

# FEDERAL RESERVE BANK OF ST. LOUIS

## MONTHLY REPORT ON

### GENERAL BUSINESS CONDITIONS

#### IN FEDERAL RESERVE DISTRICT No. 8

Released for Publication On and After the Morning of August 31, 1922

WILLIAM McC. MARTIN,

CHAIRMAN OF THE BOARD AND FEDERAL RESERVE AGENT



THE favorable underlying factors which accounted for the progress in general business noted in the preceding issue of this report were unchanged during the past thirty days, but the rate of progress in trade and industry was perceptibly slackened by uncertainty created in the minds of merchants and the public by continuance of the coal and railroad strikes. Almost universally comments of merchants and manufacturers indicate an enormous demand for commodities, and the wherewithal to fill requirements, but buying, especially for forward delivery, has been halted by uncertainty as to the future. The disposition is to take only enough for immediate needs, and to conserve resources for possible emergencies which may grow out of the unsettled industrial conditions.

Another cause contributing to the slowing down in the movement of merchandise has been the increase in prices and costs, due largely to the radical advance in fuel. This is true particularly of lines based on iron and steel, but is noted, also, in lumber, fire clay products, glass and other building materials. Manufacturers generally report serious interference with their supplies of raw materials, due to disorganization of transportation service. Many plants have been obliged to curtail operations, and some have closed down temporarily, because of inability to secure fuel. The reaction on the part of the public against higher commodity prices is well defined, and the demand centers in cheap and moderate priced goods.

Specific replies to questionnaires addressed to merchants and manufacturers throughout the district, while mainly favorable, are somewhat uneven. Certain lines, which report gains in one locality, show losses elsewhere, and in some cities different factors in the identical line disclose a variety of results. In the coal mining sections business reflects the reduced purchasing power of an important part of the population. Similarly, railroad division points, and towns where railroad shops are located, show a decrease in sales as compared with the preceding month. In the typical agricultural sections, particularly in the South, business is apparently holding its own in good shape.

Wholesalers in the large centers report a fair number of buyers present in July and early August. For the most part these visiting merchants were optimistic relative to fall and winter business, but their buying has been almost exclusively on an immediate shipment basis. While they report an excellent demand for goods in their several territories, they are unwilling to make heavy commitments until something more certain is known of the out-

come and results of the labor situation. For the present they are satisfied to purchase what they need to fill out their assortments, and such goods as they are able to dispose of during the next two months. Special offerings and sales are meeting fair response, and anything which looks like a bargain finds a ready purchaser. In all staple and standard lines, however, purchasing is pursued with the utmost conservatism.

The splendid crop prospects, which prevail in virtually all sections of the district, were in a measure offset as a stimulant to business by the sharp decline in prices, of farm products during the period under review, also, by serious disabilities to the marketing of crops occasioned by the railroad and coal strikes. Farmers in the wheat areas are experiencing difficulty in moving their grain to market, and congestion exists at country railroad terminals because of inability to obtain cars. Producers of vegetables and fruits in some sections of the South are threatened with heavy losses on account of delays in moving their crops, and the idleness of canneries which are unable to secure fuel.

Production of leading crops in the Eighth Federal Reserve District this season will be well in excess of a year ago. A compilation based on the August 1 report of the Department of Agriculture shows the following comparison of outputs of important crops in the district: Corn, 429,388,000 bu. this year against 416,543,000 bu. in 1921; wheat, 215,438,000 bu. against 153,483,000 bu. in 1921; cotton, 2,241,000 bales, against 1,662,000 bales in 1921; oats, 336,294,000 bu., against 229,772,000 bu. in 1921; hay, 20,055,000 tons against 16,877,000 tons in 1921. The Department of Agriculture makes the average condition of all crops in the seven states entirely or partly within the Eighth Federal Reserve District (100=10 year average) 105.9 per cent as of August 1, against 100.3 per cent on July 1 and 95.8 per cent on August 1, 1921.

According to officials of railroads operating in the district, freight traffic during July fully maintained recent gains. The movement of merchandise and farm products was in volume sufficient to more than counterbalance the losses in coal loadings. Toward the end of July and in the early weeks of August, however, effects of the shopmen's strike began to be reflected in the business of most of the roads. Passenger traffic, which has shown a steady decrease since the strike began, declined still further during the period under review. Vacation travel during July was considerably under normal. Passenger departments attri-

bute this partly to the growth of automobile touring. The St. Louis Terminal Railway Association, which includes in its membership 26 roads operating through this gateway, interchanged 168,367 loads in July, which compares with 167,610 loads in June, 165,168 loads in May, 138,690 loads in April and 146,500 loads in July, 1921. During the first nine days of August 53,837 loads were interchanged, against 44,704 for the corresponding period in June. Passenger traffic of the St. Louis lines in July was about 8 per cent under the same month in 1921, and 2½ per cent less than June this year.

