalers that spot buying will be heavy during the next few months. The trend of prices on certain cotton goods is easier, reflecting the recent decline in the raw staple. The demand for silk goods is reported quiet, though some silk mixtures and fancy patterns are meeting good sale. Knit cotton underwear and hosiery continue quiet, with prices a shade easier. January sales of the 11 reporting interests were 16.5 per cent under the same month in 1923. Wholesale milliners report January sales 34.1 per cent less than for the same month last year.

#### Electrical Supplies

January sales of the 12 reporting interests were 1.5 per cent less than for the corresponding month in 1923, and 4.8 per cent in excess of the December total. The demand for all varieties of goods going into new buildings is reported active, particularly in the South, where construction work has suffered little interruption during the winter months. Some improvement over the preceding thirty days was noted in sales of pole hardware and general supplies used by public utility interests. The movement of supplies for mines continues slow, but some betterment in the demand from the oil fields has taken place since the first of the year. The trend of prices was slightly easier, and as compared with the same period a year ago the general level of prices is from 5 to 10 per cent lower. In the immediate past the upturn in copper, lead and slab zinc has had a tendency to strengthen goods in the manufacture of which these metals are used.

#### Fire-Clay Products

A better tone has been in evidence during the past thirty days, especially with reference to inquiries. Glass producers have placed a considerable amount of

business and demand from the cement industry is maintaining its recent rapid pace. Buying by the steel industry is holding up well, while reduced operations by some equipment manufacturers have prompted relining of furnaces. There has been good buying by municipal plants, and several cities have sent out inquiries on extensive vitrified projects. The value of January shipments of the 5 reporting interests was 22.3 per cent under the total for the same month a year ago, but new business booked by these firms during the month exceeded that of January, 1923 by 16.6 per cent.

#### Flour

Production of the 11 leading mills of the district during January was 306,012 barrels, the lightest since last July, and comparing with 323,697 barrels in December, 404,824 barrels in November and 321,727 barrels in January, 1923. In point of new business the period under review was quiet, but shipping directions were satisfactory, buyers generally ordering out flour better than elsewhere, the call from that section being for soft wheat flours. Toward the end of January a slight advance in prices was noted, the rise reflecting the upturn in wheat values. The usual routine export business with Latin-American countries continued, but the demand from Europe was extremely slow, with bids below asking prices of local millers. Mill operation was at from 60 to 65 per cent of full capacity.

#### Furniture

Sales of the 26 reporting interests showed a decrease of 28.7 per cent under the same month last year and a loss of 47.2 per cent as compared with December, 1923. The general comment is made that retailers are purchasing almost exclusively on a necessity basis, the percentage of future business to total sales being the smallest for this particular season in a number of years. Uncertainty relative to prices and styles is mentioned as a factor in holding down forward commitments. Some improvement is reported in the demand for metal beds, but the general run of bedroom and dining room furniture is slow. Prices of finished goods showed no change during the period under review, but generally through the line prices range from 10 to 15 per cent lower than at this time last year. Factory operation ranged from 40 to 80 per cent of capacity.

#### Groceries

Bad roads and the consequent difficulty salesmen have in covering territory has had its effect on buying by country stores, while this same condition has prevented many who live in rural sections from making purchases from retailers. Low prices of farm products is mentioned as a retarding factor. Withal both sales and prices have held up well. The entire list is firm to higher, due largely to upward tendencies in sugar and coffee. Purchases of sugar have been only fair in the face of its continued strength, merchants being disposed to carry light stocks in preference to taking possible inventory losses. Gross movement of sugar into consumers' hands, however, is slightly above normal for this season. Coffee, from the cheapest to the choicest grades, is slightly higher, with sales normal. Demand for canned goods shows seasonal improvement. Stocks throughout the line continue moderate, though merchants are keeping up assortments. January sales of 23 reporting interests were 6.4 per cent above those of the same month a year ago and only 0.1 per cent under the December total.

## Hardware

Rather spotted conditions were reflected in reports covering business during the period under review. In some localities sales were well up to expectations, while elsewhere results were poor. The demand for builders' tools and hardware continued active, and there was a fair movement of shelf hardware and household goods generally. Hand implements and farm supplies on the other hand, were reported slow, farmers buying only what they are obliged to have. While stocks are generally of moderate proportions, jobbers and retail merchants are ordering on a very conservative basis. Orders placed for spring and summer sporting goods are smaller than a year ago. An excellent demand is reported for all varieties of spraying apparatus. January sales of the 12 reporting interests were 8.5 per cent under those of the same month last year and 12.4 per cent in excess of the December total. Prices on nearly all items are holding steady at about the levels current during the opening month of 1923.

## Iron and Steel Products

While total volume of new orders for finished and semi-finished materials was hardly up to expectations of certain reporting interests, a fairly steady day-to-day movement has been in progress, and inquiries received by mills, foundries and machine shops indicate that substantial tonnages may be placed in the near future. Production during the period under review was well maintained, and shipments were somewhat larger than during the preceding thirty days. After a seven months decline, the production of pig iron for the country as a whole took a turn upward in January, the total output being about 100,000 tons larger than in December. Production of steel ingots in January also showed an increase, and was the largest since last August. Fabricators of structural iron and steel in this district report an excellent volume of orders for small jobs, and a number of large contracts are being figured on. Warehouse interests have increased their stocks and assortments in anticipation of the demand which they believe will appear with the opening of the spring building season. Stove plants, which were closed down earlier in the year for repairs and inventory, have all resumed production, and manufacturers of radiators and heating apparatus continue to operate at full capacity. Purchasing of track materials by the railroads has been on a large scale, and further improvement was noted in the demand for all varieties of drilling and general iron and steel supplies from the oil fields. Gradual improvement is noted in wire and wire products, and the same is true of the general run of rolling mill products. Sales of pig iron have been fairly heavy, due chiefly to covering by foundry interests on their second quarter requirements. The trend of prices of raw materials is upward, No. 2 Southern foundry iron being firm at \$23, and Northern iron of the same grade ranging from \$24 to \$24.50 per ton. Further advances were recorded in scrap iron and steel prices, with steel and cast grades going to new high points on the movement. January sales of stove manufacturers, 7 reporting, were 0.1 per cent under the same month in 1923, and 8.0 per cent less than the December total; railway supplies, 5 reporting, decreased 56.3 per cent under January, 1923, and 32 per cent under December; farm implement makers, 6 reporting, increased 3.8 per cent over January, 1923, and 8.3 per cent over December; job foundries, 6 reporting, increased 3.9 per cent over January,

1923, and 63.7 per cent over December; manufacturers of boilers, stacks, elevators, radiators, and other miscellaneous products, 12 reporting, decreased 11 per cent under January, 1923, and 27.6 per cent under December.

## Lumber

During the sixty-day period ended January 15, retail yards throughout the district bought sufficient lumber for early spring requirements, and since that time have been virtually out of the market at the advanced and very firmly held mill prices. They are waiting for the arrival of favorable weather to start building work, so that they may put their own price increases, based on higher replacement costs, to the acceptance test. The belief prevails that large requirements for the second quarter still remain to be filled, and considerable supplementary buying is expected to follow the first protracted spell of favorable building weather, even should the mills be able to maintain the present level of prices in the meantime. Transit car prices, however, have been unable to endure the strain and have weakened to some extent, and stock unmarketed before being put on wheels is hard to sell even at a narrow margin over November prices. The hardwood trade, on the other hand, continues active, and the price tendency is still upward in the more salable kinds and grades of stock, such as sap and plain red gum, the lower grades of plain oak, cottonwood and some of the minor woods. Buying by the automotive interests and car builders is an important factor in the situation.

## Consumption of Electricity

Considerable variation is noted in January figures of reporting centers, but increases and declines balance in number, resulting in only minor net changes. The increases over December are largely accounted for by the passing of the holiday season, but the decreases under January, 1923, represent specific curtailments. The most important changes for January, 1924, as compared with the same month a year ago are substantial reductions in delivery to several large air products companies, steel companies and to automotive manufacturers. Detailed figures follow:

	No. of customers	Jan. 1924 *K.W.H.	Dec. 1923 *K.W.H.	Jan. 1924 comp. to Dec. 1923	Jan. 1923 *K.W.H.	Jan. 1924 comp. to Jan. 1923
Evansville .....	40	898	915	- 1.9%	942	- 4.7%
Little Rock.....	11	747	748	- 0.1	683	+ 9.4
Louisville .....	67	3,576	3,852	- 7.2	3,480	+ 2.8
Memphis .....	31	1,466	1,143	+28.3	1,254	+16.9
St. Louis.....	70	11,173	10,756	+ 3.9	11,350	- 1.6
Totals.....	219	17,860	17,414	+ 2.6	17,709	+ 0.9

\*In thousands (000 omitted).

## RETAIL

Reports from retailers throughout the district reflect a continuation of the spotted conditions which have prevailed during the past several months. An encouraging feature has been the heavy turnover resulting from clearance sales, particularly in the category of textiles and apparel of all sorts. The recent decline in the price of raw cotton has quickened interest in goods based on that staple, and in the immediate past there has been notable marking down of print cloths, sheetings, gingham and some other cloths. Further stabilization in prices of other lines, notably hardware, furniture and groceries, is mentioned as a factor tending to help the volume of retail trade. The principal adverse factor was the weather, storms and thaws having placed roads in many sections in almost impassable condition. This accounts for the relatively more active status of retail trade in the cities than in

the country, but increased production in certain basic industries has stimulated distribution in manufacturing centers. The comment is made that interest in dry goods, apparel, jewelry and furniture centers strongly in novelties, to the detriment of certain staple merchandise in these lines. Sales of gasoline and lubricating oils have been curtailed by the inclement weather, particularly in the rural areas. Purchasing of supplies for farms, except in the extreme southern tier of the district, is backward.

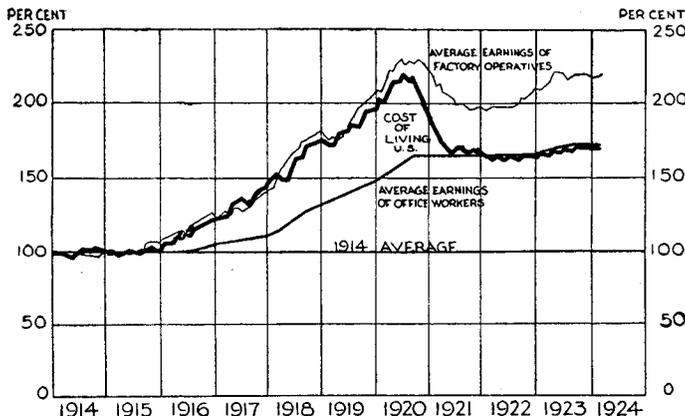
January sales of 3 interests operating 1,482 chain grocery stores show a 14.3 per cent increase over the same month a year ago. January reports from the 22 large department stores, while not uniformly encouraging, show a healthy demand, but with 8 of the reporting stores registering decreases under the same month a year ago. Detailed department store figures follow:

	Net sales Jan. 1924 comp. to Jan. 1923	Stocks on hand		Annual rate of stock turnover For the month ending Jan. 31, 1924
		Jan. 31, 1924 comp. to Jan. 31, 1923	Jan. 31, 1924 comp. to Dec. 31, 1923	
Evansville .....	+ 9.3%	+ 7.6%	+ 17.1%	1.96
Little Rock.....	+ 2.6	+ 6.6	+ 1.0	2.43
Louisville .....	+ 5.7	- 0.2	- 4.4	3.19
Memphis .....	- 2.4	+ 9.0	- 14.1	2.21
Quincy .....	- 5.0	+ 6.9	- 2.5	1.96
St. Louis .....	+ 7.3	+ 14.2	- 7.8	3.12
Springfield .....	- 37.3	+ 25.1	- 5.5	0.90
8th District.....	+ 4.1	+ 10.2	- 6.8	2.72

**WAGE RATES**

The average wage rate for male factory operatives in the Eighth District, according to figures compiled by this bank, continued during February at about the level reached last April, following an almost continuous advance since February, 1922. During 1923 the average rose 7 per cent, and the present figure of \$26.89 per week is within 10 per cent of the 1920 peak.

Per capita weekly earnings of office workers, computed as \$32.06, show an increase of 2.7 per cent during 1923 and are now slightly above the 1920 high, but just about on a parity with the cost of living.



Average Earnings Compared With Cost of Living

**AGRICULTURE**

Reports from scattered sections of the district indicate that winter wheat has come through the cold weather in good condition, there being few complaints of winter killing and these confined chiefly to late sown grain. Some little damage has been done by alternate freezing and thawing, the extent of which it is too early to determine. There was snow protection over the greater part of the wheat area, and early planted wheat is well rooted and has had ample moisture since the seeding period.

While farmers in surplus counties are selling more

corn since the advance in prices, there is no disposition to rush stocks of this grain to market because of the fact that the high moisture content prevents a large percentage from grading high. The comment is made that arrivals at primary markets include very little choice corn, considerably less than usual grading above No. 3. Farmers are feeding large quantities of corn, despite the fact that the high price of corn and depressed market on hogs are holding down profits in such operations.

In the South some plowing has been accomplished, but as a rule early farm work is backward because of the unfavorable weather. Generally the condition of live stock is good. The movement of potatoes and other vegetables was interfered with to some extent by the extreme cold weather.

The delivery of tobacco to market in some sections has been hampered by the bad condition of roads caused by snows and freezing and thawing. Weather has also been unfavorable for stripping and preparing the leaf for market. The Dark Tobacco Growers Cooperative Association opened its receiving houses in the dark fired district with only fair delivery. Not more than 30 per cent of the pooled tobacco has been delivered in that district. Demand continues for the extremes in quality, best grades of leaf, common lugs and trash selling readily at satisfactory prices.

The tendency is toward higher prices in both burley and dark tobacco. Recent sales on independent floors averaged around \$24 for burley and \$12.50 for dark tobacco. Both the Burley and Dark Tobacco Growers Cooperative Associations are reporting sales at good prices, the Burley Association having disposed recently of 60,000,000 pounds of the 1923 crop and 20,000,000 pounds of the 1922 crop, leaving unsold only about 17,000,00 of the 1922 crop, which consists largely of high grade leaf. The associations are functioning satisfactorily, and recent court decisions have removed doubts as to the validity of contracts made by growers who have pooled their tobacco. Membership in the Burley Association has passed the 100,000 mark.

The rice situation has undergone no change worthy of note during the past thirty days. There was an advance in rough rice which brought the price up to \$1.30 for strictly No. 1, but the prevailing price for average grades has been around \$1.15 to \$1.25. Farmers are selling and delivering as rapidly as weather and road conditions will permit. The demand is excellent and should it continue for another month, very little rice will be left in producers' hands. Some few farmers still have small patches of rice in the field yet unthreshed, but the quantity is small, estimated at less than 5 per cent of the 1923 crop.

In spite of much bad weather, there has been considerable preparation for next season's cotton crop. Reports from scattered sections of the cotton area indicate that planters will practice intensive farming, with the view of producing as large a crop as possible on the acreage planted. Fertilizers will be extensively used, also poisons for combating boll weevil and other insect pests. Southern farmers are being urged to diversify, and particularly to plant more food and feed crops.

Results of the annual survey of live stock on farms in states of this district disclose reductions in the number of animals and a sharp decrease in total value represented on January 1 as compared with the corresponding date in 1923. Missouri farmers had a total of 9,754,000 head of live stock on January 1, compared

with 9,826,000 head last year, and the value this year was \$208,047,000 against \$215,047,000 last year. In Illinois there was a slight increase in numbers, 10,004,000 head, against 9,998,000 head on January 1, 1923, but the value this year was \$269,852,000 as compared with \$285,088,000 last year. The count in Kentucky showed 3,442,000 head worth \$81,340,000, which compares with 3,601,000 head with a value of \$94,207,000 on January 1, 1923. Indiana showed an increase in the number of sheep and milk cows, but decreases in all other classes of live stock. In Tennessee there was a decline of over \$13,000,000 in the value of live stock during the year, and the report from that state comments upon the steady decrease in the number of horses and mules, the total number on January 1 being 12 per cent less than in 1914. In Arkansas all classes of live stock, except sheep decreased in numbers and the value of all animals was \$49,440,600 as compared with \$60,662,400 on January 1, 1923. Explaining the decreases in numbers and value of live stock, agricultural officials in the several states point out that low prices have discouraged stock raisers, and failure of crops in many sections has forced the liquidation of farm animals, not only to defray debts, but to reduce expenses. Many other contributing causes are mentioned, among which are drought, sheep-killing dogs, hog cholera, slack demand for draft animals due to increased use of automobiles and tractors, and high cost of feed.

**Live Stock Movement**

Receipts and shipments of live stock at St. Louis, as reported by the National Stock Yards, were as follows:

	*Receipts			*Shipments		
	Jan. 1924	Dec. 1923	Jan. 1923	Jan. 1924	Dec. 1923	Jan. 1923
	Cattle and Calves.....	92	99	98	53	54
Hogs .....	499	432	453	296	257	284
Horses and Mules.....	15	8	23	15	8	21
Sheep .....	28	34	32	13	16	14

\*In thousands (000 omitted).

**Commodity Movement**

Receipts and shipments of important commodities at St. Louis, as reported by the Merchants' Exchange, were as follows:

	*Receipts			*Shipments		
	Jan. 1924	Dec. 1923	Jan. 1923	Jan. 1924	Dec. 1923	Jan. 1923
	Beef, lbs.....	52	30	489	26,506	27,890
Corn, bu.....	4,628	4,522	2,431	3,046	1,967	2,361
Flour, bbls.....	440	420	332	511	532	461
Hides, lbs.....	7,586	8,034	7,975	9,559	9,782	10,943
Lard, lbs.....	5,991	6,503	7,190	15,845	12,600	13,026
Lead, pigs.....	243	215	279	149	186	136
Lumber, cars.....	18	18	19	12	12	14
Oats, bu.....	3,054	2,906	4,490	2,431	2,383	3,196
Pork, lbs.....	18,606	17,442	21,488	30,923	27,331	33,454
Wheat, bu.....	1,850	2,271	3,556	1,512	1,722	2,681
Zinc, slabs.....	325	368	148	213	225	169

\*In thousands (000 omitted).

**Commodity Prices**

Range of prices on typical products in the St. Louis market between January 15, 1924, and February 15, 1924, with closing quotations on the latter date, and on February 15, 1923:

	High	Low	Close	
			Feb. 15, 1924	Feb. 15, 1923
Wheat .....per bu.				
May .....	\$1.13½	\$1.08½	\$1.09¾	\$1.18½
July .....	1.11¾	1.05¾	1.08	1.12½
September .....	1.12¾	1.05	1.08½	1.11½
No. 2 red winter..	1.23½	1.12	\$1.16 @ 1.17½	1.42
No. 2 hard.....	1.14½	1.09	1.10½	\$1.21 @ 1.22
Corn .....				
May .....	.82½	.78¾	.79¾	.74½
July .....	.82½	.79¾	.80¾	.75¾
September .....	.82¾	.79¾	.80¾	.76
No. 2.....	.80	.77½	.77½	.73
No. 2 white.....	.84½	.78½	.78½ @ .79½	.74
Oats .....				
May .....	.51¾	.49¾	.50	.47¾
No. 2 white.....	.51¾	.48	.49½ @ .50	.45½ @ .46
Flour .....				
Soft patent.....per bbl.	6.50	5.25	5.40 @ 6.50	6.00 @ 7.00
Spring patent.....	6.25	5.90	6.00 @ 6.25	6.50
Middling cotton.....per lb.	.34½	.32½	.32½	.28½
Hogs on hoof.....per cwt.	8.40	4.00	4.75 @ 7.35	7.00 @ 8.85

**BUILDING**

Permits for new buildings in the five largest cities of the district during January showed a slight decrease under the corresponding month in 1923, but a gain of 38.2 per cent in number and 170.3 per cent in amount as compared with January, 1922. Low temperatures and storms interfered somewhat with construction operations during the period under review, but despite this handicap more than the usual amount of work for this season of the year was accomplished. Residential construction continues to feature new building enterprise, particularly in the South. Building in the suburbs of the larger cities is on an extensive scale, and according to building material interests, farmers are planning to make more repairs and additions to their buildings during the coming spring than at any time during the past three years. Road work showed the usual seasonal slowing down, but will be resumed on a large scale as soon as weather conditions permit. No changes worthy of note took place in prices of building materials or wages, the latter holding firm at the peak levels of last fall. Production of Portland cement for the country as a whole totaled 8,788,000 barrels in January, which compares with 9,997,000 barrels in December and 7,990,000 barrels in January, 1923. Building figures for January follow:

	New construction				Repairs, etc.			
	Permits		*Cost		Permits		*Cost	
	1924	1923	1924	1923	1924	1923	1924	1923
Evansville .....	43	71	\$ 82	\$ 194	27	46	\$ 12	\$ 14
Little Rock ....	88	84	407	248	77	89	36	32
Louisville .....	185	337	815	3,404	53	76	34	61
Memphis .....	274	343	1,626	1,386	54	52	34	36
St. Louis .....	397	555	3,217	2,218	329	482	264	342
Jan. totals.....	987	1,390	\$6,147	\$7,450	540	745	\$380	\$485
Dec. totals.....	1,015	918	6,635	9,267	540	735	390	847
Nov. totals.....	1,592	1,266	6,965	5,380	834	782	547	433

\*In thousands of dollars (000 omitted).

**FINANCIAL**

Influences affecting the banking and financial situation during the period under review were virtually the same as during the preceding thirty days, and only minor changes occurred in this district. The demand for credits from commercial sources continues good, though somewhat spotted, but with loanable resources of the banks large, the trend of rates was slightly easier. A moderate volume of liquidation was reported, with settlements in the tobacco sections making a particularly favorable showing in this respect. Marketing of tobacco in all districts is making satisfactory progress, the demand being good and prices well up to expectations. Relatively little rice still remains in producers' hands, and loans based on that cereal have been substantially reduced. The increased movement of corn is reflected in heavier borrowings by shippers and the elevator interests, but these have been largely offset by payments which producers have been enabled to make with the proceeds of stocks sold. Millers, who had been carrying liberal stocks, have since February 1 received freer shipping directions and been able to cut down their banking commitments. Generally agricultural borrowings continue to decline as live stock and last season's crops move to market, and except in the South borrowings for the present crop year are still some weeks off. Deposits of reporting member banks showed a good increase. Stocks, bonds and other investments of the banks were virtually stationary. Between January 15 and February 15 accommodations granted by this bank to all member banks decreased \$7,002,000. Between the same dates there was a decrease of \$3,894,000 in Federal reserve note circulation of this bank.

**Commercial Paper**

Dull conditions featured the market for commercial paper during the greater part of the period under review. A reduction in rates served to reduce the demand from country banks, and city institutions with but few exceptions were finding ample outlet for their funds through regular line borrowers. Offerings at 4½ per cent met with such indifferent response that paper bearing this rate was either withdrawn or the quotation advanced. Good to prime names bearing 4¾ per cent, however, found ready sale. January sales of reporting brokers were 8.8 per cent less than for the corresponding month in 1923, but 3.2 per cent in excess of December. During the first two weeks of February, sales were about on a parity with the corresponding period last year. In the extremes, rates were quoted at from 4½ to 5 per cent.

**Savings Deposits**

Number of banks reporting	*Amount of savings deposits			Feb. 1924 comp. to Jan. 1924	Feb. 1924 comp. to Feb. 1923
	Feb. 6, 1924	Jan. 2, 1924	Feb. 7, 1923		
Evansville .....	\$ 9,024	\$ 9,062	\$ 8,825	- 0.4%	+ 2.3%
Little Rock.....	7,462	7,278	7,222	+ 2.5	+ 3.3
Louisville .....	25,987	26,012	22,846	- 0.1	+ 13.7
Memphis .....	19,063	18,619	16,534	+ 2.4	+ 15.3
St. Louis .....	73,489	73,852	69,802	- 0.5	+ 5.3
Totals.....33	\$135,025	\$134,823	\$125,229	+ 0.1	+ 7.8

\*In thousands (000 omitted).

**Federal Reserve Operations**

During January the Federal Reserve Bank of St. Louis discounted for 264 of its 629 member banks, which compares with 279 of its 630 member banks accommodated in December. The discount rate of this bank remains unchanged at 4½ per cent for all classes and maturities of paper.

Changes in the assets and liabilities of the Federal Reserve Bank of St. Louis since a month ago and last year are shown in the following statement:

	*Feb. 20, 1924	*Jan. 23, 1924	*Feb. 21, 1923
<b>RESOURCES</b>			
Gold with Federal Reserve Agent.....	\$ 69,304	\$ 62,872	\$ 82,095
Gold redemption fund with U. S. Treasury	2,487	3,055	2,058
Gold held exclusively against F. R. notes.....	\$ 71,791	\$ 65,927	\$ 84,153
Gold settlement fund with F. R. Board.....	14,366	23,952	9,511
Gold and gold certificates held.....	4,587	4,779	5,360
Total gold reserves.....	\$ 90,744	\$ 94,658	\$ 99,024
Reserves other than gold.....	13,732	13,569	18,714
Total reserves.....	\$104,476	\$108,227	\$117,738
Non-reserve cash.....	4,639	5,140	4,145
Bills discounted:			
Secured by U. S. Government obligations	10,883	14,680	8,431
Other bills discounted.....	27,357	26,649	7,765
Total bills discounted.....	\$ 38,240	\$ 41,329	\$ 16,196
Bills bought in open market.....	2,740	655	9,202
U. S. Government securities:			
Bonds .....			7,313
Treasury notes.....	1,514	760	10,923
Certificates of indebtedness.....	893	766	10,756
Total U. S. Government securities.....	\$ 2,407	\$ 1,526	\$ 28,992
Total earning assets.....	\$ 43,387	\$ 43,510	\$ 54,390
Uncollected items.....	35,230	32,653	36,709
Bank premises.....	1,493	1,409	919
All other resources.....	188	81	538
<b>TOTAL RESOURCES.....</b>	<b>\$189,413</b>	<b>\$191,020</b>	<b>\$214,439</b>
<b>LIABILITIES</b>			
F. R. Notes in actual circulation.....	\$ 69,223	\$ 70,850	\$ 86,594
Deposits:			
Member banks-reserve account.....	69,815	69,281	72,681
U. S. Government.....	1,899	2,738	3,696
Other deposits.....	374	557	593
Total deposits.....	\$ 72,088	\$ 72,576	\$ 76,970
Deferred availability items.....	32,399	31,949	35,589
Capital paid in.....	5,055	5,003	4,900
Surplus.....	10,072	10,072	9,665
All other liabilities.....	576	570	721
<b>TOTAL LIABILITIES.....</b>	<b>\$189,413</b>	<b>\$191,020</b>	<b>\$214,439</b>
<b>MEMO—Contingent liability on bills purchased for foreign correspondents.....</b>	<b>825</b>	<b>748</b>	<b>1,404</b>
Ratio of total reserves to deposit and F. R. note liabilities combined.....	73.9%	75.5%	72.0%

\*In thousands (000 omitted).

**Debits to Individual Accounts**

	*Four weeks ending			Feb. 1924 comp. to Jan. 1924	Feb. 1924 comp. to Feb. 1923
	Feb. 13, 1924	Jan. 16, 1924	Feb. 14, 1923		
E. St. Louis and Nat'l. Stock Yards, Ill..	\$ 36,930	\$ 38,848	\$ 40,021	- 4.9%	- 7.7%
El Dorado, Ark.....	6,139	5,870	.....	+ 4.6	.....
Evansville, Ind.....	26,119	30,689	29,089	-14.9	-10.2
Fort Smith, Ark.....	11,011	12,315	10,586	+ 10.6	+ 4.0
Greenville, Miss.....	4,331	4,573	5,194	- 5.3	-16.6
Helena, Ark.....	4,544	6,446	5,254	-29.5	-13.5
Little Rock, Ark.....	54,327	61,061	51,030	-11.0	+ 6.5
Louisville, Ky.....	156,025	150,135	149,489	+ 3.9	+ 4.4
Memphis, Tenn.....	130,571	162,738	143,955	-19.8	- 9.3
Owensboro, Ky.....	6,221	7,266	6,649	-14.4	- 6.4
Quincy, Ill.....	9,151	9,449	9,527	- 3.2	- 3.9
St. Louis, Mo.....	589,138	654,932	571,756	-10.0	+ 3.0
Sedalia, Mo.....	3,484	4,984	.....	-30.1	.....
Springfield, Mo.....	11,271	12,894	12,622	-12.6	-10.7
Totals.....	\$1,049,262	\$1,162,110	.....	- 9.7	+ 0.4

\*In thousands (000 omitted).

**Condition of Banks**

Changes in the condition of banks in this district are reflected in the following statement showing the principal resources and liabilities of reporting member banks in Evansville, Little Rock, Louisville, Memphis and St. Louis:

	*Feb. 13, 1924	*Jan. 16, 1924	*Feb. 14, 1923
Number of banks reporting.....	†35	†35	37
Loans and discounts (incl. rediscounts):			
Secured by U. S. obligations.....	\$ 9,779	\$ 11,253	\$ 17,911
Secured by other stocks and bonds.....	148,746	152,795	137,786
All other loans and discounts.....	314,445	307,041	302,898
Total loans and discounts.....	\$472,970	\$471,089	\$458,595
Investments:			
U. S. Pre-war bonds.....	14,991	14,992	15,324
Liberty bonds.....	23,556	24,668	24,802
Treasury bonds.....	6,242	7,061	9,742
Victory and Treasury notes.....	16,714	17,403	24,850
Certificates of Indebtedness.....	7,451	8,070	3,709
Other securities.....	89,584	86,625	90,363
Total investments.....	\$158,538	\$158,819	\$168,790
Reserve balance with F. R. bank.....	43,559	42,229	43,843
Cash in vault.....	8,773	8,028	8,330
Net demand deposits.....	364,079	363,623	384,705
Time deposits.....	201,805	196,972	184,571
Government deposits.....	4,186	4,649	4,410
Bills payable and rediscounts with Federal reserve bank:			
Secured by U. S. obligations.....	3,237	5,788	1,401
All other.....	14,108	19,039	1,747

\*In thousands (000 omitted).  
†Decrease due to consolidation.

**COST OF LIVING**

Cost of living in the United States on January 15, 1924 had decreased two-tenths of one per cent from the level of December 15, 1923 according to the National Industrial Conference Board. In the month from December 15, 1923 to January 15, 1924 there was an increase in the cost of clothing and decreases for fuel and food. These changes were each less than one per cent. Between July, 1920, when the peak of the rise in the cost of living since 1914 was reached, and January, 1924, the cost of living decreased 19.5 per cent. The increase since July, 1914 was 64.6 per cent.

Detailed changes are shown in the following table:

Item	Relative importance in family budget	Percentage of increase in the cost of living above average prices			Percentage of decrease in the cost of living on Jan. 15, 1924, from average prices in	
		July, 1914 to	July, 1920	Dec. 1923	July, 1920	Dec. 1923
		July, 1914 to	1920	1923	1924	1923
Food*	43.1	119	50	49	32.0	0.7
Shelter	17.7	58	80	80	13.9**	No change
Clothing	13.2	166	75	76	33.8	0.6**
Fuel and Light.....	5.6	66	76	75	5.4**	0.6
(Fuel)	(3.7)	(92)	(93)	(92)	(No change)	(0.5)
(Light)	(1.9)	(15)	(43)	(43)	(24.3)**	(No change)
Sundries	20.4	85	74	74	5.9	No change
Weighted average of all items.....	100.0	104.5	65.0	64.6	19.5	0.2

\*Food price changes are from the Bureau of Labor Statistics.

\*\*Increase.

The purchasing value of the dollar based on the cost of living in January, 1924 was 60.8 cents as contrasted with one dollar in July, 1914.

(Compiled February 21, 1924)

# FEDERAL RESERVE BANK OF ST. LOUIS



## MONTHLY REVIEW OF BUSINESS CONDITIONS IN FEDERAL RESERVE DISTRICT No. 8

Released for Publication On or After the Afternoon of March 29, 1924

WILLIAM McC. MARTIN

CHAIRMAN OF THE BOARD AND FEDERAL RESERVE AGENT

In general business during the past thirty days favorable and unfavorable factors have so evenly balanced each other that no decided change in the trends indicated during the like period immediately preceding was discernable. Extreme caution on the part of buyers of all classes is the outstanding feature. Ultimate consumers are taking only what they require currently and this attitude on the part of the public is reflected in purchasing by retailers and wholesalers, and in turn influences raw material commitments by manufacturers. Consumption generally continues on a large scale, and both production and distribution of commodities are being well maintained, but the volume of forward buying is much smaller than during the same period in past seasons. This factor, while considered a healthy symptom and indicative of prolonged activity, is depriving manufacturers and wholesalers of their usual backlog of unfilled orders and in many instances increasing costs by necessitating the carrying of larger stocks and assortments to supply the spot demand.

Weather conditions were distinctly unfavorable, and in a number of lines retarded distribution. This was true particularly in the country, where impassable roads in many sections have kept farmers from coming to town to do their shopping, and prevented salesmen from making their rounds. Prolongation of the winter has been detrimental to the movement of apparel, and the lateness of Easter also had a tendency to cause postponement of spring purchasing in this general category. The sharp decline in prices of raw cotton constituted another element making for conservatism in ordering goods based on that staple. Withal results during February in virtually all lines investigated were better than during the corresponding month in 1923, and as contrasted with the first month of this year gains in sales were the rule, despite the fewer days in the later period.

While there is little complaint of volume of business done, many important merchants and manufacturers make the comment that the ratio between sales and profits is decreasing and in some instances is less than satisfactory. This is attributed to growing keenness in competition and generally higher costs of doing business. In manufactured goods price changes were not broad, but the downward trend in certain basic raw materials, notably cotton, cereals and fuel, has had the effect of causing uncertainty in the minds of consumers, who are looking for declines in the general run of finished merchandise. There is an almost complete absence of over-buying and stocks in all positions are of moderate proportions, and in the main well balanced.

Between January and February there was distinct improvement in wholesale distribution in furni-

ture, clothing, groceries, millinery, stoves, dry goods, confectionery and fire clay products. Part of the gains shown by reporting interests in these lines can be accounted for by seasonal considerations, but this explanation does not cover the full extent of the betterment. Manufacturers and distributors of building materials report a continued brisk demand for their products, and goods based on iron and steel moved in satisfactory volume. The showing made by clothing, groceries, and other goods for ordinary consumption would have been more favorable under auspicious and seasonable weather conditions. The backward season is reflected in delayed purchasing of supplies used by farmers, but these requirements still remain to be filled, and a period of dry, warm weather, it is believed, will result in a revival of business in the rural districts.

Prices of leading farm products of this district were lower during the period under review, with the weakness particularly emphatic in cereals and cotton. Between February 15 and March 15, May wheat in the St. Louis market declined from \$1.09 $\frac{3}{4}$  to \$1.06 $\frac{1}{8}$  and cash wheat was 3 $\frac{1}{2}$ c to 5 $\frac{1}{2}$ c lower. Cash corn declined from  $\frac{1}{2}$ c to 2 $\frac{1}{2}$ c per bushel and oats were off 1c to 1 $\frac{1}{2}$ . Middling cotton declined from 32 $\frac{1}{2}$  per pound on February 15 to 28 $\frac{3}{4}$ c on March 7, and closed at 29c on March 15, a net loss for the period of 3 $\frac{1}{2}$ c per pound. The trend of live stock, on the other hand, was slightly upward, and there were signs of improvement in markets for the minor crops. Prices realized in the tobacco markets were in the main satisfactory, and rice continued in good demand at steady to firm prices.

Labor conditions developed further improvement during February and early March. The number of idle workers in the large industrial centers was reduced by increased activities at factories and railroad shops. According to the Employment Service of the U. S. Department of Labor the trend of employment showed unmistakable indications of rapid absorption of all idle skilled and common labor as soon as weather conditions permit resumption of outdoor activities. Skilled labor was in better demand. Common labor is still plentiful. Lead and zinc mining and railroad shops registered increased employment over January. Shoe factories, meat packing and other major industries are employing normal forces for this season, but there is a surplus of male and female office help. Building workers were kept active at the recent high scales, and further advances were asked by certain trades in St. Louis. Unemployment still prevails among miners in the coal fields.

The fuel situation developed no change worthy of note and was described on all sides as dull and discouraging from the viewpoint of producer and

distributor. The Government's report on reserves disclosed stocks well in excess of immediate needs, and with the Jacksonville conference having banished fears of a strike in the Central Competitive Field this spring, consumers are content to play a waiting game. They take the attitude that it will be easy to obtain supplies when they need them, and at prices as good if not better than those which could be gotten by contracting for their future requirements at the present juncture. The cold spell in March had a temporary stimulating effect on the domestic trade, and dealers, particularly in the large cities, were enabled to materially reduce their stocks. The steaming demand, however, continues slow, and the trend of prices is easier, with a number of specific reductions recorded. The domestic coke market remains quiet, with stocks in excess of demand, but there has been a fair movement of metallurgical coke, and sales to industrial users, particularly water gas manufacturers, showed improvement.

Railroads operating in the district continue to accommodate an enormous volume of freight traffic, and as compared with previous years the movement exceeds all seasonal records. For the country as a whole loadings of revenue freight for the week ending March 1 totaled 945,049 cars, which figure exceeded by a considerable margin the loading for any single week in any January, February or March on record. Compared with the same week in 1923 this total represented a gain of 26,425 cars, and an increase of 151,934 cars over the corresponding period in 1922. Despite the enormous demand for transportation facilities, the surplus of freight cars available for use on February 29 showed an increase, and tonnages are being promptly moved, complaints of delays being at a minimum. The St. Louis Terminal Railway Association, which includes in its membership 26 roads operating through this gateway, interchanged 204,866 loads in February, against 211,541 loads in January, 189,644 loads in December and 191,642 loads in February, 1923. For the first nine days of March 59,660 loads were interchanged, which compares with 64,721 loads during the first nine days of February and 67,545 loads for the corresponding period in March last year. Passenger traffic of reporting roads increased 3 per cent in February over the same month in 1923.

Reports relative to collections reflected somewhat less satisfactory conditions than during the preceding 30 days. February settlements with wholesalers were not up to expectations in a number of instances, and in certain localities backwardness is in evidence. Bad roads and storms have had an adverse effect on collection efficiency in the rural districts, and continued depression in the coal industry is a factor in delayed payments in the mining fields. There was good liquidation of accounts owed in the tobacco and rice areas, but generally through the cotton sections conditions are irregular. In the larger centers of population retailers are for the most part getting in their money promptly. Answers to 409 questionnaires addressed to representative interests in various lines throughout the district show the following results:

	Excellent	Good	Fair	Poor
Feb. 1924.....	1.7%	27.1%	53.4%	17.8%
Jan. 1924.....	1.7	25.2	63.0	10.1
Feb. 1923.....	1.1	50.0	45.7	3.2

Commercial failures in Eighth Federal Reserve District during February, according to Dun's num-

bered 97, involving liabilities of \$1,489,558, against 143 defaults with indebtedness of \$1,669,880 in January and 81 failures for \$1,008,734 in February, 1923.

The per capita circulation of the United States on March 1 was \$42.85, against \$41.77 on February 1, and \$41.61 on March 1, 1923.

## MANUFACTURING AND WHOLESALE

### Automobiles

Combined production of automobiles and trucks for the country as a whole during February was 16.2 per cent larger than in January, in spite of the fact that January contained 27 working days and the later period only 25. As contrasted with the same month in 1923, February production increased 30.9 per cent. The total output of passenger cars in February by companies reporting direct or through the Automobile Chamber of Commerce was 336,284 against 287,211 in January. These same companies built 30,399 trucks in February as against 28,247 during the preceding month. Reports from 230 dealers in this district indicate sales during February about 4.5 per cent in excess of the same month in 1923. The demand for both new and old cars is reported good, and sales of accessories are holding up in excellent shape. There was a rather large increase in stocks of new cars in both producers' and dealers' hands, but this is a seasonal development, the custom being to stock up at this time to meet the spring demand. The automobile show held in St. Louis in February was the most successful ever held here in point of attendance, and resulted in actual sales of 486 cars. A number of price changes were announced by producers. The tire business continues dull, with both production and stocks in dealers' hands in excess of demand.

### Boots and Shoes

Sales of the 11 reporting interests in February were 28.3 per cent larger than for the corresponding month in 1923 and 31.3 per cent under the preceding month this year. The recession in business in February under January is accounted for largely by seasonal considerations. Generally through the line the demand continues good, though buying is confined to well defined needs. As has been the case for a number of months, specialties and women's novelty goods are relatively more active than the more staple shoes, and factories turning out these goods are working at full time. Numerous style changes have stimulated the demand in women's and children's footwear by ultimate consumers, but have also served to hold down future commitments by retailers. Prices, except on scattered numbers which makers are particularly anxious to move, were virtually steady with the preceding thirty days. Asking prices on raw materials are higher, but aside from calfskins, few actual advances were recorded. Factory operation was at from 80 to 100 per cent of capacity. The total number of pairs of shoes produced in this district during January was 8.7 per cent larger than for the preceding month, and for the country as a whole, January production increased 16 per cent over the December total.

### Clothing

Generally through the trade small and numerous orders are the rule, with the aggregate volume making a good showing. Inquiries during the period under review were large, and indicate small stocks in retailers hands, but actual commitments for forward delivery are being cautiously made. Medium-priced light-

weight lines for spring wear have been moderately active only, the continued cold weather militating against the movement of this class of goods. The comment is made that price buying is much in evidence, the demand still centering in the cheaper garments. In addition to price considerations, style changes, actual and prospective, constitute an important factor in current activities. Demand for woolens and worsteds is featured by irregularity, with volume of business placed thus far below expectations in many cases. With the exception of some specialties, prices on woolen goods for fall wear are lower. February sales of the 11 reporting interests were 0.9 per cent under the same month in 1923, and 14 per cent in excess of the January, 1924, total.

### Drugs and Chemicals

A further slowing down in business in this classification marked the period under review. Sales of the 11 reporting interests in February were 5.8 per cent less than a year ago, and 8.0 per cent under the January total. Especially heavy decreases were reported in remedial drugs as contrasted with a year ago, which is attributed to less than the ordinary amount of sickness during the winter. Sales of heavy chemicals to manufacturers were also in smaller volume. Trade in sundries, on the other hand, was active, with the movement of cosmetics heavy. The demand for soda fountain supplies continues active. Advance sales of insecticides and spraying materials are reported about normal for this season. Price changes were of minor importance, advances about counterbalancing declines.

### Dry Goods

Business in primary lines continues light with trend of prices easier. The downward course of raw cotton prices has proven an unsettling factor and is largely responsible for the limited amount of advance business in cotton goods. Print cloths, sheetings and convertibles have held close to the lowest prices of the year, with sales in some cases below current curtailed production. There has been indifferent response to offerings of spring house dresses, with manufacturers willing to shade prices in order to move stocks on hand. Wash goods show seasonal activity, but silks are in only fair demand. Sales of hosiery continue in large volume, but overproduction with consequent easier prices forms the disturbing element in this category. Buyers are requesting concessions on fall knit underwear, with wholesalers disinclined to grant them at this time. Most new business is on light weight spring lines. Prevalent comment is that sharp competition has made it difficult to move goods at a reasonable profit, even though volume continues large. February sales of the 11 reporting interests exceeded those of the same month a year ago by 1.1 per cent and were 7 per cent in excess of the January, 1924, total. Sales of reporting milliners during February showed a decrease of 3.2 per cent as compared with the same month in 1923.

### Electrical Supplies

Continued activity in the building industry and an excellent demand for household electrical appliances and radio apparatus were the chief factors in the activity reported in this line. February sales of the 12 leading interests were 1.4 per cent under the same month in 1923 and 19.4 per cent in excess of the Jan-

uary total. Heavy orders for pole line construction materials for spring delivery have been placed, and purchasing by public utilities companies generally has been in good volume. Except on goods affected by the advance in copper, prices were steady. Supplies for mines and oil fields continue slow.

### Fire-Clay Products

Activity among producers and melters of pig iron and other users of refractories is reflected in a continued brisk demand for relining and general repair purposes. Production is well sustained, while prices are unchanged. Heavy specifications on old contracts were reported and inquiries for materials for new undertakings include a number of important municipal vitrified jobs. Advance orders on books of manufacturers are permitting of plant operations at from 75 to 80 per cent of full capacity. A number of sizeable orders have been placed for malleable bungs and arches. Sales of the 5 reporting interests in February exceeded those of the same month in 1923 by 8 per cent and were 4.4 per cent larger than the January, 1924 total.

### Flour

Production of the 11 leading mills of the district during February was 357,539 barrels against 306,012 barrels in January, 323,695 barrels in December and 321,725 barrels in February, 1923. While there was no change for the better in export demand and new buying by the domestic trade continues slow, shipping directions on flour under contract were very satisfactory, particularly from the South. Soft flours were relatively more active than those made from hard wheat, and demand centered in clears and low grades to the detriment of choice and extra fancy descriptions. Buying by bakeries was reported quiet and on a hand to mouth basis. Small sales of clears were made to Germany, and Latin-American countries took their normal quotas, but generally bids from abroad were too far out of line to result in workings. Prices of flour failed to follow the downturn in wheat, and were about steady as compared with the preceding 30 days. Mill operation was at from 65 to 70 per cent of capacity.

### Furniture

Sales of the 27 reporting interests during February were 9.5 per cent less than for the same month in 1923, but 22.5 per cent over the January total this year. Stocks in dealers' hands are light and the demand at retail is reported steadily improving. In spite of this, the disposition among distributors is to buy from hand to mouth, stock orders being scarcer than in recent years at this particular season. Prices of finished goods were steady, and manufacturers report that they have been obliged to absorb some recent slight advances in raw materials. Some improvement in the demand for office and school furniture was reported, and miscellaneous goods, such as children's carriages, cane furniture and toy vehicles are in better demand. The movement of floor coverings continues good.

### Groceries

Announcement by the Brazilian Government that a maximum of only 35,000 bags of coffee would be exported daily brought a rush of buying of that staple that was almost immediately reflected in sharp price increases on all grades, from cheap to choice. The sentimental effect of this rise has prompted buying of other goods of the line, excepting sugar, which is dull

and easier. Demand for canned goods continues active, particularly in sections where fruit crops were short last year. Stocks in hands of retailers are somewhat heavier than heretofore but not above normal for the season. February sales of 22 representative interests exceeded those of the same month a year ago by 9.1 per cent and were 4.6 per cent in excess of the January, 1924, total.

**Hardware**

A fair increase in business in this line was recorded in spite of unfavorable weather conditions and heavy roads. February sales of the 12 reporting interests were 4.2 per cent larger than for the same month last year, and 3.7 per cent in excess of the January total. Prices generally through the line are strong, with a slight upward tendency in certain departments. The demand for builders' hardware is particularly active, with a scarcity reported in some articles. Improvement was noted in sales of enamel ware and the general line of shelf hardware. Poultry supplies, garden tools and spraying apparatus are moving well, and sales of cutlery and sporting goods were fair.

**Iron and Steel Products**

Activities at steel mills, iron foundries and machine shops were well sustained during the period under review. While new business placed represents more nearly exact needs than usual at this season, the aggregate is large, and during the past several weeks purchasing by the railroads has served to substantially augment total volume of orders. Pig iron production for the country as a whole in February exceeded the 100,000-ton daily mark, and despite the shorter month showed a gross gain of more than 50,000 tons over January. The output of steel ingots in February was also in excess of the January total, and on a daily average basis was the largest in history, with the exception of last April and May. The trend of finished and semi-finished materials was slightly easier, and there was a rather sharp decline in scrap iron and steel prices, but pig iron held about steady with the preceding thirty days. No. 2 Southern foundry iron, 1.75 to 2.25 per cent silicon, was quoted at \$23.50 to \$24 per ton, furnace, while Northern iron of the same grade held firmly at \$24.50. Purchasing of pig iron in this district was slow, due chiefly to the fact that users had filled their requirements for the first quarter, and are unwilling to make extensive commitments for the future until something more definite is known relative to second and third quarter developments. Fabricators of structural iron and steel report a continued excellent demand for small lots up to 150 tons. Makers of radiators and heating apparatus generally are working at capacity, but stove builders complain of lack of advance buying. Warehouse interests are purchasing from hand to mouth, but are keeping up their assortments and report a brisk current demand for their goods. Some improvement was noted in the demand for reinforcing concrete bars, and plates and shapes were well taken, though contracting for the latter materials continues on an ultra conservative basis. Tin plate prices are well stabilized and the demand steady. February sales of stove manufacturers, 7 reporting, were 10.1 per cent under the same month in 1923 and 11.4 per cent larger than the January total this year; railway supplies, 5 reporting, decreased 30.1 per cent under February, 1923, but gained 14.2 per cent over the January total; farm implement

makers, 6 interests reporting, decreased 13.4 per cent under last February and gained 9.7 per cent over January; job foundries, 5 reporting, gained 3.9 per cent over February last year and 63.7 per cent over January this year; manufacturers of boilers, stacks, elevators, radiators and other miscellaneous products, 12 reporting, decreased 21.4 per cent under February last year and 16.1 per cent under January.

**Lumber**

While weather conditions in this territory have held distribution from the retail yards in check, receipts of building lumber for stocking continue large, there is some increase in wholesale buying and much more indicated in the volume of inquiries. The recent settlement of disputed points in the St. Louis building trades wage scale by contractors agreeing to the advances, has been helpful in clearing the way for the buying of lumber and millwork. The yards anticipate quite a spurt in the demand as soon as the weather becomes sufficiently settled to permit building operations to go forward. The wholesale softwood markets, aside from such minor woods as red cypress and California redwood, are weak and more or less price shading is required to induce business. Southern pine prices, however, are relatively better sustained than those on fir and western hemlock and spruce. Stocks among the larger southwestern producers are in very poor assortment, with common grades pretty well cleaned up. Fir stocks are heavier and the pressure to make sales is greater. The hardwood situation is steady, with a fair demand still prevailing for all the more staple stocks and items. Tendency of prices is slightly downward, owing to the fact that the mills continue to run pretty strong and there is no wide margin of orders for them to work on. However, comparatively few manufacturers are trying to force the market in order to add to business on hand.

**Consumption of Electricity**

Data from reporting centers indicate a sustained demand from industrial users. The decline in St. Louis as compared with a year ago was due to shutdown for repairs of a large cement plant. Heavy increases were noted here in loads taken by cordage manufacturers and steel producers. In other centers of the district increases are accounted for by augmented operations of brick plants and foundries, while furniture manufacturers took smaller loads than during the same period in 1923. The decrease during February, 1924 as compared with January is accounted for by the smaller number of days in the later period. Detailed figures follow:

	No. of custom-ers	Feb. 1924 *K.W.H.	Jan. 1924 *K.W.H.	Feb. 1924 comp. to Jan. 1924	Feb. 1923 *K.W.H.	Feb. 1924 comp. to Feb. 1923
Evansville .....	40	967	898	+ 7.7%	939	+ 3.0%
Little Rock.....	11	693	747	- 7.2	630	+10.0
Louisville .....	67	3,646	3,576	+ 2.0	3,155	+15.6
Memphis .....	31	1,372	1,466	- 6.4	1,350	+ 1.6
St. Louis.....	70	10,743	11,173	- 3.8	11,000	- 2.3
Totals.....	219	17,421	17,860	- 2.5	17,074	+ 2.0

\*In thousands (000 omitted).

The following figures, compiled by the Department of Interior, give kilowatt production for both lighting and industrial purposes for the entire country:

	By water power	By fuels	Totals
November, 1923.....	1,501,349,000	3,336,181,000	4,837,530,000
December, 1923.....	1,682,183,000	3,274,288,000	4,956,471,000
January, 1924.....	1,697,107,000	3,479,877,000	†5,176,984,000

†Largest on record.

## RETAIL

Generally during the period under review business in the retail section of distribution continued active, though results in the large cities and towns were relatively much better than in the country. This latter fact was due more to severe weather and impassable roads than to reluctance on the part of persons in the rural districts to purchase. The protracted cold weather, however, enabled merchants to move a large volume of winter goods which otherwise they would have been obliged to carry over. This belated movement of winter merchandise was particularly marked during the first three weeks of March, during which time reporting firms sold large quantities of shoes, rubber goods and heavy clothing. Women's coats and suits, as well as men's and children's apparel, are in active demand, except in sections where local conditions, such as lack of employment in the mining districts and interference with communications in the country, have curtailed business. Seasonal clearance sales have met with excellent response, but due to the lateness of Easter and the late spring, many seasonal lines have received little attention.

Chain store business continues at record levels. Reports from 3 interests operating 1,483 grocery stores showed a sales increase during February of 14.6 per cent as compared with the corresponding period last year.

Department stores are also making a favorable showing, February sales of the 22 reporting interests exceeding those of the same month a year ago by 6.3 per cent. Stocks are in an extremely healthy position, as evidenced by the fact that the 6.3 per cent sales increase was accomplished with only a 3.5 per cent increase in stocks on hand. Assortments are being well maintained. Detailed department store figures follow:

	Net sales comparisons		Stocks on hand Feb. 29, 1924 comp. to Feb. 28, 1923	Annual rate of stock turnover For two months ending Feb. 29, 1924
	Feb. 1924 comp. to Feb. 1923	Two months ending Feb. 29, 1924, to same period, 1923		
Evansville .....	+ 5.4%	+ 7.4%	- 1.2%	1.86
Little Rock.....	- 0.8	+ 1.1	+ 14.0	2.17
Louisville .....	+ 3.9	+ 5.8	+ 1.4	2.94
Memphis .....	+ 3.1	+ 0.2	+ 5.5	2.15
Quincy .....	+ 4.0	- 0.5	+ 4.0	1.90
St. Louis .....	+ 10.5	+ 9.2	+ 1.3	3.10
Springfield .....	- 29.8	- 33.7	+ 4.1	0.90
8th District .....	+ 6.3	+ 5.5	+ 3.5	2.72
Entire U. S.....	+ 12.6	+ 9.8	+ 6.0	2.91

## AGRICULTURE

Reports relative to the growing winter wheat crop were spotted and as a whole reflected less favorable prospects than existed earlier in the season. The chief complaint is of damage from alternate freezing and thawing, which is particularly acute East of the Mississippi River. Hessian fly is present in some sections, but the infestation is confined largely to early sown wheat and is not more serious than usual. Generally there has been abundant moisture, and soil conditions are such as should insure prompt response by the plant to good growing weather from this time on. In all states of this district stocks of wheat still in farmers' hands as of March 1, according to the U. S. Department of Agriculture, were larger than on the same date last year. For the country as a whole, however, the amount of wheat on farms on March 1 was 138,871,000 bushels against 155,474,000 bushels on March 1, 1923.

In the three principal corn producing states of the district, Illinois, Indiana, and Missouri, stocks of corn on farms on March 1 were considerably larger than a

year ago, but were smaller in Kentucky, Tennessee, Mississippi, and Arkansas. The movement of corn to market continues in good volume, despite agitation among farmers in some sections to hold for higher prices. There are numerous complaints of the poor quality of corn reaching market, and large quantities have had to be kiln dried.

The U. S. Department of Agriculture, in its report as of March 1, 1924, gives stocks of principal commodities on farms in this district as follows:

### CORN

	Stocks on farms March 1			Farm price per bu. February 15			Percentage of crop of merchantable quality		
	*Bu.	*Bu.	*Bu.	(cents)			1923	1922	1921
	1924	1923	1922	1924	1923	1922	1923	1922	1921
Arkansas .....	11,321	16,234	23,813	115	92	62	73	83	83
Illinois .....	138,298	115,837	128,506	68	66	46	81	93	86
Indiana .....	78,973	70,522	76,432	65	68	46	80	91	80
Kentucky .....	35,146	35,224	33,682	94	84	64	80	83	77
Mississippi .....	11,135	21,484	27,977	107	94	68	75	85	84
Missouri .....	74,807	60,562	69,494	80	74	50	79	85	81
Tennessee .....	32,534	33,948	43,542	97	88	58	80	84	82
U.S.Total.....	1,153,175	1,093,306	1,305,559	76.5	72.5	50.3	80.6	88.3	87.5

### WHEAT

	Stocks on farms March 1			Farm price per bu. February 15			Percentage of crop shipped out of country where grown		
	*Bu.	*Bu.	*Bu.	(cents)			1923	1922	1921
	1924	1923	1922	1924	1923	1922	1923	1922	1921
Illinois .....	9,376	7,760	6,555	101	114	116	70	67	59
Indiana .....	6,165	4,628	4,113	104	122	118	64	62	56
Kentucky .....	999	897	761	112	126	126	18	21	21
Missouri .....	6,830	5,435	5,243	102	111	109	62	63	57
Tennessee .....	766	673	720	119	129	128	19	20	22
U. S. Total.....	133,871	155,474	134,253	98.0	104.4	107.0	63.4	67.3	61.7

### OATS

Illinois .....	44,583	31,903	46,262	43	44	32	44	45	46
Indiana .....	13,634	8,223	17,896	44	43	32	37	33	36
Missouri .....	10,350	3,840	15,895	52	52	37	11	10	11
U. S. Total.....	444,810	421,118	411,934	45.4	42.4	34.7	24.7	25.0	23.9

\*In thousands (000 omitted).

