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FEDERAL RESERVE BANK
OF SAN FRANCISCO

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**GENERAL BUSINESS AND AGRICULTURAL CONDITIONS
IN THE TWELFTH FEDERAL RESERVE DISTRICT**

September 16, 1920.

The Month. According to September reports from various sections of the Twelfth Federal Reserve District, favorable crop conditions continue to prevail. Compared with last month the condition of the ranges and general crops in California, Oregon, Washington, and Idaho has improved, due to continued favorable factors and timely rainfall in the Pacific Northwest. No change in field crops is reported in Utah and Nevada, the rainfall coming too late in August to affect September conditions. With the exception of cotton, Arizona records a slight falling off in the general crop situation due to the lateness of the summer rains in the eastern counties. Harvesting of all grains and picking of remaining fruits are in progress and reports of good quantity and quality of yield are in the majority; but the prices which most of the various agricultural products of this district will bring are still uncertain, and this is causing an underlying note of concern. A notable exception to this general statement is the wine and table grape market where abnormally high prices have prevailed. Compensation for short crops of peaches and pears has been found in the high prices which they brought, but prunes are not selling strongly at the opening figures quoted last month; prices for the grain crops of the district generally and for the Northwestern apple crop are not so high as last year's; lemons, almonds, and walnuts are facing destructive competition from Europe, and almonds have just opened at prices 30 per cent below those of last year; prices so far offered for the present rice crop are less than those of 1919; and prices for the large wool clip of the district remain at what growers consider ruinous levels. The lumber industry of the Pacific Coast is seriously unsettled by the application of the new freight rates, and mining throughout the district manifests no improvement over the inactivity of 1919. Business generally, however, while indicating the

hesitancy natural under present revisions in the wholesale prices of numerous commodities, is reported to be satisfactory and sound. Business failures show a decrease compared with last month, and labor continues to be fully employed, without strikes or disturbances of consequence. Although interest rates show no tendency to weaken, the available funds in the district seem reasonably adequate for all legitimate needs, which is encouraging in view of the heavy seasonal demand for crop moving, now at its peak.

AGRICULTURE, LIVESTOCK, ANIMAL PRODUCTS

Wheat. The production forecast of the United States Bureau of Crop Estimates for this district remains the same as last month for winter wheat, but shows a slight falling off of spring wheat, partly due to heat shrivelling in Oregon and rain damage in Washington and Idaho. Demand is quiet and the lack of a market, combined with a shortage of cars in some districts, has curtailed the usual Fall movement. In the Pacific Northwest, about 75 per cent of the crop has been harvested, but only 25 per cent has been moved to warehouses. The movement is now gaining some momentum and increasing sales are reported at prices varying from \$2.08 to \$2.25 per bushel, according to locality. In Utah and Idaho growers hesitate to sell at prices now being offered, which range from \$1.80 to \$2.16 per bushel. Prices in California are lower than at this time last year when the government guaranteed price of \$2.20 per bushel prevailed. There is a noticeable tendency among growers in all sections to hold for higher prices. This action is based on last year's price movement, when a marked advance occurred later in the season and dealers rather than growers reaped the benefit. The present market is a declining one, occasioned chiefly by good yields in the wheat growing states of the middle west, and a foreign demand curtailed to a considerable extent by present exchange rates. Increasing shipments are being made by water from Portland, 1,262,919 bushels, valued at \$3,288,204, having been exported during August. This figure is approximately three-fourths of the value of all exports from that port during the month.

Barley. During the last month the condition of the barley crop has remained unchanged. In California a considerable quantity of the 1919 crop is still in the farmer's hands, but there is very little holdover in evidence on the market. There is practically no demand, and the average market has declined to \$2.20 a cental to the producer for choice heavy barley, a figure which the latter is slow to accept. Europe, especially Great Britain, has shown some interest and probably 75,000

to 100,000 tons have been sold to foreign buyers. Adverse exchange rates point to a dragging market in this quarter also. In the other states of the district the barley crop is absorbed internally, any deficits being supplied by imports from California. Increased yields this year point to an adequate local supply in all states with the exception of Arizona. Pacific northwestern prices have averaged \$50 a ton as compared with \$65 a ton last year at this time, and a sluggish market is reported.

A comparative statement of the estimated wheat and barley production for 1920 and 1919, in the seven states which comprise this district, is given below:

	SPRING WHEAT		WINTER WHEAT		BARLEY	
	1920	1919	1920	1919	1920	1919
ARIZONA			1,118	1,204	20	26
CALIFORNIA			9,840	16,335	700	700
IDAHO	15,778	12,600	5,908	6,105	101	80
NEVADA	518	587	75	80	11	10
OREGON	5,985	4,485	15,939	16,610	67	45
UTAH	2,745	1,960	2,652	1,722	18	17
WASHINGTON	20,464	20,300	16,236	19,800	110	99
TOTAL 12TH DISTRICT.....	45,490	39,932	51,768	61,856	1,027	977
TOTAL UNITED STATES.....	237,374	209,351	532,641	731,636	4,677	3,977

Wheat production shown in bushels, barley in tons. Three ciphers (000) omitted.

Corn and Oats. Corn and oats share the position held by the other grains of this district, slightly increased yields over 1919 being indicated, while the market reports show lower prices and inactive demand. Arizona, alone, reports lighter crops than last year, the yields of corn and oats having decreased 251,000 bushels and 164,000 bushels, respectively. It seems worthy of note that this year's corn crop in the United States is estimated at 3,131,349,000 bushels, the largest corn crop on record. The country's oat crop is placed at 1,442,000,000 bushels, an increase over last year's crop of about 194,000,000 bushels. Comparative figures for 1920 and 1919, on the estimated yield in the Twelfth Federal Reserve District, follows:

	1920	1919
CORN	9,295,000 bushels	8,493,000 bushels
OATS	46,004,000 bushels	39,579,000 bushels

Hay. Increased production of hay is forecasted for all states except Arizona and California, where slightly lower yields than last year are expected. Buying is not active in these sections, however, as the belief prevails that the surplus hay in the remainder of the district will soon cause a downward movement of prices. In the Pacific Northwest and in the intermountain states, the crop is reported as abundant and excellent. In the State of Washington number one alfalfa of the new crop is now quoted at \$18 to \$20 a ton f. o. b. car, as compared with last

year's average hay price of \$25 a ton. Straw hay for feeding sells from the stack at \$9 to \$12 per ton. Similar prices prevail in Oregon. A table comprising the 1920 and 1919 yield of hay of all kinds for the Twelfth Federal Reserve District and for the United States, follows:

	1920	1919
TWELFTH DISTRICT.....	13,028,000 tons	12,373,000 tons
UNITED STATES.....	106,451,000 tons	108,666,000 tons

Rice. The water crisis in the rice districts has passed and although a shortage still exists, the present standing crop will be brought through. A comparison shows acreage and yield to be approximately the same as in 1919:

	1920	1919
ACREAGE	145,000 acres	140,000 acres
ESTIMATED YIELD.....	3,625,000 bags	3,500,000 bags

Holdover stocks are deemed only sufficient to meet the current demand and are not expected materially to affect 1920 prices.

