

AGRICULTURAL AND BUSINESS CONDITIONS IN THE TWELFTH FEDERAL RESERVE DISTRICT

Monthly Report to the Federal Reserve Board

by

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MARKED activity in industry, which, in this district is largely concerned with the primary handling of raw materials, continued during August and the first part of September. Demand has increased for both skilled and unskilled labor, particularly farm workers, experienced copper miners, and skilled building trades artisans, a shortage of one or more of these classes of workmen having developed in a few sections. In one of the copper mining districts of Arizona, mining companies have recently announced a voluntary increase of 10 per cent in wages.

The lumber industry is 50 per cent more active than it was a year ago, and both domestic and foreign markets are buying in large quantities. The forest fire hazard, which has been particularly serious this year due to the long dry season, was dispelled by general rains during August and logging activity increased immediately. Production of logs on September 1st was estimated to be 75 per cent of normal compared with 40 per cent on August 1st. Increased output of all of the principal metals produced in this district, gold, silver, copper, lead and zinc, is shown by figures for July which are the latest available. Reports from the mining districts indicate continued improvement during August. Demand for all of these metals has increased during the past year and prices have risen accordingly. Further evidence of increased activity in lumbering and mining is contained in the reports of the principal electric power companies of the district. In July, 1922, electric power companies in the Pacific Northwest increased their sales to the lumber industry 20 per cent over July, 1921, and, in the district as a whole, sales to the mining industry were 18.7 per cent greater in July, 1922, than in July, 1921. Records of production and of stored stocks of petroleum in

California were again broken during August. Average daily production at 382,221 barrels was the highest figure ever reached and stored stocks on September 1st at 54,272,194 barrels, were larger than at any time in the past five years. The number of building permits issued during August was greater than in any month since records were first assembled in 1915, and the value of projected construction has been exceeded only twice, in April and June of this year.

Favorable reports come from the retail trade. The value of sales of 31 representative department stores in August, 1922, was 5.7 per cent greater than in August, 1921, and approximately equal to the value of sales of the same stores in August, 1920. The seasonal increase in activity customary in many wholesale lines during the first weeks of autumn was noted. Seven of the 10 reporting lines experienced increases in the value of their sales in August, 1922, compared with August, 1921. Charges to depositors' accounts (bank debits) in the banks of the 20 principal cities of the district were 7.7 per cent greater in August, 1922, than in August, 1921, a less favorable showing than in July, 1922, when an increase of 12 per cent over the corresponding month a year ago was reported, but indicating that business activity generally has not been materially curtailed by the recent coal and railroad strikes. Business failures continue above normal levels.

Weather conditions up to September 15th remained favorable for the agricultural crops of the district, and the harvest is expected to yield, in most cases, normal or larger than normal quantities. Forecasts of the 1922 yield of wheat remain unchanged at 98,000,000 bushels, 24,000,000 bushels less than was produced in 1921, but slightly in excess of the five-year average production. Movement of this season's crop to market up to September 15th

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has been unusually slow. **Flour mills** are now grinding new crop wheat and in August, 1922, operated at 47.2 per cent of capacity compared with 28.7 per cent in July, 1922, and 43.0 per cent in August, 1921. The carlot movement of fruit from California to September 11, 1922, was larger than last year to the same date but prices received have averaged lower than in 1921. Shortage of refrigerator cars is hindering shipment of the large grape crop.

The United States Bureau of Labor index number of **wholesale prices**, which includes 404 commodities in all stages of manufacture, remained unchanged at 155 in August. This index has increased 12 per cent since January, 1922, when it stood at 138. In a selected group of products of this district advances and declines in prices during the month were almost equally divided.

An increased demand for bank credit appeared in the larger cities of the district during August. Commercial **loans** of 68 reporting member banks increased from \$700,138,000 on August 9th to \$709,934,000 on September 6th or 1.4 per cent. The same banks had **rediscounts** and bills payable with the Federal Reserve Bank amounting to \$13,025,000 on September 6th compared with \$9,362,000 on August 9th. Country banks, as a group, on the contrary, reduced their borrowings from this bank during the month and on September 13th the total discounts of the Federal Reserve Bank were \$38,000 below the \$43,388,000 held on August 16th. **Interest rates** charged their customers by banks in the principal cities of the district remained unchanged at 5½ to 7 per cent in the large coast cities and 7 per cent in the interior centers.

Harvesting and threshing of wheat progressed rapidly during August. Estimates of the 1922 yield of wheat in this district show little change from a month ago, the **Grains** United States Department of Agriculture on September 1st forecasting a yield of 98,191,000 bushels. In 1921, 122,035,000 bushels were produced. Dealers in the Pacific Northwest now estimate that the commercial

crop of wheat in Oregon, Washington and Idaho will total approximately 50,000,000 bushels. Of this amount 18,000,000 bushels are necessary to supply estimated domestic requirements, leaving approximately 32,000,000 bushels available for export.

Movement of 1922 crop wheat to terminal concentration points has been unusually slow. Receipts of wheat at the principal markets in the Pacific Northwest during July and August, the first two months of the 1922-1923 crop season, have totaled 5,668 carloads, as compared with receipts of 10,964 carloads during the same period of the previous season. Export movement of wheat from Portland and Puget Sound since the beginning of the present crop year has been small, as shown by the following figures:

EXPORTS OF WHEAT

	July 1 to Sept. 1 1922 (bushels)	July 1 to Sept. 1 1921 (bushels)
Portland	1,712,394	9,024,000
Puget Sound	415,242	4,306,000
Total	2,127,636	13,330,000

Farmers are reported to be reluctant to sell their wheat at prices now obtaining, and buyers, particularly for the export trade, have offered prices lower than those nominally prevailing in Pacific Coast markets. Hard white wheat has been quoted in Northwestern markets during the first two weeks of September at prices ranging from \$1.05 to \$1.08 per bushel, approximately 10 cents per bushel below comparable quotations during September, 1921.

The bulk of the 1922 crop of barley in this district has been harvested and threshed. A total yield of 46,828,000 bushels is forecasted, as compared with 39,148,000 bushels produced in 1921. Dealers estimate that the commercial crop of barley in California will total 800,000 tons (33,600,000 bushels) during the 1922 season, as compared with 650,000 tons (27,300,000 bushels) harvested in 1921.

Receipts of barley at San Francisco, and exports from that port during the present crop

(A) Milling—

	No. Mills Reporting		Output		Per Cent Mill Capacity in Operation		
	Aug., 1922	July, 1922	Aug., 1922 (barrels)	July, 1922 (barrels)	Aug., 1922	July, 1922	Aug., 1921
California	10	10	259,657	151,739	61.4	35.9	47
Idaho	3	2	13,663	7,662	70.0	65.0	45
Oregon	19	19	122,129	87,196	34.6	25.0	41
Washington	21	24	276,204	165,327	44.0	25.3	42
District	53	55	671,653	411,924	47.2	28.7	43

season have been smaller than during the same period of the preceding season, as shown by the following figures:

	July 1 to Sept. 1 1922 (bushels)	July 1 to Sept. 1 1921 (bushels)
Receipts	4,304,286	5,976,722
Exports	4,682,622	6,827,108

Barley prices in the San Francisco market have declined slightly during the past month. Shipping barley is now, September 15th, quoted at \$1.20 to \$1.30 per cental, as compared with \$1.27½ to \$1.35 per cental on August 15th.

Flour millers are now grinding new crop wheat in large quantities, and a marked increase in milling activity was reported in August as compared with July. Reporting

Milling mills operated at 47.2 per cent of capacity during August, 1922, compared with 28.7 per cent of capacity during July, 1922, and 43 per cent of capacity during August, 1921 (see table "A").

Export demand for flour from the Pacific Coast is reported to be improving, but without effect on the price. The domestic market for flour was dull during August, and prices tended

to follow the downward movement of prices for new crop wheat. Prices for hard white milling wheat in Oregon and Washington markets are reported to be above the general level of prices for comparable grades of wheat in Eastern marketing centers.

Milling activity in this district during the past two crop seasons, as indicated by comparable reports from 16 large milling companies, is shown in the accompanying chart.

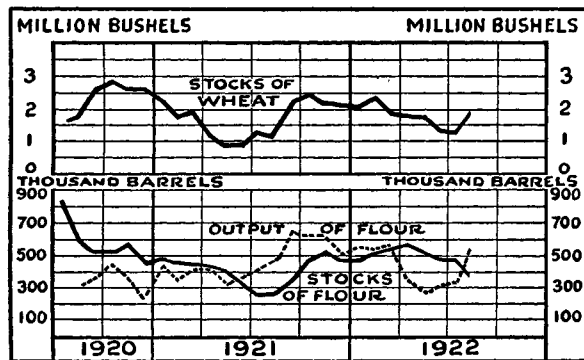
With the exception of sugar beets and hay, yields of the principal field crops in this district during the 1922 season will be larger than during the 1921 season (see table "B").

