

AGRICULTURAL AND BUSINESS CONDITIONS

IN THE TWELFTH FEDERAL RESERVE DISTRICT

Monthly Report to the Federal Reserve Board

by

JOHN PERRIN, Chairman of the Board and Federal Reserve Agent
Federal Reserve Bank of San Francisco

Vol. VI

San Francisco, California, May 18, 1922

No. 5

GREATER than seasonal increases in activity in the major extractive industries of the district, continued strength in the banking situation, and a period of comparative dullness in wholesale and retail trade characterized the month of April in the Twelfth Federal Reserve District.

Improvement in the **lumber** industry was the outstanding feature. Production during April was at 95 per cent of the estimated normal capacity of reporting mills and during the first two weeks of May reached normal capacity.

The Month Orders received during April exceeded production by 27.1 per cent, this being the fifth consecutive month in which demand has exceeded current production. The **mining** industry is reported to be more active than at any time in the past year. Gold and silver mines with the richer ore deposits, and which have been closed down, are being worked again, and 12 of the 16 large copper companies in the district are now in operation after a year of comparative inactivity or of complete cessation of operations. **Petroleum** production continues at record levels but consumption has been lagging behind output, and stored stocks on May 1st were 39,795,057 barrels, the largest amount since April, 1917, and 56.9 per cent greater than one year ago.

Normal or better than normal yields of most of the **agricultural crops** of the district are expected. The May 1st estimate of the United States Department of Agriculture places the yield of winter wheat at 72,829,000 bushels, a decrease of 7,949,000 bushels, or 9.8 per cent, from last year's record crop and an increase of 28.5 per cent over the previous five-year average. **Deciduous fruit** orchards, with the exception of apricots, are in good condition. Fairly accurate estimates of the damage done to the

California **orange crop** by the January frosts are now available and it is expected that approximately 58 per cent (13,050,000 boxes) of the previously estimated crop will be marketable. **Prices** of agricultural products were relatively stable during April and the gains of the previous three months were generally held. Tentative prices for fruits and actual prices of livestock and wool are well above prices of one year ago.

Increased activity in industry and agriculture is reflected in the loans and discounts of reporting **member banks** which increased from \$834,264,000 to \$853,231,000, or 2.3 per cent, during April. At the same time deposits in these banks increased from \$1,114,092,000 to \$1,152,807,000, or 3.5 per cent, and they were able to reduce their borrowings from the Federal Reserve Bank from \$22,651,000 to \$14,672,000, or 35.2 per cent. Borrowings of all member banks from the Federal Reserve Bank declined from \$49,025,000 to \$43,279,000, or 11.7 per cent in the four-week period ending May 10th.

April was a month of little or no improvement in **retail and wholesale trade**. A decline of 1.3 per cent in the value of sales at retail compared with sales in April, 1921, was reported, notwithstanding the fact that Easter buying was included in March sales last year and in April sales this year. In eight of the 10 reporting lines of **wholesale trade** the value, and probably the physical volume, of sales was less in April, 1922, than in April, 1921. The exceptions were agricultural implements and hardware.

Building permits issued during April give further evidence of exceptional activity in construction and building. Permits issued were 16.5 per cent greater in number and 51.6 per cent greater in value than in April, 1921, and

Those desiring this report sent them regularly will receive it without charge upon application

were approximately equal to the permits issued in the record month of March, 1922. The volume of business transacted in the district, as reflected in reports of debits to individual accounts in 20 principal cities was practically the same in April, 1922, as in March, 1922, and April, 1921. The number and liability of business failures, although large, was less than in the previous month. Employment in the district is increasing rapidly as industrial activity increases and seasonal farm and construction work is begun.

Unfavorable growing weather during April, slightly lowered the average condition of winter wheat in this district, according to the May

1st report of the United States Department of Agriculture (see table "A"). There has been an improvement in weather conditions during the first half of May, although some fields in northern California are in need of rains to insure a full crop and in other states the crop would be improved in many sections by warmer growing weather.

Estimates of abandonment of winter wheat as of May 1st show a reduction of 6.3 per cent in the total acreage (3,579,000 acres) sown in this district. On the premise that average conditions prevail until harvest, it is estimated that this acreage will produce 72,829,000 bushels of winter wheat, as compared with 80,778,000 bushels produced in 1921, a decrease of 7,949,000 bushels, or 9.8 per cent. It is estimated that total winter wheat production in the United States during the 1922 season will be 584,793,000 bushels, only 0.4 per cent less than the 1921 crop yield. Comparative conditions, acreage abandoned, and estimated yields of winter wheat by states in this district are shown in table "A."

Commercial factors estimated that on April 1st the available exportable surplus of wheat in the Pacific Northwest for the remaining three months of the cereal year was approximately 12,000,000 bushels. Exports of wheat

from Portland and Puget Sound during April are reported to have totaled 3,384,000 bushels, reducing this total on May 1st, to 8,616,000 bushels (disregarding shipments by rail).

Export movement of California barley continued to increase during April, shipments from San Francisco amounting to 378,929 centals, as compared with 260,943 centals exported from that port during the preceding month, and 150,073 centals exported during April, 1921.

Wheat prices are reported to have shown an upward trend during April, in Pacific Coast markets. (No. 1 hard wheat advanced 3 cents per bushel in the San Francisco market, and is now [May 15th] quoted at \$1.41 to \$1.44 per bushel.) The barley market at San Francisco is reported to have weakened slightly during the past two weeks, and on May 15th shipping barley was quoted at \$1.45 to \$1.55 per cental, a recession of 5 cents per cental in the upper range of prices. On the corresponding date a year ago, shipping barley was quoted at \$1.20 to \$1.25 per cental.

Flour output was sharply curtailed by mills in this district during April, and average production of 61 reporting mills declined to 33.8 per cent of capacity (the lowest point

Milling of the 1921-1922 cereal year) compared with an average production of 50.1 per cent of capacity during the preceding month, and 34.5 per cent of capacity during April, 1921 (see table "B" on opposite page). Millers attribute the decreased output during April to the following facts:

1. Old export orders have been completed and delivered, and little new export business has been booked.

2. Domestic demand has been light, and domestic sales of flour steadily decreasing.

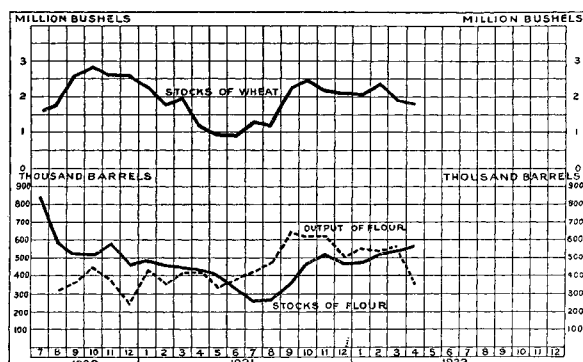
3. Price offers for flour have been low, while millers have been obliged to pay high prices for scarce lots of desirable milling wheat.

The trend of milling activity in this district as indicated by the reports of 16 large milling

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

	Condition (Per Cent of Normal)				Acreage Sown 1922	Per Cent Abandoned 1922	Estimated Yield	
	May, 1922	April, 1922	May, 1921	10-year average			1922	1921
Arizona	92	95	80	92	50,000	2.0	1,330,000	840,000
California	90	94	80	82	759,000	8.7	12,960,000	8,355,000
Idaho	88	92	97	90	436,000	6.0	9,020,000	10,279,000
Oregon	91	90	99	96	894,000	4.4	18,505,000	20,862,000
Utah	93	89	98	94	148,000	2.0	2,611,000	2,985,000
Washington	85	85	99	92	1,292,000	7.0	28,403,000	37,457,000
12th District.....	..	..	..	..	3,579,000	6.3	72,829,000	80,778,000
United States.....	83.5	78.4	88.8	87.1	38,131,000	13.9	584,793,000	587,032,000

companies, is shown in the accompanying chart. During April, stocks of wheat held by these mills decreased, flour output was cut to the lowest point of the season, and stocks of flour on hand increased slightly.



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

Although sub-normal temperatures were reported from practically all sections of the district at some time during April, and although a few localities suffered severe

Deciduous Fruits

frosts, the majority of orchards are reported to be in better than average condition, and prospects on May 15th were favorable for heavy yields of the principal varieties of fruits. In California, the condition of peach orchards indicates a record crop, while cherries and pears promise to be about normal in yield. The apricot crop of that state, curtailed by frost injury, is expected to be light, the present estimate being for 52 per cent of a theoretically normal crop. The United States Department of Agriculture reported the condition of California fruits and nuts on May 1st as follows:

	Condition on May 1st (Percentage of Normal)		10-year average
	1922	1921	
Almonds	77	58	69
Apples	96	*	*
Apricots	52	45	68
Cherries	90	66	80
Peaches	92	*	*
Pears	92	*	*
Prunes	95	*	*

*Not estimated previous to 1922.

In the Pacific Northwest, berry crops are in excellent condition, and normal yields of cherries, pears, and apples are expected. Severe frosts early in May are reported to have injured the latter fruits, but the extent of the damage will not be ascertainable for a month or more.

Although a definite estimate of the size of the 1922 fruit pack is impracticable as yet, depending as it does upon the price of raw fruits, and the response of the jobbing trade to 1922 opening prices, fruit canners in California are preparing for a larger output than the small pack of last year (8,511,851 cases). Tentative estimates from southern California indicate that the 1922 pack of fruits in that section (chiefly apricots and peaches) will show a 40 to 50 per cent increase over the 1921 pack. Estimates from the Pacific Northwest indicate that the 1922 fruit pack in Oregon and Washington will be 25 per cent larger than the 1921 pack (the chief increase being in the production of canned berries).

Prices of raw fruits have not yet been established. The chief factor in the situation at present is the advancing prices of dried and canned fruits, which have followed the unusual demand for these products and the rapid reduction in holdover stocks. During the 1921 and 1920 seasons, growers in northern California are reported to have received the following prices, for the principal varieties of canning fruits:

	Price Per Ton	
	1921	1920
Apricots	\$ 60.00	\$100.00
Cherries	120.00	240.00
Peaches	35.00	110.00
Pears	65.00	100.00

Present tentative estimates indicate that growers this season will receive higher prices for their fruit than they did in 1921.