Sharp advances in prices and rapidly disappearing reserve stocks featured the fuel situation in this district during the period under review. Consumers of steaming coal in the large industrial centers experienced the greatest difficulty in obtaining supplies sufficient to keep their plants in operation, and railroads under pressure of fuel scarcity canceled numerous trains, both freight and passenger. Dealers report coal stored in the cellars of domestic users the smallest on record for this period of the year. Virtually no coke moved in from Eastern producing points, but local by-product ovens have been able thus far to furnish sufficient tonnages to the iron and steel plants to keep them in operation. Production of coal for the country as a whole during the nineteenth week of the strike (August 7-12) was 4,880,000 tons, which compares with 9,543,000 tons for the corresponding week in 1921, and 12,232,000 tons in 1920. Unbilled cars

of coal at the mines dropped from 33,545 on April 8 to 1,470 on August 5.

Production of automobiles for the country as a whole decreased during July, the loss as compared with June being about 15.3 per cent on passenger cars and 20 per cent on trucks. Total production of manufacturers reporting direct and through the Automobile Chamber of Commerce was 222,657 passenger cars and 20,891 trucks in July, as compared with 261,924 passenger cars and 25,274 trucks in June. According to reports of 230 dealers scattered through this district, July sales were about 10 per cent under those of June, but well in excess of the corresponding month in 1921. Recent price reductions and the strikes, according to the reporting interests, have had a tendency to disturb confidence and retard buying.

Considerable variety featured reports relative to collections, but on the whole the showing made is about equal to the preceding month. In the mining districts there are numerous complaints of slow payments, but in the agricultural areas, especially to the South, there has been marked improvement during the past six weeks. Wholesalers in the large cities report collections on current business excellent, with fair payments on older indebtedness. Answers to 332 questionnaires addressed to representative interests in various lines throughout the Eighth Federal Reserve District show the following results: 4.2 per cent excellent, 46.9 per cent good, 43.2 per cent fair and 5.7 per cent poor.

Commercial failures in the 12 Federal Reserve Districts during the months of July and June, with comparative figures for July, 1921, as compiled by Dun's, were as follows:

District	NUMBER			LIABILITIES		
	July 1922	June 1922	July 1921	July 1922	June 1922	July 1921
Boston, First.....	130	150	94	\$ 2,393,565	\$ 4,838,902	\$ 2,124,077
New York, Second.....	384	273	230	8,035,662	7,642,247	18,342,752
Philadelphia, Third.....	86	57	72	1,676,773	1,573,360	1,254,361
Cleveland, Fourth.....	163	136	167	5,164,164	3,521,377	4,200,340
Richmond, Fifth.....	150	169	124	2,349,539	2,183,739	1,565,856
Atlanta, Sixth.....	173	147	138	2,157,713	2,041,013	1,968,097
Chicago, Seventh.....	249	230	222	11,484,832	6,369,831	4,565,389
St. Louis, Eighth.....	87	125	94	1,721,083	1,525,233	1,545,874
Minneapolis, Ninth.....	60	79	27	1,142,174	1,307,894	425,042
Kansas City, Tenth.....	61	86	48	891,386	2,149,987	1,056,534
Dallas, Eleventh.....	64	114	114	1,230,581	2,481,679	3,778,098
San Francisco, Twelfth.....	146	206	114	1,762,841	2,557,188	1,947,733
Total.....	1,753	1,740	1,444	\$40,010,313	\$38,242,450	\$42,774,153

### MANUFACTURING AND WHOLESALE

**Boots and Shoes**—Sales of the 11 reporting interests during July indicated slight decreases under the June totals but gains of from 7 per cent to as high as 71.8 per cent over the corresponding month in 1921. Prices of finished goods advanced on an average of from 5 to 10 per cent during the period under review, the upturn being in response to the higher markets on hides and leather. While ordering for future delivery is gaining from month to month, most of the buying continues on an immediate delivery basis. Constantly changing styles, according to manufacturers, have a tendency to hold back forward buying. Factory operations in the district were at from 85 to 100 per cent of capacity.

A scarcity of shoemakers is reported by several manufacturers.

**Clothing**—Reports of 23 leading interests indicate sales during July largely in excess of the corresponding period a year ago, gains ranging from 2 to 55.3 per cent, and averaging 13.6 per cent. Buying is mainly in small quantities and for immediate shipment, but the volume of orders is large in the aggregate. The trend of prices is upward, through no marked changes in standard lines was noted during the period under review.

**Iron and Steel Products**—The demand for finished and semi-finished iron and steel materials continued active throughout July and early August,

and producers were more concerned with effecting deliveries and obtaining raw materials than seeking new business. Despite the strike of shopmen, the railroads are still buying heavily, and car builders and automobile makers continue to absorb large tonnages. Business of farm implement manufacturers is steadily improving, and the same is true of boiler and machinery makers. Boiler production has been held down by delayed deliveries of steel plate and other raw materials. The melt of pig iron in the district was approximately the same in July as in June, but more than double that of July, 1921. Prices of No. 2 Northern pig iron (1.75 to 2.25 per cent silicon) advanced \$5 a ton to \$30. Southern iron of the same grade advanced \$3 a ton to \$21 to \$22.