Field Crops The crops of potatoes and beans show large increases over the previous season. A 1922 yield of 42,493,000 bushels of potatoes is forecasted, as compared with 35,371,000 bushels harvested in 1921. The bean crop is expected to total 5,697,000 bushels compared with 3,902,000 bushels produced last year. Weather conditions have been favorable for the growth of practically all crops during the season. Early harvest returns indicate large yields per acre.

Cotton, beans and rice have advanced in price since a year ago. Prices for the majority of the remaining field crops in the district are now slightly lower than they were last year at this time. The domestic demand for hops is reported to be small, and foreign demand is hampered by legislation in the United Kingdom restricting imports of that product.

The movement of fresh deciduous fruits from California during August was large, despite temporary embargoes on the shipment of perishable products, caused by railroad

Fruits strike conditions. Total shipments of deciduous fruits from California during the 1922 season to September 11th, amounted to 18,840 cars, as compared with



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

(B) Grains and Field Crops—Twelfth Federal Reserve District—

Unit	Forecasted Yields 1922	Final Estimate of Yields 1921	Farm Value Per Unit			
			August, 1922	August, 1921	August, 1920	
Wheat	bushels	98,191,000	122,035,000	\$0.97	\$1.04	\$2.32
Barley	"	46,828,000	39,148,000	0.49	0.49	1.21
Oats	"	29,263,000	34,343,000	0.35	0.33	0.81
Corn	"	11,817,000	11,599,000	0.64	0.61	1.63
Hay	tons	14,748,000	16,115,000	10.97	11.73	20.89
Potatoes	bushels	42,493,000	35,371,000	1.14	1.36	3.02
Beans	"	5,697,000	3,902,000	4.29	2.75	4.47
Rice, paddy.....	centals	3,779,550	3,280,500	*2.75	*2.25	*4.00
Sugar Beets.....	tons	1,554,000	2,578,000	*6.50	*6.44	*12.42
Hops	pounds	31,838,000	29,140,000	.09	.15	.50
Cotton (Short Staple).....	bales	69,000	40,641	(per lb.) .20	.09	.36
Cotton (Long Staple).....	"	37,000	37,094	(per lb.) *.34	*.30	*.75

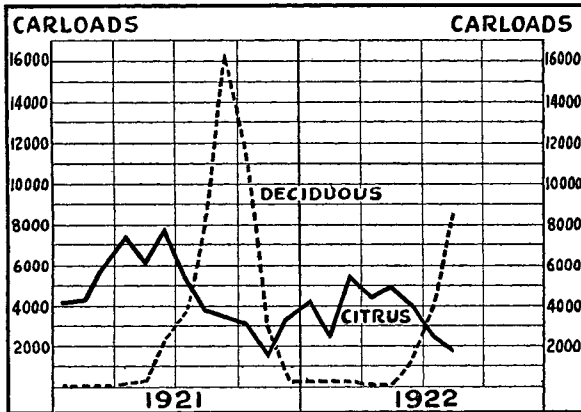
*Commercial estimates.

17,589 cars shipped during the 1921 season to September 11th. With the exception of grapes, shipment of fruit from California has been almost completed.

	Shipments to Sept. 11, 1922 (cars)	Forecasted Total Shipments During 1922 Season (cars)	Shipments to Sept. 11, 1921 (cars)	Total Shipments During 1921 Season (cars)
Apricots ...	193	193	285	285
Cherries ...	502	502	665	665
All Grapes..	7,462	40,000	6,515	28,259
Peaches	2,254	2,265	3,334	3,334
Pears	4,861	5,000	3,611	4,160
Plums	3,473	3,500	3,099	3,099
Total	18,840*	51,460	17,589*	40,072

*Total includes shipments of mixed carlots of fruit.

A shortage of refrigerator cars, due to interrupted return movements from the East, has recently become serious. On September 15th the supply of refrigerator cars was reported to be insufficient for the needs of shippers of grapes, the shortage in some sections being as high as 75 per cent of estimated requirements. Unless the situation improves many growers will suffer serious losses.



California Fruit Shipments, 1921-1922

Fresh fruit prices in Eastern markets have been unstable during August. Generally, supplies of fruit have been large, and price levels low, except when artificial shortages have resulted from temporary transportation embargoes. Pear shipments have been large and fairly profitable, until a recent heavy movement of this fruit from Oregon and Washington, as well as California, depressed prices in Eastern markets.

Trading in dried and canned fruits has been light during the past month. The general trend of prices in Eastern markets has been downward, but on the Pacific Coast, prices, with few exceptions, have remained at previous levels.

On September 1st, the California Prune and Apricot Growers announced opening prices for prunes of the 1922 crop. The prices named were 1/2 to 1 3/4 cents per pound higher than opening prices in 1921, as shown in the following table:

BASIS OPENING PRICES FOR PRUNES IN BULK (Sunsweet Brand)

Size	1922 Crop (per pound)	1921 Crop (per pound)
30/40	10 3/4¢	9¢
40/50	8 1/2¢	8
50/60	7 1/2¢	6 1/2
60/70	7	6

After confirming advance sales at the foregoing prices, the Association advanced prices 1/4 cent per pound for all grades of prunes.

The California Almond Growers Exchange named opening prices on 1922 crop almonds during the second week of September. The 1922 prices were slightly higher than the prices named one year ago.

OPENING PRICES FOR CALIFORNIA ALMONDS

Variety	1922 Crop (per pound)	1921 Crop (per pound)
Nonpareil	25¢	23¢
I. X. L.	24	23
Ne Plus	22	21

Shipments of citrus fruits from California during August, 1922, were smaller than during the same month a year ago. Eastern markets were reported to be over-supplied with oranges during the month and prices for this fruit declined. Hot weather during August created a strong demand for lemons, available supplies in Eastern markets were small, and prices accordingly rose. Average returns to members of the California Fruit Growers Exchange for citrus fruits marketed during August, 1922, compared with average returns in July, 1922, and August, 1921, were reported as follows:

	August, 1922 (per box)	July, 1922 (per box)	August, 1921 (per box)
Oranges	\$4.94	\$5.62	\$3.59
Lemons	3.69	2.99	2.90

Pastures and ranges throughout the Pacific Northwest and Intermountain sections of the district, which had previously suffered from drought, were greatly benefited by **Livestock** showers during the latter part of August. Feed is now relatively plentiful in most sections and livestock generally are reported to be thriving.

Grass fattened cattle and sheep from the mountain ranges are now moving to market. Receipts of cattle and calves at the principal

markets of the district during August were normal in amount for this season of the year (see table "C"). Receipts of sheep were comparatively small, amounting to 216,507 head in the eight markets of the district, as compared with 321,248 head received during August, 1921, a reduction of 32 per cent. Receipts of hogs were larger than in August, 1921, as they have been in all previous months of the present year when compared with corresponding months a year ago.

Livestock prices in the principal markets of

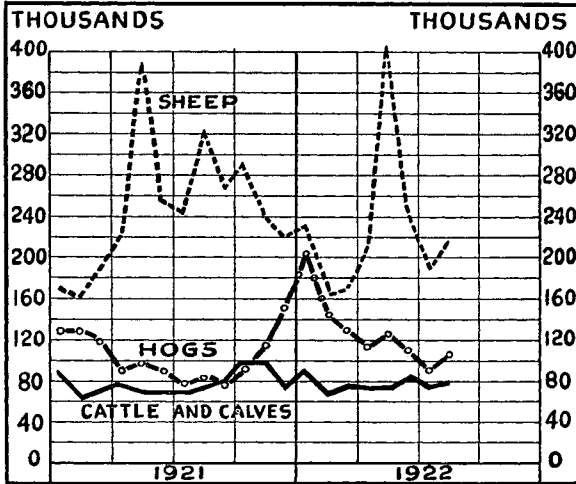
the district were steady during August, with a slight strengthening of prices for choice cattle late in the month (see table "D"). In California an increasingly large number of sales of choice fat steers at 7 cents per pound f. o. b. ranch is being reported, although the average quality of steers marketed during August returned approximately 6¼ cents per pound to the producer. Active trading in stocker and feeder cattle continued.

During August the price of hogs declined in all markets of the district, excepting San Francisco and Los Angeles, following a decline in prices paid for hogs in Eastern markets. The supply of hogs raised in the district has again fallen short of the district's needs and corn fed hogs have been shipped in from the central states to supply the deficiency.

Demand for lambs and yearling sheep in the markets of this district has been strong, although prices have not advanced. Lambs in California are reported to be selling at prices ranging from 9 to 10 cents per pound f. o. b. ranch.

The normal decline in butter production which occurs at this season of the year was hastened in this district by unusually hot weather during August.