The new market does not open officially until October and prices are still problematical. Speculation on the 1920 yield has forced down the price of Fancy Japan from \$7.90 to \$6.00 per hundred. In 1919 the California market opened at \$6.00 and went to \$7.75 firm. At present the majority of the mills are holding for approximately \$8.00, in order to meet the growers' demands for a \$4.00 per hundred minimum. This latter price is based on a cost of production estimate of \$3.00-\$3.50 per hundredweight of unmilled rice (paddy).

Cotton. Arizona reports continued improvement in the condition of the cotton crop. In California the July recovery of Imperial Valley plantings did not hold through August and early season unfavorable factors are again reflected in the present crop condition. The Southern San Joaquin Valley plantings, amounting to approximately 23,000 acres, show a spotted condition and late sown cotton is threatened by early frosts. Therefore the estimated California production is far less than the increased acreage planted this year would seem to justify. Comparative figures of the estimated production for 1920 and 1919 follow:

	1920 (Bales)		1919 (Bales)	
	Short	Long	Short	Long
ARIZONA	20,000	90,000	22,000	40,000
CALIFORNIA*	145,000	25,000	102,000	Nominal
TOTALS.....	165,000	115,000	124,000	40,000

*Eighty-nine thousand bales grown in Lower California (Mexico) are included in the 1920 total for California.

Considerable short staple cotton has already been picked and some sales have occurred at 30 cents a pound. Volunteer long staple has also appeared on the market in very limited quantities, bringing 85 cents a

pound. The big crop movement will not commence until the first of October. The labor supply, principally Mexicans brought into the country for the picking season by arrangement with immigration authorities, appears adequate. The market continues dull and whereas the growers were holding out for 40 cents for short staple and \$1.00 for long staple a month ago, all reported sales have been well below these figures, as stated above. Long staple cotton is especially inactive. Prices for cottonseed are also well below last year, ranging from 8 to 11 cents a pound on a sluggish market. The importation of cheap foreign vegetable oils is the reported cause of this condition. Many growers are reported to be purchasing livestock to fatten on cottonseed meal.

Sugar Beets. The condition of sugar beets in this district has continued good throughout the summer, the effects of a dry season in California being offset by a bumper crop in Utah, and the combined production of California, Utah, Idaho, and Washington this year is estimated at 6,688,000 bags as against 5,281,258 bags actually produced in 1919. Some contracts have been made on a basis of \$12 a ton to growers, as against \$14.17 last year and \$9.95 in 1918. Many growers, however, will receive less than was anticipated before the present decline in the price of sugar, as they have contracts under which the price they receive is dependent upon the market price of sugar. The recent decline in wholesale sugar prices is attributed to two causes: first, the failure of demand to increase as largely as speculators had estimated would be the case after prohibition went into effect, and second, the drawing upon unusual sources of supply after the Cuban crop this Spring had been sold to jobbers at the highest prices in the history of the trade. It is reported that, as a result of these prices, supplies were brought from the Argentine, Czecho-Slovakia, Java and China, which augmented the spot stocks of sugar to such a point as to cause the recent decline.

Hops. Harvesting of hops is now in full swing, except the late crop in parts of Oregon. As picking progresses the crop appears to be slightly smaller than was estimated a month ago, due to unfavorable weather conditions during this period. Figures for the month are:

	1920 (Pounds)	1919 (Pounds)
CALIFORNIA	17,000,000	14,600,000
OREGON	9,600,000	7,500,000
WASHINGTON	4,800,000	3,484,000

Prices are holding steady and the growers are receiving from 55 to 62 cents a pound. Ready markets are indicated in Japan, Australia,

India and South Africa, which are expected to absorb the majority of the crop of the Pacific Coast, practically all of which will be exported this year. The European market is uncertain. Government control of the brewing industry in England will limit the entry of foreign hops into the field until the local crop is accounted for. A favorable factor is the recent export tax of 9 per cent placed on hops by the Czecho-Slovakian government, which will effectually remove the Bohemian crop from the world's hop market.

Apples. All estimates still point to a much lighter crop of apples throughout the district than last year. The total 1920 production is now forecasted as 29,641,300 bushels as compared with 38,484,000 bushels in 1919. Carload shipments of early Northwestern varieties began the first of September and the crop is moving to market steadily. Shipments of California Gravensteins are over for the season and the Bellflower movement is beginning, with prospects of a light crop and small-sized fruit.

Prices are lower than last year in all sections. The bumper apple crop elsewhere in the country, particularly in New York, and the increased freight rates from western shipping points have combined to force down the price offered to the grower here. Early sales in the Northwest varied from \$2.75 to \$1.50 a box, depending on variety and quality. California Bellflowers are now being offered at \$1.25 a box, as compared with \$1.60 earlier in the year.

The export demand is very uncertain, largely due to fluctuating and adverse exchange rates. English buyers are in the market for early shipments, in order to place the fruit on sale before the British Government again assumes control of the wholesale price on November 15th. It is claimed that the control price of 23 shillings 6 pence wholesale, for a forty-pound box, makes it practically impossible to pay transportation and commission charges and still return a profit to the shipper. Another disturbing factor is the absence of the usual market for cull apples, depriving the growers of an important source of income. Continued quiet in the dried fruit trade and the uncertainty regarding the legality of hard cider manufacture under the prohibition laws are the contributing causes.

Prunes. The California prune season is now at its height, warm weather during the last week in August and the first week in September having brought the prunes on rapidly in all parts of the state. Estimates of the tonnage output remain the same as earlier in the season, namely, 180,000 to 190,000 tons. A possible car shortage will be avoided by heavy shipments to New York by water, where it is estimated that ap-

proximately 50 per cent of the tonnage output will be absorbed. The export trade is still dull but some signs of improvement are noticeable. England is expected to enter the market in a small way in November and reports from Belgium, Germany and Sweden, indicate that these countries may do some buying by the time the new crop shipments are ready. Foreign demand will probably be strengthened as a result of the small prune crop reported in France.

The Northwestern prune crop is estimated at 60,000,000 pounds as compared with 35,000,000 pounds in 1919 and 61,000,000 pounds in 1918. (These figures are in correction of those published on page 4 of the August report.) These figures do not include the so-called Idaho prunes, the great majority of which are shipped green. An indication of Northwestern prices is given by the opening prices set by the Oregon Growers' Coöperative Association under date of September 9th, ranging between 7 cents and 15 cents a pound, bulk basis. The majority of this crop is consumed locally.

Grapes and Raisins. The threatened car shortage became a reality in the grape shipping centers early in September and has been a limiting factor in the shipment of wine and table grapes. The situation was further aggravated by a tunnel cave-in in the Tehachapi region, which for a period of approximately two weeks, delayed the return of refrigerator cars coming from the east by the southern route. However, present estimates contemplate shipments equal to those of 1919 when 17,575 carloads went out. The greater part of the crop of Malaga grapes has been harvested and the Tokay crop is now moving in volume. Heavy shipments of wine grapes have been going out all this month at phenomenal prices, due to the heavy demand for these grapes for juice purposes and grape syrup manufacture. The prices being paid at this time will net the growers approximately \$50 a ton at the shipping station.