**Hardware**—With but one exception, the 12 reporting interests show increases in July sales over the same month a year ago, the gains ranging from 1.2 to 40 per cent. The comparison of July and June sales reflects only the usual seasonal changes. Buying for future delivery continues to make gradual headway, but is still far behind the volume usual at this season in former years. Building hardware is the most active feature of the line, but the movement of shelf hardware, hand implements and seasonable summer goods is brisk. There are numerous complaints of delays in receiving goods.

**Electrical Supplies**—Sales of the 7 reporting interests in July were 4.8 per cent larger than in July, 1921, and 23.6 under the June total. The drop in July under June is attributable largely to seasonal considerations, and business is reported good. New building and improvements by public utility companies, a brisk demand for household appliances and radio supplies are among the favorable factors affecting the trade. The comment is made that mild weather earlier in the summer held down the sale of electric fans and other typical summer goods. The trend of prices is higher, especially on iron conduit and pole line hardware.

**Flour**—Production of 11 leading mills in the district during July was 281,783 barrels, against 223,428 barrels in June, 279,970 barrels in May and 252,868 barrels in April. Buying continues on a hand to mouth basis, despite unusually small stocks in hands of retailers and the public. Uncertainty caused by the strikes and expectations of lower prices with a freer movement of new crop wheat is holding down the volume of orders. Virtually no flour has been sold abroad, while usually at this season the mills have contracted for export business two or three months ahead. Prices declined in sympathy with the downturn in wheat. Millers report that the recent advance in coal prices is equivalent to 20c to 30c per barrel in their manufacturing cost.

**Groceries**—While sentiment among the 17 reporting interests was generally optimistic, this feeling was not reflected in actual sales figures. Fourteen of the stores showed declines of from 3 to 41 per cent in July sales under those of the same month in 1921, the remaining three reporting gains of from .5 to 40 per cent. The demand centers chiefly in staples, articles in the luxury category being relatively quiet. Unusually large sales of sugar, cans and mason jars indicate heavy household can-

ning and preserving. This activity, which is the result of abundant fruit and vegetable crops, is reflected in a sharp decrease in sales of canned goods. Retail stocks, both in the cities and country, are light, but buying is held in abeyance by the railroad and coal strikes.

**Dry Goods**—The 11 reporting interests show July sales 18 per cent above the corresponding month in 1921, and 28 per cent larger than in June this year. Purchasing is largely on an immediate shipment basis, and is being cautiously pursued. The volume of orders for forward delivery was slightly less than during the preceding thirty days. This is ascribed to recent price advances, and general uncertainties in the economic situation. Collections are satisfactory.

**Furniture**—July sales of the 11 reporting interests were from 6 to 18 per cent larger than for July, 1921, and 6 per cent less to 8 per cent larger than in June this year. Some price advances were noted during the period under review, the extent of which was about on a parity with the recent advance in raw materials. Manufacturers report difficulty in obtaining raw materials, particularly lumber and glass, movement of the former being delayed by congestion in the transportation service. Plant operation in the district declined slightly, being estimated at from 75 to 80 per cent of capacity, against 82 to 85 per cent during the preceding thirty days.

**Drugs and Chemicals**—July sales of the 7 reporting interests ranged from 4 per cent less to 28 per cent larger than in July, 1921, and 6 per cent less to 7½ per cent larger than in June. The houses reporting losses ascribe them largely to conditions local to certain of the territories in which they do business. The position of the industry is described as generally satisfactory, with some departments showing marked gains. Particularly good results were obtained in the pharmaceutical division, and sundries are moving in good volume. There was a slight falling off in sales of chemicals used in manufacturing. Further price advances were noted in important articles.

**Lumber**—The heavy movement of lumber during the spring and early summer, which was about 50 per cent larger than that of the corresponding period a year ago, declined heavily in July and early August as a result of disorganized transportation service. Inability to ship any considerable portion of their current production, though accumulated orders are still heavy, makes extensive shut-downs of Southern pine mills imminent. The heavy curtailment of supplies from manufacturing centers has stimulated the upward tendency of the market. With demand now largely dependent on transit cars, immediate shipments at premium and on stocks at distributing centers, still further price advances are indicated. Buying of yard stock is active and in increasing volume; only the railroad trade is quiet. Hardwood and cypress are seasonally quiet, with buyers apparently not at all disturbed by the prospective shortage of supplies. Many factories consuming hardwoods have sufficient reserves on hand to carry them well through this year and are willing to take chances with the railroad situation.