Dairy and Poultry Products Movement of butter into cold storage diminished during the month, and holdings in storage declined from the peak reached in July. On September 1st, holdings of cold



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	
	August, 1922	August, 1921	August, 1922	August, 1921	August, 1922	August, 1921	August, 1922	August, 1921	August, 1922	August, 1921
*Los Angeles.....	19,035	16,708	9,425	7,548	29,286	23,678	46,538	49,518	..	..
Ogden	1,661	1,724	201	119	11,755	10,551	40,935	95,977	146	82
Portland	9,548	9,691	1,266	1,099	14,778	9,189	22,226	35,516	..	..
Salt Lake City..	1,892	3,132	150	313	3,729	3,542	6,489	33,075	37	0
*San Francisco...	19,377	18,307	7,508	4,838	31,457	27,224	83,892	90,438	..	..
Seattle	3,225	3,330	276	197	8,164	4,173	8,563	7,572	39	0
Spokane	3,493	2,175	444	292	2,724	1,856	3,636	6,724	92	50
Tacoma	2,170	1,673	349	146	3,983	2,408	4,228	2,428	..	..
Twelfth District.	60,401	56,740	19,619	14,552	105,876	82,621	216,507	321,248	314	132

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

(D) Range in Livestock Prices—

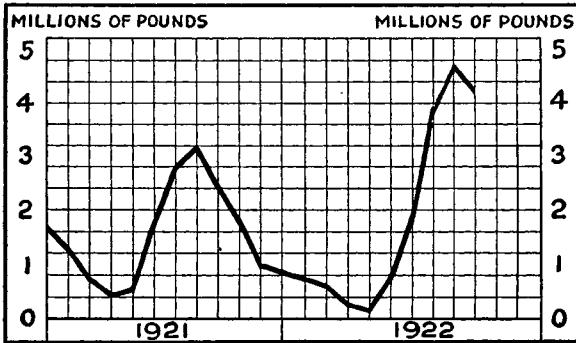
Highest and Lowest Average Top Prices Per Hundredweight Received at Above Markets During August.

Week of	Fat Steers	Cows	Calves	Hogs	Lambs
August 7.....	\$7.00—8.25	\$4.75—5.62	\$7.66—9.00	\$10.00—13.00	\$10.00—12.50
August 14.....	7.00—8.25	4.75—6.00	8.00—9.50	9.50—13.25	10.00—12.50
August 21.....	7.00—8.25	4.75—6.00	8.00—9.50	9.00—13.51	10.00—11.50
August 28.....	7.00—8.25	4.50—6.00	8.00—9.50	9.10—12.50	10.00—11.50

storage butter in the four principal markets of the district totaled 4,231,529 pounds, compared with holdings of 4,664,416 pounds on August 1st, and 2,367,683 pounds on September 1, 1921 (see table "E").

Supplies of fancy grade butter in the San Francisco market have been limited during the past month and prices have advanced 4 cents per pound. On September 15th 93 score fresh creamery butter was quoted at 46 cents per pound.

Prices to producers for raw milk continued upward during August, advancing 5 cents per 100 pounds in the Mountain Section and 10 cents per 100 pounds in the Pacific Section. Compared with August, 1921, raw milk prices have declined \$0.55 and \$0.38 per 100 pounds in the Mountain and Pacific sections, respectively (see table "F").



Seasonal Movement of Holdings of Cold Storage Butter at Four Principal Markets of the District, 1921-1922

(E) Movement of Stocks of Cold Storage Butter—

	Aug., 1922 Net Decrease (pounds)	Aug., 1921 Net Decrease (pounds)	Sept. 1, 1922 Holdings (pounds)	Sept. 1, 1921 Holdings (pounds)
Los Angeles...	213,899	*13,648	1,345,850	698,014
Portland	*29,518	133,988	702,327	303,664
San Francisco.	171,363	305,111	1,412,748	1,055,922
Seattle	77,143	377,652	770,604	310,083
Totals	432,887	803,103	4,231,529	2,367,683

*Net increase.

(F) Prices Received by Milk Producers*—

Section†	Aug., 1922 Range	Aug., 1922 Average	July, 1922 Average	Aug., 1921 Average
Mountain (4 Mkts.)....	\$1.46-2.20	\$1.88	\$1.83	\$2.43
Pacific (8 Mkts.).....	1.78-3.03	2.34	2.24	2.72
U. S. (91 Mkts.).....	1.37-4.65	2.27	2.19	2.91

*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.

Preliminary estimates of cold storage holdings of eggs in this district and in the United States, as of September 1, 1922, indicate that stocks are decidedly larger than a year ago.

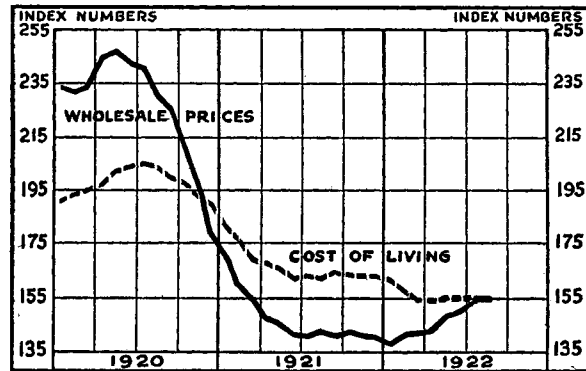
COLD STORAGE HOLDINGS OF EGGS

	Sept. 1, 1922 (cases)*	Aug. 1, 1922 (cases)*	Sept. 1, 1921 (cases)*
Twelfth District.	498,789	540,023	386,369
United States....	9,586,000	10,225,000	7,210,000

*One case contains 24 dozen eggs.

The wholesale price of fresh California eggs in the San Francisco market advanced from 28¼ cents per dozen on August 15th, to 43¼ cents per dozen on September 15th.

Prices continued to move irregularly during August. According to the United States Bureau of Labor index number the general level of wholesale prices, which has been advancing since January of this year, remained unchanged in August compared with the previous month. At 155 (1913 prices equal 100) this index number is now 9.1 per cent higher than one year ago and 12.3 per cent above the low point reached in January, 1922. The index number of prices of 20 basic commodities (mostly raw products) compiled by the Federal Reserve Bank of New York, which has recently been declining, advanced from 138.3 to 139.6 during the month.



Wholesale Prices and the Cost of Living, 1920-1922*

*United States Bureau of Labor Index of Wholesale Prices (1913=100). National Industrial Conference Board Index of the Cost of Living (July 1914=100).

Prices received for a majority of the principal products of this district were lower in August than in the previous month. In those markets where the products of the district are sold in significant quantities, prices of cattle, sheep, dairy and poultry products, lemons, lumber and lead made important advances while prices of wheat, barley, rice, hogs, wool, fruits and sugar declined.

In the Chicago market, cattle prices advanced 20 cents, sheep prices 75 cents, and lamb prices 20 cents per 100 pounds during August. The price of eggs in the San Francisco market advanced from 28½ cents per dozen on August 4th, to 38½ cents per dozen on September 1st. The contract price of September wheat in Chicago declined from \$1.06-1.08¼ per bushel on August 4th, to \$1.00-1.01½ per bushel on September 1st.

Changes in the prices of some of the principal commodities of the district are shown in table "G."

Activity in the lumber industry, noted during previous months of this year, continued in August and reported production, orders, and shipments were all greatly in excess of the figures for August a year ago.

Approximately 95 per cent of the lumber mills in Oregon, Washington and Idaho were in operation during August, 1922, compared with 70 per cent in August, 1921. Compared with July, 1922, the figures for August, 1922, reflect the usual seasonal increase in

activity in the lumber industry which occurs in the early fall. Figures showing the percentage increase or decrease in activity of 186 mills in the four lumber associations in this district follow:

	August, 1922 compared with August, 1921	August, 1922 compared with July, 1922
Production	52.5% Increase	31.0% Increase
Shipments	31.1% Increase	13.2% Increase
Orders	42.1% Increase	33.4% Increase
Unfilled Orders..	87.7% Increase	7.7% Decrease

Retail lumber yards were the largest domestic purchasers of lumber during August, sales of woods suitable for small construction and repair work predominating. Distributing centers in Oregon, Washington, Minnesota, South Dakota, Iowa and Illinois received the majority of the shipments by rail. Large shipments by water were made to California and to the Atlantic Coast.