Weather has been very unfavorable for field work and preparation of land for new crops is backward. In some sections of the cotton growing area preliminary operations have been hampered by a shortage of labor. Seeding of oats is being pushed as rapidly as soil conditions will permit, but is not as far advanced as usual at this season. Reports from the South are to the effect that the ground has been too wet to plant truck crops, and little has been accomplished in the way of putting in gardens. There are scattered complaints of injury to peaches from cold weather, some localities reporting the crop damaged as much as 90 per cent.

The price paid to farm labor is slightly lower than at the corresponding period last year. The trend of farm land values is lower.

The condition of live stock is in the main good, complaints of disease among herds being scattered and fewer than usual at the close of the winter. Shipments of cattle, hogs and sheep to market continue large, and prices have been favorably affected by a broader demand from Eastern finishers and a firmer tone in the fresh meat market.

### Live Stock Movement

Receipts and shipments of live stock at St. Louis, as reported by National Stock Yards, were as follows:

	*Receipts			*Shipments		
	Feb. 1924	Jan. 1924	Feb. 1923	Feb. 1924	Jan. 1924	Feb. 1923
Cattle and calves.....	69	92	72	41	53	46
Hogs .....	453	499	382	284	296	256
Horses and mules.....	8	15	11	9	15	13
Sheep .....	17	28	19	11	13	5

\*In thousands (000 omitted).

The independent loose-leaf tobacco markets in both the burley and dark tobacco districts are rapidly nearing the close of the season. In the dark-fired district, however, both pooled and unpoled tobacco

**BUILDING**

deliveries are considerably behind those of last year at this time, due to unfavorable road and weather conditions. Prices are satisfactory and while the quality is inferior there has been a good demand for everything offered. Approximately 85 to 90 per cent of burley tobacco pooled with the Cooperative Marketing Association has been delivered, which is much in excess of deliveries of the pooled dark tobacco. Reports indicate that the greater part of the undelivered dark tobacco represents the better grades of the 1923 crop. Grading of tobacco by the Burley and Dark Tobacco Growers Cooperative Associations has been satisfactory, also prices received for leaf marketed by these organizations. The unsold stock in Louisville on March 1 of both burley and dark tobacco was 1,831 hogsheads, which was the smallest stock unsold on that date in many years.

Deliveries of rice by producers have been heavy, and only a small part of the crop remains on farms. The movement of clean rice is on a very satisfactory basis, with the general demand good and prices firm. The prevailing quotation for best grades has been about \$1.30 per bushel, with the average price on all grades approximately \$1.10 per bushel. Present indications are for a slightly increased acreage over last year. Plowing is in progress, but has been delayed by excessive rainfall. There is a better demand for good quality seed rice than during past seasons.

The demand for cotton during the period under review was described as slow, and sales have been relatively light. The sharp decline in prices has discouraged holders from marketing their stocks, and there is a disposition to hold for better returns. Weather has been against early farm work, except in the extreme southern part of the district. Active efforts toward boll weevil control are being made in all sections.

**Commodity Movement**

Receipts and shipments of important commodities at St. Louis, as reported by the Merchants' Exchange, were as follows:

	*Receipts			*Shipments		
	Feb. 1924	Jan. 1924	Feb. 1923	Feb. 1924	Jan. 1924	Feb. 1923
Beef, lbs.....	249	52	92	24,704	26,506	16,754
Corn, bu.....	5,393	4,628	3,120	3,534	3,046	2,147
Flour, bbls.....	457	440	344	553	511	452
Hides, lbs.....	6,699	7,586	5,669	10,247	9,559	7,208
Lard, lbs.....	8,187	5,991	4,754	14,586	15,845	11,434
Lead, pigs.....	226	243	236	154	149	108
Lumber, cars.....	20	18	15	14	12	12
Oats, bu.....	3,092	3,054	1,939	3,080	2,431	2,029
Pork, lbs.....	17,569	18,606	15,153	29,360	30,923	28,288
Wheat, bu.....	2,260	1,850	2,257	2,021	1,512	1,780
Zinc, slabs.....	285	325	139	240	213	177

\*In thousands (000 omitted).

**Commodity Prices**

Range of prices on typical products in the St. Louis market between February 15, 1924, and March 15, 1924, with closing quotations on the latter date, and on March 15, 1923:

	High	Low	Close	
			Mar. 15, 1924	Mar. 15, 1923
Wheat				
May .....per bu.	\$1.12½	\$1.05	\$1.06½	\$1.18½
July .....	1.11	1.05	1.06¾	1.11½
September .....	1.12	1.06	1.06½	1.10¾
No. 2 red winter..	1.20	1.09½	1.12	1.35
No. 2 hard.....	1.12	1.06½	\$1.06½ @ 1.07½	\$1.17½ @ 1.19
Corn				
May .....	.82½	.77½	.78½	.74½
July .....	.82½	.79¼	.79¾	.77¾
September .....	.82	.79¼	.79¾	.76¾
No. 2 .....	.79	.76	.77	.73¾
No. 2 white.....	.80	.77	.77½	.74½
Oats				
May .....	.51½	.47¾	.47¾	.45½
No. 2 white.....	.51	.47¾	.48¼ @ 48½	.46½ @ 47
Flour				
Soft patent.....per bbl.	6.50	5.40	5.40 @ 6.50	6.00 @ 7.00
Spring patent.....	6.40	5.80	5.90 @ 6.20	6.00 @ 6.40
Middling cotton.....per lb.	.32	.28¾	.29	.31
Hogs on hoof.....per cwt.	7.75	4.50	5.75 @ 7.50	6.00 @ 8.65

Value of February building permits issued in the five leading cities of the district showed a slight decrease under the preceding month, also under the corresponding month last year. During the period under review work on buildings in course of construction was retarded somewhat by inclement weather, and heavy snow and rain storms seriously interfered with road building. Extensive plans for construction in all parts of the district are waiting opening of the building season. The demand for all varieties of building materials holds up well, and prices show little change worthy of note. The trend of wages of both skilled and unskilled workers in the building trades continues upward, and in St. Louis higher scales are being demanded by some crafts. Production of portland cement for the entire country during February totaled 8,588,000 barrels, against 8,788,000 in January and 8,210,000 in February, 1923.

Building figures for February follow:

	New construction				Repairs, etc.			
	Permits		*Cost		Permits		*Cost	
	1924	1923	1924	1923	1924	1923	1924	1923
Evansville.....	66	70	\$ 114	\$ 446	23	25	\$ 9	\$ 5
Little Rock....	98	70	249	164	68	135	45	45
Louisville .....	239	203	786	1,058	72	67	269	94
Memphis .....	386	323	2,163	2,000	66	37	27	52
St. Louis .....	594	426	2,017	2,115	423	387	323	550
Feb. totals.....	1,383	1,092	\$5,329	\$5,783	652	651	\$673	\$746
Jan. totals.....	987	1,390	6,147	7,450	540	745	380	485
Dec. totals.....	1,015	918	6,635	9,267	540	735	390	847

\*In thousands of dollars (000 omitted).

**FINANCIAL**

As contrasted with the preceding thirty days, credit conditions during the period under review developed only minor changes. While borrowing for general purposes was in fair volume, the demand from commercial sources was somewhat less active than heretofore. Commercial banks in both the large cities and smaller communities found themselves with ample funds on hand to easily meet all demands made upon them. Liquidation reported was scattered, both as to locality and class of loans affected. March settlements with leading wholesale interests in the large centers were generally up to expectations, and in some instances relatively larger than a year ago. The seasonal reduction of grain and flour stocks by the milling industry has resulted in a curtailment of loans in that category, and further liquidation of a substantial character has taken place in the tobacco districts. There is a fair demand for financing live stock operations, but recent heavy marketing of cattle, sheep and hogs have served to offset new borrowings and hold the total loans for this purpose stationary. Deposits fluctuated rather broadly, and were affected in some measure by income tax payments. A further slight increase was recorded in savings accounts. Interest rates charged by the commercial banks showed a slightly easier trend, but actual quotations were unchanged. Subscriptions in this district to the issue of U. S. Treasury one year certificates of indebtedness, dated March 15, and bearing 4 per cent interest, were considerably in excess of the amount ultimately allotted. Due to earlier closing of the books than expected, however, the total subscriptions did not equal the original quota. Between February 15 and March 15 accommodations granted by this institution to member banks decreased \$3,684,109. Between the same dates Federal reserve note circulation of this bank decreased \$680,000.

### Commercial Paper

Business of reporting commercial paper brokers during February showed slightly more than the usual seasonal decline under the preceding month, on a percentage basis the loss being 22.3 per cent. As compared with February, 1923, there was a decrease of 1.2 per cent. During the first two weeks of March sales were well in excess of the corresponding period last year. Country banks, particularly in the South, were the best buyers, with banks in the larger cities purchasing virtually nothing for their own accounts. The supply of paper was fairly plentiful, and included a large number of choice borrowers. Rates were unchanged at 4¾ to 5 per cent.

### Savings Deposits

Number of banks reporting	*Amount of savings deposits			Mar. 1924	Mar. 1924
	Mar. 5, 1924	Feb. 6, 1924	Mar. 7, 1923	comp. to Feb. 1924	comp. to Mar. 1923
Evansville .... 4	\$ 9,065	\$ 9,024	\$ 8,956	+ 0.5%	+ 1.2%
Little Rock.. 5	7,616	7,462	7,350	+ 2.1	+ 3.6
Louisville .... 7	25,951	25,987	22,746	- 0.1	+14.1
Memphis ..... 5	18,978	19,063	16,451	- 0.4	+15.4
St. Louis.....12	74,319	73,489	70,271	+ 1.1	+ 5.8
Totals...33	\$135,929	\$135,025	\$125,774	+ 0.7	+ 8.1

\*In thousands (000 omitted).

### Federal Reserve Operations

During February the Federal Reserve Bank of St. Louis discounted for 246 of its 630 member banks, which compares with 264 of its 629 member banks accommodated in January. The discount rate of this bank remains unchanged at 4½ per cent.

Changes in the assets and liabilities of the Federal Reserve Bank of St. Louis since a month ago and last year are shown in the following statement:

### RESOURCES

	*Mar. 19, 1924	*Feb. 20, 1924	*Mar. 21, 1923
Gold with Federal Reserve Agent.....	\$ 65,584	\$ 69,304	\$ 68,084
Gold redemption fund with U. S. Treasury	4,111	2,487	2,770
Gold held exclusively against F. R. notes..	\$ 69,695	\$ 71,791	\$ 70,854
Gold settlement fund with F. R. Board.....	13,602	14,366	6,509
Gold and gold certificates held.....	4,920	4,587	3,097
Total gold reserves.....	\$ 88,217	\$ 90,744	\$ 80,460
Reserves other than gold.....	13,283	13,732	21,846
Total reserves.....	\$101,500	\$104,476	\$102,306
Non-reserve cash.....	3,921	4,639	5,176
Bills discounted:			
Secured by U. S. Government obligations	11,914	10,883	10,594
Other bills discounted.....	22,812	27,357	14,885
Total bills discounted.....	\$ 34,726	\$ 38,240	\$ 25,479
Bills bought in open market.....	6,734	2,740	11,997
U. S. Government securities:			
Bonds .....			7,312
Treasury notes.....	4,515	1,514	10,812
Certificates of indebtedness.....	1,489	893	10,300
Total U. S. Government securities.....	\$ 6,004	\$ 2,407	\$ 28,424
Total earning assets.....	\$ 47,464	\$ 43,387	\$ 65,900
Uncollected items.....	38,638	35,230	38,606
Bank premises.....	1,648	1,493	926
All other resources.....	163	188	365
TOTAL RESOURCES.....	\$193,334	\$189,413	\$213,279

### LIABILITIES

F. R. notes in actual circulation.....	\$ 69,003	\$ 69,223	\$ 85,916
Deposits:			
Member banks-reserve account.....	71,959	69,815	70,546
U. S. Government.....	1,157	1,899	2,605
Other deposits.....	392	374	580
Total deposits.....	\$ 73,508	\$ 72,088	\$ 73,731
Deferred availability items.....	35,027	32,399	38,203
Capital paid in.....	5,074	5,055	4,914
Surplus.....	10,072	10,072	9,665
All other liabilities.....	650	576	850
TOTAL LIABILITIES.....	\$193,334	\$189,413	\$213,279

MEMO—Contingent liability on bills purchased for foreign correspondents..... 474 825 1,251

Ratio of total reserves to deposit and F. R. note liabilities combined..... 71.2% 73.9% 64.1%

\*In thousands (000 omitted).

### Debits to Individual Accounts

	*For four weeks ending			Mar. 1924	Mar. 1924
	Mar. 12, 1924	Feb. 13, 1924	Mar. 14, 1923	comp. to Feb. 1924	comp. to Mar. 1923
E. St. Louis and					
Nat'l. Stock Yards, Ill..	\$ 34,791	\$ 36,930	\$ 36,133	- 3.7%	- 3.7%
El Dorado, Ark.....	6,585	6,139		+ 7.3	
Evansville, Ind.....	27,312	26,119	33,688	+ 4.6	-18.9
Fort Smith, Ark.....	10,986	11,011	11,204	- 0.2	- 1.9
Greenville, Miss.....	3,344	4,331	3,931	-22.8	-14.9
Helena, Ark.....	4,322	4,544	5,024	- 4.9	-14.0
Little Rock, Ark.....	56,118	54,327	57,891	+ 3.3	- 3.1
Louisville, Ky.....	152,809	156,025	154,911	- 2.1	- 1.4
Memphis, Tenn.....	121,752	130,571	138,268	- 6.8	-11.9
Owensboro, Ky.....	6,013	6,221	6,816	- 3.3	-11.8
Quincy, Ill.....	9,894	9,151	11,338	+ 8.1	-12.7
St. Louis, Mo.....	592,216	589,138	584,922	+ 0.5	+ 1.2
Sedalia, Mo.....	3,569	3,484		+ 2.4	
Springfield, Mo.....	11,153	11,271	12,711	- 1.0	-12.3
Totals.....	\$1,040,864	\$1,049,262		- 1.5	- 2.5

\*In thousands (000 omitted).

### Condition of Banks

Changes in the condition of banks in this district are reflected in the following statement showing principal resources and liabilities of reporting member banks in Evansville, Little Rock, Louisville, Memphis and St. Louis:

	*Mar. 12, 1924	*Feb. 13, 1924	*Mar. 14, 1923
Number of banks reporting.....	†35	†35	36
Loans and discounts (incl. rediscounts)			
Secured by U. S. Gov't obligations.....	\$ 9,918	\$ 9,779	\$ 18,033
Secured by other stocks and bonds.....	151,701	148,746	137,061
All other loans and discounts.....	305,850	314,445	304,248
Total loans and discounts.....	\$467,469	\$472,970	\$459,342
Investments			
U. S. pre-war bonds.....	14,981	14,991	15,323
Liberty bonds.....	22,689	23,556	24,826
Treasury bonds.....	6,221	6,242	9,587
Victory and Treasury notes.....	17,183	16,714	24,393
Certificates of Indebtedness.....	6,866	7,451	3,034
Other securities.....	89,203	89,584	88,923
Total investments.....	\$157,143	\$158,538	\$166,086
Reserve balance with F. R. bank.....	42,288	43,559	44,499
Cash in vault.....	7,299	8,773	8,158
Net demand deposits.....	355,584	364,079	380,804
Time deposits.....	201,768	201,805	183,487
Government deposits.....	4,186	4,186	3,852
Bills payable and rediscounts with F. R. bank			
Secured by U. S. Gov't obligations.....	4,767	3,237	2,733
All other.....	11,797	14,108	6,162

\*In thousands (000 omitted).

†Decrease due to consolidation.

### COST OF LIVING

Cost of living in the United States on February 15 had decreased 0.4 per cent from the level of January 15, according to the National Industrial Conference Board. During that period there was an increase in the cost of clothing and decreases for fuel and food. The decrease in food prices was more than 1 per cent, but the other changes noted were not over 0.5 per cent. Detailed figures follow:

Item	Relative importance in family budget	Percentage of increase in the cost of living above average prices in July, 1914 to—			Percentage of decrease in the cost of living on February 15, 1924, from average prices in	
		July, 1920	Jan., 1924	Feb., 1924	July, 1920	Jan., 1924
Food*	43.1	119	49	47	32.9	1.3
Shelter .....	17.7	58	80	80	13.9**	No change
Clothing .....	13.2	166	76	77	33.4	0.2**
Fuel and light.....	5.6	66	75	75	5.4**	No change
(Fuel) .....	(3.7)	(92)	(92)	(91)	(0.5)	(0.5)
(Light) .....	(1.9)	(15)	(43)	(43)	(24.3)**	(No change)
Sundries .....	20.4	85	74	74	5.9	No change
Weighted average of all items.....	100.0	104.5	64.6	63.9	19.9	0.4

\*Food price changes are from the United States Bureau of Labor Statistics.

\*\*Increase.

The purchasing value of the dollar based on the cost of living in February, 1924 was 61 cents as contrasted with one dollar in July, 1914.

(Compiled March 22, 1924)

# FEDERAL RESERVE BANK OF ST. LOUIS



## MONTHLY REVIEW OF BUSINESS CONDITIONS IN FEDERAL RESERVE DISTRICT No. 8

Released for Publication On and After the Morning of April 30, 1924.

WILLIAM McC. MARTIN

CHAIRMAN OF THE BOARD AND FEDERAL RESERVE AGENT

WHILE underlying conditions have undergone no change of moment during the past thirty days, and production and consumption of commodities continues on a large scale, the general business situation is streaked with unevenness, and greater hesitation is manifested among buyers, particularly in the matter of forward commitments. A number of unfavorable factors noted in the preceding issue of this report continued to be felt during the first half of the period under review. Chief among these was the unfavorable weather prevailing through the district. Low temperatures, accompanied by rain storms served to disturb the usual routine of business in the rural districts, and held down the volume of retail trading even in the large cities. Muddy roads kept farmers and their families from going to town to do their shopping, and the soft condition of fields held down farm operations to a minimum. The lateness of Easter was another factor adversely affecting the volume of distribution of merchandise, especially wearing apparel and holiday specialties.

In all lines of trade there is a growing disposition to take only such goods as can be disposed of from month to month. This attitude is ascribed to uncertainty relative to prices and to diminishing confidence relative to the outcome of business during the balance of the year. While there is every evidence of goods being needed, the policy is to deal with the utmost caution and to order often and in small lots rather than stock up heavily. Wholesalers make the comment that competition has increased in keenness, and it is more difficult to realize profits on their sales than was the case earlier in the year. Special effort in the direction of broadening assortments and offering attractive styles and designs are meeting less satisfactory response than might be expected. Price considerations continue an important factor, but at the moment it is less a matter of prices than general hesitancy and lack of interest.

Relatively industry made a more favorable showing than trade. Opening of the spring building season gave impetus to all kinds of construction work, and reports from all sections of the district indicate a continuance of the activity in construction which has marked the past eighteen months. The demand for building materials is active, and there is full employment among the building crafts. Heavy sales of building materials in the country, according to manufacturers and distributors, are taken to indicate that farmers are preparing to effect long delayed repairs and additions to their equipment. No improvement was noted in the coal mining industry, but in the lead and zinc district production is on a large scale, despite the recession in prices of ore and the refined metals.

Decreases in March sales as compared with a year ago were shown by reporting manufacturers and

wholesalers in the following lines: Boots and shoes, drugs and chemicals, dry goods, electrical supplies, furniture, fire clay products, stoves, railroad supplies, millinery, farm implements, job foundries and hardware. Gains were recorded in clothing and groceries. Stocks in virtually all lines investigated are of moderate proportions, and well under the corresponding period a year ago. Manufacturers are making up but few goods for which they have not orders booked or in immediate prospect, and their acquisitions of raw materials are being shaped to conform with this general policy. Price fluctuations of manufactured commodities were within rather narrow limits, but the trend was downward in a number of important classifications, notably iron and steel. Some cotton goods were higher, in response to the upturn in the raw staple, but generally textiles were unchanged.

Reports relative to employment in the district during March reflected rather irregular and spotted conditions. On the whole, however, fair gains were made over the preceding month, the chief accessions to the ranks of active workers being in the country, where farm operations and road building were resumed on a large scale. There were further gains in railroad shops and some factories, while losses were reported in the mining areas and among office help. According to the Employment Service of the U. S. Department of Labor, general industrial employment was maintained at a high rate. Common labor for all sorts of outdoor work was in excellent demand, and save where strikes have caused temporary idleness, artisans in the building industry are fully employed. Automobile plants, wholesale hardware, iron and steel, drugs and chemicals, packing plants and river improvement work are engaging their full seasonal complement of workers. In some sections of the South there is a scarcity of labor in the country, and efforts are being made to bring back laborers who left the farms to take work in the large manufacturing centers. Strikes and depression in the demand for fuel have created conditions of acute idleness in some coal mining sections.

While the season is from two to four weeks late, the agricultural outlook in this district is on the whole favorable. In the case of the main crops, indications are for acreages fully equal to those planted last year. The freezes in late March did little damage to fruits and small crops, as initial growth had not progressed far enough for the low temperatures to do any harm. The movement of cereals and other farm products to market during March showed a rather sharp decrease as compared with the preceding month and the corresponding period a year ago. Wheat futures in the St. Louis market declined further during the period under review, the May option closing at \$1.01 $\frac{5}{8}$  on April 15, as compared with \$1.06 $\frac{1}{8}$  on March 15.

Between the same dates corn futures were off  $\frac{3}{8}$ c to  $1\frac{3}{4}$ c, but both corn and wheat in the spot market held relatively strong, No. 2 red winter wheat being 1c to 2c higher. Middling cotton fluctuated rather broadly, dropping from 29c per pound on March 15 to  $27\frac{1}{2}$ c on March 27, then reacting upward to  $31\frac{1}{2}$ c on April 12, and closing at 31c on April 15.

A sharp reduction in production and continued dullness featured the coal situation during the period under review. All classes of consumers are disposed to postpone purchasing except what they are obliged to have for immediate use. Even the contract business usually in evidence at this time is considerably behind the seasonal level. The immediate cause of the recent decline in production was a general and marked softening in the market. Larger losses of working time through lack of demand were reported from all coal fields in the district. Labor troubles in the Kentucky fields have accentuated the depression there. Adjustments of wages and working conditions in the Central Competitive Field have served to reassure consumers relative to future supplies, and as a result, they are taking their time about buying. For the country as a whole the production of soft coal during the week ended April 5 was marked by a sharp decline. The total output was estimated at 6,814,000 net tons, a decrease of 2,004,000 tons under the preceding week, and comparing with 9,629,000 tons during the corresponding week in 1923. Production during the first 82 working days of the calendar year, or to April 5, totaled 141,841,000 tons, which compares with 146,311,000 tons for the same period in 1923.

While the past several weeks have developed a recessionary trend in traffic of railroads operating in this district, total volume continues heavy and above seasonal records of former years. For the country as a whole loadings of revenue freight have decreased steadily since the week ending March 1, the total for the week of April 5 being 862,096 cars. This represented a decrease of 45,452 cars under the preceding week and of 34,279 cars under the corresponding week in 1923, but a gain of 156,083 cars over the same week in 1922. Decreases were shown in all commodities except miscellaneous freight and forest products. The Terminal Railway Association of St. Louis, which handles the interchange of 28 connecting carriers, interchanged 204,656 loads in March, against 204,866 loads in February and 222,694 loads in March, 1923. During the first nine days of April 59,811 loads were interchanged, which compares with 59,660 loads during the first nine days of February and 63,580 loads during the corresponding period in April last year. Passenger traffic of reporting roads in March was unchanged from a year ago.

Tonnage moved on the Mississippi section of the Federal barge line between St. Louis and New Orleans amounted to 74,000 tons during March, which compares with 80,229 tons handled during February, 1924 and 59,551 tons moved during March, 1923. The relatively large total for February was occasioned by accumulation of freight prior to the opening of the season, and the fact that the first big tow was moved February 1.

A further slight slowing down in collections was indicated in reports to this bank covering March and early April. As has been the case for a number of months, much irregularity prevails, some localities making a markedly better showing than others. Country merchants complain that the unseasonable and heavy weather of March interfered with their collections, and unsatisfactory conditions in the coal fields

proved another factor making for backward payments. As a rule retailers in the large cities are getting in their money promptly, and wholesalers, particularly of boots and shoes and dry goods, report April settlements up to expectations. Answers to 408 questionnaires addressed to representative interests in various lines throughout the district show the following results:

	Excellent	Good	Fair	Poor
March, 1924.....	0.0%	24.8%	58.7%	16.5%
Feb. 1924.....	1.7	27.1	53.4	17.8
March, 1923.....	1.8	42.8	51.8	3.6

Commercial failures in the Eighth Federal Reserve District during March, according to Dun's, numbered 100, involving liabilities of \$1,313,655, against 97 defaults with indebtedness of \$1,489,558 in February, and 107 failures for \$1,508,844 in March, 1923.

The per capita circulation of the United States on April 1 was \$42.85, against \$42.85 on March 1 and \$41.98 on April 1, 1923.

## MANUFACTURING AND WHOLESALE

### Automobiles

Production of automobiles and trucks for the country as a whole during March exceeded the February output by 4 per cent, and was 7.9 per cent greater than the total of March, 1923. Part of the gain in March as compared with February was due to seasonal considerations and the fewer number of working days during the earlier period. Companies reporting direct or through the Automobile Chamber of Commerce built 348,287 passenger cars in March, against 336,284 cars in February. The output of trucks by these companies in March totaled 33,061 against 30,399 in February. Distribution continues on a satisfactory scale, sales of 230 dealers scattered through the district during March being 5.5 per cent larger than during the corresponding month last year, and 12 per cent in excess of February. Reports relative to new stocks indicate that with the exception of two of the lowest priced vehicles, the number of cars on hand is normal for the season, and no greater than at the same time last year. The movement of accessories also showed gains over a year ago, and this branch of the industry is described as active. No change for the better took place in tires, except that price reductions have ceased. A slight increase in the number of used cars in stock as compared with the preceding thirty days was noted.

### Boots and Shoes

Sales of the 11 reporting interests in March were 18.3 per cent less than for the same month in 1923, but showed somewhat more than the usual seasonal increase over the preceding month this year. The loss as compared with a year ago is chiefly in advance orders, sales for prompt delivery, continuing to make a good showing. Unfavorable weather and the general lateness of the season were mentioned as factors interfering with distribution in much of the territory served. Price changes in both finished goods and raw materials were of minor importance, though in the immediate past a lower trend was noticed in hides and certain grades of leather. Plants producing women's specialties continue on full schedule, but generally factory operation was at about 76 per cent of capacity. The total number of pairs of shoes manufactured in this district during March was 2 per cent more than during the preceding month and for the country as a whole, March production increased 4.8 per cent over the February total.

### Clothing

Opening of fall lines of woolens and worsteds has brought but few orders, bookings to date being some 35 per cent less than at this time a year ago. Several firms have secured capacity business on men's wear, but this condition is not general. All grades of dress goods, cloakings and staples are relatively quiet, though women's spring coats are in good demand. Manufacturers of overalls report some slowing down in sales, while demand for men's sport clothes is slightly better. Woolen goods prices are barely steady. March sales of the 11 reporting interests were 8.9 per cent in excess of those of the same month a year ago, but 39.1 per cent under the February, 1924 total.

### Drugs and Chemicals

March sales of the 11 reporting interests fell 10.3 per cent under the corresponding month last year, but were 6.7 per cent in excess of the February total this year. The backward spring has held down the movement of seasonal goods, but improvement in orders has taken place since April 1, particularly in the South. There has been a good movement of insecticides and spraying materials, and the demand for staple drugs and proprietary preparations continues active. A further recession in purchasing of heavy chemicals by manufacturers was reported. Sundries, cosmetics, paper goods and candy are being taken in normal volume. The retail drug business is generally good.

### Dry Goods

The advance in spot cotton during the first half of April gave a momentary impetus to buying in this category, but it was not sustained. Prices on print cloths and sheetings were slightly higher, in response to the upturn in raw cotton, but otherwise prices on cotton goods showed little change worthy of mention, with the demand generally quiet. Demand in all apparel lines is lagging, due partly to the late Easter and the inclement weather. Spring yard goods are moving tardily, and there is only fair demand for silks. About the only activity noticeable is in sport goods. Piecemeal buying is everywhere in evidence and stocks in all positions continue light. March sales of the 11 reporting interests were 25.5 per cent under those of the same month a year ago and 30.7 per cent less than in February, 1924.

### Electrical Supplies

The cold, wet weather during March, which delayed the opening of building and outdoor work by public utilities companies, was given as the chief cause for a decrease of 8.9 per cent in March sales of the 12 reporting interests as compared with the same month last year. A gain of 15.7 per cent, however, was shown as compared with February this year. Pre-season business in electric fans is reported satisfactory, and the movement of small motors of all sorts was in large volume. Companies specializing in household appliances report steadily increasing business, and sales of radio apparatus continue large.

### Fire-Clay Products

March sales were hardly up to expectations, and the improvement noted during the first half of April has been largely a matter of tone, as not much business has resulted from the numerous inquiries received during that time. The placement of several large municipal vitrified contracts has assured operations for several manufacturers in this portion of the indus-

try for several weeks. Otherwise business is just about holding its own, with sales of cement kiln liners about on a parity with the previous month and a slight slackening in the movement of bung arches and other shapes taken by the malleable industry. Demand from the oil fields, which has been relatively quiet, shows signs of improvement. Prices are unchanged. March sales of the 5 reporting interests were 19.8 per cent under those of the same month a year ago, but 11.3 per cent in excess of the February, 1924 total.

### Flour

Production of the 11 leading mills in the district during March was 358,055 barrels, against 357,539 in February and 350,064 barrels in March, 1923. No change took place in the main features of the trade, the inert conditions of the preceding few months still obtaining. No new business of consequence was reported, sales being chiefly on the regular customer order and for prompt shipment. Domestic orders for both hard and soft flours were limited, but fair shipping directions enabled some mills to operate at a higher capacity than during the preceding thirty days. Export business is almost at a standstill, bids from Europe being too far out of line to result in workings. Mill operation averaged approximately 67 per cent of capacity.

### Furniture

As compared with a year ago, March sales of the 29 reporting interests showed a decrease of 16 per cent, and were 8 per cent under the February total this year. Manufacturers and jobbers complain that dealers are difficult to interest, and continue to purchase on a hand-to-mouth basis. Stock orders are the smallest for this particular season in a number of years. Concessions in prices are being asked by the dealers, but manufacturers say that with present raw material and labor costs it is impossible to lower their quotations and realize a profit. Case goods are especially quiet, sales during March being hardly a third of normal. Factory operation was at from 60 to 70 per cent of capacity.

### Groceries

With spot sugar at its low price of the year, there has not been much tendency to accumulate this or other stocks, so that buying by retailers has not been beyond immediate needs. Impassable roads have reduced the extent of territory covered by salesmen, while this same condition has held down some rural purchasing. Coffee continues the strong spot in the list, with demand good and prices steady. Movement of this commodity into retail hands is normal, in contrast to a retarded demand for most other items. Business during the first three weeks of April showed some improvement, but without any firmer price tendencies. Sales of Easter candies were about on a parity with last year. March sales of 22 reporting firms were 0.7 per cent above those of the same month a year ago and 1.1 per cent less than those of February, 1924.

### Hardware

Sales of the 12 reporting interests in March were 19.8 per cent under those of the same month in 1923, and 3.1 per cent under the February total this year. Business in the country is reported particularly quiet, due to unfavorable weather and the low prices of many agricultural products. Since April 1 there has been some improvement in sales of hand implements, poultry supplies and wire goods, but for the season

to date the movement of all sorts of farm supplies is below normal. Building hardware and tools continue the most active section of the line, and seasonal sporting goods are also in good demand.

### Iron and Steel Products

During the past thirty days the disposition on the part of consumers to place no larger tonnages than they are in immediate need of became more pronounced. There were, however, substantial gains during March in output of both pig iron and steel ingots for the country as a whole. The trend of prices is easier, and a number of specific price reductions have been announced by manufacturers anxious to move certain varieties of material. Shipments by mills and foundries continue on a large scale, and in many instances are well in excess of incoming orders. Steel ingot production in March attained the highest daily average on record, 159,455 tons, or at the annual rate of 49,590,000 tons. The previous peak was in April, 1923, when the daily average rate was 157,776 tons. Total output of pig iron in March was 3,435,813 tons against 3,072,167 tons in February. The market for pig iron was very inactive, with the undertone easier. Nominally No. 2 Southern foundry iron, 1.75 to 2.25 per cent silicon, ranged from \$22 to \$23 per ton, furnace, while Northern iron of the same grade was quoted at \$24. Purchasing by the railroads, while still in fair volume, is less active than heretofore. Further improvement was noted in buying of supplies by the oil fields, but purchasing in the coal mining regions continues at a low ebb. The reduction of 80c per ton in the season's Lake Superior iron ore price to the lowest point since 1915 had a bearish influence on views of buyers of iron and steel materials. March sales of stove manufacturers, 7 reporting, were 21.3 per cent under the same month in 1923, and 3.7 per cent larger than the February total this year; railway supplies, 5 interests reporting, decreased 44.8 per cent under the same month in 1923, but gained 13.3 per cent over February this year; farm implement makers, 6 reporting, decreased 16.8 per cent under March last year and 2.5 per cent under the February total this year; job foundries, 5 reporting, decreased 8.6 per cent under March, 1923, but gained 2.6 per cent over February this year; manufacturers of boilers, stacks, elevators, radiators and miscellaneous products, 12 reporting, decreased 51.1 per cent under March, 1923, but gained 23.8 per cent over February this year.

### Lumber

As usual at this season, there is marked contrast between conditions in the wholesale and retail branches of the trade. The latter shows decided further improvement with the coming of better and more settled weather for building operations. The change in this regard is particularly noticeable among city yards in the district. Because of heavy winter buying, however, on the part of retailers and the lateness of the building start, the benefits accruing from out-of-yard movement have not as yet been felt in the wholesale line. What is true of the lightness of buying at soft-wood mills is equally true with respect to the demand on hardwood producers. Along in late March the hardwood trade passed from declining activities to a period of quiet. Prices are somewhat lower and weak on douglas fir and short leaf yellow pine, among the building woods, but are well sustained on long leaf pine, cypress and redwood. In the hardwoods, ash, maple and elm hold firmly, but many items in the balance of the list sold at varying concessions.

### Consumption of Electricity

Figures from reporting centers indicate considerable irregularity, the number of gains just balancing declines during the periods compared. Total consumption, however, continues to mount, with the gross increase largely in St. Louis. In this city the increase, both over the preceding month and year is occasioned by operations of a large cement plant that was shut down during both former periods. In other parts of the district increased loads were taken by ice manufacturers and foundries, while coal mines and furniture manufacturers used smaller quantities. Detailed figures follow:

	No. of custom- ers	Mar. 1924 *K.W.H.	Feb. 1924 *K.W.H.	Mar. 1924 comp. to Feb. 1924	Mar. 1923 *K.W.H.	Mar. 1924 comp. to Mar. 1923
Evansville.....	40	1,023	967	+ 5.8%	1,045	- 2.1%
Little Rock.....	11	712	693	+ 2.7	648	+ 9.9
Louisville.....	67	3,203	3,646	-12.2	3,270	- 2.0
Memphis.....	31	1,272	1,372	- 7.3	1,302	- 2.3
St. Louis.....	72	12,084	10,800	+11.9	11,311	+ 6.8
Totals.....	221	18,294	17,478	+ 4.7	17,576	+ 4.1

\*In thousands (000 omitted).

The following figures, compiled by the Department of Interior, give kilowatt production for both lighting and industrial purposes for the entire country:

	By water power	By fuels	Totals
December, 1923.....	1,680,966,000	3,275,485,000	4,956,451,000
January, 1924.....	1,679,712,000	3,522,415,000	5,202,127,000
February, 1924.....	1,559,645,000	3,318,450,000	4,878,095,000

†Considered on a daily average basis, the February output surpasses the previous high record, that of January, 1924.

### RETAIL

Pre-Easter trade throughout the district, while hardly up to expectations in the rural sections, was about on a parity with that of 1923 in the larger cities. It is noteworthy that in spite of the fact that Easter fell on the first day of April last year, sales of department stores in St. Louis for the first three months of 1924, during which time relatively little Easter apparel was moved because of unseasonable weather, exceeded those of the same period in 1923 by seven tenths of one per cent. Elsewhere in the district slight losses were recorded, but the aggregate loss for all reporting centers for the year to date is less than one per cent.

Demand for textiles during March was of a relatively limited character, particularly as regards assortments, the inclement weather retarding movement of all lighter weight fabrics. During the first three weeks of April, yard goods were in normal demand, but sales of hosiery show only moderate improvement. Printed silks and sport clothes, both men's and women's, constituted about the only really active items in the list, with demand for these fully equal to that of year ago. An increasing number of imported novelties are making their appearance in the larger stores. Demand for men's shoes continues about normal in the medium and higher grades, but shows some decline in the cheaper varieties. Women's novelty shoes are moving well. Easter sales of candy specialties exceeded those of 1923 in the cities, but showed general losses in the country. Sporting goods dealers, who experienced a dull demand during the first three months of 1924, now show sales in excess of the same period a year ago, with golf and baseball supplies especially active. Hardware dealers report an excellent demand for all sorts of hand implements and builders' supplies, though sales of radio apparatus are undergoing a seasonal decline. Demand for jewelry is dull throughout the list, with sales of reporting firms 10 per cent under those of a year ago. Stocks of department stores at the end of March showed gains over last year as against losses in sales, due to accumulation for Easter trade anticipated in April. Cautious purchasing on

the part of retailers themselves is shown in outstanding orders at the end of March, amounting to only 6 per cent of purchases for the calendar year 1923, as against 9 per cent a year ago.

Department store figures follow:

	Net sales comparisons		Stocks on hand	Annual rate of
	Mar. 1924	Three months ending	Mar. 31, 1924	stock turnover
	comp. to	Mar. 31, 1924, to	comp. to	For 3 months
	Mar. 1923	same period, 1923	Mar. 31, 1923	ending
				Mar. 31, 1924
Evansville .....	-15.6%	- 5.7%	- 3.5%	1.65
Little Rock.....	5.4	- 1.4	+ 3.0	2.18
Louisville .....	-10.9	- 1.6	+ 3.4	2.64
Memphis .....	9.0	- 3.4	+ 2.3	2.25
Quincy .....	-18.9	- 8.4	+ 6.8	1.97
St. Louis.....	-10.3	+ 0.7	+ 7.5	3.11
8th District.....	9.9	- 0.8	+ 5.3	2.67
Entire U. S.....	8.1	+ 2.8	+ 7.5	2.85

### AGRICULTURE

Advices from all sections of the district tell of backwardness in growth and development of crops, also of seeding and soil preparation. At the beginning of April things were behind anywhere from ten to thirty days, with weather conditions the chief factor in the delay. Excessive precipitation made impassable roads in many sections and fields were too soft to permit of cultivation. However, the abundant moisture has made for excellent conditions of soil and subsoil, and fair weather the first week of April permitted field operations to go forward with a bound the second week. Except possibly in the case of oats, the initial delay should not result harmfully or materially reduce acreages, as there still remains ample time for putting in corn, cotton, vegetables, legumes and other crops. Furthermore the comment is made that crop failures rarely result from too much moisture, years of great precipitation being usually marked by heavy agricultural output.

The condition of wheat in States of this district on April 1, according to the U. S. Department of Agriculture, was under the corresponding period a year ago, with particularly heavy reductions in Kentucky and Tennessee. Considerable damage was done by freezes in January and February, and temperatures in March were too low for proper development of the plant. In Illinois a large portion of the crop went in late, with consequent poor start last fall and spring freezing and thawing, with deficient protection, killed many plants and caused abandonment of considerable acreage. In Missouri the April 1 condition of 77 per cent indicates a yield of 26,500,000 bushels, against 37,882,000 bushels harvested last year. It is still early to assess the full extent of damage from all causes, and with good growing weather in April and May, much of the damage can be repaired.

#### Wheat — Rye

The U. S. Department of Agriculture, in its report as of April 1, 1924, gives the conditions of winter wheat and rye in States of the Eighth Federal Reserve District as follows:

	Winter Wheat				Rye					
	Condition		Farm Price		Condition					
	April 1	Dec.	March	15	April 1	Dec.	1			
	1924	1923	10-yr.	1	1924	1923	10-yr.	1		
	av. 1923		cents		av. 1923					
Arkansas .....	79	83	87	86	109	118	87	85	89	93
Illinois .....	73	82	83	88	103	116	87	89	90	94
Indiana .....	74	78	82	88	102	122	84	83	.....	.....
Kentucky .....	57	85	86	87	113	129	60	88	88	91
Mississippi .....	76	77	86	88	.....	.....	.....	89	89	88
Missouri .....	77	84	84	85	102	112	84	88	88	89
Tennessee .....	63	85	85	85	125	132	70	85	86	85
U. S. Total.....	83.0	75.2	82.5	88.0	98.8	106.0	83.5	81.8	87.9	89.9

Planting and preparation for corn is universally backward, due to the late season and muddy roads and

fields. The relatively high prices, coupled with heavy holdings of live stock, are expected to act as a stimulant to raising this cereal, and reports received point to acreages equal or slightly larger than last year. Reserves of old corn in Arkansas are the smallest in years.

Pastures on April 1 were generally in poor condition, owing to protracted cold weather, but marked improvement has taken place since that date. The condition of live stock is in the main good. In a number of important raising sections herds are thin, but healthy. The number of brood sows in all States of the district is smaller than a year ago, the reduction in Illinois being 12 per cent and in Missouri 15 per cent. The curtailment is ascribed in large measure to the adverse corn-hog price ratio.

#### Live Stock Movement

Receipts and shipments of live stock at St. Louis, as reported by the National Stock Yards, were as follows:

	*Receipts			*Shipments		
	Mar. 1924	Feb. 1924	Mar. 1923	Mar. 1924	Feb. 1924	Mar. 1923
Cattle and Calves.....	69	69	73	36	41	46
Hogs .....	388	453	422	265	284	253
Horses and Mules.....	4	8	11	5	9	12
Sheep .....	19	17	24	12	11	7

\*In thousands (000 omitted).

Prospects for fruits of all kinds, with the exception of peaches and apricots, are good. The condition of apples on April 1 was high, particularly in Illinois, Missouri and Arkansas. While some damage was done to berries by freezes in March, generally good yields are looked for. All vegetables are backward, both commercial and garden. Scattered reports indicate smaller acreages of potatoes than last year.

Farm labor supply is below normal, ranging in the several States of this district from 76 to 95 per cent of actual demand. For the country as a whole the supply is estimated at 92 per cent of the demand, as compared with 88 per cent a year ago. Wages vary as to locality, but are approximately even with last year.

Practically all of the 1923 crop of burley and dark tobacco has been marketed, both by independent and association growers, except in the dark fired district, where a considerable tonnage remains to be delivered. A number of receiving houses have been closed. The backward season has delayed preparation of seed beds, and reports relative to prospective acreage are too meager to form an accurate opinion of this feature. Generally prices for the crop have been satisfactory and the cooperative marketing associations have functioned efficiently. The Burley and Dark Tobacco Growers Cooperative Associations have taken steps to organize agricultural credit corporations for the purpose of loaning their members on participation receipts. These bodies have each appointed a commission to visit Europe in May with the view of broadening the foreign market for American tobacco.

The past three weeks have been marked by intensive work in the cotton areas, weather having been auspicious for field work. Complaints are received from a number of sections of labor shortage. Much attention is being given to combating boll weevil with poison, and the use of fertilizers is expected to be heavier than in past years.

Virtually all of the 1923 rice crop has moved from the hands of producers. The clean rice market continues in excellent condition, the demand being active and prices the highest since 1919. Farmers are preparing for the new crop, and planting will begin early in May on an acreage about equal to that of last season.

**Commodity Movement**

Receipts and shipments of important commodities at St. Louis, as reported by the Merchants' Exchange, were as follows:

	*Receipts			*Shipments		
	Mar. 1924	Feb. 1924	Mar. 1923	Mar. 1924	Feb. 1924	Mar. 1923
Beef, lbs.....	150	249	605	23,351	24,704	16,201
Corn, bu.....	2,863	5,393	2,845	2,188	3,534	2,186
Flour, bbls.....	451	457	410	515	553	574
Hides, lbs.....	7,933	6,699	7,679	11,207	10,247	9,048
Lard, lbs.....	7,198	8,187	4,403	13,109	14,586	15,631
Lead, pigs.....	304	226	297	182	154	159
Lumber, cars.....	20	20	22	13	14	16
Oats, bu.....	2,670	3,092	3,286	2,476	3,080	2,614
Pork, lbs.....	21,420	17,569	17,937	31,131	29,360	32,221
Wheat, bu.....	1,656	2,260	2,313	1,651	2,021	2,035
Zinc, slabs.....	329	285	442	344	240	281

\*In thousands (000 omitted).

**Commodity Prices**

Range of prices on typical products in the St. Louis market between March 15, 1924, and April 15, 1924, with closing quotations on the latter date, and on April 14, 1923:

	High	Low	Close	
			April 15, 1924	April 14, 1923
Wheat				
May .....	\$1.06½	\$1.00½	\$1.01½	\$1.25¼
July .....	" 1.06½	" 1.01½	" 1.02½	" 1.21
September .....	" 1.07	" 1.02½	" 1.03¾	" 1.20¼
No. 2 red winter..	" 1.16	" 1.11	\$1.13 @ 1.14	\$1.42 @ 1.43
No. 2 hard.....	" 1.08	" 1.01½	" 1.04	" 1.26
Corn				
May .....	".80½	".75½	".77½	".82½
July .....	" .81½	" .77½	".79	".83
September .....	" .80¾	".75½	".77½	".82½
No. 2 .....	" .81	".75	".78½	".83½
No. 2 white.....	" .82½	".76½	".82½	".84½
Oats				
May .....	".49½	".46	".48½	".47
No. 2 white.....	" .51½	".47¾	".50	".47¾
Flour				
Soft patent.....per bbl.	6.50	5.40	5.40 @ 6.50	6.25 @ 7.25
Spring patent.....	" 6.60	5.75	5.90 @ 6.25	6.50 @ 6.75
Middling cotton.....per lb.	.31½	.27½	.31	.29
Hogs on hoof.....per cwt.	7.85	4.75	5.00 @ 7.65	5.50 @ 8.65

**BUILDING**

In both number and value, permits issued during March in the five largest cities of the district for new construction showed a gain over the corresponding month in 1923, and were the largest for any month this year. The heaviest gain in value was in Louisville, where permits for several important construction enterprises were issued. Residential building continues on a large scale, permits for both apartments and small dwelling houses being numerous in the March lists. Road building has been resumed generally throughout the district, and important highway construction programs will be pushed forward during the next few months. Only minor changes were reported in prices of building materials. Wage scales of all building crafts continue at the recent record levels. Production of portland cement for the country as a whole during March totaled 10,370,000 barrels, against 8,588,000 barrels in February and 9,880,000 barrels in March, 1923.

Building figures for March follow:

	New construction				Repairs, etc.			
	Permits		*Cost		Permits		*Cost	
	1924	1923	1924	1923	1924	1923	1924	1923
Evansville .....	170	126	\$ 499	\$ 337	131	87	\$ 50	\$ 16
Little Rock.....	122	98	439	521	98	122	66	57
Louisville .....	363	382	2,796	1,899	153	81	146	85
Memphis .....	505	438	2,112	1,465	90	70	39	25
St. Louis.....	897	753	2,201	3,503	581	589	360	735
March totals.....	2,057	1,797	\$8,047	\$7,725	1,053	949	\$661	\$918
Feb. totals.....	1,383	1,092	5,329	5,783	652	651	673	746
Jan. totals.....	987	1,390	6,147	7,450	540	745	380	485

\*In thousands of dollars (000 omitted).

**COST OF LIVING**

Cost of living in the United States on March 15, 1924, had decreased four-tenths of one per cent from the level of February 15, 1924, according to the National Industrial Conference Board. The most important change within that period was a decrease of 2 per cent in food prices. Since November, 1923 the most important changes noted were decreases of 4.6 per cent in food prices and slightly more than 3 per cent for fuel. Rents increased nearly 3 per cent in the four months. The combined decrease for all items in the period between November and March, was 1.3 per cent. Between July, 1920, when the peak of the rise in the cost of living since 1914 was reached, and March, 1924, the cost of living decreased 20.2 per cent. The increase since July, 1914 was 63.2 per cent.

Item	Relative importance in family budget	Percentage of increase in the cost of living above average prices in July, 1914, to—			Percentage of decrease in the cost of living on March 15, 1924, from average prices in			
		July 1920	Nov. 1923	Feb. 1924	Mar. 1924	July 1920	Nov. 1923	Feb. 1924
Food* .....	43.1	119	51	47	44	34.2	4.6	2.0
Shelter .....	17.7	58	80	80	85	17.1**	2.8**	2.8**
Clothing .....	13.2	166	74	77	76	34.2	0.9**	0.6
Fuel and light .....	5.6	66	76	75	72	3.6**	2.3	1.7
(Fuel) .....	(3.7)	(92)	(93)	(91)	(87)	(2.6)	(3.1)	(2.1)
(Light) .....	(1.9)	(15)	(43)	(43)	(42)	(23.4)**	(0.7)	(0.7)
Sundries .....	20.4	85	74	74	74	5.9	0.0	0.0
Weighted average of all items.....	100.0	104.5	65.3	63.9	63.2	20.2	1.3	0.4

\*Food price changes are from the United States Bureau of Labor Statistics.  
\*\*Increase.

The purchasing value of the dollar based on the cost of living in March, 1924 was 61.3 cents as contrasted with one dollar in July, 1914.

**FINANCIAL**

The demand for credit during the period under review, while somewhat less active than during the thirty days immediately preceding, was still fairly good. The principal change noted was that borrowings by mercantile customers in the large cities were smaller than heretofore, while demand in the country was more pronounced. This fact was true particularly of the cotton sections, where early planting operations are being financed. Another feature was the relatively better demand from industrial than specifically commercial sources. Generally throughout the district lending to manufacturers and distributors of building material was large, and there was a broad inquiry for funds to finance all sorts of building operations. Banks specializing in cattle loans report an active demand from that industry, but borrowing by millers, elevator interests and grain shippers showed a further seasonal decrease.

April settlements with the boot and shoe, dry goods and other interests with which that is usually an important collection month, were in excellent volume. Generally liquidation was rather spotted and uneven. In the tobacco and rice areas marketing of these productions at mainly satisfactory prices resulted in large reductions of indebtedness. Backwardness was noted in the coal mining regions, and in scattered localities in the grain and cotton areas. The general policy of manufacturers and merchants to hold down their inventories is being reflected in smaller credit requirements to carry on business.

Loanable funds continue ample for all legitimate business purposes, and interest rates varied only slightly during the period under review. Deposits of the reporting member banks fluctuated quite broadly, but were approximately at the same level at the end as at the beginning of the period. Between March 15 and April 15 accommodations granted by this institution to member banks decreased \$2,951,984. Between the same dates Federal reserve note circulation decreased \$2,552,000.

**Commercial Paper**

Sales of reporting brokerage houses showed moderate gains in March as contrasted with the same month in 1923, but business during early April was marked by a decided falling off in volume. The retrogressive movement is ascribed chiefly to the rates, as offerings hold up fairly well, and banks have funds to invest. City banks bought well in March, but were in the market for only limited amounts during the first two weeks of April. Country banks are beginning to feel the seasonal urge for farm credits in their own localities, and are not buying paper to as large an extent as heretofore. Rates were lower, ranging from 4½ to 4¾ per cent, as against 4¾ to 5 per cent during the preceding thirty days.

**Debits to Individual Accounts**

	*For four weeks ending			Apr. 1924 comp. to Apr. 1923	Apr. 1924 comp. to Apr. 1923
	Apr. 16, 1924	Mar. 19, 1924	Apr. 18, 1923		
E. St. Louis and Nat'l. Stock Yards, Ill.	\$ 33,222	\$ 34,028	\$ 38,294	- 2.4%	-13.2%
El Dorado, Ark.	7,011	6,544	14,376	+ 7.1	-51.2
Evansville, Ind.	26,588	27,387	28,023	- 2.9	- 5.1
Fort Smith, Ark.	10,374	10,445	11,567	- 0.7	-10.3
Greenville, Miss.	3,080	3,369	3,629	- 8.6	-15.1
Helena, Ark.	4,287	4,506	4,391	- 4.9	- 2.4
Little Rock, Ark.	54,118	56,809	57,214	- 4.7	- 5.4
Louisville, Ky.	148,975	153,524	145,788	- 3.0	+ 2.2
Memphis, Tenn.	121,617	117,407	149,943	+ 3.6	-18.9
Owensboro, Ky.	5,313	5,710	6,099	- 3.5	- 9.6
Quincy, Ill.	10,657	10,061	11,096	+ 5.9	- 4.0
St. Louis, Mo.	611,965	605,755	623,969	+ 1.0	- 1.9
Sedalia, Mo.	3,792	3,678	3,678	+ 3.1	-
Springfield, Mo.	13,274	11,323	12,663	+17.2	+ 4.8
<b>Totals</b>	<b>\$1,054,473</b>	<b>\$1,050,546</b>		<b>+ 0.4</b>	<b>- 3.8</b>

\*In thousands (000 omitted).

**Condition of Banks**

Changes in the condition of banks in this district are reflected in the following statement showing principal resources and liabilities of reporting member banks in Evansville, Little Rock, Louisville, Memphis, and St. Louis:

	*April 16, 1924	*Mar. 12, 1924	*April 11, 1923
Number of banks reporting	135	135	36
Loans and discounts (incl. rediscounts)			
Secured by U. S. Gov't obligations	\$ 9,457	\$ 9,918	\$ 16,163
Secured by other stocks and bonds	145,491	151,701	136,034
All other loans and discounts	315,592	305,850	301,334
<b>Total loans and discounts</b>	<b>\$470,540</b>	<b>\$467,469</b>	<b>\$453,531</b>
Investments			
U. S. Pre-war bonds	14,981	14,981	15,323
Liberty bonds	24,193	22,689	24,420
Treasury bonds	4,371	6,221	9,033
Victory and Treasury notes	14,748	17,183	24,414
Certificates of Indebtedness	3,995	6,866	5,815
Other securities	89,745	89,203	86,793
<b>Total investments</b>	<b>\$152,033</b>	<b>\$157,143</b>	<b>\$165,798</b>
Reserve balance with F. R. bank	43,019	42,288	42,403
Cash in vault	7,484	7,299	8,385
Net demand deposits	360,215	355,584	369,215
Time deposits	200,061	201,768	183,194
Government deposits	5,324	4,186	10,322
Bills payable and rediscounts with Federal reserve bank			
Secured by U. S. Gov't obligations	5,257	4,767	3,510
All other	9,648	11,797	7,614

\*In thousands (000 omitted).  
†Decrease due to consolidation. Total resources of these 35 banks comprise approximately 54 per cent of the resources of all member banks in the district.

**Savings Deposits**

	Number of banks reporting	*Amount of savings deposits			April 1924 comp to Mar. 1924	April 1924 comp. to April 1923
		April 2, 1924	March 5, 1924	April 4, 1923		
Evansville	4	\$ 9,069	\$ 9,065	\$ 9,018	0.0%	+ 0.6%
Little Rock	5	7,620	7,616	7,606	+ 0.1	+ 0.2
Louisville	7	26,106	25,951	23,168	+ 0.6	+12.7
Memphis	5	18,225	18,978	16,309	- 4.0	+11.7
St. Louis	12	75,224	74,319	70,737	+ 1.2	+ 6.3
<b>Totals</b>	<b>33</b>	<b>\$136,244</b>	<b>\$135,929</b>	<b>\$126,838</b>	<b>+ 0.2</b>	<b>+ 7.4</b>

\*In thousands (000 omitted).

**Postal Receipts**

	*For quarter ended				Mar. 1924 comp. to Mar. 1923
	Mar. 31, 1924	Dec. 31, 1923	Sept. 30, 1923	Mar. 31, 1923	
Evansville	\$ 146	\$ 145	\$ 120	\$ 131	+11.4%
Little Rock	203	208	190	178	+14.0
Louisville	644	680	578	600	+ 7.3
Memphis	426	476	408	403	+ 5.7
St. Louis	2,915	3,244	2,478	2,832	+ 2.9
<b>Totals</b>	<b>\$ 4,334</b>	<b>\$ 4,753</b>	<b>\$ 3,774</b>	<b>\$ 4,144</b>	<b>+ 4.6</b>

\*In thousands (000 omitted).

**Federal Reserve Operations**

During March the Federal Reserve Bank of St. Louis discounted for 261 of its 631 member banks, which compares with 246 of its 630 member banks accommodated in February. The discount rate of this bank remains unchanged at 4½ per cent.

