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FEDERAL RESERVE BANK
OF SAN FRANCISCO

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CHAIRMAN OF THE BOARD
AND FEDERAL RESERVE AGENT

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

November 16, 1920.

The Month. Timely rains during October and early November have facilitated extensive sowing of winter wheat and have replenished power and irrigation reservoirs. The movement of the large grain crops of this district to market has begun and is proceeding normally. Despite many "reduction sales," retail trade is reported to be 8.2 per cent greater in value of sales than it was in October, 1919, and 11.8 per cent greater than last month. Conflicting reports are received from the wholesale trade, some lines reporting increases in sales as compared with October, 1919, and others decreases. All but one line report that sales for the first ten months of this year were in excess of those during the same period in 1919.

There is encouragement for the livestock industry in the lower prices for hay which rule this year. Car shortage is diminishing steadily, there is but little more than the customary seasonal unemployment and no strikes or labor disturbances are reported. This bank's last statement (of November 12th) indicates that the peak of the member banks' demands for autumn credit accommodation has passed.

The lumber industry shows further curtailment, as does also copper mining. During the past month business failures were heavier, foreign commerce fell off, building activity diminished, and clearings, save in Los Angeles, declined or remained stationary.

Grain. After an unusually long threshing season, due to unfavorable weather conditions, the grain harvest in the Pacific Northwest was completed late in October. All of the grain in the Twelfth Federal

Reserve District is now out of the fields and forecasts of yields remain the same as last month. The estimated yields in 1920 compared with those in 1919 are as follows:

	1920	1919
WHEAT	96,597,000 bushels	101,788,000 bushels
OATS	44,115,000 bushels	40,283,000 bushels
BARLEY	997,000 tons	977,000 tons

Figures of receipts of grain at terminal points indicate that these large crops are moving to market in normal quantities. The receipts of grain at Portland (in carlots) and San Francisco (in tons) for the month of October, this year and in 1919, were as follows:

	WHEAT		BARLEY		OATS	
	1920	1919	1920	1919	1920	1919
PORTLAND	1,648	1,405	34	9	38	37
SAN FRANCISCO.....	2,499	4,645	30,095	11,237	1,081	620

As Portland is the chief point of export for the grain growing districts of the Pacific Northwest, and as San Francisco is a representative California distributing center, these figures are a reliable indication of the movement of grain in the Pacific Coast States. It may be noted that decreased receipts of wheat at San Francisco this year correspond to the reduced crop in California compared with that of 1919. In the intermountain region the movement to shipping points has been hampered by continued wet weather, the roads being in bad condition, but considerable movement is expected within the next thirty days.

The grain market, both domestic and foreign, is quiet. Millers are only purchasing sufficient wheat to meet their current needs, whereas in former years they have accumulated large stocks at this season. The export demand, which was brisk earlier in the year, has fallen off, and English buyers, who were the largest purchasers, have for the present withdrawn from the local market. Buyers are dealing only in small lots and are not at this time contracting for large blocks of grain.

Other grains show the same tendencies as wheat, and similar conditions prevail in the general grain market.

Rice. The harvesting of rice in California is nearing completion and yields are fulfilling previous expectations. Present indications are that a large part of the crop will be warehoused and placed on the market as the demand appears. The Pacific Rice Growers Association voted to fix a minimum price of \$3.08 a hundredweight for paddy rice at the growers' shipping point, but little of the crop has been sold at this figure. The first of the new crop was milled during the second week in October, but only a few mills are operating and those not to full capacity.

Millers will offer their product only on the basis of the price they must pay the grower for paddy rice and buyers are taking very little at such figures in the face of large exportable surpluses ready to come on the market from Siam, Saigon and Burma.

California is the third largest rice producing state in the country, according to present crop estimates. The leading producing states for 1920 are as follows:

	PADDY RICE (Bushels)
LOUISIANA	24,640,000
TEXAS	10,146,000
CALIFORNIA	9,421,000
ARKANSAS	7,780,000
SOUTH CAROLINA.....	101,000

Two bushels of paddy rice are the approximate equivalent of one bushel of cleaned rice.

The total annual consumption of cleaned rice in the United States is estimated at 8,072,200 bushels, or approximately 3 pounds per person. In Porto Rico the annual consumption per capita is 98 pounds.

Cotton. The picking of cotton in Arizona is proceeding slowly and there is a pronounced shortage of labor in the fields of the Mesa, Phoenix and Yuma districts. The workers are not only scarce but are demanding increased compensation. They are now receiving 2 to 2½c a pound for picking short staple cotton and 4c a pound for long staple. In California, the Imperial and San Joaquin valleys report fair progress in picking and sufficient labor supply. Ginning is keeping pace with picking in the latter districts but is considerably behind in Arizona. The market continues stagnant and few sales are reported, prices ranging from 17c to 21c for short staple and 50c to 60c for long staple.