**Industrial Power Consumption**—Public utility companies in three of the four leading cities of the district report sharp increases in the consumption of electrical power during July as compared with the same month last year, Little Rock alone reporting a moderate decline. The same three cities report slight increases for the current month over the preceding one, Little Rock's consumption indicating more than the expected seasonal drop. The comparative figures follow:

Representative Customers		July, 1922	June, 1922	July, 1922 comp. to June, 1922	July, 1921	July, 1922 comp. to July, 1921
St. Louis....	65	11,112,400 k. w. h.	10,816,177 k. w. h.	+ 2.7%	8,532,298 k. w. h.	+30.2%
Memphis ....	31	806,840 "	800,700 "	+ .8%	664,750 "	+21.4%
Little Rock ..	11	585,891 "	769,494 "	-23.8%	613,049 "	- 4.4%
Louisville ..	81	2,411,426 "	2,282,724 "	+ 5.6%	1,639,907 "	+47.0%
<b>Total....</b>	<b>188</b>	<b>14,916,557 "</b>	<b>14,669,095 "</b>	<b>+ 1.6%</b>	<b>11,450,004 "</b>	<b>+30.2%</b>

## RETAIL

In the retail division of distribution, reports covering the past thirty days indicate a slacking in activity slightly more pronounced than can be accounted for by seasonal considerations. Strikes and hampered transportation figure prominently in the reasons suggested as accounting for the sluggish movement of goods. Clothiers report a fairly heavy demand for fall suits and dresses, with sales steady to 10 per cent above a year ago, but under June. Prices range from 5 to 10 per cent lower than in 1921. While the tendency is still to economize, some dealers report that the better qualities are finding more favor than heretofore. Jewelry sales in July fell below those of June, but averaged 10 per cent larger than July, 1921. Diamonds and other gems are being bought more freely. Hardware merchants report the movement of cutlery and other steel ware good, but a slight falling off is noted in sales of builders hardware. Steady improvement in the demand for household electrical appliances is noted, though the total amount of

July sales was slightly less than a year ago. A new high level was touched in July sales of radio sets, and the demand was not entirely satisfied because of inability to secure certain parts. Seasonal sporting goods were well taken, but comparative figures with last season make an unfavorable showing because of the sharp price reductions in the interim. Sporting goods containing cotton fabric are an exception to the general declines, these being slightly higher than a year ago. Stationers report sales disappointing during the period under review, especially of office supplies. Printers sales were about steady with last year, with results in their catalogue departments showing improvement. Furniture, floor coverings, hangings, and similar goods are moving well, which fact is due in large measure to the volume of residential building throughout the district. Reports relative to collections vary somewhat, but save in the mining sections retailers are getting in their money fairly promptly.

**Department Stores**—The condition of retail trade during July, 1922, in the leading cities of this district is reflected in the following statement, compiled from reports of 20 representative department stores:

(Percentages)	St. Louis	Louisville	Memphis	Little Rock	Evansville	Quincy	8th District
<b>Net Sales:</b>							
July, 1922, compared with July, 1921.....	-2.4	+11.9	+ 1.9	-7.0	-24.3	-7.6	- .5
Period July 1 to July 31, 1922, compared with same period in 1921.....	-2.4	+11.9	+ 1.9	-7.0	-24.3	-7.6	- .5
<b>Stocks at end of July, 1922:</b>							
Compared with same month in 1921.....	-5.1	-18.6	-10.5	+4.9	-16.9	0.0	-6.9
Compared with stocks at end of June, 1922....	+ .8	- 7.5	+ .3	-6.1	- 5.2	0.0	-1.0
Average stocks on hand at end of each month since July 1, 1922, to average monthly sales during same period.....	383.8	290.4	504.1	474.1	654.6	559.4	406.8
Outstanding orders for July, 1922, compared with previous year's purchases.....	9.9	3.2	6.5	4.2	1.3	.5	7.8

## AGRICULTURE

Crops throughout the district made good progress during the period under review, condition of nearly all the leading productions showing improvement over the preceding thirty days. Threshing of winter wheat is rapidly nearly completion, and for the most part returns are bearing out the earlier promise of both quality and yield. There are some complaints of lightness of the berry, due to premature ripening, but quality generally is well up to expectations. Plowing for fall seeding is quite general throughout the district.

The condition of corn is satisfactory. Some minor damage from extreme heat and lack of moisture is reported, but timely rains and showers have held the usual seasonal deterioration to a minimum.

Missouri corn is 87 per cent of normal, indicating 31.32 bushels to the acre. In Indiana the August 1 condition was 85 per cent; in Tennessee, 86 per cent; in Kentucky, 85.6 per cent; in Arkansas, 79 per cent and in Illinois 85 per cent.

There was little change worthy of comment in the oats crop, latest returns confirming the heavy decrease in total yield indicated by the Department of Agriculture's report.

The outlook for fruits of all kinds continues extremely good, and vegetable crops, except in limited areas where drouth has lowered prospects to some extent, are the best in more than a decade. In Arkansas a commercial apple crop of 3,569,550 bushels is indicated, which contrasts with

a total crop of only 120,000 bushels last year. Total production of apples in Illinois will exceed that of 1921 by about 6,600,000 bushels.

Reports relative to the tobacco crop are almost uniformly optimistic. Kentucky, the largest producer of leaf tobacco in the district, will raise about 520,279,000 pounds, against 325,279,000 pounds last year. Largely increased yields are also indicated in Indiana and Tennessee. Since August 1 the condition of the tobacco crop has been lowered somewhat by lack of moisture.