The raisin crop has undergone no change during the month and the estimates of a crop of 200,000 tons still holds. The California Associated Raisin Company has advised that its first allotment is entirely sold and that prices on the second half of the crop will not be named until November. There is practically no market outside of the Association.

Citrus Fruits. 46,757 carloads of citrus fruits (oranges, lemons, and grapefruit) were shipped from California during the last fiscal year, according to the report of the California Fruit Growers' Exchange. The crop brought a gross return of \$81,200,000. This represents an increase of 1,000 cars over last year and \$5,600,000 over the 1918-1919 receipts.

Oranges. Only 2,250 cars of the old crop of Valencia oranges remained to be shipped on September 1st. This is a much smaller amount than remained last year at this time. The fruit is being taken at satisfactory prices although some markets are devoting most of their attention to the seasonal deciduous fruits. Estimates of the 1920-1921 crop show 49,261 cars of oranges as compared with 31,857 cars in 1919-1920 and 46,813 in 1916-1917.

Lemons. The September 1st estimate of the California Fruit Growers' Exchange placed the number of cars of lemons to be shipped next year at 11,774. During the 1919-1920 season 9,590 cars were shipped. Lemon prices remain unsatisfactorily low to the trade although more sales are being consummated than at this time in previous years, and the quantity in storage has been materially reduced. The recent 33 $\frac{1}{3}$ per cent freight rate increase, applied to lemons, makes the freight rate \$1.40 per box laid down in New York. The ocean freight rate on Italian lemons to the same port, converted into American currency at prevailing exchange rates, is approximately 40 cents, and present exchange rates are an added incentive to Italians to sell their lemons in the United States. The immediate future promises some relief to lemon dealers as foreign competition is usually lighter during the Fall.

Pineapples. In spite of exceedingly dry weather during 1919, the pineapple crop of the Hawaiian Islands for 1920, which is estimated at 6,000,000 cases, will be in excess of the 1919 pack of 5,072,000 cases. The following table shows the total annual pack of the islands from the inception of the industry in 1901 up to and including the estimate for the crop of 1920:

1901...	2,000 cases	1908...	410,000 cases	1915...	2,669,000 cases
1902...	6,000 cases	1909...	498,300 cases	1916...	2,609,000 cases
1903...	9,800 cases	1910...	650,000 cases	1917...	2,607,000 cases
1904...	25,500 cases	1911...	730,000 cases	1918...	3,847,000 cases
1905...	51,300 cases	1912...	1,313,000 cases	1919...	5,072,000 cases
1906...	84,300 cases	1913...	1,667,000 cases	1920...	*6,000,000 cases
1907...	186,700 cases	1914...	2,268,000 cases		

*Estimated.

Shippers estimate the value of this year's pack at \$5.00 a case or \$30,000,000. As a table fruit canned pineapple was unknown twenty years ago, and it has taken several years for its thorough introduction to the public, during which time, particularly in 1913, 1914, and 1915, the rapidly increasing production supplied more of the product than could find a profitable market and prices went so low that plantings in these years were reduced, resulting in the decreased pack for the years 1916 and 1917. The low prices of 1914 and 1915, however, are believed to have aided in introducing the product in various markets

and today the business is in a healthy and prosperous condition. The fact that canned pineapple was being introduced as an entirely new product may explain the fact that, until this year, its price to wholesalers has been approximately the same as when it was first produced in quantity in 1903, 1904, and 1905. Recently, however, the cumulative effect of the campaign for popularizing the product, combined with the speculative buying of foodstuffs for resale to Europe, which occurred in the early part of 1919, has caused retail prices of pineapple to increase greatly, although prices of producers to wholesalers have remained roughly constant. Producers' prices of Standard sliced pineapple for 1920, however, have averaged approximately \$1.69 per dozen cans of all sizes, exclusive of No. 10's, as against \$1.17 in 1919. Of the entire pineapple pack, approximately 85 per cent is sold in the United States, the remainder going to foreign countries, mainly English speaking such as England, Canada, and New Zealand. Continental Europe and the Orient consume small quantities. The current pack, estimated at 6,000,000 cases, has been sold and deliveries are being made against contracts.

Almonds. The California almond crop is reported as spotted and with some light weight nuts due to lack of water for irrigation. The estimated production is 11,000,000 to 12,000,000 pounds as compared with 14,000,000 pounds in 1919 and a normal yield of 19,000,000 pounds. Opening prices for 1920-1921, named September 13th by the California Almond Growers' Exchange, were as follows:

	Per Pound
NON PAREIL.....	\$0.25
I. X. L.....	.25
NE PLUS ULTRA.....	.24
DRAKE .....	.17
LANGUEDOC .....	.17
HARD SHELL .....	.12

These prices are from 6 to 7 cents lower than those named in 1919. Practically the entire 1920 crop had been sold subject to buyers' approval of the opening prices. The extent of competition from Europe is revealed by figures showing that 33,682,139 pounds of almonds were imported into the United States in 1919, an increase of 3,353,712 pounds over the previous year.

Walnuts. Estimates of the 1920 California walnut crop remain unchanged at 48,000,000 pounds. 56,000,000 pounds were produced in 1919. The California production represents approximately 97 per cent of the domestic crop. Opening prices for walnuts will not be named until about the first of October. The chief factor affecting prices this

year will be the necessity of making some concessions to rapidly increasing foreign competition. In the year ending June 30, 1920, 44,782,-570 pounds of walnuts were imported into the United States, chiefly from France. These nuts sold as low as 15 cents a pound, duty paid, on the New York market, a price which California producers claim is below their cost of production. Causes assigned for the unparalleled importation of foreign nuts are the profits which accrue to Europeans who sell their walnuts in America at present exchange rates, and the high prices quoted on California nuts last season.

Ranges and Pasture. Range and pasture conditions throughout the district have improved during the last month due to timely rainfall. Badly drying ranges in Arizona were saved and prospects for winter feed are good. Cattle are reported to be in good shape. In the Pacific Northwest heavy rains revived pastures, and stock which has been losing weight because of insufficient feed, is expected to gain from now on. Parts of Eastern Washington, however, are still dry and more rain is needed there and in a few districts in Idaho. In Nevada the early September rains benefitted ranges and growing alfalfa and the stock will now go into the winter in good condition. Livestock in Utah is slowly moving from the high summer ranges to lower levels and is in good to excellent condition as a rule. Prospects for feed during the winter on the desert ranges are unusually bright.

Livestock. Comparative statement of receipts of livestock and purchases, for local slaughter, for the month of August, is given below:

RECEIPTS OF LIVESTOCK

	PORTLAND		SALT LAKE CITY		SEATTLE		SPOKANE		TACOMA	
	1920	1919	1920	1919	1920	1919	1920	1919	1920	1919
CATTLE	13,249	11,260	1,936	1,954	5,604	4,848	5,118	4,257	1,688	2,954
CALVES	2,037	1,588	....	179	319	612	534	1,832	582	251
HOGS	12,471	10,270	1,179	2,604	5,075	1,412	3,270	5,089	2,293	1,755
SHEEP	25,388	24,750	49,812	15,131	5,896	8,157	9,121	17,924	4,432	3,025
HORSES AND MULES . . . . .	....	....	20	27	16	....	161	172	....	....