According to the May 1st estimate of the United States Department of Agriculture, 13,050,000 boxes of oranges will be

Citrus Fruits shipped from California during the present 1921-1922 season (58 per cent of the estimate of December 1st). Shipments of oranges from California during the

(B) Milling—

	No. Mills Reporting		Output		Per Cent Mill Capacity in Operation		
	April, 1922	March, 1922	April, 1922 (barrels)	March, 1922 (barrels)	April, 1922	March, 1922	April, 1921
California	10	10	171,360	303,859	42.5	69.2	45
Idaho	3	3	13,566	9,640	55.1	43.4	35
Oregon	22	21	88,157	102,989	24.2	38.8	33
Washington	26	27	221,863	300,734	33.1	45.6	25
District	61	61	494,946	707,202	33.8	50.1	34.5

1920-1921 season totaled 21,600,000 boxes.

The California Fruit Growers Exchange estimates that the 1921-1922 navel orange crop, which has been harvested and shipped, totaled 5,750,000 boxes for the state. This authority estimates the Valencia orange crop, which is now being harvested, at 6,440,000 boxes, and reports that the fruit is running to small sizes, and showing evidence of greater damage from the January freeze than had been previously estimated.

Market prices for California oranges during the past month have been favorable to growers, although imports of Spanish and Italian oranges are reported to have furnished a new source of competition in Eastern marketing centers. Exchange growers have received an average price of \$4.49 per box for oranges (f. o. b. California) and \$3.59 per box for lemons, during April, 1922. During the corresponding month a year ago, growers received an average price of \$2.37 per box for oranges and \$2.06 per box for lemons. Orange and lemon orchards were reported by the United States Department of Agriculture to be in the following condition (as of May 1st):

	Condition on May 1st (Percentage of Normal)		10-year average
	1922	1921	
Oranges	78	92	93
Lemons	66	90	90

Both orange and lemon orchards in many sections were defoliated by the January freeze, lowering the vitality of trees, and making a large yield of fruit during the forthcoming year impossible.

Canners of pineapple estimate that the 1922 season Hawaiian pineapple pack will be approximately 5,250,000 cases, as compared with 5,262,000 cases packed in 1921, and 5,978,000 cases in 1920. A normal pack averages approximately 65 per cent sliced pineapple and 35 per cent crushed and grated pineapple.

Sliced pineapple has recently been the most popular item in the canned fruit trade, and it is reported that stocks have been reduced to a minimum. Opening prices on the forthcoming 1922 pack of pineapple were named early in May by the largest canners of this fruit, quotations of two principal operators comparing with 1921 opening prices as follows:

	Price Per Dozen Cans	
	1922	1921
Extra, sliced, No. 2½ cans (8 slices) ..	\$2.75	\$2.35
Extra, grated or crushed, No. 2½ cans.	1.75	2.00

Since these opening prices were named, re-sales of contracts for future delivery of canned pineapple have been reported at prices as much as 10 per cent above the opening quotations. The increased price differential this year between the two kinds of canned pineapple is attributed to the desire of the canners to popularize the grated and crushed product, which has been lagging behind the sliced fruit in popularity and volume of sales.

Losses of livestock in this district from exposure and lack of feed have been greater than normal during the past winter, which has been unusually long and severe, according to United States Department of Agriculture estimates. Feed on the majority of the pastures and ranges of the district was late in starting growth and its condition is generally reported to be much below the average for this period of the year. With the advent of warmer weather, however, pastures are improving, and livestock are quickly regaining lost weight. Valley pastures in northern California are reported to have deteriorated rapidly under the influence of drying winds, and cattle in that section are being moved to summer ranges in the mountains as rapidly as possible.

Lambing in the district was accompanied by losses heavier than usual, partly due to the weakened condition of the ewes in many sections because of insufficient feeding during the winter and partly due to adverse weather conditions during the lambing season.

Receipts of cattle and calves at eight principal markets of the district (see table "C" on opposite page) were approximately the same during April, 1922, as during the preceding month, and the corresponding month a year ago. The number of cows and heifers marketed is reported to have been small, in contrast to the situation a year ago, when breeding animals were being sold. Receipts of sheep showed the usual seasonal increase over the preceding month, while remaining less than during April a year ago. In Pacific Northwestern markets the shortage of sheep has been acute, and receipts during April were small.

In contrast with the situation prevailing a year ago, it is reported that at present prices for the different kinds of livestock, producers are realizing a reasonable profit on their sales. Cattle marketing is proceeding in an orderly manner, and little stock is being sold prematurely. The supply of fed cattle in all states of the district is reported to be small, and the supply of grass fed cattle in California and Arizona is below normal and late in coming to

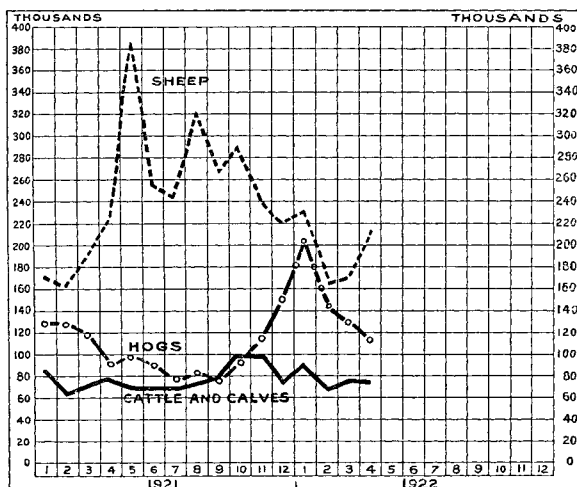
market. Livestock prices at the principal markets of the district (presented in table "D") remained steady during April, except for a seasonal decline in prices of sheep and lambs, following increased receipts. Movement of spring lambs from California began during the last two weeks of April, and shipments are now reaching Eastern markets in large numbers. Prices of California spring lambs have

declined from early season levels (\$16.00 to \$17.00 per 100 pounds), and during the second week in May sold at prices ranging from \$14.50 to \$15.50 per 100 pounds in Eastern markets. During the corresponding period a year ago, spring lambs sold at from \$11.00 to \$12.00 per 100 pounds.

Long continued cold weather, and retarded growth of feed in many sections of the district, have unfavorably affected the condition of

sheep during the past two months, and **Wool** caused losses of weight and quality in many fleeces. Sheep shearing is nearing completion in Arizona and California, and is well along in other states of the district. Wool growers now estimate the forthcoming 1922 wool clip of this district at 72,250,000 pounds, and report that 42 per cent, or approximately 30,466,000 pounds, had been sheared by May 1st. The 1921 wool clip in this district is reported to have been 78,150,000 pounds.

Marketing of 1922 wool has been characterized by the large amount of contracting before shearing (during a period of advancing prices) and by the rapid sales of consigned and pooled lots of wool since shearing operations began. Approximately 35 per cent of the total 1922 clip in this district was contracted for by March 1st, at prices ranging from 25 to 30 cents per pound for "average" and "top"



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

(C) Receipts of Livestock—

	Cattle		Calves		Hogs		Sheep		Horses and Mules	
	April, 1922	April, 1921	April, 1922	April, 1921	April, 1922	April, 1921	April, 1922	April, 1921	April, 1922	April, 1921
*Los Angeles ...	16,726	15,514	6,643	6,975	32,658	25,933	53,317	39,297	..	..
Ogden	6,632	5,766	500	234	11,314	8,618	47,468	40,095	167	133
Portland	7,967	7,451	737	670	16,636	11,301	10,051	22,172	48	72
Salt Lake City...	7,519	3,063	126	48	5,794	5,515	21,515	21,004	117	35
*San Francisco...	15,657	23,040	2,860	5,256	28,281	25,367	80,904	92,068	..	..
Seattle	3,515	4,558	44	130	12,222	7,195	688	5,160	19	60
Spokane	2,358	2,509	121	226	3,158	2,327	75	1,586	61	42
Tacoma	2,565	1,826	187	36	3,700	4,085	779	3,399	..	..
Twelfth District.	62,939	63,727	11,218	13,575	113,763	90,341	214,797	224,781	412	342

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

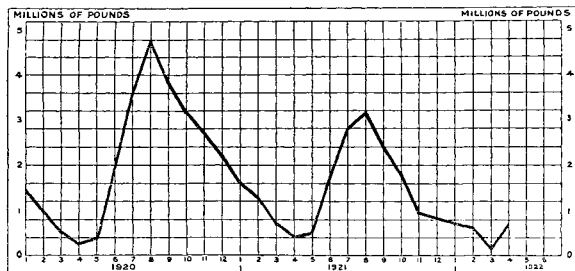
(D) Range in Livestock Prices—

Highest and Lowest Average Top Prices Per Hundredweight Received at Above Markets During April.

Week of	Fat Steers	Cows	Calves	Hogs	Lambs
April 3.....	\$7.00—8.25	\$4.50—6.50	\$6.50—10.00	\$10.00—11.75	\$8.50—14.00
April 10.....	7.00—8.50	4.50—6.75	6.50—10.00	10.35—11.75	8.50—15.00
April 17.....	7.00—8.50	4.25—6.75	6.50—10.00	10.25—11.75	8.50—13.10
April 24.....	7.00—8.50	4.50—6.75	6.50—10.00	10.00—11.90	8.50—13.10

grades of wool, respectively. From February 15th to April 15th the wool market was quiet and buyers did little contracting. Since the beginning of shearing operations the wool market has strengthened and prices have resumed their upward movement. The large Jericho wool pool in Utah sold at 40 cents per pound, establishing a new top price for the season to growers for high-grade wool. Wool is now reported to be selling rapidly, at prices ranging from 20 cents per pound for the poorest grades to 40 cents per pound for the best grades, or from 25 to 35 cents per pound for medium grades. Last year these grades sold at 10 to 15 cents per pound on a reluctant market. With the exception of some large lots held in growers' grading and marketing pools, it is expected that practically all of the wool in the district will be sold by the time shearing operations are over.