The total of all domestic and foreign shipments of lumber by water from Oregon and Washington during the first six months of 1922 was 1,456,228,371 feet compared with

(G) Commodity Prices—

Commodity	Unit	Sept. 1, 1922	One Month Ago	One Year Ago
Twenty Basic Commodities (F. R. B. of N. Y.) 1913=100.		139.6	138.3	122.6
Wholesale Prices (U. S. Bureau of Labor*) 1913=100....		155	155	142
Cost of Living (National Industrial Conference Board) July, 1914=100		154.0	155.6	162.0
Cattle (Native Beef)... Weekly average price at Chicago..	100 lbs.	9.85	9.65	8.50
Sheep	100 lbs.	6.75	6.00	3.75
Lambs	100 lbs.	12.70	12.50	8.10
Hogs	100 lbs.	8.10	9.20	8.25
Wheat	Chicago contract prices for Sept.	1.00-1.01½	1.06-1.08¼	1.21½-1.26¼
Barley	Shipping Barley F. O. B. San Francisco.	1.25-1.30	1.25-1.30	1.30-1.40
Rice	California Fancy Japan at San Francisco.	5.45	5.55	4.20
Cotton	Middling Uplands—Weekly range of spot quotations at New Orleans.....	21.75-22.00¢	21.25-22.50¢	14.88-17.00¢
Wool	Average of 98 quotations at Boston....	71.55¢	73.98¢	40.04¢
Sugar	Beet granulated F. O. B. San Francisco..	6.95	7.10	6.10
Apples	Gravensteins at San Francisco.....	1.50-2.00	2.25-2.75	1.75-2.75
Oranges	Valencias, special brands, Los Angeles..	10.00-10.50	10.00-10.50	3.00-3.50
Lemons	Special Brands Fancy at Los Angeles...	7.25-7.50	6.50	3.00-3.50
Dried Apples....	Choice in 50-lb. boxes F. O. B. California	.09¼	.11-.11¼	.13-.13½
Dried Apricots...	Choice in 25-lb. boxes F. O. B. California	.23	.24	.18-.18½
Prunes	Size 40/50 in 25-lb. boxes F. O. B. Calif.	.12¼-.12½	.12¼-.12½	.11¼-.11½
Raisins	Loose Muscatel in 25-lb. boxes F. O. B. California .....	.11	.11	.13
Canned Apricots..	Choice 2½s F. O. B. California.....	3.25	3.25	3.00
Canned Peaches..	Cling choice, 2½s F. O. B. California...	2.60	2.60	2.50
Canned Pears....	Bartlett, Standard 2½s F. O. B. Calif...	2.85	2.85	2.95
Butter	93 score at San Francisco.....	.42¼	.41¼	.43½
Eggs	Extras—San Francisco .....	.38½	.28½	.45
Copper	Electrolytic; New York Spot.....	.14	.14	.11½
Lead	New York Spot.....	5.90¢	5.80¢	4.45¢
Petroleum	California 35° and above.....	1.95	1.95	2.45
Douglas Fir.....	2x4, 16-ft. No. S1S1E F. O. B. Seattle...	18.50	17.50	11.00
Douglas Fir.....	12x12 Timbers F. O. B. Seattle.....	18.00	17.00	13.00

*Revised figures.

659,366,121 feet in the same period of 1921, an increase of 796,862,250 feet or 120.8 per cent. The following table shows the destination and amount of water-borne shipments from Oregon and Washington during the first six months of 1922 and 1921 as reported by Pacific Lumber Inspection Bureau.

	First Six Months of 1922 (feet B. M.)	First Six Months of 1921 (feet B. M.)
California	687,512,322	341,500,023
Japan	325,845,598	75,769,311
Atlantic Coast	223,562,251	90,075,231
China	70,786,836	52,214,125
Australasia	53,753,573	16,054,206
So. America (West Coast)	28,659,790	24,837,414
Hawaiian Islands.....	28,654,692	26,301,915
Europe	16,590,586	8,475,279
South Africa	6,597,268	3,918,362
India	3,130,856	848,807
All Other*.....	11,134,599	19,371,448
	<u>1,456,228,371</u>	<u>659,366,121</u>

*All other includes: Alaska, Panama, Philippine Islands, Central America, Cuba, Mexico, New Zealand, South America (East Coast), South Sea Islands, Straits Settlements.

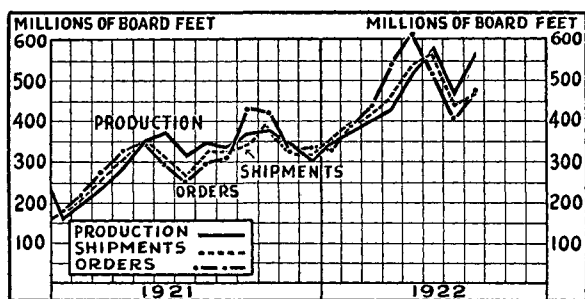
Strike conditions on the railroads of the country are claimed to have been responsible for a shortage of cars for shipment of lumber in sections served by branch lines or where there is no rail competition. Shippers at points

on main lines, where there is rail competition, report that from 70 to 95 per cent of the cars required during August were furnished, but that deliveries to destination have been unusually slow. Fear of a further car shortage because of the priority awarded shippers of coal for open cars and shippers of farm products for box cars, is reported to have resulted in a strengthening of prices of Pacific Northwestern lumber during the month of August. Prices (f. o. b. mills) of representative items of Douglas fir, as of the last week in August, 1922, July, 1922, and August, 1921, are shown in the following table:

Douglas Fir (F. O. B. Mills)	Aug. 26, 1922 (per M)	July 29, 1922 (per M)	Aug. 27, 1921 (per M)
No. 1 clear, V. G. flooring 1x4, 10 to 16 feet.....	\$55.00	\$52.00	\$51.00
No. 2 clear and better F. G. ceiling 5/8x4, 10 to 16 feet....	37.00	35.00	21.00
No. 2 clear and better drop siding 1x6, 10 to 16 feet.....	40.00	38.00	21.00
No. 1 common timber 12x32 feet and under.....	18.00	17.00	13.00

After one of the most prolonged periods of dry weather ever experienced in the lumbering regions of the Pacific Northwest heavy rains fell during August, ending the fire hazard which had curtailed logging operations for over two months. Activity in the logging industry increased rapidly, the production of logs on September 1st being estimated at 75 per cent of normal compared with 40 per cent a month previous. In August, 1921, the production of logs was reported to be 70 per cent of normal capacity. The supply of logs held on September 1, 1922, was estimated to be 5 per cent greater than the supply on August 1, 1922, and 30 per cent less than the supply held on September 1, 1921.

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



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	
	August, 1922	August, 1921	August, 1922	August, 1921	August, 1922	August, 1921	August, 1922	August, 1921	August, 1922	August, 1921
Average No. of Mills Reporting.	125	103	42	44	7	6	12	12	186	164
Cut*	345,615	235,187	130,338	76,212	51,340	24,700	42,257	37,253	569,550	373,352
Shipments*	298,109	250,023	108,381	68,674	34,456	15,104	36,344	30,072	477,290	363,873
Orders*	313,747	236,304	103,950	65,175	21,358	11,940	41,739	24,798	480,794	338,217
Unfilled Orders*..	246,513	155,105	102,850	34,325	..	..	57,619	27,370	406,982	216,800

*In thousands of feet.

The retarding influence of the railroad and coal mining strikes on business and industry has been felt by the metal mining industry, but nevertheless a marked increase in mining activity compared with one year ago is apparent. Figures showing the national production of copper, silver and zinc, three of the most important metal products of this district, are shown in the following table which compares the output in July, 1922, with June, 1922, and July, 1921.

	July, 1922	June, 1922	July, 1921
Copper (lbs.) (mine production)	90,998,646	93,739,847	17,789,507
Silver (oz.) (commercial bars)	4,340,574	4,760,160	3,901,946
Zinc (tons) (slab) ..	31,917	28,547	15,495

Figures on the production of lead are not available.

Production of copper at the 13 of the 17 principal mines in this district which are operating, increased during July, 1922, both as compared with June, 1922, and with July, 1921. In July, 1922, the output of nine of these mines for which figures are available was 32,186,000 pounds, compared with 29,297,000 pounds produced in June, 1922. In July, 1921, the output of the three mines then producing copper was 6,434,000 pounds.

In this district, except in Nevada and southern California, silver is produced as a by-product in the mining of copper, lead, gold and zinc ores. Increased activity in the copper, lead and zinc mines of Arizona, Idaho and Utah has been largely responsible for an increased production of silver in 1922, compared with 1921.

Continued activity in the deep gold mines of California is reported, although most of the gold being produced at present is coming from dredging properties.

Reports received from the principal mining camps in the states of this district indicate a pronounced shortage of skilled and unskilled miners, the deficiency in some cases being as high as 20 per cent of the number of men required. In the Globe district of Arizona, the

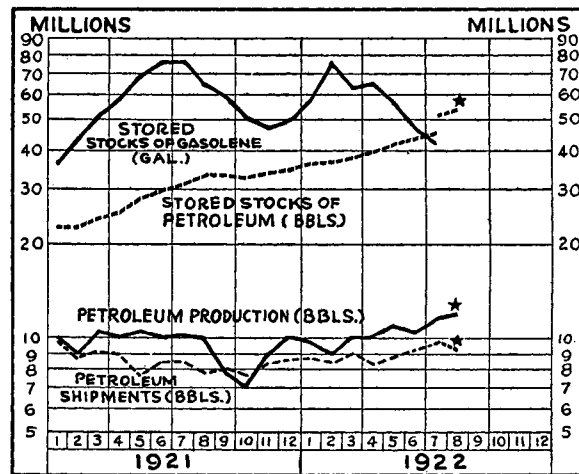
mines have posted a voluntary increase of 10 per cent in wages.