Changes in the assets and liabilities of the Federal Reserve Bank of St. Louis since a month ago and last year are shown in the following statement:

**RESOURCES**

	*April 16, 1924	*March 19, 1924	*April 18, 1923
Gold with Federal Reserve Agent	\$ 64,213	\$ 65,584	\$ 65,610
Gold redemption fund with U. S. Treasury	3,187	4,111	2,448
Gold held exclusively against F. R. notes	67,400	69,695	68,058
Gold settlement fund with F. R. Board	15,085	13,602	9,679
Gold and gold certificates held	6,903	4,920	3,197
<b>Total gold reserves</b>	<b>\$ 89,388</b>	<b>\$ 88,217</b>	<b>\$ 80,934</b>
Reserves other than gold	14,228	13,283	18,722
<b>Total reserves</b>	<b>\$103,616</b>	<b>\$101,500</b>	<b>\$ 99,656</b>
Non-reserve cash	3,934	3,921	4,986
Bills discounted:			
Secured by U. S. Government obligations	10,906	11,914	14,550
Other bills discounted	21,438	22,812	15,294
<b>Total bills discounted</b>	<b>\$ 32,344</b>	<b>\$ 34,726</b>	<b>\$ 29,844</b>
Bills bought in open market	5,183	6,734	11,966
U. S. Government securities:			
Bonds			6,159
Treasury notes	5,136	4,515	9,079
Certificates of indebtedness	1,830	1,489	6,942
<b>Total U. S. Government securities</b>	<b>\$ 6,966</b>	<b>\$ 6,004</b>	<b>\$ 22,180</b>
Total earning assets	\$ 44,493	\$ 47,464	\$ 63,990
Uncollected items	40,263	38,638	43,484
Bank premises	1,790	1,648	940
All other resources	151	163	323
<b>TOTAL RESOURCES</b>	<b>\$194,247</b>	<b>\$193,334</b>	<b>\$213,379</b>

**LIABILITIES**

F. R. notes in actual circulation	\$ 66,896	\$ 69,003	\$ 80,512
Deposits:			
Member banks-reserve account	71,307	71,959	70,643
U. S. Government	2,280	1,157	2,805
Other deposits	465	392	572
<b>Total deposits</b>	<b>\$ 74,052</b>	<b>\$ 73,508</b>	<b>\$ 74,020</b>
Deferred availability items	37,475	35,027	43,409
Capital paid in	5,065	5,074	4,925
Surplus	10,072	10,072	9,665
All other liabilities	687	650	848
<b>TOTAL LIABILITIES</b>	<b>\$194,247</b>	<b>\$193,334</b>	<b>\$213,379</b>
MEMO—Contingent liability on bills purchased for foreign correspondents	850	474	1,404
Ratio of total reserves to deposit and F. R. note liabilities combined	73.5%	71.2%	64.5%

\*In thousands (000 omitted).

**ANNOUNCEMENT**

The Ninth Annual Report of the Federal Reserve Bank of St. Louis, covering operations during 1923, has been mailed to officers of member banks, etc. A limited supply is available for general distribution. Copies will be furnished on request.

(Compiled April 19, 1924)

# FEDERAL RESERVE BANK OF ST. LOUIS



## MONTHLY REVIEW OF BUSINESS CONDITIONS IN FEDERAL RESERVE DISTRICT No. 8

Released for Publication On and After the Afternoon of May 31, 1924.

WILLIAM McC. MARTIN

CHAIRMAN OF THE BOARD AND FEDERAL RESERVE AGENT

**D**ECLINING tendencies in both the production and distribution of commodities were indicated in a large majority of reports covering business conditions in this district during the past thirty days. The recession, however, was not attributed to any unfavorable change in fundamental conditions, but rather to further emphasis of the policy of ultra conservatism and caution which has obtained in many quarters during recent months. The demand for goods continues active and there has been no impairment in the general purchasing power of the public, but the disposition among consumers is to buy in quantities sufficient only to fill immediate needs. An almost universal comment among wholesalers and jobbers is that in recent weeks the average size of orders is the smallest in years. In such lines as dry goods, boots and shoes, drugs and chemicals and hardware, where heretofore the practice has been to buy in large quantities, piecemeal purchasing is the rule, and more goods are being shipped by express and parcels post than ever before.

The backward season is given as another reason for the delayed movement of certain descriptions of merchandise, notably apparel, farm supplies and sporting goods. There was excellent response to the improved weather in early May, but this was followed by a return of unseasonably low temperatures and excessive rainfall, which served to deprive the movement of a considerable part of its spontaneity. Effects of the unfavorable weather have been felt particularly in the country, where sales of seasonal goods have been below expectations and collections disappointing. In the large centers of population retail distribution has been relatively more satisfactory, and both retailers and wholesalers report an improvement in collections as contrasted with the preceding thirty days.

The slowing down in distribution and the marked absence of forward buying were reflected in curtailed operations on the part of manufacturers. In both basic and subsidiary industries outputs in April showed a number of decreases. Production of pig iron and steel for the country as a whole was smaller, and there was a decrease in the output of automobiles, coal, lumber, furniture and textiles. Generally iron and steel mills, foundries and machine shops in this district worked on reduced schedules. Commitments in the matter of raw material are along the same cautious lines as noted in finished and semi-finished goods. Uncertainty relative to the demand for their products and price trends is causing manufacturers to hold off, and even where price concessions are offered, little interest is manifested in future requirements.

Of the several lines investigated, decreases in April sales as contrasted with a year ago were shown by reporting manufacturers and wholesalers in the following lines: Boots and shoes, clothing, dry goods,

farm implements, groceries, furniture, job foundries, millinery, railroad supplies and stoves. Increases were reported in drugs and chemicals, electrical supplies, bakeries, hardware, confections and packing. The general trend of prices was downward, but changes during the period under review were not of a radical character, and on some commodities minor advances were recorded. Building continued active, permits issued in the five largest cities of the district being the largest on record in point of money involved. Consumption of electricity in the five chief cities during April showed slight gains over the same month in 1923 and March this year.

Taken as a whole the employment situation in this district developed little change during the period under review. There was some falling off in the number of active workers in industrial plants, particularly in the iron and steel industry and men's clothing. In the general total, however, their losses were counterbalanced by seasonal gains in employment on farms and in road building and river work. Throughout the district artisans in the building trades are fully employed, and the number of active workers in that classification was augmented by the settlement of strikes in certain crafts. In the South there are scattered complaints of lack of cotton hands, and a scarcity of help developed in sections where strawberries are raised in quantities. Settlement of the coal strike in the Southwest went far to offset the additional idleness in other coal fields. No wage reductions of consequence were reported. For the United States as a whole employment in manufacturing industries decreased 2.1 per cent in April, and pay roll totals decreased 2.5 per cent.

Marketing of grain, with the exception of corn, decreased slightly in April as compared with the same month a year ago, and the movement of early fruits and vegetables was under normal for this season. Larger receipts of corn had a depressing tendency on values of that cereal, and between April 15 and May 15 corn futures declined  $2\frac{1}{8}$  to  $2\frac{3}{8}$ c per bushel. Wheat futures, on the other hand, advanced about 3c, the upturn being in part due to the Government's reduced estimate of the winter wheat crop, based on conditions as of May 1. The demand for good milling wheat was active, but lower grades were dull, and there was practically no export demand. The movement of live stock was on a fairly liberal scale, and prices during the early part of the period held quite strong. Later, however, cattle and lambs declined slightly. Middling cotton at St. Louis ranged between  $29\frac{3}{4}$ c and 31c, and closed at  $30\frac{1}{2}$ c on May 15 as against 31c on April 15.

Except for a slight improvement in undertone, due to the diminished movement of tonnage having served to stabilize the market by eliminating excess accumulations on track and elsewhere, the fuel situa-

tion has undergone no change. Contracting is more backward than has been the case at this particular season for a number of years. Despite curtailed production, offerings are on a liberal scale, and keen competition exists for all current business. Railroad buying has fallen off, and the movement for domestic use is confined chiefly to small cars for emergency purposes. The demand for screenings has been better than for prepared sizes, but due to lack of demand for the latter, producers are short of slack. A further reduction in working time at active mines was reported, and a number of additional pits have closed for an indefinite period. Leading steam users, particularly the public utilities companies, are holding off on filling future requirements, mainly on the theory that they may obtain better terms later in the year. By-product coke manufacturers report extreme dullness in the demand for their outputs. Lack of interest on the part of the domestic trade and curtailment of operations at foundries and furnaces are the chief factors affecting their business. The wage dispute which caused a shutdown of mines in the Southwest was settled on May 3 by renewal of the old scale for three years. Production of soft coal for the country as a whole for the first 106 working days of the calendar year, or to May 3, totaled 169,161,000 net tons, which compares with 187,097,000 tons for the corresponding period in 1923 and 152,363,000 tons in 1922. Lack of demand remains by far the chief factor limiting production, and was responsible for losses of more than 50 per cent of full-time capacity in a large majority of the producing districts.

Freight traffic of the railroads, while still in large volume, continued to show decreases under the corresponding period a year ago. During each week in April there were losses as compared with the same weeks in 1923, but large gains as contrasted with 1922. For the week ending May 10 loadings of revenue freight totaled 909,187 cars, against 974,741 for the corresponding week in 1923, and 767,094 cars in 1922. The movement of merchandise is holding up relatively well, but heavy losses were recorded on coal and miscellaneous freight. The Terminal Railway Association of St. Louis, which handles the interchange of 28 connecting carriers, interchanged 196,111 loads in April, against 204,656 loads in March and 212,006 loads in April, 1923. Passenger traffic of reporting roads in April showed a decrease of 4 per cent as compared with the same month last year.

Total receipts and shipments of tonnage via river at St. Louis during the first four months of 1924, according to the Merchants' Exchange, were 64,515, as compared with 47,815 tons during the same period in 1923. Tonnage moved on the Mississippi River section of the Federal barge line between St. Louis and New Orleans amounted to 82,200 tons during April, against 74,117 tons in March and 60,229 tons in April, 1923. The April traffic was the heaviest for any month since June, 1923.

Reports relative to collections continue to reflect rather spotted conditions, both in reference to locality and lines of business. As a whole, however, efficiency was somewhat better in April than during the preceding month. As was the case earlier in the year, heavy roads, floods and unseasonable weather interfered with collections in the rural districts. Retailers in the large cities report satisfactory returns and the same is true of the general run of wholesalers. In the coal mining areas and certain localities affected by specific condi-

tions, payments are backward. Answers to 408 questionnaires addressed to representative interests in various lines throughout the district show the following results:

	<u>Excellent</u>	<u>Good</u>	<u>Fair</u>	<u>Poor</u>
April, 1924.....	1.7%	29.4%	56.3%	12.6%
March, 1924	0.0	24.8	58.7	16.5
April, 1923.....	3.8	38.1	51.4	6.7

Commercial failures in the Eighth Federal Reserve District during April, according to Dun's, numbered 79, involving liabilities of \$1,033,327, against 100 defaults with indebtedness of \$1,313,655 in March and 80 failures for \$2,168,109 in April, 1923.

The per capita circulation of the United States on May 1 was \$42.33, against \$42.85 on April 1 and \$42.04 on May 1, 1923.

## MANUFACTURING AND WHOLESALE

### Automobiles

Production of automobiles and trucks for the country as a whole during April fell 2.3 per cent under the March total, and was 2.5 per cent less than in April, 1923. Companies reporting direct or through the Automobile Chamber of Commerce manufactured 336,968 passenger cars in April, against 348,287 in March. The output of trucks was 34,977 in April, which compares with 33,061 in March. Total number of passenger cars and trucks manufactured during the first 4 months of 1924, however, totals 1,435,434, against 1,265,874 during the same period in 1923, a gain of 13.4 per cent. According to reports of 230 dealers scattered through the district, sales of automobiles in April were 9.5 per cent larger than for the same month in 1923, and 18 per cent over the preceding month this year. Business of country dealers continues well up to expectations, despite unfavorable weather conditions. The growing popularity of closed cars is given as an important factor in increased sales. Stocks of new cars are reported about normal for this season, except in the case of the lowest price makes. The movement of accessories continues brisk, but no improvement was reported in the recent dull status of the tire trade. Intensive efforts on the part of dealers in St. Louis and other cities have resulted in a substantial reduction in the number of used cars on hand.

### Boots and Shoes

Sales of the 11 reporting interests in April were 10.9 per cent less than for the corresponding month in 1923, but 11.1 per cent in excess of the March total this year. As has been the case for a number of months past, the demand for women's footwear is relatively much more active than for men's shoes, and all sorts of novelties are moving well. Comment is made that the average size of orders is the smallest in years, and buying is being pursued on extremely conservative lines. Mail orders are numerous, and shipments by parcels post and express unusually large. The outlet through this medium has materially assisted volume, but the cost of filling such orders is relatively much higher than on heavy shipments and materially reduces profits. No price changes in finished goods were reported. Factory operation was at about 74 per cent of capacity. The total number of pairs of shoes manufactured in this district during April was 4.5 per cent less than during the preceding month and for the country as a whole April production was 3.2 per cent under the March total.

**Clothing**

Advance bookings are decidedly scarce, with prospective buyers asking price concessions that manufacturers say they are unable to grant in the face of present production costs. Demand for medium and cheap priced apparel is relatively good, several local manufacturers of these lines being well sold up, though not to last year's level. Scattered advance bookings in quantity are noted among these producers of cheaper lines, but elsewhere orders for fall delivery are insignificant. Continued price buying, reporting firms say, while not seriously cutting into volume in all cases, has served to reduce profits. One further factor, the unseasonable weather, has caused postponement of buying in summer lines, and has already prompted special sales of some typically summer items. April sales of the 11 reporting interests were 31.4 per cent under those of the same month a year ago, but 2.2 per cent above the March, 1924 total.

**Drugs and Chemicals**

Sales of the 11 reporting interests in April exceeded the total of the same month in 1923 by 5.2 per cent and were 0.4 per cent larger than in March this year. Fair activity is reported through the entire line, except in the case of certain heavy chemicals used by manufacturers. The movement of certain items which was delayed by unseasonable weather earlier in the year is now above normal. The call for insecticides and spraying materials, especially from the South, is large, and there is also a heavy demand for live stock remedies. Sales of soda fountain supplies, while in good volume, are reported somewhat under this time last year.

**Dry Goods**

Purchasing in this line continues principally on a hand to mouth basis and centers largely in seasonable items. The incipient improvement in volume of sales and tone noted during the fair weather of the first week in May was cut short by a return of low temperatures and heavy rains. Stocks in the country are as a rule low, but few replenishments are necessary because of the unfavorable weather condition and the fact that farmers are preoccupied with planting. In the cities some retail price reductions have appeared, the idea being to stimulate the movement of summer goods. Increased curtailment of mill production is lessening the pressure of stock goods, and the strength in spot cotton has resulted in minor advances on gray goods, sheetings and one or two other items. Otherwise prices were unchanged. April sales of the 11 reporting interests were 9.2 per cent under those of the same month in 1923 and 17.9 per cent under the March total this year. Wholesale milliners report April sales as 10.4 per cent under those of the same month a year ago.

**Electrical Supplies**

Activity in the building industry and more favorable weather for outdoor work by the public utility companies were given as the chief factors in an increase of 2.5 per cent in April sales of the 12 reporting interests as contrasted with the same month a year ago. Sales of pole line hardware and copper wire were reported excellent, and advance business on electric fans and other seasonal goods has been fully up to expectations. A further seasonal recession in demand for radio sets was reported, and sales of automobile equipment developed a recessionary tendency.

**Fire-Clay Products**

Current demand for refractories products seems to reflect particularly well the spotted conditions prevailing elsewhere. Sales to cement producers and glass manufacturers are holding up well while demand from the oil industry and iron and steel producers is sagging. The principal interest is centered in numerous public improvement works, several of them vitrified, already under way. Contracts for others are pending. Inquiries since May 1 have been fewer and specifications smaller. Prices are unchanged. April sales of the 5 reporting interests were 5.9 per cent in excess of the same month a year ago and 38.8 per cent above the March, 1924, total.

**Flour**

Production of the 11 leading mills in the district during April was 311,312 barrels, against 358,055 barrels in March and 297,726 barrels in April, 1923. Continued dullness in the demand for all grades of flour is reported by both mills and jobbers. New business other than in less than car lot quantities is extremely light, and shipping directions on flour previously purchased are only fair. Domestic consumers are taking only enough to carry them from month to month, and are carrying the smallest reserve stock in years. No export business with Europe is possible on the bids made, but in the immediate past inquiries from South and Central American countries have improved slightly. Mill operation during the period under review averaged about 64 per cent of capacity. No change in prices was reported.

**Furniture**

Sales of the 28 reporting interests during April were 20.6 per cent less than for the same month in 1923 and 10.3 per cent under the March total this year. The comment is made that dealers are purchasing only for immediate needs, and there is an almost entire absence of stock orders. Unfavorable weather and muddy roads are holding down sales in the rural districts. Prices showed no change worthy of note during the period under review, and manufacturers report that production costs are such as to prevent any concessions at this time. Factory operation averaged approximately 65 per cent of capacity.

**Groceries**

Although some improvement is noted in demand in typically urban sections, increasing idleness in mining districts has served to offset this upturn so that total volume is just about holding its own. Extremely unseasonable weather and the consequent lateness of garden vegetables has lent a stimulus to demand for canned goods, which are moving in good volume for this time of year. Coffee continues in good demand, with prices firm on all grades. Sugar is dull with prices near the low of the year. Business in rural sections, while slightly better than a month ago, is affected by the disinclination of farmers to come to town, due to the planting season. April sales of 21 reporting firms were 0.5 per cent under the same month last year, and 4.6 per cent under the March, 1924 total. April sales of reporting candy manufacturers were 7.8 per cent in excess of those of April, 1923.

**Hardware**

April sales of the 12 reporting interests were 6.9 per cent less than for the corresponding month in 1923, but 4.9 per cent in excess of the March total this year. As has been the case for the past several

months, builders' hardware continues the most active section of the line. Some improvement in the demand for hand implements and wire products was reported, but generally the movement of farm supplies is below normal for this season.

**Iron and Steel Products**

The demand for both finished and semi-finished materials sustained a further slowing down during the period under review. Shipments by mills and foundries were fairly well sustained, but the business represented was largely old orders, new bookings being in considerably smaller volume than work turned out. The dullness was accompanied by a generally easier price trend, with a number of specific reductions recorded. Purchasing by the railroads was confined largely to materials of which they are in immediate need, and there was a recession in takings of all varieties of materials by the automotive industry. Automobile sheets were lower, while reductions were made in prices of black sheets, rivets, wire, nails and some other items. Oil country pipe and supplies for the oil fields generally are not moving in as large volume as heretofore, and buying by the coal mining industry is at the lowest ebb noted in many months. Fabricators of structural iron and steel report a continued fair demand for their wares, but specifications are mainly on small jobs, few new large undertakings being initiated. There was a sharp decrease in production of both pig iron and steel ingots during April as compared with March. Purchasing of pig iron was the slowest in more than a year, and tonnages taken were mainly for prompt shipment, no interest whatever being manifested in second half requirements. Factories specializing in grey castings report a dearth of new orders, and a number of plants have cut down their operations to three to four days per week. Additional open hearth furnaces have been blown out at the steel mills, and producers report greater difficulty in rounding out their rolling schedules. Specialty makers, particularly the stove interests, report that ordering is on an extremely conservative basis, with advance sales the smallest at this particular season in years. Uncertainty relative to prices and the general policy of buying for immediate needs only are mentioned as the chief factors in the present lull. Quotably pig iron prices were unchanged, but concessions under current asking prices were obtainable where round tonnages were involved. There was a further decline in prices of scrap iron and steel, with virtually all grades affected by the weakness. April sales of stove manufacturers, 7 reporting, were 18.3 per cent under the same month in 1923 and 10.6 per cent less than the March total this year; railway supplies, 5 interests reporting, decreased 30.3 per cent under April, 1923, but gained 16 per cent over March this year; farm implement makers, 6 reporting, decreased 23.6 per cent under April, 1923, and 17 per cent under March this year; job foundries, 5 reporting, decreased 19.9 per cent under April, 1923, and 14.3 per cent under March this year; manufacturers of boilers, stacks, elevators, radiators and miscellaneous products, 12 interests reporting, decreased 31.5 per cent under April, 1923, and 17.6 per cent under March this year.

**Lumber**

While the actual movement of stock from mills and from retail yards in the larger centers of the district has been very heavy the past thirty days, replenishing demand has been disproportionately light. The continued decline in prices provides the explana-

tion for present under-buying for retail needs. Industrial takings of lumber have also further decreased, but the decline here is largely of seasonal occurrence, and except as to the automotive industry and possibly one or two other lines of production, the lessened buying is not regarded with any misgivings. Prices of lumber have now reached levels in the downward movement which, in the case of the major softwoods especially, are close around or below production costs. Douglas fir is noticeably below in many items.

**Consumption of Electricity**

Consumption of electricity for industrial power purposes is well maintained around the recent high levels. Decreases noted in two of the five reporting centers were more than offset by augmented consumption in the three remaining cities. The decline in St. Louis is attributable to reduced requirements of steel and automobile manufacturers exclusively. In three of the five centers, unseasonable weather has reduced the load taken by ice manufacturers as compared with the same month a year ago, and decreases are also shown by coal mines and furniture manufacturers. In Louisville, however, large building operations have resulted in greater consumption at woodworking plants, with the result that the increase there is due to these expansions and to heavier loads being taken by ice and cold storage plants. Detailed figures follow:

No. of custom-ers	April, 1924 *K.W.H.	March, 1924 *K.W.H.	Apr. 1924 comp. to Mar. 1924	April, 1923 *K.W.H.	Apr. 1924 comp. to Apr. 1923
Evansville ....40	950	1,023	- 7.1%	1,039	- 8.5%
Little Rock....11	752	712	+ 5.6	632	+19.0
Louisville ....67	4,070	3,203	+27.1	3,262	+24.8
Memphis .....31	1,340	1,272	+ 5.3	1,171	+14.4
St. Louis.....75	11,915	12,148	- 1.9	12,419	- 4.1
Totals....224	19,027	18,358	+ 3.6	18,523	+ 2.7

\*In thousands (000 omitted).

The following figures, compiled by the Department of Interior, give kilowatt production for both lighting and industrial purposes for the entire country:

1924	By water power	By fuels	Totals
January .....	1,675,393,000	3,514,071,000	5,189,464,000
February .....	1,563,040,000	3,274,118,000	4,837,158,000
March .....	1,711,104,000	2,271,837,000	4,982,941,000

**RETAIL**

Unseasonable weather has occasioned a marked depression in the demand for typically summer goods, particularly in the country. The movement of men's summer suits, underwear, shirts, straw hats, etc., has been disappointing, and sales of men's shoes continue slightly below normal. Demand for women's fancy shoes and children's footwear is holding up well. Reports from all sections of the district indicate sluggishness in the movement of the entire line of women's apparel, particularly the lighter weight garments. Summer millinery has been adversely affected by the cool weather, and no change is noted in the recent dull conditions in hosiery. Some interest is noted in fancy dress goods, both silk and cotton, and sport clothes for men and women are in relatively better demand than other items of apparel. Except in the case of cheap novelty goods, the jewelry line continues quiet, with the demand for gems and high priced articles especially dull. Cold, wet weather has held down the movement of sporting goods generally, though a good demand is reported for golf and camp supplies.

Cutlery, shelf hardware and building hardware and tools are reported fairly active, but the late season has retarded the movement of hand implements,

and garden and farm supplies. Considerable interest is manifested in washing machines and other household electrical appliances, but sales of fans are backward, and the usual seasonal recession in sales of radio sets is noted. Floor coverings and cheaper furniture items are fairly active, but the general line of furniture continues slow. In the immediate past there has been considerable effort to move summer goods through medium of special sales and price concessions.

April was a somewhat better month than May, as compared with a year ago, but this is partly due to the fact that most 1923 Easter buying came during March, whereas this year it was in the following month. April sales of 3 interests operating 1,491 chain grocery stores in the district exceeded those of the same month a year ago by 8.9 per cent and a fair increase is indicated for May. April sales of the 21 largest department stores in the district were 2.6 per cent in excess of those of April, 1923, and dollar sales for the year to date show no change as compared with the same period a year ago, although the price level is lower, indicating the movement of a slightly larger volume. Stocks are everywhere light.

Detailed department store figures follow:

	Net sales comparisons		Stocks on hand	Annual rate of stock turnover
	April, 1924 comp. to April, 1923	Four months ending April 30, 1924, to same period, 1923	April 30, 1924 comp. to April 30, 1923	For 4 months ending April 30, 1924
Evansville .....	+12.0%	- 1.0%	- 9.0%	1.73
Little Rock.....	- 3.8	- 2.1	- 1.8	2.21
Louisville .....	+ 6.3	+ 0.7	+ 2.5	2.68
Memphis .....	- 1.9	- 3.1	+ 0.2	2.24
Quincy .....	+16.6	- 1.7	+ 0.6	2.13
St. Louis.....	+ 3.4	+ 1.4	+ 6.0	3.11
8th District.....	+ 2.6	0.0	+ 3.3	2.69
Entire U. S.....	+ 9.9	+ 4.5	+ 5.4	2.96

## AGRICULTURE

Weather conditions beginning the latter part of April were more favorable for growth and development of crops, and generally through the district agricultural prospects have improved during the past thirty days. As a rule things are still backward, due to protracted cool weather and excessive precipitation in many sections. Despite this handicap, however, farmers have accomplished a large amount of work, plowing, planting and cultivation being much nearer completion now than was thought possible for this date earlier in the season. With the possible exception of oats and two or three minor products, seeding of which was hampered by unfavorable conditions earlier in the spring, normal acreages of spring-sown crops are indicated.

According to the May 1 report of the U. S. Department of Agriculture, winter wheat acreage abandonment is one of the worst in years, particularly in states east of the Mississippi River. Losses range from 5 per cent in Arkansas to 25 per cent in Kentucky and 50 per cent in Mississippi. In Illinois, the chief wheat State of the district, the abandonment amounted to 17 per cent. The condition of the growing crop is also reported low, every State in the district being under the 10-year average for May 1. Since the compilation of the Department's data, however, vastly improved weather has prevailed, and except where complete destruction has been wrought, much of the lost ground may be retrieved before harvest. The indicated winter wheat output for the country as a whole is 553,013,000 bushels, the smallest since 1917, and comparing with 572,340,000 bushels harvested in 1923.

## Winter Wheat

The U. S. Department of Agriculture, in its report as of May 1, 1924, gives the condition of winter wheat as follows:

	Per cent abandoned	*Acres remaining to be harvested	Condition May 1 %		Forecast 1924 *Production from May 1 condition	*Harvested production 1923	Farm price Apr. 15		
			1924	1923			1924	1923	
Arkansas ..	5.0	59	81	86	90	573	770	106	122
Illinois .....	17.0	2,425	70	81	84	33,950	60,534	100	118
Indiana .....	9.0	1,845	78	78	84	25,904	34,188	100	124
Kentucky ..	25.0	434	69	86	88	3,743	7,688	112	131
Mississippi ..	50.0	2	83	84	86	28	60	.....	.....
Missouri ..	7.0	2,069	79	87	86	24,027	37,882	100	114
Tennessee ..	14.0	319	74	88	87	2,620	4,508	122	134
U. S.....		36,898	84.8	80.1	86.3	553,013	572,340	95.8	108.4

\*In thousands (000 omitted).

Corn planting was in full swing, and in the South has been completed, with some fields where the plant is up having received first cultivation. In the more northern stretches of the district work is being pushed as weather will permit, and it is expected that seeding will be finished by the second week in June. Scattered reports indicate acreages of corn about equal to last year, with some small increases in the South. Stocks of old corn in farmers' hands are generally light.

The outlook for fruits is in the main excellent. The peach crop has been damaged in certain sections and some complaints are received relative to apples, but prospects for cherries, plums, and ground fruits are uniformly good. Notable progress was made in the planting of commercial crops of vegetables which has been delayed and although the season is late, ample time remains for their cultivation.

Pastures, though late, are in the main in as good condition as at this time last season, but in many sections are below two years ago and the 10-year average. The condition of live stock is slightly below the average for this season, due in part to shortage of forage, the severe winter and poor quality of feed in many sections. Mortality among sheep, cattle and swine is reported slightly above the average.

## Live Stock Movement

Receipts and shipments of live stock at St. Louis, as reported by the National Stock Yards, were as follows:

	*Receipts			*Shipments		
	April 1924	March 1924	April 1923	April 1924	March 1924	April 1923
Cattle and Calves.....	87	69	75	47	36	38
Hogs .....	388	388	393	268	265	217
Horses and Mules.....	3	4	6	3	5	7
Sheep .....	26	19	20	17	12	8

\*In thousands (000 omitted).

The supply of farm labor is reported generally below normal, but demand is also somewhat less than normal, and in a few sections supply is about equal to requirements. A temporary shortage of help was reported in sections where the strawberry crop was being picked.

Active preparations for planting this year's tobacco crop are in progress. Due to cool weather, plants in the beds are not as large as usual at this season. Indications point to a reduction in acreage of both burley and dark tobacco by the market association farmers, but this reduction may be offset by increased efforts on the part of independent growers. A number of planters in southern Kentucky have signified their intention to reduce tobacco acreages and experiment in the growing of cotton.

During the past few weeks advantage has been taken of every period of seasonable weather to complete deliveries of the 1923 tobacco crop. The greatest percentage of this crop is outstanding in the dark fired district. Market conditions continue auspicious and the lower grades are being readily taken at the

highest prices of the season. The proportion of good and fine tobacco was relatively small in the 1923 crop, and these grades are bringing high prices.

Virtually all of the old crop of rough rice has been marketed by producers, and planting of the new crop is well under way. Acreages equal to last year are generally indicated in the chief growing sections, but in some counties quite sharp increases are reported. Due to the excellent market and high prices for rice in recent months, farmers are making every effort to put in their crops in good condition, particular attention being given to selection of seed and to cultivation. The demand for clean rice continues strong, at prices unchanged from thirty days ago.

Interest in cotton centers in the new crop preparation and progress. Weather conditions have not been uniformly favorable for seeding and growth, and in some sections excessive rains have necessitated replanting of limited areas. The amount of fertilizers being used is larger than last year, and quality is better. Soil conditions are mainly excellent and some of the cotton planted is up to a good stand. In southern Missouri and sections of Kentucky and Tennessee, where cotton raising is a relatively new venture, considerably larger acreages will be planted this year than last.

**Commodity Movement**

Receipts and shipments of important commodities at St. Louis, as reported by the Merchants' Exchange, were as follows:

	*Receipts			*Shipments		
	April	March	April	April	March	April
	1924	1924	1923	1924	1924	1923
Beef, lbs.....	379	150	861	21,643	23,351	21,780
Corn, bu.....	3,587	2,863	2,180	2,054	2,188	1,880
Flour, bbls.....	381	451	404	421	515	544
Hides, lbs.....	5,234	7,933	5,597	6,738	11,207	9,601
Lard, lbs.....	6,567	7,198	5,595	11,216	13,109	13,417
Lead, pigs.....	257	304	239	202	182	136
Lumber, cars.....	22	20	21	14	13	16
Oats, bu.....	2,870	2,670	2,824	2,317	2,476	2,853
Pork, lbs.....	20,323	21,420	18,350	28,861	31,131	30,104
Wheat, bu.....	1,481	1,656	2,024	1,393	1,651	2,084
Zinc, slabs.....	239	329	361	217	344	219

**Commodity Prices**

Range of prices on typical products in the St. Louis market between April 15, 1924, and May 15, 1924, with closing quotations on the latter date, and on May 15, 1923:

	High	Low	Close	
			May 15, 1924	May 15, 1923
Wheat				
May .....	Per bu. \$1.04 1/2	\$1.01 5/8	\$1.04 1/2	\$1.17
July .....	" 1.06 5/8	1.02 1/2	1.06 5/8	1.13 5/8
September .....	" 1.07 3/4	1.03 3/8	1.06 3/8	1.12 3/4
No. 2 red winter..	" 1.15 1/2	1.08	\$1.11 @ 1.13	1.39
No. 2 hard.....	" 1.08	1.04	@ 1.07	1.21
Corn				
May .....	" .80	.75 3/4	.75 3/4	.83 1/2
July .....	" .81	.76	.76 1/4	.81 3/4
September .....	" .79 1/2	.75	.75 1/2	.78 3/4
No. 2.....	" .79 1/2	.76 1/2	.76 1/2 @ .77	.83
No. 2 white.....	" .82	.78 1/2	.80 @ .81	\$.85 @ .85 1/2
Oats				
May .....	" .49 3/4	.48	.48 1/2	.44 1/4
No. 2 white.....	" .51 1/2	.49 3/4	.50 3/4 @ .50 1/2	.46 @ .46 1/2
Flour				
Soft patent.....per bbl.	6.50	5.25	5.25 @ 6.50	6.00 @ 7.00
Spring patent.....	" 6.50	5.75	6.20 @ 6.40	6.30 @ 6.65
Middling cotton.....per lb.	31	.29 3/4	@ .30 1/2	.26
Hogs on hoof.....per cwt.	7.75	5.00	@ 7.65	5.25 @ 8.10

**BUILDING**

In point of value, permits issued in the five largest cities of the district for new construction during April exceeded all preceding records. As compared with March this year the total was 18.1 per cent larger, while a gain of 26.5 per cent was recorded over April, 1923. Numerically, April permits were the largest for any month this year. The largest increase in amount was shown in Louisville, where several large construction projects were initiated. Generally through the district building continued active during the period under review. A feature of the activity was the large number of small homes, chiefly of the bunga-

low type, being erected in the smaller towns and suburbs of the large cities. The April lists, however, contained a fair proportion of business structures, theatres, hotels and apartment houses. Manufacturers of building materials report a continued brisk demand for their goods. Generally prices were unchanged, but minor reductions in reinforcing steel and lumber resulted in slight lowering of the average price of all building materials. Road construction work in all States of the district is being pushed under generally favorable weather and labor conditions. Production of portland cement for the country as a whole during April totaled 11,726,000 barrels, the highest figure this year and comparing with 10,370,000 barrels in March and 11,359,000 barrels in April, 1923.

Building figures for April follow:

	New construction				Repairs, etc.			
	Permits		*Cost		Permits		*Cost	
	1924	1923	1924	1923	1924	1923	1924	1923
Evansville .....	200	142	\$ 325	\$ 940	283	128	\$ 67	\$ 29
Little Rock.....	109	153	338	460	111	131	56	51
Louisville .....	512	405	4,558	1,443	196	215	102	123
Memphis .....	555	469	1,850	1,393	152	101	65	37
St. Louis.....	1,053	970	2,431	3,276	721	635	379	615
April totals.....	2,429	2,139	\$9,502	\$7,512	1,463	1,210	\$669	\$855
March totals.....	2,057	1,797	8,047	7,725	1,053	949	661	918
Feb. totals.....	1,383	1,092	5,329	5,783	652	651	673	746

**Building and Loan Associations**

Unprecedented building activity and the general disposition to save are reflected in the steady expansion of building and loan associations during the past three years. In six States of this district their combined resources, on the last reporting date in 1923, were 17.8 per cent greater than in the preceding year and 37.3 per cent in excess of the 1921 total.

Detailed figures follow:

	No. of Associations			*Resources		
	1923	1922	1921	1923	1922	1921
Arkansas .....	57	55	54	\$ 29,377	\$ 25,049	\$ 21,500
Illinois .....	771	739	710	232,093	201,928	174,360
Indiana .....	376	369	372	167,943	140,945	121,595
Kentucky .....	140	121	118	55,000	46,429	40,092
Missouri .....	224	201	190	75,376	60,498	49,769
Tennessee .....	14	12	11	3,877	3,473	3,285
Totals.....	1,582	1,497	1,455	\$563,666	\$478,322	\$410,601

**FINANCIAL**

A slight slowing down in the demand for funds from general commercial and industrial sources and lower trend in interest rates were the principal factors in the banking and financial situation during the period under review. There was a rather sharp reduction in the volume of borrowing by member banks from the Federal Reserve Bank, but total loans of the member banks at the middle of May were somewhat larger than at the corresponding time in April. Deposits showed only minor variations as contrasted with the preceding thirty days. Some improvement is noted in the demand for money in the country for agricultural purposes, particularly in the South, where cotton planting is nearing completion. Banks specializing in live stock loans report a continued active demand from that source. Fair liquidation of a scattered character has taken place, with settlements in the tobacco areas reported very satisfactory. Marketing of early fruits and vegetables has been delayed by unseasonable weather, and the demand for financing those operations is under normal for this time of year. There was a further reduction in credits based on cereals, particularly corn, which has been moving to market in larger volume than heretofore. Between April 15 and May 15 accommodations granted by this institution to member banks decreased \$1,002,105, and Federal reserve note circulation decreased \$1,875,000.

**Commercial Paper**

Sales of reporting brokers in April were 18.4 per cent under the same month in 1923 and 37.9 per cent under the March total this year. The decrease is ascribed to the lower rate and the fact that generally low inventories are resulting in smaller financial requirements by both manufacturers and wholesalers. Purchasing by country banks is relatively light, but a plethora of funds in city banks has had a tendency to increase buying by the latter class of financial institutions. Offerings have been in fair volume, but choice names are scarce and bear the minor figure of the rate differential. Some improvement has taken place in the demand during the past two weeks, and sales during the first half of May were slightly in excess of the corresponding period a year ago. Rates range from 4¼ to 4½ per cent as compared with 4½ to 4¾ per cent during the preceding thirty days.

**Savings Deposits**

	Number of banks reporting	*Amount of savings deposits			May 1924	May 1924
		May 7, 1924	April 2, 1924	May 2, 1923	comp. to Apr. 1924	comp. to May 1923
Evansville	4	\$ 9,053	\$ 9,069	\$ 8,964	- 0.2%	+ 1.0%
Little Rock	5	7,625	7,620	7,233	+ 0.1	+ 5.4
Louisville	7	26,372	26,106	23,221	+ 1.0	+13.6
Memphis	14	18,826	18,225	16,210	+ 3.3	+16.1
St. Louis	12	75,669	75,224	71,292	+ 0.6	+ 6.1
Totals	32	\$137,545	\$136,244	\$126,920	+ 1.0	+ 8.4

\*In thousands (000 omitted).  
†Decrease due to consolidation.

**Debits to Individual Accounts**

	*For four weeks ending			May 1924	May 1924
	May 14, 1924	Apr. 16, 1924	May 16, 1923	comp. to Apr. 1924	comp. to May 1923
E. St. Louis and Nat'l. Stock Yards, Ill.	\$ 38,787	\$ 33,222	\$ 43,048	+16.8%	- 9.9%
El Dorado, Ark.	7,473	7,011	12,689	+ 6.6	-41.1
Evansville, Ind.	26,721	26,588	30,414	+ 0.5	-12.1
Fort Smith, Ark.	10,362	10,374	10,980	- 0.1	- 5.6
Greenville, Miss.	3,012	3,080	3,200	- 2.2	- 5.9
Helena, Ark.	3,963	4,287	4,105	- 7.6	- 3.5
Little Rock, Ark.	54,635	54,118	53,820	+ 1.0	+ 1.5
Louisville, Ky.	155,373	148,975	142,998	+ 4.3	+ 8.7
Memphis, Tenn.	119,527	121,617	116,150	- 1.7	+ 2.9
Owensboro, Ky.	5,234	5,513	5,790	- 5.1	- 9.6
Quincy, Ill.	10,367	10,657	11,563	- 2.7	-10.3
St. Louis, Mo.	592,947	611,965	632,004	- 3.1	- 6.2
Sedalia, Mo.	4,083	3,792	4,000	+ 7.7	.....
Springfield, Mo.	7,699	13,274	13,352	-42.0	.....
Totals	\$1,040,183	\$1,054,473	.....	- 1.4	- 4.1

\*In thousands (000 omitted).

**Condition of Banks**

Changes in the condition of banks in this district are reflected in the following statement showing principal resources and liabilities of reporting member banks in Evansville, Little Rock, Louisville, Memphis, and St. Louis:

	*May 14, 1924	*Apr. 16, 1924	*May 16, 1923
Number of banks reporting	734	735	36
Loans and discounts (incl. rediscounts)			
Secured by U. S. Gov't obligations	\$ 9,199	\$ 9,457	\$ 15,018
Secured by other stocks and bonds	147,231	145,491	135,562
All other loans and discounts	312,642	315,592	308,225
Total loans and discounts	\$469,072	\$470,540	\$458,805
Investments			
U. S. Pre-war bonds	14,810	14,981	15,332
Liberty bonds	22,361	24,193	21,969
Treasury bonds	4,378	4,371	9,068
Victory and Treasury notes	14,111	14,748	29,667
Certificates of Indebtedness	3,313	3,995	5,512
Other securities	92,049	89,745	86,864
Total investments	\$151,022	\$152,033	\$168,412
Reserve balance with F. R. bank	41,089	43,019	38,597
Cash in vault	7,676	7,484	8,036
Net demand deposits	358,761	360,215	360,552
Time deposits	201,493	200,061	182,472
Government deposits	4,222	5,324	20,154
Bills payable and rediscounts with Federal reserve bank			
Secured by U. S. Gov't obligations	1,600	5,257	7,873
All other	4,656	9,648	10,089

\*In thousands (000 omitted).  
†Decrease due to consolidation. Total resources of these 34 banks comprise approximately 54 per cent of the resources of all member banks in the district.

**Federal Reserve Operations**

During April the Federal Reserve Bank of St. Louis discounted for 275 of its 633 member banks, which compares with 261 of its 631 member banks accommodated in March. The discount rate of this bank remained unchanged at 4½ per cent.

Changes in the assets and liabilities of the Federal Reserve Bank of St. Louis since a month ago and last year are shown in the following statement:

	*May 14, 1924	*April 16, 1924	*May 16, 1923
<b>RESOURCES</b>			
Gold with Federal Reserve Agent	\$ 63,685	\$ 64,213	\$ 59,752
Gold redemption fund with U. S. Treasury	2,426	3,187	2,855
Gold held exclusively against F. R. notes	66,111	67,400	62,607
Gold settlement fund with F. R. Board	22,127	15,085	15,818
Gold and gold certificates held	7,636	6,903	3,512
Total gold reserves	\$ 95,874	\$ 89,388	\$ 81,937
Reserves other than gold	14,078	14,228	17,738
Total reserves	\$109,952	\$103,616	\$ 99,675
Non-reserve cash	3,972	3,934	4,580
Bills discounted:			
Secured by U. S. Government obligations	6,963	10,906	15,026
Other bills discounted	17,086	21,438	17,497
Total bills discounted	\$ 24,049	\$ 32,344	\$ 32,523
Bills bought in open market	3,418	5,183	4,580
U. S. Government securities:			
Bonds	.....	.....	6,150
Treasury notes	5,136	5,136	8,728
Certificates of indebtedness	1,830	1,830	2,555
Total U. S. Government securities	\$ 6,966	\$ 6,966	\$ 17,433
Total earning assets	\$ 34,433	\$ 44,493	\$ 61,114
Uncollected items	37,200	40,263	37,731
Bank premises	1,898	1,790	948
All other resources	141	151	301
<b>TOTAL RESOURCES</b>	<b>\$187,596</b>	<b>\$194,247</b>	<b>\$204,349</b>
<b>LIABILITIES</b>			
F. R. Notes in actual circulation	\$ 65,331	\$ 66,896	\$ 76,961
Deposits:			
Member banks-reserve account	69,283	71,307	67,145
U. S. Government	1,681	2,280	4,237
Other deposits	749	465	491
Total deposits	\$ 71,713	\$ 74,052	\$ 71,873
Deferred availability items	34,685	37,475	39,945
Capital paid in	5,075	5,065	4,932
Surplus	10,072	10,072	9,665
All other liabilities	720	687	973
<b>TOTAL LIABILITIES</b>	<b>\$187,596</b>	<b>\$194,247</b>	<b>\$204,349</b>
MEMO—Contingent liability on bills purchased for foreign correspondents	1,260	850	1,263
Ratio of total reserves to deposit and F. R. note liabilities combined	80.2%	73.5%	67.0%

\*In thousands (000 omitted).

**COST OF LIVING**

Cost of living in the United States on April 15, 1924, had decreased nine-tenths of one per cent from the level of March 15, 1924, according to the National Industrial Conference Board. The most important changes within that period were decreases of 2.1 per cent in food prices and 3.2 per cent in fuel prices. Between July, 1920, when the peak of the rise in the cost of living since 1914 was reached, and April, 1924, the cost of living decreased 20.9 per cent. The increase since July, 1914, was 61.8 per cent.

The following table shows detailed changes:

Item	Relative importance in family budget	Percentage of increase in the cost of living above average prices in July, 1914, to			Percentage of decrease in the cost of living on April 15, 1924, from average prices in	
		July 1920	March 1924	April 1924	July 1920	March 1924
Food*	43.1	119	44	41	35.6	2.1
Shelter	17.7	58	85	85	17.1**	0.0
Clothing	13.2	166	76	77	33.7	0.7**
Fuel and Light	5.6	66	72	68	1.2**	2.3
(Fuel)	(3.7)	(92)	(87)	(81)	(5.7)	(3.2)
(Light)	(1.9)	(15)	(42)	(42)	(23.4)**	0.0
Sundries	20.4	85	74	74	5.9	0.0
Weighted average of all items	100.0	104.5	83.2	61.8	20.9	0.9

\*Food price changes are from the United States Bureau of Labor Statistics.  
\*\*Increase.

The purchasing value of the dollar based on the cost of living in April, 1924, was 61.8 cents as contrasted with one dollar in July, 1914.

(Compiled May 24, 1924)

# FEDERAL RESERVE BANK OF ST. LOUIS



## MONTHLY REVIEW OF BUSINESS CONDITIONS IN FEDERAL RESERVE DISTRICT No. 8

Released for Publication On and After the Morning of June 30, 1924

WILLIAM McC. MARTIN

CHAIRMAN OF THE BOARD AND FEDERAL RESERVE AGENT

**R**ECSSIONARY tendencies, in some lines quite sharply defined, featured general business in this district during the past thirty days. In virtually all basic industries there was curtailment of production, while in both the wholesale and retail departments of distribution sales fell below these of the corresponding period last year and the preceding month this year. Generally through the list of commodities the trend of prices was lower, but except in relatively few instances concessions granted failed to stimulate buying. The latter fact was particularly true in the case of raw materials, which are being taken on an extremely conservative basis and only in quantities sufficient for immediate needs. Price considerations at the moment are apparently less a factor in the situation than the spirit of uncertainty and caution, and inability to interest consumers in goods offered. The general policy of conservatism, however, has resulted in small stocks in all positions and with an almost entire absence of speculative accumulation of merchandise, business is in excellent shape to respond to any improvement in demand conditions.

Unseasonable weather and uncertainty relative to the outcome of crops constitute the chief factors in the present decline in business activity. From all directions reports tell of the delayed movement of spring and early summer merchandise. Low temperatures and incessant and heavy rains, the latter extending far into June, have interfered seriously with the usual routine agricultural operations which should be making headway at this time of year. Farmers have been unable to get into their fields to cultivate crops, and growth and development of the principal products are from one to four weeks late. Extensive replanting of cotton, corn and some other crops has been necessary, and in some sections the seed has not been put in, due to the soggy and unworkable condition of the soil. Because of these circumstances, the usual stimulation to business felt at the approach of the spring farming season and early harvests is entirely lacking.

Farm supplies and merchandise generally for distribution in the rural districts are moving slowly and in light volume. Ordering by country merchants is on a hand to mouth basis, and even in the smaller towns and cities there is a disposition to postpone commitments until something more definite is known as to the probable outcome of crops. This hesitation is reflected in reduced sales by wholesalers in the large distributing centers, and is in turn affecting production by manufacturers. The period under review has been marked by a slight increase in unemployment in the large cities, due to reduced operations at industrial plants, and additional idle workers were reported in the coal, lead and zinc mining districts.

Answers to questionnaires addressed to leading business interests throughout the district comment

upon the extreme caution among buyers of all classes and their disinclination to purchase beyond immediate requirements. A corollary of this condition has been increasing competition among sellers, manifested principally in more intensive salesmanship and granting of price concessions. Special sales, held much earlier in the season than is ordinarily the case, have been conducted by both wholesalers and retailers, the response to which has been moderately satisfactory. Stocks of goods which should have moved earlier in the year were materially reduced, but profit margins were sharply reduced, and in some instances eliminated entirely. Another phase stressed by reporting wholesale interests is the small size of the average orders received. The steady flow of such orders has assisted the current turnover, but the cost of filling them perceptibly affects profits.

The labor situation in the district was less favorable than during the preceding thirty days. Surplus common labor due to the slower pace of industrial activity is being absorbed by farms and road building, but not to the extent which would be the case if weather conditions were more auspicious. Lateness of the wheat harvest is a factor in the farm labor situation, and the supply of farm hands is adequate for all demands.

As contrasted with a year ago, the movement of farm products to market during the period under review developed rather spotted conditions. Receipts of wheat, rye and hay were smaller, but there was a good increase in arrivals of corn and oats. Due to the lateness of the season, shipments of fruits and garden truck were below normal for this time of year. Prices of cereals, which declined sharply during the last week of May and early June, took a turn upward following the publication of the Government's June 1 condition report. The continued wet weather has had a buoyant effect on corn prices, values of both the options and spot corn having advanced 10c to 12c per bushel since the middle of May.

Except for a slight improvement in sentiment, based on gradually dwindling reserves of numerous important industries, the coal situation underwent no change from the recent dull conditions. There was a further decline in production, accounted for in the main by lack of orders received at the mines. The revival in purchasing looked for about June 1 failed to materialize, and consumers, both large and small, have not deviated to any appreciable extent from the policy of hand to mouth buying which has obtained since last fall. The decline in industrial activity is reflected in reduced consumption of steaming coal, and operators continue to comment upon the inroads made in their business by fuel oil and electric power competition. Dealers in the large cities have

reduced their accumulations slightly during the past several weeks, but are slow to contract for their requirements through the balance of the year. They explain this attitude by the backwardness of householders in placing their orders for the coming fall and winter. The trend of prices continued downward until June 1 when circular quotations were advanced by many of the companies and most of the leading independent producers from 10c to 20c per ton. Similar conditions of apathy were reported in the coke trade. The demand from domestic users is quiet, and curtailed operations at furnaces and foundries is reflected in a slowing down in the demand for metallurgical coke. Production of bituminous coal for the country as a whole during the calendar year to June 14 was 211,490,000 net tons, which compares with 249,931,000 tons for the corresponding period a year ago.

As compared with the corresponding period last year, traffic of railroads operating in this district again showed a rather sharp decline, but the May business was well in excess of that for the same month in 1922, with one large southwestern system showing the heaviest May traffic in its history. For the country as a whole loadings of revenue freight during the week ending May 31 totaled 819,904 cars, a decrease under the preceding week of 98,309 cars, and a decrease of 112,780 cars under the same week in 1923. As compared with the corresponding period in 1922 the total for the week of May 31 showed an increase of 80,345 cars. The Terminal Railway Association of St. Louis, which handles the interchange of 28 connecting carriers, interchanged 199,542 loads in May, against 196,111 loads in April, 204,656 loads in March and 207,094 loads in May, 1923. Passenger traffic of the reporting roads decreased 2 per cent in May as compared with the same month in 1923. Tonnage moved by the Mississippi River section of the Federal barge line between St. Louis and New Orleans amounted to 68,600 tons during May, against 81,528 tons in April and 77,552 tons in May, 1923.

Taking into account the very unfavorable weather and general slowing down in business activities during the period under review, the record of collections made an unusually favorable showing. This was ascribed chiefly to abundant supplies of money and the fact that merchants for the most part are carrying small stocks and have less than the usual amount of their funds tied up in inventories. In the large wholesale and jobbing centers merchants report May 1 settlements well up to expectations, and in a number of instances better than a year ago. There are still some backward spots in the farming regions, and in the coal mining areas collection efficiency continues below normal. Replies to 408 questionnaires addressed to representative interests in the various lines throughout the district show the following results:

	<u>Excellent</u>	<u>Good</u>	<u>Fair</u>	<u>Poor</u>
May, 1924.....	2.7%	23.2%	58.9%	15.2%
April, 1924.....	1.7	29.4	56.3	12.6
May, 1923.....	2.8	36.8	53.8	6.8

Commercial failures in the Eighth Federal Reserve District during May, according to Dun's, numbered 62, involving liabilities of \$174,163, against 79 defaults with indebtedness of \$1,033,327 in April, and 63 failures for \$760,293 in May, 1923.

The per capita circulation of the United States on June 1 was \$42.78, against \$42.33 on May 1 and \$42.34 on June 1, 1923.

## MANUFACTURING AND WHOLESALE

### Automobiles

There was a further decrease in the production of automobiles and trucks in the country as a whole during May, the loss as compared with the preceding month being 16.2 per cent, while a loss of 20.6 per cent was recorded under the total of May, 1923. Companies reporting direct or through the Automobile Chamber of Commerce built 279,385 passenger cars in May, against 336,968 in April, and 350,073 in May, 1923. The output of trucks in May was 32,326 against 34,977 in April and 42,373 in May, 1923. The total number of passenger cars and trucks manufactured during the first five months of 1924, however, was 1,747,145 against 1,658,320 for the corresponding period last year. A general slowing down in distribution, both at wholesale and retail, was noted during the past thirty days. Sales of 230 dealers scattered through the district showed a decrease of 5.8 per cent under the same month last year, and of 8.5 per cent under the April total this year. Unfavorable weather is given as the principal reason for the recession in buying, particularly in the country, where dealers say that the continuous rains and muddy roads have made it extremely difficult to dispose of automobiles. Business in accessories decreased in about the same ratio noted in new cars, and there continue complaints relative to the slowness with which tires are moving. The used car business was reported quieter than at any time in more than eight months, price concessions and inducements in the shape of equipment and terms failing to stimulate buying.

### Boots and Shoes

Sales of the 11 reporting interests in May were 1.7 per cent under the corresponding month in 1923, and 9.2 per cent under the April total this year. As was the case during the two preceding months, the loss as compared with last year was chiefly in orders for future shipment. Buying is almost exclusively on an immediate basis, each week developing an increase in the proportion of small orders to be filled by express or parcels post. The volume of this piecemeal current buying is quite large, but the cost of filling the orders is such as to reduce profits. The demand for women's and children's shoes continues relatively better than for men's wear, and generally sales in the cities are better than in the country. There was no change worthy of note in prices of either finished goods or raw materials during the past thirty days. Factory operation was at approximately 72 per cent of capacity. The total number of pairs of shoes manufactured in this district during May was 6 per cent less than during the preceding month, and for the country as a whole, May production was 9.6 per cent under the April total.

### Clothing

An increasing tendency is noted to sacrifice profits in order to maintain present production schedules or to move stocks on hand. There are few buyers in the market, however, especially from the rural districts, where demand has contracted to a notable degree. Fall booking of reporting firms are from 40 to 60 per cent lower than last year and jobbers are unable to arouse interest in new commitments on anything like a normal scale. The entire woolen line is in only moderate request with prices weak and declining. In many instances, however, production has declined to lower levels than present consumption and stocks are everywhere low. The rainy, cool weather has retarded sales of all summer fabrics, and at the same time

prompted vigorous selling campaigns at rather large price concessions. Men's hats are moving tardily, particularly straws, sales of which are the most disappointing in years for the season to date. May sales of the 11 reporting firms were 38 per cent under those of the same month a year ago, but 0.4 per cent in excess of the April, 1924, total.

#### Drugs and Chemicals

May sales of the 11 reporting interests were 6.2 per cent less than during the same period in 1923, and 5.8 per cent under the April total this year. A considerable part of the decrease as compared with a year ago was accounted for by reduced sales of spraying materials, insecticides and heavy chemicals used by manufacturers. Smaller sales were also the rule in the soda fountain supply departments of reporting interests, the unusually cool weather having had a detrimental effect on this business. The demand for remedial drugs and sundries continues good, there being a disposition to place orders at the recent slight price reductions in a number of staple drugs and proprietary medicines. The retail drug business was reported somewhat less active than heretofore, particularly in the South.

#### Dry Goods

Buying in all sections of the line continues on an extremely conservative basis, and mainly in small lots for prompt shipment. Cotton goods held relatively firm, the decline in the raw staple being in a large measure offset by curtailment of production and generally small stocks. The movement of seasonal goods continues backward, and special efforts to move such merchandise have been made by a number of important wholesale establishments. The downward trend in silks continued, and with the 25 per cent decline in raw silk since May 1, many grades can now be purchased at prices lower than at any time since 1916. With the exception of styled piece goods and garments, the movement of print cloth and women's ready to wear clothing is disappointing. Staple hosiery continues quiet, but there is a fair demand for certain fancy descriptions. Some reordering of underwear is reported, but advance business is the lightest at this season in several years. May sales of the 11 reporting interests were 12.5 per cent under those of the same month in 1923, but 1.5 per cent in excess of the April total this year.

#### Electrical Supplies

Unseasonable weather and ultra conservatism on the part of buyers of all classes are given as the chief reasons for a decrease in sales of the 12 reporting interests during May of 15.1 per cent as contrasted with the same month in 1923, and a loss of 4.7 per cent under the April total this year. Sales of electric fans and fan motors are considerably under normal for this time of year. but the demand for electrical household appliances continues brisk. Some falling off in the volume of electric installations was reported, and there was a slowing down in the movement of copper wire, pole hardware and the general line of goods taken by public utility companies. All sorts of mining supplies are quiet, and there was less vigor to demand from the oil fields. The trend of prices was slightly downward, with specific reductions in bare and insulated copper wire. Sales and shipping directions from the automotive industry continued to decline.