Butter production increased rapidly in northern California during April, and movement into cold storage was larger than during the corresponding period a year ago. In the territory tributary to the Dairy Products Seattle and Portland, however, the usual seasonal increase in production has been delayed by weather conditions and it was necessary for those markets to bring in butter from other sections to take care of current needs. A total of 626,157 pounds of butter moved into cold storage in the principal markets of the district during April as compared with an increase of 103,195 pounds during April, 1921. Cold storage holdings of butter at these markets were 738,209 pounds on May 1st (see table "E"). On the same date a year ago, holdings totaled 508,551 pounds.



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

Contrary to the usual movement at this season of the year, butter prices in the San Francisco market have been gradually rising, during the past month, due to the continued demand from Northwestern points, and the favorable market in Los Angeles. Dealers are

reported to be anticipating a short producing season, and are storing butter at prices three cents per pound above last year's into storage price levels. Fresh creamery butter (93 score) which sold in the San Francisco market on April 15th at 33½ cents per pound, was on May 15th selling for 36½ cents per pound.

The average price to producers for raw milk declined 5 cents per 100 pounds in the Mountain section during April, 1922, as compared with March, 1922 (see table "F"), and declined 10 cents per 100 pounds in the Pacific section during the same period. Compared with April, 1921, prices have declined \$0.39 and \$0.70 per 100 pounds in the Mountain and Pacific sections, respectively.

Although April was a month of relative price stability the general trend appeared to be definitely upward. In the livestock market cattle prices advanced steadily during the month, hog prices were maintained at levels well above those of the previous quarter, and sheep prices although declining in the middle of the month, later recovered a large part of this decline. The grains, especially wheat, were in good demand and wheat prices recorded an appreciable advance during the month (from \$1.31½ per bushel on April 7th to \$1.42½ per bushel on May 5th, on the Chicago market).

(E) Movement of Stocks of Cold Storage Butter—

	April, 1922 Net Increase (pounds)	April, 1921 Net Increase (pounds)	May 1, 1922 Holdings (pounds)	May 1, 1921 Holdings (pounds)
Los Angeles...	288,078	47,990	360,801	172,055
Portland	1,675	32,288*	2,385	10,611
San Francisco.	335,874	68,531	373,695	282,027
Seattle	530	18,962	1,328	43,858
Totals	626,157	103,195	738,209	508,551

*Net withdrawal.

(F) Prices Received by Milk Producers*—

Section†	April, 1922 Range	April, 1922 Aver- age	March, 1922 Aver- age	April, 1921 Aver- age
Mountain (6 Mkts.)....	\$1.48-2.80	\$1.97	\$2.02	\$2.36
Pacific (9 Mkts.).....	1.50-3.40	2.32	2.42	3.02
U. S. (97 Mkts.).....	1.28-5.03	2.15	2.21	2.62

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

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

During the past month prices for both cotton and wool have been rising. To the strong statistical position of cotton (due to increasing world consumption and decreased stocks), with the possibility of a close balance between supply and demand during the next crop year have been attributed recent price advances for this commodity. The average of 98 wool quotations on the Boston market declined slightly during April but new clip wools in the western states sold at advanced prices during the month.

Fruit prices remained unchanged, trading in 1921 crop apples and canned and dried fruits being on a small scale due to the scanty available stocks. Oranges and lemons continue to bring high prices, further advances being recorded in April.

Among the non-agricultural commodities copper, lead, and lumber advanced and petroleum remained unchanged compared with the previous month. Changes in the prices of some of the principal products of the district are shown in table "G."

Production of lumber during April reached 95 per cent of the estimated normal capacity of reporting mills and reports received during the first weeks of May show that normal production has now been reached and in a few cases exceeded.

Orders received and shipments made in April exceeded production for the fifth consecutive month, the former by 27.1 per cent and the latter by 9.1 per cent. Practically all of the large sawmills of the Pacific Northwest are now operating and the majority of the small mills are cutting.

April production of lumber as reported by 177 mills was 389,020,000 feet compared with 253,506,000 feet produced in April, 1921, and 381,572,000 feet in March, 1922, an increase of 53.4 per cent during the year and of 1.9 per cent during the month. Shipments during April totaled 424,725,000 feet compared with 266,361,000 feet in April, 1921, and 420,108,000 feet in March, 1922. Orders were received for 494,687,000 feet of lumber, an increase of 200,080,000 feet, or 67.9 per cent over April, 1921,

(G) Commodity Prices—

Commodity	Unit	May 5, 1922	One Month Ago	One Year Ago	
Twenty Basic Commodities (F. R. B. of N. Y.) 1913=100.		133.1	126.7	128.1	
Wholesale Prices (U. S. Bureau of Labor) 1913=100.....		152.0	152.0	154.0	
Cost of Living (National Industrial Conference Board) July, 1914,=100.....		154.8	154.7	167.6	
Cattle (Native Beef)... Weekly average price at Chicago..	100 lbs.	\$ 8.25	\$ 7.85	\$ 8.15	
Sheep	100 lbs.	9.00	9.75	6.75	
Lambs	100 lbs.	14.85	13.90	10.35	
Hogs	100 lbs.	10.25	10.30	8.35	
Wheat	Chicago contract prices for May wheat.. bu.	1.42½-1.39¾	1.31½-1.30½	1.45½-1.42	
Barley	Shipping Barley F. O. B. San Francisco	1.45-1.55	1.40-1.55	1.35-1.45	
Rice	California Fancy Japan at San Francisco	4.90	5.00	4.25	
Cotton	Middling Uplands—Weekly range of spot quotations at New Orleans.....	lb.	18.12¢	16.63¢	11.63¢
Wool	Average of 98 quotations at Boston.....	lb.	58.98¢	59.64¢	41.75¢
Sugar	Beet granulated F. O. B. San Francisco..	lb.	5.60¢	5.70¢	5.60¢
Apples	N. W. Winesaps at New York.....	box	2.25-5.00	2.00-4.50	..
Oranges	Navels—Market pack at Los Angeles... box		5.50-6.00	4.50-5.50	3.00-3.50
Lemons	Loose pack at Los Angeles.....	box	2.50-3.00	2.25-2.50	1.50-2.25
Dried Apples....	Choice in 50-lb. boxes F. O. B. California	lb.	.16½	.16½-.17	.07¾-.08
Dried Apricots...	Choice in 25-lb. boxes F. O. B. California	lb.	.26	.26	.18½-.19
Prunes	Size 40-50 in 25-lb. boxes F. O. B. Calif..	lb.	.14-.14¼	.13¾-.14¼	.10¾-.11
Raisins	Loose Muscatel in 25-lb. boxes F. O. B. California	lb.	.15¾	.15¾	.24¾
Canned Apricots.	Choice 2½s F. O. B. California.....	doz.	3.00	3.00	2.25
Canned Peaches.	Cling choice, 2½s F. O. B. California....	doz.	2.60	2.60	2.70
Canned Pears....	Bartlett, Standard 2½s, F. O. B. Calif..	doz.	3.00	3.00	2.65
Butter	93 score at San Francisco.....	lb.	.35	.31½	.32½
Eggs	Extras—San Francisco	doz.	.27½	.27	.26
Copper	Electrolytic, New York Spot.....	lb.	.13-.13¾	.12¾-.12¾	.12½-.13
Lead	New York Spot.....	lb.	5.25¢-5.50¢	4.90¢-4.95¢	4.85¢
Petroleum	California 35° and above.....	bbl.	2.45	2.45	2.70
Douglas Fir.....	2x4, 16-ft. No. 1 S1S1E F. O. B. Seattle..	M feet	14.50	11.50	12.50
Douglas Fir.....	12x12 Timbers F. O. B. Seattle.....	M feet	17.00	15.00	16.00

and of 27,341,000 feet, or 5.8 per cent over March of this year. In the three associations for which such figures are available, unfilled orders at the close of April amounted to 426,940,000 feet compared with 249,529,000 feet on April 30, 1921, and 378,340,000 feet on March 31, 1922.

The domestic market for Pacific Northwest lumber was more active during April than in any month during the past year. This was evidenced by a heavy intercoastal movement, increased rail shipments, and improved demand in California. The line yards of North and South Dakota, which have not purchased fir lumber for 18 months, are now reported to be inquiring for stock. In California, notwithstanding a noticeable increase in production, the supply of the upper grades of redwood has not been equal to the demand. The present volume of orders from retail yards for siding, mouldings, window frames and other milled items has only been exceeded by the large orders placed in the fall of 1919 and the early spring of 1920. The export market improved during April, largely due to a renewal of Japanese demand for Pacific Coast lumber. The Douglas Fir Exploitation and Export Company received new orders totaling 57,000,000 feet in April compared with 31,484,000 feet in March and 23,500,000 feet in April a year ago.

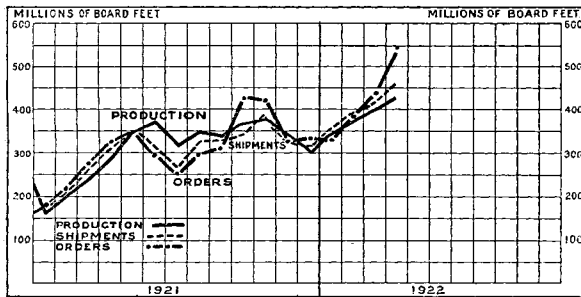
Logging operations are now proceeding at approximately 100 per cent of capacity and the present demand for logs is reported to be greater than at any time during the past 12 months. In the Inland Empire, winter camps are closing and spring camps starting as rapidly as the weather permits. The shingle branch of the lumber industry has also been improving steadily, present production being 95 per cent of capacity. Shingle prices have advanced due to the increased demand, from \$2.45 per 1,000 on April 1, 1922, to \$2.60 per 1,000 on May 6, 1922.

Comparative figures of the cut, orders, unfilled orders and shipments of the four lumber associations in this district are shown in table "H."

The gold and silver mining industry is reported to be in better condition than at any time during the past 18 months. Although activity is still far below normal, **Mining** many of the conditions which discouraged the production of metal in 1920-1921 have now disappeared and those mines having rich ore deposits are again being worked. Many mines not engaged in production of metal are proceeding with development and construction work preparatory to resuming operations.