Potatoes. The potato crop in the Twelfth Federal Reserve District gained 423,000 bushels in the November first forecast and is now placed at 38,019,000 bushels. Digging is proceeding slowly in all sections due to the low prices prevailing and, in the Pacific Northwest and Intermountain producing districts, to the continued wet weather. The rain has done considerable damage to the crop in Oregon, Washington and Idaho and in the latter state a portion of the crop was lost through freezing in the ground. Prices to the grower are now averaging about \$1.25 to \$1.35 a hundredweight f. o. b. shipping points and demand is strong at these prices, but farmers are not selling freely.

Apples. Weather conditions have not been altogether favorable during the apple picking season in the Pacific Northwest and this, combined with a heavy production of small sized fruit, has cut down the estimated

yield in the Twelfth Federal Reserve District to 26,485,000 bushels compared with the October first estimate of 29,058,000 bushels and as against 38,484,000 bushels last year. Approximately one-third of this yield may be considered as the commercial apple crop of the district.

Nearly three-fourths of the crop is now off the trees and no trouble is being experienced in caring for the fruit. The supply of refrigerator cars has been adequate throughout the season and it is thought that sufficient storage space will be available for those apples that are being stored in the district.

There has been a good demand all season for standard varieties in desirable assortments and medium to large sizes, at prices which would net the grower a satisfactory profit. Unpopular varieties and small sizes may return a loss because of the unusually large local crops in many parts of the country, and the lack of export demand.

Prospects for a market for the late varieties are better at present than they have been for some time. Local supplies are being absorbed in the middle western markets, and, with the setting in of cold weather, consumption is expected to increase.

Citrus Fruits. The new citrus fruit year began on the first of November and carload shipments of navel oranges are already moving out of the Northern California and Arizona producing districts. The crop outlook in these sections is good, recent rains having helped to size up the fruit, and in Southern California the condition of the crop is improving as the harvest season approaches. The shipping movement will gain momentum from now on and shipments during December are expected to average one hundred cars a day. The 1920-1921 California orange crop is estimated at 49,000 cars as compared with 35,679 in 1919, but the failure of the fruit in some districts to size up according to expectations may reduce this estimate slightly.

Valencia oranges have been practically cleared off the market leaving the early winter field to the navels, the prices for which are accordingly high as compared with last year, when there was a considerable carry-over of the summer ripening variety. Indications are that the new crop will be taken readily by the trade and increased outlets are being developed both here and in foreign countries. The principal country importing California oranges is Canada, which took 817,470 boxes in the year ending September 1, 1920. Total exports of oranges from the United States during the year ending June 30, 1920, were 1,619,393 boxes of which Canada took 1,501,121 boxes. Other importing countries are Great Britain, New Zealand and Australia.

Grapes and Raisins. The absence of early rains during October made it possible to ship a large quantity of grapes. The car shortage at the peak of the shipping season restricted shipments in the period of assured fair weather and extended the season into a period which is normally uncertain. Clear weather during the last two weeks in October saved the situation, however, and up to October 31st, 23,136 cars were shipped as compared with 17,536 cars in the same period last year. This increase of 5,600 cars is represented almost entirely by increased activity in the wine grape market, there being little or no increase in the production of table grape varieties. The season is now closed with the exception of a few shipments of Emperor grapes which normally move out at this time.

On November 8th the California Associated Raisin Company named prices on the unsold portion of its crop, announcing an advance of ½c a pound over the opening prices on all 1920 raisins except layers and clusters. These prices are effective until January 1, 1921. It is expected that the independent packers will follow the lead of the Association in naming prices.

The market for grapes gained strength in the last two weeks of the season and raisins are still in strong demand. It is estimated that the returns to the grape industry in California in 1920 will be over 70 per cent greater than the return in 1919, as shown by the following table:

	1920 (Estimate)	1919
RAISINS	\$80,000,000	\$42,500,000
WINE GRAPES.....	30,000,000	18,092,950
TABLE GRAPES.....	20,000,000	15,041,200
TOTAL.....	\$130,000,000	\$75,634,150

Olives. The olive season opened during the last days of October and picking of the 1920-1921 crop is now proceeding rapidly. An estimated yield of 10,000 tons is expected, compared to 14,000 tons last season. In the Sacramento Valley the crop is about 25 per cent larger than last year and a large crop is reported in the San Joaquin Valley. In Southern California, however, the trees are only bearing about 25 per cent of a possible crop.

Few contracts have been closed for this year's crop. Prices to the grower are now \$60 to \$100 a ton compared to \$210 a ton last year and a high mark of \$400 a ton in 1918. Few of the packers are planning a normal run of processed ripe olives and a large portion of the crop will probably go into the manufacture of olive oil or be dried by what is known as the Greek process, under which the olives are salted and

dried, either in the sun or in drying sheds. The demand for this style of olive is confined to the population of foreign extraction. There is practically no foreign competition with the California ripe olive but there is keen competition with the Greek style of olive and with olive oil.