#### Fire-Clay Products

Decreased activities in certain basic lines have perceptibly affected the demand for refractories products, with the result that operations at manufacturing

plants in the district have been considerably curtailed. Demand from public utilities was less than heretofore and purchasing by iron and steel manufacturers has contracted with the banking and blowing out of additional stacks and ovens. Ordering by cement producers is still on a large scale, reflecting the continued activity in building. Demand from the oil centers is barely holding its own, but municipal buying continues in volume sufficient to sustain interest in vitrified projects. Jobbers' purchases have been on a hand to mouth basis, and stocks in their hands are reported at the lowest level in three years. Prices were unchanged. May sales of the 5 reporting interests were 26.6 per cent under those of the same month in 1923, and 17.9 per cent under the April total this year.

#### Flour

Production of the 11 leading mills of the district during May was 322,106 barrels, which compares with 311,312 barrels in April, 358,055 barrels in March and 302,791 barrels in May, 1923. Business during late May and the first week of June continued quiet and entirely on an immediate shipment basis. New orders were small in size, and came mainly from the regular customers of the mills. Shipping directions were generally fair, and there was a particularly good run of requests to forward soft flours from Southern buyers. Throughout the period under review, export business was stagnant, with bids scarce and too far out of line to result in workings. With the upturn in wheat about June 12, flour prices advanced slightly and the market displayed a somewhat better undertone, though actual sales showed only moderate improvement. Mill operation was at 65 per cent of capacity.

#### Furniture

Sales of the 28 reporting interests during May were 30.7 per cent under those of the same period in 1923, and 12.7 per cent below the April, 1924, total. Reports from all sections of the district reflect extreme apathy in this line. Dealers are buying chiefly on a replacement basis, and are carrying the smallest stocks in years. The better and more expensive grades of household furniture are particularly quiet, the small current demand centering chiefly in low priced goods. The trend of finished furniture was easier, and there were specific reductions in the prices of raw materials, notably glass, lumber and iron and steel goods. Part of the backwardness on the part of dealers was ascribed to their desire to postpone purchasing until after the summer markets at Chicago and Grand Rapids, opening June 23, at which new styles are displayed and prices announced. Factory operation dropped again, averaging less than 55 per cent of capacity.

#### Groceries

During the first week of June Cuban raw sugar touched new low price levels for the year, but buying by retailers together with augmented demand from consumers, because of abundant berry and cherry crops, served to produce a turn which stimulated further retail buying. There has been no abnormal accumulation of sugar, however, either at wholesale or retail. A favorable factor has been the heavy movement of canned goods caused by the backwardness of spring garden truck. Coffee, from cheap to choice, continues in good demand at firm prices, due to small retail stocks and a continuance of the Brazilian export limitation. A slight improvement in rural buying is noted, and city sales were about steady with the preceding month. Demand in mining sections is lagging. Candy is moving in normal volume, though season-

ally dull. May sales of 21 reporting interests were 6.4 per cent in excess of those of the same month a year ago, but 0.3 per cent under the April, 1924, figure.

### Hardware

Uncertainty relative to crops and heavy and continuous rains have served to hold down buying in the country to a minimum, with the result that May sales of the 12 reporting interests fell 16.7 per cent below the total of the same month in 1923, and 2.5 per cent under the April aggregate this year. The demand for building hardware, which has been the chief activity in the hardware line during recent months, showed a rather sharp falling off. Hand implements, spraying apparatus, and the general run of goods for use on farms are reported dull, and price concessions have been made in order to stimulate the belated movement. Sales of binder twine and other harvest materials are considerably below those of the corresponding period last season. With the exception of camping supplies and fishing tackle, the general movement of sporting goods was disappointing. Curtailed operations were reported in several important manufacturing lines.

### Iron and Steel Products

There was a further recession in activities at mills, foundries and machine shops in this district during the period under review, and for the country as a whole production of pig iron and steel ingots declined sharply in May as compared with the preceding month. In spite of the almost universal curtailment, demand has dropped below output, many of the leading reporting interests showing current shipments in excess of new orders booked. Purchasing by all classes of consumers has fallen off, and there is a very decided tendency to postpone commitments into the future. This is true both of finished and semi-finished goods and raw materials. Sales of pig iron were unusually light for this time of the year, and contracting for last half requirements is the smallest in more than a decade. During the past three weeks a fair volume of inquiries has appeared, but mainly for the purpose of feeling out the market, as the tonnage actually closed has been insignificant. Prices of pig iron declined further, No. 2 Southern, 1.75 to 2.25 per cent silicon, falling to \$18 per ton, furnace, while Northern iron of the same grade was freely offered at \$20. Further weakness was noted in the scrap iron and steel market, with all items on the list touching new lows on the present downward movement. Scattering price reductions were recorded on standard steel products, among the articles affected being bars, bolts, and nuts, plates and some wire products and tubing. Manufacturers of farm implements, stoves and other goods largely consumed in the country report that their business has been adversely affected by the lowering of crop conditions. There has been a rather sharp curtailment in takings by the automobile manufacturers, and buying by the railroads is considerably less active than was the case earlier in the year. Warehousemen are ordering on a hand to mouth basis, and report the demand for their goods the quietest in months. Job foundry operations have been further reduced, with several of the larger plants pouring only two or three melts per week. Additional open-hearth furnaces have been blown out by steel manufacturers, and rolling mills are operating at less than 50 per cent of capacity. May sales of stove manufacturers, 7 reporting, were 22 per cent under the same month in 1923, and 23.7 per cent less than the April total this year; railway supplies, 5 reporting, decreased 44 per

cent under the same month in 1923, and 6 per cent under April this year; farm implements, 6 reporting, decreased 32.5 per cent under May last year and 16 per cent under the April, 1924, total; job foundries, 5 reporting, decreased 16.5 per cent under May, 1923, and 8.2 per cent under April this year; manufacturers of boilers, stacks, elevators, radiators, wire rope and miscellaneous products, 14 reporting, decreased 22.8 per cent under May, 1923, and 14.2 per cent under April, 1924.

### Lumber

Sustained building activity in St. Louis and other large cities of the district accounted for a good retail demand and a brisk delivery of lumber from yards at those centers. Country yards, on the other hand, are doing a light business while the farmers are preoccupied with their crops. Wholesale buying has run in smaller volume since the first of June, but since mill costs are being closely pressed by prices, the market has remained practically stationary. There is the usual slack-business run of price concessions and minor changes in the market standing of items in the various woods. On the bulk of lumber production, however, prices have held steady with the levels current during the preceding thirty days. Weather has been extremely unfavorable for logging operations in the South, and many of the small sawmills have shut down. Generally, there is a tendency to hold down production until market conditions warrant increased outputs. Furniture manufacturers and the automotive industry are purchasing more sparingly than heretofore.

### Consumption of Electricity

In spite of the current business recession, electricity consumed for industrial purposes continues to surpass former seasonal records in two of the reporting centers and for the district as a whole. Increases over last year represent heavier loads taken by cement, brick and auto truck manufacturers, while decreases for the same period represent curtailment by steel companies, liquid air manufacturers and ice plants. The seasonal upturn, however, is represented largely by increased operations at ice plants.

Detailed figures follow:

	No. of custom- ers	May, 1924	April, 1924	May, 1924 comp. to Apr. 1924	May, 1923	May, 1924 comp. to May, 1923
		*K.W.H.	*K.W.H.		*K.W.H.	
Evansville.....	40	1,058	950	+11.4%	1,060	- 0.2%
Little Rock.....	11	692	752	- 8.0	758	- 8.7
Louisville.....	67	4,244	4,070	+ 4.3	3,868	+ 9.7
Memphis.....	31	1,450	1,340	+ 8.2	1,120	+29.5
St. Louis.....	75	12,888	11,915	+ 8.2	13,322	- 3.3
<b>Totals.....</b>	<b>224</b>	<b>20,332</b>	<b>19,027</b>	<b>+ 6.9</b>	<b>20,128</b>	<b>+ 1.0</b>

\*In thousands (000 omitted).

The following figures, compiled by the Department of Interior, give kilowatt production for both lighting and industrial purposes for the entire country:

1924	By water power		By fuels	Totals
February .....	1,562,947,000	3,270,796,000	4,833,743,000	
March .....	1,711,935,000	3,269,257,000	4,981,192,000	
April .....	1,846,368,000	2,904,507,000	4,750,875,000	

### RETAIL

Business in this section of distribution during the past thirty days was largely a reproduction of the picture of the period immediately preceding, except that greater selling pressure was in evidence. Cool, wet weather, which prevailed through the third week of June served to retard activities in every line investigated except chain grocery stores. The movement of men's summer clothing has been disappointing, and sales of straw hats the smallest at this season in more than a decade. Cheap work suits, harvest hats and supplies used in the fields are not being bought in the usual seasonal volume. Certain classes of styled goods

for women's wear are meeting with good demand, and other varieties offered at lower prices are moving well, but the general line of women's apparel is dull. Liberal price concessions have stimulated some buying of camping supplies, but otherwise sporting goods, including golf and baseball supplies, are moving in less volume than at this time last year. Jewelers report the usual buying of wedding and graduation gifts, but total sales were about 10 per cent below those of the same month in 1923. Continued dullness is reported by furniture dealers. Building activity has served to sustain interest in hardware, but supplies for the farm are being sparingly bought.

May sales of 3 interests operating 1,578 chain grocery stores in this district exceeded those of the same month a year ago by 8.1 per cent. Department stores, by aggressive selling campaigns, have maintained volume, if not profits, May sales of the 21 largest department stores in the district being only 3.9 per cent under those of the same month last year. These price concessions, together with smaller stocks have made possible the best rate of turnover shown for any month this year.

Detailed department store figures follow:

Net sales comparisons		Stocks on hand		Annual rate of
May, 1924	Five months ending	May 31, 1924	May 31, 1923	stock turnover
comp. to	May 31, 1924, to	comp. to	For 5 months	For 5 months
May, 1923	same period, 1923	May 31, 1923	ending	ending
			May 31, 1924	May 31, 1924
Evansville .....	- 8.4%	- 7.6%	1.80	1.80
Little Rock.....	+ 7.4	+ 0.9	2.34	2.34
Louisville .....	+ 1.2	+ 3.9	2.70	2.70
Memphis .....	- 8.1	+ 0.3	2.29	2.29
Quincy .....	+ 0.4	- 3.6	2.21	2.21
St. Louis.....	- 6.6	+ 7.2	3.30	3.30
8th District.....	- 3.9	+ 4.4	2.80	2.80
Entire U. S.....	- 1.5	+ 3.9	3.01	3.01

**AGRICULTURE**

The outstanding feature in reports covering agricultural conditions during the past thirty days was the lateness of the season. In the main weather was unfavorable for growth and development of crops and for general farm operations. The month of May was wet and cold, and the early weeks of June, while bringing higher temperatures also brought a continuance of the unusual precipitation. Muddy fields and roads prevented farmers from accomplishing much needed cultivation of growing crops and delayed seeding of corn and planting of vegetables. In many sections the soggy condition of the soil and lack of sunshine caused the rotting of seeds in the ground and necessitated replanting, in some instances as many as two to four times. Scattered hail and wind storms of great severity did material local damage, and injury to crops in some rich river and creek bottoms was wrought by floods.

Despite weather handicaps, early crops were generally successful, both in point of yields and prices obtained. The output of strawberries in commercial sections of the district was large, and adequate marketing arrangements and transportation permitted of prompt and satisfactory movement. Shipments of spring truck were behind the usual seasonal schedule, but have increased steadily in volume during the past several weeks. Cherries were an abundant crop generally through the district, but prices were under those of last season.

The condition of winter wheat in States of the district, according to the report of the U. S. Department of Agriculture, declined rather sharply during May, and in all instances was below the 10-year average on June 1. In Illinois the June 1 condition was 64 per cent of normal, against 70 per cent on May 1, with an indicated yield of 33,368,000 bushels against

60,534,000 bushels harvested last year. The indicated outturn in Missouri is 21,808,000 bushels compared with 37,882,000 bushels in 1923. The deterioration is ascribed chiefly to unfavorable weather, but there are numerous reports of damage from insects pests, though as a rule Hessian fly and cinch bug damage is less severe than last year. The harvest will be later than usual due to the cool weather in April and May.

**Wheat — Oats**

The U. S. Dep't of Agriculture, in its report as of June 1, 1924, gives condition of winter wheat and oats in the Eighth Federal Reserve District as follows:

Wheat	Condition		*Production				Farm price	
	June 1		Forecast 1924		Harvested		per bu.	
	1924	10-yr. av.	from June 1	from condition May 1	1923	5-yr. av. 1918-22	May 15 1924	May 15 1923
	%	%	Bu.	Bu.	Bu.	Bu.	cents	cents
Illinois .....	64	80	33,368	33,950	60,534	51,377	100	116
Indiana .....	77	81	26,567	25,904	34,188	33,707	98	122
Kentucky .....	63	84	3,773	3,743	7,688	8,320	112	130
Missouri .....	68	78	21,808	24,027	37,882	45,106	99	113
U. S. Total.....	74.0	81.6	509,319	553,013	572,340	624,653	.....	.....

Oats	Condition		Forecast 1924				Farm price	
	June 1		from condition		Harvested		per bu.	
	1924	10-yr. av.	June 1	from condition May 1	1923	5-yr. av. 1918-22	May 15 1924	May 15 1923
	% of 1924	%	Acres	Bu.	Bu.	Bu.	cents	cents
Illinois .....	106	86	4,092	86	142,524	135,100	146,005	44 44
Indiana .....	102	87	1,774	87	59,207	48,692	59,088	44 46
Missouri .....	110	83	1,518	70	32,941	34,500	42,189	56 54
U. S. Total.....	101.9	83.0	41,625	88.8	1,231,728	1,299,823	1,302,516	46.3 45.3

\*In thousands (000 omitted).

Advices relative to the corn crop are almost universally pessimistic. Generally where planted the crop has a poor stand, and in the lowlands where moisture has hindered cultivation, weeds have made considerable headway. In many sections where cultivation should have been well under way at the middle of June, there was still much corn to be planted, and in some cases corn land was unplowed. On both sides of the Mississippi River considerable replanting has been necessary. Every day of sunshine is being taken advantage of to make up the delayed planting and cultivation, and there still remains sufficient time to accomplish much in this direction. However, it is generally conceded that ideal growing conditions to harvest and a late frost experience are needed to produce a normal crop.

The June 1 condition of oats in this district was below the 10-year average, except in Indiana where it exceeds the average by 2 points. Generally, cutting of oats has been delayed by rains, which has resulted in a good immediate shipment demand and fair upturn in prices.

The condition of hay is close to normal, the abundant moisture having aided the growth of this crop. Many counties in the Northern tier of the district report the best clover prospects in a number of years. Cutting of all hay, however, is backward and dry weather is much needed for haying operations.

Reports relative to fruit prospects in the district are varied and irregular. In the North the peach crop is largely a failure due to the severe winter. In the South the outlook is better, particularly in the commercial areas. Apples promise well, though the average condition on June 1 was below that at the corresponding date last year. The drop has been heavy during the past three weeks, due to cool weather and storms, and blight has seriously injured the Jonathan crop in Arkansas. The condition of blackberries, raspberries and melons indicates a yield slightly above normal. Commercial vegetable crops and gardens are from two to three weeks late and are in need of warm weather and less abundant moisture. The recent excessive rainfall has interfered with spraying and culti-

vation, and there are numerous complaints of the presence of insects and parasites in gardens and orchards.

In spite of continued rains over the entire tobacco producing section, fair progress is reported in transplanting the 1924 crop. Unofficial estimates as of the middle of June indicate that 60 per cent of the burley, 70 per cent of the air-cured and green river, and from 80 to 85 per cent of the fired dark tobacco crop in Kentucky and Tennessee had been planted, with initial growth mainly satisfactory. There were scattered reports of disease appearing in plant beds, but on the whole healthful conditions exist, and indications are for normal acreage in the chief producing areas. Deliveries during the period under review were large, weather considered. Prices are generally satisfactory.

An exception to the general belated conditions is rice, seeding of which has been completed with the crop generally up to an excellent stand and from 15 to 30 days ahead of the corresponding period last year. Virtually the entire crop is being flooded, and the abundant rainfall has reduced the costs and labor involved in this operation. Unofficial estimates place the acreage in Arkansas at from 10 to 18 per cent in excess of last year. Farmers in the rice area generally more adequately financed than at any time since 1920. The movement of old crop rice continues satisfactory, with indications that stocks will be cleaned up by the end of June. Prices held steady.

The condition of cotton in all States of the district on May 25 was below that of the corresponding date last year, also the 10-year average. Weather conditions through May and the first half of June were unfavorable for growth and development of the plant, and the crop is reported from three to four weeks late. Soil conditions, however, are for the most part excellent, and conditions considered, fields are fairly clean. Much replanting has been necessary, particularly in the most northern producing counties. There are some reports of boll weevil and other insect pests.

**Cotton**

The condition of cotton in the Eighth Federal Reserve District and the United States is given by the Department of Agriculture as follows:

Condition, May 25.	Area planted (in cultivation end of June) 1923, revised				Area picked, 1923, revised	Yield per acre, 1923 revised
	1924	1923	1922	10-yr. av.		
Arkansas	58	66	76	70	74	3,120,000
Mississippi	69	70	75	60	75	3,392,000
Missouri	52	54	90	75	77	394,000
Tennessee	54	70	79	69	75	1,221,000
U. S. Total	65.6	71.0	69.6	66.0	72.8	38,709,000

**Commodity Prices**

Range of prices in the St. Louis market between May 15, 1924, and June 14, 1924, with closing quotations on the latter date, and on June 15, 1923:

	High		Low		Close	
	June 14, 1924	June 15, 1923	June 14, 1924	June 15, 1923	June 14, 1924	June 15, 1923
Wheat						
July	\$1.11½	\$1.01½	\$1.11¾	\$1.09½		
September	1.13%	1.04	1.13½	1.07½		
December	1.16%	1.07	1.16%	1.10½		
No. 2 red winter	1.18	1.08	1.18	1.30		
No. 2 hard	1.13½	1.02½	\$1.12 @ 1.13½	\$1.13 @ 1.14		
Corn						
July	.81½	.76	.81½	.83½		
September	.80%	.75½	.80%	.77½		
December	.74	.71¾	.74	.66½		
No. 2	.85	.76½	.85	.86		
No. 2 white	.86	.80½	.85 @ .86	.88		
Oats						
July	.49	.45	.48	.43½		
No. 2 white	.53½	.49½	.53½	.45½		
Flour						
Soft patent	6.50	5.25	5.50 @ 6.50	5.50 @ 6.50		
Spring patent	6.95	6.07½	6.75 @ 6.95	6.05 @ 6.30		
Middling cotton	.31½	.29¼	.30	.29		
Hogs on hoof	7.75	4.75	5.50 @ 7.25	4.50 @ 7.25		

NOTE—May wheat closed at \$1.04½; May corn at 78½¢ and May oats at 47¾¢.

**Live Stock Movement**

Receipts and shipments at St. Louis, as reported by the National Stock Yards, were as follows:

	*Receipts			*Shipments		
	May 1924	Apr. 1924	May 1923	May 1924	Apr. 1924	May 1923
Cattle and Calves	102	87	98	61	47	48
Hogs	392	388	420	280	268	234
Horses and Mules	2	3	4	2	3	4
Sheep	33	26	54	9	17	15

\*In thousands (000 omitted).

**Commodity Movement**

Receipts and shipments at St. Louis, as reported by the Merchants' Exchange, were as follows:

	*Receipts			*Shipments		
	May 1924	April 1924	May 1923	May 1924	April 1924	May 1923
Beef, lbs.		379	504	20,405	21,643	24,046
Corn, bu.	3,077	3,587	1,617	1,858	2,054	1,086
Flour, bbls.		399	394	426	421	485
Hides, lbs.	6,512	5,234	4,583	8,853	6,738	8,579
Lard, lbs.		5,718	6,434	12,743	11,216	14,956
Lead, pigs	255	257	210	195	202	106
Lumber, cars		21	22	14	14	16
Oats, bu.	3,420	2,870	2,534	2,545	2,317	2,147
Pork, lbs.	22,322	20,323	20,914	27,681	28,861	33,543
Wheat, bu.	1,731	1,481	2,212	1,471	1,393	2,303
Zinc, slabs		260	239	293	217	251

\*In thousands (000 omitted).

**BUILDING**

The value of building permits issued in the five largest cities of the district during May fell sharply below the record total of April, but was only 3.8 per cent under the aggregate of May, 1923. Building operations in the large centers continued at an active pace during the period under review, with residential construction still occupying an important place in the general activity. Reports from the smaller towns and rural districts in the South reflect extensive home building, particularly of small residences. Road building has been badly hampered by excessive rainfall, but it is planned to push forward the highway construction programs as soon as weather conditions will permit. The trend of prices of building materials was slightly downward, and many manufacturers have caught up with their orders, with some reporting moderate accumulations. Production of portland cement for the country as a whole during May totaled 13,777,000 barrels, against 11,726,000 barrels in April and 12,910,000 in May, 1923.

Building figures for May follow:

	New Construction				Repairs, etc.			
	Permits		*Cost		Permits		*Cost	
	1924	1923	1924	1923	1924	1923	1924	1923
Evansville	70	139	\$ 189	\$ 278	81	104	\$ 17	\$ 20
Little Rock	79	92	215	225	114	142	76	74
Louisville	415	552	1,593	1,784	163	199	115	139
Memphis	428	477	2,007	1,691	146	91	62	30
St. Louis	1,021	974	3,379	3,701	727	747	761	465
May totals	2,013	2,234	\$7,383	\$7,679	1,231	1,283	\$1,031	\$728
April totals	2,429	2,139	9,502	7,512	1,463	1,210	669	855
Mar. totals	2,057	1,797	8,047	7,725	1,053	949	661	918

\*In thousands of dollars (000 omitted).

**FINANCIAL**

Generally abundant funds and a lower trend in interest rates, coupled with a slackening in the demand for credit from commercial and industrial sources, featured the banking and financial situation in this district during the past thirty days. Commercial banks, particularly in the large cities, report liquidation of loans in good volume, with renewals and new borrowing in many instances below the aggregate of payments by their customers. Wholesalers in a number of important lines say that May settlements were somewhat above expectations, and find themselves with surplus funds on hand. Due to the lateness of the season, demands from the country to

finance agricultural operations are below normal for this time of the year in typical grain areas. Banks in the cotton producing sections, however, are receiving heavy calls, especially in territory where replanting has been necessary during the past several weeks and additional seed and feed for farm animals has had to be purchased. Milling loans have been well cleaned up during the past month, and there has also been extensive liquidation of loans based on grain and live stock. The demand from stock raisers is less active than heretofore. Additional heavy advances to producers by the cooperative tobacco marketing associations have resulted in excellent liquidation on areas where tobacco is the chief crop.

This bank's quota of the issue of 2¾ per cent U. S. Treasury Certificates of Indebtedness dated June 16 and due December 15, 1924, was largely over-subscribed. The discount rate of this bank, which had held unchanged at 4½ per cent since April 6, 1922, was reduced to 4 per cent, effective June 19. Between May 15 and June 14 accommodations granted to member banks by this institution increased \$135,965 and there was a decrease of \$2,120,000 in Federal reserve note circulation.

**Commercial Paper**

Sales of reporting brokers in May were 3.5 per cent larger than for the same month in 1923, but 11.8 per cent under the April total this year. Generally offerings from all sources are light, with prime names especially scarce. The reduction in rates has had a tendency to curtail purchasing by country banks, buying being confined almost exclusively to financial institutions in the larger centers. Rates ranged from 4 to 4½ per cent, with an occasional sale of strictly prime paper at 3½ per cent. This compares with 4¼ to 4½ per cent, the range prevailing during the preceding thirty days.

**Savings Deposits**

Number of banks reporting	Amount of savings deposits			June, 1924 comp. to 1923	June, 1924 comp. to 1923
	June 11, 1924	May 7, 1924	June 6, 1923		
Evansville .... 4	\$ 9,090	\$ 9,053	\$ 8,994	+ 0.4%	+ 1.1%
Little Rock... 5	7,670	7,625	7,178	+ 0.6	+ 6.9
Louisville .... 7	26,806	26,372	23,719	+ 1.6	+ 13.0
Memphis ..... 4	19,322	18,826	16,112	+ 2.6	+ 19.9
St. Louis.....12	76,374	75,669	72,602	+ 0.9	+ 5.2
<b>Totals.....32</b>	<b>\$139,262</b>	<b>\$137,545</b>	<b>\$128,605</b>	<b>+ 1.2</b>	<b>+ 8.3</b>

\*In thousands (000 omitted).

**Condition of Banks**

The following statement shows principal resources and liabilities of reporting member banks in Evansville, Little Rock, Louisville, Memphis, and St. Louis:

Number of banks reporting	*June 11, 1924			*June 13, 1923		
	June 11, 1924	May 14, 1924	June 6, 1923	June 11, 1924	May 14, 1924	June 6, 1923
Loans and discounts (incl. rediscounts)	134	134	36			
Secured by U. S. Govt. obligations.....	\$ 8,168	\$ 9,199	\$ 11,727			
Secured by other stocks and bonds.....	145,625	147,231	140,983			
All other loans and discounts.....	304,145	312,642	299,806			
<b>Total Loans and discounts.....</b>	<b>\$457,938</b>	<b>\$469,072</b>	<b>\$452,516</b>			
<b>Investments</b>						
U. S. pre-war bonds.....	14,309	14,810	15,336			
Liberty bonds.....	22,805	22,361	23,450			
Treasury bonds.....	5,049	4,378	9,024			
Victory and Treasury notes.....	13,763	14,111	23,994			
Certificates of Indebtedness.....	1,865	3,313	10,490			
Other securities.....	92,023	92,049	87,635			
<b>Total investments.....</b>	<b>\$149,814</b>	<b>\$151,022</b>	<b>\$169,929</b>			
Reserve balance with F. R. bank.....	39,937	41,089	40,535			
Cash in vault.....	7,504	7,676	8,225			
Net demand deposits.....	355,464	358,761	359,942			
Time deposits.....	197,049	201,493	181,536			
Government deposits.....	1,849	4,222	8,819			
<b>Bills payable and rediscounts with</b>						
<b>Federal reserve bank</b>						
Secured by U. S. Govt. obligations.....	1,114	1,600	8,860			
All other.....	3,847	4,656	12,853			

\*In thousands (000 omitted).

†Decrease due to consolidation. Total resources of these 34 banks comprise approximately 54 per cent of the resources of all member banks in this district.

**Debits to Individual Accounts**

	*For four weeks ending			June, 1924 comp. to 1923	June, 1924 comp. to 1923
	June 18, 1924	May 14, 1924	June 20, 1923		
E. St. Louis and Nat'l Stock Yards, Ill..	\$ 37,038	\$ 38,787	\$ 40,380	- 4.5%	- 8.3%
El Dorado, Ark.....	7,263	7,473	12,099	- 2.8	-40.0
Evansville, Ind.....	25,084	26,721	29,691	- 6.1	-15.5
Fort Smith, Ark.....	9,601	10,362	10,929	- 7.3	-12.2
Greenville, Miss.....	3,114	3,012	2,962	+ 3.4	+ 5.1
Helena, Ark.....	3,525	3,963	3,611	-11.1	- 2.4
Little Rock, Ark.....	49,014	54,635	47,632	-10.3	+ 2.8
Louisville, Ky.....	140,057	155,373	150,821	- 9.9	- 7.1
Memphis, Tenn.....	103,277	119,527	114,520	-13.6	- 9.8
Owensboro, Ky.....	4,975	5,234	5,098	- 4.9	- 2.4
Quincy, Ill.....	9,868	10,367	10,574	- 4.8	- 6.7
St. Louis, Mo.....	647,761	592,947	652,817	+ 9.2	- 0.8
Sedalia, Mo.....	3,989	4,083	.....	- 2.3	.....
Springfield, Mo.....	6,946	7,699	14,776	- 9.8	-53.0
<b>Totals.....</b>	<b>\$1,051,512</b>	<b>\$1,040,183</b>	<b>.....</b>	<b>+ 1.1</b>	<b>- 4.4</b>

\*In thousands (000 omitted).

**Federal Reserve Operations**

During May the Federal Reserve Bank of St. Louis discounted for 268 of its 633 member banks, which compares with 275 accommodated in April.

Comparative statement of this bank follows:

**RESOURCES**

	*June 11, 1924	*May 14, 1924	*June 13, 1923
Gold with Federal Reserve Agent.....	\$ 61,736	\$ 63,685	\$ 55,447
Gold redemption fund with U. S. Treasury	4,111	2,426	4,090
Gold held exclusively against F. R. notes..	65,847	66,111	59,537
Gold settlement fund with F. R. Board....	24,700	22,127	18,878
Gold and gold certificates held.....	7,580	7,636	3,526
<b>Total gold reserves.....</b>	<b>\$ 98,127</b>	<b>\$ 95,874</b>	<b>\$ 81,941</b>
Reserves other than gold.....	12,849	14,078	15,953
<b>Total reserves.....</b>	<b>\$110,976</b>	<b>\$109,952</b>	<b>\$ 97,894</b>
Non-reserve cash.....	4,112	3,972	5,147
<b>Bills discounted:</b>			
Secured by U. S. Government obligations	5,533	6,963	15,265
Other bills discounted.....	17,520	17,086	20,846
<b>Total bills discounted.....</b>	<b>\$ 23,053</b>	<b>\$ 24,049</b>	<b>\$ 36,111</b>
Bills bought in open market.....	1,743	3,418	9,077
<b>U. S. Government securities:</b>			
Bonds .....	.....	.....	6,150
Treasury notes.....	5,701	5,136	5,002
Certificates of indebtedness.....	1,265	1,830	360
<b>Total U. S. Government securities.....</b>	<b>\$ 6,966</b>	<b>\$ 6,966</b>	<b>\$ 11,512</b>
<b>Total earning assets.....</b>	<b>\$ 31,762</b>	<b>\$ 34,433</b>	<b>\$ 56,700</b>
Uncollected items.....	30,878	37,200	37,320
Bank premises.....	1,920	1,898	991
All other resources.....	200	141	189
<b>TOTAL RESOURCES.....</b>	<b>\$179,848</b>	<b>\$187,596</b>	<b>\$198,241</b>

**LIABILITIES**

F. R. Notes in actual circulation.....	\$ 62,627	\$ 65,331	\$ 73,910
<b>Deposits:</b>			
Member banks-reserve account.....	68,333	69,283	70,337
U. S. Government.....	2,115	1,681	1,157
Other deposits.....	378	749	766
<b>Total deposits.....</b>	<b>\$ 70,826</b>	<b>\$ 71,713</b>	<b>\$ 72,260</b>
Deferred availability items.....	30,533	34,685	36,413
Capital paid in.....	5,072	5,075	4,951
Surplus .....	10,072	10,072	9,665
All other liabilities.....	718	720	1,042
<b>TOTAL LIABILITIES.....</b>	<b>\$179,848</b>	<b>\$187,596</b>	<b>\$198,241</b>

MEMO—Contingent liability on bills purchased for foreign correspondents.....	1,958	1,260	1,288
Ratio of total reserves to deposit and F. R. note liabilities combined.....	83.2%	80.2%	67.0%

\*In thousands (000 omitted).

**COST OF LIVING**

Cost of living in the United States on May 15 had decreased three-tenths of one per cent from the level of April 15, according to the National Industrial Conference Board. The most important change within the month was a decrease of approximately 2 per cent in fuel prices. This decline was occasioned largely by decreases for bituminous coal in regions where it is an important domestic fuel. In the East, where anthracite is used almost exclusively for domestic purposes, there were no decreases reported for anthracite, and decreases for anthracite in other parts of the country were not important.

The purchasing value of the dollar, based on the cost of living in May, 1924, was 62 cents as contrasted with one dollar in July, 1914.

(Compiled June 23, 1924)

# FEDERAL RESERVE BANK OF ST. LOUIS



## MONTHLY REVIEW OF BUSINESS CONDITIONS IN FEDERAL RESERVE DISTRICT No. 8

Released for Publication On and After the Afternoon of July 31, 1924.

WILLIAM McC. MARTIN

CHAIRMAN OF THE BOARD AND FEDERAL RESERVE AGENT

**I**N a majority of lines investigated, sales during June developed further declines as compared with the corresponding period a year ago. The general disposition then was to purchase with caution and conservatism and for well defined needs. The more favorable agricultural aspect during the past three weeks, however, is being reflected in renewed interest in goods for future delivery, and accelerated buying both at wholesale and retail. Production in basic industries and most subsidiary lines is being brought down to square more nearly with current consumption, and in some instances output has fallen slightly below the level of consumption. As a result of these movements stocks generally are light and in unusually strong position. By dint of special sales and price reductions there has been a more or less thorough clearing out of merchandise, the movement of which had been hindered by unseasonable weather or other causes, so that the stocks remaining consist of readily salable assortments and closely represent existing market values.

Since the first of July there has been a marked change for the better in weather conditions throughout the district, and this has resulted in a considerable improvement in crop prospects and sentiment in the farming communities and through the business structure generally. Another favorable factor has been the sharp advance in cereal values, notably wheat and corn. Retail trade has picked up somewhat in the last three weeks, and reports of wholesalers indicate a better tone in their business. According to reporting dry goods, boot and shoe, hardware and clothing interests, advance orders booked during the second and third weeks of July were larger than the total for the four weeks immediately preceding.

The slowing down in manufacturing activities is reflected in some increase in unemployment in the large industrial centers, and this has been emphasized by the usual mid-year closings of plants for repairs and inventorying. A large part of the surplus of common labor, however, has been absorbed by harvest and road building operations. The demand for threshing hands in the West and Southwest is being strongly felt, and has resulted in a large exodus of idle workers from the cities and coal, lead and zinc mining districts. According to the employment service of the U. S. Department of Labor, employment in meat packing, flour milling and public improvements maintained about the same rate of activity as during the preceding thirty days, but was slightly less than a year ago, and there is a surplus of skilled workers in the larger cities. Railroad shops continue on a part time employment basis, and there have been heavy releases of both skilled and common labor in the iron and steel, automotive, and brick and cement industries. There are some scattered reports of lowered wages, but no general scale reductions.

The outstanding feature in the agricultural situation was the sharp upturn in grain prices. Poor prospects during the early growing season, coupled with the Government's reduced estimates of yields of wheat and corn contained in its report on conditions as of July 1, created an active buying movement in these cereals. In the St. Louis market July corn advanced from 81½c on June 16 to \$1.11½ on July 15, while cash corn moved upward from 86½c to \$1.14. Between the same dates July wheat advanced from \$1.12 per bushel to \$1.19½, and No. 2 winter wheat in the cash market rose from \$1.18 to \$1.34. The closing price of cash wheat on July 15 was 33c to 34c higher than on the corresponding date last year, and that of cash corn 27c to 28c higher. Since the middle of July the advance in wheat and corn has been carried considerably further. Middling cotton ranged from 28¼c to 30c per pound, the high figure of the range being recorded on June 16 and the low point on July 15.

Live stock prices declined during the latter part of June, being affected by the radical slump in the fresh meat trade. Fat steers fell to new low price levels for the year and hog values fell to a parity with last December, while fat lamb and sheep prices were reduced to those which prevailed at the first of the year. During early July some of the losses were recovered, the strengthening influence being the rise in corn. The movement of farm products to market was maintained at a high rate, arrivals of many of the leading products being in excess of the same period last year. Shipments of garden truck and fruits were unusually large, and represented in part the delayed movement occasioned by lateness of the season.

Continued apathy and a further decline in prices featured the fuel situation in this district. Curtailed industrial activity is reflecting a falling off in the demand for steaming coal, and screenings in the Illinois field reached a new low level on the downward movement. Ordering by dealers is considerably below normal for this time of year, and they explain their unwillingness to purchase by the fact that householders are unusually slow in filling their fall and winter requirements. The tonnage of threshing coal thus far this year has been so small as not to constitute a factor in the situation. Gas engines are largely supplanting steam as motive power for threshing machines. In the immediate past some slight improvement is reported in the Kentucky fields, and strip mines in Illinois, which are meeting the low prices of the Kentucky operators, are getting good running time. Production of bituminous coal for the country as a whole showed a further decline. In virtually all fields the decrease is largely accounted for by lack of orders, other causes being negligible. Total production of soft coal during the first 158 working days of the calendar year, or to July 5, was 231,971,000 tons,

which compares with 279,553,000 tons for the corresponding period in 1923, 196,706,000 tons in 1922 and 291,509,000 tons in 1918. Similar conditions of dullness obtain in coke. Ordering of domestic sizes is backward, and consumption of metallurgical coke has decreased sharply with the blowing out of numerous blast furnaces and reduced operations at mills and foundries.

Traffic of railroads operating in this district during June, while still of large volume as contrasted with previous years, was smaller than for the corresponding month in 1923. Total loadings of revenue freight for the country as a whole during the four weeks of June totaled 3,625,472 cars against 4,074,603 cars for the corresponding month in 1923 and 3,414,031 cars for the same period in 1922. The week ending June 28 showed a slight gain over its predecessor, the increase being in the grain, coal, ore, and miscellaneous classifications. Extensive preparations have been made by Southwestern roads for handling the grain crops, the movement of which is already under way. The Terminal Railway Association of St. Louis, which handles the interchange of 28 connecting carriers, interchanged 175,492 loads in June, against 199,572 loads in May and 187,035 loads in June, 1923. For the first nine days of July 48,868 loads were interchanged, against 52,613 loads for the corresponding period in June and 51,472 loads in July, 1923. Passenger traffic of reporting roads decreased 8 per cent under June last year. Tonnage moved by the Mississippi River section of the Federal barge line between St. Louis and New Orleans during June amounted to 81,500 tons, which compares with 68,600 tons in May and 69,900 tons in June, 1923.

Collections during June, while less satisfactory than during the same month in 1923, showed slight improvement over the May record. Wholesalers in the large centers report that they are being paid promptly with more of their customers taking advantage of discounts offered for cash. Cessation of the recent heavy rains has had a tendency to increase collection efficiency in rural sections. Some backward spots are still noted, particularly in the coal fields, where requests for extensions are more numerous. Retailers in the large cities report the usual backwardness in payments occasioned by persons being away on vacations, but generally their customers are meeting bills promptly. Replies to 406 questionnaires addressed to representative interests in various lines throughout the district show the following results:

	Excellent	Good	Fair	Poor
June, 1924.....	0.9%	28.4%	58.4%	12.3%
May, 1924.....	2.7	23.2	58.9	15.2
June, 1923.....	1.0	42.0	54.0	3.0

Commercial failures in the Eighth Federal Reserve District during June, according to Dun's, numbered 81, involving liabilities of \$975,155, against 62 defaults during May with indebtedness of \$174,163 and 68 failures for \$2,450,239 in June, 1923.

The per capita circulation of the United States on July 1 was \$42.20 against \$42.78 on June 1 and \$42.51 on July 1, 1923.

## MANUFACTURING AND WHOLESALE

### Automobiles

Production of automobiles and trucks for the country as a whole sustained another sharp decrease during June, the loss compared with the preceding month being 21.4 per cent, while a loss of 35 per cent was recorded under June, 1923. Companies reporting direct or through the Automobile Chamber of Com-

merce built 217,845 passenger cars in June, against 279,385 in May, and 337,048 in June, 1923. The output of trucks in June was 27,040 against 32,326 in May and 39,945 in June, 1923. The total number of passenger cars and trucks manufactured during the first half of 1924 was 1,992,030 against 2,035,313 for the first six months of 1923. Warmer weather and the termination of the long protracted spell of heavy rains had a stimulating effect on distribution of passenger cars during the period under review. June sales of 230 dealers scattered through the district were 7.5 per cent larger than for the same month in 1923, and 4 per cent in excess of the May total this year. Much of the improvement noted was in the country, and the comment was also made that standard makes were relatively much more active than the less well known cars. Stocks of new cars, with but few exceptions were reported about normal for this time of year, the total having been materially reduced since April. The intensive campaign to sell accessories has met with satisfactory results, business in June showing a good gain over the same month last year. No change from recent dull conditions occurred in the tire market. Stocks continue excessive and recent reductions in price have failed to stimulate purchasing. The used car market improved slightly during June, with stocks generally normal, and in some instances smaller than at this time last year.

### Boots and Shoes

June sales of the 11 reporting interests were 4.3 per cent larger than for the same month in 1923, but 16.9 per cent under the May total this year. The decrease from May to June is largely accounted for by seasonal considerations. Ordering for immediate shipment is holding up in good shape, and the past three weeks have been marked by a decided improvement in future buying. Comment is made upon the active demand for sport shoes, and sales of women's and children's shoes continue more satisfactory than of men's wear. Prices of finished goods underwent no change worthy of note. Factory operation was at approximately 74 per cent of capacity. The total number of pairs of shoes manufactured in this district during June was 3.3 per cent in excess of the output during the preceding month, but for the country as a whole June production was 7.9 per cent under the May total.

### Clothing

Nothing during last thirty days indicates any change in fundamental conditions obtaining in this line, and midsummer dullness prevails, inasmuch as fall buyers have not yet entered the market. There is continued apathy in the matter of forward commitments, and the absence of burdensome stocks is a decidedly favorable factor. Forward orders on the books of reporting firms are about 30 per cent less than at this time last year. Sport clothes constitute the outstanding feature of the list, though the sporadic hot spells during the past month stimulated demand for summer suitings. Prices are spotty. Sales of men's hats underwent a decided improvement during June, due largely to more seasonable weather. June sales of 11 reporting clothing interests were 17.2 per cent under those of the same month a year ago and 1.9 per cent less than the May, 1924 total.

### Drugs and Chemicals

Sales of the 11 reporting interests during June were 9.1 per cent under those of the same month in 1923, and 6.8 per cent under the May total this year. Buying by retail druggists is along extremely conserv-

ative lines, the average size of orders being the smallest in a number of years. In the drug and fine chemical market competition is keen, and prices definitely in favor of buyers. Of 34 changes during June 21 were downward revisions and 13 advances. Since the last week of June marked betterment has taken place in sales of soda fountain supplies, and the volume in this department for the first half of July is close to the high record of the corresponding period last year. A further slump in the movement of heavy chemicals and crude drugs to manufacturers was noted.

### Dry Goods

While the volume of business in this classification continues under that of a year ago, the past two weeks have developed more optimism, and inquiries for goods for future delivery are more numerous. Country merchants appeared in large numbers for the opening of the market season in the chief wholesale centers, and their buying reflected larger and more diversified demands. There has been some reordering of summer merchandise, and the volume of small orders for prompt shipment is holding up well. A feature has been the large number of requests by retailers for goods to dispose of in special sales. Prices generally showed no notable change during the period under review. Brown sheetings and print cloths were a shade lower, but silk mixtures, which have improved in demand, were steady at the recent decline. Uncertainty relative to the raw cotton market is making for hesitation in commitments on cotton goods. June sales of the 11 reporting interests were 29.7 per cent under those of the same month in 1923, and 2.7 per cent under the May total this year. Orders booked by a number of important interests during the first two weeks of July were about on a parity with the corresponding period last year.

### Electrical Supplies

The decrease in building activity, unseasonably cool weather and uncertainty relative to prices are given among reasons for a loss in June sales by the 12 reporting interests of 17.2 per cent as compared with the same month in 1923. Sales of electric fans and fan motors have been held down by cool weather, but business in the general line of motors is fairly steady. There has been a rather sharp falling off in electrical installations, and all sorts of supplies for coal mines are reported inactive. The trend of prices is lower, with specific reductions on bare and insulated copper wire, pole line hardware, mazda lamps and some specialties.

### Fire Clay Products

Unsettled conditions in the oil fields and the sharp reduction of operations at blast furnaces and foundries were factors in a slowing down in this industry. Maintenance of the recent high rate of production in the cement industry has resulted in an active demand from that quarter, while extensive municipal operations have aided the movement of vitrified products. Total production, however, is at only about 60 per cent of capacity. There has been a reduction of \$2 per thousand on 9-inch straights in the three standard grades, and proportionate downward revisions on shapes and hollow tile. June sales of the 5 reporting interests were 19 per cent under those of the same month last year, but 1.5 per cent in excess of the May, 1924 total.

### Flour

Production of the 11 leading mills of the district during June was 277,560 barrels, which compares with

322,106 barrels in May and 286,463 barrels in June, 1923. In point of new business booked, particularly in car lots, the past thirty days have been marked by continued dullness. Shipping directions from the domestic trade on flour previously purchased, however, were good, and some inquiry from abroad for clear flours was noted. Since July 1 prices have stiffened, in sympathy with the upturn in wheat, but flour buyers are not disposed to follow the advance, and are holding off or purchasing on a hand to mouth basis. With but few exceptions millers are refraining from quoting prices on new wheat flour. Mill operation was at 63 per cent of capacity.

### Furniture

Sales of the 28 reporting interests during June were 34.2 per cent less than for the same month in 1923, and 7.1 per cent below the total of May this year. Buying by dealers is slow, and chiefly of goods to fill in with, stock orders being unusually light, even for this season. Sharp curtailment of production was reported, a number of factories operating only two days per week. Prices on new goods displayed at the special trade periods at Chicago, Grand Rapids and St. Louis, averaged about 5 per cent lower than levels in the immediate past. Manufacturers say their customers are pressing for reductions, which they are unable to grant under present conditions of material and labor costs.

### Groceries

The lateness of most garden vegetables has contributed to the demand for canned goods, and this situation has been further stimulated by the fact that little or none of this year's canned goods have as yet made their appearance on the market. The continuance of the Brazilian export limitation has lent a firmness to all grades of coffee, which has moved into consumers' hands in good volume. Sugar, after a flurry of strength during the first week of July, has turned dull again at prices only slightly above the low for the year. Stocks in retailers' hands are close to normal. Candy is seasonably dull. June sales of 23 reporting interests were 1.6 per cent under those of the same month a year ago and 4.3 per cent under the May, 1924 total.

### Hardware

Aside from slight improvement in the country, where the better crop outlook and upturn in cereal prices have served to stimulate buying, conditions in this line showed little change from the preceding thirty days. A further recession was noted in the demand for builders' tools and hardware, but sales of seasonal goods in the country, such as hand implements, harness, wire netting and spraying apparatus, were in somewhat better volume. Generally through the line price changes were nominal, but mainly in the direction of lower levels. June sales of the 12 reporting interests were 10.9 per cent under those of the same month in 1923, and 8.7 per cent under the May total this year.

### Iron and Steel Products

Buyers of both raw and finished materials continue to exhibit a hesitating attitude in the matter of filling their requirements. Further curtailment of activities at mills, foundries and machine shops was reported, and since the first of this month there have been numerous closings of important manufactories for repairs and inventory taking. There was a further decline in production of pig iron and steel ingots. Total output of pig iron for the country during June

was the smallest for any single month since August, 1922. On an average daily basis, ingot production in June fell 15.5 per cent below May, bringing the total loss from the high point in March to 40.89 per cent. The slowing down in operations was accompanied by additional price reductions, among the commodities affected being pig iron, plates, shapes and bars, certain wire products and track materials. No. 2 Southern iron, 1.75 to 2.25 per cent silicon, declined to \$18 per ton, furnace, while Northern iron of the same analysis dropped to \$19 per ton. The leading producer of the district reduced its minimum price from \$22.50 to \$20, f. o. b. Granite City, Illinois. The demand for structural steel showed a falling off, and that section of the industry was marked by scarcity of large awards. Buying by automobile manufacturers continued the decline of recent months, and there were numerous requests for delay in shipments of quotas due on earlier contracts. The demand for all sorts of iron and steel supplies from the oil fields is holding up well, and during the period under review was one of the market's most active features. For the most part railroads continue to postpone buying or carrying out improvement programs, their takings being confined to absolute requirements. Warehousemen report lack of interest on the part of their customers. In the immediate past some improvement has developed in the farm implement trade, but stove manufacturers report no change in the dull conditions which have featured their business for the past several months. June sales of stove manufacturers, 7 reporting, were 11.8 per cent under the same month in 1923, but 4.3 per cent larger than the May total this year; railway supplies, 5 reporting, decreased 57.7 per cent under the same month in 1923 and 8 per cent under the preceding month this year; farm implements, 6 reporting, decreased 38.4 per cent under June, 1923, and 3.5 per cent under the May, 1924, total; job foundries, 5 reporting, decreased 23.5 per cent under June, 1923, and were 17 per cent below the May total this year; manufacturers of boilers, stacks, elevators, radiators, wire rope and miscellaneous products, 14 reporting, decreased 19 per cent under June, 1923, and 6.2 per cent under the preceding month this year.

**Lumber**

July has witnessed quite an improvement in market tone, resulting more from balancing production with orders and from brighter outlook for farm trade than from gains in the demand. There has been some increase in buying and still more in inquiry, but it is the prospect for fall, mainly, that accounts for the better and more confident feeling which is becoming wide-spread. Prices are now fairly steady at present low levels. Transit cars under or threatened with demurrage and occasional cars or lots offered under financial pressure constitute the sum of the market's real weakness. Mixed cars are rather inclined toward minor advances, and many pine mills are asking somewhat better prices on descriptions of stock in which their holdings are light. Retailers in the district appear to be gradually taking on more new lumber, without doing any actual stock buying as yet. The factory trade is buying only for immediate needs, particularly the automotive and furniture industries.

**Consumption of Electricity**

In contrast to the slight upturn noted last month, reporting centers indicate decided irregularity, with gains and declines exactly balancing in number in the

five cities. It is also noted that in some sections of the district certain lines are using heavier loads, while elsewhere the same industries are reducing the wattage taken. General upward trends are noted by ice manufacturers, cold storage concerns, packing plants and cable manufacturers, while losses are recorded by steel plants, automobile manufacturers and cement and railroad equipment companies.

Detailed figures follow:

	No. of customers	June, 1924 *K.W.H.	May, 1924 *K.W.H.	June, 1924 comp. to May, 1924	June, 1923 *K.W.H.	June, 1924 comp. to June, 1923
Evansville .....	40	958	1,058	-9.5%	1,212	-21.0%
Little Rock.....	11	845	692	+22.1	793	+ 6.6
Louisville .....	67	4,123	4,244	-2.9	3,990	+ 3.3
Memphis .....	31	1,100	1,450	-24.1	931	+18.2
St. Louis .....	77	13,007	12,948	+ 0.5	13,781	- 5.6
Totals.....	226	20,033	20,392	- 1.8	20,707	- 3.3

\*In thousands (000 omitted).

The following figures, compiled by the Department of Interior, give kilowatt production for both lighting and industrial purposes for the entire country:

	By water power	By fuels	Totals
May, 1924.....	1,948,108,000	2,848,804,000	4,796,912,000
April, 1924.....	1,849,312,000	2,889,434,000	4,738,746,000
May, 1923.....	1,901,400,000	2,729,073,000	4,630,473,000

**RETAIL**

Clearance sales, more seasonable weather and increasing optimism in rural districts has lent a decided stimulus to retail trade during the past three weeks. Sales of most reporting groups are, of course, still behind those of the first seven months of 1923, but buying that has been in abeyance for the last few months is now making itself felt. Hot weather has prompted buying of all lightweight suitings and there has been a gratifying movement of men's straw hats. Fancy summer yard goods are in normal demand and there have been large retail sales of cosmetics. A relative improvement is noted in jewelry, with sales of reporting firms for the year to date approximating those of the same period in 1923. Sporting goods are spotty, with sustained demand for golf and baseball supplies, but a retarded movement of tennis, fishing and camping supplies, the relative quietude in the latter group being traceable to the abnormally heavy rains of June. Convention broadcasting brought an unprecedented movement of radio supplies, with June sales of reporting firms 60 per cent above those of the same period in 1923. Demand for electric fans, hand implements and garden hose has been slow, but lawn mowers, builders' hardware and the general line of shelf goods have moved briskly. Shoes are dull.

June sales of 3 interests operating 1,576 chain grocery stores in this district were 0.4 per cent in excess of those of June, 1923, but sales per store were less than a year ago. The number of stores operated was slightly greater than during the same period in 1923. Although the 21 reporting department stores of the district report a 9.1 per cent loss during June as compared with June, 1923, July sales to date have been more encouraging.

Detailed department store figures follow:

	Net sales comparisons		Stocks on hand June 30, 1924 comp. to June 30, 1923	Annual rate of stock turnover For 6 months ending June 30, 1924
	June, 1924 comp. to June, 1923	Six months ending June 30, 1924, to same period, 1923		
Evansville .....	- 6.9%	- 4.0%	- 6.9%	1.93
Little Rock.....	-12.0	- 1.3	+ 3.3	2.22
Louisville .....	- 4.5	- 1.1	+ 5.6	2.84
Memphis .....	-10.2	- 5.4	- 2.4	2.34
Quincy .....	-11.6	- 4.2	- 2.3	2.24
St. Louis.....	- 9.5	- 2.1	+ 5.0	2.92
8th District.....	- 9.1	- 2.4	+ 3.4	2.67
Entire U. S.....	- 6.1	+ 1.3	+ 3.1	3.02

**AGRICULTURE**

Taken as a whole agricultural prospects in this district showed improvement during the period under review. Most of the betterment, however, came during the closing days of June and the first two weeks of July, when the end of the long spell of heavy and continuous rains and the arrival of seasonal temperatures gave impetus to the growth and development of crops and permitted farmers to cultivate their fields. Since the return of more favorable weather all sorts of farm operations have been aggressively pushed. Fields which three or four weeks back seemed hopelessly encumbered with weeds and grass have been cleaned up. Delayed spraying in orchards and vegetable and fruit plantations has been accomplished and the wheat harvest and haying have proceeded at a satisfactory pace. Generally the outlook for production is good, and latest reports from virtually all sections reflect more optimism than at any time since the cropping season opened.

Corn got off with one of the poorest starts on record, and the July 1 condition for the country as a whole, according to the U. S. Department of Agriculture, was only 72 per cent, the lowest ever recorded for that date. The low condition was due to the fact that an unusually cool May was followed during June by excessive rainfall. In all states of the district the crop is late, and more replanting than ever before was required. In some sections, particularly in the river bottoms, the soil was too soaked to permit of seeding until too late, and much of this land will in all likelihood remain idle. In Illinois, the most important corn producing state of the district, the indicated yield is 248,276,000 bushels, against 337,312,000 bushels last year and a five year average (1918-1822) of 317,273,000 bushels. Missouri's estimated yield is 142,480,000 bushels, against 196,860,000 bushels in 1923. The yield for the entire district is estimated at 394,972,000 bushels against 403,090,000 bushels harvested last year.

**Wheat — Oats — Corn**

The U. S. Dept. of Agriculture, in its report as of July 1, 1924, gives condition of winter wheat, oats and corn in states of the Eighth Federal Reserve District as follows:

**WINTER WHEAT**

	Condition		*Production				Farm price	
	July 1	Forecast 1924	Harvested		per bu.		June 15	
	1924 10-yr. av.	from condition	1923	1918-22	1924	1923		
	%	%	Bu.	Bu.	Bu.	Bu.	cents	cents
Illinois	66	80	33,931	33,368	60,534	51,377	100	105
Indiana	80	79	28,044	26,567	34,188	33,707	100	112
Kentucky	68	83	3,984	3,773	7,688	8,320	110	126
Missouri	68	78	23,214	21,808	37,882	45,106	100	104
U.S.Total	77.9	80.9	542,551	509,319	572,340	624,653	.....	.....

**OATS**

Illinois	89	83	156,601	142,524	135,100	146,005	44	42
Indiana	89	81	63,154	59,207	48,692	59,088	45	44
Missouri	83	81	40,318	32,941	34,500	42,189	54	51
U.S.Total	86.9	84.7	1,356,338	1,231,728	1,299,823	1,302,516	46.8	43.7

**CORN**

	Average		*Production				Farm price		
	% of 1923	1924	Condition	Forecast '24	Harvested		per bu.		
		Acres	July 1	from cond.	1923	1918-22	1924	1923	
	%	%	%	Bu.	Bu.	Bu.	cents	cents	
Illinois	102	9,175	66	86	248,276	337,312	317,273	76	77
Indiana	92	4,603	61	85	123,545	192,616	177,513	72	80
Kentucky	96	2,960	78	87	72,727	87,866	89,159	100	101
Missouri	103	6,759	62	84	142,480	196,860	173,702	85	90
Tennessee	105	3,169	81	85	77,007	73,941	83,241	104	106
U. S. Total	101.4	105,604	72.0	85.0	2,515,385	3,046,387	2,899,428	80.8	85.8

Winter wheat prospects for the country improved during June, the indicated yield of 542,551,000 bushels on July 1 being larger by 33,232,000 bushels than the

indicated outturn on June 1. June weather was in the main favorable for maturing the crop, and comments relative to the quality of the crop are generally favorable. The grain is well filled out, with weight and milling quality good. Cutting has been completed, and threshing is well under way in the southern tiers of the district and rapidly moving northward. There are some complaints of wet harvest, and the crop is generally late. The estimated outturn of all wheat for this district is 50,879,000 bushels, against 83,426,000 bushels, the final estimate for 1923.

Due to the cool, wet weather in May, hay crops were slow in starting, but with warmer weather there has been substantial improvement in prospects, and in many important producing areas the condition is above the average. Haying, however, was delayed seriously and in some localities rains made saving the crop difficult. Oats promise a heavier yield than last year, the estimated production for this district being 59,416,000 bushels, against 52,072,000 bushels in 1923. The planting of forage crops in the South is nearing completion. Pastures generally are in excellent shape, the average condition on July 1 for Illinois, for instance, being 94 per cent. Reports relative to live stock indicate a generally healthy condition among herds, but fewer animals, particularly hogs, than last year. The decrease in the number of hogs in important producing sections is ascribed chiefly to the continued adverse corn-hog ratio.