Dredge gold mining in California is proceeding normally, there being 31 dredges in operation at the present time. Renewed activity has been noted in the placer and drift mining districts. In Nevada it is reported that more actual work is now being carried on in the gold and silver mining camps than for several years previous. In the Intermountain states silver is largely produced as a secondary product at lead and copper mines. The production of the latter metals is increasing and the silver output will be enlarged accordingly.

The lead mining industry is now reported to be in a favorable position as demand is improving and surplus stocks have been greatly



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

(H) Lumber—

	West Coast Lumbermen's Association		Western Pine Manufacturers' Association		California White and Sugar Pine Manufacturers' Association		California Redwood Association		TOTAL	
	April, 1922	April, 1921	April, 1922	April, 1921	April, 1922	April, 1921	April, 1922	April, 1921	April, 1922	April, 1921
Average No. of Mills reporting..	98	98	39	41	28	24	12	12	177	175
Cut*	264,081	165,292	81,869	59,573	11,318	4,831	31,752	23,810	389,020	253,506
Shipments*	279,796	178,865	101,645	58,887	18,499	7,942	24,785	20,667	424,725	266,361
Orders*	315,249	215,083	133,175	53,375	18,119	6,864	28,144	19,285	494,687	294,607
Unfilled Orders*..	252,551	164,105	125,650	51,250	..	..	48,739	34,174	426,940	249,529

*In thousands of feet.

reduced. Price advances have resulted, the average price of lead on the New York market being 5.30 cents per pound on May 5th compared with 4.70 cents per pound on March 31st and 4.50 cents per pound on May 1st a year ago.

Reports received by this bank from 16 mines in the district engaged in the production of gold, silver and lead show an increase in the output of these metals in March, 1922, compared with February, 1922. In comparison with March, 1921, the reports indicate an increase in the production of silver and a decrease in the output of gold and lead. Those gold, silver and lead mines which are reporting are operating at approximately 100 per cent of capacity. Comparative figures of the output of metal of 16 reporting mines in March, 1922, February, 1922, and March, 1921, are shown in the following table:

	March, 1922	February, 1922	March, 1921
Gold (oz.)	34,101	32,238	38,040
Silver (oz.)	809,320	692,686	786,184
Lead (lbs.)	11,598,440	10,552,688	12,956,033

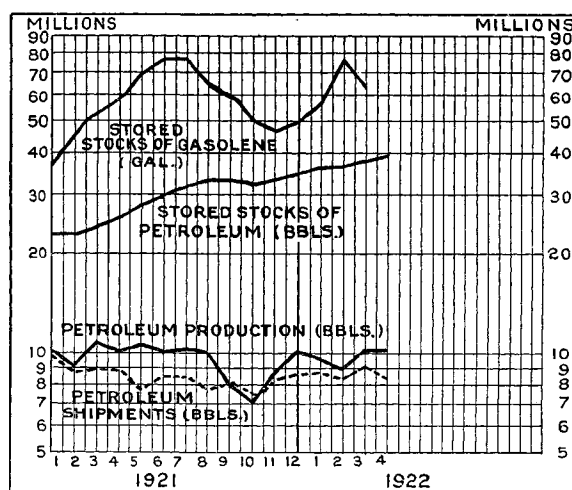
Sixteen of the principal copper mines of the district produced 23,669,000 pounds of blister copper during March, compared with 17,026,000 pounds during February, 8,078,000 pounds during January, and 48,635,000 pounds during March, 1921. Although 12 of the 16 mines are now in operation, only seven produced smelted metal during March. Blister copper from the others will soon be forthcoming. Sales of refined copper in the United States during April are estimated at 130,000,000 pounds, compared with 185,000,000 pounds during March and 65,000,000 pounds during January. The price of electrolytic copper for early delivery in New York was 13.25 cents per pound on May 14th compared with 12.875 cents per pound a month ago.

How mine production in the United States has steadily increased since the first of the year and how stocks of copper have nevertheless diminished, owing to expanding sales, are shown in table "I." Production in March was

46 per cent of normal, compared with 21 per cent of normal in January. Stocks are still greater than normal.

Increased production, and a decrease in consumption, were the outstanding features of the petroleum market in California during April, and as a result the stored stocks of **Petroleum** of crude petroleum rose to the highest level reached since April, 1917. Present storage stocks are so large that several of the major producers are curtailing production in the older fields, although the exploitation of new fields continues in the competitive areas of southern California.

Average daily production of petroleum in California during April was 341,077 barrels, an increase of 7,340 barrels a day compared with March and of 2,096 barrels compared with April a year ago. Consumption decreased slightly during the month, April daily shipments of 280,965 barrels being 11,163 barrels less than daily shipments in March and 60,112 barrels less than daily production during April. The resultant increase in stored stocks (1,803,363 barrels) carried the holdings of California oil companies to 39,795,057 barrels compared



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

(I) Current Copper Statistics for the United States, 1922—

	Mine Production (pounds)	Imports (pounds)	Sales Domestic and Foreign (pounds)	Exports (pounds)	Excess of Sales Over Additions to Supply (pounds)	Price of Electrolytic Copper in New York (cents per pound)
January	25,848,000	12,880,000	65,000,000	53,130,000	26,272,000	13.69
February	37,416,000	28,444,000	100,000,000	52,862,000	34,140,000	13.12
March	61,867,000	39,123,000	185,000,000	80,853,000	84,010,000	12.98
First Quarter	125,131,000	80,447,000	350,000,000	186,845,000	144,422,000	13.26
Last Quarter, 1921	65,507,000	92,415,000	430,000,000	186,790,000	272,078,000	13.25

with 25,356,769 barrels held one year ago. Forty-nine new wells with an initial daily production of 17,330 barrels were completed during April and nine wells abandoned, a net increase of 40 producing wells during the month. At the present time development work is most active in the Huntington Beach, Long Beach and Santa Fe Springs fields.

Stored stocks of gasoline held in California, which have been increasing steadily since the period of shortage during the summer of 1920, decreased 12,693,835 gallons during March and stood at 63,718,701 gallons on April 1st. Stored stocks on April 1, 1921, amounted to 51,573,945 gallons, the increase over the year period being 12,144,776 gallons, or 23 per cent.

Prices of petroleum and petroleum products have not changed since August 3, 1921. A statement of pre-war, peak, subsequent low since peak, and present prices of petroleum and petroleum derivatives follows:

	Price Jan., 1914	Peak Price Since 1912	Lowest Price Since Peak Aug. 3, 1921	Present Price
Crude Petroleum				
25° Gravity* (bbl.)	\$0.55	\$1.96	\$1.46	\$1.46
Gasoline† (gal.) . . .	.15½	.27	.23	.23
Kerosene‡ (gal.) . . .	.09	.16½	.14½	.14½

*Field price.

†Retail service station price.

‡Wholesale price to trade.

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

Industrial consumption of electric energy in the district as a whole was 4.1 per cent less in March, 1922, than in March, 1921, but the decrease was wholly confined to the

Electric Energy Intermountain territory, the Pacific Northwest showing a notable increase in consumption (6.6 per cent) and California a slight gain (1.6 per cent) compared with the previous year. Compared with February, 1922, total March sales for the district increased 3.7 per cent, a gain doubtless due to the smaller number of working days in February.

The greatest activity in the Pacific Northwest is noted in the lumber industry which consumed 36.9 per cent more power in March, 1922, than in March, 1921. Mining in the same section increased its purchases 17.6 per cent and agriculture 4.5 per cent. In California the mining industry consumed 8.8 per cent less power during March, 1922, than during February, 1922, and 8.0 per cent less than during March, 1921. Oil producers in that state purchased 4.1 per cent less power than during the preceding month, and 8.9 per cent more than a year ago. In the Intermountain states sales of power to mines and farms were far smaller in March, 1922, than during the same month a year ago, and total sales of industrial power show a 38.1 per cent decrease.

Statistics on production and sales of electric energy during March, as reported by 15 prin-

(J) Petroleum—

	April, 1922	March, 1922	April, 1921
Production (daily average).....	341,077 bbls.	333,737 bbls.	338,981 bbls.
Shipments (daily average).....	280,965 bbls.	292,128 bbls.	300,877 bbls.
Stored Stocks (end of month).....	39,795,057 bbls.	37,991,694 bbls.	25,356,769 bbls.
New Wells Opened.....	49	58	58
With Daily Production.....	17,330 bbls.	22,000 bbls.	18,470 bbls.
Wells Abandoned	9	2	5

(K) Electric Energy—

	Plant Capacity K. W.			Peakload K. W.			Plant Output K. W. H.		
	March, 1922	February, 1922	March, 1921	March, 1922	February, 1922	March, 1921	March, 1922	February, 1922	March, 1921
California (8 companies reporting)	973,925	961,925	849,895	651,636*	740,405*	527,136*	273,414,999	244,427,027	265,360,120
Pacific Northwest (3 companies reporting) .	189,455	198,545	173,955	137,680	149,557	128,372	63,015,345	58,521,207	61,214,308
Intermountain States (4 companies reporting) .	212,997	212,997	204,872	85,962	93,416*	106,331	42,150,236	40,286,604	52,209,196
Twelfth District (15 companies reporting) . . .	1,376,377	1,373,467	1,228,722	875,278*	983,378*	761,839*	378,580,580	343,234,838	378,783,624
	Number of Industrial Consumers			Connected Industrial Load H. P.			Industrial Sales K. W. H.		
	Mar., 1922	Feb., 1922	Mar., 1921	Mar., 1922	Feb., 1922	Mar., 1921	Mar., 1922	Feb., 1922	Mar., 1921
California	41,662*	41,921*	38,285*	1,373,568*	1,362,716*	1,255,254*	147,973,420	141,748,548	145,771,633
Pacific Northwest	4,759	4,769	6,187	121,628	121,920	115,992	30,419,577	29,152,726	28,514,164
Intermountain States ..	9,688	9,656	8,806	290,337	289,900	269,785	20,443,312	20,829,088	33,074,010
Twelfth District.....	56,109*	56,346*	53,278*	1,785,533*	1,774,536*	1,641,031*	198,836,309	191,730,362	207,359,807

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

principal power companies in the district, are presented in table "K" on opposite page.

Employment in all sections of the district increased during April largely due to seasonal demands of the agricultural, lumbering, and mining industries for both skilled and unskilled laborers. Labor authorities state that present unemployment is much less extensive than it was at this season a year ago, when curtailed industrial activity and strikes in the marine and building trades greatly reduced the number of workers on the payrolls of the district.