The condition of the rice crop in Arkansas improved during July, a condition of 87 per cent be-

ing reported on August 1, indicating a total yield of 6,766,000 bushels.

Hay crops have been among the largest in recent seasons, and the condition of pastures is mainly satisfactory, though some dry spots are reported. Live stock is in generally good condition, with a fair increase in the number of cattle and hogs, as compared with a year ago, reported by many important areas.

Prospects for cotton, which were generally good in the Eighth Federal Reserve District during July, have been lowered during the past two weeks by insect damage, shedding and extreme high temperatures. Boll weevils are increasing, and army worm is present in many counties.

The U. S. Department of Agriculture, in its report as of August 1, 1922, gives the condition of winter wheat, corn and oats in the states of this district as follows:

### WHEAT

	TOTAL PRODUCTION IN THOUSANDS OF BUSHEL			YIELD PER ACRE BUSHEL		QUALITY PER CENT		PRICE PER BU. AUGUST 1	
	1922	1921	1916-20	1922*	10 yr. av.	1922	10 yr. av.	1922	1921
		Dec. Est.						Av.	cents
Illinois .....	46,130	42,638	41,201	17.5	16.4	88	89	98	106
Indiana .....	28,275	24,144	33,668	14.5	15.2	88	88	99	113
Kentucky .....	7,475	6,340	8,959	11.5	11.7	83	89	118	117
Missouri .....	36,812	34,390	39,479	12.5	13.7	84	88	94	103
Tennessee .....	4,702	4,500	6,077	9.5	10.6	80	88	115	125

### OATS

	CONDITION August 1		FORECAST 1922 PRODUCTION** from condition Aug. 1—July 1		PRODUCTION COMPARISONS**		PRICE PER BU. August 1	
	1922	10 yr. av.	Bu.	Bu.	1921	5 yr. av. 1916-20	1922	1921
	%	%			Dec. Est. Bu.	Bu.	Cents	Cents
Illinois .....	65	81	115,567	110,767	121,741	181,914	31	30
Indiana .....	50	81	33,276	34,027	45,072	71,070	32	31
Missouri .....	50	79	22,364	21,913	42,960	48,047	41	30

\*Preliminary estimate.

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

### CORN

	CONDITION August 1		FORECAST 1922 PRODUCTION* from condition Aug. 1—July 1		PRODUCTION COMPARISONS		PRICE PER BU. August 1	
	1922	10 yr. av.	Bu.	Bu.	1921	5 yr. av. 1916-20	1922	1921
	%	%			Dec. Est. Bu.	Bu.	Cents	Cents
Arkansas .....	79	75	52,635	47,387	60,148	48,167	91	88
Illinois .....	85	78	329,831	303,726	305,966	337,245	56	55
Indiana .....	85	80	184,287	170,749	169,848	182,569	59	56
Kentucky .....	93	80	102,480	94,378	82,150	97,152	84	81
Mississippi .....	83	77	54,976	51,339	57,096	55,702	90	102
Missouri .....	87	75	185,195	160,006	182,880	176,224	66	59
Tennessee .....	86	82	86,245	80,552	90,713	86,490	84	87

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

Range of prices on typical products in the St. Louis market between July 15 and August 15, with the closing quotations on each of these dates, and on August 15, 1921:

	Close July 15	High	Low	Close August 15	Close Aug. 15, 1921
September wheat.....Per. bu.	\$1.11 $\frac{3}{8}$	\$1.12 $\frac{1}{4}$	\$0.97 $\frac{7}{8}$	\$0.98 $\frac{3}{4}$	\$1.22 $\frac{3}{4}$
December wheat....."	1.14 $\frac{3}{8}$	1.15 $\frac{1}{8}$	.99 $\frac{1}{4}$	.99 $\frac{7}{8}$	1.25
May wheat....."			1.04 $\frac{1}{4}$	1.04 $\frac{3}{4}$	
September corn....."	.64 $\frac{1}{2}$	.65	.56 $\frac{5}{8}$	.57 $\frac{5}{8}$	.54
December corn....."	.61 $\frac{7}{8}$	.62	.50 $\frac{3}{4}$	.52 $\frac{1}{2}$	.53 $\frac{7}{8}$
May corn....."		.60 $\frac{1}{2}$	.54 $\frac{1}{2}$	.55 $\frac{3}{4}$	
September oats....."	.37	.39 $\frac{3}{4}$	.30 $\frac{3}{8}$	.30 $\frac{7}{8}$	.32 $\frac{1}{2}$
No. 2 red winter wheat....	1.14 @ 1.16	1.15 $\frac{1}{2}$	1.02	1.02 @ 1.04	1.25 @ 1.28
No. 2 hard wheat....."	1.15 @ 1.16	1.14	1.00	1.00 @ 1.02	1.22 $\frac{1}{2}$ @ 1.23
No. 2 corn....."	.64 $\frac{1}{4}$	.62 $\frac{1}{2}$	.58	.58 @ .61 $\frac{1}{2}$	.53 @ .53 $\frac{1}{2}$
No. 2 white corn....."	.64 $\frac{1}{2}$	.64 $\frac{1}{2}$	.59	.59 @ .59 $\frac{1}{2}$	.53 $\frac{1}{2}$
No. 2 white oats....."	.40 $\frac{1}{2}$	.39 $\frac{1}{2}$	.32	.32 $\frac{1}{2}$	.33
Flour: soft patent.....Per. bbl.	5.50 @ 6.25	6.25	5.25	5.25 @ 6.25	6.25 @ 7.00
Flour: spring patent....."	7.40 @ 7.70	7.70	6.05	6.05 @ 6.70	7.55 @ 8.05
Middling cotton.....Per. lb.	.23	.23	.21 $\frac{1}{2}$	.21 $\frac{1}{2}$	.11 $\frac{1}{2}$
Hogs on hoof.....Per cwt.	8.00 @ 10.90	11.10	6.25	6.75 @ 10.25	7.50 @ 11.10