PURCHASES OF LIVESTOCK FOR LOCAL SLAUGHTER

	PORTLAND		SALT LAKE CITY		SEATTLE		SPOKANE		TACOMA	
	1920	1919	1920	1919	1920	1919	1920	1919	1920	1919
CATTLE	4,803	3,863	1,155	1,520	5,604	4,921	2,044	1,319	1,688	2,954
CALVES	999	408	....	179	319	612	156	571	582	251
HOGS	6,899	3,565	531	1,817	5,075	1,358	540	1,502	2,293	1,755
SHEEP	9,992	9,362	1,100	452	5,896	8,157	7,590	17,132	4,432	3,025
HORSES AND MULES . . . . .	....	....	....	....	16	....	151	146	....	....

Wool. Trading in wool has recently shown more activity than at any time since May, when the decline in prices began. The resumption

of work in several New England mills, especially those of the American Woolen Company, has had a tendency to strengthen the market and many operators believe that the low level has been reached and that trading will be active from now on. The few sales made in the Northwest have been on a clean basis, fine wool bringing \$1.50 a pound, and medium wool \$1.00 a pound. Last year the price on these same grades was \$1.75 and \$1.25 a pound. However, some apprehension concerning the future market has been occasioned by the findings of the United States Department of Agriculture in their investigation of the world's raw wool supply. There is an enormous amount of raw wool in the warehouses of the chief wool-producing countries. Australia holds 1,300,000 bales of 330 pounds each; Argentine, 295,681 bales of 932 pounds each; Uruguay, 30,000 bales of 1,000 pounds each; and South Africa, 130,000 bales of 375 pounds each. New Zealand and England hold similar large stocks which normally would be almost entirely sold between October and May. There is an urgent demand for wool in Central Europe which remains unsatisfied on account of difficulties in financing sales there. A table showing the estimated 1920 wool clip in the Twelfth Federal Reserve District and the percentage already sold, follows:

	Total Clip	Percentage Sold
ARIZONA	5,000,000 pounds	100%
CALIFORNIA	12,000,000 pounds	16 $\frac{2}{3}$ %
IDAHO	21,000,000 pounds	10%
NEVADA	9,000,000 pounds	33 $\frac{1}{3}$ %
OREGON	14,000,000 pounds	10%
UTAH	15,000,000 pounds	33 $\frac{1}{3}$ %
WASHINGTON	5,000,000 pounds	12 $\frac{1}{2}$ %
TOTAL.....	81,000,000 pounds	24%

Practically all of the unsold wool has been consigned to warehouses in Portland (Oregon), Chicago, and Boston. Those growers who contracted last Fall for their 1920 wool clip have sold out, and this accounts for the showing made by Arizona, and to a lesser extent by Nevada and Utah.

LUMBER

The first full week under the new freight rates—the week ending September 4—shows continued dropping off of business from territory east of the Mississippi River, and great depression in the lumber industry of the Pacific Coast is anticipated as the effect of the recent rise in railroad freight rates, which has increased the spread in cents per 100 pounds that previously existed between Southern and Western lumber in the Northern and Eastern markets. The lumber shippers and representatives of the transportation companies serving the Pacific

Coast are to convene in the near future for the purpose of seeking an adjustment of these rates, without which, according to producers here, lumber from this district cannot continue to compete with that from the East and South. Figures quoted below indicate that during the past month orders have fallen off in proportion to production in the mills reporting to the West Coast Lumbermen's Association and that they have declined absolutely in the mills composing the other lumber organizations in this district. The considered conclusion on the effect of the new freight rates seems to be that they will play an important part in increasing the price of lumber, because the freight is such a large proportion of the unit cost of this product.

Car shortage with the exception of open equipment, has practically ceased to exist in the lumber industry of the Pacific Northwest by reason of lessened demand for cars. During the greater part of this year mills have been receiving only 30 to 40 per cent of car requirements, but they are now in many instances turning back cars spotted for lumber loading. Comparative figures of cut, shipments and orders for the reporting mills of the four associations operating in this district are tabulated below:

WEST COAST LUMBERMEN'S ASSOCIATION

	Four weeks ending August 28, 1920	Four weeks ending July 31, 1920
AVERAGE NUMBER OF MILLS REPORTING.	126	122
PRODUCTION	300,865,565 feet	239,956,615 feet
" below normal	15.3%	31.0%
ORDERS ACCEPTED.....	242,232,999 feet	232,491,575 feet
" below actual production.	19.3%	3.1%
SHIPMENTS	261,054,640 feet	228,858,588 feet
" below actual production..	13.3%	4.6%
*UNSHIPPED ORDERS		
Rail	206,370,000 feet	209,190,000 feet
Domestic cargo.....	79,881,905 feet	69,682,000 feet
Export cargo.....	47,227,331 feet	51,197,000 feet
TOTAL.....	333,479,236 feet	330,069,000 feet

*As of August 28 and July 31 respectively.

OTHER REPORTING LUMBERMEN'S ASSOCIATIONS

	Western Pine Manufacturers' Association		California White & Sugar Pine Manufacturers' Association		California Redwood Association	
	4 Weeks ending August 28	Preceding Four Weeks	4 Weeks ending August 28	Preceding Four Weeks	4 Weeks ending August 28	Preceding Four Weeks
AVERAGE NO. OF MILLS REPORTING..	27	31	10	9	11	11
CUT (000 feet omitted).....	95,795	104,788	51,410	36,295	20,421	22,625
SHIPMENTS (000 feet omitted)....	72,098	62,482	19,574	17,345	17,369	17,983
ORDERS (000 feet omitted).....	48,000	66,300	17,785	25,805	14,260	17,459

MINING

The mid-year reports of the United States Geological Survey indicates that a condition of relative stagnation still exists in the mining industry of this district and that the total output for 1920 of the five principal metals—gold, silver, copper, lead, and zinc—promises to be approximately the same as that of 1919 when the combined production of these metals was \$223,047,965 as compared with \$407,778,869 in 1918. The 1919 output of each of the five metals was substantially less than the output of 1918, but indications for 1920 are that production of silver, lead, and zinc will show slight increases, respectively, over the 1919 output; that production of copper will be slightly less, and of gold about 10 per cent less than in 1919. Increased cost of labor and of all materials entering into mining operations, which increases are not offset by corresponding advances in the prices of the metals mined, are the causes assigned for decrease in production, with an occasional reference to car shortage and the inability to secure electric power for stamp mills, due to the shortage of water.