Employment in California was distinctly greater during April than during the previous month or in April, 1921. The large amount of building now being done has increased employment, not only in the building trades, but also in allied industries such as lumbering, planing mill work and other manufactures of building supplies. Vegetable canning has begun in the Sacramento Valley and as the season advances there will be greatly increased demand for labor in the vegetable and fruit canning industry. In the mountain districts power construction work, lumbering and logging operations have absorbed considerable numbers of unskilled laborers. Payroll figures indicate a moderate increase in employment in Los Angeles and San Francisco, the principal improvement being in the iron and steel industries, shirt and garment factories, tanneries, and the stone and clay industries.

Unemployment has been greatly relieved in all sections of Oregon and Washington as a result of the increased demand for labor in agriculture, lumbering and construction work. Reports from 10 principal lumbering sections of Idaho, Oregon and Washington show that 64,500 loggers and lumbermen were on the payrolls May 1st compared with 61,427 men on March 25th, an increase of 3,073 or 5 per cent.

In Arizona, Idaho, Nevada and Utah, present employment is reported to be greater than at any time during the past year. This improvement is largely due to renewed activity in the mining sections of those states and to an increased demand for seasonal agricultural labor. Four of the largest mining companies in the Globe-Miami copper mining district of Arizona reported an increase of 44 per cent in the number of employees on their payroll on May 1st compared with April 1st. One exception to the uniformly favorable reports received from other sections is noted in the coal mining regions of Utah where approximately 30 per cent of the mine workers are on strike.

In three of the four principal cities of the district employment in manufacturing industries increased during April according to figures compiled by the United States Employment Service, Department of Labor. Based on reports of firms in the cities of Los Angeles, Portland, San Francisco and Seattle, employing 501 men or more, the total number employed increased 1,032 during April compared with March. Figures showing the actual and percentage increase or decrease in employment in the manufacturing industries of these cities are given in the following table:

	Numerical increase or decrease (-) in employment during April, 1922 compared with March, 1922	Percentage increase or decrease (-) in employment during April, 1922 compared with March, 1922
(Firms employing 501 men or more)		
Los Angeles.....	883	3.5
Portland.....	54	.7
San Francisco.....	258	3.6
Seattle.....	-163	-6.9

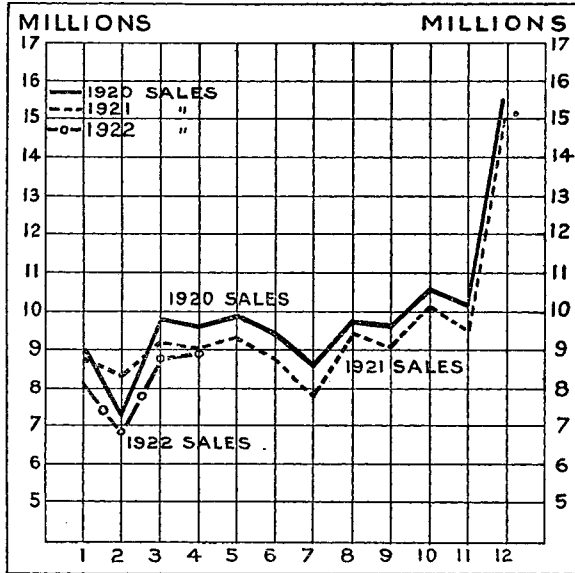
The past year has witnessed a general reduction of wages in most of the principal industries of this district. Since August 1, 1920, wages have been reduced approximately 45 per cent in agriculture, 30 per cent in lumbering, 25 per cent in mining and 10 per cent in the building trades. The hourly wage now paid skilled mechanics in the building trades in San Francisco, Los Angeles and Seattle follow:

	Los Angeles	San Francisco	Seattle
Bricklayers.....	\$1.25	\$1.12½	\$1.00
Carpenters.....	1.00	1.00	.80
Hoist Engineers.....	1.00	1.00	.90
Hod Carriers.....	1.12½	.75	.70
Pile Drivers.....	.87½	1.00	1.00
Structural Iron Workers.....	1.00	1.12½	.80-.90
Unskilled Labor.....	.56¼-.62½	.47½-.50	.50-.60

Trade at retail during April, 1922, was less in value than in April, 1921, in all reporting cities except Los Angeles where an increase of 5.8 per cent was reported. In the district as a whole the value of department store and mail order house sales during April, 1922, was 1.3 per cent less than during April, 1921, total sales of 32 reporting stores amounting to \$12,709,820 in April of this year and \$12,886,895 in April of last year. Sales for the first four months of 1922 were 5.6 per cent less in value than in the corresponding period of 1921. The comparison between April, 1922, and April, 1921, becomes more unfavorable when it is remembered that a large part of the Easter trade occurred in April this year whereas Easter sales were made in March last year. The average decline in retail prices during the year, however, is re-

ported to have been greater than the percentage decline in value of sales, and it is probable that the physical volume of trade at retail has not diminished.

March, 1922, and six-tenths of 1 per cent greater than in April, 1921. Following is a statement of the average sale (cash, charge and c. o. d.) in Los Angeles, Salt Lake City, San Francisco and Seattle.



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

The amount of the average sale (cash, charge and c. o. d.) reported by 12 stores was \$2.34 in April, 1922, compared with \$2.33 in March, 1922, and \$2.41 in April, 1921. The number of individual sales transactions in April, 1922, was 1.0 per cent greater than in

	April, 1922	March, 1922	April, 1921
Los Angeles	\$3.64	\$3.91	\$4.02
Salt Lake City.....	1.87	1.58	2.04
San Francisco	3.07	3.13	3.20
Seattle	1.84	1.80	1.81
District	\$2.34	\$2.33	\$2.41

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

	Percentage increase or decrease (-) in the value of stocks at end of month compared with same month of year previous	Percentage outstanding orders at end of month to total purchases during year 1921	Annual rate of turnover of stocks indicated at end of month
January, 1922..	3.4	8.9	2.04
February, 1922..	-4.3	10.3	1.93
March, 1922..	-2.4	9.5	2.04
April, 1922..	-4.3	7.2	2.02

Collections were characterized by reporting firms as follows:

	Excellent	Good	Fair	Poor
Number of firms.....	1	10	11	0

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

(L) Retail Trade Activity—

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

	Los Angeles	Oakland	Salt Lake City	San Francisco	Seattle	Spokane	District
No. of reporting firms.....	6	4	4	8	5	3	32
Net sales (percentage increase or decrease) April, 1922, compared with April, 1921	5.8	-11.5	- 9.0	- 2.7	- 2.2	- 3.6	- 1.3
April, 1922, compared with March, 1922	- 4.1	4.3	11.8	- 5.5	4.9	14.8	- 2.0
Period Jan. 1 to April 30, 1922, compared with same period in 1921.	.4	-16.3	-17.4	- 5.3	- 7.5	-13.0	- 5.6
Stocks: (percentage increase or decrease) April, 1922, compared with April, 1921	16.3	10.1	2.4	10.5	-10.2	2.8	- 4.3
April, 1922, compared with March, 1922 .....	.2	- 3.1	1.9	3.7	- .8	1.0	1.9
Percentage of average stocks on hand at close of each month since Jan. 1, 1922, to average monthly sales during same period.....	461.2	623.9	566.6	493.2	454.2	721.1	491.9
Percentage outstanding orders at close of April, 1922, to total purchases during year 1921.....	8.2	..	5.0	7.9	6.3	4.8	7.2

Trade at wholesale as reported to this bank by 191 representative firms in April was generally less in value than one year ago. Of the 10 lines of business for which figures are compiled only two, agricultural implements and hardware

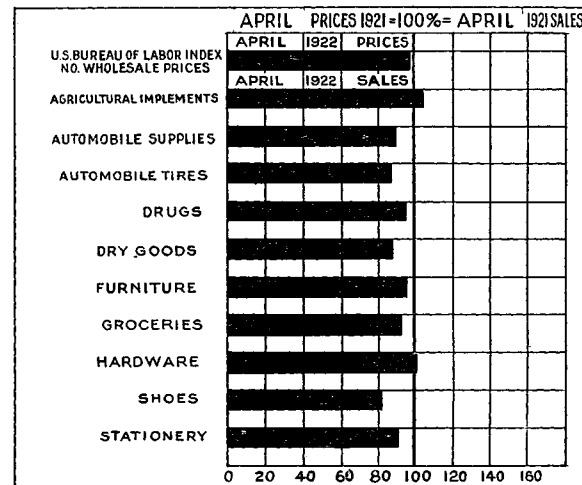
Wholesale Trade

show an increase in value of sales in April, 1922, compared with April, 1921. The increase in these two lines, reflecting as it does improving conditions in the farming districts and the unusual activity in building, is significant especially at a time when wholesale trade in general appears to be in a period of more than seasonal dullness. Compared with March, 1922, seasonal increases were reported in the value of sales of agricultural implements (19.6 per cent), automobile supplies (16.3 per cent), automobile tires (4.5 per cent) and hardware (2.9 per cent).

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

	April, 1922, compared with		Four Months ending Apr. 30, 1922, compared with same period in 1921
	Apr., 1921	Mar., 1922	
Agricultural Implements..	5.0	19.6	-25.7
Automotive Supplies.....	-9.6	16.3	-11.3
Automobile Tires.....	-11.6	4.5	-12.8
Drugs	-4.2	-19.5	3.6
Dry Goods	-11.2	-10.5	1.1
Furniture	-3.1	-2.0	2.2
Groceries	-6.5	-11.7	-11.8
Hardware	1.1	2.9	.7
Shoes	-18.5	-9.6	-6.6
Stationery	-8.3	.9	-11.3

In order to estimate the physical volume of goods sold at wholesale, it is necessary to consider declines in the prices of the commodities included in each reporting line of business. These declines may be approximated by reference to the decline in general wholesale prices from April, 1921, to April, 1922, as reported by the United States Department of Labor, which has been 1.3 per cent. Inasmuch as the percentage decline in the value of sales in all lines shown above (except agricultural implements and hardware) have been greater than the percentage decline in general wholesale prices, it would seem probable that the volume of goods sold was less than one year ago.