Improved conditions in the mining industry have accompanied an upward movement of prices of the principal metals. Comparative prices in August, 1922, July, 1922, and August, 1921, are shown in the following table:

	Average Prices		
	Aug., 1922 (cents)	July, 1922 (cents)	Aug., 1921 (cents)
Copper (lb.)			
New York Electrolytic..	13.97	13.90	11.88
Lead (lb.) New York.....	5.82	5.72	4.38
Silver (oz. troy)			
New York Foreign.....	69.41	70.24	61.59
Zinc (lb.) St. Louis.....	6.21	5.69	4.18

Production of petroleum in California increased slightly during August, the average daily output being 382,221 barrels, an increase of 8,526 barrels or 2.2 per cent

Petroleum over the average daily output in the previous record month of July. Contrary to the usual seasonal movement, consumption of petroleum declined during August.



CALIFORNIA
Production, Shipments and Stored Stocks of Petroleum, and Refinery
Stored Stocks of Gasolene 1921-1922

*See footnote to Table "I".

(I) Petroleum—

	August, 1922*	July, 1922	August, 1921
Production (daily average).....	382,221 bbls.	373,695 bbls.	323,616 bbls.
Indicated Consumption (daily average).....	298,999 bbls.	318,512 bbls.	252,792 bbls.
Stored Stocks (end of month).....	54,272,194 bbls.	45,187,910 bbls.	33,829,725 bbls.
New Wells Completed.....	76	100	83
With Daily Production.....	52,553 bbls.	66,195 bbls.	20,895 bbls.
Wells Abandoned	20	2	3

*Beginning with August, 1922, figures on petroleum operations furnished by the American Petroleum Institute. They are not strictly comparable with the figures previously furnished by the Standard Oil Company, which were partly estimated.

Average daily shipments totaled 298,999 barrels, a decrease of 19,523 barrels or 6.1 per cent per day from the previous month. August production exceeded consumption by 83,222 barrels per day. Storage stocks of petroleum, already large, were consequently further increased, standing at 54,272,194 barrels on August 31, 1922, an increase of 2,579,904 barrels or 4.9 per cent over the figure reported by the American Petroleum Institute on July 31, 1922. Seventy-six new wells were completed during August and 20 wells abandoned, an increase of 56 producing wells during the month.

Stored stocks of gasolene in California are being further depleted. Consumption during July, 1922, totaled 66,584,330 gallons, a new high record. During the same month 35 refineries, operating at 94 per cent of capacity, produced 59,063,530 gallons of gasolene. Stored stocks were drawn upon to meet the deficiency.

STORED STOCKS OF GASOLENE AT CALIFORNIA REFINERIES

July 31, 1922	June 30, 1922	July 31, 1921
41,920,742 gal.	48,441,542 gal.	75,002,032 gal.

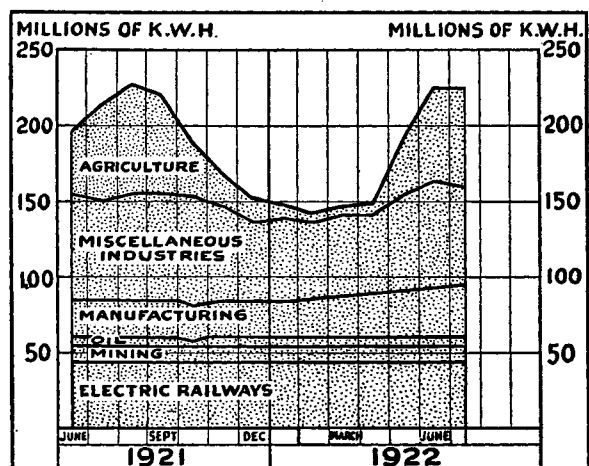
There were 313,302,422 gallons of gasolene consumed during the first seven months of 1922, an increase of 29 per cent over consumption in the same period last year. The wholesale price of gasolene was reduced 1 cent per gallon on August 8th.

Statistics on oil field operations as furnished by the American Petroleum Institute, are shown in table "I."

Total sales of electric power for industrial purposes in this district increased 11 per cent during July, 1922, as compared with July, 1921.

This increase was due chiefly to expanding activity in the mining and **Electric Energy** manufacturing industries.

During July, 1922, sales of power to the mining industry showed an increase of 15 per cent in California and 18 per cent in the Intermountain states compared with July a year ago. Activity in oil production in California and in lumber production in the Pacific Northwest, as reflected by power consumption in these industries, was less during July, 1922,



Total and Segregated Sales of Electric Power to Industries in California, June, 1921 to July, 1922
(Based on reports of eight principal power companies)

(J) Electric Energy—

(1) Production—	Plant Capacity K. W.			Peakload K. W.			Plant Output K. W. H.		
	July, 1922	June, 1922	July, 1921	July, 1922	June, 1922	July, 1921	July, 1922	June, 1922	July, 1921
California (8 companies reporting)	969,075	969,075	910,975	790,080*	777,766*	703,914*	362,545,572	349,705,289	334,132,711
Pacific Northwest (5 companies reporting) ..	365,675	356,585	353,675	251,524*	224,720*	225,318*	105,660,225	105,927,639	96,064,350
Intermountain States (6 companies reporting) ..	238,657	238,657	222,897	146,030*	139,921*	119,120*	78,930,971	73,733,648	61,248,812
Twelfth District (19 companies reporting) ..	1,573,407	1,564,317	1,487,547	1,187,634*	1,142,407*	1,048,352*	547,136,768	529,366,576	491,445,873

(2) Sales—	Number of Industrial Consumers			Connected Industrial Load H. P.			Industrial Sales K. W. H.		
	July, 1922	June, 1922	July, 1921	July, 1922	June, 1922	July, 1921	July, 1922	June, 1922	July, 1921
California	52,029	51,398	43,922	1,720,744*	1,722,268	1,461,799*	225,436,498	225,406,211	211,176,978
Pacific Northwest	10,860	10,907	9,960	178,321*	176,656*	171,546*	66,402,675	65,006,148	59,557,774
Intermountain States ..	10,315	10,141	9,487	277,863*	295,251*	259,451*	57,356,816	52,370,259	42,644,259
Twelfth District	73,204	72,446	63,369	2,176,928*	2,194,175*	1,892,796*	349,195,989	342,782,618	313,379,011

*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.

than during June, 1922, although sales to the lumber industry were 20 per cent larger than during July, 1921. Sales of power for industrial purposes by industries and by sections of this district are compared in the following percentage table:

	Percentage increase or decrease, July, 1922 compared with July, 1921			
	Agriculture	Mining	Manufacturing	Total Industrial Sales
California	+ 3.1%	+15.7%	+26.0%	+ 6.7%
Pacific Northwest.....	-46.2%	+30.1%	- 6.6%	+11.5%
Intermountain	+21.3%	+18.5%	- 4.6%	+34.5%
Twelfth District....	-.2%	+18.7%	+13.5%	+11.4%

In the accompanying chart total industrial sales of electric energy by eight principal power companies in California are shown by months since June, 1921. Sales of power to various classes of industrial consumers are indicated as portions of the total sales. The marked seasonal variation in the figures representing total industrial sales is due chiefly to the changing needs of agricultural consumers for power to pump water for irrigation. The steadily increasing volume of power sales to manufacturing industries during the past six months is particularly noteworthy.

Employment in California increased further during August, principally due to seasonal demands for workers to be used in harvesting and packing California fruits, and to **Employment** greater building activity in several sections. Reports from southern California indicate a shortage of skilled building trade mechanics. Public employment offices in the larger cities of California report an increase in the number of placements actually made during August, 1922, compared with July, 1922, and August, 1921, as shown by the following table:

	Number of Positions Filled		
	Aug., 1922	July, 1922	Aug., 1921
Bakersfield	1,136	949	..
Fresno	1,652	1,397	955
Los Angeles.....	10,250	9,929	5,105
Marysville	943	483	..
Modesto	432	360	..
Oakland	3,209	2,410	1,548
Sacramento	1,704	1,279	776
San Francisco.....	5,637	4,183	2,030
San Jose.....	1,600	1,056	1,208
Stockton	690	988	305
	27,253	23,034	11,927

All available workers in the Pacific Northwest are reported to be employed and the need for men in the lumbering, fishing, agricultural and building industries, and for highway construction work, has increased. In the principal

lumbering sections of Oregon, Washington and Idaho it is estimated that 81,500 men were on the payrolls on September 1, 1922, compared with 78,769 on August 1, 1922, and 60,000 on September 1st one year ago.

In the Intermountain states (Arizona, Idaho, Nevada and Utah) the employment situation improved during August compared with July and conditions are markedly better than in August a year ago. Increased activity in the metal mining and building industries has resulted in an actual shortage of skilled copper mine workers and building trades mechanics. Of the 4,800 men normally employed in the coal fields of Utah, less than 1,000 were idle during August despite the nation-wide strike of coal miners which was then in progress. By September 15th practically all of the strikers had returned to work.