The acreage planted to potatoes shows no material variation as contrasted with last year, but conditions are spotted, and the indicated output for this district is estimated at only 16,342,000 bushels, against 18,223,000 bushels harvested in 1923. The area seeded to sweet potatoes shows a slight reduction from last year, due mainly to unfavorable weather conditions, and in some localities to scarcity of labor and shortage of slips caused by potatoes rotting in the bed.

Planting of rice is entirely completed and conditions of the crop exceptionally good. The general crop is from two to three weeks ahead of the 10-year average, and the acreage and prospective yield both larger than a year ago. Virtually all the rice has been flooded the first time, and a good portion has received a second flooding. There are scattered complaints of water maggots, but nothing of a serious character. The stock of old rice is small, and it is expected that it will be moved by the first week of August. The demand continues active, with prices steady to strong.

Most recent reports indicate that the acreage of tobacco planted in this district will be under that of last year. In the burley tobacco district acreage is approximately 92 per cent of last year's planting, and percentages of the 1923 acreage in the dark districts are about as follows: Green river and stemming, 85 per cent; Western district, 83 per cent; one sucker, 75 per cent and dark fired, 95 per cent. While quite late the crop has made favorable progress, especially during the past three weeks. As a whole fields are in fair state of cultivation, though in the lowlands where moisture has interfered with cultivation, weeds and grass have made headway. All desirable old tobacco being offered is moving at good prices.

The past several weeks have been generally favorable for growth and development of the cotton crop. According to the U. S. Department of Agriculture the outlook is more hopeful than at this time last year. The season is still late, but comparatively not nearly

as late as a month ago, there having been some "catching up." The crop is growing well, has good color and is well cultivated, except where there has been excessive rain. The stand is about average, but somewhat ragged on account of replanting. Boll weevils are less numerous in this district than at the corresponding time in 1923. The area of cotton for the country as a whole on June 25 was estimated at 40,403,000 acres, or 4.4 per cent above last year.

**Cotton**

The condition of cotton in states of the Eighth Federal Reserve District and the United States is given by the Department of Agriculture as follows:

	Area		Change between				
	June 25, 1924		Condition June 25		May 25 and June 25		
	Preliminary estimate % compared with 1923	Acres	1924	1923 10-yr. av.	1924	10-yr. av.	
Arkansas .....	98	3,058,000	68	66	77	+10%	+3%
Mississippi .....	96	3,256,000	74	67	75	+ 5	0
Missouri .....	115	453,000	60	62	79	+ 8	+2
Tennessee .....	97	1,184,000	67	67	77	+13	+2
U. S. Total.....	104.4	40,403,000	71.2	69.9	74.8	+ 5.6	+2.0

**Live Stock Movement**

Receipts and shipments at St. Louis, as reported by the National Stock Yards, were as follows:

	*Receipts			*Shipments		
	June 1924	May 1924	June 1923	June 1924	May 1924	June 1923
Cattle and Calves.....	103	102	94	62	61	57
Hogs .....	361	392	349	222	280	197
Horses and Mules.....	2	2	2	2	2	2
Sheep .....	76	33	92	15	9	25

\*In thousands (000 omitted).

**Commodity Movement**

Receipts and shipments at St. Louis, as reported by the Merchants' Exchange, were as follows:

	*Receipts			*Shipments		
	June 1924	May 1924	June 1923	June 1924	May 1924	June 1923
Beef, lbs.....	62	.....	47	21,824	20,405	22,863
Corn, bu.....	2,834	3,077	2,344	2,195	1,858	1,703
Flour, bbls.....	404	399	356	384	426	465
Hides, lbs.....	6,793	6,512	4,149	6,706	8,853	5,342
Lard, lbs.....	5,181	5,718	6,479	11,398	12,743	12,576
Lead, pigs.....	240	255	203	156	195	108
Lumber, cars.....	18	21	21	11	14	14
Oats, bu.....	3,018	3,420	2,748	2,656	2,545	2,314
Pork, lbs.....	21,276	22,322	22,185	29,351	27,681	31,165
Wheat, bu.....	1,732	1,731	1,607	1,527	1,471	1,733
Zinc, slabs.....	182	260	302	213	293	281

\*In thousands (000 omitted).

**Commodity Prices**

Range of prices in the St. Louis market between June 14, 1924, and July 15, 1924, with closing quotations on the latter date, and on July 14, 1923:

	per bu.	High		Low		Close	
		July 15, 1924	July 14, 1923	July 15, 1924	July 14, 1923	July 15, 1924	July 14, 1923
Wheat .....	"	\$1.20½	\$1.09½	\$1.23½	\$1.11½	\$1.19½	\$ .95½
July .....	"	1.23½	1.11½	1.20½	1.07	1.20½	.96
September .....	"	1.26½	1.14½	1.23½	.74	1.23½	.99¾
December .....	"	1.34	1.16	1.34	.86½	1.34	@ 1.00
No. 2 red winter..	"	1.34	1.16	1.34	.86½	1.34	@ .97
No. 2 hard.....	"	1.21	1.12	1.21	.87½	1.21	@ .96
Corn .....	"	1.11½	.81½	1.11½	.81	1.11½	.85¾
July .....	"	1.07	.81	1.02¾	.74	1.02¾	.76¾
September .....	"	.87½	.74	.85¾	.74	.85¾	.62½
December .....	"	1.14½	.86½	1.14	.86½	1.14	.87
No. 2.....	"	1.17	.87½	1.16 @ 1.17	.87½	1.16 @ 1.17	.88¾ @ .89
No. 2 white.....	"	1.17	.87½	1.16 @ 1.17	.87½	1.16 @ 1.17	.88¾ @ .89
Oats .....	"	.57	.47½	.56	.41½	.56	@ .39½
July .....	"	.60	.52	.59	.41½	.59	@ .42
No. 2 white.....	"	.60	.52	.59	.41½	.59	@ .42
Flour .....	per bbl.	7.00	5.25	6.00 @ 7.00	5.00	6.00 @ 7.00	@ 6.00
Soft patent.....	"	7.50	6.50	7.00 @ 7.50	5.75	7.00 @ 7.50	@ 6.20
Spring patent.....	"	.30	.28¼	.28¼	.27½	.28¼	@ .27½
Middling cotton.....	per lb.	.765	5.00	5.00 @ 7.65	6.50	5.00 @ 7.65	@ 7.65
Hogs on hoof.....	per cwt.	7.65	5.00	5.00 @ 7.65	6.50	5.00 @ 7.65	@ 7.65

**BUILDING**

In point of dollar value building permits issued in the five leading cities of the district in June showed a rather sharp decrease under the preceding month, also under June last year, and represented the smallest

total since last October. Generally building operations showed a falling off, due to a disposition to postpone new enterprises and the fact that much work commenced earlier in the year has been completed. In the June lists residential building continued to make a relatively good showing, but there was a noticeable decrease in the number of permits for industrial structures. The demand for building materials in the country showed the usual seasonal decline, due to the fact that farmers are preoccupied with harvesting. There was no change worthy of note in material prices, but the trend continues easier. Improved weather since the end of June has permitted of increased activities in highway construction. Production of portland cement for the country as a whole during June totaled 13,538,000 barrels, against 13,777,000 in May and 12,382,000 barrels in June, 1923.

Building figures for June follow:

	New Construction				Repairs, etc.			
	Permits		*Cost		Permits		*Cost	
	1924	1923	1924	1923	1924	1923	1924	1923
Evansville ....	175	144	\$ 178	\$ 262	78	72	\$ 44	\$ 13
Little Rock....	99	106	403	247	88	144	30	75
Louisville .....	353	273	1,137	731	37	148	15	132
Memphis .....	387	382	1,245	1,479	164	112	60	38
St. Louis.....	867	879	1,981	2,582	596	663	611	324
June totals....	1,881	1,784	\$4,944	\$5,301	963	1,139	\$760	\$582
May totals....	2,013	2,234	7,383	7,679	1,231	1,283	1,031	728
April totals....	2,429	2,139	9,502	7,512	1,463	1,210	669	855

\*In thousands of dollars (000 omitted).

**FINANCIAL**

The chief features of the financial and banking situation in this district during the past thirty days were reduced credit demand from commercial and industrial sources, over-abundant funds in the larger cities, and lower interest rates. Apathy on the part of mercantile borrowers was offset in some degree by increasing demands for funds to finance agricultural operations. In the cotton producing sections the inquiry for credits was considerably better than heretofore, a number of financial institutions in that region finding it necessary to extend their lines to borrowers during the past several weeks. Requirements in the grain sections are also increasing with the progress of the wheat harvest, and borrowing by millers, elevator interests and grain shippers has increased. The demand from live stock raisers is holding up well, but recent heavy shipments of cattle and hogs to market have resulted in considerable liquidation, leaving this general class of loans about at the same level as at the end of the preceding thirty days. A fair volume of liquidation is reported in the tobacco district, and extensive payments have been made in sections where early fruits and vegetables are important crops. Deposits of reporting member banks are holding up well, and a number of banks with surplus funds have turned to the investment market to find employment for them. Loans to member banks by the Federal reserve bank showed a further sharp decrease, and recorded a new low point for the year. Between June 16 and July 15 accommodations granted to member banks by this institution decreased \$2,240,035 and there was a decrease of \$2,420,000 in Federal reserve note circulation.

**Commercial Paper**

May sales of reporting brokerage interests were 12.5 per cent larger than for the corresponding month in 1923, and 8.3 per cent larger than the May total

this year. The demand from city banks was reported good, but due to the depressed interest rates and the fact that they are finding local outlet for their funds, country banks purchased sparingly. General conditions considered, offerings are holding up fairly well from all classes of borrowers. Rates were again lower, ranging from 3½ to 4 per cent, with an occasional choice name selling at 3¼ per cent. This compares with 4 to 4½ per cent, the range prevailing during the preceding thirty days.

**Savings Deposits**

No. of banks reporting	*Amount of savings deposits			July 1924 comp. to June 1924	July 1924 comp. to July 1923
	July 2, 1924	June 11, 1924	July 3, 1923		
Evansville ... 4	\$ 9,243	\$ 9,090	\$ 9,590	+ 1.7%	- 3.6%
Little Rock .. 5	7,915	7,670	7,484	+ 3.2	+ 5.8
Louisville ... 7	26,627	26,806	23,839	- 0.7	+ 11.7
Memphis ..... 4	17,899	19,322	16,072	- 7.4	+ 11.4
St. Louis.....12	76,866	76,374	72,922	+ 0.6	+ 5.4
Totals.....32	\$138,550	\$139,262	\$129,907	- 0.5	+ 6.7

\*In thousands (000 omitted).

**Postal Receipts**

	*For quarter ended				June 1924 comp. to June 1923
	June 30, 1924	Mar. 31, 1924	Dec. 31, 1923	June 30, 1923	
Evansville .....	\$ 143	\$ 146	\$ 145	\$ 140	+ 2.1%
Little Rock.....	187	203	208	187	0.0
Louisville .....	630	644	680	569	+ 10.7
Memphis .....	444	426	476	435	+ 2.1
St. Louis.....	2,836	2,915	3,244	2,694	+ 5.3
Totals .....	\$4,240	\$4,334	\$4,753	\$4,025	+ 5.3

\*In thousands (000 omitted).

**Debits to Individual Accounts**

	*For four weeks ending			July 1924 comp. to June 1924	July 1924 comp. to July 1923
	July 16, 1924	June 18, 1924	July 18, 1923		
E. St. Louis and Nat'l. Stock Yards, Ill....	\$ 34,971	\$ 37,038	\$ 40,889	- 5.6%	- 14.5%
El Dorado, Ark.....	7,037	7,263	10,627	- 3.1	- 33.8
Evansville, Ind.....	28,356	25,084	31,339	+ 13.0	- 9.5
Fort Smith, Ark.....	9,059	9,601	9,351	- 5.6	- 3.1
Greenville, Miss.....	2,962	3,114	2,845	- 4.9	+ 4.1
Helena, Ark.....	3,623	3,525	3,545	+ 2.8	+ 2.2
Little Rock, Ark.....	49,924	49,014	44,035	+ 1.9	+ 13.4
Louisville, Ky.....	159,035	140,057	157,197	+ 13.6	+ 1.2
Memphis, Tenn.....	102,243	103,277	104,155	- 1.0	- 1.8
Owensboro, Ky.....	5,099	4,975	5,162	+ 2.5	- 1.2
Quincy, Ill.....	9,825	9,868	9,735	+ 0.4	+ 0.9
St. Louis, Mo.....	588,037	647,761	612,203	- 9.2	- 3.9
Sedalia, Mo.....	3,800	3,989	.....	- 4.7	.....
Springfield, Mo.....	10,630	6,946	11,862	+ 53.0	- 10.3
Totals.....	\$1,014,601	\$1,051,512	.....	- 3.5	- 2.7

\*In thousands (000 omitted).

**Condition of Banks**

The following statement shows principal resources and liabilities of reporting member banks in Evansville, Little Rock, Louisville, Memphis, and St. Louis:

	*July 9, 1924	*June 11, 1924	*July 11, 1923
Number of banks reporting.....	†34	†34	36
Loans and discounts (incl. rediscounts) Secured by U. S. Gov't. obligations.....	\$ 8,277	\$ 8,168	\$ 11,329
Secured by other stocks and bonds.....	142,915	145,625	137,001
All other loans and discounts.....	309,040	304,145	298,618
Total loans and discounts.....	\$460,232	\$457,938	\$446,948
Investments			
U. S. Pre-war bonds.....	14,809	14,309	15,335
Liberty bonds.....	23,091	22,805	23,184
Treasury bonds.....	3,689	5,049	9,373
Victory and Treasury notes.....	15,087	13,763	24,764
Certificates of Indebtedness.....	1,380	1,865	6,406
Other securities.....	91,993	92,023	87,875
Total investments.....	\$150,049	\$149,814	\$166,937
Reserve balance with F. R. bank.....	45,834	39,937	39,832
Cash in vault.....	7,569	7,504	8,464
Net demand deposits.....	363,252	355,464	351,199
Time deposits.....	197,826	197,049	182,469
Government deposits.....	2,467	1,849	7,205
Bills payable and rediscounts with Federal reserve bank			
Secured by U. S. Gov't. obligations.....	242	1,114	11,627
All other.....	2,796	3,847	14,995

\*In thousands (000 omitted).  
†Decrease due to consolidation. Total resources of these 34 banks comprise approximately 54 per cent of the resources of all member banks in the district.

**Federal Reserve Operations**

During June the Federal Reserve Bank of St. Louis discounted for 260 of its 631 member banks, which compares with 268 of its 633 member banks accommodated in May. The discount rate of this bank remains unchanged at 4 per cent.

Comparative statement of this bank follows:

**RESOURCES**

	*July 16, 1924	*June 18, 1924	*July 18, 1923
Gold with Federal Reserve Agent.....	\$ 61,589	\$ 63,118	\$ 51,708
Gold redemption fund with U. S. Treasury....	1,440	2,084	4,226
Gold held exclusively against F. R. notes.....	\$ 63,029	\$ 65,202	\$ 55,934
Gold settlement fund with F. R. Board.....	30,424	29,304	19,810
Gold and gold certificates held.....	8,261	7,780	3,818
Total gold reserves.....	\$101,714	\$102,286	\$ 79,562
Reserves other than gold.....	10,684	11,924	13,660
Total reserves.....	\$112,398	\$114,210	\$ 93,222
Non-reserve cash.....	4,332	4,164	6,346
Bills discounted:			
Secured by U. S. Government obligations..	3,887	5,198	17,910
Other bills discounted.....	15,277	17,717	28,327
Total bills discounted.....	\$ 19,164	\$ 22,915	\$ 46,237
Bills bought in open market.....	224	1,196	3,446
U. S. Government securities:			
Bonds.....	.....	.....	6,150
Treasury notes.....	8,527	6,303	1,101
Certificates of indebtedness.....	1,792	1,701	.....
Total U. S. Government securities.....	\$ 10,319	\$ 8,004	\$ 7,251
Total earning assets.....	\$ 29,707	\$ 32,115	\$ 56,934
Uncollected items.....	32,908	33,495	36,040
Bank premises.....	2,116	1,994	1,031
All other resources.....	140	139	146
TOTAL RESOURCES.....	\$181,601	\$186,117	\$193,719

**LIABILITIES**

F. R. Notes in actual circulation.....	\$ 60,430	\$ 62,225	\$ 73,244
Deposits:			
Member banks-reserve account.....	70,741	73,411	66,648
U. S. Government.....	2,170	1,234	3,327
Other deposits.....	422	381	712
Total deposits.....	\$ 73,333	\$ 75,026	\$ 70,687
Deferred availability items.....	32,209	33,029	34,153
Capital paid in.....	5,064	5,072	4,951
Surplus.....	10,072	10,072	9,665
All other liabilities.....	493	693	1,019
TOTAL LIABILITIES.....	\$181,601	\$186,117	\$193,719
MEMO—Contingent liability on bills purchased for foreign correspondents.....	1,882	1,906	1,612
Ratio of total reserves to deposit and F. R. Note liabilities combined.....	84.0%	83.2%	64.8%

\*In thousands (000 omitted).

**COST OF LIVING**

Slight changes in the retail cost of food and clothing caused an increase of two-tenths of one per cent in the cost of living in the United States between May 15 and June 15, 1924, according to the National Industrial Conference Board. Between July, 1920, when the peak of the rise in the cost of living since 1914 was reached, and June, 1924, the cost of living decreased 20.9 per cent. The increase since July, 1914 was 61.7 per cent.

The following table shows detailed changes:

Item	Relative importance in family budget	Percentage of increase in the cost of living in above average prices in July, 1914 to—		Percentage of decrease in the cost of living on June 15, 1924, from average prices in		
		July, 1920	May, 1924	June, 1924	July, 1920	May, 1924
Food*	43.1	119	41	42	35.2	0.7**
Shelter	17.7	68	85	85	17.1**	0.0
Clothing	13.2	166	76	74	34.6	0.9
Fuel and light.....	5.6	66	65	65	0.6	0.0
(Fuel)	(3.7)	(92)	(77)	(77)	(7.8)	0.0
(Light)	(1.9)	(15)	(42)	(42)	(23.4)	0.0
Sundries	20.4	85	74	74	5.9	0.0
Weighted average of all items.....	100.0	104.5	61.4	61.7	20.9	0.2**

\*Food price changes are from the United States Bureau of Labor Statistics.

\*\*Increase.

The purchasing value of the dollar, based on the cost of living in June, 1924, was 61.8 cents as contrasted with one dollar in July, 1914.

(Compiled July 25, 1924)

# FEDERAL RESERVE BANK OF ST. LOUIS



## MONTHLY REVIEW OF BUSINESS CONDITIONS IN FEDERAL RESERVE DISTRICT No. 8

Released for Publication On and After the Morning of August 30, 1924

WILLIAM McC. MARTIN

CHAIRMAN OF THE BOARD AND FEDERAL RESERVE AGENT

**R**EPORTS covering general business conditions in this district during the past thirty days reflect marked improvement in sentiment and a greater degree of confidence in the near future than at any time since early spring. The chief factor in the more hopeful psychology has been the radical turn for the better in agricultural prospects and the relatively high prices being paid for cereals, live stock and other farm products. The improvement in the physical aspect of important crops, particularly corn and wheat, as contrasted with conditions early in the growing season, has been quite phenomenal, and has served to lift a considerable part of the gloom existing in the agricultural communities. Other influences favorably affecting sentiment have been the halt in recent price reductions of certain important commodities, more seasonable weather, and the continued strength of the banking and financial situation.

Results of the better feeling pervading business, while not universally felt, are being manifested in the form of broadened activities in many lines, particularly those dealing in goods for ordinary consumption. Retail merchants in both city and country are purchasing in larger quantities and taking more diversified assortments. As has been the case for many months past, buying continues chiefly on a basis of immediate requirements, but the number of current orders is large, and bulks impressively in the aggregate. Since the first of this month there has been some relaxation from the policy of purchasing only for immediate shipment, and bookings of future orders by the dry goods, boot and shoe, grocery, and hardware interests exhibit fair gains.

Progress in the direction of bringing production and consumption into nearer balance, noted in the preceding issue of this report, was carried further during the period under review. The curtailed industrial activity during the spring and early summer resulted in considerably reduced stocks of certain commodities in manufacturers' hands, and in a number of instances current output has fallen below the rate of distribution. Since the first of this month operations at many plants have been increased, and preparations were being made to broaden activities still further. Another development worthy of comment was the change in price trends which has worked to bring into closer relationship the values of various groups of commodities. In this movement the rise in prices of farm products was a particularly notable factor.

During July the employment situation showed no decided changes as compared with the month before. Some surplus of labor developed in the larger cities, noticeable particularly among iron and steel workers, and in the furniture and textile industries. The urgent call for men in the harvest fields, according to the

Employment Service of the Department of Labor, materially aided in reducing idleness, as did the resumption of improvement work on the waterways, which had previously been interfered with by high water. Lead and zinc mining showed renewed activity, due to the sharp advance in prices of ore and the refined metals. In the coal fields, however, production continues at a low ebb, and employment conditions were no better than during earlier months this year. Reports relative to the building industry reflected some unevenness. In some localities there was an overplus of both skilled artisans and common labor, while elsewhere full employment was the rule. Large numbers of men were added to highway construction forces, weather generally being auspicious for pushing this class of work. The demand for clerical help was slightly better.

While fluctuating widely, prices of cereals were well sustained during the period under review, and new highs for the year were established on both wheat and corn. Between July 15 and August 15, the September wheat option in the St. Louis market ranged from \$1.19 to \$1.33 $\frac{3}{8}$ , and No. 2 red winter wheat from \$1.35 to \$1.47 per bushel. The closing price of September wheat on August 15 was \$1.29 $\frac{3}{4}$ , which contrasts with \$1.01 $\frac{5}{8}$  on the corresponding date in 1923. The rise on corn was steady, the December option advancing from 85c on July 15 to \$1.20 on August 15, the latter price comparing with 62 $\frac{7}{8}$ c on the same date in 1923. There was a sharp advance in live stock during the closing week of July, hog prices reaching the highest point touched since July, 1922. Cattle and sheep values were also higher, with fat lambs recovering a good part of their recent losses. Middling cotton in the St. Louis market fluctuated between 28c and 30 $\frac{1}{2}$ c per pound, with the minor figure of the spread recorded on August 15.

Aside from a slightly better undertone and halt in the downturn in prices, the coal situation shows little change from the conditions of extreme dullness which have prevailed for many months. Consumers of all classes appear to have faith in the ability of mines to produce and the railroads to deliver fuel when needed, and are reluctant to purchase for their distant requirements. The quantity of coal stored in householders' bins is the smallest at this particular season in more than a decade. Dealers, as a consequence, are contracting sparingly and declare they will continue this policy until the intentions of their customers are more definitely known. In the immediate past there has been some improvement in demand for steaming coal from the principal Illinois and Indiana fields. Memphis and Louisville coal distributors report July business slightly better than in June, but still much below normal. Despite slack business Arkansas dealers made the regular retail

advance of 50c per ton on August 1. Production of soft coal during the first 188 working days of the calendar year, or to August 9, totaled 269,684,000 net tons, against 332,386,000 tons for the corresponding period in 1923, 218,120,000 tons in 1922, and 354,663,000 tons in 1918. Acute dullness of the market remained the principal feature in reports from the mines and was responsible for losses in working time, beside which other losses were of little consequence.

Freight traffic handled during July by railroads operating in this district was substantially augmented by the heavy movement of grain and, in the case of several Northwestern roads, was in excess of the same month last year. Reports from leading grain shipping points indicate ample facilities for handling all freight offered, there having been a minimum of congestion reported. For the country as a whole July loadings of revenue freight were below those of the July, 1923, total, but well in excess of the same month in 1922. Due chiefly to gains in shipments of grain and grain products, lumber, merchandise, ore and miscellaneous freight, loadings for the week ending August 2 totaled 945,731 cars, an increase of 19,872 cars over the week before, a loss of 87,735 cars under the same week in 1923, but an increase of 103,068 cars over the corresponding period in 1922. The Terminal Railway Association of St. Louis, which handles the interchange of 28 connecting carriers, interchanged 181,825 loads in July, against 175,492 loads in June and 195,318 loads in July, 1923. For the first nine days of August 59,706 loads were interchanged, which compares with 48,868 loads for the corresponding period in July and 62,799 loads in August, 1923. Tonnage moved by the Mississippi River section of the Federal barge line between St. Louis and New Orleans during July amounted to 68,000 tons, against 82,565 tons in June and 44,395 tons in July, 1923. Passenger traffic of the reporting roads decreased 6 per cent during July as compared with the same month a year ago.

Reports relative to collections during the period under review, while still reflecting spotty conditions, were on the whole somewhat more satisfactory than during the preceding thirty days. Improvement was particularly evident in the sections where winter wheat is the principal crop. In those areas many debts of long standing were liquidated, and merchants were able to reduce their commitments with the banks. Generally through the South collection efficiency is reported high, and the same is true in the lead and zinc mining districts, but backwardness continues the rule in the chief coal producing communities. Retailers in the large cities report the usual backwardness in collections at this season, due to the absence of numerous credit customers on vacations. Replies to 402 questionnaires addressed to representative interests in various lines throughout the district show the following results:

	Excellent	Good	Fair	Poor
July, 1924.....	2.1%	30.5%	54.5%	12.9%
June, 1924.....	0.9	28.4	58.4	12.3
July, 1923.....	3.1	31.3	58.3	7.3

Commercial failures in the Eighth Federal Reserve District during July, according to Dun's, numbered 64, involving liabilities of \$579,643, against 81 defaults during June with indebtedness of \$975,155 and 47 failures for \$563,872 in July, 1923.

The per capita circulation of the United States on August 1 was \$41.36, against \$42.20 on July 1 and \$42.16 on August 1, 1923.

## MANUFACTURING AND WHOLESALE

### Automobiles

Combined production of automobiles and trucks for the entire country during July showed a gain of 7.1 per cent over the June total, but fell 19.7 per cent below the July, 1923, figure. The gain in July over June was accounted for entirely in the passenger car division, as the output of trucks showed a loss of 2,155 and was the smallest since February, 1923. Manufacturers reporting direct or through the Automobile Chamber of Commerce built 237,431 passenger cars in July, against 217,845 in June and 297,173 in July, 1923. The output of trucks was 24,895 in July, compared with 27,040 in the preceding month and 29,712 in July, 1923.

Distribution of automobiles during the period under review, as reflected by reports of leading dealers scattered through the district, was slightly in excess of the similar period immediately preceding, but approximately 5.3 per cent under the corresponding time a year ago. A feature of the month's business was increased sales in the country, where the improved crop outlook has served to materially better the purchasing power of farmers. Dealers in the large cities report sales of cheap and medium priced cars holding up well, but fewer of the expensive makes being disposed of, the latter fact being attributed to the absence of many persons on vacations. Sales of parts and accessories were in the main satisfactory, the more seasonable weather having a stimulating effect on automobile travel. No change worthy of note took place in the tire market, which is still suffering from excessive supplies. The number of new cars in dealers' hands was reduced further during July, and replacements are being made on an extremely conservative basis. Salable used cars held by dealers were below the preceding month, and are well under the same period a year ago.

### Boots and Shoes

July sales of the 11 reporting interests were 34.2 per cent larger than for the corresponding month in 1923, but 22.6 per cent under the preceding month this year. Business is described as active, with results since August 1 particularly good. The volume of orders for immediate shipment is large, with some improvement in bookings for future delivery. Prices of finished goods were steady, but the trend was higher in sympathy with the upturn in the raw materials, particularly hides and calfskins. Traveling salesmen, who departed for their territories on August 1, report conditions greatly improved and their initial orders sent in have been generally above expectations. There are still numerous complaints of unusually heavy returns of goods, which is accounted for by rapid style changes, especially on women's wear. Factory operation was at from 70 to 90 per cent of capacity. The total number of pairs of shoes manufactured in this district during July was 0.7 per cent larger than the output of the preceding month, but for the country as a whole July production was 3.6 per cent under the June total.

### Clothing

The arrival of fall buyers has brought decided optimism into this line, not only by their presence, but because of the sizable orders being placed. Price buying is less in evidence than it was six weeks ago, but demand still centers in the cheaper lines. Several jobbers in the latter group are behind on orders for the first time this year. Worsteds and woolens are a

shade higher in response to the improved demand, but no general advance is as yet in evidence. Tweeds are being given a preference by some buyers of men's wear. July sales of 11 reporting interests showed no change over a year ago, but there was a seasonal downturn as compared with June, 1924, of 10.9 per cent. Representative hatters report sales for the summer season as 0.4 per cent under those of 1923, which in view of the belated start, is well up to expectations.

#### Drugs and Chemicals

As compared with the same month last year, June sales of the 11 reporting interests showed a decrease of 0.9 per cent, but the total was 10.7 per cent larger than in June this year. Since the middle of July there has been a well defined improvement in all departments of the line. Warmer weather resulted in a good increase in sales of soda fountain supplies, and there was a good volume of reordering of insecticides and spraying materials. The condition of the drug and fine chemical market is better than for several months past, though the gain in actual business has been limited to the call for seasonable materials. Of 35 price changes noted in July, 11 were advances and 24 declines, with quicksilver, botanical drugs and some of the essential oils among the cheaper items.

#### Dry Goods

The improvement in tone noted in the preceding issue of this report has been emphasized by the placing of substantial orders, July sales of the 12 reporting interests being 18.4 per cent in excess of the June total, though the aggregate volume is still under that of last year. Prices were generally firmer, with spotted advances reported on a number of important items based on cotton, silk, and wool. Knit goods and some other lines failed to participate in the upturn. Sheetings, wash fabrics and certain colored cottons have moved freely, and there has also been good buying of soft-finished cloakings and fall dress goods of the heavier type. Corded fabrics are in better demand, and silk crepes are moving in larger volume. Hosiery, which has been slow for many months, showed slight improvement. Millinery constitutes the weakest spot in the line, with July sales of reporting interests 32 per cent below last year.

#### Electrical Supplies

A further slowing down in the demand for materials going into new buildings and the unusually cool summer, which held down the movement of fans and other seasonal goods, were mentioned as the chief factors in a reduction of 15.1 per cent in July sales of the 12 reporting interests as contrasted with the corresponding month in 1923, and a loss of 2.3 per cent as compared with the June total this year. The first half of August developed some improvement in the line as a whole, with the demand for radio sets and household appliances showing distinct betterment. With the exception of copper and brass goods, which were firmer in sympathy with the upturn in raw copper, prices showed little variation as compared with the preceding thirty days.

#### Fire-Clay Products

July business was disappointing, and though improvement developed in inquiries, big buyers were disposed to hold off. A great portion of the current business is in small lots or to dealers. Demand from iron and steel manufacturers is quiet and has followed closely the trend of pig-iron production. Considerable price buying has been in evidence in the oil industry. Demand from cement producers and automobile man-

ufacturers is about steady. Prices are unchanged. July sales of 5 reporting interests were 28 per cent under those of the same month a year ago and 8.5 per cent under the June, 1924 total. During the first two weeks of August some improvement was noted in demand from the iron and steel trade.

#### Flour

Production of the 11 leading mills of the district during July was 272,300 barrels, which compares with 277,560 barrels in June and 286,463 barrels in July, 1923. Mainly in sympathy with the upturn in wheat, flour prices were advanced during the latter part of July. Buyers, however, were not disposed to follow the advance, and except on clears and low grade flours, which are relatively scarce, the demand was not impressive. Since the first week of August, however, some improvement in buying has taken place, and mills generally have increased their operations, a number of country mills grinding at or near capacity. Some fair orders for export to Latin-American countries have been booked, and there is an unfilled demand for clears from Europe, chiefly Germany. Shipping directions from the domestic trade are reported satisfactory. High grade flours, on which the demand has lagged somewhat, were shaded slightly in price during the second week of this month.

#### Furniture

Sales of the 28 reporting interests in July were 14.5 per cent under those of the corresponding period in 1923, and 2.3 per cent larger than the June total this year. While business is reported still considerably under normal, there has been some improvement since the middle of July. Light stocks in the hands of dealers and the better economic conditions in the country have resulted in the placement of a fair volume of orders during the past three weeks. The demand for public seating, such as opera chairs, portable folding chairs and school furniture is reported good, and more interest is being displayed in office furniture. The special trade period held in St. Louis during the last two weeks of July was disappointing in results, both in point of number of buyers attending and orders booked. The Evansville trade period will be held the first week of September.

#### Groceries

Improved sentiment in the rural sections has contributed to renewed buying by country retailers, so that in spite of the movement of garden vegetables and fruits to market, sales have been fairly sustained. Although reports continue of small berry crops in many sections, domestic canning, coupled with the general demand has been of sufficient volume to cause a good advance in the price of refined sugar. Stocks of this commodity in retailer's hands are generally of moderate proportions and are below normal in some instances. The Brazilian situation continues the dominant factor in the coffee market, with the result that prices are firmer through all grades. Canned goods are in fair demand. July sales of 22 reporting interests were 3.2 per cent in excess of the same month a year ago and 3.6 per cent in excess of the June, 1924 total.

#### Hardware

Activity extending more generally through the entire line than has been the case for a number of months featured business in this classification. The arrival of more seasonable weather stimulated the sale of such typical summer goods as garden hose, refrigerators, ice cream freezers, sprayers and similar lines, the movement of which had been backward earlier in

the season. Camping supplies and sporting goods were also more active than heretofore, and the demand for builders tools and hardware continues strong. Except on certain brass and copper goods, price changes for the most part represented downward revisions. Buying generally in the rural districts was more satisfactory, and improvement in the demand for fall goods was reported by several leading interests. July sales of the 12 reporting interests were 6.5 per cent under those of the same month in 1923, but 9.3 per cent in excess of the June, 1923, total.

**Iron and Steel Products**

Improvement, manifested generally in sentiment and specifically in actual returns in a number of lines, marked business in this classification during the period under review. While operating schedules are still low, slight gains in a number of instances are reported and preparations were being made to increase activities during the next few weeks. There is more disposition to order for the future than at any time since the early spring, and the volume of bookings for prompt shipment has picked up substantially since the middle of July. Considerable unsettlement still exists in steel prices, but fewer declines were noted than during the preceding month, and in the immediate past a slight stiffening on certain products was in evidence. Raw materials, particularly pig iron and scrap, developed upward tendencies. No. 2 Southern foundry iron, 1.75 to 2.27 per cent silicon, was quoted at \$18 to \$18.50, furnace, while Northern iron of the same grade moved upward from its low point of \$19 to \$20 per ton. Buying of pig iron was more active than at any time since the movement last February, and included a fair portion for last quarter delivery. Production of pig iron for the country as a whole during July sustained a further decline, and was only 51.1 per cent of the high point in March. Steel ingot production also decreased sharply during July, and on an average daily basis was the smallest since January, 1922. Fabricators of structural iron and steel report a good number of awards of small jobs, with inquiries for larger structures more numerous than heretofore. Buying by the railroads, while confined largely to necessities, is showing more signs of life, with track fastenings and bridge repair material moving more satisfactorily. Foundries specializing in gray iron castings have booked a fair volume of new business, and there is a distinct improvement in the demand for stoves, farm implements and other goods for use in the country. Buying by the automotive industry continues quiet, and the demand from the oil fields was less active than during the preceding thirty days. Warehousemen report improvement in the demand for the general line, and have added slightly to their stocks. July sales of stove manufacturers, 7 reporting, were 24.7 per cent less than during the same month in 1923, and 36.4 per cent under the June total this year; railway supplies, 5 reporting, decreased 22¼ per cent under the same month in 1923 and 6.0 per cent below June this year; farm implements, 6 reporting, decreased 13.2 per cent under July, 1923, and 0.5 per cent under June this year; job foundries, 5 reporting, decreased 8.2 per cent under July, 1923, but gained 9.1 per cent over June this year; manufacturers of boilers, stacks, elevators, radiators, wire rope and miscellaneous products, 14 reporting, decreased 30.0 per cent under July last year, and 12.5 per cent under June this year.

**Lumber**

Yard and wholesale buying of Southern pine was

quite active in the district during late July and the opening week of August, but since that time activities have decreased, due chiefly to price advances by mills, which have added substantially to their unfilled orders. Somewhat less buying has also been noticed in Western products, except red cedar shingles, which improved in demand on strongly advancing prices. The hardwood situation continues to strengthen, despite increasing stocks at mills, but only red gum and a few items in oak have established definite and substantial advances. There has been some improvement in purchasing by the car builders, and the furniture industry is showing more interest in future supplies. Prices of virtually all woods hold to an upward course.

**Consumption of Electricity**

Decreases both as contrasted with the same month in 1923 and the preceding month this year were shown in the aggregate figures of the reporting centers. Losses were distributed generally through all industries, the only improvement in the comparison between June and July being shown in loads carried by cement manufacturers, flour mills and cold storage plants. The July reports reflected in more marked degree reduced use of current by automobile, steel, furniture and wood working plants.

Detailed figures follow:

	No. of customers	July, 1924 *K.W.H.	June, 1924 *K.W.H.	July, 1924 comp. to June, 1924	July, 1923 *K.W.H.	July, 1924 comp. to July, 1923
Evansville.....40	963	958	+ 0.5%	1,178	-18.3%	
Little Rock.....35	1,242	1,265	- 1.8	1,211	+ 2.6	
Louisville.....67	3,598	4,123	-12.7	3,952	- 9.0	
Memphis.....31	1,053	1,100	- 4.3	926	+13.7	
St. Louis.....77	13,182	13,007	+ 1.4	14,354	- 8.2	
Totals.....250	20,038	20,453	- 2.0	21,621	- 7.3	

\*In thousands (000 omitted).

The following figures, compiled by the Department of Interior, give kilowatt production for both lighting and industrial purposes for the entire country:

	By water power	By fuels	Totals
June, 1924.....	1,765,211,000	2,183,877,000	4,579,088,000
May, 1924.....	1,953,753,000	2,839,091,000	4,792,844,000
June, 1923.....	1,758,901,000	2,764,669,000	4,523,570,000

**RETAIL**

Conditions in the retail department of distribution recorded moderate improvement during the period under review. Warm weather goods moved in more satisfactory volume than during the two preceding months, and in a number of instances retailers were obliged to reorder in certain lines. Improvement in trade in the rural districts was general, particularly through the winter wheat areas, where extensive marketing of grain assisted the buying power of the farming communities. Electrical supply dealers report quite a marked betterment in their business, with the heavier movement of radio sets, fans and other summer goods accounting for the larger sales total. Sporting goods, camping supplies and the general line of vacation goods were in better demand. Sales of the 22 leading department stores of the district in July showed a decrease of 1.0 per cent under the corresponding month in 1923, but sales during the first two weeks of August indicates a gain over a year ago.

Detailed department store figures follow:

	Net sales		Stocks on hand		Annual rate of stock turnover For the month ending July 31, 1924
	July, 1924 comp. to July, 1923	July 31, 1924 comp. to July 31, 1923	July 31, 1924	July 31, 1924 comp. to June 30, 1924	
Evansville.....	- 5.2%	- 5.3%	- 6.7%	1.65	
Little Rock.....	- 2.5	- 1.6	- 3.0	1.91	
Louisville.....	- 1.9	+ 6.9	- 3.5	2.02	
Memphis.....	+10.5*	+ 4.9	- 7.0	2.09	
Quincy.....	- 3.3	- 6.3	- 3.1	2.04	
St. Louis.....	- 3.8	+ 4.1	- 4.1	2.29	
8th District.....	- 1.0	+ 2.1	- 4.4	2.15	

\*Increase occasioned largely by expansion of one reporting firm.

**AGRICULTURE**

Most crops in this district underwent substantial improvement during July, and generally favorable weather since August 1 has tended to carry this betterment still further. According to the U. S. Department of Agriculture the composite condition of all crops in states wholly or partly within the Eighth Federal Reserve District (100=10-year average) was 97 per cent on August 1, which compares with 90.2 per cent on June 1 and 96.6 per cent on August 1, 1923. Scattered reports from various sections of the district indicate rather uneven conditions, with some extremely brilliant prospects, while others are much less hopeful. Very generally, however, emphasis is laid upon the improved farm situation, due to more favorable prices for products of the soil and live stock and better physical condition of growing crops.

Threshing of winter wheat has made rapid progress, save in certain localities where rain has delayed operations temporarily. Early returns are developing results above expectations, both in point of quantity and quality. The unusually favorable weather for filling of heads resulted in exceptionally plump, heavy kernels and good milling quality. The total yield of all wheat in the district is estimated at 55,239,000 bushels, against 83,426,000 bushels harvested last year.

Except in Indiana and Tennessee, prospects for corn improved in all states of the district during July, and the total estimated output is 349,046,000 bushels, an increase of 19,516,000 over the estimate based on the July 1 condition, but 54,044,000 bushels less than was harvested last year. Intensive cultivation was general through the district, and numerous fields were thoroughly cleared of weeds and grass. Stands, however, are spotty, and growth will average from one to three weeks late. For this reason an early frost would prove injurious to the crop, and ideal growing conditions to harvest are essential to best results.

The average yield per acre of oats in the district is high, and the total estimated crop, 61,761,000 bushels, compares with 52,072,000 bushels harvested last year. In Illinois the August 1 condition of oats was rated at 92 per cent and the crop is the best since 1918.

**Wheat—Corn—Oats**

The U. S. Dept. of Agriculture, in its report as of August 1, 1924, gives condition of winter wheat, corn and oats in states of the Eighth Federal Reserve District as follows:

	*Total production in bushels				Yield per acre		Quality	Farm Price	
	Harvested		1918-22 av.	1924		per cent	per bu.		
	1924 Prelim.	1923		Prelim.	10-yr.		1924 10- 1924 1923	1924 1923	
Winter Wheat				Bu.	Bu.	yr. av.	cents		
Illinois	35,648	60,534	51,377	14.7	17.3	88	90	108	92
Indiana	29,520	34,188	33,707	16.0	15.6	92	89	105	96
Kentucky	4,340	7,688	8,320	10.0	11.7	88	88	115	112
Missouri	26,483	37,882	45,106	12.8	13.3	86	87	106	89
U.S. Total	589,350	572,340	624,653	16.0	15.2	93.0	89.6	.....	.....

	*Production				Harvested		Farm Price	
	Condition August 1		Forecast 1924 from condition		1923		per bu.	
	1924 10- yr. av.	%	Aug. 1	July 1	1923	5-yr. av. 1918-22	1924 1923	1924 1923
Corn					Bu.	Bu.	cents	cents
Illinois	70	79	282,590	248,276	337,312	317,273	96	80
Indiana	59	80	123,567	123,545	192,616	177,513	94	82
Kentucky	79	82	78,336	72,727	87,866	89,159	110	102
Missouri	77	77	170,327	142,480	196,860	173,702	104	89
Tennessee	79	82	77,609	77,007	73,941	83,241	110	109
U. S. Total	70.7	80.9	2,576,440	2,515,385	3,046,387	2,899,428	98.3	87.0

	Oats		Harvested		Farm Price			
	1924 10- yr. av.	%	1923	5-yr. av. 1918-22	1924 1923	1924 1923		
			Bu.	Bu.	cents	cents		
Illinois	92	81	163,762	156,601	135,100	146,005	47	36
Indiana	92	79	67,731	63,154	48,692	59,088	47	38
Missouri	83	77	42,208	40,318	34,500	42,189	54	44
U. S. Total	88.2	80.8	1,439,041	1,356,338	1,299,823	1,302,516	49.4	40.2

\*In thousands (000 omitted).

Tame hay condition reports are generally favorable, but frequent rain interruptions have greatly slowed up progress of haying operations and lowered quality in many localities. Second, or seed crop clover, outlook is good and in the South shortage of timothy will be largely made up by heavy planting of emergency crops, such as soybeans, cowpeas and kafir. Except in a relatively few sections, where moisture has been deficient, pastures are in excellent condition, with the general average condition on August 1 above 90 per cent.

Summer fruit and vegetable prospects are in the main good. Apples in Illinois and Missouri promise about 50 per cent of a normal crop, but in Arkansas, Kentucky and Tennessee, the indicated yield is higher. The estimated yield of white potatoes for the district, based on the August 1 condition, is 18,152,000 bushels, against 18,223,000 bushels harvested last year. A decline in condition of sweet potatoes and peanuts took place during July.

The conditions of live stock continues generally good, and farm labor is adequate to all requirements.

During July there was a rather sharp deterioration in tobacco prospects, with the estimated yield for the district dropping from 329,679,000 pounds on July 1 to 309,448,000 pounds on August 1. The total yield in 1923 was 396,737,000 pounds. Unfavorable conditions during the planting season, and heavy rains which interfered with cultivation were factors in the lowered status of the crop. Wildfire did damage in some sections, but the hot, dry weather of the past three weeks has served to check the spread of this disease, and has permitted of the thorough cultivation of the crop. The leaves are spreading and generally improvement is very noticeable. Prices of old tobacco remain firm.

Due to extremely dry weather, the rice crop in Arkansas lost ground during July and in some fields weeds and grass made headway. On the whole, however the crop is making good progress, though the comment is made that the cost of production will be high, due to the heavier irrigating expense. Early varieties have begun to head out, and prospects are for an early maturing crop. Stocks of old rice have been largely disposed of, stock remaining consisting of low grades. The demand continues active, with prices firm.

Reports relative to cotton indicate rather irregular conditions, but weather during the past two weeks has been generally favorable for development of the crop. Considerable backwardness has been caught up with, and insect damage, save in a few scattered localities, is negligible. Almost universally the crop is in splendid state of cultivation, and the plant in the main looks healthy, though there are complaints of irregular stands. Based on a condition of 67.4 per cent of normal on August 1, the Crop Reporting Board of the U. S. Department of Agriculture forecasts a cotton crop for the country as a whole of 12,351,000 bales (500 pounds gross weight).

**Live Stock Movement**

Receipts and shipments at St. Louis, as reported by the National Stock Yards, were as follows:

	*Receipts			*Shipments		
	July, 1924	June, 1924	July, 1923	July, 1924	June, 1924	July, 1923
Cattle and Calves	126	103	138	78	62	82
Hogs	319	361	338	201	222	207
Horses and Mules	2	2	3	2	2	3
Sheep	76	76	79	14	15	23

\*In thousands (000 omitted).

### Commodity Prices

Range of prices in the St. Louis market between July 15, 1924, and August 15, 1924, with closing quotations on the latter date, and on August 15, 1923:

	High	Low	Close	
			Aug. 15, 1924	Aug. 15, 1923
<b>Wheat</b>				
September .....per bu	\$1.33½	\$1.19	\$1.29¾	\$1.01½
December .....	1.37½	1.22	1.34½	1.04¾
May .....	1.41¾	1.35	1.39¾	1.09½
No. 2 red winter .....	1.47	1.35¾	\$1.37 @ 1.42	1.04
No. 2 hard.....	1.35	1.21	1.28 @ 1.30	1.01½
<b>Corn</b>				
September .....	1.20	1.01¾	1.20	.78½
December .....	1.14½	.85	1.14¾	.62¾
May .....	1.14¾	.92½	1.14¾	.64½
No. 2.....	1.18	1.09	1.18 @ .86	.87
No. 2 white.....	1.18	1.10	1.18 @ .84½	.85
<b>Oats</b>				
September .....	.55	.50¾	.55	.36
No. 2 white.....	.59½	.51½	.55 @ .55½	.39½ @ .40
<b>Flour</b>				
Soft patent.....per bbl.	7.50	6.00	7.00 @ 7.50	5.25 @ 6.25
Spring patent.....	8.10	6.90	7.10 @ 7.30	6.10 @ 6.25
Middling cotton.....per lb.	.30½	.28	.28	.24½
Hogs on hoof.....per cwt.	11.10	5.25	10.45	5.50 @ 8.70

### Cotton

The condition of cotton in states of the Eighth Federal Reserve District and the United States is given by the Department of Agriculture as follows:

	Condition					*Production		
	Change between					Forecast	Final	
	Aug. 1, 1924	Aug. 1, 1924	Aug. 1, 1923	Aug. 1, 1924	July 25, and Aug. 25, 1924	Aug. 16, 1924	1923, (Census ginnings)	
Arkansas .....	71	71	57	0	-11	-8	1,112	620
Mississippi .....	65	67	48	-2	-17	-10	1,039	603
Missouri .....	70	72	67	-2	-3	-5	222	126
Tennessee .....	72	69	64	+3	-5	-5	436	225
U.S.Total .....	64.9	67.4	54.1	-2.5	-13.1	-9.1	12,956	10,128

\*In thousands of bales (000 omitted)

### Commodity Movement

Receipts and shipments at St. Louis, as reported by the Merchants' Exchange, were as follows:

	*Receipts			*Shipments		
	July, 1924	June, 1924	July, 1923	July, 1924	June, 1924	July, 1923
Beef, lbs.....	197	62	1,129	24,605	21,824	23,482
Corn, bu.....	3,701	2,834	2,616	2,149	2,195	1,797
Flour, bbls.....	441	404	387	465	384	437
Hides, lbs.....	6,101	6,793	6,318	8,479	6,706	8,887
Lard, lbs.....	6,716	5,181	5,639	14,514	11,398	11,331
Lead, pigs.....	170	240	142	116	156	112
Lumber, cars.....	17	18	19	11	11	13
Oats, bu.....	1,832	3,018	2,452	1,634	2,656	2,276
Pork, bbls.....	23,933	21,276	21,400	35,299	29,351	32,541
Wheat, bu.....	3,692	1,732	5,775	1,843	1,527	2,877
Zinc, slabs.....	188	182	345	233	213	323

\*In thousands (000 omitted).

### BUILDING

Activity in virtually all lines of construction continued at about the same pace noted during the preceding thirty days. While the amount of residential building in the larger cities shows a slight falling off as compared with recent months, the loss was compensated by gains in other classifications, notably industrial, commercial and municipal work. The volume of small homes being erected in suburban communities and the smaller towns is still large. The dollar value of permits issued during July in the five largest cities of the district showed a good increase over the preceding month, also over July, 1923. While somewhat easier than heretofore, the situation in the labor market is described as healthy. There is little unemployment among skilled artisans, and wages continue at their recent high levels. Road building programs are being vigorously pushed in Missouri, Illinois, and Arkansas, with considerable work of the same character reported by other states. Production

of portland cement for the country as a whole during July totaled 14,029,000 barrels, against 13,538,000 barrels in June and 12,620,000 barrels during July, 1923.

Building figures for July follow:

	New Construction				Repairs, etc.			
	Permits		*Cost		Permits		*Cost	
	1924	1923	1924	1923	1924	1923	1924	1923
Evansville ....	183	112	\$ 164	\$ 242	75	69	\$ 16	\$ 12
Little Rock....	75	79	169	327	78	85	31	52
Louisville .....	249	301	1,033	824	131	117	201	80
Memphis .....	432	328	1,703	953	119	107	78	95
St. Louis.....	858	825	2,489	2,456	625	568	335	452
July totals.....	1,797	1,645	\$5,558	\$4,802	1,028	946	\$661	\$691
June totals.....	1,881	1,784	4,944	5,301	963	1,139	760	582
May totals.....	2,013	2,234	7,383	7,679	1,231	1,283	1,031	728

\*In thousands of dollars (000 omitted).

### FINANCIAL

As contrasted with the similar period immediately preceding, the financial situation in this district during the past thirty days showed only minor changes. The general demand for funds from commercial and industrial sources was moderately active only, and the banks are still heavily equipped with loanable resources, with the result that rates sustained a further slight decline. Demands from the country for crop moving and general agricultural purposes gained somewhat particularly in the winter wheat areas, where marketing of the crop was stimulated by the high level of prices. Millers and country elevators were active borrowers, the volume of loans in this category showing a good increase over the preceding month. The seasonal liquidation of live stock loans was somewhat more pronounced than usual, due to the heavy shipments of cattle, sheep and hogs. The demand from the cotton sections is beginning to be felt, banks in the south reporting increased borrowings from that source. The past three weeks have also developed a better inquiry for credits by the southern lumber interests. Deposits of the commercial banks are at a high level, with the trend continuing upward.

### Commercial Paper

Lower rates and decreased offerings of choice names were factors in a slowing down in the commercial paper market during the period under review. Country banks, which usually retire from the market during periods of extreme low rates, were purchasing sparingly, while city banks showed a disposition to discriminate in favor of the higher grade offerings, which are relatively scarce. Rates ranged between 3¼ and 4 per cent, with occasional sales of particularly prime paper at 3 per cent.

### Condition of Banks

Condition reports of all member banks in United States as of June 30, 1924, which have now become available, indicate that total loans and investments on that date were \$27,262,000,000, marking a further increase of \$430,000,000 over the record amount shown for March 31, 1924. The increase for the period was chiefly in the banks' investments which advanced by \$342,000,000, while loans increased by \$88,000,000. Of the growth in investments, \$38,000,000 represented additional purchases of U. S. securities, and \$304,000,000—additions to the banks' holdings of corporate obligations. A rapid growth of demand deposits, including

certified and cashiers' checks, carried their total to \$16,293,000,000, the largest amount on record, and time deposits increased to \$9,203,000,000, also a larger total than at any previous time.

The following statement shows changes in the principal resources and liabilities of all member banks on the last call date compared with three months and with a year ago:

	Increase (+) or decrease (-) on June 30, 1924, since	
	March 31, 1924	June 30, 1923
Loans and discounts (including overdrafts).....	+\$ 88,000,000	+\$384,000,000
United States securities.....	+ 38,000,000	- 262,000,000
Other bonds, stocks and securities.....	+ 304,000,000	+ 465,000,000
<b>Total loans and investments.....</b>	<b>+ 430,000,000</b>	<b>+ 587,000,000</b>
Demand deposits (including certified and cashiers' checks).....	+ 707,000,000	+1,132,000,000
Time deposits.....	+ 313,000,000	+ 825,000,000
Bills payable and rediscounts.....	- 242,000,000	- 570,000,000
Acceptances outstanding.....	- 108,000,000	- 60,000,000

The following statement shows principal resources and liabilities of reporting member banks in Evansville, Little Rock, Louisville, Memphis, and St. Louis:

	*Aug. 6, 1924	*July 9, 1924	*Aug. 8, 1923
	Number of banks reporting.....	†34	†34
Loans and discounts (incl. rediscounts)			
Secured by U. S. Govt. obligations.....	\$ 8,040	\$ 8,277	\$ 11,799
Secured by other stocks and bonds.....	146,758	142,915	137,568
All other loans and discounts.....	306,216	309,040	309,427
<b>Total loans and discounts.....</b>	<b>\$461,014</b>	<b>\$460,232</b>	<b>\$458,794</b>
Investments			
U. S. Pre-war bonds.....	14,808	14,809	15,325
Liberty bonds.....	21,940	23,091	23,517
Treasury bonds.....	2,509	3,689	9,350
Victory and Treasury notes.....	9,411	15,087	21,255
Certificates of Indebtedness.....	1,201	1,380	6,563
Other securities.....	92,875	91,993	84,707
<b>Total investments.....</b>	<b>\$142,744</b>	<b>\$150,049</b>	<b>\$160,717</b>
Reserve balance with F. R. bank.....	46,143	45,834	41,556
Cash in vault.....	7,832	7,569	7,840
Net demand deposits.....	355,689	363,252	345,910
Time deposits.....	203,157	197,826	190,633
Government deposits.....	2,170	2,467	5,228
Bills payable and rediscounts with Federal reserve bank			
Secured by U. S. Govt. obligations.....	0	242	9,943
All other.....	1,578	2,796	18,927

\*In thousands (000 omitted).  
†Decrease due to consolidation. Total resources of these 34 banks comprise approximately 54 per cent of the resources of all member banks in the district.

From the above statement it will be noted that the total deposits in the 34 reporting member banks in this district as of August 6, 1924, while \$2,529,000 under those of a month ago, are \$19,245,000 greater than a year ago. Loans and discounts of the reporting banks show an increase of \$782,000 over the previous month and an increase of \$2,200,000 over a year ago. Investments of the reporting member banks decreased \$7,275,000 since last month and decreased \$17,973,000 from a year ago.

### Federal Reserve Operations

In contrast to the developments of member banks, bills discounted held by the Federal Reserve Bank of St. Louis on August 23, 1924, amounted to \$19,214,000, as compared with \$18,163,000 the previous month and \$55,741,000 a year ago. During July the reserve bank discounted for 244 of its 629 member banks, which compares with 260 of its 631 member banks accommodated in June. The discount rate of this bank remains unchanged at 4 per cent. The combined reserve ratio of this bank against deposit and Federal reserve note liabilities on August 23, 1924, was 80.5 per cent as compared with 85.2 per cent last month and 62.3 per cent a year ago.