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

(M) Wholesale Trade—

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

	Agricultural Implements	Auto Supplies	Auto Tires	Drugs	Dry Goods	Furniture	Groceries	Hardware	Shoes	Stationery
Number of reporting firms..	23	20	15	9	14	16	31	21	16	26
Los Angeles....	143.9	-8.0	22.2	..	-19.5	-21.2	-3.5	32.8	3.6	-2.4
Portland	-14.2	-11.1	-9.8	..	..	-7.1	-5.4	-3.8	-33.7	-16.3
Salt Lake City..	-16.5	-14.2	8.3	..	..	..	-3.5	-14.4	..	2.3
San Francisco...	5.8	-11.8	23.6	-14.1	-18.4	9.6	-9.6	-15.9	-21.5	-21.3
Seattle .....	..	-3.4	58.4	..	28.7	..	6.7	9.0	-16.2	38.9
Spokane	-23.8	..	2.1	..	..	..	-9.3	-19.4	..	.3
Tacoma .....	..	..	..	..	..	17.2	-1.1	.3	..	..
District	5.0	-9.6	-11.6	-4.2	-11.2	-3.1	-6.5	1.1	-18.5	-8.3

(1b) Percentage of increase or decrease (—) in net sales from January 1, to April 30, 1922, compared with the same period last year.

	Agricultural Implements	Auto Supplies	Auto Tires	Drugs	Dry Goods	Furniture	Groceries	Hardware	Shoes	Stationery
Number of reporting firms..	23	20	15	9	14	16	31	21	16	26
Los Angeles....	59.8	-3.7	27.7	..	-13.6	-14.1	-9.8	30.0	4.3	-4.9
Portland	-42.4	-12.1	6.0	..	..	10.0	-12.0	-13.6	-19.9	-14.6
Salt Lake City..	-45.8	-18.8	-4.9	..	..	..	-9.9	-22.0	..	-9.3
San Francisco...	-17.7	-19.7	-17.5	-3.6	-4.4	.3	-15.3	-11.7	-7.7	-21.9
Seattle .....	..	-15.0	38.8	..	37.1	..	3.2	9.1	.8	8.4
Spokane	-53.0	..	-10.5	..	..	..	-16.1	-23.6	..	-9.2
Tacoma .....	..	..	..	..	..	30.5	-1.1	-7.5	..	..
District	-25.7	-11.3	-12.8	3.6	1.1	2.2	-11.8	-7	-6.6	-11.3

Collections during the past four months have been reported as follows:

	Number of Firms Reporting Collections as			
	Excellent	Good	Fair	Poor
January	4	40	80	31
February	1	28	78	36
March	3	30	92	26
April	5	37	95	17

One hundred and thirteen firms reported their collections on May 1, 1922, and May 1, 1921, as follows:

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

	Number of Firms	1922		1921	
		Percentage	Number of Firms	Percentage	Number of Firms
Agricultural Implements.....	6	32.2	27.3		
Automobile Tires.....	5	15.9	19.2		

Percentage of Collections during month (April) to total amount Due from Customers (outstanding) on first of that month

	Number of Firms	1922		1921	
		Percentage	Number of Firms	Percentage	Number of Firms
Automobile Supplies.....	19	55.6	56.3		
Drugs	5	75.8	74.1		
Dry Goods.....	8	36.1	41.6		
Furniture	12	46.3	51.9		
Hardware	16	45.7	42.5		
Shoes	10	33.3	39.0		
Stationery	13	62.4	59.4		

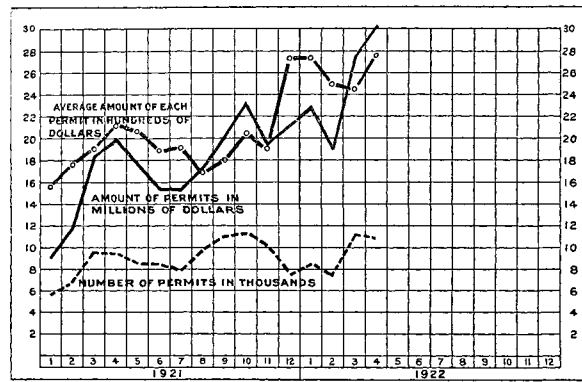
Percentage of Outstandings May 1, 1922 to April, 1922 Sales

	Number of Firms	1922		1921	
		Percentage	Number of Firms	Percentage	Number of Firms
Groceries	19	128.4	120.1		

Statements of increases or decreases (—) in the value of sales of 191 reporting firms during

April, 1922, compared with April, 1921, and the four months of 1922 compared with the same period in 1921 are shown in table "M" on preceding page.

Building permits issued in 20 principal cities of this district during April, 1922, numbered 10,966 with an estimated valuation of \$30,195,052 compared with 11,196 permits with a value of \$27,432,286 issued in March, 1922, a decrease of 230, or 2.0 per cent in number and an increase of \$2,762,766, or 10 per cent in value. In comparison with April a year ago, when 9,412 permits with a value of \$19,907,621 were issued, there was an increase in number of 1,554, or 16.5 per cent, and in value of \$10,287,431, or 51.6 per cent.



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

(N) Building Permits—

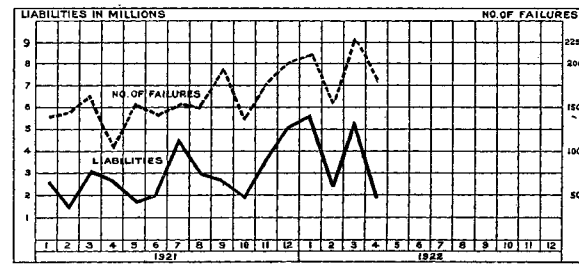
	April, 1922		March, 1922		April, 1921		Per Cent Increase or Decrease (—) in Value April, 1922 compared with April, 1921
	No.	Value	No.	Value	No.	Value	
Berkeley	173	\$ 430,200	195	\$ 512,000	154	\$ 325,569	32.1
Boise	98	73,347	93	111,461	104	107,327	— 31.6
Fresno	235	641,474	240	607,966	207	356,990	79.6
Long Beach	350	2,475,597	350	1,154,083	357	1,505,400	64.4
Los Angeles	3,983	12,959,686	4,241	10,964,829	2,904	7,250,571	78.7
Oakland	772	1,850,160	732	1,925,577	636	1,321,246	40.0
Ogden	34	97,360	26	46,885	64	133,000	— 26.7
Pasadena	284	961,396	312	643,877	258	375,392	156.1
Phoenix	43	91,590	54	384,558	85	175,817	— 36.5
Portland	1,366	1,865,970	1,388	3,162,855	1,300	1,940,305	— 3.8
Reno	20	66,500	24	88,275	26	31,124	113.6
Sacramento	305	532,303	315	813,737	202	336,015	58.4
Salt Lake City.....	138	330,270	107	245,310	148	297,990	10.8
San Diego	395	821,446	382	581,700	340	1,657,055	— 50.4
San Francisco	766	3,993,720	848	3,289,251	597	1,913,592	108.7
San Jose	85	341,310	75	120,160	68	133,620	155.4
Seattle	973	1,632,175	968	1,791,670	1,091	1,439,855	13.3
Spokane	408	359,190	295	302,418	330	203,855	76.1
Stockton	150	379,643	150	384,143	80	109,520	246.6
Tacoma	388	291,715	401	301,531	461	293,378	— .5
District	10,966	\$30,195,052	11,196	\$27,432,286	9,412	\$19,907,621	51.6

In view of known reductions in the cost of building materials during the past year, the increase in the value of permits in April, 1922, compared with April, 1921, represents a more than proportional increase in the physical volume of building in prospect in the 20 reporting cities. Of the reporting cities 12 show an increase in the number of permits issued during April, 1922, compared with April, 1921, and 14 cities an increase in the value of permits issued during the corresponding periods.

The accompanying chart shows the total number, total valuation and average value of building permits issued in this district since January, 1921. Comparative figures of the number and value of building permits issued in 20 reporting cities during April, 1922, March, 1922, and April, 1921, are shown in table "N" (see opposite page).

Business failures during April were substantially less both in number and in amount of liabilities than in March, 1922, and greater in number but less in amount of liabilities than in April a year ago. There were 179 failures reported in April with liabilities of \$1,908,432 compared with 229 failures with liabilities of \$5,272,387 in March, a decrease of 50 or 21.8 per cent in number and of \$3,363,955 or 63.7 per cent in liabilities involved. Compared with April, 1921, when 102 failures with liabilities of \$2,670,853 were reported, there was an increase of 77 or 75.4 per cent in number and a decrease of \$762,421 or 28.5 per cent in liabilities.

Liabilities of the average failure in the district amounted to \$10,661 in April, 1922, compared with \$23,023 in March, 1922, and \$26,184 in April, 1921.



Business Failures, Twelfth Federal Reserve District, 1921-1922

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

	April, 1922		March, 1922	
	No.	Liabilities	No.	Liabilities
Arizona	2	\$ 33,156	3	\$ 32,000
California	76	1,019,050	105	1,440,083
Idaho	5	82,571	11	211,234
Nevada	1	700	1	8,500
Oregon	45	380,353	47	487,164
Utah	8	17,582	9	86,450
Washington	42	375,020	53	3,006,956
District	179	\$1,908,432	229	\$5,272,387

The volume of business transacted in this district during April, 1922, as measured by debits to individual accounts in 20 principal clearing house centers, was slightly greater than in March, 1922, or April, 1921. In the four weeks period ending April 26, 1922, debits to individual accounts totaled \$1,893,860,000 compared with \$1,874,042,000 during the same period in 1921, an increase of \$19,818,000 or 1.0 per cent. Compared with the preceding four weeks, the total bank debits showed an increase of \$31,714,000, or 1.7 per cent.