Employment in the manufacturing industries of the four largest cities of the district, as indicated by reports of the United States Department of Labor, increased during August, 1922, compared with August, 1921. Compared with July, 1922, employment increased in two of the four cities, a slight decrease in Portland and San Francisco being reported. Figures showing the total number of workers on the payrolls of 40 manufacturing firms in Los Angeles, Portland, San Francisco and Seattle, usually employing 501 men or more, are given in the following table:

	Number of Men on Payroll*			Percentage increase in number of men on payroll Aug. 31, 1922 compared with Aug. 31, 1921	
	Number of firms	Aug. 31, 1922	July 31, 1922		Aug. 31, 1921
Los Angeles..	16	28,753	27,272	23,097	24.4
Portland	8	6,439	6,645	6,385	.8
San Francisco	10	6,735	7,092	5,926	13.6
Seattle	6	2,343	2,159	2,330	.5
Total	40	44,270	43,168	37,738	17.3

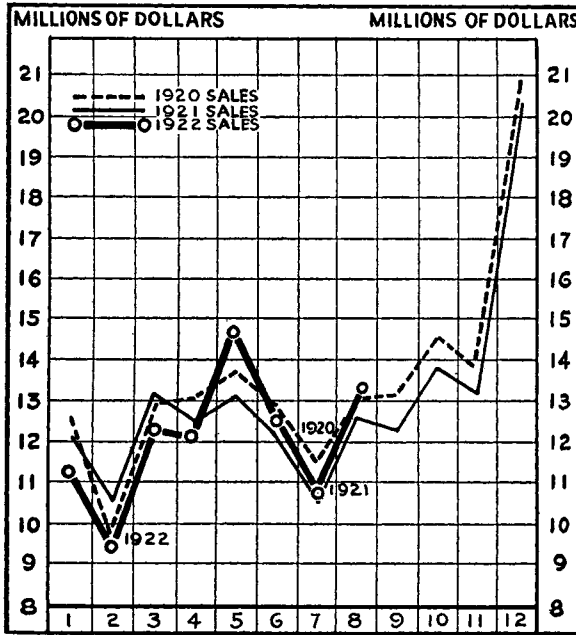
*These figures do not represent the total number of men engaged in manufacturing activities in these cities, but only the payroll figures of a selected number of firms.

The dollar value of sales of 31 representative department stores in this district during August, 1922, was 5.7 per cent greater than the value of sales of the same stores in August, 1921. This increase was participated in by 17 of the 31 reporting stores. The seasonal increase of August sales over those of July amounted this year to 24.3 per cent.

Collections were characterized by reporting firms as follows:

	Excellent	Good	Fair	Poor
No. of reporting firms....	1	10	9	0

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



Net Sales of 32 Department Stores in Twelfth Federal Reserve District (In Millions of Dollars)

	Percentage increase or decrease (-) in the value of stocks at end of month compared with same month of previous year	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	2.4
February, 1922..	-4.3	10.3	2.3
March, 1922..	-2.4	9.5	2.3
April, 1922..	-4.3	7.2	2.4
May, 1922..	-9.0	9.1	2.6
June, 1922..	-1.9	11.2	2.5
July, 1922..	-1.4	10.7	2.4
August, 1922..	-7.6	10.6	2.6

Table "K" gives in detail statistics in regard to sales, stocks and outstanding orders as furnished by 31 department stores in this district.

Actual sales figures received from 194 representative wholesale firms in the 10 lines of business in this district show that the value of sales during August, 1922, was greater than during August, 1921, in seven of the 10 reporting lines.

The three exceptions were agricultural implements, automobile tires and drugs. Compared with the previous month of this year, the value of sales during August increased in all lines except agricultural implements, automobile supplies and groceries.

(K) Retail Trade Activity—

CONDITION OF RETAIL TRADE DURING AUGUST, 1922

In Federal Reserve District No. 12 (31 Stores Reporting)

	Los Angeles	Oakland	Salt Lake City	San Francisco	Seattle	Spokane	District
No. of reporting firms.....	6	4	4	8	5	3	31
Net sales (percentage increase or decrease) August, 1922, compared with August, 1921.....	7.2	.4	.2	4.3	13.0	— 5.6	5.7
August, 1922, compared with July, 1922	30.7	21.0	— 1.9	33.2	5.5	17.4	24.3
Period July 1 to August 31, 1922, compared with same period in 1921..	6.7	1.4	— 2.8	3.5	11.5	— 5.8	4.8
Stocks: (Percentage increase or decrease) August, 1922, compared with August, 1921	— 20.4	— .8	— 3.3	— 1.2	— .1	.3	— 7.6
August, 1922, compared with July, 1922	— 3.3	6.6	6.8	5.4	13.1	5.3	4.1
Percentage of average stocks on hand at close of each month since July 1, 1922, to average monthly sales during same period.....	389.6	577.4	613.5	457.5	397.8	691.8	454.4
Percentage outstanding orders at close of August, 1922, to total purchases during year 1921.....	8.9	..	..	13.3	10.4	8.5	10.6

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

	August, 1922 compared with Aug., 1921	July, 1922	Eight Months ending Aug. 31, 1922 compared with same period in 1921
Agricultural Implements..	—18.4	—27.3	— 5.6
Automotive Supplies.....	5.9	.9	— 2.5
Automobile Tires.....	— 9.4	13.2	— 8.2
Drugs	— .3	26.7	4.9
Dry Goods.....	24.1	34.6	3.6
Furniture	16.3	29.3	6.3
Groceries	7.1	— 5.2	— 2.5
Hardware	22.9	7.9	11.3
Shoes	5.8	36.2	— 5.3
Stationery	10.7	38.7	— 1.9

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

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

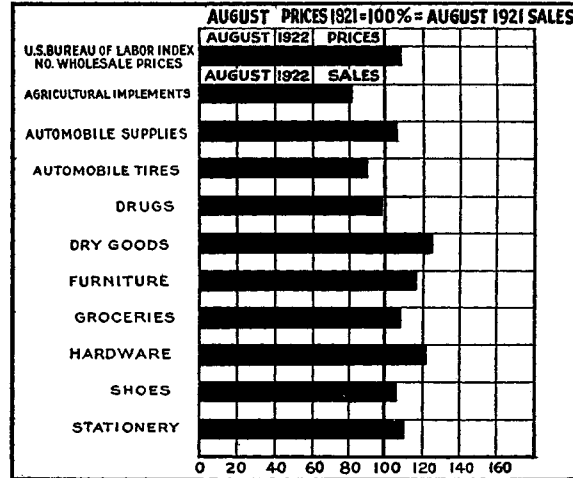
	Number of Firms	1922	1921
Agricultural Implements.....	2	38.3	22.1
Automobile Tires.....	8	16.6	12.0

Percentage of Outstandings September 1, 1922 to August, 1922, Sales

	Number of Firms	1922	1921
Groceries	18	124.7	122.6

Percentage of Collections during Month (August) to Total Amount Due from Customers (outstanding) on First of that Month

	Number of Firms	1922	1921
Automobile Supplies.....	13	60.2	60.3
Drugs	4	83.1	85.0
Dry Goods.....	8	39.2	40.6
Furniture	12	49.6	52.2
Hardware	16	46.7	45.1
Shoes	9	35.7	36.8
Stationery	10	67.1	67.0



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

(L) Wholesale Trade—

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

	Agricultural Implements	Auto Supplies	Auto Tires	Drugs	Dry Goods	Furniture	Groceries	Hardware	Shoes	Stationery
Number of re-reporting firms...	24	18	21	8	16	16	31	21	12	27
Los Angeles.....	2.6	5.8	11.8	..	21.7	16.7	.9	47.1	..	6.8
Portland	—14.3	6.0	—21.8	1.8	..	19.0	6.4	24.4	18.7	8.5
Salt Lake City..	—26.7	— 2.9	—16.6	..	..	..	.4	4.2	..	— 9.7
San Francisco...	38.4	12.8	— 9.6	— 9.5	19.2	— 5.3	25.1	10.1	— 1.8	15.8
Seattle .....	..	— 6.6	—24.9	..	57.2	..	—17.1	23.9	46.8	16.5
Spokane	—51.8	..	—34.7	..	..	..	— 4.4	8.1	..	— 5.4
Tacoma .....	..	..	..	..	26.7	38.9	20.7	— 6.9	..	..
District	—18.4	5.9	— 9.4	— .3	24.1	16.3	7.1	22.9	5.8	10.7

(1b) Percentage of increase or decrease (—) in net sales from January 1, 1922, to August 31, 1922, compared with the same period last year.