Livestock. A comparative statement of the receipts of livestock and purchases for local slaughter for the month of October is given below:

	RECEIPTS OF LIVESTOCK								HORSES AND MULES	
	CATTLE		CALVES		HOGS		SHEEP		1920	1919
	1920	1919	1920	1919	1920	1919	1920	1919	1920	1919
PORTLAND	11,431	11,903	915	1,659	12,247	13,869	16,513	18,598	42	97
SALT LAKE CITY....	3,603	5,652	203	144	1,737	3,397	127,652	80,888	159	192
SEATTLE	5,839	6,352	388	834	7,719	6,436	5,919	11,054	33	24
SPOKANE	5,099	9,090	710	3,657	3,756	4,801	27,420	30,520	164	377
TACOMA	1,868	2,868	317	266	2,427	3,249	4,748	4,485	...	...
TOTALS.....	27,840	35,865	2,533	6,560	27,886	31,752	182,252	145,545	398	690

	PURCHASES FOR LOCAL SLAUGHTER							
	CATTLE		CALVES		HOGS		SHEEP	
	1920	1919	1920	1919	1920	1919	1920	1919
PORTLAND	5,105	4,066	661	1,284	5,963	6,917	12,294	6,922
SALT LAKE CITY.....	700	1,710	174	144	409	3,428	776	1,836
SEATTLE	5,742	6,021	388	834	7,614	6,264	5,919	11,054
SPOKANE	2,577	3,165	628	1,177	2,003	2,422	2,763	2,553
TACOMA	1,868	2,868	317	266	2,427	3,249	4,748	4,485
TOTALS.....	15,992	17,830	2,168	3,705	18,416	22,280	26,500	26,850

Beneficial rains fell in every state in the Twelfth Federal Reserve District during October and early November and range and pasture conditions continue better than they have been for some years past. An abundant crop of hay gives additional promise of winter and spring feeding, but up to the present, less stock is reported going into the feed lots of the district, than in a number of years past.

With the exception of a heavy run of feeder lambs from Utah and Nevada to Colorado and eastern feed lots, the receipts of livestock have been light in all the markets of the district. Light receipts of hogs are looked for from now until the heavy movement begins in the spring.

Trading was active although prices barely held their own, or showed a slight decline. Steers ranged from \$7.00 to \$10.00 a hundredweight, rallying slightly in the later trading. Cows brought from \$4.00 to \$7.50 a hundred, prime animals bringing the higher prices and breeding stock selling at the lower levels. Sheep are reported to have held their own despite the low prices for wool and pelts and sold steadily at \$8.00 to \$10.00 a hundredweight. Prices of hogs showed slight advances and sold as high as \$17.50 a hundredweight during the month.

Dairying. Some apprehension concerning the immediate future of the dairy industry in the Pacific Northwest is being expressed as a result of the contraction of the canned milk industry. Some plants have been closed entirely and those which are operating have cut the price paid for milk, even though this is the season of the year when fluid milk prices usually rise. Condensaries which paid \$3.25 a hundredweight for milk testing 3.5 per cent butter fat a year ago, reduced the price to \$2.90 in September of this year and some sales at \$2.00 a hundred pounds were reported during October. A table showing comparative prices received by milk producers follows:

PRICES RECEIVED BY MILK PRODUCERS*

	October Range	October Average	September Average	October 1919
FROM CONDENSARIES.....	\$2.30 to \$3.91	\$2.56	\$2.84	\$3.25
FROM FLUID MILK DISTRIBUTORS.	2.62 to 4.44	3.56	3.53	4.14

*All prices per hundredweight for milk testing 3.5 per cent butter fat. Prices range low in the intermountain district and high on the coast.

As a result of these low prices some dairymen have shipped their cows from the coast dairying districts to Eastern Oregon and Southern Idaho where there is a surplus of hay. During the last few years there has been a tendency for hay growers to sell all their crop and dispose of their dairy cattle, and the reversal of this tendency is a healthy agricultural sign. Some of the dairy herds are being improved by the elimination of the poorer cows which do not now return a profit on the feed they consume.

Lower hay prices have stimulated dairying in the intermountain region and many farmers are purchasing dairy cows. At present there is a shortage of fresh milk in that section and it is dependent on outside sources for its butter and cheese.

Butter. Heavy supplies of butter on all markets in the district were rapidly reflected in lower prices and wholesale butter dropped from an average of 65 cents a pound to 54 cents a pound during October. Increased supplies were largely due to the closing of several canned milk establishments, the milk formerly used by them being utilized in the making of butter and cheese.