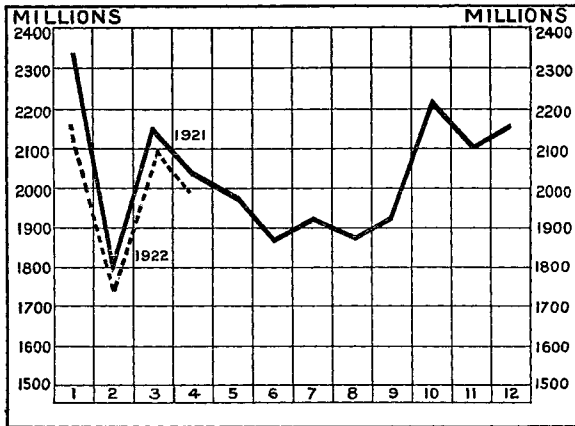
With the exception of four weeks in November, 1921, this four-week period is the first since November, 1920, in which bank debits have been greater than during the corresponding period of the previous year. This increase in conjunction with the fact that wholesale prices (United States Bureau of Labor) have declined 1.3 per cent during the year ending May 1, 1922, makes it evident that the physical volume of business transacted in April, 1922, was greater than it was one year ago. The accompanying chart shows the monthly movement of debits to individual accounts during 1921 and 1922 to date. Comparative figures of

(O) Bank Debits*—

	Four weeks ending Apr. 26, 1922	Four weeks ending Mar. 29, 1922	Four weeks ending Apr. 27, 1921
Berkeley	\$ 15,574	\$ 17,114	\$ 11,039
Boise	10,073	9,027	10,512
Fresno	53,123	36,151	37,537
Long Beach	27,774	27,659	23,202
Los Angeles	448,679	461,910	399,970
Oakland	82,082	74,032	72,796
Ogden	17,069	17,335	12,563
Pasadena	22,337	25,204	23,701
Portland	131,896	126,615	157,931
Reno	8,730	8,778	10,167
Sacramento	61,437	55,035	46,993
Salt Lake City	51,396	46,053	65,767
San Diego	39,422	34,938	33,349
San Francisco	659,579	656,888	713,976
San Jose	17,788	17,584	20,637
Seattle	141,292	140,322	126,495
Spokane	40,107	42,594	42,676
Stockton	21,686	19,086	20,109
Tacoma	33,379	35,316	35,938
Yakima	10,437	10,505	8,684
Total	\$1,893,860	\$1,862,146	\$1,874,042

*000 Omitted.

debits to individual accounts in 20 clearing house centers during the four weeks ending April 26, 1922, March 29, 1922, and April 27, 1921, are shown in table "O" on preceding page.



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

Note: The figures used in preparing the above chart are for calendar months and are partly estimated. The figures shown in table "O" on preceding page are for four-week periods and are therefore not strictly comparable with this chart.

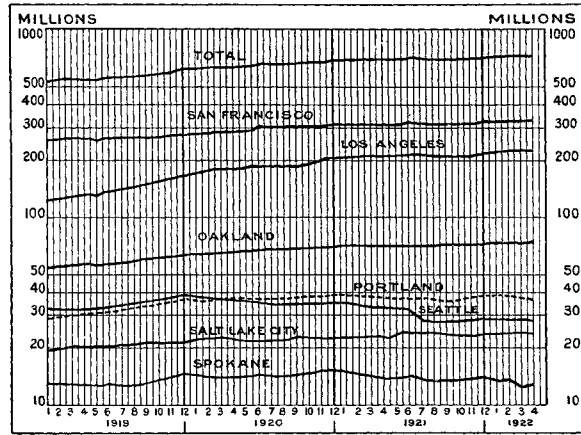
The total amount in all savings accounts as reported by 74 banks in seven principal cities, decreased 22-hundredths of 1 per cent during the month ending April 30th, being

Savings Accounts

on that date \$741,694,000 compared with \$743,349,000 on March 31st. This is the first decrease in the monthly totals as reported by 74 identical banks since last September. It was due principally to a decline in the total for Portland, although the banks in San Francisco, Seattle and Salt Lake City also reported slight declines during the month.

The increase in savings accounts during the year ending April 30th was 4.4 per cent. Seattle, Spokane and Portland continue to

show losses in comparisons with figures of a year ago. Savings deposits in Seattle, however, have increased 2.8 per cent since September 30, 1921.



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

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

Reports received by this bank from 36 of the principal accepting banks in the district show an increase of \$2,444,047 or 42.1 per cent in the amount of acceptances bought

Acceptances

in April, 1922, compared with March, 1922, and, comparing the same two months, an increase of \$405,592 or 11.7 per cent in the amount of bills accepted. The most noteworthy feature of these reports was the marked increase in purchases of acceptances by banks in southern California, April purchases totaling \$4,507,212 compared with \$1,240,333 in March as shown in table "Q" on opposite page.

Notwithstanding the improvement indicated by the above figures, the present demand for acceptances does not compare favorably with

(P) Savings Accounts*—

	Number of Banks	April 30, 1922	March 31, 1922	April 30, 1921	Per Cent Increase or Decrease (—) Apr. 30, 1922 over April 30, 1921
Los Angeles	13	\$230,474	\$229,711	\$211,973	8.7
Oakland	7	75,231	74,909	72,822	3.3
Portland	9	36,574	38,015	37,677	— 2.9
Salt Lake City	9	24,750	25,105	23,024	7.5
San Francisco	16	332,628	333,685	317,458	4.8
Seattle	14	28,891	29,130	33,486	—13.7
Spokane	6	13,146	12,794	13,756	— 4.4
Total	74	\$741,694	\$743,349	\$710,196	4.4

*000 Omitted.

that of last year and may be characterized as dull. The majority of country banks are still out of the market, a reflection of the seasonal demand upon them for funds to conduct the spring agricultural operations. In the cities the demand has been variable although sales have been more numerous than in the month of March. Offerings of Pacific Coast bills increased in amount and number and are now more nearly equal to the demand. New bills arose from transactions in coffee, cotton, lumber, sugar and wheat.

There has been a further easing of rates due to factors of both domestic and foreign origin. The marketing on April 15th of United States Treasury Certificates bearing an interest rate of 3½ per cent was followed by a decline of rates on prime bank bills to 3¼ per cent. Even this rate did not equalize supply and demand, and on May 6th prime bills were quoted at 3⅓ per cent, the reason given being the continued shortage of high-grade paper. Current rates (May 15th) are quoted at that figure. The influence of the London discount market cannot be disregarded in seeking reasons for the present price of acceptances. In March rates on prime bills in London and New York were at comparable levels, but recently rates in London have again declined rapidly, and are now quoted at 2⅜ per cent, with call money at 2 per cent.

A general classification, according to maturity of bills marketed during the past two months, shows a substantial increase in sales of the larger maturities.

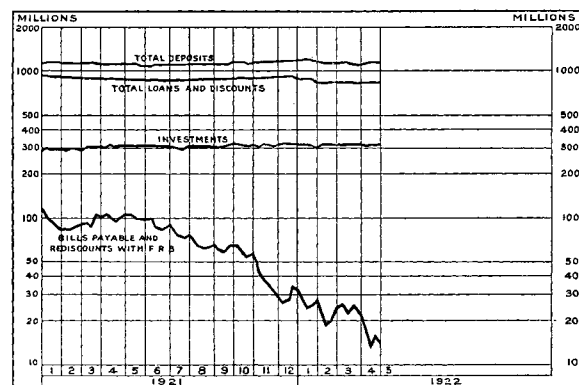
	April 15 to May 15	March 15 to April 15
30 days.....	19.6%	28.7%
60 days.....	11.5%	38.8%
90 days.....	58.5%	29.4%
120 days.....	10.4%	3.1%

Expansion in the loans and discounts of 68 reporting member banks in the principal cities

of this district, which temporarily ceased the latter part of March, has been renewed. On May 3rd loans and discounts were \$853,231,000, compared with \$834,263,000 on

Banking Situation April 5th and \$818,102,000 on February 1st. Coincident with the expansion in loans and discounts, total deposits have increased from \$1,114,092,000 on April 5th to \$1,152,807,000 on May 3rd. Total deposits on the latter date were \$61,650,000, or 5.7 per cent greater than a year ago. Accompanying the proportionately faster increase in deposits has been a reduction of the borrowings of the reporting member banks from the Reserve Bank from \$22,651,000 on April 5th to \$14,672,000 on May 3rd.

The movement of loans, deposits, and borrowings of all banks (member and non-member) in the Twelfth District at successive call dates during the two-year readjustment period, which began in the spring of 1920, is shown in table "R" and chart (see following page). From these data it appears that until the spring of 1921 (condition reports dated April 28th) the decline in deposits was more rapid than the decline in loans, forcing the banks to seek outside assistance in the form of redis-



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

(Q) Acceptances*—

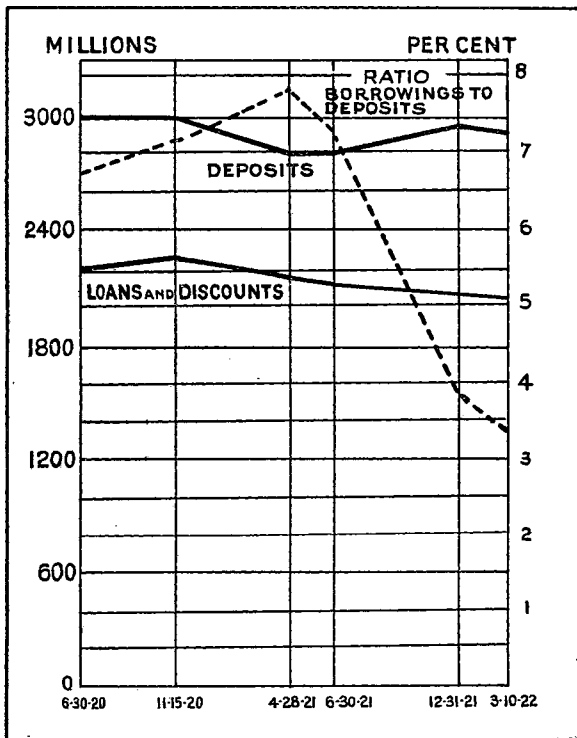
	Amount Accepted		Created in Twelfth District		All Other		Total		Amount held at close of month	
	April, 1922	Mar., 1922	April, 1922	Mar., 1922	April, 1922	Mar., 1922	April, 1922	Mar., 1922	April, 1922	Mar., 1922
	Amount Bought									
Pacific Northwest	\$ 423,487	\$ 327,874	\$ 50,080	\$ 38,607	\$ 579,109	\$ 847,638	\$ 629,189	\$ 886,245	\$ 2,513,606	\$ 3,868,206
Northern California ..	3,180,794	2,802,478	2,989,942	2,651,284	116,904	1,021,338	3,106,846	3,672,622	2,326,251	3,502,891
Southern California ..	265,162	333,499	542,109	287,662	3,965,103	952,671	4,507,212	1,240,333	10,261,019	9,781,241
Other Districts .....	..	..	..	..	..	..	..	..	..	..
Total	\$3,869,443	\$3,463,851	\$3,582,131	\$2,977,553	\$4,661,116	\$2,821,647	\$8,243,247	\$5,799,200	\$15,100,876	\$17,152,338

*36 Banks reporting.