Gold. The steadily decreasing purchasing power of the ounce of fine gold has been the chief cause operating to discourage the mining of this metal in California and Nevada, the only states where to any extent gold is mined unassociated with other metals. Five or six years ago on the Mother Lode a profit could be made on ore that yielded \$3.50 per ton, but now nothing can safely be classed as ore which contains less than \$6.00 per ton. Curtailment of production on the Mother Lode has been marked. Receipts of gold at the United States mint and at local smelters and refineries in California during the first six months of 1920 were \$7,811,390, compared with \$8,898,129 for the same period in 1919. This decrease does not measure accurately the unprofitableness of gold mining in California however, for many mines are continuing operations at a loss because it is cheaper to do so than to close down entirely and continue payment of taxes, insurance, and depreciation, while running the risk of flooding and loss of their organization. Gold production in Arizona and Utah, where gold is obtained chiefly from copper and lead ores, will be approximately equal to that of 1919 when the output was greatly reduced compared with 1918.

Silver. In Utah and Idaho, the principal silver producing states of this district, the output for the first six months of 1920 forecasts a yearly production slightly in excess of 1919 figures, but the high prices of silver ruling during the first four months of this year doubtless stimulated production of the metal to a degree that will not be maintained when, as has since happened, silver declines in price. Labor troubles in

Nevada have so curtailed production that the output in 1920 will not exceed that of 1919.

Copper. Although increased shipments of bullion from Arizona smelting plants during the first six months of 1920 would seem to indicate a greater production of copper for this period compared with 1919, these shipments include a large quantity of copper left over from 1919 and present indications are that the mines themselves will show no increase in production in 1920 over 1919. In Utah the operations of the Utah Copper Company, which produced nearly 90 per cent of the copper of that state in 1919, indicate no substantial change in output for 1920. In Nevada there has been a substantial decrease in shipments from practically all properties and there is small prospect of equalling the 1919 yield.

Lead. The 1919 output of lead in Utah and Idaho, which two states produce over 90 per cent of the lead mined in this district, was below the average production of the last ten years, the 1919 output in Utah being the lowest in that period. Improvement in amounts extracted and shipped is indicated in both these states, however, and some of the many mines which were idle in 1919 are now resuming operations, so that 1920 production may exceed that of 1919.

Zinc. Increases in shipments of ore reported from Idaho, Nevada, and Utah, the principal zinc producers, indicate that production of zinc may be greater in 1920 than it was in 1919 when less than one-half of the 1918 output was mined.

A table showing the United States Geological Survey's estimates of production of the five principal metals of this district in 1919 and 1918 was published in the January issue of this report.

Petroleum. The average daily production of petroleum in August exceeded that for July by 4 per cent, but stored stocks continued to decline, indicating that consumption is still running ahead of production in this district. With the exception of limiting pleasure cars to one-half tank capacity in Spokane, rationing of gasoline has ceased. Prices at distributing stations range between 27 cents and 34 cents per gallon.

	AUGUST	JULY	JUNE
PRODUCTION—Daily average.....	290,590 bbls.	279,169 bbls.	273,069 bbls.
SHIPMENTS—Daily average.....	321,955 bbls.	310,271 bbls.	313,769 bbls.
STORED STOCKS—End of month..	23,434,464 bbls.	24,406,753 bbls.	25,370,903 bbls.
NEW WELLS OPENED.....	56	51	36
With initial daily production.	20,550 bbls.	21,330 bbls.	6,455 bbls.
WELLS ABANDONED.....	5	6	4

TRADE AND TRANSPORTATION

Wholesale and Retail Trade Activity. Retail trade, as reported by 31 representative department stores in this district, averages 8.8 per cent larger, by value, during August than in July, as compared with a recession of 15.5 per cent in July sales from those of June, and 21.7 per cent larger, by value, than during August, 1919. Total August sales by 118 representative wholesale firms exceeded July sales by value, 4.4 per cent. Although this was a smaller total increase than occurred last month, no class of goods showed a decrease, as was the case with four classes in July.

Total sales by value of all reporting wholesale firms exceeded those of August, 1919, by 14.6 per cent although shoe firms showed a decrease of 15.4 per cent. All other lines showed an increase, the largest increases being 33.1 per cent by stationery, 20.9 per cent by hardware, and 18.4 per cent by drygoods.

Reports indicate that the transportation difficulty is still interfering to some extent, with shipments from the east, although much improved over last month.

Wholesale hardware and stationery report a slight upward tendency in prices, while wholesale dry goods, grocery, and shoes report a downward tendency.

Collections during August were reported in general as good, with an increasing number reporting August collections as only fair.

Statement of increases and decreases in retail trade of 31 firms for August, 1920, as compared with July, 1920, and August, 1919, is given below:

CONDITION OF RETAIL TRADE DURING AUGUST, 1920

Percentage of Increase or Decrease

	Comparison of Net Sales with August, 1919	Comparison of Net Sales with July, 1920
LOS ANGELES.....	48.9	27.5
OAKLAND	15.3	11.4
SACRAMENTO	3.1	3.7*
SAN FRANCISCO.....	18.6	0.9*
SALT LAKE CITY.....	11.6	8.8*
SEATTLE	8.0*	3.9*
SPOKANE	12.7	4.2*
DISTRICT	21.7	8.8

*Decrease.

Statement of increases and decreases in wholesale trade of 118 firms for August, 1920, as compared with July, 1920, and August, 1919, and

for the first eight months of 1920, as compared with the same period in 1919, is given below:

CONDITION OF WHOLESALE TRADE DURING AUGUST, 1920

Percentage of increase or decrease in net sales for August, 1920, over August, 1919

	Hardware	Drygoods	Groceries	Shoes	Stationery	Furniture	Total*
LOS ANGELES.....	25.3	...	12.3	10.9	47.5	10.7	20.8
SACRAMENTO.....	7.6	...	37.6	...	...	...	28.7
SAN FRANCISCO.....	31.4	13.6	3.8	16.1†	44.1	20.2	16.1
PORTLAND.....	20.3	9.3	5.3	37.6†	...	10.5†	32.8
SALT LAKE CITY.....	...	...	2.7†	...	...	...	3.1
SEATTLE.....	12.1	23.8	7.1	2.8†	5.8	4.1†	13.4
SPOKANE.....	39.7	66.5	18.7	...	73.7	32.5	31.5
TACOMA.....	2.3†	...	14.6	...	...	12.4	17.9
DISTRICT.....	20.9	18.4	9.1	15.4†	33.1	9.4	14.6

DRUGS: San Francisco 39.1%; Portland 36.6%; District 3.7%.

Percentage of increase in net sales January 1 to August 31, 1920, over same period 1919

	Hardware	Drygoods	Groceries	Shoes	Stationery	Furniture	Total*
LOS ANGELES.....	54.5	...	32.9	35.8	51.2	64.4	43.4
SACRAMENTO.....	42.6	...	21.1	...	...	...	25.1
SAN FRANCISCO.....	47.2	44.8	29.3	13.2	50.6	66.3	35.2
PORTLAND.....	35.4	28.8	24.3	13.4†	...	55.4	26.2
SALT LAKE CITY.....	...	...	31.7	...	...	...	33.3
SEATTLE.....	23.2	67.9	18.7	...	16.5	14.5	31.2
SPOKANE.....	44.6	65.9	25.6	...	44.0	44.6	32.8
TACOMA.....	19.9	...	18.5	...	...	63.8	26.4
DISTRICT.....	43.2	46.6	26.5	10.9	45.4	50.5	27.6

DRUGS: San Francisco 23.5%; District 29.2%.