The decrease in prices has been an effective method of meeting competition from New Zealand as it now costs practically as much to land the foreign butter here as the domestic product brings. There were 222,176 pounds of New Zealand butter landed in San Francisco during late October and early November. A comparative statement of cold

storage withdrawals during October of this year and last year and total holdings on November first, follow :

HOLDINGS AND WITHDRAWALS OF COLD STORAGE BUTTER

CITY	October, 1920, Net Withdrawals	October, 1919, Net Withdrawals	Nov. 1, 1920, Holdings	Nov. 1, 1919, Holdings
LOS ANGELES	146,167 lbs.	33,456 lbs.	715,445 lbs.	272,420 lbs.
PORTLAND	59,042 lbs.	250,846 lbs.	425,356 lbs.	736,238 lbs.
SAN FRANCISCO	113,657 lbs.	234,389 lbs.	809,320 lbs.	1,353,412 lbs.
SEATTLE	128,319 lbs.	464,097 lbs.	724,492 lbs.	1,084,234 lbs.
TOTALS	447,185 lbs.	982,788 lbs.	2,674,613 lbs.	3,446,304 lbs.

Lumber. The lumber production during October of the mills reporting to the four associations in this district was approximately the same as that of September, which was considerably below normal. The West Coast Lumberman reports that forty-three mills in Oregon and Washington have ceased operations entirely or are greatly curtailing their output, as a result of falling off in new business and reduced prices of lumber. Mill prices for lumber have declined forty to fifty per cent from peak levels.

Demand from competitive eastern territory continues light. Plans are under consideration for sending larger amounts of lumber by water to eastern seaboard cities, from there to be distributed. Railroad buying, principally of ties, and California requirements were the principal sources of demand for northwestern lumber during the past month.

Figures of cut, shipments and orders of the reporting mills in the four associations of this district are tabulated below :

LUMBER STATISTICS

	West Coast Lumbermen's Association		Western Pine Manufacturers' Association		California White and Sugar Pine Manufac- turers Association		California Redwood Association	
	4 Weeks ending Oct. 23	Pre- ceding Four Weeks	4 Weeks ending Oct. 23	Pre- ceding Four Weeks	4 Weeks ending Oct. 23	Pre- ceding Four Weeks	4 Weeks ending Oct. 23	Pre- ceding Four Weeks
<i>Average No. Mills Reporting.</i>	120	123	36	32	8	8	10	10
*CUT	274,685	286,440	103,806	102,763	38,821	43,529	24,906	26,029
*SHIPMENTS	235,356	233,220	53,745	65,340	14,336	17,113	16,059	17,626
*ORDERS	213,315	202,008	32,625	33,075	9,185	12,789	22,606	19,388

*In thousands of board feet.

Copper Mining. Copper production in this district is reported to be approximately 60 per cent of normal. In Arizona, where the largest proportion of copper is mined in this district, a number of mines have

ceased operations entirely, while others are employing reduced forces, which has caused a slight surplus of unskilled labor in the industry.

Petroleum. September's record production of petroleum in California was exceeded during October when the daily average production rose to 305,102 barrels as compared with 304,340 barrels the month previous. Shipments increased more than proportionately, however, with a consequent draft on stored stocks, which continued the decline that has been manifested since July, 1919. Following are figures furnished by the Standard Oil Company:

	OCTOBER	SEPTEMBER	AUGUST
PRODUCTION—Daily average.....	305,102 bbls.	304,340 bbls.	290,590 bbls.
SHIPMENTS—Daily average.....	324,896 bbls.	313,533 bbls.	321,955 bbls.
STORED STOCKS—End of month..	22,545,026 bbls.	23,158,657 bbls.	23,434,464 bbls.
NEW WELLS OPENED.....	47	55	56
With initial daily production..	12,395 bbls.	21,775 bbls.	20,550 bbls.
WELLS ABANDONED.....	4	5	5

Car Shortage. A substantial diminution of car shortage throughout the district occurred during the past four weeks. The number of open cars required was reduced from 822 to 378, and of closed cars from 3,889 to 1,246 during the month ending November 4th. The tank car situation, which showed a slight shortage in California on November 4th, is not considered serious.

A comparative statement of car shortages in California, Oregon and the terminal of Seattle on November 4th and October 9th follows:

	CAR SHORTAGES									
	OPEN		CLOSED		STOCK		GONDOLAS		REFRIG.	
	Nov. 4	Oct. 9	Nov. 4	Oct. 9	Nov. 4	Oct. 9	Nov. 4	Oct. 9	Nov. 4	Oct. 9
CALIFORNIA	138	140	715	2,273	35	150	556	175	759	800
OREGON—S. P.....	215	627	505	1,565	..	...	242	1,011	...	...
OREGON—Other lines...	34	..	..	..	..	..	..	10	..	..
SEATTLE	25	21	26	51	..	..	..	..	4	10
TOTAL.....	378	822	1,246	3,889	35	150	798	1,196	763	810

Shortage of tank cars, November 4th in California was 75.