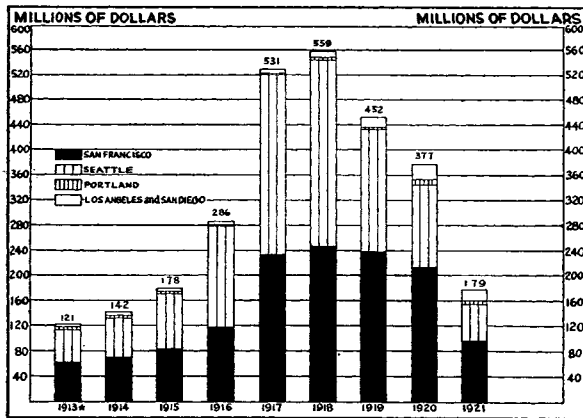
	Agricultural Implements	Auto Supplies	Auto Tires	Drugs	Dry Goods	Furniture	Groceries	Hardware	Shoes	Stationery
Number of re-reporting firms..	24	18	21	8	16	16	31	21	12	27
Los Angeles....	84.3	.7	24.7	..	— 9.1	— 6.4	— 4.5	35.7	..	.8
Portland	—18.9	— 2.7	.5	2.1	..	12.6	— 1.2	3.2	2.2	— 4.0
Salt Lake City..	—22.9	— 6.9	9.7	..	..	..	1.4	— 6.5	..	— 2.3
San Francisco...	14.0	— 7.3	— 7.9	— 8.1	1.9	2.9	2.5	.4	— 8.9	— 8.2
Seattle .....	..	— 6.3	1.5	..	36.2	..	—24.1	20.3	14.1	16.3
Spokane	—33.1	..	— 1.7	..	..	..	—10.8	— 8.7	..	— 6.7
Tacoma .....	..	..	..	..	— 5.0	26.6	12.5	— 5.7	..	..
District	— 5.6	— 2.5	— 8.2	4.9	3.6	6.3	— 2.5	11.3	— 5.3	— 1.9

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

	Number of Firms Reporting Collections as			
	Excellent	Good	Fair	Poor
June	5	45	74	5
July	5	51	79	10
August	5	53	70	9

Statements of increases or decreases in net sales of 194 reporting wholesale firms during August, 1922, compared with August, 1921, and the eight months of 1922 compared with the same period in 1921 are shown in table "L."

The cumulative effects of improved general trade conditions, appreciation in the dollar value of the currencies of many of the countries with which we trade, and lower ocean freight rates now prevailing, are reflected in the increase in the value of foreign commerce through Pacific Coast ports in recent months, compared with corresponding months of 1921. Exports from the Twelfth Federal Reserve District during July amounted to \$22,353,902 compared with \$19,676,889 in July, 1921, an increase of 13.6 per cent. Imports during July, 1922, totaled \$34,242,518, an increase of 199.0 per cent over July, 1921.



Value of Free and Dutiable Imports of Merchandise Into Customs Districts of the Pacific Coast, 1913-1921

*Based on figures for fiscal year ending June 30, 1913. Figures for calendar year 1913 are not available.

In order to compare the present physical volume of our foreign trade with the physical volume in previous years, it is necessary to consider yearly changes in prices of commodities imported and exported. These changes may be approximated by reference to changes in general wholesale prices as shown by index numbers of wholesale prices in the United States

and in the principal foreign countries with which we trade.

Twelfth District	1913 Monthly Average	1919 Monthly Average	1920 Monthly Average	1921 Monthly Average	July, 1922
Exports, monthly average 1912-13..	100	416.6	350.0	216.6	183.3
Imports, monthly average 1912-13..	100	380.0	310.0	160.0	340.0
Prices—					
United States*...	100	211	239	148	165
Canada*	100	207	250	167	157
England*	100	241	314	201	171
France	100	357	510	345	325
Germany	100†	..	1,997‡	2,127§	28,919||
Italy	100	364	624	578	537¶
China	100	133	140	145	145
Japan	100	236	259	200	197**
Australia	100††	180	218	167	157

*Compiled by Federal Reserve Board for purposes of international comparisons.

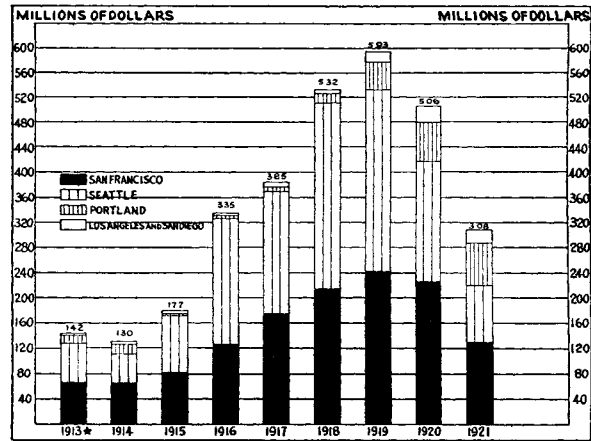
†July, 1914=100; ‡January 1, 1920; §January 1, 1921; ||September 1, 1922.

¶June, 1922.

**June, 1922.

††July, 1914=100.

A study of these figures indicates that the decline in the value of our imports and exports in 1921 and 1922 when compared with the peak year, 1920, has been due in part to the lower level of prices prevailing in nearly all countries in the later years.



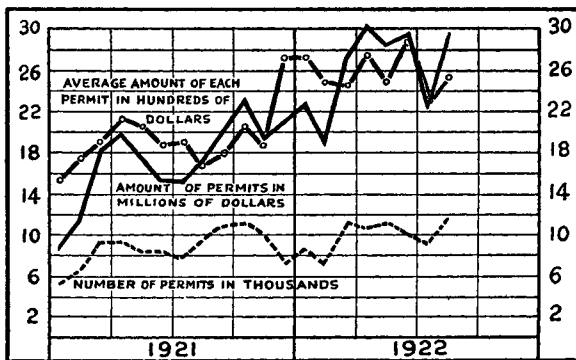
Value of Foreign and Domestic Exports of Merchandise from Customs Districts of the Pacific Coast, 1913-1921

*Based on figures for fiscal year ending June 30, 1913. Figures for calendar year 1913 are not available.

Measured by the number of permits issued in 20 cities of the district, building activity during August, 1922, exceeded any previous month of the years 1915-1922. The value of permits issued also reached a high figure, being exceeded only by the value of permits issued during April and June of this year. The number of

permits (11,596) increased 13.8 per cent and the value (\$29,424,332) of such permits increased 71.8 per cent compared with the number and value of building permits issued during August, 1921. Compared with July, 1922, there was an increase of 23.1 per cent in the number of permits issued and of 31.4 per cent in the value of construction involved.

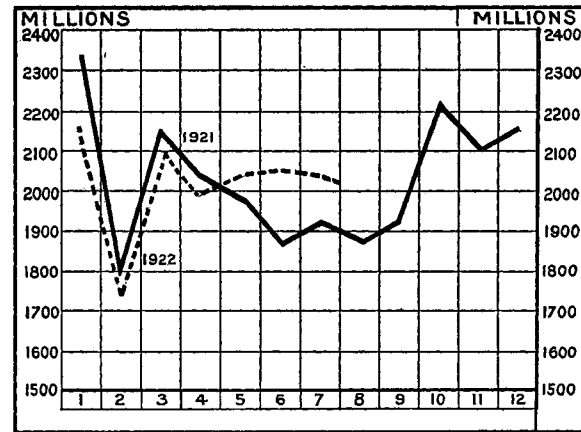
Of the reporting cities, 12 cities show an increase in number of permits issued during August, 1922, compared with August, 1921, and 16 cities an increase in the value of permits issued during the same period. Comparative figures of the number and value of building permits issued during August, 1922, August, 1921, and July, 1922, are shown in table "M."



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

Debits to individual accounts as reported by 184 banks in 21 clearing house centers were greater in August, 1922, than in August, 1921, by \$128,220,000 or 7.7 per cent. This

Bank Debits is the fifth consecutive month in which debits to individual accounts in these cities have been greater than in the corresponding month a year ago. The increase in August, however, was well below the increase of 12 per cent reported for July and was also less than the percentage increase of commodity prices at wholesale during the year,



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.

(M) Building Permits—

	August, 1922		July, 1922		August, 1921		Per Cent Increase or Decrease (—) in Value August, 1922 compared with August, 1921
	No.	Value	No.	Value	No.	Value	
Berkeley	229	\$ 556,300	101	\$ 527,250	130	\$ 248,664	123.7
Boise	85	112,524	85	49,906	110	64,327	74.9
Fresno	176	407,398	133	370,288	199	383,572	6.2
Long Beach	287	856,988	208	535,884	300	889,164	— 3.6
Los Angeles	4,294	11,523,891	3,393	8,064,018	3,554	7,015,861	64.2
Oakland	852	1,651,201	721	1,900,712	652	1,852,609	— 10.8
Ogden	65	167,600	41	87,660	54	115,600	44.9
Pasadena	337	925,358	308	987,826	295	566,531	63.3
Phoenix	43	109,985	45	137,082	54	58,344	88.5
Portland	1,644	1,941,380	1,313	2,206,615	1,591	1,486,982	30.5
Reno	26	46,500	29	69,120	23	54,375	— 14.4
Sacramento	264	868,046	213	367,858	260	348,788	148.8
Salt Lake City	142	421,075	159	569,951	160	346,620	21.4
San Diego	386	1,082,216	369	710,006	365	442,109	144.7
San Francisco	690	6,214,082	595	3,024,036	381	1,216,937	410.6
San Jose	72	193,785	79	166,245	46	39,075	395.9
Seattle	1,006	1,200,740	842	1,559,205	1,113	1,340,430	— 10.4
Spokane	333	391,136	248	273,022	251	222,992	75.4
Stockton	151	385,100	109	409,196	88	115,140	234.4
Tacoma	514	369,027	424	375,136	561	318,245	15.9
District	11,596	\$29,424,332	9,415	\$22,391,016	10,187	\$17,126,365	71.8

which, according to the United States Bureau of Labor index number of wholesale prices, advanced 9.1 per cent during the year period August, 1921, to August, 1922. It is therefore doubtful whether an increase of 7.7 per cent in the amount of debits to individual accounts represents an increase in the physical volume of business transacted.