### Debits to Individual Accounts

The following table gives the total debits charged by banks to checking accounts, savings accounts and trust accounts of individuals, firms, corporations and

(Compiled August 23, 1924)

U. S. Government and also certificates of deposit paid, in the leading cities of this district during the past month and corresponding period a year ago. Charges to the accounts of banks are not included. These figures are considered the most reliable index available for indicating actual spending by the public during the periods which they cover:

	*For four weeks ending			Aug. 1924 comp. to July 1924	Aug. 1924 comp. to Aug. 1923
	Aug. 13, 1924	July 16, 1924	Aug. 15, 1923		
E. St. Louis and Natl. Stock Yards, Ill.....	\$ 36,906	\$ 34,971	\$ 40,897	+ 5.5%	- 9.8%
El Dorado, Ark.....	7,154	7,037	8,353	+ 1.7	-14.4
Evansville, Ind.....	25,076	28,356	27,252	-11.6	- 8.0
Fort Smith, Ark.....	8,897	9,059	9,081	- 1.8	- 2.0
Greenville, Miss.....	2,503	2,962	2,425	-15.5	+ 3.2
Helena, Ark.....	3,097	3,623	3,332	-14.5	- 7.1
Little Rock, Ark.....	49,287	49,924	44,024	- 1.3	+12.0
Louisville, Ky.....	142,656	159,035	128,916	-10.3	+10.7
Memphis, Tenn.....	85,979	102,243	89,090	-15.9	- 3.5
Owensboro, Ky.....	4,949	5,099	5,135	- 2.9	- 3.6
Quincy, Ill.....	7,561	9,825	10,524	-23.0	-28.2
St. Louis, Mo.....	556,571	588,037	544,391	- 5.4	+ 2.2
Sedalia, Mo.....	3,486	3,800	.....	- 8.3	.....
Springfield, Mo.....	9,864	10,630	11,495	- 7.2	-14.2
<b>Totals.....</b>	<b>\$943,986</b>	<b>\$1,014,601</b>	<b>.....</b>	<b>- 7.0</b>	<b>+ 2.1</b>

\*In thousands (000 omitted).

### Savings Deposits

The changes in the amount of savings deposits, exclusive of postal savings deposits, since a month ago and a year ago, as reported by the largest member banks in the leading cities of this district, are shown in the following table:

No. of banks reporting	*Amount of savings deposits			Aug. 1924 comp. to July 1924	Aug. 1924 comp. to Aug. 1923
	Aug. 6, 1924	July 2, 1924	Aug. 1, 1923		
Evansville ... 4	\$ 9,193	\$ 9,243	\$ 9,050	- 0.5%	+ 1.6%
Little Rock... 5	7,613	7,915	7,262	- 3.8	+ 4.8
Louisville ... 7	27,218	26,627	23,296	+ 2.2	+16.8
Memphis ... 4	17,374	17,899	18,451	- 2.9	- 5.8
St. Louis.....12	76,778	76,866	71,681	- 0.1	+ 7.1
<b>Totals.....32</b>	<b>\$138,176</b>	<b>\$138,550</b>	<b>\$129,740</b>	<b>- 0.3</b>	<b>+ 6.5</b>

\*In thousands (000 omitted).

### COST OF LIVING

The average cost of living in the United States, according to the National Industrial Conference Board, remained unchanged between June 15, and July 15, 1924, although all of the separate items, except light, showed slight variations in this period. Between March 15, and July 15, 1924 there was an average decrease of nine-tenths of one per cent in the cost of living, due to decreases in the average cost of food, clothing, fuel and sundries. The only increase was in the average cost of shelter; the cost of light remained the same in this period. Between July, 1920, when the peak of the rise since 1914 was reached, and July, 1924 there was a decrease of 20.9 per cent. The increase since July, 1914 was 61.7 per cent.

The following table shows in detail the changes in the cost of living noted above:

Item	Relative importance in family budget	Percentage of increase in the cost of living above average prices in July, 1914, to—				Percentage of decrease in the cost of living on July 15, 1924, from average prices in		
		July 1920	Mar., 1924	June, 1924	July, 1924	July, 1920	Mar., 1924	June, 1924
Food*	43.1	119	44	42	43	34.7	0.7	0.7**
Shelter	17.7	58	85	85	86	17.7**	0.5**	0.5**
Clothing	13.2	166	76	74	71	35.8	2.4	1.8
Fuel and light.....	5.6	66	72	65	66	0.0	3.4	0.6**
(Fuel).....	(3.7)	(92)	(87)	(77)	(78)	(7.3)	(4.8)	(0.6)**
(Light).....	(1.9)	(15)	(42)	(42)	(42)	(23.4)**	(0.0)	(0.0)
Sundries.....	20.4	85	74	74	73	6.4	0.6	0.6
Weighted average of all items.....	100.0	104.5	63.2	61.7	61.7	20.9	0.9	0.0

\*Food price changes are from the United States Bureau of Labor Statistics.  
\*\*Increase.

The purchasing value of the dollar based on the cost of living in July, 1924 was 61.8 cents as contrasted with one dollar in July, 1914.

# FEDERAL RESERVE BANK OF ST. LOUIS



## MONTHLY REVIEW OF BUSINESS CONDITIONS IN FEDERAL RESERVE DISTRICT No. 8

Released for Publication On and After the Afternoon of September 30, 1924

WILLIAM McC. MARTIN

CHAIRMAN OF THE BOARD AND FEDERAL RESERVE AGENT

THE trend of general business in this district during the past thirty days was in the direction of further improvement. Save in a relatively small number of lines, however, the betterment has been slow, and in many quarters less than expected from the promise held forth by developments of the similar period immediately preceding. While fundamentally the situation gained further strength, and there has been no appreciable diminution in the recent optimism, ordering of merchandise is proceeding cautiously and along conservative lines. The improved position in the agricultural sections, while being reflected in extensive liquidation of indebtedness and much more hopeful sentiment, has resulted thus far in only moderate increase in actual purchasing. Farmers are supplying their urgent needs, replacing equipment and spending some money in addition for things not strictly in the necessity category, but with the lesson of the past three years still fresh, there is a disposition in the rural communities to conserve cash resources.

As a whole, industrial activities showed no marked change during the period under review, though the tendency was upward, and in some classifications fair gains were recorded. Production in the boot and shoe industry showed a substantial increase, and there were fair gains elsewhere, notably in flour milling, iron and steel, packing, automobiles, lumber and cement. The policy of manufacturers in making up only such goods as they have orders for continues to a large extent, and inventories of raw materials and finished products are in the main smaller than usual at this time of year. With the exception of certain agricultural products, which fluctuated rather broadly, price changes in raw materials were limited, indicating further progress toward stabilization.

Reports from leading interests in the wholesale and jobbing trade, in a majority of instances, indicate improvement in both character and actual volume of their business. Orders booked are of larger size and better balanced than has been the case for many months. There are relatively few complaints of cancellations and returned goods, and retailers are apparently more disposed to fill their needs. While buying centers chiefly in goods for immediate shipment, there has been an appreciable gain in orders for future delivery, notably in furniture, hardware, clothing, groceries, and dry goods. In the latter line, however, purchasing for deferred requirements in the immediate past has been checked by the decline in raw cotton, which has created uncertainty relative to the future movement of the market for cotton fabrics. The attendance of buyers in the chief distributing centers was the heaviest in recent years, large numbers of country merchants having been attracted by special market weeks, fashion shows, trade excursions, etc.

The continued heavy distribution of commodities is reflected in reports of railroads operating in this district, and traffic of carriers for the country as a whole. During the last week of August car loadings of all roads exceeded the 1,000,000 mark for the first time this year. Other favorable factors in the general business situation in the district were the sustained activity in the building industry, more seasonable weather, increased buying power of the public, slight improvement in employment conditions and the strength of the banking and financial position. Fair gains in employment were shown in the coal, lead and zinc mining sections, and additions to their forces were made by the iron and steel, furniture, lumber and milling industries. There is an excellent call for farm help, especially of the experienced kind, and road building, city paving, river work, and the railroads and public utilities are drawing heavily on common labor. The demand for clerical and office help was somewhat better, though a surplus still exists in several of the larger cities.

Favorable weather, good roads and satisfactory market prices contributed to a heavy movement of farm products during the period under review. Receipts of wheat, oats and rye were well in excess of the corresponding period last year, but due to the lateness of the crop, movement of corn fell behind a year ago, and live stock shipments were also smaller. Cereal prices, while still considerably higher than during the same time in 1923, declined below the closing figures of the preceding thirty days. Between August 15 and September 15, the September wheat option at St. Louis ranged from \$1.18 $\frac{3}{8}$  to \$1.32, and No. 2 red winter wheat from \$1.30 to \$1.44. The closing price of September wheat on September 15 was \$1.28, which compares with \$1.01 $\frac{3}{8}$  on the corresponding date in 1923, while cash wheat was 25c to 34c higher than last year's quotation. September corn ranged from \$1.09 to \$1.21, closing at \$1.16 on September 15, which compares with \$1.20 on August 15, and 87c on September 15, 1923. Hog prices sustained a good advance during the second week of September, recovering all the loss recorded in late August. Cotton prices declined steadily through the period under review, middling in the St. Louis market falling from 28c per pound on August 15 to 22c on September 15, the latter figure comparing with 27 $\frac{1}{2}$ c on September 15, 1923.

The arrival of cooler weather, coupled with further improvement in industry and diminishing stocks in consumers' hands, had a stimulating effect on the coal situation. Reports of producers and selling agencies of bituminous coal, while still reflecting depression, indicated larger sales and better prospects than in many months. Though buying in most instances continues to be for immediate requirements, consumption is gradually increasing and the seasonal broaden-

ing in general needs is apparent. Activities in the several coal fields of the district are augmenting. A number of mines that have been closed since the depression set in have reopened, and more are preparing to resume production, while mines recently on much reduced schedules are increasing their working time. The demand for steaming coal is still sluggish, but inquiries from manufacturers and public utility companies are more numerous and indicate a resumption of buying in the near future. The domestic demand in the large cities has picked up materially since September 1, and there is a fair movement of lump coal to the rural sections. Prices were advanced in many instances at the first of this month, the increase ranging from 15c to 50c per ton. Coke is moving in larger volume, both the domestic and industrial demand having developed improvement since the last week of August. Stocks on the yards of by-product coke plants, however, continue abnormally large. Production of soft coal for the country as a whole during the first 206 working days of the calendar year, or to August 30, was 294,629,000 net tons, which compares with 366,349,000 tons for the corresponding period in 1923, 239,553,000 tons in 1922 and 391,426,000 tons in 1918.

Freight traffic of the railroads operating in this district shows the usual seasonal stimulation, due to the movement of cereals and other crops. In the week ended August 30, car loadings for the country as a whole totaled 1,020,339 cars, an increase of 38,091 cars over the week before, and incidentally the highest volume of weekly loadings this year. All commodities showed increases over the preceding week except live stock, with coal and miscellaneous freight showing the largest gains. The total for the week of August 30, however, was a decrease of 71,811 cars under the corresponding week last year, but 96,533 cars in excess of the same period in 1922. The cumulative total from January 1 to August 23 while slightly below that of the corresponding period last year, is well in excess of the same periods in 1920, 1921 and 1922. The Terminal Railway Association of St. Louis, which handles interchanges for 28 connecting carriers, interchanged 210,829 loads in August, the largest number since last January, and comparing with 181,825 loads in July and 217,651 loads in August, 1923. For the first nine days of September 58,326 loads were interchanged against 59,706 loads for the corresponding period in July and 63,533 loads in September, 1923. Passenger traffic of the reporting roads decreased 6 per cent in August under the same month a year ago. Tonnage moved by the Mississippi River section of the Federal barge line between St. Louis and New Orleans during August amounted to 76,000 tons, which compares with 70,387 tons in July and 80,413 tons in August, 1923.

Collections in both the wholesale and retail sections of distribution showed marked improvement during the period under review. There were fewer complaints of spotty conditions, which have featured reports of collections during the earlier months this year. Since the completion of the winter wheat harvest, liquidation of indebtedness in areas where that cereal is the chief crop has been on a satisfactory scale. Jobbers in the large cities report settlements by their country customers since September 1 are exceeding expectations. Generally through the South bills are being promptly met, and many accounts of long standing have been paid. The return of vacationists has had a stimulating effect on retail collections in the large centers of population since the first of this month. Some backwardness is still noted in the coal

fields, and in sections where crop results were disappointing. Replies to 408 questionnaires addressed to representative interests in various lines throughout the district show the following results:

	Excellent	Good	Fair	Poor
August, 1924....	3.4%	36.6%	51.4%	8.6%
July, 1924.....	2.1	30.5	54.5	12.9
August, 1923....	3.8	36.6	52.9	6.7

Commercial failures in the Eighth Federal Reserve District during August, according to Dun's, numbered 91, involving liabilities of \$922,409 against 64 defaults in July with indebtedness of \$579,643, and 45 failures for \$694,960 in August, 1923.

The per capita circulation of the United States on September 1 was \$42.28, against \$41.36 on August 1 and \$42.85 to September 1, 1923.

## MANUFACTURING AND WHOLESALE

### Automobiles

The upward trend in automobile production for the country as a whole, which started in July, continued during August, combined output of passenger cars and trucks during the latter month being 6.1 per cent larger than in July. As contrasted with a year ago, however, the August output showed a loss of 19.1 per cent, that being the fifth consecutive month in which the year-to-year comparison was unfavorable. Manufacturers reporting direct or through the National Automobile Chamber of Commerce built 251,553 passenger cars in August, against 237,431 in July and 313,972 in August, 1923. The output of trucks was 26,781 in August, compared with 24,895 in July and 29,882 in August, 1923.

Distribution of automobiles in this district is holding up above expectations, sales of new cars by 320 reporting dealers during August showing a gain of approximately 8.3 per cent over the same month in 1923, and 12 per cent over the July total this year. As was the case during July, a considerable part of the increase was accounted for by country dealers. Heavy replacement sales are being made by farmers in Missouri, Illinois, Kentucky, and Arkansas. Since the first of this month city dealers report a picking up in business, their sales and prospects being affected by the return of vacationists. The supply of cars of all descriptions is plentiful, but stocks in dealers' hands show a further decrease under the preceding month, though the total is still higher than a year ago. Gains in sales of parts and accessories during August were relatively larger than in the case of automobiles, which fact is ascribed to intensive selling campaigns and heavy purchases for equipping used cars. The tire market continues weak, with stock in retailers' hands heavy. The used car situation is described as satisfactory, stocks being further decreased during August and closing that month with a smaller aggregate than at the same period last year.

### Boots and Shoes

August sales of the 11 reporting interests were 35.1 per cent larger than for the corresponding period in 1923, and 9.1 per cent in excess of the July total this year. Results during the first two weeks of September indicate a continuance of the upturn recorded during August. Orders from virtually all sections of the trade territory are coming in in excellent shape. The average size of orders is considerably larger than had been the case earlier this year, which fact coupled with a broadening of assortments purchased, is taken to indicate that retail merchants are covering their full requirements. While style changes are numerous, the comment is made that the demand, both for women's

and men's wear, is along saner and more conservative lines than during the past two or three years. Prices for finished goods showed no change worthy of note, though the trend is slightly firmer, in sympathy with the stronger market for raw materials. As compared with a year ago, prices of finished goods average about 5 per cent lower. Factory operation was at from 95 to 100 per cent of capacity. The total number of pairs of shoes manufactured in this district during August was 11.3 per cent larger than the output of the preceding month and for the country as a whole, August production was 19.4 per cent over the July total.

#### Clothing

As compared with a year ago August sales of the 10 reporting interests showed a gain of 17.9 per cent and were 45.6 per cent larger than the July total this year. The increase in August over July was accounted for largely by seasonal considerations. Conditions are reported improving generally, with betterment particularly marked in the rural districts. Retailers are more disposed to anticipate their future needs than heretofore. The strong tone of the wool market has had a stimulating effect on ordering of apparel based on that material, but manufacturers of men's clothing report strenuous opposition on the part of their customers to any price advances. Women's suits and cloaks are moving in satisfactory volume, with advance orders well in excess of this time a year ago.

#### Drugs and Chemicals

A further decrease in business in this classification took place, sales of the 11 reporting interests during August being 6.4 per cent less than during the same month in 1923 and 4.7 per cent below the July total this year. A considerable part of the decrease was accounted for in the fine drug and chemical section, consumers being disposed to purchase on an extremely conservative basis and only for immediate needs. Some improvement in the demand for heavy chemicals by manufacturers was noted, but this had not proceeded sufficiently far to offset losses elsewhere. There was a good movement of paper goods and sundries, and the opening of the schools had a stimulating effect on sales of classroom supplies. Prices of drugs and chemicals showed no material changes, advances and declines about balancing each other. Sales of soda fountain supplies in August were under those of a year ago.

#### Dry Goods

As contrasted with a year ago, August sales of the 12 reporting interests were less by 1.3 per cent, but showed a gain of 61.4 per cent over the July total this year. The gain in August over July is partly accounted for by seasonal considerations, but is considerably larger than the average of the past several years. Orders received since first of this month indicate a continuance of the recent improvement. Stocks in retailers' hands are at a low ebb, and there is a disposition to replenish in anticipation of late fall and winter demands. The demand for both staples and specialties has broadened, and retailers in all sections are buying more steadily than heretofore. The irregular course of the raw cotton and silk markets is causing hesitation in buying of goods based on those materials. Prices on a number of important cotton fabrics have declined from 2½ to 5 per cent since September 1. The recent upturn in woolen prices has had a stimulating effect on the demand for woolen and worsted goods. The demand for hosiery shows slight improvement, with stocks in all positions somewhat better than earlier in the year. Underwear is moving in good volume, but sales of men's work clothes continue be-

low normal. Leading millinery interests complain of continued depression in their line, and report decreases in their August sales, both as compared with the preceding month, and the corresponding period last year. Unfavorable weather and uncertainty relative to prices and styles are given as the main influencing factors.

#### Electrical Supplies

Sales of the 12 reporting interests in August were 23.2 per cent under the same month in 1923, and 5.1 per cent below the July total this year. The decrease under a year ago is accounted for in part by smaller sales to the automotive interests and a falling off in the demand for building installations. There was also a heavy decrease in purchasing of supplies by the coal mining companies and oil fields. Moderate gains in sales of household appliances were reported, and business in radio sets is holding up in excellent shape. Pole and line hardware was quiet. Aside from the recent advances in copper wire and cable, prices were unchanged.

#### Fire-Clay Products

August sales of the 5 reporting interests were 20.4 per cent under the corresponding period a year ago, but were 1.4 per cent larger than the July, 1923, total. The increased activities at furnaces and foundries is reflected in a better demand for relining materials, but sales to the iron and steel industry are still below normal. Cement manufacturers and the lead and zinc smelting interests continue to purchase freely, though in small quantities. Some substantial inquiries for vitrified jobs have appeared, but contracts actually closed are not impressive. Aside from a reduction of 5 per cent in brick, prices were unchanged.

#### Flour

Production of the 11 leading mills of the district during August was 367,040 barrels, the highest since last November, and comparing with 272,300 barrels in July and 433,218 barrels in August, 1923. Millers report a good, steady domestic trade, with buying by the South of soft flours in better volume than for several months. Shipping directions on flour previously purchased were excellent, and many of the mills were grinding at capacity to complete orders. A fair export demand from Europe was reported, centering chiefly in low-grades and high clears, both of which were relatively scarce. Good sales of both hard and soft flours are being made to the West Indies and South and Central American countries. Price fluctuations were narrow, and were affected principally by changes in the cash wheat market. Abundant supplies of high quality milling wheat were available.

#### Furniture

Following conditions of extreme dullness extending over many months, the furniture industry developed decided improvement during the period under review. While August sales of the 28 reporting interests were 2.9 per cent under the same month in 1923, they exceeded the July total this year by 34.1 per cent. Purchasing by dealers is on a more liberal scale, with stock orders more numerous than at any time for more than two years. Improvement extends fairly well through the entire line, but is particularly notable in the demand for furniture for theaters, schools, hotels and offices. Production at all the principal manufacturing plants has been increased, with several important plants working up to 80 per cent of capacity, against 35 per cent six weeks ago. The special furniture trade week, held in Evansville during the first week of September, resulted in sales well up to expectations and an unusually large attendance of buyers.

## Groceries

Conditions in this classification developed only minor changes during the past thirty days. August sales of the 22 reporting interests were 0.2 per cent larger than for the same month in 1923, and 0.4 per cent below the July total this year. The general trend is toward improvement, especially in the farming districts. Consumption holds up well, and stocks in retailers hands are for the most part below normal. The heavy marketing of fresh fruits and vegetables has held down sales of canned goods, but ordering for future requirements is in larger volume than a year ago. The seasonal demand for sugar for preserving is up to expectations, and stocks of this staple continue light, with prices firm. The movement of candy is brisk, with dealers anticipating their future requirements. The recent upturn in prices has had no effect on sales of tea and coffee, distribution continuing on a large scale.

## Hardware

August sales of the 12 reporting interests were 0.5 per cent less than for the corresponding month in 1923, but 12.7 per cent in excess of the July total this year. Steady improvement in all departments of the line is reported, with sales of commodities for use in the country more satisfactory than at any time this year. The demand for builders' hardware holds up well, and shelf hardware is being purchased in larger volume than heretofore. Sales of cans, jars, and general preserving and packing supplies are reported on a large scale, and there has been an excellent movement of fruit presses, cider mills and wooden containers. Price changes have been fairly numerous, but of minor importance. Jobbers report ordering for goods for next spring slightly better than at the same time last year, but still backward as compared with past years.

## Iron and Steel Products

Improvement in this classification, while slower than expected in some quarters, has been steady and in the form of increased orders at mills, machine shops, foundries and by the jobbing trade. The melt of pig iron during the period under review showed a fair gain over the similar period immediately preceding, and operations at iron and steel plants were at a higher rate. The demand from the building industry is holding up well, fabricators reporting an excellent volume of small orders, with inquiries for large jobs more numerous than heretofore. Buying by the railroads continues the most active branch of the industry. The range of inquiries for equipment, bridge work, track materials and miscellaneous needs has broadened and represents a large aggregate tonnage. Plants specializing in railroad castings have orders sufficient to insure their present rate of operations through October. Further improvement in advance bookings was reported by stove manufacturers and makers of farm implements. A number of stove foundries which for the past several months have been operating only two to three days a week, are now working four to five days. Prices of both raw and finished materials made further progress in the direction of stabilization, changes recorded being relatively narrow and affecting a very limited number of commodities. For the country as a whole production of pig iron recorded a gain of approximately 6 per cent in August over the preceding month, thus bringing to a halt a steady decline

of four months. Production of steel ingots in August also made substantial gains. Pig iron prices were steady to a shade firmer, No. 2 Southern foundry iron—1.75 to 2.25 per cent silicon—selling at \$18 per ton, while Northern iron of the same analysis ranged from \$20.50 to \$21. Finished steel requirements of the automobile and parts manufacturers are increasing and the mills are receiving heavier specifications from that source. A further recession in the demand for drilling supplies from the oil fields was noted, but the oil companies have placed some substantial orders for tank plates and tin plate. Warehouse interests report a good volume of current sales, but add that their customers show unusual hesitancy in regard to future commitments. A slightly better tone was noted in the machine tool situation, though actual sales showed only minor improvement. Scrap iron and steel prices were again higher, with advances particularly conspicuous in heavy melting steel, rails for rolling and all steel specialties. July sales of stove manufacturers, 7 reporting, were 13.4 per cent less than during the same month in 1923, but 72.0 per cent larger than the July total this year; railway supplies, 5 reporting, decreased 4.8 per cent under last year, but gained 12.6 per cent over July this year; farm implements, 6 reporting, decreased 18.6 per cent under August, 1924, but increased 9.3 per cent over the July total this year; job foundries, 5 reporting, increased 43.7 per cent over August, 1923, and 22.1 per cent over July this year; manufacturers of boilers, stacks, elevators, radiators, wire rope and miscellaneous products, 14 reporting, decreased 3.2 per cent under August, 1923, but gained 11.4 per cent over the July, 1924, total.

## Lumber

A quiet condition in the lumber trade of the district has been relieved by signs of improvement in September. Fall buying and inquiry are becoming mildly evident, though it is not expected that volume purchasing in yellow pine will start until around mid-fall. The change for the better shows more strongly in hardwoods, especially in the lower grades. The flooring mills, which continue very active, are large takers of common oak; box factories reflect an improving business in their purchases, and planing mills and kindred establishments are ordering against a steady and considerable inflow of seasonal business. Purchasing by furniture manufacturers and car builders is on a more liberal scale than heretofore. Western lumbers are generally strong or steady, and upper grades in fir finish, ceiling, partition and flooring easily maintain recent advances. Southern pine prices, however, are quite irregular, with transit stock selling \$2 to \$3 off the advanced mill prices prevailing around the first of August.

## Consumption of Electricity

In the five largest cities of the district consumption of electricity by selected industrial customers of the public utility companies gained 3.5 per cent over the preceding month this year. The largest increases were in Louisville and Evansville, with the heavier loads of furniture manufacturers accounting for most of the betterment in the latter city. As contrasted with the corresponding month in 1923, the returns for all cities showed decreases, the total for all centers being 6.1 per cent. The losses were distributed generally through all classes of users, but particularly pronounced in iron and steel, air products and the packing industry.

Detail figures follow:

No. of customers	Aug., 1924 *K.W.H.	July, 1924 *K.W.H.	Aug., 1924 comp. to July, 1924	Aug., 1923 *K.W.H.	Aug. 1924 comp. to Aug. 1923
Evansville.....40	1,048	963	+ 8.8%	1,269	-17.4%
Little Rock.....35	1,211	1,242	- 2.5	1,243	- 2.6
Louisville.....67	4,057	3,598	+12.8	4,239	- 4.3
Memphis.....31	964	1,053	- 8.5	1,027	- 6.1
St. Louis.....81	13,628	13,342	+ 2.1	14,478	- 5.9
Totals.....254	20,908	20,198	+ 3.5	22,256	- 6.1

\*In thousands (000 omitted).

The following figures, compiled by the Department of Interior, give kilowatt production for both lighting and industrial purposes for the entire country:

	By water power	By fuels	Totals
July, 1924.....	1,614,850	2,983,691	4,598,541
June, 1924.....	1,705,277	2,847,326	4,552,603
July, 1923.....	1,665,697	2,870,488	4,536,185

RETAIL

More seasonable weather contributed to a further slight improvement in business in the retail department of distribution during the period under review. Better sales were reported by clothiers, with the movement of fall woolens, knit goods and underwear well up to expectations. Generally through the agricultural sections retailers are enjoying a better business than at any similar period in more than three years. They report that buying is confined chiefly to necessities, but the volume of such goods going to ultimate consumers is large. Jewelers report the usual seasonal improvement in their sales, with results since September 1 showing slightly more than the normal increase. Hardware and electrical supplies are active, and the movement of seasonal sporting goods is larger than at this time last year. Sales of stationery, school supplies and furniture were reported the largest of any month this year. August sales of the leading department stores of the district were 7.5 per cent under the corresponding month in 1923, and for the two months ending August 31 were 1.2 per cent under the same period a year ago. Results during the first half of September, however, indicate a substantial gain over a year ago.

	Net sales comparisons		Stocks on hand	Annual rate of stock turnover
	Aug. 1924 comp. to Aug. 1923	Two months ending Aug. 31, 1924, to same period, 1923	Aug. 31, 1924 comp. to Aug. 31, 1923	For 2 months ending Aug. 31, 1924
Evansville.....	-4.7%	-4.9%	-14.3%	1.71
Little Rock.....	-2.0	-2.3	+ 1.7	1.91
Louisville.....	-7.9	-4.4	+ 4.5	1.99
Memphis.....	-12.7	+18.1	-3.1	1.94
Quincy.....	-3.9	-2.8	- 8.4	1.89
St. Louis.....	-7.2	-5.6	-3.7	2.24
Springfield.....	-7.0	-13.5	-19.1	1.29
8th District.....	-7.5	-1.2	+ 1.7	2.07

AGRICULTURE

Progress of crops during the period under review was rather irregular, and conditions as a whole are spotty. In some localities disastrous results of drouth and extreme hot weather were apparent, particularly in Southern areas east of the Mississippi River, where prospects for fruits, vegetables, tobacco and corn were lowered. According to the U. S. Department of Agriculture the composite condition of all crops in states wholly or partly within the Eighth Federal Reserve District (100=10-year average) was 92.2 per cent on September 1, against 97 per cent on August 1 and 100.17 per cent on September 1, 1923. However, accounts relative to crops harvested earlier in the season continue in the main favorable, both as regards quality and quantity and marketing conditions. Relative to the late crops there are numerous optimistic reports, as for instance corn in the Southern sections of Missouri and Illinois which is the best since 1917. Generally the agricultural position continued the improvement noted in the preceding issue of this report. With higher prices for cereals, live stock and many

other products than a year ago, farmers are feeling more optimistic, and setting about preparing their programs for next season's activities with more confidence than for the past several years.

Threshing of wheat has been completed, except in the case of a limited quantity of stacked grain, and latest returns indicate yields well up to expectations. There were scattered complaints of damage to wheat in the shock, but this affected quality principally, and resulted in no material change in total output. Marketing of the new crop grain was somewhat larger than usual, farmers taking advantage of the favorable prices to dispose of their stocks. Much ground has been plowed for winter wheat in states of the district, and seeding has made substantial progress, though this work was interfered with to some extent by dry weather. Total wheat production for the district is estimated at 55,246,000 bushels, against 83,426,000 bushels last year.

The corn crop is still from two to four weeks late, little of the backwardness having been caught up during the past thirty days. Stands generally are irregular, and it is very essential that warm, dry weather continue late into the fall in order to mature the crop. Late planted corn, of which the amount is unusually large because of the late sowing season, is in less prosperous condition than the early seeded grain. Generally through the South the crop made good progress during the last half of August, which was the best corn weather of the season, and in some counties prospects are the best in a number of years. There are scattered reports of insect infestation and damage from storms. Regardless of weather conditions to harvest, a large part of the crop will be soft, and farmers are planning to feed much soft corn to cattle. The total production of corn in this district is estimated at 349,060,000 bushels, against 403,090,000 bushels in 1923.

Oats made further improvement in August, and the crop in this district will be large. Quality was lowered considerably by rains while in the shock, and flood and storm loss in some localities was severe. Total output for the district is estimated at 61,374,000 bushels, which compares with 52,072,000 bushels harvested last year. In Illinois the oats condition on September 1 was 89 per cent, indicating a yield of 39.6 bushels per acre, while the average in Missouri will be 27.6 bushels per acre.

Corn — Oats

The U. S. Dept. of Agriculture, in its report as of September 1, 1924, gives condition of corn and oats in states of the Eighth Federal Reserve District as follows:

	Condition		*Production				Farm price	
	September 1 1924	10-yr. av.	Forecast 1924		Harvested		per bu.	
	%	%	Sept. 1	Aug. 1	1923	5-yr. av. 1918-22	1924	1923
Illinois.....	69	78	281,719	282,590	337,312	317,273	104	80
Indiana.....	55	81	115,190	123,567	192,616	177,513	105	84
Kentucky.....	74	83	73,378	78,336	87,866	89,159	127	102
Missouri.....	73	72	187,495	170,327	196,860	173,702	109	88
Tennessee.....	67	83	65,820	77,609	73,941	83,241	125	108
U.S.Total	66.4	77.9	2,512,888	2,576,440	3,046,387	2,899,428	107.4	87.0

Hay harvesting continued throughout August, and generally yields are satisfactory though dry weather cut heavily into the crops in Kentucky, Tennessee and Southern Indiana. Frequent rains during the

harvest period served to lower quality. In many sections the clover crop was the best in recent years. Soybeans, cowpeas, kafir and other emergency crops, planted in sections where corn in short, promise good yields. Pastures are reported uneven, but recent rains have brought considerable improvement. The condition of live stock showed no change as contrasted with the preceding thirty days.

Except in the areas visited by drouth, the condition of late fruits and vegetables underwent improvement during the period under review. The condition of apples in Illinois on September 1 was slightly below the 10-year average, but in Missouri and Arkansas were well over the average, and in the two latter states the commercial crop will exceed that of last year. Peaches turned out well in the Southern stretches of the district, but were a short crop further north. Tomatoes in the commercial areas are generally good, and heavy shipments have been made. The earlier promise of grapes has been cut down by rot. The condition and prospective yield of sweet potatoes was about the same as a month earlier. The white potato crop is generally good, with the Illinois condition 91 per cent, the best in many years, and comparing with the 10-year average of 66 per cent. In Missouri the September 1 condition was 85 per cent, and in Indiana 83 per cent. Total production for the district is estimated at 18,377,000 bushels, against 18,223,000 bushels last year.

Tobacco prospects deteriorated further during August, the total estimated yield for this district based on September 1 condition being 322,903,000 pounds a decrease of 13,455,000 pounds under the August 1 forecast and comparing with 396,737,000 pounds harvested in 1923. The loss is ascribed to generally unfavorable weather conditions for development of the weed. Ripening has been backward, and in some sections drouth has adversely affected results. The dry weather, however, was not an unmixed evil, as it served to check the spread of field-fire, which earlier in the season threatened serious damage. The greater part of the early planting has been cut and housed, and is curing reasonably well. Cutting of the late planting, which constitutes a large portion of the crop, is progressing slowly. Numerous complaints are received of the large quantity of very small tobacco. This part of the crop was benefitted some by the recent rains, but not to the extent expected. Prices of old crop tobacco were about the same as have prevailed for some time past.

The splendid rice prospects indicated earlier in the season were adversely modified during August by extreme heat and lack of moisture. Withal the outlook continues good, the condition in Arkansas on September 1 being 84 per cent, which indicates a yield of 45 1/3 bushels per acre and a total production of 6,985,000 bushels. Early rices are maturing rapidly and harvesting is in progress. Market conditions are exceptionally good, due largely to the small carryover and generally strong demand. While no new rice has been placed on the market from this district, quotations indicate a price of about \$1.50 per bushel on No. 1 rices, about 25c more than received last year. Ultimate production depends on the amount of abandonment, which it is reported may be large, owing to lack of water.

There was slight deterioration in the cotton crop for this district during August, the September 1 forecast being for 2,259,000 bales, against 2,268,000 bales on August 1. The indicated yield as of September 1,

however, is 958,000 bales larger than the 1,211,000 bales produced in 1923. Reports from scattered localities tell of the best prospects in several years, with stands good and cultivation thorough. There has been extensive use of poisons and fertilizers, with mainly satisfactory results. Boll weevil damage is negligible in many important sections, and complaints of injury from other insects pests are relatively few. Picking is in progress, and almost universally labor is adequate for all requirements.

### Live Stock Movement

Receipts and shipments at St. Louis, as reported by the National Stock Yards, were as follows:

	*Receipts			*Shipments		
	Aug. 1924	July 1924	Aug. 1923	Aug. 1924	July 1924	Aug. 1923
Cattle and Calves.....	132	126	162	90	78	111
Hogs .....	285	319	336	206	201	228
Horses and Mules.....	4	2	6	4	2	4
Sheep .....	63	76	60	18	14	20

\*In thousands (000 omitted).

### Commodity Movement

Receipts and shipments at St. Louis, as reported by the Merchants' Exchange, were as follows:

	*Receipts			*Shipments		
	Aug. 1924	July 1924	Aug. 1923	Aug. 1924	July 1924	Aug. 1923
Beef, lbs.....	103	197	1,252	24,790	24,605	27,226
Corn, bu.....	1,971	3,701	2,582	1,458	2,149	1,989
Flour, bbls.....	431	441	446	502	465	566
Hides, lbs.....	8,482	6,101	6,739	11,359	8,479	9,434
Lard, lbs.....	7,164	6,716	7,534	11,797	14,514	13,387
Lead, pigs.....	262	170	216	219	116	157
Lumber, cars.....	20	17	20	12	11	14
Oats, bu.....	3,684	1,832	3,434	2,576	1,634	2,737
Pork, lbs.....	21,676	23,933	21,826	31,702	35,299	32,922
Wheat, bu.....	9,200	3,692	5,834	4,964	1,843	4,398
Zinc, slabs.....	199	188	277	225	233	269

\*In thousands (000 omitted).

### Commodity Prices

Range of prices in the St. Louis market between August 15, 1924, and September 15, 1924, with closing quotations on the latter date, and on September 15, 1923:

	High	Low	Close	
			Sept. 15, 1924	Sept. 15, 1923
Wheat				
September .....per bu.	\$1.32	\$1.18 3/4	\$1.28	\$1.01 1/4
December .....	1.37 1/4	1.22 3/4	1.33 1/4	1.03 1/4
May .....	1.42 1/2	1.29	1.39 5/8	1.07 5/8
No. 2 red winter..	1.44 1/2	1.30	\$1.42 @ 1.44	\$1.06 @ 1.10 1/2
No. 2 hard.....	1.33	1.19	1.29	1.04
Corn				
September .....	1.21	1.09	1.16	.87
December .....	1.18 1/2	1.01 1/4	1.12 5/8	.66 3/4
May .....	1.19 3/4	1.02 5/8	1.13 1/2	.67 3/4
No. 2.....	1.21	1.09	1.16	.89 1/2
No. 2 white.....	1.21	1.09	1.18 1/2	.89 1/2 @ .90
Oats				
September .....	.56	.46	.48 1/4	.40 3/4
No. 2 white.....	.55 1/2	.46 1/2	.50 1/2	.43 1/2
Flour				
Soft patent.....per bbl.	7.50	6.35	6.50 @ 7.50	5.00 @ 5.50
Spring patent.....	7.40	6.60	7.00 @ 7.10	5.60 @ 6.15
Middling cotton.....per lb.	.27 1/2	.22	.22	.27 1/2
Hogs on hoof.....per cwt.	10.60	6.00	7.50 @ 10.60	5.60 @ 9.60

### BUILDING

The period under review was marked by continued activity in the building industry. All sections report operations on a large scale, but relatively the best showing was made in the South, where much new work of all sorts is being initiated. In both number and value represented, building permits issued in the five largest cities of the district during August exceeded the totals of the corresponding period in 1923. Industrial construction figures more prominently in the August lists, and permits were also issued for a number of municipal buildings, hotels, hospitals and schools. As has been the case since the opening of the outdoor season last spring, highway construction work throughout the district continues on extensive scale. With the exception of a scarcity of skilled artisans in some crafts in two of the larger cities, building labor was reported plentiful, with wages firm at the recent peak levels. Material prices showed only minor changes. Production of Portland cement for the

country as a whole during August, according to the U. S. Geological Survey, was 15,128,000 barrels, the highest on record, and comparing with 14,029,000 barrels in July and 12,967,000 barrels in August, 1923.

Building figures for August follow:

	New Construction				Repairs, etc.			
	Permits		*Cost		Permits		*Cost	
	1924	1923	1924	1923	1924	1923	1924	1923
Evansville ....	176	149	\$ 295	\$ 261	79	62	\$ 25	\$ 11
Little Rock....	84	80	226	266	103	149	37	53
Louisville ....	342	306	1,154	758	109	128	140	60
Memphis .....	487	360	1,674	2,104	120	70	44	35
St. Louis.....	833	974	2,157	1,941	535	666	356	430
Aug. totals.....	1,922	1,869	\$5,506	\$5,330	946	1,075	\$602	\$589
July totals.....	1,797	1,645	5,558	4,802	1,028	946	661	691
June totals.....	1,881	1,784	4,944	5,301	963	1,139	760	582

\*In thousands of dollars (000 omitted).

## FINANCIAL

The demand for credit from general mercantile and industrial sources during the period under review showed no change worthy of comment as compared with the preceding thirty days, and is described as only moderately active. Likewise variations in rates charged by commercial banks were slight, though the general average at the middle of September was about  $\frac{1}{4}$  per cent higher than the recent low point. Loanable funds with the banks continue abundant, and deposits are holding up well, the total for reporting member banks being close to the high point for the year. Reports relative to country banks indicate rather spoty conditions. In some sections there has been excellent liquidation, the country banks having heavily reduced their loans with city correspondents. Elsewhere, however, country institutions are still well loaned up. In the winter wheat areas there is a disposition on the part of bankers to induce farmers to settle their indebtedness, and payments have been in large volume.

Throughout the South the past two weeks have developed a more active inquiry for funds for financing cotton and tobacco, but due to the lateness of both these crops the demand is not as large as at the corresponding period in many previous years. Some inquiry from the rice section is beginning to appear. The most active borrowers at the moment are the grain and milling interests, which have been steadily increasing their lines since the movement of winter wheat began.

## Commercial Paper

August sales of the reporting brokerage interests were  $36\frac{1}{4}$  per cent larger than during the same month a year ago, and 14 per cent in excess of the preceding month this year. Generally the demand is active, with both country banks and financial institutions in the larger centers good buyers. The total volume was materially augmented by purchases of banks in Texas, where extensive marketing of cotton has created surplus funds for investment. The low rates, however, are having a detrimental effect on buying by country banks in some localities. Supplies of commercial paper continue fairly plentiful, but as has been the case for the past several months, prime names are relatively scarce. Rates were again lower, ranging from  $3\frac{1}{4}$  to  $3\frac{3}{4}$  per cent, with occasional transactions on particularly prime paper at 3 per cent.

## Savings Deposits

No. of banks reporting	*Amount of savings deposits			Sept. 1924 comp. to Aug. 1924	Sept. 1924 comp. to Sept. 1923
	Sept. 3, 1924	Aug. 6, 1924	Sept. 5, 1923		
Evansville ....	\$ 9,240	\$ 9,193	\$ 8,994	+ 0.5%	+ 2.7%
Little Rock....	7,585	7,613	7,333	0.0	+ 3.4
Louisville ....	26,926	27,218	23,347	- 1.1	+15.3
Memphis .....	17,329	17,374	18,326	- 0.3	- 5.4
St. Louis.....	77,496	76,778	72,158	+ 0.9	+ 7.4
Total.....32	\$138,576	\$138,176	\$130,158	+ 0.3	+ 6.5

\*In thousands (000 omitted).

## Debits to Individual Accounts

	*For four weeks ending			Sept. 1924 comp. to Aug. 1924	Sept. 1924 comp. to Sept. 1923
	Sept. 17, 1924	Aug. 20, 1924	Sept. 19, 1923		
E. St. Louis and Natl. Stock Yards, Ill..	\$ 38,554	\$ 38,370	\$ 45,532	+ 0.5%	-15.3%
El Dorado, Ark.....	7,090	7,158	7,090	- 0.9	-10.5
Evansville, Ind.....	25,335	24,954	28,017	+ 1.5	- 9.6
Fort Smith, Ark.....	9,553	9,662	9,486	- 1.1	+ 0.7
Greenville, Miss.....	2,989	2,540	2,631	+17.7	+13.6
Helena, Ark.....	4,020	2,982	3,865	+34.8	+ 4.0
Little Rock, Ark.....	57,224	48,733	51,002	+17.4	+12.2
Louisville, Ky.....	147,675	141,898	128,721	+ 4.1	+14.7
Memphis, Tenn.....	108,154	88,040	104,335	+22.8	+ 3.7
Owensboro, Ky.....	4,923	4,972	4,459	- 1.0	+10.4
Quincy, Ill.....	9,920	7,739	9,082	+28.2	+ 9.2
St. Louis, Mo.....	553,930	591,936	553,939	- 6.4	0.0
Sedalia, Mo.....	4,392	3,493	4,082	+25.7	.....
Springfield, Mo.....	10,788	9,867	12,921	+ 9.3	-16.5
Totals.....	\$984,547	\$982,344	.....	+ 0.2	+ 2.4

\*In thousands (000 omitted).

## Condition of Banks

Loans and discounts of the 34 reporting member banks on September 17 were larger by \$4,764,000 than a month ago and exceeded those of a year ago by \$8,585,000. Investments also increased, the total on September 17 being \$4,133,000 greater than a month earlier, but \$12,372,000 under the total of a year ago. The gain in investments during the past month was due largely to purchases of United States certificates of indebtedness. Total deposits of the reporting banks increased \$8,398,000 over the preceding month and \$46,721,000 over the corresponding period in 1923.

The following statement shows principal resources and liabilities of reporting member banks in Evansville, Little Rock, Louisville, Memphis, and St. Louis:

	*Sept. 17, 1924	*Aug. 13, 1924	*Sept. 19, 1923
Number of banks reporting.....	34	34	36
Loans and discounts (incl. rediscounts)			
Secured by U. S. Govt. obligations.....	\$ 9,843	\$ 9,049	\$ 12,244
Secured by other stocks and bonds.....	151,390	146,973	140,389
All other loans and discounts.....	313,262	313,709	313,277
Total loans and discounts.....	\$474,495	\$469,731	\$465,910
Investments			
U. S. Pre-War bonds.....	14,808	15,082	15,304
Liberty bonds.....	22,826	22,978	22,865
Treasury bonds.....	2,505	2,509	8,601
Victory and Treasury notes.....	10,140	9,411	20,799
Certificates of Indebtedness.....	3,934	1,205	7,065
Other securities.....	93,238	92,133	85,189
Total investments.....	\$147,451	\$143,318	\$159,823
Reserve balance with F. R. bank.....	44,319	38,667	37,869
Cash in vault.....	7,243	7,473	7,981
Net demand deposits.....	367,339	359,912	329,493
Time deposits.....	201,800	202,948	188,578
Government deposits.....	4,289	2,170	8,636
Bills payable and rediscounts with Federal reserve bank			
Secured by U. S. Govt. obligations.....	880	630	13,828
All other.....	4,760	405	33,944

\*In thousands (000 omitted).

†Decrease due to consolidation. Total resources of these 34 banks comprise approximately 54 per cent of the resources of all member banks in the district.

## Federal Reserve Operations

During the past month there was an increase in the amount of paper discounted by the Federal Reserve Bank of St. Louis for its member banks. On September 17, 1924, the amount of discounted bills held was \$23,142,000, whereas on August 13, 1924 the amount was \$17,475,000, and on September 19, 1923, it was \$69,027,000. Total earning assets on September 17, 1924, were \$44,034,000 as compared with \$32,368,000 the previous month, and \$72,739,000 a year ago. The difference between bills discounted and total earning assets represents purchases of acceptances and government securities in the open market. The combined reserve ratio of this bank against deposit and Federal Reserve note liabilities on September 17, 1924, was 73.7 per cent as compared with 81.2 per cent last month and 51.9 per cent a year ago. During August this bank discounted for 236 of its 629 member banks, which compares with 244 of its 629 member banks accommodated in July. The discount rate remains unchanged at 4 per cent.

(Compiled September 23, 1924)

# FEDERAL RESERVE BANK OF ST. LOUIS



## MONTHLY REVIEW OF BUSINESS CONDITIONS IN FEDERAL RESERVE DISTRICT No. 8

Released for Publication On and After the Morning of October 31, 1924

WILLIAM McC. MARTIN

CHAIRMAN OF THE BOARD AND FEDERAL RESERVE AGENT

THE record of general business and industrial activity in this district during the past thirty days is one of improvement, partially seasonal and pursuing an extremely conservative and gradual course. Distribution of commodities continues large, as indicated by freight loadings, debits to bank accounts, and specific reports of manufacturers, wholesalers and retailers, but nowhere is there apparent a rush to buy, and purchases represent principally goods actually needed for current consumption. As was the case during the similar period immediately preceding, the improvement does not embrace all lines, and some sections are evidently more prosperous than others. Generally, however, gains outnumbered losses and taken as a whole the situation is more satisfactory with the improvement well enough defined to sustain the recent optimism.

Ordering of merchandise for future delivery increased slightly as compared with the preceding month, but in most of the lines investigated the volume is behind that of previous years. A rather universal comment of wholesale merchants is that even in purchasing for prompt shipment there have been frequent lulls and considerable irregularity. This manifestation is ascribed to weather conditions and uncertainty relative to prices of finished goods, caused by fluctuations in the markets for raw materials. The latter explanation applies especially to textiles and food products. The unusually high temperatures prevailing almost continuously during September and the first weeks of October proved a serious handicap to the movement of heavy apparel and seasonal goods of other descriptions. With needs still to be supplied and the present high level of buying power considered, this is looked upon as a temporary delay which a few weeks of cold weather could easily dispose of.

The employment situation showed no marked variation as compared with the two preceding months. Increased activities in the industrial centers reduced the number of idle workers and additions were made by the railroads to their forces, both in shops and in the operating departments. The most marked betterment occurred in the coal fields, where a number of mines resumed operations, and working time at active mines was slightly increased. In the lead and zinc fields some surplus exists, but there continues a strong call for common labor for road building and river improvement work. Completion of harvest of certain crops released some labor in the country, but there is an excellent demand for experienced help on the farms. With but few exceptions, the supply of labor in the cotton sections has been adequate. Both common and skilled workers continue well employed in the building

industry. There is still a surplus of male and female clerical help, but a shortage of domestic help, particularly in the larger cities.

Conditions in the agricultural sections showed added improvement. Harvesting of late crops has progressed under favorable weather and marketing of farm products continues on an extensive scale. According to the Department of Agriculture, the composite condition of all crops in states wholly or partly within the district (100=10-year average) was 92.3 per cent on October 1, which compares with 92.2 per cent on September 1. Since the first of this month weather conditions have been auspicious for the development of crops not yet harvested, growth of pastures and the accomplishment of all kinds of farm work. Farmers have had time to take stock and estimate more closely how they have come out on the year's activities. As noted in the preceding issue of this report, they are liquidating the arrears of their indebtedness, replacing equipment and purchasing necessities.

Prices of cereals fluctuated broadly during the period under review, but with the upward trend continuing, and new high records on the present crop being established. Wheat, corn and hog values reached the highest levels recorded since 1921. Between September 15 and October 15 the December wheat option in the St. Louis market ranged between \$1.30½ and \$1.51¼, and closed at \$1.49 on the latter date, which compares with \$1.33¼ on September 15 and \$1.107½ on October 15, 1923. No. 2 red winter wheat in the cash market advanced to \$1.63 on October 6, the highest in more than three years. December corn fluctuated between \$1.017½ and \$1.13½, closing at \$1.12 on October 15, against 77¾c on the corresponding date last year. Cash corn was correspondingly high, the maximum price for No. 2 white—\$1.19—being reached on October 9. The top price on hogs, \$12 per cwt., was paid on October 10, after which date there was a slight downward reaction, the high on October 15 being \$11.40. Middling cotton in the St. Louis market ranged from 22c to 25c, closing at 22½c on October 15, which compares with 22c on September 15 and 29¼c on October 15, 1923.

The seasonal expansion in demand for coal by domestic users proved the principal factor in further slight improvement in the fuel situation during the period under review. While contracting by householders and dealers is still considerably below normal for this time of year, tonnages placed during September were the largest for any single month this year. The movement of lump and egg coal in all fields in the district was in satisfactory volume, and mine operations were increased and averaged four days per

week, with strip mines working practically every day. The demand for steam coal continues disappointing, and screenings are in oversupply and difficult to dispose of. Production of soft coal for the country as a whole continues on the upturn, and reports from the mines indicate fewer losses of time from "no market." For the first 236 days of the calendar year, or to October 4, the total output of bituminous coal in the United States was 342,341,000 net tons, which compares with 421,712,000 tons for the corresponding period last year and 289,070,000 tons in 1922. The slightly increased melt of pig iron in the district during September was reflected in a more active movement of metallurgical coke. Domestic coke also shows more life than in a long while, but stocks on reserve piles of the by-product manufacturers are still abnormally large.

According to officials of railroads operating in this district, freight traffic continues to maintain the gains started in late August, with the movement of merchandise, grain and farm products making a particularly excellent showing. For the country as a whole total loadings of revenue freight for the week ended September 27 was 1,087,447 cars, the third highest week's loading on record, and only 10,046 behind the peak loading of 1,094,493 cars during the same week last year. This was an increase of 10,894 cars over the preceding week, as well as 109,656 cars over the corresponding week in 1922. The number of cars loaded with merchandise, L. C. L., and miscellaneous freight was the largest on record during the week ended September 27, and with the exception of live stock and ore, all classifications increased over the preceding week. The Terminal Railway Association of St. Louis, which handles interchanges for 28 connection lines, interchanged 213,480 loads in September, the largest number since last October, and comparing with 210,829 loads in August and 220,169 loads in September, 1923. During the first nine days of October 68,973 loads were interchanged, against 58,236 loads during the same period in September and 64,337 loads in October, 1923. Passenger traffic of the reporting roads decreased 14 per cent in September as contrasted with the same month in 1923. Tonnage moved by the Mississippi River section of the Federal Barge line during September amounted to 80,000 tons, against 76,609 tons in August and 54,623 in September, 1923.

Distinct improvement in collections is indicated in reports from virtually all lines covering the past thirty days. Results in the country, particularly in the winter wheat areas, are especially satisfactory. Farmers have employed a large part of the proceeds of their crops to take up their bills, many of which had been past due. Throughout the South collection efficiency is also reported high, with settlements in sections where cotton is being marketed considerably above expectations. Returns of wholesalers in the chief distributing centers during September were generally larger than during the same month last year, and payments during the first two weeks of October indicate that totals for that month will run well ahead of the same period during the past three years. In addition to paying their wholesalers, retail merchants in the country have materially reduced their commitments at the banks. Some slight improvement is noted in the coal fields, and in the large cities retailers report that they are getting in their money promptly. Generally the number of backward spots has been materially reduced. Answers to 415 questionnaires

addressed to representative lines throughout the district show the following results:

	Excellent	Good	Fair	Poor
Sept., 1924.....	4.1%	34.9%	54.8%	6.2%
August, 1924.....	3.4	36.6	51.4	8.5
Sept., 1923.....	2.7	41.0	50.0	6.3

Commercial failures in the Eighth Federal Reserve District during September, according to Dun's, numbered 71, involving liabilities of \$3,586,174, against 91 defaults in August with indebtedness of \$922,409 and 71 failures for \$536,652 in September, 1923.

The per capita circulation of the United States on October 1 was \$42.52, against \$42.28 on September 1, and \$43.45 on October 1, 1923.

## MANUFACTURING AND WHOLESALE

### Automobiles

For the third consecutive month production of automobiles for the country as whole continued an upward trend during September, combined output of passenger cars and trucks for that month being 3.2 per cent larger than in August. As has been the case for the five months immediately preceding, however, the year-to-year comparison was unfavorable, the September output being smaller by 12 per cent than that of the corresponding month in 1923. Manufacturers reporting direct or through the National Automobile Chamber of Commerce built 257,868 passenger cars in September, against 251,553 in August and 298,600 in September, 1923. The output of trucks was 29,410 in September, compared with 26,781 in August and 27,841 in September, 1923.

A rather sharp slowing down in the distribution of automobiles in this district, both as compared with the preceding month and the corresponding period last year is indicated in reports of leading dealers. Compared with a year ago sales of new cars by 320 dealers during September showed a loss of approximately 6.3 per cent, while contrasted with August this year the September total was smaller by 5.6 per cent. The decreases were rather general through the entire line, and affected both expensive makes and the cheaper classes of cars. Purchases in the country were reported disappointing and under expectations, in view of the increased purchasing power in the rural communities. Stocks of cars on dealers floors decreased slightly during September as compared with the preceding month, and there is a disposition on the part of agencies and dealers to resist attempts of manufacturers to load them up heavily. Used car stocks are about normal for this season, and while numerically slightly larger than a year ago, represent a considerably smaller money investment. Business in accessories was relatively better than in automobiles, September sales showing a fair gain over both the preceding month and the corresponding period last year. The tire situation is on a more satisfactory basis, with greater stability in prices and stocks less burdensome than has been the case in recent months.

### Boots and Shoes

Sales of the 11 reporting interests during September were 14.5 per cent larger than for the corresponding period in 1923, and 67.3 per cent in excess of the August total this year. The large gain in September over August was due partially to seasonal considerations. Improvement is reported as extending pretty well through the entire line, but with women's novelties making the best showing and men's high grade shoes the poorest. Orders are mainly for immediate shipment, but future business is gradually increasing.

The comment is made by several of the largest interests that labor efficiency is greater than ever before, some plants producing as high as 20 per cent more goods than their previously estimated capacity. Prices of finished goods were slightly higher, averaging from 2 to 3 per cent above levels of the preceding thirty days. Orders received since October 1 indicate a continuance of recent gains over a year ago. Factory operation ranges from 75 to 100 per cent of capacity, with plants turning out women's novelty goods working full time.

The total number of pairs of shoes manufactured in this district during September was 9.6 per cent larger than the preceding month and for the country as a whole September production was 8.4 per cent over the August total.

### Clothing

Somewhat spotty conditions are reflected in reports covering activities during the period under review. Unseasonably warm weather had a detrimental effect on the movement of heavyweight apparel, but stocks in retailers hands are generally light, and some good fill-in orders helped to swell the total volume of business. Prices were a shade higher than a month earlier, the advance being due chiefly to the upturn in wool. September sales of the 10 reporting interests were 29.0 per cent larger than for the same month in 1923, and 15.3 per cent larger than for the preceding month this year. Orders booked for spring are slightly in excess of the corresponding time last year, and returns since October 1 are reported in the main satisfactory, particularly in the West and Southwest. Sales of leading hatters in September were 5.3 per cent larger than a year ago, and showed the usual seasonal gain over August this year.

### Drugs and Chemicals

Well defined improvement over both the preceding month and the corresponding period a year ago is indicated in reports of leading interests in this line. September sales of the 11 reporting firms were 4.7 per cent larger than for the corresponding month in 1923, and 6.9 per cent in excess of the August total this year. The demand for remedial drugs and proprietary preparations was on the upgrade, and a heavier movement of heavy chemicals to manufacturers was noted. Advance ordering of holiday goods was in satisfactory volume, and considerably larger than during the corresponding period last year. The call for cosmetics and the general line of sundries was active, and sales of soda fountain supplies were stimulated by the protracted warm weather. No change in general price levels took place, declines about counterbalancing advances. Competition of foreign goods is causing lower prices in certain groups of drugs.