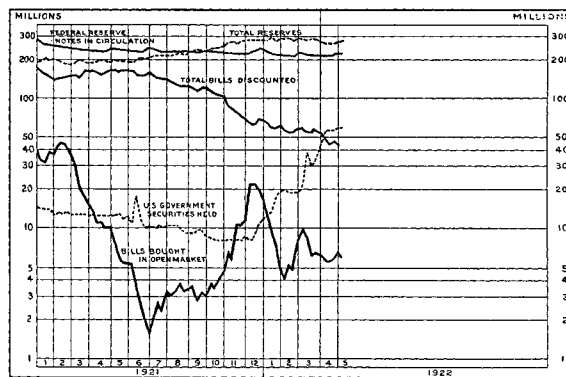
counts with the Federal Reserve Bank, or borrowings from correspondents. After that date deposits steadily increased in amount while loans as steadily declined, the result being heavy repayment by the banks of borrowed money. On March 10, 1922, the borrowings of banks of the district as a whole were less than half (48.3 per cent) of what they were on June 30, 1920.

May statements of the Federal Reserve Bank of San Francisco show that its discounts for all member banks are still decreasing. On May 10th they were \$43,279,000 compared with

\$49,025,000 on April 12th. During the same period purchases of bills in the open market increased slightly and holdings of government securities by \$3,069,000 to \$60,009,000. During the four weeks ending May 10th, total reserves increased nearly \$10,000,000 to \$279,427,000, notes in circulation increased \$9,003,000 to \$226,674,000 and total deposits declined \$2,655,000 to \$144,011,000.



Movement of Loans, Deposits and Borrowings of All Banks in the Twelfth District at Successive Call Dates, 1920-1922



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

A comparison of the statement of May 10th with that of a year ago reveals significant developments during the 12 months. Total earning assets have fallen from \$186,126,000 to \$109,379,000, due chiefly to a decline in bills discounted from \$166,027,000 to \$43,279,000. Holdings of United States government securities have increased from \$12,361,000 to \$60,009,000. Total cash reserves have increased from \$198,813,000 to \$279,427,000. Despite these noteworthy changes in the assets of this bank, Federal Reserve Notes in circulation on May 10th were only \$11,999,000, or 5 per cent less than a year ago, and member bank reserve deposits were \$9,328,000 or 8.3 per cent greater than a year ago.

(R) Comparative Statement of Condition of Banks in Twelfth Federal Reserve District*—

Date	Number of Banks	Capital and Surplus	Deposits	Loans and Discounts	Ratio Loans and Discounts to Deposits	Borrowed		Ratio Total Borrowings to Capital and Surplus	
						F. R. Bank	Other	to Deposits	to Capital and Surplus
June 30, 1920....	1,824	338,572	3,007,227	2,211,955	73.5	142,367	61,512	6.8	60.2
Nov. 15, 1920....	1,854	349,733	3,086,823	2,283,743	74.0	159,583	62,097	7.2	63.4
April 28, 1921....	1,854	357,227	2,820,392	2,152,360	76.4	163,132	60,562	7.9	62.6
June 30, 1921....	1,856	359,814	2,821,876	2,125,092	75.3	151,207	55,745	7.3	57.5
Dec. 31, 1921....	1,816	359,313	2,960,229	2,090,589	70.6	69,269	43,242	3.8	31.3
Mar. 10, 1922....	1,805	357,352	2,931,022	2,057,398	70.2	59,702	38,945	3.4	27.6

*000 Omitted.

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

	May 3, 1922	April 5, 1922	May 4, 1921
Number of Reporting Banks	68	68	68
Loans and Discounts (exclusive of rediscounts).....	\$ 853,231,000	\$ 834,263,000	\$ 864,301,000
Investments	315,167,000	308,678,000	307,558,000
Cash in Vault and with Federal Reserve Bank.....	98,887,000	100,399,000	93,776,000
Total Deposits	1,152,807,000	1,114,092,000	1,091,157,000
Bills Payable and Rediscounts with Federal Reserve Bank.....	14,672,000	22,651,000	102,776,000

**COMPARATIVE STATEMENT OF CONDITION OF FEDERAL RESERVE BANK OF SAN FRANCISCO
AT CLOSE OF BUSINESS, MAY 10, 1922**

RESOURCES

	May 10, 1922	April 12, 1922	May 11, 1921
Total Reserve	\$279,427,000	\$269,788,000	\$198,813,000
Bills Discounted	43,279,000	49,025,000	166,027,000
Bills Bought in Open Market.....	6,091,000	5,562,000	7,738,000
United States Government Securities.....	60,009,000	56,940,000	12,361,000
Total Earning Assets.....	\$109,379,000	\$111,527,000	\$186,126,000
All Other Resources*.....	40,581,000	45,294,000	36,685,000
Total Resources	\$429,387,000	\$426,609,000	\$421,624,000

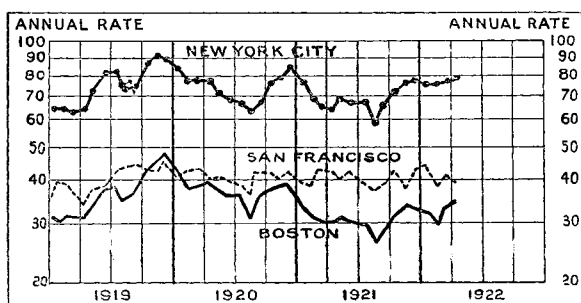
LIABILITIES

Capital and Surplus.....	\$ 22,578,000	\$ 22,590,000	\$ 21,466,000
Total Deposits	144,011,000	146,666,000	120,966,000
Federal Reserve Notes in Actual Circulation.....	226,674,000	217,671,000	238,673,000
All Other Liabilities†.....	36,124,000	39,682,000	40,519,000
Total Liabilities	\$429,352,000	\$426,609,000	\$421,624,000
*Includes "Uncollected Items".....	33,851,000	38,775,000	35,056,000
†Includes "Deferred Availability Items".....	30,409,000	33,914,000	28,174,000

RATE OF TURNOVER OF BANK DEPOSITS

A measure of business activity is found in the rate of turnover or velocity of bank deposits, that is, the rapidity with which bank deposits are checked out. When business is active the turnover of deposits is rapid, but when there is less activity, deposits tend to remain longer in the banks before they are checked out.

Figures for bank clearings give some measure of this rate of turnover of deposits, but they reflect not only the rate of turnover but also changes in the amounts of deposits. A study which the Federal Reserve Bank of New York has been carrying forward for three years with the co-operation of the reserve banks of Boston, Chicago and San Francisco now gives us for the first time comparative figures showing by months the rate of turnover of deposits for typical groups of banks in different parts of the country. The figure for any month is the ratio between the checks drawn by individuals and the average amount of demand deposits against which the checks are drawn.



Annual Rate of Turnover of Bank Deposits in Representative Groups of Banks in Boston, New York and San Francisco

As shown in the accompanying chart, the velocity of deposits in New York and Boston tended to be most rapid late in 1919 and slowest in the middle of the year 1921, at about the time when operations in a number of industries were most curtailed. A part of the succeeding increase in these two cities was undoubtedly due to normal seasonal causes, but a part of it appears to reflect more active business. In San Francisco the trend has been quite different and although there have been minor peaks and depressions, the velocity of bank deposits seems to have remained relatively uniform throughout the three-year period. It has been felt for sometime that the business depression of late 1920 and 1921 was not so acute in the San Francisco banking area as in the eastern industrial centers and these figures are confirmation of this impression.

The figures for velocity have been computed from the reports for debits to individual accounts and for net demand deposits for individual banks. In order to make these two sets of figures directly comparable it was necessary to subtract withdrawals of Government deposits, and estimates of withdrawals of time deposits from the figures of debits; and it was necessary to subtract net amount due banks from net demand deposits. All of these figures were first tabulated upon a weekly basis and were then converted to an annual rate for each month. Figures showing the annual rate of turnover for these cities, together with the number of banks for which data were reported, are shown in the accompanying table.

Year	New York City 42 Banks	Boston 11 Banks	San Francisco 6 Banks
1919			
January	64.7	31.7	35.5
February	63.6	30.5	39.6
March	62.1	31.4	39.0
April	63.7	31.2	34.0
May	72.4	34.2	38.0
June	81.2	37.3	38.5
July	81.3	38.2	41.9
August	72.6	33.8	43.1
September	74.5	35.4	44.2
October	85.4	42.9	42.8
November	91.3	45.1	42.5
December	89.5	47.6	44.9
1920			
January	83.1	42.5	40.9
February	77.0	37.4	42.6
March	76.6	38.0	43.1
April	77.3	39.4	40.3
May	70.6	38.0	40.7
June	68.7	36.1	39.4
July	67.1	36.2	38.5
August	62.7	30.8	35.4
September	66.0	34.4	41.6
October	77.5	37.0	41.6
November	79.1	38.0	40.2
December	83.8	39.0	41.8
1921			
January	76.3	33.5	39.4
February	68.0	30.9	37.7
March	64.1	30.0	42.8
April	62.9	30.0	42.4
May	68.7	31.1	40.2
June	66.2	30.4	42.3
July	66.2	29.3	38.9
August	58.7	25.9	36.7
September	65.7	28.2	38.6
October	70.4	32.2	42.2
November	75.7	33.6	37.4
December	77.1	32.8	42.8
1922			
January	74.2	32.4	43.9
February	75.2	29.6	37.7
March	75.4	32.7	41.2
April	79.9	34.1*	39.4

*Preliminary.