Note—July wheat closed at \$1.11 $\frac{1}{2}$ ; July corn at 64c and July oats at 36c.

### COMMODITY MOVEMENT

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

	Receipts			Shipments		
	July, 1922	June, 1922	July, 1921	July, 1922	June, 1922	July, 1921
Flour, barrels.....	330,060	323,950	490,210	422,300	453,340	546,005
Wheat, bushels.....	5,149,844	1,570,975	9,767,576	2,813,160	1,785,110	4,682,210
Corn, bushels.....	3,324,400	2,613,000	1,755,000	2,317,835	2,197,070	1,432,130
Oats, bushels.....	2,588,000	2,620,800	2,316,000	1,873,275	2,278,610	1,254,490
Lead, pigs.....	289,710	404,430	197,870	140,040	226,120	88,550
Zinc and Spelter, slabs.....	213,210	351,030	82,660	164,470	295,630	142,570
Lumber, cars.....	14,370	20,183	9,946	10,958	14,560	8,216
Meats, pounds.....	19,150,400	19,469,500	22,968,100	28,858,500	27,246,800	23,383,100
Fresh beef, pounds.....	73,500	147,000	99,400	21,085,800	20,247,700	20,183,100
Lard, pounds.....	4,768,000	3,258,400	3,600,700	8,867,200	8,045,800	8,419,900
Hides, pounds.....	5,584,900	6,314,800	4,123,300	7,778,700	9,565,100	5,134,900

### LIVE STOCK MOVEMENT

As reported by the St. Louis National Stock Yards, receipts and shipments of live stock in July, 1922 and 1921, and June, 1922, were as follows:

	Receipts			Shipments		
	July, 1922	June, 1922	July, 1921	July, 1922	June, 1922	July, 1921
Cattle and Calves.....	106,427	113,647	78,034	63,083	67,652	40,959
Hogs.....	216,286	298,492	183,511	148,002	197,799	119,909
Sheep.....	97,113	117,068	71,267	30,469	50,625	27,322
Horses and Mules.....	2,829	2,106	2,180	2,640	2,186	2,311

### LABOR SITUATION

The labor situation in this district is reflected in the following table, compiled from reports received from 200 leading employers in 20 of the largest cities in the district:

	Men	Women	Wage Earners			Pay Roll
			Total	Normal	% of Normal	
July 31, 1922.....	112,918	21,150	134,068	155,410	—13.7	\$10,274,603.20
June 30, 1922.....	109,365	24,217	133,582	157,684	—15.3	9,947,894.52
July 31, 1921.....	102,969	19,986	122,955	155,410	—20.9	10,278,307.80

From the above tabulation it will be noted that the number of employees of reporting interests increased 11,113 or 9.0% (men increased 9.6% while women increased 5.8%) between July 31, 1921 and July 31, 1922. Wages, figured on a semi-monthly basis, decreased 8.3% between July 31, 1921 and July 31, 1922.

### BUILDING

Building permits issued in July by the five leading cities of the district showed a slight decline under the preceding month, but were approximately 65 per cent larger than for the corresponding month in 1921. As has been the case for a number of months, residential building predominates in the new enterprises initiated. The past month's record, however, shows a broadening in the variety of structures mentioned in permits issued. The vacation season and delay in shipments of building materials have served to slow down operations, especially in the South. Producers and distributors of building materials report the demand for their goods is as urgent as ever, but the coal and railroad strikes have resulted in serious delays in deliveries. Production of portland cement for the country as a whole in July was 11,557,000 barrels, the largest for any single month this year.