Percentage of increase or decrease in net sales for August, 1920, over July, 1920

	Hardware	Drygoods	Groceries	Shoes	Stationery	Furniture	Total*
LOS ANGELES.....	0.2	...	4.9	0.1†	12.1	26.7	3.9
SACRAMENTO.....	14.4†	...	7.4	...	...	...	0.7
SAN FRANCISCO.....	4.5†	8.6	11.2	18.4	23.0	117.3	7.5
PORTLAND.....	2.8	30.3†	12.5†	3.0	...	24.6†	8.5†
SALT LAKE CITY.....	...	...	16.5†	...	...	...	7.9†
SEATTLE.....	18.5	23.1	1.4	48.0	36.3	14.6	14.8
SPOKANE.....	34.1†	27.5	10.1	...	47.5	...	11.8
TACOMA.....	2.3	...	6.0	...	...	7.1	7.3
DISTRICT.....	0.7	8.6	1.1	12.8	17.6	8.1	4.4

DRUGS: San Francisco 5.9%; Portland 23.8%; District 8.2%.

*Includes reporting drug firms. †Decrease.

Collection Conditions. In an endeavor to obtain an accurate idea of collection conditions throughout the Twelfth Federal Reserve District, inquiries were recently addressed to representative firms in the seven principal cities of this district, requesting details as to the experience

of each concern. Reports received from eighty-five firms indicate that 50 per cent of them experienced no decline whatever in collections, in relation to the volume of business done since January 1, 1920. The majority of department stores, wholesale hardware stores, wholesale grocers, wholesale stationers, and wholesale shoe firms experienced no decline, but the majority of the automobile tire concerns, wholesale jewelers, wholesale furriers, wholesale dry goods houses and wholesale furniture dealers reported that collections had fallen off, in some lines more rapidly than in others. Where collections declined, the falling off began generally in the months of May and June, becoming most notable in June. With respect to the way in which the decline was manifested, reports indicate that the falling off in collections showed about equally in two ways, first, in the declining number and volume of accounts which took advantage of the cash discount, and second, in the increase in number of accounts running past due. The percentage of accounts requesting extension of note settlements at the expiration of the net period (when in form of open account) was only one-third the number of accounts seeking relief in either of the other two ways previously mentioned. Only one concern reported that a request had been made for a renewal of a note where the note had been given to cover net terms in place of open accounts. The decline in collections appeared most prominently through permitting accounts to run past due, this form of delinquency occurring twice as frequently as the failure to take the customary discount and six times as frequently as the request for extension of note settlements. Only one-half of the firms reporting declines in collections were able to say in which of the aforementioned ways the falling off appeared most prominently and only 22 per cent reported that the change occurred in one of these ways earlier than in another. Such reports as were received, however, indicate that the falling off occurred approximately as soon through a failure to take the discount as it did through permitting accounts to run past due. Little information was obtainable as to whether the falling off differed with different types of buyers, probably because most wholesale concerns in this district deal almost exclusively with one type of buyer, namely, the retailer. Twenty per cent of all firms reporting declines stated that the smaller retailer was the first to postpone payment of his accounts. The automobile tire and jewelry businesses were the only ones to report that the falling off differed according to the class of product sold, 16 per cent of the latter stating that the collections on diamonds were the first to fall off and 33 per cent of the former stating that the smallest decline in collections appeared in sales of the higher priced tires and in truck tires.

Foreign Commerce. During the month of July, 1920, imports into the Pacific Coast ports decreased 12.5 per cent and exports from them increased 108.3 per cent as compared with July, 1919. These percentages are not indicative of our foreign trade as a nation, however, for returns for the whole country indicate that the percentage of increase of imports has recently been far greater than that of exports. The following table shows the value of merchandise exports and imports for July, 1920, as compared with July, 1919:

IMPORTS (Free and dutiable)			
Customs District	1919	1920	% Increase or Decrease
WASHINGTON (Seattle).....	\$ 14,778,024	\$ 9,343,153	—37.0
PORTLAND	220,871	1,211,519	448.4
SAN FRANCISCO.....	28,449,407	27,673,749	—2.7
LOS ANGELES*.....	194,264	536,079	186.3
SAN DIEGO.....	194,264	216,119	11.3
TOTAL PACIFIC COAST.....	\$ 43,836,830	\$ 38,980,619	—12.5
TOTAL UNITED STATES.....	\$344,000,000	\$537,000,000	56.1

EXPORTS (Domestic and Foreign)			
Customs District	1919	1920	% Increase or Decrease
WASHINGTON (Seattle).....	\$ 12,355,989	\$ 16,159,494	30.8
PORTLAND	2,715,330	9,503,377	250.2
SAN FRANCISCO.....	7,010,641	20,284,737	188.1
LOS ANGELES*.....	674,866	1,454,314	114.0
SAN DIEGO.....	21,392	55,254	158.3
TOTAL PACIFIC COAST.....	\$ 22,778,218	\$ 47,457,170	108.3
TOTAL UNITED STATES.....	\$569,000,000	\$654,000,000	14.9

*Formerly known as Southern California and included San Diego prior to March 1, 1920.

Figures now available covering exports and imports for the fiscal year 1919-1920, indicate that a decreased proportion both of the country's imports and exports passed through Pacific Coast ports as compared with the preceding fiscal year 1918-1919. Approximately 8.9 per cent of the country's imports entered here in 1919-1920 as compared with 16 per cent the preceding year, while 6.6 per cent of the country's exports passed out of Pacific Coast ports as compared with 8.6 per cent the preceding year. Both imports into and exports from the Pacific Coast ports declined during 1919-1920 as compared with the preceding year, the former 5.3 per cent and the latter 14 per cent. But that this decline was not paralleled by a similar condition for the country as a whole, is indicated by the fact that during 1919-1920 total imports into the United States increased 69.2 per cent over the preceding year and total exports 12.2 per cent. The sub-joined table reveals that combined exports and imports for 1919-1920 increased over the figures for 1918-1919 in all ports of the district save Seattle, where a decrease of 32 per cent occurred. It

is reported that this decrease reflects the return of world shipping to the pre-war trade routes, many of which were discontinued during the war, when, for a long period, the Suez and Panama Canals were closed to commercial traffic. On account of destruction of many ships and the employment of others by governments for war purposes, the remaining merchant vessels were concentrated on the routes, the maintenance of which was most essential to the winning of the war, and Seattle being nearer the Orient than any other port in the United States received a great impetus to its import and export business. This continued at abnormally high levels until the construction of new, and the release by governments of old, shipping, together with the reopening of the two great canals, permitted the reestablishment of normal trade routes and caused the falling off in the foreign commerce of Seattle which is indicated during the fiscal year 1919-1920. The table also indicates that an increasing, although still small, proportion of the district's foreign commerce passed through ports other than San Francisco and Seattle. In 1918-1919, 93.7 per cent of the total foreign commerce of the district passed through Seattle and San Francisco, while in 1919-1920 this percentage was reduced to 88.6 per cent.