### Dry Goods

Sales of the 12 reporting interests during September were 0.9 per cent larger than in the same month in 1923, but 7.6 per cent below the August total this year. Business during the early weeks of September showed marked improvement, but with the sharp decline in price of cotton and unseasonably warm weather, buying subsided. Uncertainty relative to prices is given as the principal cause for hesitation on the part of buyers. The broad and rapid fluctuations in the cotton and silk markets, and upward trend in wool have served to upset confidence, and ordering is confined almost exclusively to goods for disposition during the next month or six weeks. Retail stocks are moderate, however, and the volume of current sales by

the wholesale and jobbing trade is large. Some improvement was noted in the demand for hosiery and knitted goods generally, and the movement of woolen dress goods is better than heretofore. There are some complaints relative to unsatisfactory profits from the wholesale and jobbing trade.

### Electrical Supplies

Seasonal demand for certain classes of goods, coupled with improved conditions in the coal mining areas were factors in an increase of 6.9 per cent in September sales of the 12 reporting interests over those of August. As compared with a year ago, however, the September total showed a decline of 4.3 per cent. Sales of line and pole hardware were in fair volume, and radio goods, particularly batteries, are in active demand. Some falling off in the demand from the building industry was noted, and sales to the oil fields were under those of a year ago. Prices showed little variation, aside from a reduction in bare and insulated copper wires and cables. Business in small electric motors is reported quiet.

### Fire-Clay Products

Little change worthy of note was reported in this classification as contrasted with the preceding thirty days. Sales of the 5 reporting interests in September were 1.9 per cent larger than for the same month in 1923, and 14.6 per cent in excess of the August total this year. A slightly lower trend in prices was noted, with the general level about 5 per cent under this time last year. The demand for refractories from the iron and steel industry continues dull.

### Flour

Production of the 11 leading mills of the district during September was 383,922 barrels, the highest since last November, and comparing with 367,040 in August and 446,009 in September, 1923. Moderate improvement in the domestic demand took place, with the South buying in larger quantities than heretofore. There was a good export demand from Europe for hard clears and straights, and fair sales of soft flours to South and Central American countries. Prices on all grades of flour advanced in sympathy with the upturn in cash wheat, but domestic buyers were loath to follow the upturn, and some slowing down in new business was noted toward the end of the period. Mills, however, were kept busy grinding out flour previously sold, and several interests reported sales being made for export to extent of capacity. Supplies of good milling wheat continued ample.

### Furniture

The upward course in this classification, which commenced in August, was continued in satisfactory manner during September. Factories added to their production, and in some instances plants were operating at full time, with the average close to 70 per cent of capacity. Purchasing by dealers, while still chiefly for immediate shipment, is being pursued with more confidence, and there is a disposition on the part of retailers to replenish their depleted stocks. While virtually all lines participated in the improvement, particularly good reports came from manufacturers of metal beds, office furniture and case goods. Some slight price reductions were reported, affecting metal goods more particularly.

### Groceries

Improved conditions in the mining sections and agricultural communities and the usual seasonal replenishment of stocks, allowed to run low during the summer months, were given as the principal factors

in a gain of 7.9 per cent in September sales of the 22 reporting interests over the same month in 1923 and an increase of 19.0 per cent over the August total this year. Advancing prices of staples and many lines of subsidiary goods also served as a stimulant to buying. A sharp advance in prices of canned goods has taken place during the past several weeks, with a scarcity existing in certain varieties. The upward trend in sugar, coffee and flour continued, and all cereals were higher. Manufacturers of candy report continued betterment in their business, with early inquiries for holiday goods considerably more promising than a year ago.

**Hardware**

September sales of the 12 reporting interests were 3.5 per cent larger than for the corresponding month in 1923 and 0.2 per cent in excess of the August total this year. Staple lines are more active than during the preceding three months, and the demand for hand implements, fencing materials and other goods used extensively in the rural districts has developed decided improvement. The movement of certain seasonal goods is disappointing, the backwardness being ascribed to the unusually warm weather. Builders' hardware continues in good demand, with prices, except on a few scattered items, steady. Seasonal sporting goods are being taken in good volume, particularly hunters' supplies.

**Iron and Steel Products**

While considerable irregularity marked developments in this category during the period under review, the general trend was in the direction of further moderate improvement. Both mills and foundries increased their operations, and specialty makers report a more satisfactory volume of new orders. The melt of pig iron in the district during September was approximately 6.2 per cent larger than in August, and 3 per cent in excess of the total for the same month in 1923. Uncertainty relative to prices, caused by the abandonment of the Pittsburgh plus practice of quoting steel products, had a tendency to restrain buying, particularly for distant delivery. Many consumers were disposed to hold off in hope of obtaining some price advantage later on through the change of basing points. For the second consecutive month, production of pig iron and steel ingots for the country as a whole increased during September, but in the case of both commodities the output was below that of the corresponding period last year. Prices of pig iron held about steady with levels prevailing during the preceding thirty days, and buying was on a limited scale, and confined almost exclusively to prompt delivery. Steel prices showed some variation, but the changes were not broad, and in a number of instances were merely adjustments to conform with the new method of making quotations. A further sharp decline in scrap iron and steel took place, the downturn affecting practically all classes of items. Buying of steel by the railroads is proceeding in undiminished volume, and plants producing materials for that outlet are relatively more active than those turning out other lines. Job foundries report the placement of fair tonnages, and machine tool and engine builders have received increased inquiries. Distinct betterment has developed in the demand for farm implements, stoves and other goods used largely in the country. Inquiry for structural steel is better than actual business closed, recent orders being chiefly for small jobs. Warehouse interests report a fair volume of current sales, but little future buying, purchasing continuing

on a hand-to-mouth basis. September sales of stove manufacturers, 7 reporting, were 4.0 per cent under those of the same month in 1923, but 36.4 per cent larger than the August total this year; railway supplies, 5 reporting, decreased 23.3 per cent under last year, and 12 per cent under August this year; farm implements, 6 reporting, gained 13.2 per cent over a year ago but decreased 8.4 per cent under August this year; job foundries, 5 reporting, gained 48.0 per cent over September, 1923, and 6.5 per cent over August this year; manufacturers of boilers, stacks, elevators, wire rope and miscellaneous products, 14 reporting, increased 10.3 per cent over September, 1923, and 7.2 per cent over August this year.

**Lumber**

Wholesale lumber trade conditions remain quiet throughout the district, all classes of quantity buyers being disposed to postpone commitments. The situation is fundamentally sound, though, in that prices are fairly stabilized for all the woods by their near touch with production costs and the low state of stocks among both consumers and producers. Consumption, too, is of fair volume and steady. Only in hardwoods and cypress are mill stocks noticeably full and well assorted, and in the case of the former accumulation is against the losses to production expected to result from the early appearance of unfavorable weather. Retail trade is of rather good volume in the cities, but indifferent to poor in country districts.

**Department Stores**

September sales of leading department stores of the district were 5.5 per cent larger than in September, 1923, but the total for the three months ending September 30, was 0.7 per cent less than for the corresponding period a year ago. Stores in Louisville, Memphis, and Little Rock showed larger sales in September than a year ago, while losses were recorded by all other reporting cities. Stocks on hand at the end of September were smaller by 2.1 per cent than on the same date in 1923. Detailed figures follow:

	Net sales comparisons		Stocks on hand		Annual rate of stock turnover	
	Sept. 1924 comp. to Sept., 1923	3 months ending Sept. 30, 1924, to same period, 1923	Sept. 30, 1924 comp. to Sept. 30, 1923	Sept. 30, 1924	For 3 months ending Sept. 30, 1924	For 3 months ending Sept. 30, 1923
Evansville .....	9.1%	- 6.5%	-14.7%	2.32		
Little Rock.....	+ 1.6	- 0.8	+ 1.9	1.96		
Louisville.....	+ 37.1	+10.9	-10.2	2.21		
Memphis.....	+ 4.4	+ 0.9	- 3.1	2.06		
Quincy.....	- 5.1	- 4.3	- 7.5	2.14		
St. Louis.....	- 1.6	- 4.1	+ 0.8	2.31		
Springfield.....	- 9.5	-12.0	-19.2	1.41		
8th District.....	+ 5.5	- 0.7	- 2.1	2.19		
Entire U. S.....	+ 5.1	- 0.03	- 1.7	2.64		

**Consumption of Electricity**

Consumption of electricity during September in the 5 largest cities of the district by selected industrial customers of the public utility companies decreased 3.4 per cent under the preceding month and 3.3 per cent under September, 1923. The loss as compared with August was due chiefly to the decrease in the refrigeration load, which is seasonal at this time of year. The decrease under September last year was due to rather general losses, but particularly to smaller requirements of the automotive industry, steel fabricating concerns and air reduction plants.

Detail figures follow:

	No. of customers	Sept., 1924	Aug., 1924	Sept. 1924	Sept., 1923	Sept. 1924
		*K.W.H.	*K.W.H.	comp. to Aug. 1924	*K.W.H.	comp. to Sept. 1923
Evansville .....	40	928	1,048	-11.5%	1,043	-11.0%
Little Rock.....	35	1,366	1,211	+12.8	1,200	+13.8
Louisville.....	67	3,990	4,057	- 1.7	4,000	- 0.3
Memphis.....	31	1,025	964	+ 6.3	1,003	+ 2.2
St. Louis.....	80	12,850	13,590	- 5.4	13,591	- 5.5
Totals.....	253	20,159	20,870	- 3.4	20,837	- 3.3

\*In thousands (000 omitted).

The following figures, compiled by the Department of Interior, give kilowatt production for both lighting and industrial purposes for the entire country:

	By water power	By fuels	Total
August, 1924.....	1,519,743,000	3,214,410,000	4,734,153,000
July, 1924.....	1,602,601,000	3,008,038,000	4,610,639,000
August, 1923.....	1,593,980,000	3,061,149,000	4,655,129,000

**Postal Receipts**

	*For quarter ended				Sept. 29, 1924 comp. to Sept. 1923
	Sept. 30, 1924	June 30, 1924	Mar. 31, 1924	Sept. 30, 1923	
Evansville .....	\$ 141	\$ 143	\$ 146	\$ 120	+17.5%
Little Rock.....	201	187	203	190	+ 5.8
Louisville .....	600	630	644	578	+ 3.8
Memphis .....	421	444	426	409	+ 2.9
St. Louis.....	2,669	2,836	2,915	2,479	+ 7.7
Totals.....	\$4,032	\$4,240	\$4,334	\$3,776	+ 6.8

\*In thousands (000 omitted).

**AGRICULTURE**

Taken as a whole agricultural developments in this district were favorable during the period under review. Prospective yields of leading crops changed in minor degree only during September, gains and losses about balancing. The outlook for oats, barley, potatoes, some fruits and vegetables and hay improved, while there were indications for smaller outturns of corn, tobacco, apples, sweet potatoes, grapes and broomcorn than the month before. Weather was in the main auspicious for farm work, and garnering of late crops and seeding of fall grains made excellent progress. High temperatures and scattered rains during early October materially assisted late truck crops and pastures, also the maturing of corn. Market prices of cereals and other products fluctuated rather broadly, but relatively high averages were maintained, and generally a greater degree of optimism prevails in the farming communities than at any like season during the past three years.

Reports relative to planting of winter wheat indicate slightly larger acreages than last fall, stimulation having been furnished by favorable soil conditions and high prices. Much sowing has been completed and early seeded fields are coming up to fine stands, and will enter the cold weather in exceptionally good condition. In some localities heavy infestation of hessian fly is retarding seeding, and generally fly-immune dates are being closely observed.

Husking of corn and silo filling is under way, but due to the lateness of the crop these operations are backward as compared with many former seasons. Cool weather during September delayed maturing of the corn crop in the Northern stretches of the district, and less than the normal portion was matured on October 1. Actual damage done by the scattering frosts was slight, and conditions since October 1 have been ideal for development of late planted corn. The condition of corn on October 1 was below the 10-year average in all states of the district, but there were scattered reports of unusual production. In many Southern counties production is below requirements and the deficit must be made up by purchases from other sections. The total production of corn for this district is estimated at 344,741,000 bushels, against 403,090,000 bushels harvested last year.

Additional improvement was made by oats during September, and in states of this district as well as the country as a whole, the total yield will be well in excess of the five year (1918-1922) average. There are some complaints of poor quality, due to heavy rains while in the shock. Total output for the district is estimated at 60,827,000 bushels, against 52,072,000 bushels last year.

**Corn — Oats**

The U. S. Dept. of Agriculture, in its report as of October 1, 1924, gives condition of corn and oats in states of the Eighth Federal Reserve District as follows:

**Corn**

	Condition		*Production		Harvested		Farm price	
	October 1	Forecast 1924 from condition	1924	1923	1918-22	1924	1923	1923
	%	%	Bu.	Bu.	Bu.	Bu.	cents	cents
Illinois .....	69	78	279,819	281,719	337,312	317,273	108	80
Indiana .....	56	82	115,222	115,190	192,616	177,513	108	82
Kentucky 73	85		71,306	73,378	87,866	89,159	125	100
Missouri 73	74		182,561	187,495	196,860	173,702	110	87
Tenn. ....	69	83	67,785	65,820	73,941	83,241	129	107
U.S.Total	65.3	78.4	2,458,809	2,512,888	3,046,387	2,899,428	109.7	86.2

**Oats**

	Yield per acre		*Total Production		Harvested		Quality		Farm Price	
	1924	10-yr. av.	1924	1923	1918-22	1924	10-yr. av.	1924	1923	1923
	Prelim.	Harvested	Prelim.	Bu.	Bu.	%	%	cents	cents	cents
Illinois .....	39.3	36.8	160,816	135,100	146,005	87	87	44	34	
Indiana .....	37.0	32.8	65,638	48,692	59,088	97	85	46	35	
Missouri .....	27.5	26.0	41,745	34,500	42,189	83	83	52	40	
U.S.Total	36.3	31.9	1,509,409	1,299,823	1,302,516	91.4	87.9	47.1	38.0	

\*In thousands (000 omitted)

Except in certain sections in the South which were affected by drouth early in the season, hay crops have turned out well, and yields will be well over a year ago. Generally there is an abundant supply of forage feeds, but quality is not particularly high. Pastures are in the main in excellent condition, and will furnish grazing sufficient to carry live stock well into the winter. The hay crop for this district is estimated at 8,386,000 tons, compared with 7,643,000 tons in 1923.

Apples in Illinois and Missouri are disappointing, and will yield considerably under last year. In Arkansas, however, the crop is larger than a year ago, and exceeds the 5-year average. Harvesting of late apples was in progress, and recent reports indicate that more than the usual percentage of the crop is being sold at the orchards. The earlier promise of grapes was cut down heavily by black rust. In the Southern sections of the district, the peach crop was large, and well above the 10-year average, but due to the large production and competition from other commercial areas, prices were disappointing.

In the principal producing sections, white potatoes registered marked improvement during September, the condition in Illinois, for example, rising from 91 per cent on September 1 to 110 per cent on October 1. Quality is generally high. Total production for the district is estimated at 19,624,000 bushels against 18,223,000 bushels last year.

Ideal weather conditions have prevailed in the rice growing sections, and harvesting and threshing has made excellent progress. Approximately 35 per cent of the crop in Arkansas has been threshed, and deliveries to mills are heavy. Generally speaking the crop has not deteriorated during the past six weeks, and improvement has taken place on some of the late varieties. The demand continues strong, and prevailing prices averaged around \$1.22 per bushel. There is practically no old rice in the hands of Arkansas millers, but due to uncertainty relative to new crop prices, jobbers and wholesalers are disposed to purchase only for their immediate requirements. For the country as a whole the condition of rice deteriorated 0.4 per cent during September, standing at 79.9 on October 1, with the indicated yield 32,292,000 bushels against 33,256,000 bushels harvested in 1923, and a 5-year average of 42,335,000 bushels.

The entire early planted tobacco crop in both the burley and dark tobacco districts has been housed and weather, with the exception of a few days, has been favorable for proper curing. Late tobacco, however,

has not fared so well. Growers generally have rushed the cutting of the late planted weed fearing damage by frost, and for this reason quite a large part has been cut prematurely. Approximately 85 per cent of the late tobacco has been housed. The frost which appeared on the night of September 30 injured the crop to a certain extent, particularly in Southern Kentucky. The damage in some localities was light, while elsewhere losses were heavy. It is feared that quality will be lowered generally in all localities affected by the frost. Limited sales of old tobacco have been made during the past thirty days, with firm prices prevailing on all desirable grades. Based on the October 1 condition, total production of tobacco for the district is estimated at 298,141,000 pounds, against 396,737,000 pounds last year.

No change in the prospective yield of cotton in this district took place between September 1 and October 1, the estimate based on conditions at both those dates being 2,259,000 bales, which compares with 1,274,000 bales harvested last year. Weather during the past several weeks has been fine for field work, and picking has progressed rapidly, with the movement to gins heavy.

**Cotton**

The condition of cotton in states of the Eighth Federal Reserve District and the United States is given by the Department of Agriculture as follows:

	Condition						*Production		
	Change between						Final 1923		
	Oct. 1, 1924	Sept. 16, 1924	Sept. 1, 1924	Sept. 25, 1923	Sept. 1, 1924 and Oct. 1, 1923	Aug. 25 and Sept. 25, 1923	Fore-cast Oct. 1, 1924	(Cen-tus gin-nings)	
Arkansas	58	59	66	50	— 8	— 7	7	1,068	628
Mississippi	57	57	60	37	— 3	— 11	8	1,113	604
Missouri	59	63	70	64	— 11	— 3	5	201	121
Tennessee	57	60	65	47	— 8	— 17	9	402	228
U.S.Total	53.5	55.4	59.3	49.5	— 5.8	— 4.6	— 6.0	12,499	10,140

\*In thousands of bales (000 omitted).

**Commodity Prices**

Range of prices in the St. Louis market between September 15, 1924, and October 15, 1924, with closing quotations on the latter date, and on October 15, 1923:

	High	Low	Close	
			Oct. 15, 1924	Oct. 15, 1923
<b>Wheat</b>				
December	per bu. \$1.51½	\$1.30½	\$1.49	\$1.10¾
May	1.55¾	1.36¾	1.54¾	1.13¾
July	1.39½	1.33	1.35	1.08½
No. 2 red winter	1.63	1.40	\$1.47 @ 1.52	\$1.17 @ 1.20
No. 2 hard	1.48½	1.26	1.45 @ 1.46	1.10 @ 1.12
<b>Corn</b>				
December	1.13¾	1.01¾	1.12	.77¾
May	1.16	1.03¾	1.15½	.75½
July	1.13	1.11	1.15	.75¾
No. 2	1.17	1.09	1.15 @ 1.16	1.09 @ 1.09½
No. 2 white	1.19	1.12	1.17	1.10½ @ 1.12
<b>Oats</b>				
December	.55¾	.52¾	.53	.43¾
May	.59½	.57¾	.57½	.....
No. 2 white	.57	.49½	.55½	.45½ @ .46
<b>Flour</b>				
Soft patent	per bbl. 8.25	6.50	7.25 @ 8.25	5.25 @ 6.25
Spring patent	8.30	6.75	7.35 @ 7.90	6.10 @ 6.20
Middling cotton	per lb. .25	.22	22½	.29½
Hogs on hoof	per cwt. 12.00	7.25	8.50 @ 11.40	6.50 @ 8.25

Note: September wheat closed at \$1.38½; September corn at \$1.11 and September oats at 50½c.

**Commodity Movement**

Receipts and shipments at St. Louis, as reported by the Merchants' Exchange, were as follows:

	*Receipts			*Shipments		
	Sept. 1924	Aug. 1924	Sept. 1923	Sept. 1924	Aug. 1924	Sept. 1923
	Beef, lbs.	1,173	103	1,069	25,092	24,790
Corn, bu.	2,149	1,971	2,407	1,236	1,458	1,474
Flour, bbls.	475	431	439	598	502	528
Hides, lbs.	6,929	8,482	5,467	9,928	11,559	8,960
Lard, lbs.	4,149	7,164	6,312	8,647	11,797	10,023
Lead, pigs.	279	262	133	228	219	151
Lumber, cars.	17	20	18	12	12	13
Oats, bu.	3,012	3,684	3,184	2,399	25,796	2,313
Pork lbs.	22,820	21,676	23,565	37,643	31,702	31,365
Wheat, bu.	5,567	9,200	3,029	4,142	4,964	2,962
Zinc, slabs.	245	199	158	286	225	136

\*In thousands (000 omitted).

**Live Stock Movement**

Receipts and shipments at St. Louis, as reported by the National Stock Yards, were as follows:

	*Receipts			*Shipments		
	Sept. 1924	Aug. 1924	Sept. 1923	Sept. 1924	Aug. 1924	Sept. 1923
Cattle and Calves	179	132	165	112	90	117
Hogs	312	285	375	228	206	260
Horses and Mules	7	4	7	6	4	8
Sheep	48	63	60	25	18	33

\*In thousands (000 omitted).

**BUILDING**

Weather during the period under review was ideal for all classes of building operations, and the high pace of activity noted in the preceding issue of this report was well sustained. Reports of building material manufacturers and distributors indicate a resumption of building activities in the rural sections, where the call for materials for new construction and repairs is better than in many months. The money value of new building authorized in the five largest cities of the district in September, while approximately 11.6 per cent under the corresponding month in 1923, was the largest since May this year. Some recession in the number of permits for industrial construction was noted, but the lists included a number of amusement enterprises, hotels and schools, and residential building continues on a large scale. With the exception of slight declines in certain grades of lumber and steel bars, prices of building materials showed no change worthy of note. Work on highways is being pushed, and will continue active until interfered with by cold weather. Production of portland cement for the country as a whole during September totaled 14,519,000 barrels, against 15,128,000 barrels in August and 13,109,000 barrels in September, 1923.

Building figures for September follow:

	New Construction				Repairs, etc.			
	Permits		*Cost		Permits		*Cost	
	1924	1923	1924	1923	1924	1923	1924	1923
Evansville	288	134	\$ 403	\$ 277	115	80	\$129	\$ 14
Little Rock	83	63	176	177	130	153	46	53
Louisville	362	282	2,937	1,005	107	123	64	54
Memphis	451	351	1,365	1,349	124	65	50	24
St. Louis	1,059	909	2,192	5,205	591	608	592	388
Sept. totals	2,243	1,739	\$7,073	\$8,013	1,067	1,029	\$881	\$533
Aug. totals	1,922	1,869	5,506	5,330	946	1,075	602	589
July totals	1,797	1,645	5,558	4,802	1,028	946	661	691

\*In thousands of dollars (000 omitted).

**COST OF LIVING**

Several slight changes in the average prices of the major items comprising the total cost of living occurred between August 15, and September 15, 1924, according to the monthly survey of the National Industrial Conference Board. The most important of these were approximately 2 per cent increase for food and 1 per cent decrease for clothing. The total increase for all items combined during the month was six-tenths of one per cent. Between July, 1920, when the peak of the rise in the cost of living since 1914 was reached, and September, 1924, the cost of living decreased 20 per cent. The increase in the cost of living since July, was 63.7 per cent.

The following table shows in detail the changes in the cost of living noted above:

Item	Relative importance in family budget	Percentage of increase in the cost of living above average prices in July, 1914, to—			Percentage of decrease in the cost of living on Sept. 15, 1924, from average prices in	
		July, 1920	Aug., 1924	Sept., 1924	July, 1920	Aug., 1924
		Food*	43.1	119	44	47
Shelter	17.7	58	86	85	17.1**	0.5
Clothing	13.2	166	76	74	34.7	1.1
Fuel and light.	5.6	66	66	66	0.0	0.0
(Fuel)	(3.7)	(92)	(78)	(79)	(6.8)	(0.6)**
(Light)	(1.9)	(15)	(42)	(41)	(22.6)**	(0.7)
Sundries	20.4	85	73	73	6.4	0.0
Weighted average of all items	100.0	104.5	62.8	63.7	20.0	0.6**

\*Food price changes are from the United States Bureau of Labor Statistics.  
\*\*Increase.

The purchasing value of the dollar, based on the cost of living in September, 1924, was 61.1 cents as contrasted with one dollar in July, 1914.

**FINANCIAL**

Outstanding features in the banking and financial situation in this district during the past thirty days have been a plethora of loanable funds held by the commercial banks, heavy liquidation of virtually all classes of loans and an easier trend in rates. Continued marketing of agricultural products on a large scale is reflected in heavy payments to country merchants, who in turn are settling with the wholesalers and jobbers and reducing their commitments at the banks. In the larger centers banks report that their mercantile customers are paying up, and the demand for new loans from that source is limited. Numerous manufacturing and wholesale establishments which are ordinarily heavy borrowers at this season find themselves with surplus funds for which they are seeking temporary investment. The generally moderate stocks of merchandise being carried, and the relatively light volume of future buying are given as additional reasons for the smaller demand for credit from commercial interests. Deposits of the commercial banks continue at the recent high levels, a number of large institutions reporting the largest volume in recent years. In the South demands for financing the cotton, tobacco and rice crops are being easily met, and in the immediate past there has been liberal liquidation of loans based on these commodities, particularly cotton. The demand from the grain and milling interests is holding up well, but requirements of the live stock raisers are less in evidence than earlier in the season.

**Commercial Paper**

A marked scarcity of offerings, coupled with low rates were the chief factors in a decrease of 17.2 per cent in September sales of reporting brokers under the corresponding month in 1923, and a loss of 10.4 per cent as contrasted with the August total this year. Brokers report that their most important borrowing customers are not in the market for loans, with the result that their lists of offerings are conspicuously lacking in choice names. The demand from both country and city banks is extremely good, but paper is lacking to supply it. Rates were again lower, ranging from 3 to 3¼ per cent, which compares with 3¼ to 3¾ per cent during the preceding thirty days, and 5¼ to 5½ per cent during the corresponding period last year.

**Savings Deposits**

The changes in the amount of savings deposits, exclusive of postal savings deposits, since a month ago and a year ago, as reported by the largest member banks in the leading cities of this district, are shown in the following table:

	No. of banks reporting	*Amount of savings deposits			Oct. 1924 comp. to Sept. 1924	Oct. 1924 comp. to Oct. 1923
		Oct. 1, 1924	Sept. 3, 1924	Oct. 3, 1923		
Evansville ....	4	\$ 9,255	\$ 9,240	\$ 8,998	+ 0.2%	+ 2.9%
Little Rock ..	5	7,615	7,585	7,125	+ 0.4	+ 6.9
Louisville ....	7	26,807	26,926	23,559	- 0.4	+ 13.8
Memphis .....	4	16,636	17,329	18,131	- 4.0	- 8.2
St. Louis.....	12	77,934	77,496	72,315	+ 0.6	+ 7.8
Totals.....32		\$138,247	\$138,576	\$130,128	- 0.2	+ 6.2

\*In thousands (000 omitted).

**Debits to Individual Accounts**

	*For four weeks ending			Oct. 1924 comp. to Sept. 1924	Oct. 1924 comp. to Oct. 1923
	Oct. 22, 1924	Sept. 24, 1924	Oct. 24, 1923		
E. St. Louis and					
Natl. Stock Yards, Ill..	\$ 42,349	\$ 38,463	\$ 44,760	+10.1%	- 5.4%
El Dorado, Ark.....	6,653	6,983	7,481	- 4.7	-11.1
Evansville, Ind.....	26,273	25,863	29,716	+ 1.6	-11.6
Fort Smith, Ark.....	16,781	10,464	14,194	+60.3	+18.2
Greenville, Miss.....	4,779	3,187	3,490	+50.0	+36.9
Helena, Ark.....	6,898	4,174	5,633	+65.3	+22.5
Little Rock, Ark.....	82,807	62,431	67,726	+32.6	+22.3
Louisville, Ky.....	152,278	153,162	146,677	- 0.6	+ 3.8
Memphis, Tenn.....	138,058	110,809	143,647	+24.6	- 3.9
Owensboro, Ky.....	4,685	4,649	5,739	+ 0.8	-18.4
Quincy, Ill.....	10,874	9,962	10,100	+ 9.2	+ 7.7
St. Louis, Mo.....	654,805	570,316	683,984	+14.8	- 4.3
Sedalia, Mo.....	4,178	4,015	.....	+ 4.0	.....
Springfield, Mo.....	11,546	11,498	13,947	+ 0.4	-17.2
Totals.....	\$1,162,964	\$1,032,620	.....	+12.6	- 1.6

\*In thousands (000 omitted).

**Condition of Banks**

The upward trend in loans and discounts of the 34 reporting member banks continued during the period under review, and on October 15 reached a new high point for the year. The total on that date, \$483,019,000, was \$8,521,000 larger than on September 17, 1924, and \$13,757,000 in excess of the total on October 17, 1923. Investments remained stationary, but there was a sharp upward movement in deposits, the total of \$585,548,000 on October 15 being the highest in more than two years and comparing with \$573,428,000 on September 17 and \$529,447,000 on October 17, 1923.

The following statement shows principal resources and liabilities of reporting member banks in Evansville, Little Rock, Louisville, Memphis, and St. Louis:

	*Oct. 15, 1924	*Sept. 17, 1924	*Oct. 17, 1923
Number of banks reporting.....	133	134	36
Loans and discounts (incl. rediscounts)			
Secured by U. S. Govt. obligations.....	\$ 9,869	\$ 9,843	\$ 12,392
Secured by other stocks and bonds.....	153,747	151,390	140,964
All other loans and discounts.....	319,403	313,262	315,906
Total loans and discounts.....	\$483,019	\$474,495	\$469,262
Investments			
U. S. Pre-war bonds.....	14,807	14,808	15,204
Liberty bonds.....	22,924	22,826	23,551
Treasury bonds.....	2,256	2,505	7,610
Victory and Treasury notes.....	10,160	10,140	18,410
Certificates of Indebtedness.....	2,607	3,934	5,861
Other securities.....	94,548	93,238	83,532
Total investments.....	\$147,302	\$147,451	\$154,168
Reserve balance with F. R. bank.....	45,496	44,319	39,530
Cash in vault.....	7,932	7,243	8,163
Net demand deposits.....	375,393	367,339	333,606
Time deposits.....	206,549	201,800	190,183
Government deposits.....	3,606	4,289	5,658
Bills payable and rediscounts with			
Federal reserve bank			
Secured by U. S. Govt. obligations.....	977	880	13,616
All other.....	5,244	4,760	35,060

\*In thousands (000 omitted).  
 †Decrease due to consolidation. Total resources of these 33 banks comprise approximately 54 per cent of the resources of all member banks in the district.

**Federal Reserve Operations**

There was a further increase during September in the amount of paper discounted by the Federal Reserve Bank of St. Louis. On October 15, the amount of bills held was \$22,248,000 which compares with \$18,323,000 on September 17, and \$71,944,000 on October 17, 1923. Total earning assets on October 15 were \$45,461,000 as against \$44,034,000 on September 17, and \$71,951,000 on October 17, 1923. The combined reserve ratio of this bank against deposit and Federal reserve note liabilities on October 15 was 72.5 per cent, which compares with 73.7 per cent on September 17 and 55.2 per cent a year ago. During September this institution discounted for 239 of its member banks, which compares with 236 and 271 accommodated in August this year and September, 1923, respectively. The discount rate remains unchanged at 4 per cent.

(Compiled October 24, 1924)

# FEDERAL RESERVE BANK OF ST. LOUIS



## MONTHLY REVIEW OF BUSINESS CONDITIONS IN FEDERAL RESERVE DISTRICT No. 8

Released for Publication On and After the Afternoon of November 29, 1924

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CHAIRMAN OF THE BOARD AND FEDERAL RESERVE AGENT

**S**TEADY growth in industrial activity, renewed confidence in the immediate outlook for trade, advancing commodity prices, continued strength in the banking and financial situation, heavy distribution of merchandise, enormous freight loadings and generally auspicious conditions for fall crops and farm operations were among the factors favorably affecting general business in this district during the past thirty days. In a majority of lines investigated October sales showed gains over the preceding month this year, and while some minor decreases as compared with the corresponding month in 1923 were developed, the losses were attributed largely to the unusually warm weather which seriously hampered the movement of seasonal goods throughout the chief trade territories.

While the disposition to cautious buying continues among both merchants and ultimate consumers, there was a perceptible relaxation on the part of the former from the recent policy to purchase only for immediate requirements. Ordering of merchandise for selling in the spring was being pursued with greater confidence and on a larger scale than heretofore. Retailers in the rural areas, whose stocks had been allowed to run low in recent months, showed considerably more interest in replenishing and filling out their assortments. Initial ordering of holiday goods in virtually all lines is reported satisfactory, and generally in excess of the corresponding period a year ago.

Production in a number of the basic industries recorded excellent gains over the month before. Iron and steel plants increased their activities, and the placement of orders for their products during the past several weeks has been in volume sufficient to renew interest in raw materials. Purchases of pig iron were the largest for any similar period this year, and heavy buying of scrap iron and steel, coupled with generally small stocks resulted in a sharp upturn in prices for waste material. Manufacturers of specialties, particularly stoves, farm implements and other goods consumed largely in the country, report substantial accretions to their unfilled orders.

Improvement in the drug and chemical, furniture, grocery and electrical supply lines, noted in the preceding issue of this report, continued during the period under review. Sales in these and several other classifications were stimulated by ordering of holiday goods. Reports relative to clothing and textiles generally were somewhat spotted. Price uncertainty and the unseasonably low temperatures were responsible for hesitation in certain quarters, particularly on staple goods. The movement of specialties, novelties and styled goods, however, was in satisfactory volume. The shoe industry continued its gains of recent months, though October sales while larger in volume

than a year ago, were slightly smaller in dollar value, due to a decrease in prices.

A feature of the employment situation was the sustained activity in building operations, the mild weather having permitted of all sorts of outdoor work, including highway and river improvement operations, to be carried further into the season than usual. This has resulted in a heavy call for common labor, and skilled artisans in the building trades are well employed. The demand for help on farms was well sustained, particularly in the South, where harvesting of the cotton, tobacco and rice crops was being completed. Foundries and steel mills added to their forces and the same was true of the railroads. Meat packing plants and flour mills were operating with close to normal complements of labor. Not much change took place in the coal mining areas, but full employment was the rule in the lead and zinc fields.

Changes in crop conditions in the district during October as contrasted with the preceding month were in the direction of betterment. Heavier production, based on November 1 conditions than at the opening of October, was indicated in corn, cotton, tobacco, and rice. According to the Department of Agriculture's report, the average yield per acre of all crops combined in States wholly or partly in this district—duly weighted—compared with the average for recent years, was 94.4 per cent, against 91.03 per cent last year, 97.4 per cent in 1922, 103 per cent in 1921 and 93.2 per cent in 1920. Marketing of farm products, including live stock, was on a large scale, receipts of corn, wheat, cotton, cattle and hay being well in excess of the same period a year ago.

As was the case during the preceding thirty days, cereal prices fluctuated broadly, but with the trend upward, wheat making a new high record on the crop. Between October 15 and November 15, in the St. Louis market, December wheat ranged from \$1.37 $\frac{1}{8}$  to \$1.55 $\frac{5}{8}$ , closing at \$1.53 on the latter date, which compares with \$1.49 $\frac{3}{4}$  on October 15, and \$1.04 on October 15, 1923. Cash wheat was correspondingly high, No. 2 red winter selling at \$1.66 on November 10, the highest in more than three years. December corn closed slightly lower on November 15 than the month before, but the more distant options were higher. In face of the Government's increased estimates of production, cotton prices advanced, middling selling at 24c per pound on November 15, against 22 $\frac{1}{2}$ c a month earlier. Hog prices declined in sympathy with lower quotations on fresh pork products. With improved demand for fats and hides, beef prices were in the main satisfactory. There was an active market for mutton, and sheep prices were strong.

High temperatures extending through October and the first weeks of November resulted in serious setback to the coal trade. Consumption by householders was greatly below normal for this time of year, and dealers generally were loath to contract for their mid-winter supplies in view of the scant purchasing by their customers. There was some improvement in the demand for steaming coal in the chief industrial centers, but in the country steam sizes are still slow. In Arkansas several mines were obliged to close down, due principally to the extreme difficulty of moving screenings. In the Kentucky field business was relatively more active than elsewhere, owing to a wider selling radius permitted by non-union operation and slightly lower prices. Generally list prices were unchanged, but in numerous instances concessions were being granted in order to move tonnage. The domestic coke situation continued dull, with stocks on producers' yards still heavy. The demand for metallurgical coke, however, was fairly active and prices firm. Production of bituminous coal for the country as a whole during the first 265 working days of the calendar year, or to November 8, totaled 392,849,000 net tons, which compares with 475,551,000 tons for the corresponding period last year and 342,883,000 tons in 1922. Reports from the mines indicate that lack of demand remains by far the dominant factor in limiting production.

Reports of railroads operating in this district continue to reflect the movement of enormous tonnage of freight, several important roads in October having exceeded the record of any previous single month. For the country as a whole a new high record for all time was established during the week ended October 25, when 1,112,345 cars of revenue freight were loaded. This total was 10,009 cars greater than the preceding week, the previous high record, and a gain of 38,504 cars over the corresponding week last year and of 112,627 cars over the same period in 1922. A considerable portion of the gains were accounted for by grain and grain products and miscellaneous freight, both these classifications establishing new high records. The Terminal Railway Association of St. Louis, which handles interchanges for 28 connecting lines, interchanged 229,275 loads in October, the highest on record, and comparing with 213,480 loads in September and 226,242 loads in October, 1923. During the first nine days of November 62,868 loads were interchanged, against 68,973 loads during the first nine days of September and 66,020 loads during the corresponding period a year ago. Passenger traffic of the reporting roads decreased 12 per cent during October as compared with the same month last year. Tonnage moved by the Mississippi River section of the Federal Barge line during October between St. Louis and New Orleans amounted to 56,000 tons, against 80,537 tons in September and 55,306 tons in October, 1923.

Further improvement in collection efficiency is indicated in reports from leading interests in both wholesale and retail lines. Payments to wholesale dry goods and shoe interests during October and early November were fully equal to expectations, and slightly above those of the corresponding period a year ago. Continued heavy marketing of crops has resulted in extensive liquidation of indebtedness in the farming communities, particularly in the grain and cotton areas. Country merchants are for the most part meeting their bills as they fall due, and a general comment among jobbers and wholesalers is that there are fewer requests for extensions than at any time in more

than two years. Retailers in the large cities report that with but relatively few exceptions their customers are paying promptly. Answers to 423 questionnaires addressed to representative interests in various lines throughout the district show the following results:

	Excellent	Good	Fair	Poor
Oct., 1924.....	4.2%	38.2%	51.6%	6.0%
Sept., 1924.....	4.1	34.9	54.8	6.2
Oct., 1923.....	0.9	35.3	57.1	6.7

Commercial failures in the Eighth Federal Reserve District during October, according to Dun's, numbered 79, involving liabilities of \$1,945,106, against 71 defaults in September with indebtedness of \$3,586,174, and 84 failures for \$1,308,833 in October, 1923.

The per capita circulation of the United States on November 1 was \$43.12, against \$42.52 on October 1, and \$43.27 on November 1, 1923.

## MANUFACTURING AND WHOLESALE

### Automobiles

The increase in production of automobiles for the country as a whole, which had continued each consecutive month since May, was halted in October, the combined output of passenger cars and trucks for that month falling 0.6 per cent under the September total. As contrasted with a year ago, the October production showed a decrease of 20.7 per cent. Manufacturers reporting direct or through the Automobile Chamber of Commerce built 257,839 passenger cars in October, against 260,091 in September and 334,244 in October, 1923. The output of trucks by the same companies in October numbered 30,597, which compares with 30,154 in September and 29,639 in October, 1923.

As compared with September, sales of new automobiles showed a rather sharp decrease during October, but the total for the latter month was about equal to that of the corresponding period a year ago. The decrease in October under September is seasonal, and no greater than usual. Sales of 320 dealers scattered through the district during October were 10.4 per cent less than in September, and 0.2 per cent under the October, 1923 total. The number of cars on dealers' floors at the end of October was slightly less than the month before, and considerably below the total of a year ago. Manufacturers are shipping cars as required, and many of the most important producers have announced they will not load up dealers during the winter months with stock for sale in the spring. As has been the case for the past several months, business in accessories continues relatively better than in new cars, sales of the reporting dealers during October showing gains over September, 1924 and October, 1923. Further improvement was noted in the tire situation, both in point of stocks and volume of sales. Prices displayed a stronger tendency. No change worthy of note took place in the used car market as compared with the preceding month. Reductions in the price of new cars were announced by several manufacturers.

### Boots and Shoes

Sales of the 11 reporting interests during October were 1.8 per cent smaller than for the corresponding month in 1923, but 1.3 per cent larger than the September total this year. In actual pairs of shoes sold the showing made in October exceeded that of a year ago, the decrease in dollar value being accounted for by a reduction of 3 to 4 per cent in prices as com-

pared with October, 1923. Orders received in early November have been in satisfactory volume and indicate gains over the same period last year. The demand in men's lines centers chiefly in the cheaper grades, those selling from \$4 to \$6. Goods to sell at \$8 and higher are relatively quiet. All grades of women's and children's footwear continue active, with the demand for novelties particularly strong. Factory operation was at from 80 to 100 per cent of capacity. The trend of prices is higher, the average being up about 2½ per cent since September 1. The upturn in finished products is largely in sympathy with higher raw materials.

### Clothing

While the movement of clothing during the period under review, according to the reporting interests, was considerably more active than thirty days earlier, the unseasonably low temperatures had a retarding effect on sales of heavy-weight goods, and a spell of cold weather is much needed to produce best results. Ordering of goods for spring wear is in larger volume than a year ago, and assortments being taken include a greater variety and larger percentage of better class garments. Prices of finished goods showed little change worthy of comment, but the continued strength of raw wool is having a strengthening effect in apparel based on that staple. Sales of the 10 reporting interests during October were 3.9 per cent less than the same month last year, and 73.1 per cent over the September total this year, the latter gain being accounted for by seasonal considerations. Milliners complain of continued quietness, sales of representative concerns showing decreases both as compared with the preceding month and a year ago.

### Drugs and Chemicals

As compared with a year ago, October sales of the 11 reporting interests showed an increase of 8.3 per cent, and the total was 11.5 per cent larger than during September this year. Improvement was pretty general through the entire line, but particularly noticeable in medicinal drugs and fine chemicals. Buying for future requirements is in larger volume and being pursued with greater confidence. Ordering of holiday goods has opened up in excellent shape, with total sales in this general category well in excess of the same time in 1923 or 1922. Improvement in the metal industries has had a favorable effect on the demand for heavy chemicals. There was little change in prices in drugs and fine chemicals, but the trend was upward. Of twenty-five changes reported, eighteen were advances and seven declines.

### Dry Goods

Sales of the 12 reporting interests during October were 3.9 per cent larger than for the same month in 1923, and 18.9 per cent under the September total this year. Since the middle of October there has been steady improvement in ordering for January to March delivery, and the volume of cancellations and returned goods has fallen off perceptibly. Business for immediate shipments continues satisfactory, and the comment is made that the number of small orders for delivery by parcels post and express is larger than ever before. Fluctuations in the raw cotton market have caused considerable irregularity in prices of cotton goods, there having been advances and declines. The demand for knitted goods has been unfavorably affected by the warm weather, but there was a better movement of overalls and men's work clothes generally. Wash fabrics for spring sold more freely, but for the most part retailers are confining their com-

mitments to small lots of a wide variety and fancy weaves. Novelty weaves and crepes are reported the most active section of the silk goods market. Buying of staples is backward, owing to price uncertainty and lack of demand.

### Electrical Supplies

October sales of the 12 reporting interests were 6.7 per cent under the corresponding month in 1923, but 1.0 per cent in excess of the September total this year. The movement of pole and line hardware was reported in good volume, and the late fall has kept up an active demand for new building installations. The holiday demand for radio equipment, flashlights, fancy lamps and other seasonal goods is being felt, with advance sales somewhat larger than a year ago. The general improvement in industrial activity has stimulated the demand for motors and repair materials. The chief price changes reported were a reduction in mild steel pipe (conduit), and a further slight advance in bare and insulated wire and cables.

### Fire-Clay Products

A decrease of 12.1 per cent in October sales as compared with the same month last year was shown by the 5 reporting interests, and as contrasted with the September total this year a loss of 1.1 per cent was shown. Some recession in purchasing by the cement and oil industry was reported, and sales to the iron and steel industry were also smaller. Miscellaneous materials are moving in fair volume, and several sizeable inquiries for vitrified projects are pending. Since November 1 a fair volume of orders for first quarter of 1925 requirements has been booked.

### Flour

Production of the 11 leading mills of the district during October was 375,858 barrels, against 383,922 barrels in September and 446,009 in October, 1923. Business generally during the period under review was described as quiet. There was a fair current movement in a small way to the domestic trade, and purchasing of soft flours in the South increased somewhat, but car lot buying continues backward. Mills advanced their prices sharply in sympathy with the rise in wheat, but buyers were disinclined to follow the upturn, and buying was on a hand-to-mouth basis. Shipping directions on flour previously purchased were good, however, and the mills were kept busy grinding on old orders. There was the usual routine export business with Latin-American countries, but bids from Europe were mainly too far out of line to result in workings.

### Furniture

Improvement in this classification noted in the preceding issue of this report was accelerated by appearance of an excellent demand for holiday goods, and October sales of the 25 reporting interests gained 7.9 per cent over those in September and were 6.5 per cent larger than the October, 1923 total. The demand for household furniture, particularly suites, is reported better than at any time in more than two years, and there is an active call for hotel, hospital and school equipment. Stocks in retailers hands are small, and there is more disposition to replenish than heretofore. Buying by merchants in the country districts, particularly in the South, has developed marked betterment during the past six weeks.

### Groceries

Greater purchasing power in the rural communities, good condition of roads, ordering for the holiday trade and small stocks in retailers' hands were men-

tioned as the chief factors favorably affecting business in this classification. October sales of the 22 reporting interests were 4.9 per cent larger than during the same month in 1923, and 5.8 per cent in excess of the September total this year. The trend of prices continues upward, with further specific advances in canned goods, cereals and several of the important staples. Sugar, however, continued weak and the recent upturn in coffee was checked. Purchasing of dried and preserved fruits, nuts and candy for the holidays is reported on a more liberal scale than for any similar period in more than three years.

### Hardware

October sales of the 12 reporting interests were 0.8 per cent greater than those of the same month in 1923, but 4.5 per cent under the total of September this year. The comment is made that business in the country is relatively better than in the large centers of population. Agriculturists are filling their needs more freely, and all seasonal goods for the farm are moving in good volume. The demand for builders hardware and tools showed less than the usual seasonal decrease. Considerable interest was manifested in holiday goods. There was some reordering of hunters' supplies, and advance sales of spring sporting goods were reported in fair volume. Prices average about steady with the preceding thirty days, advances equalizing declines.

### Iron and Steel Products

Activities at mills, foundries and machine shops increased slightly during the period under review, and reports from these interests indicate further gradual improvement in the demand for their products. While purchasing continues largely for nearby requirements, there has been considerable ordering for first quarter of 1925 needs, particularly of raw materials. The tonnage of pig iron engaged during the past thirty days was the largest for any similar period since last February. For the country as a whole, pig iron production in October scored a liberal gain, and steel ingot output also increased, this being the third consecutive month in which gains were recorded in these materials. The late fall, which has favored building activities, is accountable largely for a heavy movement of all varieties of iron and steel going into construction. The demand for bars, shapes and wire products has been well sustained at generally steady prices. Manufacturers of specialties, notably stoves and farm implements, report increased sales, and October bookings of several of the most important steel mills of the district were largely in excess of the preceding month, and in two instances the heaviest in two years. Foundries specializing in gray castings report the placement of a good volume of orders since November 1, and general purchasing by the railroads is in excellent volume. Scant supplies and speculative activity on the part of dealers resulted in a further sharp advance in scrap iron and steel prices, the upturn affecting virtually all items in the list. Warehousemen report a continued good movement of their entire line, but with sales chiefly for spot shipment. The demand for oil field materials and general supplies for the coal mining areas continues quiet. October sales of stove manufacturers, 7 reporting, were 2.0 per cent larger than for the corresponding month in 1923, and 4.1 per cent in excess of the September total this year; railway supplies, 5 reporting, decreased 32 per cent under last year, but increased 12.3 per cent over September this year; farm implements, 6 reporting, decreased 5.2 per cent under October, 1923, but

gained 13.4 per cent over September this year; job foundries, 5 reporting, decreased 6.0 per cent under October, 1923, and 1.1 per cent under September this year; manufacturers of boilers, stacks, elevators, wire rope and miscellaneous products, 14 reporting, decreased 0.5 per cent under October, 1923, and gained 32.6 per cent over September this year.

### Lumber

Favorable building weather through October and the first half of this month served largely to offset the tendency to cautious buying, and an improvement in most woods has taken place. Small and broken stocks at mills and in dealers' yards, and a disposition on the part of jobbers to fill out their assortments has resulted in the placement of some fair orders and strengthening of prices. Specific advances have been recorded on several items of yellow pine. Some substantial orders have been placed by the car builders, and demands of the automotive industry continue large. Dullness in the hard woods is still general, but the feeling for the future is optimistic and prices firm. The export demand continues good.

### DEPARTMENT STORES

	Net sales comparisons		Stocks on hand		Annual rate of
	Oct. 1924	Four months ending	Oct. 31, 1924	comp. to	stock turnover
	comp. to	Oct. 31, 1924, to	comp. to	For 4 months	ending
	Oct. 1923	same period, 1923	Oct. 31, 1923	Oct. 31, 1924	Oct. 31, 1924
Evansville .....	-10.2%	- 7.7%	-16.5%		1.79
Little Rock.....	+ 1.4	+ 2.0	- 0.4		2.11
Louisville .....	- 2.1	+ 5.8	- 9.2		2.41
Memphis .....	+ 2.8	- 0.2	- 3.8		2.21
Quincy .....	-12.7	+ 3.3	- 4.0		2.20
St. Louis.....	- 8.1	- 5.2	+ 1.4		2.80
Springfield.....	-23.2	-15.3	-19.1		1.43
8th District.....	- 4.7	- 1.8	- 1.9		2.48

### CONSUMPTION OF ELECTRICITY

Consumption of electricity during October by selected industrial customers of the public utility companies in the five largest cities of the district was greater by 4.0 per cent than during September, but fell 2.5 per cent under the total for October, 1923. As compared with the preceding month, the only notable reductions were those of a seasonal character in ice manufacturing and cold storage, good gains being shown by the flour milling, mining, cement and wood working industries. Losses as compared with last year were attributable to heavily reduced loads taken by several large individual companies, the aggregate of which more than offset general gains distributed through most classes of consumers.

Detail figures follow:

	No. of	Oct.,	Sept.,	Oct., 1924	Oct.,	Oct. 1924
	customers	1924	1924	comp. to	1923	comp. to
		*K.W.H.	*K.W.H.	Sept. 1924	*K.W.H.	Oct. 1923
Evansville .....	40	1,029	928	+10.9%	1,054	- 2.4%
Little Rock.....	35	1,096	1,366	-19.8	1,273	-13.9
Louisville .....	67	4,264	3,990	+ 6.9	4,246	+ 0.4
Memphis .....	31	1,477	1,025	+44.1	1,146	-28.9
St. Louis.....	82	13,159	12,904	+ 2.0	13,012	+ 1.1
Totals.....	255	21,025	20,213	+ 4.0	20,731	- 2.5

\*In thousands (000 omitted).

The following figures, compiled by the Department of Interior, give kilowatt production for both lighting and industrial purposes for the entire country:

	By water power	By fuels	Totals
September, 1924.....	1,496,127,000	3,309,732,000	4,805,859,000
August, 1924.....	1,517,621,000	3,217,650,000	4,735,271,000
September, 1923.....	1,491,969,000	3,079,267,000	4,571,236,000

### AGRICULTURE

During the period under review weather conditions were peculiarly favorable for agricultural operations, and farmers made marked progress with fall work. Harvesting of late vegetables, fruits, and forage crops was completed, and yields were for the most part up to or in excess of expectations. The movement of all varieties of farm products has been on an

extensive scale, the long dry spell having put roads in excellent condition for hauling to railroad terminals. In the case of cereals and cotton a further incentive to marketing has been the high level of prices.

Seeding of winter wheat, which extended over an unusually long time because of the dry weather, has been completed. Early planted fields are up to a good stand, and generally the plant will enter the cold weather in fine condition. Late-sown grain was greatly benefited by the rains during the first weeks of November. Latest reports indicate some increase in acreage over last autumn. There are scattered complaints of hessian fly, but nothing serious, immunity dates having been almost universally observed.

Weather conditions throughout October and early November were ideal for corn in this district, and much of the crop which it was thought would turn out of poor quality has dried thoroughly and will make fine grain. Cribbing is generally backward, but this fact is proving beneficial rather than otherwise, as the corn will be in better condition than if it had been housed earlier. A general killing frost was not experienced until October 21, and meantime much of the crop had matured. In Illinois, the chief corn State of the district, the average yield is placed at 33 bushels per acre and the total production estimated at 302,775,000 bushels, or only 37,350,000 bushels under the 1923 output. The average in Missouri is 26.5 bushels per acre, and indicated yield 179,113,000 bushels against 196,960,000 bushels harvested in 1923. In Arkansas, however, the yield is only 16.5 bushels to the acre and in Tennessee 21.5 bushels. Generally the merchantable portion of the crop is small. The high prices paid for old corn have resulted in heavy shipments and reserves on farms are below the 10-year average. Live stock feeding in some sections will be below the average of last year. Production of corn for the district as a whole is estimated at 350,074,000 bushels, against 403,090,000 bushels in 1923.

**Corn — Tobacco**

The U. S. Dept. of Agriculture, in its report as of November 1, 1924, gives condition of corn and tobacco in states of the Eighth Federal Reserve District as follows:

**Corn**

	Yield per acre		*Total production				Farm Price	
	1924 (Prelim.)	10-yr. av.	1924 (Prelim.)	1923	5-yr. av. 1918-22	1924	10-yr. av.	October 15 1924 1923
	Bu.	Bu.	Bu.	Bu.	Bu.	%	%	cts. cts.
Illinois.....	33.0	34.6	302,775	337,312	317,273	70	82	104 77
Indiana.....	27.0	36.3	124,281	192,616	177,513	57	82	108 76
Kentucky.....	25.0	27.7	74,000	87,866	89,159	72	83	120 93
Missouri.....	26.5	27.4	179,114	196,860	173,702	73	80	109 86
Tennessee.....	21.5	25.3	68,134	73,941	83,241	78	85	124 104
U.S.Total.....	23.5	27.6	2,477,538	3,046,387	2,899,428	63.2	83.4	108.9 84.8

**Tobacco**

	lbs.	lbs.	lbs.	lbs.	lbs.	82	87	.....	.....
Indiana.....	870	892	18,270	19,800	16,202	82	87	.....	.....
Kentucky.....	785	868	385,435	494,190	446,072	79	86	.....	.....
Tennessee.....	760	774	101,840	109,500	87,796	78	88	.....	.....
U.S.Total.....	713	799	1,213,975	1,491,066	1,360,661	76.5	83.5	.....	.....

\*In thousands (000 omitted).

The production of hay was only slightly below that of a year ago, but due to the long, wet harvest, a considerable part of the crop is of inferior quality. With but few minor exceptions, fodder is plentiful in all sections, though corn cut for fodder is less than in 1923. Total output of hay for the district is estimated at 18,007,000, against 18,876,000 tons in 1923. Pastures in some sections were badly dried up during

the drouth of October, but were revived by the precipitation early this month. In the South it will be possible to pasture live stock later into the year than usual, thus effecting economy of prepared feeds.

No change worthy of comment occurred during the period under review in prospects of late fruits. The apple crop was picked under ideal conditions, and shipments have been heavy. Arkansas has a total production of 3,630,000 bushels and commercial crop of 787,000 barrels, against 3,025,000 bushels in 1923, of which 656,000 barrels comprised the commercial crop. In Missouri and Illinois, both total yield and commercial crop were under a year ago. The peanut crop suffered from bad weather, and was the smallest in more than a decade.

The yield of white potatoes in the district, 19,771,000 bushels, compares with 18,223,000 bushels harvested in 1923, and quality of the current crop is generally high. Disappointing market prices, however, have held down shipments, and in some sections farmers are feeding potatoes to live stock and poultry. On the other hand, drouth and other factors in important producing states damaged sweet potatoes, and the output is considerably below the average of the past five years.

Total production of tobacco of all types in this district is estimated at 315,418,000 pounds, against 396,737,000 pounds a year ago. The quality of the crop varies considerably, and final results will depend in large measure on weather conditions during the curing period. Conditions during the growing period were un auspicious for best results. The late, wet spring interfered with planting, and fears of frost and field rust in fall caused much premature cutting. The extreme dry weather prevailing in October prevented farmers from stripping the leaf, though these same conditions proved favorable for curing the late crop, and such tobacco as was cut too soon. The recent rains have materially benefited housed tobacco, and it is thought the principal markets will open about December 1, and that considerable tobacco will be ready for sale at that time. Sales of old tobacco by the marketing associations and independent dealers while comparatively small, have been at steady prices.