Retail Trade Activity. Twenty-eight representative department stores in the Twelfth Federal Reserve District report an increase of 8.2 per cent in value of net sales during October of 1920 over the same month last year, and an increase of 11.8 per cent over the figures for September, 1920. Reports indicate that prices have declined during the past month, and collections are represented as good to fair.

Statement of increases or decreases in retail trade during October, 1920, as compared with the same month last year and with September, 1920, for twenty-eight reporting firms follows:

CONDITION OF RETAIL TRADE DURING OCTOBER, 1920

	— PERCENTAGE OF INCREASE —	
	Comparison of Net Sales with Oct., 1919	Comparison of Net Sales with Sept., 1920
LOS ANGELES.....	19.3	9.8
SAN FRANCISCO.....	11.5	13.3
SEATTLE	*14.6	2.3
OAKLAND	22.0	20.9
SALT LAKE CITY.....	8.9	17.8
SPOKANE	4.6	38.0
SACRAMENTO	9.9	13.4
DISTRICT.....	8.2	11.8

*Decrease.

Wholesale Trade. Reports from 133 representative wholesale firms in eight lines of business in this district indicate that the value of net sales during October of this year was less than that in October, 1919, in the automobile tire, shoe, dry goods, hardware and furniture businesses, but greater in the stationery, drug and grocery lines by 21.9, 12.0 and 9.6 per cent respectively. The decreases were greatest for automobile tires and shoes, being 27.9 and 22.2 per cent respectively.

Only one class of business, that of wholesale shoes, shows a decrease in volume of net sales for the first ten months of 1920 compared with the same period of 1919. The largest increases are reported by dealers in stationery, hardware and dry goods and amount to 40.5, 31.4 and 31.0 per cent respectively.

Each line reported October sales to be less in value than those of September, the decrease being greatest in the automobile tire and dry goods businesses, 18.8 and 17.5 per cent respectively, and lowest in the wholesale drug and grocery businesses, being 1.3 and 2.3 per cent respectively.

Collections are still reported good by the majority of firms, although there is a slight decrease as compared with last month in the number reporting them good.

Current unfilled orders are generally reported much smaller except in the stationery business which reports normal unfilled orders, attributed in some cases to the Christmas trade.

Reports indicate that few orders for spring delivery are being received and that the tendency of retailers is to buy only for their current needs.

Transportation conditions continue satisfactory, only a few firms reporting slight delays in trans-continental shipments.

Prices are generally reported as showing a downward tendency during October, particularly noticeable by dealers in hardware, dry goods, groceries, shoes and automobile tires. Drug firms notice it only to a limited extent, while stationery and furniture dealers report prices holding firm.

Statements of increases or decreases in wholesale trade of 133 firms for October, 1920, as compared with September, 1920, and October, 1919, and for the first ten months of 1920 as compared with the same period in 1919 follow:

CONDITION OF WHOLESALE TRADE DURING OCTOBER, 1920

(1a) Percentage of increase or decrease in net sales during October, 1920, over October, 1919

<i>No. of reporting firms</i>	Hard-ware	Dry Goods	Groceries	Drugs	Shoes	Stationery	Furniture	Auto Tires
23	12	28	7	13	18	19	13	
LOS ANGELES.....	5.2	....	21.2	....	....	24.1	1.8	....
SAN FRANCISCO.....	0.1	-21.7	26.2	....	-22.9	35.4	0.0	-16.3
SEATTLE	13.3	-24.2	-6.6	....	....	-25.1	8.2	-31.1
PORTLAND	1.6	10.4	-10.2	-13.6	-41.1	2.5	-19.4	....
TACOMA	24.2	....	17.3	....	....	....	15.4	....
SPOKANE	-1.9	28.1	31.5	....	....	44.7	....	22.8
SALT LAKE CITY.....	....	....	7.7	....	....	....	....	....
SACRAMENTO	-12.2	....	5.6	6.2	....	....	....	....
DISTRICT.....	4.4	-15.4	9.6	12.0	-22.2	21.9	-4.2	-27.9

(1b) Percentage of increase or decrease in net sales, January 1 to October 31, 1920, over same period last year

<i>No. of reporting firms</i>	Hard-ware	Dry Goods	Groceries	Drugs	Shoes	Stationery	Furniture	Auto Tires
22	12	28	6	13	18	19	13	
LOS ANGELES.....	42.2	....	29.2	....	....	43.9	19.8	....
SAN FRANCISCO.....	37.5	29.9	39.5	....	-5.9	43.3	51.5	4.9
SEATTLE	17.9	38.5	19.5	....	....	29.8	19.4	-13.5
PORTLAND	27.5	15.7	20.0	22.2	-22.2	32.5	28.9	....
TACOMA	16.4	....	30.1	....	....	....	25.2	....
SPOKANE	53.2	54.4	25.3	....	....	42.8	....	5.6
SALT LAKE CITY.....	....	....	31.2	....	....	....	....	....
SACRAMENTO	28.8	....	22.3	26.1	....	....	....	....
DISTRICT.....	31.4	31.0	26.6	28.1	-5.6	40.5	29.8	4.0