IMPORTS

	Twelve Months Ending June		% Increase + or Decrease —
	1919	1920	
OREGON (Portland).....\$	3,225,388	\$ 7,042,702	+118.3
SAN DIEGO*.....		*2,183,661	....
SAN FRANCISCO.....	212,558,354	252,419,576	+18.8
LOS ANGELES†.....	11,043,024	20,134,261	+82.3
WASHINGTON (Seattle).....	256,107,450	173,527,650	-32.2
ALASKA (Juneau).....	1,334,403	1,606,114	+20.4
HAWAII (Honolulu).....	8,878,800	10,213,904	+15.0
TOTAL PACIFIC COAST.....\$	493,147,419	\$ 467,127,868	-5.3
TOTAL UNITED STATES.....\$	3,095,720,068	\$5,238,621,668	+69.2
% PACIFIC COAST TO TOTAL U. S.	16%	8.9%	

EXPORTS

	Twelve Months Ending June		% Increase + or Decrease —
	1919	1920	
OREGON (Portland).....\$	30,518,519	\$ 42,812,891	+40.3
SAN DIEGO*.....		*2,543,394	....
SAN FRANCISCO.....	243,305,066	233,654,773	-4.0
LOS ANGELES†.....	8,709,963	21,874,135	+151.1
WASHINGTON (Seattle).....	332,544,759	228,186,694	-31.4
ALASKA (Juneau).....	1,074,367	1,639,447	+52.6
HAWAII (Honolulu).....	5,297,830	4,280,224	-19.2
TOTAL PACIFIC COAST.....\$	621,531,504	\$ 534,991,558	-14.0
TOTAL UNITED STATES.....\$	7,232,282,686	\$8,111,039,733	+12.2
% PACIFIC COAST TO TOTAL U. S.	8.6%	6.6%	

†Formerly known as Southern California, and included San Diego prior to March 1, 1920.
*Beginning March 1, 1920.

Car Shortage. Definite data concerning the shortage of cars in this district are now available in the reports of the Committees on Car Service located in Portland, San Francisco and Seattle. The present situation is disclosed in the following table compiled from their weekly letters:

		UNFILLED ORDERS FOR CARS			
		Box	Flat	Stock	Gondolas
WASHINGTON	September 10	125	67	0	0
CALIFORNIA	September 9	1,005	366	100	206
OREGON—Southern Pacific	September 9	982	1,023	0	838
OREGON—Other Lines	September 9	Closed	513	Open	174

There is no shortage of refrigerator cars reported from Seattle, but the lack of them in California is becoming daily more apparent as the grape movement, which is expected to be heavy, increases in volume. Two weeks ago there was no shortage of refrigerator cars in California, but on September 9th the shortage on all lines was 815 cars.

An active campaign is being conducted by the Committees on Car Service to remedy the present lack of railway equipment. The chief evils towards which attention is being directed are retention of cars beyond the necessary time for unloading, ordering cars spotted before shipment is ready, loading to less than capacity, and use of cars for transportation of goods within terminals (so-called trap or cross-town service) where motor trucks or drays might be employed and the cars released for their proper function of long hauls.

Labor. With the exception of a temporary shortage of labor in the mills at Spokane, caused by the harvest demands in the surrounding country, the supply of labor is adequate everywhere in the district. Harvest wages of \$90 per month in Utah and \$5 and \$6 per day in Idaho, both with board and room, indicate the keen demand for this class of labor. No strikes or disorders are reported. The bakers' strike begun on May 1st in Seattle was settled during August.

Business Failures. The decrease in business failures, both in number and total liabilities, which appeared in July as compared with the high figures of June, has continued during the month of August, although business mortality is still greater than it was in May. According to reports of R. G. Dun and Company, August failures in this district numbered 90, with total liabilities of \$1,007,238 as against 101 with total liabilities of \$1,292,251 in July. The average failure was largest in Utah, where it exceeded \$21,000 in total liabilities. In Washington the average exceeded \$17,000, in Oregon \$16,000, in Idaho \$6,000 and in California \$5,000. Comparative figures by states for the past three months are quoted herewith:

	AUGUST		JULY		JUNE	
	No.	Liabilities	No.	Liabilities	No.	Liabilities
ARIZONA	0	\$ 0	2	\$ 9,000	2	\$ 38,000
CALIFORNIA	41	209,254	53	365,000	61	564,269
IDAHO	5	33,844	0	0	0	0
NEVADA	1	1,000	0	0	0	0
OREGON	16	263,658	16	239,710	15	377,600
UTAH	6	131,882	0	0	0	0
WASHINGTON	21	367,600	30	678,178	25	5,920,717
TOTAL.....	90	\$1,007,238	101	\$1,292,251	103	\$6,900,596

Building Permits. Building permits for 17 of the principal cities of the district aggregated \$13,526,040 for the month of August compared with \$15,582,000 for July. Despite this decrease in value, a larger number of permits was issued, and the increase both in number and value of permits was greater for repairs than for new construction. Reports from these cities indicate that building in amount sufficient to meet the strong demand for housing is not being undertaken because of the present high cost of building, which is variously estimated to range from two to four times the pre-war costs, coupled with a rather general belief that these costs are temporary or at their peak and must come down. Only three reports stated that cost of mortgage money was the principal deterrent factor, although seven indicated that this was contributing to retard building. Following are figures for cities showing monthly building permits of \$1,000,000 or more:

	AUGUST				JULY			
	New Construction		Repairs		New Construction		Repairs	
	No.	Value*	No.	Value*	No.	Value*	No.	Value*
LOS ANGELES...	1,986	5,334	657	1,636	1,860	4,822	294	298
SAN FRANCISCO...	69	934	383	583	83	3,457	281	265
PORTLAND	371	773	668	249	284	1,135	507	262
OAKLAND	335	566	103	105	277	1,307	91	66
SEATTLE	465	910	439	161	328	831	429	184
TOTAL.....	3,226	8,517	2,370	2,754	2,832	11,552	1,602	1,075
TOTAL DISTRICT.	3,823	10,386	2,996	3,139	3,485	13,426	2,654	2,156

*(000) omitted.