Comparative figures for July 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.....	744	621	\$1,691,915	\$ 807,370	503	472	\$294,032	\$310,845
Louisville .....	223	152	957,425	604,950	119	118	102,525	98,050
Memphis .....	399	288	2,310,095	1,077,504	30	46	18,840	24,414
Little Rock .....	45	56	134,140	504,250	108	154	34,580	57,767
Evansville .....	67	49	139,500	170,390	53	55	15,740	22,742
July totals.....	1478	1166	\$5,233,075	\$3,164,464	813	845	\$465,717	\$513,818
June totals.....	1572	1207	5,224,814	4,107,513	935	910	630,645	420,868
May totals.....	1727	1015	6,890,004	2,421,647	1228	1114	553,851	433,189

### FINANCIAL

The general financial position in this district showed only minor changes during the past thirty days. Seasonal demands for funds to finance the crop movement was in a measure offset by a slowing down in borrowing from other sources occasioned by the strikes. Banks in the large centers reported fair liquidation by their mercantile customers, and there was a noticeable reduction in loans based on live stock. Farmers have taken advantage of the favorable market for cattle, hogs and sheep to profitably dispose of a considerable part of their holdings. The movement of wheat has been seriously hampered by transportation disabilities, and total receipts at Western markets from July 1 to date are approximately 45 per cent less than for the corresponding period a year ago. Deposits of the commercial banks increased further during the period under review, reaching a new high level for the year. Loans showed slight variation, being approximately the same at the beginning as the end of the period. Loanable funds continue ample to meet all demands of business, and the trend of interest rates was slightly easier. Between July 15 and August 15 the net deposits of the Federal

Reserve Bank of St. Louis decreased \$419,000. Federal Reserve notes in circulation increased \$1,013,000, and there was a gain in bills discounted for member banks of \$1,297,059. The total reserve carried against combined Federal Reserve note and deposit liabilities decreased .8 per cent, standing at 64.3 on August 15.

**Acceptances**—Brokers report a continuance of the dull conditions which have obtained in the acceptance market for the past several months. The volume of bills originating in the district is insignificant, and the present depressed rates tend to hold down purchases by commercial banks and investors. During July the Federal Reserve Bank of St. Louis purchased a total of \$7,478,681 of acceptances, an increase of \$863,825 over the preceding month.

**Commercial Paper**—Activity in the commercial paper market continued during the period under review. Sales of reporting brokers were approximately 35 per cent larger than for the corresponding month in 1921, and close to 40 per cent heavier than in June. Purchasing is confined largely to banks in the larger centers of population. Rates ranged from 4 to 4½ per cent.

**Interest Rates**—Between July 15 and August 15 the high, low and customary interest rates prevailing in St. Louis, Memphis, Louisville and Little Rock, as reported by banks in those cities were as follows:

	St. Louis			Louisville			Memphis			Little Rock		
	H	L	C	H	L	C	H	L	C	H	L	C
Customers' Prime Commercial Paper:												
30 to 90 days.....	6	4	5½	6	5	6	7	6	6	8	6	7
4 to 6 months.....	6	4¼	5½	6	5	6	6	6	6	8	6	6-7
Prime Commercial Paper purchased in open market:												
30 to 90 days.....	5¼	4	4½	4½	4¼	4½	..	..	..	5	4	5
4 to 6 months.....	5¼	4	4½	4½	4¼	4½	..	..	..	..	..	..
Loans to other banks.....	7	5	5½	6	5	6	6	6	6	7	6	6-7
Bankers' Acceptances of 60 to 90 days:												
Endorsed .....	3½	3½	3½	6	6	6	..	..	..	..	..	..
Unendorsed .....	3½	3½	3½	..	..	..	..	..	..	..	..	..
Loans secured by prime stock exchange collateral or other current collateral:												
Demand .....	6½	3	5	6	5	6	6	6	6	8	6	7
3 months .....	6½	4½	6	6	5	6	6	6	6	8	6	7
3 to 6 months.....	6½	4½	6	6	5	6	..	..	..	8	6	7
Cattle Loans.....	8	6	6	6	6	6	..	..	..	8	7	8
Commodity paper secured by warehouse receipts, etc.....	6½	5	5½	6	6	6	6	6	6	8	6	7
Loans secured by Liberty Bonds and certificates.....	6	3¾	5½	6	5	6	6	6	6	8	6	7

**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 2, 1922			July 5, 1922		August 1, 1921	
	Number Banks Reporting	Number Savings Accounts	Amount Savings Deposits	Number Savings Accounts	Amount Savings Deposits	Number Savings Accounts	Amount Savings Deposits
St. Louis.....	12	239,655	\$ 65,044,000	238,640	\$ 65,348,000	224,945	\$ 60,212,000
Louisville .....	7	133,304	29,719,000	134,258	20,892,000	118,355	17,614,000
Memphis .....	7	56,206	14,486,000	55,896	14,880,000	58,446	12,795,000
Little Rock .....	5	24,783	6,131,000	25,194	6,097,000	23,106	5,454,000
Evansville .....	4	20,719	8,353,000	20,657	8,339,000	20,225	7,984,000
Total.....	35	474,667	\$114,733,000	474,645	\$115,556,000	445,077	\$104,059,000