(1c) Percentage of increase or decrease in net sales for October, 1920, over September, 1920

<i>No. of reporting firms</i>	Hard-ware	Dry Goods	Groceries	Drugs	Shoes	Stationery	Furniture	Auto Tires
23	12	27	6	12	17	18	13	
LOS ANGELES.....	-12.9	....	-2.4	....	....	-4.1	-16.0	....
SAN FRANCISCO.....	8.2	-17.4	14.2	....	0.9	21.1	10.2	5.2
SEATTLE	-16.0	-27.9	....	....	....	-41.3	-6.2	-25.7
PORTLAND	-17.3	-1.3	-7.5	-13.1	-24.9	-32.9	-16.7	....
TACOMA	7.1	....	-10.9	....	....	....	-14.7	....
SPOKANE	-18.5	3.2	-2.7	....	....	-5.6	....	4.5
SALT LAKE CITY.....	....	....	4.9	....	....	....	....	....
SACRAMENTO	-5.4	....	-11.5	....	....	....	....	....
DISTRICT.....	3.9	-17.5	-2.3	-1.3	-5.6	-11.5	-8.7	-18.8

Foreign Commerce. Imports into Pacific Coast ports during September were 29.2 per cent less in value than in September, 1919, and exports were 13.4 per cent less. Both imports and exports were less for the eight-months period ending September 30, 1920, than they were for the same period last year, but imports fell off less rapidly than did exports, a situation to be expected in view of the existing depreciation in the currencies of foreign countries, which acts as a barrier against imports from this country but tends to stimulate their exports to us.

IMPORTS

(000 omitted)

	Month Ending		% In-crease or Decrease	Eight Months Ending		% In-crease or Decrease
	Sept. 30, 1920	Sept. 30, 1919		Sept. 30, 1920	Sept. 30, 1919	
SAN FRANCISCO.....	18,875	23,969	-21.2	183,875	176,280	3.7
LOS ANGELES.....	714	422	68.9	7,053	2,216	218.2
PORTLAND.....	512	464	10.3	7,243	1,845	292.5
WASHINGTON.....	8,323	15,350	-45.7	116,879	154,781	-24.4
SAN DIEGO.....	52	52	00.0	709	709	00.0
TOTAL PACIFIC COAST...	28,476	40,257	-29.2	315,759	335,831	- 5.9
TOTAL UNITED STATES....	363,000	435,000	-16.5	4,358,000	2,697,000	61.5
% OF PACIFIC COAST TO TOTAL UNITED STATES..	7.8	9.2		7.2	12.4	

EXPORTS

(000 omitted)

	Month Ending		% In-crease or Decrease	Eight Months Ending		% In-crease or Decrease
	Sept. 30, 1920	Sept. 30, 1919		Sept. 30, 1920	Sept. 30, 1919	
SAN FRANCISCO.....	14,750	12,185	21.0	172,898	172,287	0.3
LOS ANGELES.....	1,497	1,364	9.7	13,665	6,771	101.8
PORTLAND.....	5,377	2,171	47.6	41,714	33,209	25.6
WASHINGTON.....	9,257	19,980	-53.6	164,269	240,761	-31.7
SAN DIEGO.....	41	41	00.0	399	302	32.1
TOTAL PACIFIC COAST...	30,922	35,741	-13.4	392,945	453,330	-13.3
TOTAL UNITED STATES....	606,000	595,000	1.8	6,082,000	5,867,000	3.6
% OF PACIFIC COAST TO TOTAL UNITED STATES..	5.1	6.0		6.4	7.7	

Labor. No strikes of importance are in progress in this district, nor are there any announcements of intended strikes. There is but little more than the customary seasonal unemployment of unskilled laborers, due to the closing of the harvest season and the falling off in lumbering operations. No unemployment of skilled laborers is reported.

Business Failures. Nevada reported no failures for the month. In the other states of the district failures during October increased over three-fold in total liabilities compared with last month but were 38 per cent

less in liabilities than in June, the high month of this year. Idaho's two failures represented total liabilities of \$1,500,500. The average failure in California has liabilities of \$28,000, in Oregon and Washington \$18,000, in Arizona \$11,000, and in Utah \$3,000. R. G. Dun and Company's comparative figures by states for the past three months follow:

	OCTOBER		SEPTEMBER		AUGUST	
	No.	Liabilities	No.	Liabilities	No.	Liabilities
ARIZONA	5	\$ 57,400	3	\$ 1,500	0	\$ 0
CALIFORNIA	67	1,886,585	45	401,032	41	209,254
IDAHO	2	1,500,500	10	163,929	5	33,844
NEVADA	0	0	2	8,602	1	1,000
OREGON	22	407,223	11	87,258	16	263,658
UTAH	7	26,089	11	290,261	6	131,882
WASHINGTON . . .	23	421,259	19	291,978	21	367,600
DISTRICT	126	\$4,299,056	101	\$1,244,560	90	\$1,007,238