Clearings. Clearings fell off in all the principal cities of the district during the month of August and the total for the district is 8.7 per cent less than that of July, 1920, and 11.1 per cent in excess of the clearings in August, 1919. Following are the figures for the entire district and for cities showing monthly bank clearings of \$50,000,000 or more:

	AUGUST, 1920	JULY, 1920	AUGUST, 1919
SAN FRANCISCO.....	\$ 645,480,000	\$ 697,500,000	\$ 629,366,000
LOS ANGELES.....	309,955,000	337,506,000	198,205,000
SEATTLE	156,990,000	170,892,000	180,078,000
PORTLAND	150,498,000	157,540,000	138,177,000
SALT LAKE CITY.....	61,021,000	70,265,000	63,994,000
SPOKANE	49,601,000	52,327,000	46,154,000
TOTAL.....	\$1,373,545,000	\$1,486,030,000	\$1,255,974,000
TOTAL DISTRICT.....	\$1,593,458,000	\$1,731,061,000	\$1,434,412,000

Interest and Discount Rates. A slight easing in the rate charged by San Francisco and Seattle banks for loans secured by U. S. Government securities and by prime stock exchange collateral, and in the rate charged by Portland banks on inter-bank loans, together with an increase in rate charged by Spokane banks to their customers for prime commercial paper, are the only changes in the interest and discount rates prevailing throughout the district. Customary rates charged by banks in Federal Reserve Bank and Branch cities for the month ending September 10th are quoted below:

	Prime Commercial Paper Customers Open Market	Interbank Loans	Collateral Loans	Secured by L. L. Bonds with U. S. Certificates of Indebtedness	
SAN FRANCISCO.....	6½	8	6	7	6½
LOS ANGELES.....	7	8	6	7	7
SEATTLE	7	8	7	8	8
PORTLAND	7	None	6½	7	7
SALT LAKE CITY.....	8	8	8	8	8
SPOKANE	7½	None	7	7	8

Federal Reserve Bank. An increase of \$15,623,000 in total bills on hand, accompanied by a decrease of \$2,080,000 in total reserves (\$1,799,000 of which represents loss of gold) and an increase of \$13,062,000 in circulation of Federal Reserve notes, are the significant changes in the position of this bank during the past month. Of the increase in total bills on hand, approximately \$1,000,000 is secured by government war obligations, \$10,000,000 represents bills bought in the open market, and the balance of about \$5,000,000 represents the increase in holdings of all other bills. Comparative statements of this bank's position on September 10, 1920, a month ago, and a year ago, are published on the last page of this report.

Member Banks in Reserve Cities. That banks generally are experiencing little difficulty in handling the autumn crop-moving demands of this district is indicated by reports received from all member banks (68) in the Reserve Cities of this district. These banks show a decrease during the past month of over \$22,000,000 in their holdings of loans and investments other than those secured by government war obligations or stocks and bonds. The net decrease in total loans and investments was in excess of \$18,000,000, an increase of approximately \$4,000,000 showing in the combined holdings of U. S. securities and loans secured by them and other bonds and stocks. Net demand deposits and cash in vault remained practically unchanged, time deposits show a decrease of over \$5,000,000 as do also reserve balances with the Federal Reserve Bank, and borrowings from the latter increased over \$4,000,000.

**COMPARATIVE STATEMENT OF PRINCIPAL RESOURCES AND
LIABILITY ITEMS OF MEMBER BANKS IN RESERVE CITIES OF
TWELFTH FEDERAL RESERVE DISTRICT**

Reporting Member Banks..... 68

	(000.00 omitted)		
	July 2, 1920	July 30, 1920	Aug. 27, 1920
U. S. Securities.....	\$ 135,544	\$ 135,472	\$ 137,078
Loans and Investments including rediscounts with Federal Reserve Bank:			
Secured by Government War Obligations..	32,699	34,902	32,380
Secured by Stocks and Bonds.....	144,189	144,634	149,428
All Others.....	988,207	991,124	968,878
Total Loans and Investments.....	\$1,300,639	\$1,306,132	\$1,287,764
 Reserve Balance with Federal Reserve Bank....	 \$ 81,242	 \$ 84,567	 \$ 79,862
Cash in Vault.....	26,903	27,933	27,464
Net Demand Deposits.....	619,074	632,024	632,417
Time Deposits.....	520,658	519,826	514,551
Government Deposits.....	5,937	6,603	6,546
Bills Payable with Federal Reserve Bank:			
Secured by U. S. War Obligations.....	29,744	26,064	29,315
All Other.....	285	85	408
Bills Rediscounted with Federal Reserve Bank:			
Secured by U. S. War Obligations.....	2,292	2,139	2,462
All Others.....	67,607	63,433	63,913

**COMPARATIVE STATEMENT OF
CONDITION OF FEDERAL RESERVE BANK OF SAN FRANCISCO**

RESOURCES:	Sept. 10, 1920	Aug. 13, 1920	Sept. 12, 1919
Gold and Gold Certificates.....	\$ 11,606,000	\$ 13,879,000	\$ 11,941,000
Gold Settlement Fund—F. R. Board....	49,704,000	39,550,000	38,593,000
Gold with Foreign Agencies.....	5,127,000	5,130,000	.....
Total Gold Held by Bank.....	\$ 66,437,000	\$ 58,559,000	\$ 50,534,000
Gold with Federal Reserve Agent.....	85,279,000	95,006,000	102,933,000
Gold Redemption Fund.....	10,081,000	10,031,000	1,690,000
Total Gold Reserves.....	\$161,797,000	\$163,596,000	\$155,157,000
Legal Tender Notes, Silver, etc.....	702,000	983,000	237,000
Total Reserves.....	\$162,499,000	\$164,579,000	\$155,394,000
Bills Discounted:			
Secured by Govt. War Obligations...\$	51,457,000	50,405,000	51,614,000
All Other.....	107,587,000	102,407,000	14,906,000
Bills Bought in Open Market.....	61,615,000	52,224,000	87,817,000
Total Bills on Hand.....	\$220,659,000	\$205,036,000	\$154,337,000
U. S. Government Bonds.....	2,632,000	2,632,000	2,632,000
U. S. Victory Notes.....	.....	.....	.....
U. S. Certificates of Indebtedness.....	11,288,000	11,203,000	8,415,000
All Other Earning Assets.....	.....	.....	.....
Total Earning Assets.....	\$234,579,000	\$218,871,000	\$165,384,000
Bank Premises.....	231,000	231,000	400,000
Uncollected Items and Other Deductions from Gross Deposits.....	37,999,000	40,057,000	47,793,000
5% Redemption Fund Against F. R. Bank Notes.....	665,000	665,000	500,000
All Other Resources.....	463,000	325,000	884,000
TOTAL RESOURCES.....	\$436,436,000	\$424,728,000	\$370,355,000
LIABILITIES:			
Capital Paid In.....	\$ 6,830,000	\$ 6,783,000	\$ 5,015,000
Surplus.....	11,662,000	11,662,000	4,578,000
Government Deposits.....	914,000	1,227,000	4,700,000
Due to Members—Reserve Account....	116,976,000	119,035,000	100,017,000
Deferred Availability Items.....	29,341,000	29,748,000	28,556,000
Other Deposits, Including Foreign Government Credits.....	3,456,000	3,301,000	6,763,000
Total Gross Deposits.....	\$150,687,000	\$153,311,000	\$140,036,000
F. R. Notes in Actual Circulation.....	252,011,000	238,949,000	210,370,000
F. R. Bank Notes in Circulation—Net Liability.....	11,359,000	11,070,000	8,319,000
All Other Liabilities.....	3,887,000	2,953,000	2,037,000
TOTAL LIABILITIES.....	\$436,436,000	\$424,728,000	\$370,355,000
MEMO: Contingent Liability on Bills Purchased for Foreign Correspondents....	736,000	736,000	.....