**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. 9, 1922	July, 12, 1922	Aug. 10, 1921
Number of banks reporting.....	37	37	37
Loans and discounts (excluding rediscounts):			
Secured by U. S. Govt. obligations.....	\$ 14,480,000	\$ 15,666,000	\$ 19,103,000
Secured by stocks and bonds other than U. S. Bonds	123,395,000	122,988,000	118,512,000
All other loans and discounts.....	273,866,000	270,990,000	304,211,000
<b>Total loans and discounts.....</b>	<b>\$411,741,000</b>	<b>\$409,644,000</b>	<b>\$442,211,000</b>
Investments:			
U. S. Bonds .....	31,898,000	28,718,000	25,580,000
U. S. Victory Notes.....	3,320,000	2,233,000	1,949,000
U. S. Treasury Notes.....	11,453,000	9,765,000	226,000
U. S. Certificates of Indebtedness.....	7,497,000	9,366,000	4,568,000
Other bonds, stocks and securities.....	82,726,000	81,491,000	66,144,000
<b>Total investments.....</b>	<b>\$136,894,000</b>	<b>\$131,573,000</b>	<b>\$ 98,467,000</b>
Reserve Balance with Federal Reserve Bank.....	42,285,000	34,921,000	37,474,000
Cash in vault.....	6,715,000	6,841,000	6,842,000
Net demand deposits on which reserve is computed.....	323,565,000	319,500,000	285,862,000
Time deposits.....	168,128,000	162,397,000	142,372,000
Government deposits.....	4,620,000	4,131,000	10,632,000
Bills discounted with Federal Reserve Bank.....	1,057,000	1,562,000	32,949,000
Bills payable with Federal Reserve Bank.....	2,668,000	2,034,000	11,372,000

**Debits to Individual Accounts**—The following table gives the total debits charged by banks to checking accounts, saving 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 and bankers are not included. These figures are considered the most reliable index available for indicating actual spending by the public during the period which they cover:

Debits for four weeks ending.....	Aug. 9, 1922	July 12, 1922	Aug. 1922 comp. to July 1922	Aug. 10, 1921	Aug. 1922 comp. to Aug. 1921
E. St. Louis & Natl. Stock Yards, Ill.	\$33,388,000	\$37,787,000	—11.6%	\$33,901,000	— .2%
Evansville, Ind. ....	26,120,000	31,526,000	—17.1%	19,624,000	+33.1%
Fort Smith, Ark.....	8,474,000	9,909,000	—14.4%		
Greenville, Miss.....	2,653,000	3,286,000	—19.2%		
Helena, Ark.....	3,789,000	3,551,000	+ 6.7%		
Little Rock, Ark.....	31,377,000	34,198,000	— 8.2%	33,203,000	— 5.5%
Louisville, Ky.....	117,521,000	133,273,000	—11.8%	84,029,000	+39.8%
Memphis, Tenn.....	83,810,000	93,199,000	—10.0%	75,025,000	+11.7%
Owensboro, Ky.....	4,887,000	4,828,000	— 0.0%		
Quincy, Ill.....	8,841,000	8,528,000	+ .3%	8,947,000	— 1.1%
St. Louis, Mo.....	513,383,000	513,677,000	— 0.0%	499,722,000	+14.1%
Springfield, Mo.....	11,213,000	11,662,000	— .4%	10,346,000	+ 8.3%

### FEDERAL RESERVE OPERATIONS

During July the St. Louis Federal Reserve Bank discounted for 241 of its 605 member banks, which compares with 249 out of 605 members accommodated in June. The discount rate of this bank remained unchanged at  $4\frac{1}{2}$  per cent.

RESOURCES:				LIABILITIES:			
	Aug. 16, 1922	July 12, 1922	Aug. 17, 1921		Aug. 16, 1922	July 12, 1922	Aug. 17, 1921
Gold Reserves.....	\$ 75,519	\$ 72,229	\$ 82,383	Capital paid in.....	\$ 4,767	\$ 4,769	\$ 4,541
Legal tender notes, silver, etc.....	11,761	13,541	13,130	Surplus .....	9,388	9,388	9,114
<b>Total Cash Reserves..</b>	<b>87,280</b>	<b>85,770</b>	<b>95,513</b>	Deposits .....	62,274	61,235	64,106
Discounts secured by U. S. Govt. obligations.....	4,764	5,722	28,100	F. R. notes in circulation .....	68,493	67,717	99,298
Discounts otherwise secured or unsecured..	11,135	11,211	45,714	F. R. Bank notes in circulation .....	3,307	3,343	5,994
Bills bought in open market.....	15,524	13,856	357	Deferred Availability items .....	31,062	31,036	28,531
U. S. Govt. securities....	25,146	25,739	13,151	Other liabilities.....	838	831	2,158
<b>Total earning assets..</b>	<b>\$ 56,569</b>	<b>\$ 56,528</b>	<b>\$ 87,322</b>	<b>Total liabilities.....</b>	<b>\$180,129</b>	<b>\$178,319</b>	<b>\$213,742</b>
Uncollected items.....	32,738	32,557	29,021				
Other Resources.....	3,542	3,464	1,886	<b>Combined reserve ratio..</b>	<b>66.7%</b>	<b>66.5%</b>	<b>58.5%</b>
<b>Total Resources.....</b>	<b>\$180,129</b>	<b>\$178,319</b>	<b>\$213,742</b>				

(Compiled Aug. 21, 1922.)