The rice crop has been entirely harvested, and about 75 to 80 per cent threshed. Due to exceptionally favorable weather, the movement of rice to mills has been large. Quality in the main is good. Yields are shorter than usual, but on account of the splendid harvest weather garnering is thorough and at relatively cheaper cost. There is an active market for all qualities of clean rice, and sales have been heavy, including a considerable export tonnage to Europe and South America. No. 1 blue rose rice sold as high as \$1.45, and the average price of all grades is around \$1.38 per bushel. Stocks of old rice have been practically exhausted.

Weather conditions were unusually favorable for opening and picking the remainder of the cotton crop, and fields have been thoroughly cleaned up. In a number of sections late bolls matured well, and yields are turning out somewhat better than earlier expectations. The indicated yield for the district on November 1 was 2,316,000 bales, a gain of 57,000 bales over the estimate of October 1, and comparing with 1,274,000 bales harvested in 1923. The movement to date has been heavy, and for the most part quality of the staple is high.

### Cotton

The condition of cotton in states of the Eighth Federal Reserve District and the United States is given by the Department of Agriculture as follows:

	*Production			Condition				*Production
	Final Census		Forecast	or prospect in per cent of normal or full yield per acre				
	1914-1923	1922		Oct. 18, 1924	Oct. 25, 1923	Oct. 18, 1924	Nov. 1, 1924	
Arkansas .....	947	1,018	628	1,130	37	60	62	1,150
Mississippi .....	941	989	604	1,135	36	58	61	1,120
Missouri .....	79	143	121	200	49	59	56	190
Tennessee .....	320	391	228	400	35	58	59	365
U. S. Total.....	11,484	9,762	10,140	12,675	47.8	54.7	55.9	12,816

\*In thousands of bales (000 omitted).

### Commodity Prices

Range of prices in the St. Louis market between October 15, 1924, and November 15, 1924, with closing quotations on the latter date, and on November 15, 1923:

	High	Low	Close	
			Nov. 15, 1924	Nov. 15, 1923
<b>Wheat</b>				
December .....per bu.	\$1.55½	\$1.37½	\$1.53	\$1.04
May .....	1.62½	1.43½	1.60	1.09
July .....	1.39½	1.28	1.38½	1.04½
No. 2 red winter..	1.69	1.47	\$1.65 @ 1.66	\$1.10 @ 1.13
No. 2 hard.....	1.56	1.35½	1.51½ @ 1.53	1.05 @ 1.05½
<b>Corn</b>				
December .....	1.14½	.99½	1.11½	.76¾
May .....	1.19¾	1.03¾	1.17½	.73½
July .....	1.18¾	1.18¼	1.18¼	.73¾
No. 2.....	1.14	1.02	1.12	1.02
No. 2 white.....	1.15½	1.02	1.11 @ 1.12	1.03
<b>Oats</b>				
December .....	.54	.48	.52¾	.43½
May .....	.59	.52¼	.58	.46
No. 2 white.....	.56½	.48	.55½	.45
<b>Flour</b>				
Soft patent.....per bbl.	8.75	7.25	8.00 @ 8.75	5.25 @ 6.25
Spring patent.....	8.50	7.10	7.85 @ 8.20	5.85 @ 6.00
Middling cotton.....per lb.	.24	.22¾	.24	.33½
Hogs on hoof.....per cw.11.75		7.00	9.25 @ 9.50	5.25 @ 6.90

### Commodity Movement

Receipts and shipments at St. Louis, as reported by the Merchants' Exchange, were as follows:

	*Receipts			*Shipments		
	Oct. 1924	Sept. 1924	Oct. 1923	Oct. 1924	Sept. 1924	Oct. 1923
Beef, lbs.....	123	1,173	3,763	26,765	25,092	32,527
Corn, bu.....	2,397	2,149	1,998	1,492	1,236	1,110
Flour, bbls.....	469	475	524	655	598	631
Hides, lbs.....	11,113	6,929	9,967	14,562	9,928	12,167
Lard, lbs.....	6,663	4,149	7,291	9,116	8,647	9,737
Lead, pigs.....	289	279	119	236	228	176
Lumber, cars.....	19	17	22	13	12	15
Oats, bu.....	2,946	3,012	3,580	2,437	2,399	2,748
Pork, lbs.....	22,902	22,820	25,692	34,214	37,643	35,153
Wheat, bu.....	5,363	5,567	3,141	4,673	4,142	2,456
Zinc, slabs.....	235	245	196	374	286	184

\*In thousands (000 omitted).

### Live Stock Movement

Receipts and shipments at St. Louis, as reported by the National Stock Yards, were as follows:

	*Receipts			*Shipments		
	Oct. 1924	Sept. 1924	Oct. 1923	Oct. 1924	Sept. 1924	Oct. 1923
Cattle and Calves.....	171	179	197	107	112	117
Hogs .....	379	312	480	267	228	315
Horses and Mules.....	6	7	13	6	6	12
Sheep .....	46	48	53	21	25	25

\*In thousands (000 omitted).

### BUILDING

The dollar value represented in permits issued for new construction in the five largest cities of the district during October was the greatest since these records were first compiled, early in 1916. The total, \$13,032,000, was 84.2 per cent larger than in September, and 227 per cent in excess of the October, 1923, aggregate. The large increase was accounted for principally by the issuance of permits for an office building in St. Louis and several large structures in Louisville. Throughout the period under review building operations were favored by unusually mild weather, and considerable progress was made on structures in course of erection. Work on highways proceeded without interruption, and an unusually large amount

of building for the season was reported in the small towns and on farms. Production of portland cement for the country as a whole during October totaled 14,820,000 barrels, which compares with 14,519,000 barrels in September and 13,350,000 barrels in October, 1923.

Building figures for October follow:

	New Construction				Repairs, etc.			
	Permits		*Cost		Permits		*Cost	
	1924	1923	1924	1923	1924	1923	1924	1923
Evansville ....	216	142	\$ 391	\$ 269	113	86	\$ 37	\$ 15
Little Rock....	126	92	437	253	125	193	46	74
Louisville ....	403	313	2,036	766	121	136	109	82
Memphis .....	380	391	1,638	988	178	83	61	29
St. Louis.....	1,000	968	8,530	1,711	626	635	502	400
Oct. totals....	2,125	1,906	\$13,032	\$3,987	1,163	1,133	\$755	\$600
Sept. totals....	2,243	1,739	7,073	8,013	1,067	1,029	881	533
Aug. totals....	1,922	1,869	5,506	5,330	946	1,075	602	589

\*In thousands of dollars (000 omitted).

### FINANCIAL

The principal developments in the banking and financial situation during the past thirty days were a somewhat better demand for funds from general sources, a sharp gain in deposits of commercial banks, further good liquidation in the rural sections and a slightly stronger trend in interest rates. The improved inquiry for credits, however, has not been sufficient to absorb the loanable resources of the commercial banks, and in a number of notable instances they were seeking temporary investment for their surplus funds. Weather and the condition of roads have been ideal for the movement of crops from farms and marketing of all varieties of agricultural products has been on an extensive scale. This has resulted in heavy payments by the producers to their merchants and banks, which in turn is reflected in extensive settlements with financial institutions in the large centers, and a further reduction of discounts with the Federal Reserve bank. In the cotton States there has been considerable liquidation, due to the early and heavy movement of that staple. Requirements for financing the tobacco crop are reflected in increased borrowings in Louisville and elsewhere in the tobacco belt. Loans to the milling interests show little change from thirty days ago, save that the recent acceleration in the movement of corn has resulted in some borrowing on that account. The inquiry for credits from live stock interests is slightly more active than a month ago, particularly in the northern stretches of the district. Demand from manufacturing and mercantile customers of the banks was moderately active only, though some improvement has taken place since the second week of November. Activity in the security markets is reflected in a perceptible increase in loans secured by stocks and bonds at the member banks. Deposits of reporting member banks continued to gain, a new high record being made on November 12. Since the first week in October a feature of the activities of the Federal Reserve bank has been the large volume of bill of lading drafts, drawn chiefly to cover cotton shipments, discounted for member banks.

### Commercial Paper

Conditions in the commercial paper market were similar in most respects to those obtaining during the preceding thirty days. Money is plentiful and the demand practically limitless, but available paper to supply it is extremely scarce, particularly the more desirable grades. Sales of the reporting brokers during October were about 4 per cent in excess of the September total, but 24½ per cent under those of October, 1923. During the past two weeks there was a slight improvement in rates, that is the 3 per cent

quotation disappeared, brokers advancing their offerings at that quotation to  $3\frac{1}{4}$  per cent. The range during the period under review was 3 to  $3\frac{3}{4}$  per cent, the same as the month before, and comparing with  $4\frac{3}{4}$  to  $5\frac{1}{4}$  per cent a year ago. Bankers were firm at a minimum of  $3\frac{1}{4}$  per cent, and in the immediate past brokers were less disposed to purchase paper at the prevailing levels.

### Savings Deposits

The changes in the amount of savings deposits, exclusive of postal savings deposits, since a month ago and a year ago, as reported by the largest member banks in the leading cities of this district, are shown in the following table:

No. of banks reporting	*Amount of savings deposits			Nov. 1924 comp. to Oct. 1924	Nov. 1924 comp. to Nov. 1923
	Nov. 5, 1924	Oct. 1, 1924	Nov. 7, 1923		
Evansville .... 4	\$ 8,939	\$ 9,255	\$ 8,962	- 3.4%	- 0.3%
Little Rock.. 4	7,703	7,615	7,102	+ 1.2	+ 8.5
Louisville ... 7	26,869	26,807	24,725	+ 0.2	+ 8.7
Memphis .... 4	16,952	16,636	17,736	+ 1.9	+ 4.4
St. Louis.....12	80,563	77,934	73,216	+ 3.4	+10.0
Totals.....31	\$141,026	\$138,247	\$131,741	+ 2.0	+ 7.0

\*In thousands (000 omitted).

### Debits to Individual Accounts

	*For four weeks ending			Nov. 1924 comp. to Oct. 1924	Nov. 1924 comp. to Nov. 1923
	Nov. 19, 1924	Oct. 22, 1924	Nov. 21, 1923		
E. St. Louis and Natl. Stock Yards, Ill..	\$ 40,133	\$ 42,349	\$ 46,109	- 5.2%	-14.9%
El Dorado, Ark.....	5,871	6,653	6,814	-11.8	-13.8
Evansville, Ind.....	25,239	26,273	29,254	- 3.9	-13.7
Fort Smith, Ark.....	18,139	16,781	15,115	+ 8.1	+20.0
Greenville, Miss.....	5,768	4,779	4,294	+20.7	+34.3
Helena, Ark.....	8,923	6,898	6,811	+29.4	+31.0
Little Rock, Ark.....	87,039	82,807	69,338	+ 5.1	+25.5
Louisville, Ky.....	156,747	152,278	143,056	+ 2.9	+ 9.6
Memphis, Tenn.....	163,714	138,058	163,982	+18.6	- 0.2
Owensboro, Ky.....	4,909	4,683	5,198	+ 4.8	+ 5.6
Quincy, Ill.....	10,215	10,874	9,910	- 6.1	+ 3.1
St. Louis, Mo.....	671,723	654,805	630,139	+ 2.6	+ 6.6
Sedalia, Mo.....	3,992	4,178	.....	- 4.5	.....
Springfield, Mo.....	12,257	11,546	14,457	+ 6.2	-15.2
Totals.....	\$1,214,669	\$1,162,964	.....	+ 4.5	+ 8.6

\*In thousands (000 omitted).

### Condition of Banks

Loans and discounts and deposits of the 34 reporting member banks continued their upward course during the period under review, both items scoring new high records. On November 12 loans and discounts totaled \$493,301,000, a gain of \$10,282,000 over October 15 and of \$20,848,000 over November 14, 1923. Deposits on November 12 amounted to \$610,694,000, which compares with \$585,548,000 on October 15 and \$529,008,000 on November 14, 1923. Investments increased approximately \$2,000,000 between October 15 and November 12.

The following statement shows principal resources and liabilities of reporting member banks in Evansville, Little Rock, Louisville, Memphis, and St. Louis:

	*Nov. 19, 1924	*Oct. 15, 1924	*Nov. 21, 1923
Number of banks reporting.....	†33	†33	35
Loans and discounts (incl. rediscounts)			
Secured by U. S. Govt. obligations.....	\$ 9,708	\$ 9,869	\$ 12,849
Secured by other stocks and bonds.....	164,116	153,747	141,912
All other loans and discounts.....	319,501	319,403	315,855
Total loans and discounts.....	\$493,325	\$483,019	\$470,616
Investments			
U. S. Pre-war bonds.....	14,356	14,807	15,193
Liberty bonds.....	25,000	22,924	22,060
Treasury bonds.....	2,257	2,256	7,009
Victory and Treasury notes.....	10,160	10,160	17,172
Certificates of Indebtedness.....	2,708	2,607	5,369
Other securities.....	96,546	94,548	85,815
Total investments.....	\$151,027	\$147,302	\$152,618
Reserve balance with F. R. bank.....	57,266	45,496	37,622
Cash in vault.....	7,895	7,932	7,980
Net demand deposits.....	383,361	375,393	329,605
Time deposits.....	217,136	206,549	193,795
Government deposits.....	2,378	3,606	2,361
Bills payable and rediscounts with Federal reserve bank			
Secured by U. S. Govt. obligations.....	577	977	10,138
All other.....	3,728	5,244	36,831

\*In thousands (000 omitted).

†Decrease due to consolidation. Total resources of these 33 banks comprise approximately 54 per cent of the resources of all member banks in the district.

(Compiled Nov. 21, 1924)

A tabulation of the reports of condition of all members of the entire Federal Reserve System, furnished under call of October 10, 1924, shows that loans and investments of all member banks increased \$1,189,000,000 between June 30 and October 10. On the latter date they aggregated \$28,451,000,000, which is the largest amount ever reported and is \$5,032,000,000 above the total reported on March 10, 1922, the low point of the post-war period. The total increase in loans and discounts amounted to \$556,000,000, while investments went up \$633,000,000. Total deposits increased \$1,242,000,000 to \$30,772,000,000. Over half of this increase was in amounts due to banks. Demand deposits increased \$421,000,000, time deposits, \$394,000,000, and U. S. deposits, \$123,000,000.

The following statement shows changes in the principal resources and liabilities of all member banks on the last call date, October 10, 1924, as compared with figures for June 30, 1924 and September 14, 1923.

	Increase(+) or decrease(-) On October 10, 1924, since	
	June 30, 1924	Sept. 14, 1923
Loans and discounts (including overdrafts).....	+\$ 556,000,000	+\$ 963,000,000
United States securities.....	+ 287,000,000	+ 172,000,000
Other bonds, stocks and securities.....	+ 346,000,000	+ 818,000,000
Total loans and investments.....	+ 1,189,000,000	+ 1,953,000,000
Demand deposits (including certified and cashiers' checks).....	+ 90,000,000	+ 1,282,000,000
Time deposits.....	+ 394,000,000	+ 1,131,000,000
Bills payable and rediscounts.....	+ 70,000,000	+ 688,000,000
Acceptances outstanding.....	+ 52,000,000	+ 39,000,000

### Federal Reserve Operations

There was a sharp decrease in the amount of paper discounted by the Federal Reserve Bank of St. Louis during October and early November, the total receding to the lowest point of the year. On November 18 the amount of bills held was \$15,480,000, which contrasts with \$20,892,000 on October 18, and \$71,773,000 on November 18, 1923. There was a small increase in Federal reserve notes in circulation, the total being \$57,239,000 on November 18, as compared with \$56,649,000 on October 18. The combined reserve ratio against deposit and Federal reserve note liabilities on November 18 was 75.1 per cent, against 72.4 per cent on October 18 and 57.5 per cent last year. During October this institution discounted for 236 of its member banks, which compares with 239 banks accommodated in September and 287 in October, 1923. The discount rate remains unchanged at 4 per cent.

### COST OF LIVING

Several slight increases in the average prices of the major items comprising the total cost of living occurred between September 15, and October 15, 1924, according to the monthly survey by the National Industrial Conference Board. Increases were approximately 1 per cent for food, 1 per cent for fuel and 2 per cent for clothing. These increases, however, are largely due to seasonal influences. Other items remained unchanged. The total increase for all items combined during the month was eight-tenths of one per cent. Between July, 1920, when the peak of the rise in the cost of living since 1914 was reached, and October, 1924, the cost of living decreased 19.3 per cent. The increase in the cost of living since July, 1914 was 65 per cent.

The purchasing value of the dollar, based on the cost of living in October, 1924, was 60.6 cents as contrasted with one dollar in July, 1914.

# FEDERAL RESERVE BANK OF ST. LOUIS



## MONTHLY REVIEW OF BUSINESS CONDITIONS IN FEDERAL RESERVE DISTRICT No. 8

Released for Publication On and After the Morning of December 31, 1924

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CHAIRMAN OF THE BOARD AND FEDERAL RESERVE AGENT

FUNDAMENTALLY business conditions in this district during the past thirty days developed no marked changes, and while the improvement which commenced in the early fall continued, the betterment was at a more moderate pace and less general in character than during the similar period immediately preceding. A slowing up in some industries was noted, particularly in the distributive departments. Likewise in certain sections there was manifestly less prosperity than elsewhere. In the coal producing areas and oil fields activities failed to expand, and in certain agricultural localities, where yields of the chief crops were small, the volume of business was disappointing. On the other hand there were many factors favorable to trade expansion, and taken as a whole gains were well in excess of losses.

Throughout the South, where harvesting of the cotton crop was successfully completed and unusually heavy marketing of the staple took place, a marked business revival was in progress. Planters were liquidating their indebtedness and purchasing of commodities was on a more extensive scale than at any similar period in three years. Generally marketing of agricultural products through the district was carried on with virtually no interruption, and prices received have been in the main satisfactory. Purchasing power in the farming communities has been greatly increased, and while agriculturists are still disposed to pay their debts before supplying their needs for goods, buying is steadily increasing, and covers a wider variety of things.

In a majority of lines investigated, wholesalers and jobbers report greater interest in merchandise to be sold next spring. Advance orders in such important lines as dry goods, clothing, boots and shoes, drugs and chemicals, furniture, hardware and groceries are in excess of the corresponding period a year ago. In the iron and steel industry ordering for both prompt and forward delivery made substantial gains over the preceding month, and despite the disposition to postpone commitments until after the annual inventory period, buying of raw materials has been on a large scale. Automobile production and distribution declined, both as compared with the month before and last year, and depression continues in the fuel industry.

The usual seasonal stimulation to distribution of commodities for common consumption was less in evidence than usual, owing to the extremely mild temperatures prevailing through November and the first weeks of December. The movement of typical winter goods, particularly heavy weight clothing, is backward, with reordering of such merchandise negligible. Sales of holiday goods, however, have been well up to expectations, and early reports of retailers indicate that the volume of goods moving through the Christmas shopping outlet this year promises to

be considerably larger than last season. Prices have generally advanced with the increasing activity in industry and trade, and in numerous instances there is strong resistance on the part of consumers to the higher levels.

Labor conditions underwent further slight improvement during the period under review. Building operations already started afforded virtual full employment to artisans in the building trades, as well as a large complement of unskilled laborers. According to the Employment Service of the U. S. Department of Labor, there was a decided increase registered in industrial employment during November, and the outlook for the winter, as compared with recent years, is excellent. Skilled labor in most industries is well employed, and while unskilled is plentiful, general farm requirements, especially for corn huskers, added materially in reducing idleness among this class. Increased forces were noted in candy and confectionery plants, wholesale hardware, dry goods and grocery establishments. Holiday activity resulted in a larger demand for clerical help in department stores, and the retail trade generally. Road building was still absorbing large numbers of common laborers. Employment by the railroads was unchanged from the preceding thirty days.

The movement of cereals to market was smaller than during the preceding month, and with the exception of wheat, receipts of all the principal grains were less than at the corresponding period last year. Shipments of cattle and calves in November were larger than in October, but there was a sharp falling off in the movement of both hogs and sheep. The upturn in cereal values continued throughout the period, new high records on the crop being established by wheat, corn and oats. Between November 15 and December 15, December wheat in the St. Louis market ranged from \$1.48 $\frac{7}{8}$  to \$1.62 per bushel, closing at \$1.61 $\frac{1}{8}$  on the latter date, which compares with \$1.53 on November 15, and \$1.06 $\frac{3}{4}$  on December 15, 1923. Cash wheat also advanced sharply, No. 2 red selling at \$1.88 on December 15, the highest since February, 1921. Between the same dates December corn ranged between \$1.11 $\frac{1}{2}$  and \$1.24 $\frac{5}{8}$ , closing at \$1.23 on December 15, against \$1.11 $\frac{1}{2}$  on November 15, and 73 $\frac{1}{2}$ c on December 15, 1923. Cash corn sold at \$1.25 on December 13, the best price obtained since September, 1920. Cotton fluctuated over a narrow range, the spread on middling in the St. Louis market being between 23 $\frac{1}{4}$  and 24c per pound. The tendency of live stock prices was higher, with improvement particularly notable in the case of lambs, which touched the highest point in six months. Top cattle prices were the highest in more than two years. In face of heavy receipts, hog prices moved upward in early December, chiefly in response to a broader shipping outlet.

Lower temperatures in the middle West served to stimulate ordering of coal by domestic consumers to some extent, but not enough to effect the usual seasonal improvement in the fuel situation as a whole. Both producers and dealers report buying by householders for winter requirements much below normal. Steam coal is moving in fair volume, but principally on contract. New buying is in small quantities and on a necessity basis. This is true particularly of the smaller industrial consumers, whose confidence in available stocks and the ability of railroads to make prompt deliveries is prompting them to take only what they require from week to week. Prices, except for screenings, were unchanged to a shade lower, and the strength in slack coal was attributable more to scarcity, due to curtailed production of prepared sizes, than to urgency in the demand. In the Illinois fields a number of mines were active only one to two days per week, and most of those working three or more days were loading railroad coal. Relatively greater activity was reported in the Kentucky fields than elsewhere, and strip mines generally were busy, but continue to encounter difficulty in disposing of their full output. The movement of anthracite, smokeless coal and coke to domestic users has been disappointing, one reason being that many persons who formerly used this variety of fuel now have oil burners. Stocks of domestic coke on by-product manufacturers' yards continue abnormally large. Metallurgical coke, particularly foundry grades, was in good demand at steady prices. Production of soft coal for the country as a whole during the first 293 working days of the calendar year, or to December 13, was 444,520,000 tons, which compares with 524,136,000 tons for the corresponding period last year, and 399,679,000 tons in 1922.

Though freight loadings since the end of October show the usual seasonal downward trend, railroads operating in this district continue to accommodate the heaviest traffic ever recorded for this time of year. Reports from the grain and cotton areas of the district indicate that the crops were moved with a minimum of delay and inconvenience, preparations made by the carriers for handling this traffic having proven adequate to all demands. For the country as a whole loadings of revenue freight during the week ended November 22 were 1,010,122 cars, which was the eleventh week this year that loadings exceeded one million cars. The total for the week of November 22 was an increase of 19,823 cars over the corresponding week last year and of 63,480 cars over the same period in 1922. It also was a gain of 336,657 cars over the corresponding week in 1921 and 206,421 cars over the same week in 1920. Loadings this year to December 6 totaled 46,067,810 cars, against 47,419,310 for the corresponding period in 1923 and 40,797,973 cars in 1922. The Terminal Railway Association of St. Louis, which handles interchanges for 28 connecting lines, interchanged 207,150 loads in November against 229,275 loads in October and 207,973 loads in November, 1923. During the first nine days of December 61,677 loads were interchanged, which compares with 62,868 loads during the first nine days of October, and 58,585 loads during the corresponding period a year ago. Passenger traffic of the reporting roads decreased 10 per cent in November as compared with the same month last year. Tonnage moved by the Mississippi River section of the Federal Barge Line between St. Louis and New Orleans during November

amounted to 38,000 tons, against 57,604 tons in October and 53,273 tons in November, 1923.

Collections during the period under review developed further distinct improvement, and the average was slightly in excess of normal for this time of year. Wholesale dry goods and boot and shoe interests, with whom November is an important settlement period, report results above expectations and well in excess of a year ago. Throughout the South, particularly in the cotton and rice belts, collection efficiency is generally high, and in the tobacco districts where marketing of the crop is in progress, merchants report satisfactory payments. Wholesalers in the larger centers report that many of their customers are taking advantage of discounts, and for the most part retailers are getting in their money promptly. Some backwardness in settlements is still reported from the coal producing areas, and the same is true of scattered sections of the grain belt where crop yields were disappointing. Answers to 431 questionnaires addressed to representative interests in various lines throughout the district show the following results:

	Excellent	Good	Fair	Poor
Nov., 1924.....	4.9%	42.3%	48.0%	4.8%
Oct., 1924.....	4.2	28.2	51.6	6.0
Nov., 1923.....	0.9	34.9	55.7	8.5

Commercial failures in the Eighth Federal Reserve District during November, according to Dun's, numbered 102, involving liabilities of \$1,039,945, against 79 defaults in October with indebtedness of \$1,945,106, and 109 failures for \$2,233,369 in November, 1923.

The per capita circulation of the United States on December 1 was \$44.08, against \$43.12 on November 1 and \$44.01 on December 1, 1923.

## MANUFACTURING AND WHOLESALE

### Automobiles

Production of automobiles for the country as a whole during November showed a rather sharp decrease under October, also under the total for November, 1923. As contrasted with the preceding month, the October output decreased 21 per cent, while a loss of 27 per cent under last year was recorded. The heavy decrease as compared with last year is accounted for partly by the fact that many important manufacturers have adjusted their schedules to a requirement basis, and were not stocking up their dealers with cars for sale in the spring as had been the practice in previous years. Companies reporting direct or through the Automobile Chamber of Commerce built 201,652 passenger cars in November, against 257,839 cars in October and 284,758 cars in November a year ago. Total truck production in November was 26,246, compared with 30,597 in October and 27,374 in November, 1923.

Distribution of automobiles also developed a further sagging tendency during the period under review. Decreases in sales extended generally through the line, affecting both expensive cars and medium and cheap makes. Business in the country was particularly disappointing, there being a general disposition among farmers to postpone renewals of passenger cars and trucks until spring. November sales of 320 dealers scattered through the district were 8.5 per cent under October, and 7.3 per cent under the total of the corresponding period a year ago. The number of new cars in hands of dealers showed a substantial decrease under the preceding month, and was below the same period in 1923. Relatively sales of accessories and parts were better than of new cars, a number

of dealers reporting gains over both October and November last year. This is due in large measure to the fact that owners are repairing their cars so that they will carry through the winter, but special selling campaigns and the introduction of numerous attractive accessories also had a tendency to help sales. Reduction in prices of new cars were announced by several important producers, but thus far these have failed to stimulate buying. The tire situation showed additional improvement, and is on a more stable basis than in many months. Stocks of used cars showed no change from the preceding month, but both in point of numbers and investment involved totals were well under the same period last year.

### Boots and Shoes

Sales of the 11 reporting interests during November showed a decrease of 3.8 per cent under the corresponding period in 1923, and a decrease of 6.5 per cent under the October total this year. Business is described as generally satisfactory throughout the line, but with the demand for women's and children's wear relatively more active than in men's shoes. The movement into consumption of typical winter goods, particularly rubbers and heavy work shoes, has been curtailed by the unusually mild winter. Salesmen on the road report buying for spring delivery more active, and advance orders with a majority of the manufacturers are ahead of the corresponding period last year. Prices of finished goods showed a further upward tendency, but actual changes were confined to slight revisions on specific numbers, there being no full line advances. Factory operation was at 78 to 100 per cent of capacity, approximately the same as during the preceding thirty days.

### Clothing

Sales of winter apparel were still being held down by unseasonably warm weather, with the result that until the second week in December reordering was in light volume. In the immediate past, however, improvement is reported in this respect, and mail orders have picked up. Generally through the line, but particularly in the small towns and country, interest centers in cheap and medium priced goods. Prices generally during the past thirty days were steady, though the trend was upward mainly in sympathy with the advance in raw wool, which reached a parity with the peak levels prevailing in May, 1920. This advance has not been fully reflected in clothing, wholesale prices for the spring of 1925 being approximately 4 per cent lower than the heavy weight prices for the fall of 1924, and 3.3 per cent under the spring prices of 1924. Salesmen on the road report that the upturn in raw wool has not stimulated ordering for spring. Retailers are not speculating and take the position that they will buy what they need when the time comes, and absorb any advance in their prices to consumers. Sales of the 10 reporting interests in November were 4.1 per cent under those of the corresponding period in 1923 and 39.3 per cent above the October total this year.

### Drugs and Chemicals

November sales of the 11 reporting interests were 5.5 per cent larger than for the same month a year ago, but showed a loss of 15.1 per cent under the October total this year. The latter change is seasonal, declines being usually recorded in November from October. The increase over a year ago was distributed generally through the line, but affected particularly heavy chemicals, sales of which have been augmented by

heavier demands from the metal industries. Improvement in general business is reflected in an increased movement of medicinal drugs and fine chemicals. Wholesalers report sales of holiday goods well up to expectations, and slightly in excess of a year ago. The trend of prices was in the direction of greater stability, changes being relatively few, with advances and declines about balancing each other.

### Dry Goods

Uncertainty relative to the price of raw cotton is causing some hesitation in purchasing of cotton goods for future delivery, but the volume of orders for prompt shipment is holding up well, and the undertone of the market is strong. Hosiery and knit underwear were unchanged in price, with the movement about normal for this season. Broad silks, particularly fancy goods and novelties, were in good demand, with increasing interest for spring delivery. Stocks in retailers' hands are universally light, except in the instance of certain cold weather goods, sales of which have been retarded by the unseasonably high temperatures. Notions, toys and specialties for the holiday trade moved in satisfactory volume, with eleventh-hour reordering unusually large. A general comment of the reporting stores was that future buying in the cotton sections was relatively better than in the grain areas, and even than in the large cities. November sales of the 12 reporting interests were 9.9 per cent larger than for the corresponding month in 1923, and 6.7 per cent under the October total this year.

### Electrical Supplies

Mild winter weather, which permitted of uninterrupted outdoor construction operations until well into December, had a stimulating effect on sales of all sorts of electrical goods going into new buildings and public utility repair work. The movement of pole and line hardware was reported in larger than seasonal volume. The holiday trade in radio sets was of record proportions, and sales of fancy lamps, electrical toys, household appliances and other holiday goods were well up to expectations. No improvement was reported in the demand from the oil and coal fields. No change in prices worthy of mention took place during the past thirty days, but the average is from 5 to 8 per cent higher than a year ago. November sales of the 12 reporting interests were 5.7 per cent less than for the same month in 1923, and 0.1 per cent under the October total this year.

### Fire-Clay Products

Conditions in this classification developed no change worthy of note as contrasted with the thirty days immediately preceding. Some improvement in the demand for refractories from the iron and steel and cement industries was noted, but the interest manifested was mainly in materials for delivery after the first of the year. Other users also were disposed to postpone commitments of size until after the inventory period. Miscellaneous materials continue to move in fair volume, and sales to the oil industry were slightly larger than during the month previous. Prices were in the main unchanged. November sales of the 5 reporting interests decreased 23.8 per cent under the same month in 1923 and 29.9 per cent under the October, 1924, total.

### Flour

Production of the 11 leading mills of the district during November totaled 302,000 barrels, against 375,858 barrels in October, 383,922 barrels in Septem-

ber and 404,824 barrels in November, 1923. The situation developed no change worthy of note as contrasted with the thirty days immediately preceding. There was a fair business in small lots for immediate shipment, but quantity buyers are holding off, and show no disposition whatever to follow the advance in prices. There was some reordering from the bakery trade, and buying of soft flours in the South is in satisfactory volume, but dealers are extremely conservative in their purchases, and speculative interest is almost entirely absent. Routine export business with Latin-American countries holds up well, but bids from Europe continue too far out of line to result in heavy workings. In the immediate past there has been some betterment in shipping directions, and some mills are grinding at, or near, capacity to fill old orders. Prices on all grades were higher.

#### Furniture

The lively spurt in business in this classification during September and October failed to continue through the period under review, sales of the 25 reporting interests falling 19.1 per cent below the October total. As compared with the same month last year, however, November sales showed a gain of 8.2 per cent. The movement of holiday goods was in excellent volume, but ordering for delivery next year is disappointing. Manufacturers report that dealers generally are waiting for the special sales and expositions in January before covering on their requirements. Purchasing is largely on a necessity basis and for prompt shipment. A number of price advances, both actual and prospective, were announced, the changes being to conform with the upturn in raw materials. Factory operations declined somewhat, but in some instances plants are running full time, with two important manufacturers operating double shifts. Floor coverings continue active, and the demand for household furniture and metal beds is reported more active than some other sections of the line.

#### Groceries

Sales of the 22 reporting interests during November fell 7.4 per cent under those of the corresponding month in 1923, and 11.8 per cent under the October total this year. Jobbers generally were disposed to curtail buying in order to bring down their stocks against the inventory period, and the depressed conditions in the mining areas and uncertainty relative to prices were given as additional reasons for smaller sales. Except in the cotton areas, where the past three weeks have developed notable improvement in purchasing, business in the rural districts was backward. Farmers are practicing economy, and consuming more than the usual quantities of foods produced by themselves. In the large cities the demand for holiday goods, notably dried fruits, nuts, preserves and candies, has been large, but less success has been met with these goods in the country. Prices on the general run of groceries showed no change during the month. In the staples coffee and flour were higher, but with considerable resistance to the advance in the latter on the part of buyers.

#### Hardware

Ordering for future delivery was considerably freer than during the similar period immediately preceding, with the total volume of future business on books of the reporting firms well in excess of the corresponding period last year. Buying for spot delivery is also holding up well, with seasonable goods being taken in larger quantities. As has been the case dur-

ing the past several months, builders' hardware and tools were in active demand. The total volume of sales was materially assisted by purchasing of holiday merchandise, numerous dealers who had put off buying until later than usual, having come in with heavy orders during the last half of November. Jobbers report liberal ordering of hand implements, wire netting and other typical merchandise consumed in the country, for delivery early next year. The trend of prices was upward, a number of important manufacturers announcing specific advances to take effect January 1. November sales of the 12 reporting interests were 1.1 per cent under those of the same month in 1923, and 12.2 per cent under the October total this year.

#### Iron and Steel Products

Improvement noted in this classification in the preceding issue of this report continued through the period under review. An outstanding development was the increase in ordering of both raw and finished materials for delivery during the first quarter of 1924. Unfilled orders on books of both mills and foundries showed substantial gains over the preceding thirty days, and, in a number of notable instances, are well in excess of the corresponding period a year ago. Generally the trend of prices was upward, with specific advances recorded on several important commodities, the most marked being on pig iron. No. 2 Southern iron, 1.75 to 2.25 per cent silicon, advanced to \$20 per ton, while Northern iron of the same grade touched \$22 per ton, a gain of \$2 over the recent low point. Despite the fact that November was one day shorter than October, production of pig iron for the entire country during November was more than 51,500 tons larger than in October. Average daily production of steel ingots showed a gain over the preceding month, and in the case of both of these commodities, November was the fourth consecutive month in which gains were recorded. Railroad buying continues on a large scale, recent purchases including heavy tonnages for application on new equipment, and track materials. Buying by the automotive industry, while in smaller volume than earlier in the year, continues fair, and the building industry is accounting for considerably heavier tonnages than usual at this season. The demand for machine tools is active, and specialty makers generally report an improvement in their sales. The movement of stoves during the past six weeks has been on a larger scale than in three years, and farm implement manufacturers report a satisfactory volume of sales for delivery next spring. Wire and wire products are in good demand, and consumers of sheets, bars and plates have covered extensively on their needs through the first quarter of 1924. Tubular goods are relatively quiet, with the demand from the oil fields showing no change from the dull conditions of the past few months. Price advances were recorded on cold finished steel and chain, and the trend on nuts, bolts and rivets is higher. The upturn on scrap iron and steel continues, higher quotations being recorded on all the chief items in the list. The melt of pig iron in the district during November was approximately  $3\frac{3}{4}$  per cent larger than during October, and 5 per cent in excess of November last year. November sales of stove manufacturers, 7 reporting, were 4.6 per cent larger than for the corresponding month in 1923, but 23.2 per cent under October this year; railway supplies, 5 reporting, decreased 32.5 per cent under the same month last year and 4 per cent under October this year; farm implements, 6

reporting, increased 3¼ per cent over November, 1923, but decreased 2 per cent under October, 1924; job foundries, 5 reporting, decreased 14.6 per cent under November, 1923, and 12.4 per cent under October this year; manufacturers of boilers, stacks, elevators, wire rope and miscellaneous products, 14 reporting, increased, 6.3 per cent over November, 1923 and 9.3 per cent over October this year.

**Lumber**

Save for a lull of minor significance during the past ten days, due primarily to the influence of the approaching holidays, the lumber situation during the period under review has showed steady improvement. Price advances have been general, both for hardwoods and softwoods. Fir and yellow pine have exhibited marked activity and strength since the first of November, specific price advances being recorded on all grades of these woods. Hardwoods were slower to respond to the improvement in general business, but during the past two weeks have made notable gains, with the furniture industry accounting for the major portion of the new business placed. Purchasing by car builders has been on a large scale, but orders from the automotive industry have not developed in satisfactory volume. West Coast woods have developed considerable activity during the past two weeks. Orders are now being placed in quantity for nearly all items for delivery after the first of the year, immediate shipment being to some extent held off until the annual inventory period is passed.

**DEPARTMENT STORES**

	Net sales comparisons		Stocks on hand	Annual rate of
	Nov. 1924 comp. to Nov. 1923	Five months ending Nov. 30, 1924, to same period, 1923	Nov. 30, 1924 comp. to Nov. 30, 1923	For 5 months ending Nov. 30, 1924
Evansville .....	-4.6%	+7.0%	-13.5%	1.85
Little Rock.....	+13.5	+3.7	-2.9	2.38
Louisville .....	-6.2	+2.1	-3.7	2.56
Memphis .....	+4.4	+0.8	-4.3	2.26
Quincy .....	+4.6	-0.8	-7.8	2.01
St. Louis.....	+5.5	-5.3	-3.0	2.70
Springfield.....	-21.7	-16.3	-19.9	1.44
8th District.....	-1.9	-2.2	-3.8	2.50

The U. S. Department of Agriculture's estimates of production of leading crops in the Eighth Federal Reserve District during 1924, with comparative figures for 1923, follow:

	Corn *Bu.	Wheat *Bu.	Oats *Bu.	Hay *Tons	Cotton *Bales	Tobacco *Lbs.	Potatoes *Bu.
1924.....	346,256	53,394	60,927	8,719	2,198	339,160	20,930
1923.....	399,009	82,490	51,635	7,863	1,274	396,721	18,224

\*In thousands of units (000 omitted).

**Consumption of Electricity**

Consumption of electrical power by selected industrial customers of the public utility companies in the five largest cities of the district:

	No. of customers	Nov. 1924 *K.W.H.	Oct. 1924 *K.W.H.	Nov. 1924 comp. to Oct. 1924	Nov. 1923 *K.W.H.	Nov. 1924 comp. to Nov. 1923
	Evansville.....	40	933	1,029	-9.3%	988
Little Rock.....	35	1,244	1,096	+13.5	1,181	+5.3
Louisville .....	67	3,917	4,264	-8.1	3,936	+0.5
Memphis .....	31	1,339	1,477	-9.3	1,143	+17.1
St. Louis.....	84	12,799	13,288	-3.7	11,807	+8.4
Totals.....	257	20,232	21,154	-4.3	19,055	+6.2

\*In thousands (000 omitted).

The following figures, compiled by the Department of Interior, give kilowatt production for both lighting and industrial purposes for the entire country:

	By water power	By fuels	Totals
October, 1924.....	1,628,040,000	3,559,084,000	5,187,124,000
September, 1924.....	1,492,070,000	3,311,027,000	4,803,097,000
October, 1923.....	1,491,344,000	3,479,719,000	4,971,063,000

**AGRICULTURE**

Reports generally from the grain areas of the district indicate that winter wheat has made good growth, and is entering the cold weather in strong position, though in some western counties there are

scattered complaints of thin stands. Both wheat and oats were greatly benefited by the recent precipitation. The high prices and ideal seeding conditions during the fall served to stimulate planting, and acreages are almost uniformly in excess of a year ago.

Fall plowing and other routine farm work is well up, and for the most part the condition of live stock is excellent, there being a minimum of disease reported among herds. The number of cattle and hogs on farms is apparently below that of last season, but there have been substantial additions to the number of sheep being raised in many sections. The supply of farm help during the fall was ample for all purposes, except for a scarcity of cotton pickers in some southern counties. A favorable feature noted in the rural communities has been the increased interest in farm lands. While no notable change in prices has occurred, the number of transfers was larger, and the trend of values is upward.

Diversification of crops and products has made decided progress in most sections of the district. Fruit orchards are being increased, and in the South growth is reported in trucking operations. Throughout the year dairying made steady strides forward, and farmers considerably added to their incomes by sales of eggs and poultry. These factors, coupled with a general disposition to work harder and practice economy, have resulted in greatly improved conditions in the agricultural sections as contrasted with the preceding two or three years.

Some delay in husking corn was occasioned by frequent rains and high temperatures, which prevented the grain from drying out and curing properly. In some sections, however, this work has been completed and much of the crop housed. Reports from scattered sections indicate extremely spotted conditions, both as to yield and quality. There is much soft corn, and in many important producing counties, the outturn is very low, owing to excessive precipitation during the planting and cultivation periods. Farmers are marketing their corn more heavily, sales being stimulated by the season's record prices in early December. Intershipments between sections within the district are larger than usual, owing to failures or partial failures and prices being paid in the fields are high.

The early promise for white potato production has been fully realized in the harvest, yields generally being well above those of a year ago. The movement of this crop continues slow, however, due to unfavorable marketing conditions and disappointing prices.

The quality of this year's crop of both dark and burley tobacco, while below that of many past years, is showing up better than expected earlier in the season. It is better than the 1923 crop, and compares favorably with the average in 1922. Due to the ideal curing season, there is virtually no house-burned tobacco and very little damage from rust or wild fire is in evidence. The leaves are generally comparatively small but have weight. The total output, however, is reduced from that of last year by about the extent heretofore indicated.

Practically all independent loose-leaf markets have opened, but little tobacco has been delivered as stripping is not as far advanced as usual at this date. The market was firm on all grades of leaf sold. During the month the Burley Tobacco Growers Cooperative Association sold 50,000,000 pounds of tobacco to a large manufacturing interest at association prices. The tobacco so disposed of covered the balance of the 1922 crop, consisting of the choicest grades, and part of the 1923 crop. An additional sale at association prices

of 1,750,000 pounds was made to another manufacturer. The Dark and Burley Tobacco Marketing Associations have opened their houses to receive this year's pooled tobacco.

Threshing of the rice crop has been completed, and with the exception of some Association rice held in rural storehouses, has been largely moved to the mills. Generally speaking the crop was harvested and threshed in excellent condition, though some of the grain threshed since the rains in November shows a certain percentage of excess moisture. Yields in the main were about as indicated in the recent official estimates. The demand for polished rice continues exceptionally good, and prices are strong. The prevailing range was from \$1.40 to \$1.75 per bushel, which compares with \$1.05 to \$1.40 a year ago. Rice farmers are generally in an optimistic mood, and have been able to liquidate their indebtedness in better shape than at any time since 1919.

Virtually all cotton produced in the district has been gathered and ginned. Yields in numerous instances have exceeded expectations earlier in the season, the ideal weather during the final stages of the crop permitting of late development, and intensive picking. Throughout the cotton sections conditions among planters have undergone notable improvement, both materially and psychologically, as contrasted with last year. In numerous instances they have liquidated old debts, in addition to clearing up a considerable part of this year's indebtedness.

**Commodity Prices**

Range of prices in the St. Louis market between November 15, 1924, and December 15, 1924, with closing quotations on the latter date, and on December 15, 1923:

	High	Low	Close	
			Dec. 15, 1924	Dec. 15, 1923
<b>Wheat</b>				
December .....per bu.	\$1.62	\$1.48%	\$1.61%	\$1.06¾
May .....	1.68½	1.55%	1.67¾	1.10¾
July .....	1.47¾	1.37	1.46	1.06¾
No. 2 red winter..	1.88	1.62	\$1.86 @ 1.88	\$1.13 @ 1.14½
No. 2 hard.....	1.64	1.51	1.64	1.07
<b>Corn</b>				
December .....	1.24¾	1.11¾	1.23	.73½
May .....	1.31¾	1.17¾	1.29½	.73½
July .....	1.31¾	1.24	1.29%	.74½
No. 2.....	1.25	1.06	1.23	.74
No. 2 white.....	1.25	1.11	1.22½	.76
<b>Oats</b>				
December .....	.59½	.51½	.59½	.43¾
May .....	.65¾	.56¾	.64¾	.47
No. 2 white.....	.63	.52	.62 @ .62½	.45
<b>Flour</b>				
Soft patent.....per bbl.	9.50	8.00	8.50 @ 9.50	5.25 @ 6.25
Spring patent.....	8.65	7.70	8.45 @ 8.50	5.75 @ 6.00
Middling cotton.....per lb.	.24	.23¾	.23½	.34½
Hogs on hoof.....per cwt.	9.90	6.00	6.50 @ 9.70	5.75 @ 8.40

**Commodity Movement**

Receipts and shipments at St. Louis, as reported by the Merchants' Exchange, were as follows:

	*Receipts			*Shipments		
	Nov. 1924	Oct. 1924	Nov. 1923	Nov. 1924	Oct. 1924	Nov. 1923
Beef, lbs.....	226	123	580	22,270	26,765	25,326
Corn, bu.....	1,411	2,397	2,134	649	1,492	842
Flour, bbls.....	376	469	476	539	655	559
Hides, lbs.....	10,534	11,113	8,221	11,127	14,562	10,304
Lard, lbs.....	3,654	6,663	6,795	7,464	9,116	11,566
Lead, pigs.....	238	289	155	189	236	215
Lumber, cars.....	19	19	19	13	13	14
Oats, bu.....	1,944	2,946	2,646	1,646	2,437	1,909
Pork, lbs.....	19,073	22,902	22,907	29,861	34,214	31,344
Wheat, bu.....	3,346	5,363	2,259	2,882	4,673	1,819
Zinc, slabs.....	382	235	171	347	374	154

\*In thousands (000 omitted).

**Live Stock Movement**

Receipts and shipments at St. Louis, as reported by the National Stock Yards, were as follows:

	*Receipts			*Shipments		
	Nov. 1924	Oct. 1924	Nov. 1923	Nov. 1924	Oct. 1924	Nov. 1923
Cattle and Calves.....	133	171	125	82	107	79
Hogs .....	355	379	451	230	267	281
Horses and Mules.....	6	6	8	7	6	11
Sheep .....	25	46	34	12	21	16

\*In thousands (000 omitted).

**BUILDING**

Throughout the district building operations continued active, with work on structures in process of erection continuing further into the year than ever before. Craftsmen in the building trades in the large cities were fully employed, and there was a good call for workers in the smaller towns, suburban communities and in the country. With completion of harvests, farmers are undertaking repairs and improvements to their housing facilities on an extensive scale, and sales of lumber, standard iron and steel shapes and building materials generally to the rural districts have been in large volume. During the period under review road building in all states of the district has proceeded with virtually no interruption from unfavorable weather conditions, and the call for common labor on these operations was maintained at levels closely approximating the peak point last summer. While in point of expenditure involved, permits issued for new construction in the five largest cities of the district during November fell sharply under the high point recorded in October, the total for the first eleven months of the current year was 10.7 per cent in excess of the corresponding period in 1923. The general average of building material prices advanced slightly over the preceding thirty days, due principally to advances on steel and lumber which became effective in November. A feature developed in building reports covering November, was the decision of many important contractors to push work on buildings which they are constructing through the winter. Advantages in the way of price concessions, selection and prompt delivery of materials, they estimate, will offset any disabilities occasioned by cold weather. Production of portland cement for the country as a whole during November totaled 13,141,000 barrels against 14,519,000 barrels in October, and 12,603,000 barrels during November, 1923.

Building figures for November follow:

	New Construction				Repairs, etc.			
	Permits		*Cost		Permits		*Cost	
	1924	1923	1924	1923	1924	1923	1924	1923
Evansville .....	117	106	\$ 302	\$ 197	57	74	\$ 15	\$ 29
Little Rock.....	86	74	238	196	85	85	41	27
Louisville .....	255	268	1,104	582	70	88	73	102
Memphis .....	420	295	1,352	1,791	147	40	45	17
St. Louis.....	720	849	2,339	4,199	489	547	344	372
Nov. totals.....	1,598	1,592	\$ 5,335	\$ 6,965	848	834	\$ 518	\$ 547
Oct. totals.....	2,125	1,906	13,032	3,987	1,163	1,133	755	600
Sept. totals.....	2,243	1,739	7,073	8,013	1,067	1,029	881	533

\*In thousands of dollars (000 omitted).

**FINANCIAL**

Influences which controlled the financial and banking situation in this district during the thirty days immediately preceding, continued largely in effect during the period under review. Further heavy liquidation, particularly throughout the South, has resulted in a sharp advance in deposits of reporting member banks, the total in mid-December establishing a new high record. There was a gain in loans and discounts of the reporting member banks, but the rise was proportionately much smaller than the gain in deposits, with the result that the banks still find themselves with a superabundance of funds on hand. In a number of instances banks in the large centers have loaned money on call in the East, and generally stocks, bonds and other investments of the banks have increased. The demand for money from commercial sources is described as only moderately active. Many large mercantile customers have paid out, and some borrowers in this category have asked their banks to be allowed to anticipate payment on loans due in

January and February. Country banks have extensively reduced obligations and increased their deposits with correspondents in the large centers. Bills discounted by member banks with the Federal Reserve Bank showed a further decrease, reaching a new low point for the year. In the immediate past there was a slight improvement in the demand for financing the tobacco crop, and borrowing in the rice section is well up to normal for this season. The recent movement of corn has resulted in increased requirements of commission houses and elevator interests. Loans to the flour milling industry continued about at the levels of the preceding month, liquidation being offset by heavier requirements occasioned by the high price of wheat and liberal stocks. Due to the high cost of feeds and reduced herds, demands for financing live stock feeding have dropped below recent levels, and are considerably less active than at this time last year. Activity in the security market is reflected in a further sharp gain in loans of member banks secured by stocks and bonds. Rates charged by the commercial banks increased slightly during the period, the average being about one-fourth of one per cent above those prevailing during the preceding thirty days. Rates on bankers acceptances advanced to the extent of about one-half of one per cent. Commercial failures in the district showed marked improvement both over the preceding month and the corresponding month in 1923.

### Commercial Paper

Except for an upward trend in rates, the commercial paper situation developed no notable change as contrasted with the preceding month. Offerings were somewhat freer, but there continues a relative scarcity of prime names. Purchasing by the larger banks was restricted, the general disposition being to postpone commitments until after the first of the year in hopes of realizing more profitable rates. The demand from country banks is potentially very great, but actual buying has been held down by the low rates. Sales in the South were relatively larger than in other sections of the district. Since the second week in December considerable improvement has developed in the market generally. Rates ranged from  $3\frac{1}{4}$  to 4 per cent, which compares with 3 to  $3\frac{3}{4}$  per cent during the preceding thirty days, and  $4\frac{3}{4}$  to  $5\frac{1}{4}$  per cent during the corresponding period a year ago.

### Condition of Banks

The following statement shows principal resources and liabilities of reporting member banks in Evansville, Little Rock, Louisville, Memphis, and St. Louis:

	*Dec. 17, 1924	*Nov. 19, 1924	*Dec. 19, 1923
Number of banks reporting.....	†33	†33	35
Loans and discounts (incl. rediscounts)			
Secured by U. S. Govt. obligations.....	\$ 10,649	\$ 9,708	\$ 11,979
Secured by other stocks and bonds.....	174,532	164,116	148,992
All other loans and discounts.....	316,749	319,501	312,632
Total loans and discounts.....	\$501,930	\$493,325	\$473,603
Investments			
U. S. Pre-war bonds.....	14,357	14,356	15,193
Liberty bonds.....	25,951	25,000	22,520
Treasury bonds.....	5,885	2,257	6,945
Victory and Treasury notes.....	12,210	10,160	17,075
Certificates of Indebtedness.....	2,768	2,708	9,318
Other securities.....	101,585	96,546	86,497
Total investments.....	\$162,756	\$151,027	\$157,548
Reserve balance with F. R. bank.....	50,772	57,266	37,856
Cash in vault.....	9,136	7,895	9,429
Net demand deposits.....	405,309	383,361	341,935
Time deposits.....	213,349	217,136	190,275
Government deposits.....	7,904	2,378	6,943
Bills payable and rediscounts with			
Federal reserve bank			
Secured by U. S. Govt. obligations.....	1,405	557	11,306
All other.....	2,311	3,728	31,525

\*In thousands (000 omitted).  
†Decrease due to consolidation. Total resources of these 33 banks comprise approximately 54 per cent of the resources of all member banks in the district.

### Savings Deposits

The changes in the amount of savings deposits, exclusive of postal savings deposits, since a month ago and a year ago, as reported by the largest member banks in the leading cities of this district, are shown in the following table:

	No. of banks reporting	*Amount of savings deposits			Dec. 1924 comp. to Nov. 1924	Dec. 1924 comp. to Dec. 1923
		Dec. 3, 1924	Nov. 5, 1924	Dec. 5, 1923		
Evansville ....	4	\$ 9,320	\$ 8,939	\$ 8,974	+ 4.3%	+ 3.9%
Little Rock..	4	7,843	7,703	7,146	+ 1.8	+ 9.8
Louisville ....	7	26,941	26,869	24,434	+ 0.3	+ 10.3
Memphis ....	4	16,399	16,952	17,882	- 3.3	- 8.3
St. Louis.....	12	96,728	80,563	73,426	+20.1	+31.7
Totals.....	31	\$157,231	\$141,026	\$131,862	+11.5	+19.2

\*In thousands (000 omitted).

### Debits to Individual Accounts

	*For four weeks ending			Dec. 1924 comp. to Nov. 1924	Dec. 1924 comp. to Dec. 1923
	Dec. 17, 1924	Nov. 19, 1924	Dec. 19, 1923		
E. St. Louis and					
Natl. Stock Yards, Ill..	\$ 41,479	\$ 40,133	\$ 40,540	+ 3.4%	+ 2.3%
El Dorado, Ark.....	6,772	5,871	6,013	+15.5	+12.8
Evansville, Ind.....	29,139	25,239	29,480	+15.5	- 1.2
Fort Smith, Ark.....	15,924	18,139	14,049	- 1.2	+13.3
Greenville, Miss.....	5,445	5,768	4,469	- 5.6	+21.8
Helena, Ark.....	6,942	8,923	8,123	-22.2	-14.5
Little Rock, Ark.....	79,892	87,039	70,070	- 8.3	+14.0
Louisville, Ky.....	157,595	156,747	148,739	+ 0.7	+ 6.2
Memphis, Tenn.....	171,355	163,714	176,635	+ 4.7	- 3.0
Owensboro, Ky.....	5,215	4,909	6,700	+ 6.2	- 2.2
Quincy, Ill.....	10,987	10,215	9,893	+ 7.6	+11.1
St. Louis, Mo.....	630,500	671,723	624,159	- 6.1	+ 1.0
Sedalia, Mo.....	4,065	3,992	3,880	+ 1.8	+ 4.8
Springfield, Mo.....	12,096	12,257	13,133	- 1.0	- 7.9
Totals.....	\$1,177,406	\$1,214,669	\$1,155,883	- 3.1	+ 1.9

\*In thousands (000 omitted).

### Federal Reserve Operations

A new low record for the present calendar year was recorded in the amount of paper discounted for its member banks by the Federal Reserve Bank of St. Louis. On December 17 the total was \$12,483,000 which compares with \$16,739,000 on November 17, and \$60,058,000 on December 17, 1923. Federal reserve note circulation increased slightly over the preceding month, the gain being ascribed chiefly to the usual demand for holiday currency. A feature of the Reserve bank's activities during the period under review has been the large volume of bill of lading drafts, drawn chiefly to cover cotton and rice shipments, discounted for member banks. The combined reserve ratio against deposit and Federal reserve note liabilities on December 17 was 74.3 per cent against 75.7 per cent on November 17, and 66.4 per cent on December 17, 1923. During November this institution discounted for 207 of its member banks, which compares with 236 banks accommodated in October and 211 in November, 1923. The discount rate of this bank remains unchanged at 4 per cent.

### COST OF LIVING

According to a survey of the cost of living in the United States for November 15, 1924, by the National Industrial Conference Board, the weighted increase of all items combined was only one-tenth of one per cent between October 15, and November 15, 1924. All of the separate items included in the cost of living showed variations in this period. Between July 15, and November 15, 1924 there was an average increase of 2.2 per cent. This change was occasioned by increases in the average cost of food, clothing, fuel and sundries, and a decrease in the average cost of shelter. The average cost of light, which had been slightly lower during this period, had returned in November to the level of July, 1924. Between July, 1920, when the peak of the rise in the cost of living since 1914 was reached, and November, 1924 the cost of living decreased 19.2 per cent. The increase in the cost of living since 1914 was 65.2 per cent.

(Compiled December 23, 1924)