Building Activity. Building permits issued in nineteen principal cities of the district during October averaged 15.8 per cent less by value and 9.9 per cent by number than those issued during September. The decrease appeared both in repairs and new construction, and was less pronounced in the interior than on the coast. Building is still proceeding on a larger scale, however, than in October, 1919, both in value and number of permits issued. The increase in value over last year was 18.1 per cent, while the increase in number of permits was 29.5 per cent. The average value of each permit has declined steadily since June of this year, when a peak of \$2,750 was reached. In October it was \$1,675 as compared with \$1,796 in September.

Following are the number and value of building permits for October, 1920, September, 1920, and October, 1919, both for the nineteen principal cities of the district and for the six cities whose total permits were greater than \$500,000.

	October, 1920		September, 1920		% Decrease in Value During Month	October, 1919		% Decrease in Value During Year
	No.	*Value	No.	*Value		No.	*Value	
LOS ANGELES	3,210	6,432	3,515	7,231	11.0	1,353	3,140	104.8‡
SAN FRANCISCO	418	1,399	435	1,997	29.9	470	1,325	5.5‡
LONG BEACH	455	1,097	475	1,231	10.8	392	850	29.0‡
SEATTLE	816	758	1,046	865	12.3	1,190	1,434	47.1
PORTLAND	927	695	1,074	803	13.4	883	1,422	51.1
OAKLAND	463	521	510	798	34.8	461	586	11.0
TOTAL DISTRICT . . .	8,378†	14,040	9,295	16,694	15.8	6,469	11,885	18.1‡

*(\$000) omitted.

†Percentage decrease in number over last month, 9.9%, and increase over October, 1919, 29.5%.

‡Increase.

Clearings and Debits to Individual Accounts. October bank clearings throughout the district were practically the same in amount as in September, a substantial increase in Los Angeles offsetting decreases in the other Federal Reserve Bank and Branch cities except Portland, whose figures remained practically unchanged. Total clearings for the district were 5.4 per cent greater than those of October, 1919.

October figures of debits to individual accounts, representing all payments for the account of individual bank depositors as reported by 113 banks in twenty cities of the district were \$2,295,240,000, which is 14.6 per cent less than those of last month, \$2,686,720,000, although 10.4 per cent in excess of the \$2,078,003,000 reported in October, 1919.

Comparative figures of clearings are tabulated below:

BANK CLEARINGS			
	October, 1920	September, 1920	October, 1919
SAN FRANCISCO.....	\$708,300,000	\$712,000,000	\$742,279,000
LOS ANGELES.....	358,511,000	346,945,000	230,737,000
SEATTLE	171,620,000	175,874,000	197,501,000
PORTLAND	180,838,000	180,363,000	181,448,000
SALT LAKE CITY.....	75,138,000	69,379,000	83,354,000
SPOKANE	62,653,000	57,662,000	68,435,000
TOTAL	\$1,557,060,000	\$1,542,223,000	\$1,503,754,000
TOTAL DISTRICT*....	\$1,817,976,000	\$1,788,919,000	\$1,724,618,000

*22 cities reporting.

Interest and Discount Rates. The customary rates charged in Federal Reserve Bank and Branch cities for the thirty-day periods ending October 15 and November 15 respectively are tabulated herewith in comparative form:

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

Federal Reserve Bank. The amount of bills discounted for member banks declined during the past month by over \$10,000,000, from \$176,268,000 to \$165,485,000, compared with an increase of \$17,224,000 during the preceding five weeks. Member banks' reserve deposits during the month showed an increase of over \$2,000,000, and cash reserves were over \$7,000,000 larger. The amount of Federal Reserve Notes in actual circulation remained practically unchanged.

ERRATA

Corrections in report released November 1.

Page 4—Beans.

The estimated production of beans in the Twelfth Federal Reserve District this year compared with last year is as follows:

	1920	1919
CALIFORNIA	3,074,000 bushels	4,464,000 bushels
ARIZONA	78,000 bushels	136,000 bushels

These figures include lima beans and beans other than limas (the figure for the 1920 production in California is in correction of the figure published in last month's report, which included only beans other than limas.)

Page 7—Line 13.

The compromise was suggested by the Government, not by the Company.

Page 14—

For the table on Imports and Exports substitute the following:

IMPORTS

(000 omitted)

	Month Ending		% In- crease (+) or Decrease (—)	Eight Months Ending		% In- crease (+) or Decrease (—)
	Aug. 31, '20	Aug. 31, '19		Aug. 31, '20	Aug. 31, '19	
SAN FRANCISCO.....	20,510	21,392	—4.1	164,999	152,311	+8.3
LOS ANGELES.....	448	155	+189.0	6,339	1,793	+253.5
PORTLAND	525	57	+821.1	6,731	1,381	+387.4
WASHINGTON (Seattle) .	12,358	15,408	—19.7	108,556	139,432	—22.2
SAN DIEGO.....	102	18	+466.7	656	389	+68.6
TOTAL PACIFIC COAST..	33,943	37,030	—8.3	287,281	295,306	—2.7
TOTAL UNITED STATES..	519,000	307,000	+69.1	4,000,000	2,262,000	+76.8
% OF PACIFIC COAST TO						
 TOTAL UNITED STATES	6.5%	12.0%		7.1%	13.0%	

EXPORTS

(000 omitted)

	Month Ending		% In- crease (+) or Decrease (—)	Eight Months Ending		% In- crease (+) or Decrease (—)
	Aug. 31, '20	Aug. 31, '19		Aug. 31, '20	Aug. 31, '19	
SAN FRANCISCO.....	13,619	20,685	—34.3	158,148	160,103	—1.2
LOS ANGELES.....	432	1,155	—62.6	12,168	5,407	+125.0
PORTLAND	5,642	5,484	+2.8	36,337	31,039	+17.0
WASHINGTON (Seattle) .	11,356	16,859	—32.6	155,012	220,791	—29.6
SAN DIEGO.....	116	27	+329.6	357	260	+37.3
TOTAL PACIFIC COAST..	31,165	44,210	—6.9	362,022	417,600	—13.3
TOTAL UNITED STATES..	584,000	646,000	—9.6	5,483,000	5,272,000	+4.0
% OF PACIFIC COAST TO						
 TOTAL UNITED STATES	5.6%	6.8%		6.6%	8.1%	

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

RESOURCES:	Nov. 5, 1920	Oct. 8, 1920	Nov. 7, 1919
Gold and Gold Certificates.....	\$ 13,261,000	\$ 13,475,000	\$ 13,635,000
Gold Settlement Fund—F. R. Board....	48,799,000	49,175,000	29,506,000
Gold with Foreign Agencies.....	3,575,000	4,118,000	5,850,000
Total Gold Held by Bank.....	\$ 65,635,000	\$ 66,768,000	\$ 48,991,000
Gold with Federal Reserve Agent.....	91,283,000	81,242,000	99,842,000
Gold Redemption Fund.....	10,421,000	11,627,000	4,542,000
Total Gold Reserves.....	\$167,339,000	\$159,637,000	\$153,375,000
Legal Tender Notes, Silver, etc.....	391,000	546,000	291,000
Total Reserves.....	\$167,730,000	\$160,183,000	\$153,666,000
Bills Discounted:			
Secured by Govt. War Obligations...	54,681,000	55,242,000	56,084,000
All Other.....	110,807,000	121,026,000	30,438,000
Bills Bought in Open Market.....	58,915,000	55,306,000	93,953,000
Total Bills on Hand.....	\$224,403,000	\$231,574,000	\$180,475,000
U. S. Government Bonds.....	2,632,000	2,632,000	2,632,000
U. S. Victory Notes.....	0	0	0
U. S. Certificates of Indebtedness.....	11,301,000	11,207,000	10,682,000
All Other Earning Assets.....	0	0	0
Total Earning Assets.....	\$238,336,000	\$245,413,000	\$193,789,000
Bank Premises.....	231,000	231,000	400,000
Uncollected Items and Other Deductions from Gross Deposits.....	43,479,000	43,047,000	43,920,000
5% Redemption Fund Against F. R. Bank Notes.....	665,000	665,000	655,000
All Other Resources.....	432,000	302,000	921,000
TOTAL RESOURCES.....	\$450,873,000	\$449,841,000	\$393,351,000
LIABILITIES:			
Capital Paid in.....	\$ 6,859,000	\$ 6,880,000	\$ 5,442,000
Surplus	11,662,000	11,662,000	4,578,000
Government Deposits.....	3,043,000	4,941,000	7,709,000
Due to Members—Reserve Account....	121,194,000	118,926,000	108,958,000
Deferred Availability Items.....	34,983,000	34,846,000	25,361,000
Other Deposits, Including Foreign Government Credits.....	2,665,000	2,478,000	6,497,000
Total Gross Deposits.....	\$161,885,000	\$161,191,000	\$148,525,000
F. R. Notes in Actual Circulation.....	254,126,000	254,380,000	220,357,000
F. R. Bank Notes in Circulation—Net Liability	10,627,000	10,831,000	11,274,000
All Other Liabilities.....	5,714,000	4,897,000	3,175,000
TOTAL LIABILITIES.....	\$450,873,000	\$449,841,000	\$393,351,000
MEMO: Contingent Liability on Bills Purchased for Foreign Correspondents....	736,000	736,000	0