Comparative figures of debits to individual accounts in 21 clearing house centers during the four weeks ending August 30, 1922, August 2, 1922, and August 31, 1921, are shown in table "N."

Business failures in this district during August, 1922, were greater both in number and liabilities than in July, 1922, and greater in number but less in liabilities than in August, 1921. Compared with August, 1921, the number of failures increased by 33 or 22.0 per cent and the amount of liabilities decreased by \$768,851 or 26.1 per cent. R. G. Dun & Company's comparative figures of the number and liabilities of

business failures in the states of this district during August, 1922, and July, 1922, follow :

	August, 1922		July, 1922	
	No.	Liabilities	No.	Liabilities
Arizona	0	0	3	\$ 10,500
California	85	\$ 748,069	77	1,003,096
Idaho	8	160,968	8	86,593
Nevada	3	7,500	1	7,420
Oregon	34	452,065	21	127,370
Utah	9	52,167	10	563,516
Washington	44	746,743	33	273,267
District	183	\$2,167,512	153	\$2,071,762

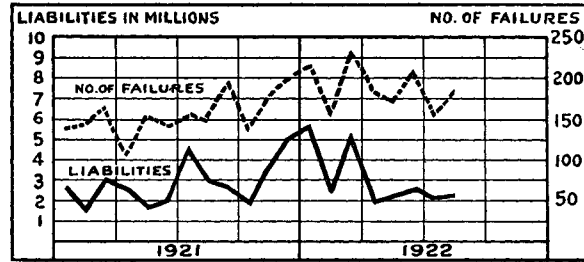
Business Failures

(N) Bank Debts*—

	Four weeks ending Aug. 30, 1922	Four weeks ending Aug. 2, 1922	Four weeks ending Aug. 31, 1921
Berkeley	\$ 13,369	\$ 14,375	\$ 12,616
Boise	9,954	11,135	9,492
Fresno	36,542	40,760	34,429
Long Beach.....	31,705	35,909	21,019
Los Angeles.....	431,387	476,051	385,219
Oakland	78,080	77,227	68,465
Ogden	16,603	15,779	10,554
Pasadena	20,155	23,237	16,639
Phoenix†	12,794	15,135	..
Portland	124,962	123,935	132,103
Reno	8,911	10,164	10,201
Sacramento	58,731	56,902	42,023
Salt Lake City....	50,442	52,055	48,794
San Diego	31,914	36,834	28,449
San Francisco	612,503	675,287	602,230
San Jose	20,666	19,464	17,746
Seattle	137,504	134,945	117,597
Spokane	36,695	39,354	38,976
Stockton	19,119	19,871	17,887
Tacoma	34,028	35,285	30,463
Yakima	8,038	8,960	8,186
Total	\$1,794,102	\$1,922,664	\$1,653,088

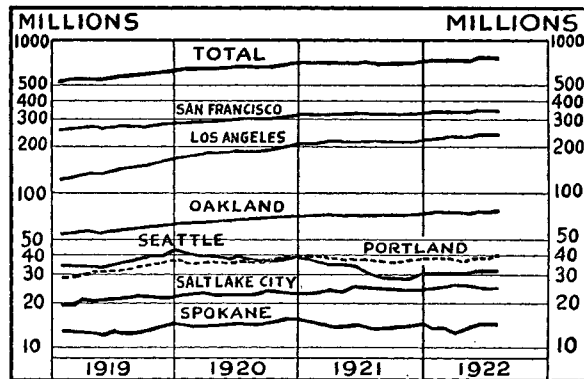
*000 Omitted.

†August, 1921, figures for Phoenix not available.



Business Failures, Twelfth Federal Reserve District, 1921-1922

The total amount in all savings accounts, as reported by 75 banks in seven principal cities, increased 7 tenths of 1 per cent during the month ended August 31st, being on that date \$772,150,000, compared with \$766,807,000 on July 31st. Savings accounts are now at the highest point in the three years and eight months for which records have been kept by this bank. They are 8.6 per cent greater than they were



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

on August 31, 1921, and 42.7 per cent greater than on January 31, 1919.

Only in Salt Lake City savings accounts are now less than they were a year ago. In Los Angeles, Oakland and Portland they are at new

high levels and in San Francisco they are approximately as high as the record reported in June of this year. Savings accounts in Seattle are 26 per cent less than they were at the end of December, 1919, in Spokane 10 per cent less than at the end of December, 1920, and in Salt Lake City 3½ per cent less than at the end of May, 1921, the dates mentioned being, respectively, those at which the highest figures for these cities were reported.

The changes in savings accounts in the seven cities from one month and one year ago are shown in table "O," and in the accompanying chart (see opposite page) are shown the changes since January, 1919.

For the greater part of the month ending September 15th demand in the bill market continued intermittent and spotty, the country banks remaining out of the market. New bills continue to be offered in good volume, and, in conjunction with increased offerings in other parts of the country, have created a supply which is at least equivalent to present demands. Transactions involving the export and domestic shipment of grain, flour, canned goods, sugar and cotton predominated.

Under the influence of this increased supply, and also because of the slight increase in short term money rates recently in New York City, the offering rate for acceptances, which had

remained firm at 3 per cent since July, was placed at 3¼ per cent on September 15th.

Bills of short maturities were more in demand than those of longer maturities as shown by the following general classification of bills marketed:

Maturities	August 15 to September 15	July 15 to August 15
30 days.....	22.8%	3.8%
60 days.....	55.3%	27.8%
90 days.....	19.4%	67.8%
120 days.....	2.5%	0.6%

Monthly statistics compiled by this bank on the acceptance operations of 35 of the principal accepting banks in the district are now available for a period of one year. They show a marked increase in the volume of acceptance business handled during August, 1922, compared with August, 1921. Percentage comparisons of the acceptance business of these banks during August, 1922, with the previous month of this year and with August, 1921, are given in the following table:

	Aug., 1922 Compared with Aug., 1921 (Increase)	Aug., 1922 Compared with July, 1922 (Decrease)
Amount of bills accepted....	88.1%	22.0%
Amount of bills bought.....	250.3%	9.4%
Amount of bills held at close of month.....	278.5%	(Increase) 6.4%

Purchases and holdings of acceptances of reporting banks appear in table "P."

(O) Savings Accounts*—

	Number of Banks	Aug. 31, 1922	July 31, 1922	Aug. 31, 1921	Per Cent Increase or Decrease (—) Aug. 31, 1922 over Aug. 31, 1921
Los Angeles	13	\$238,189	\$235,987	\$212,528	12.1
Oakland	7	77,204	76,115	73,383	5.2
Portland	9	40,595	39,688	37,295	8.8
Salt Lake City.....	9	24,104	24,028	24,568	— 1.9
San Francisco	16	346,679	345,660	319,965	8.3
Seattle	15	31,245	31,261	29,761	5.0
Spokane	6	14,134	14,068	13,645	3.6
Total	75	\$772,150	\$766,807	\$711,145	8.6

*000 Omitted.

(P) Acceptances*—

	Amount Accepted		Amount Bought				Total		Amount held at close of month	
	Aug., 1922	July, 1922	Created in Twelfth District Aug., 1922	Created in Twelfth District July, 1922	All Other Aug., 1922	All Other July, 1922	Aug., 1922	July, 1922	Aug., 1922	July, 1922
Pacific Northwest	\$ 704,023	\$ 353,399	\$ 237,113	\$ 96,348	\$ 176,451	\$ 160,555	\$ 413,564	\$ 256,903	\$ 1,332,834	\$ 930,453
Northern California ..	5,074,927	6,676,445	3,082,406	4,070,030	2,021,654	2,829,765	5,104,060	6,899,795	5,644,453	6,814,002
Southern California ..	573,867	1,122,027	653,895	724,247	4,327,307	3,716,881	4,980,202	4,441,128	8,447,651	6,745,179
Other Districts .....	..	..	..	..	..	..	..	..	..	..
Total	\$6,352,817	\$8,151,871	\$3,973,414	\$4,890,625	\$6,525,412	\$6,707,201	\$10,497,826	\$11,597,826	\$15,424,938	\$14,489,634

*35 Banks reporting.

On September 11th the Treasury Department opened subscription books for an issue of about \$200,000,000 of Certificates of Indebtedness designated Series TS-1923, dated September 15, 1922, maturing September 15, 1923, and bearing interest at the rate of 3¾ per cent per annum. This is the lowest rate offered by the government since the close of the war.

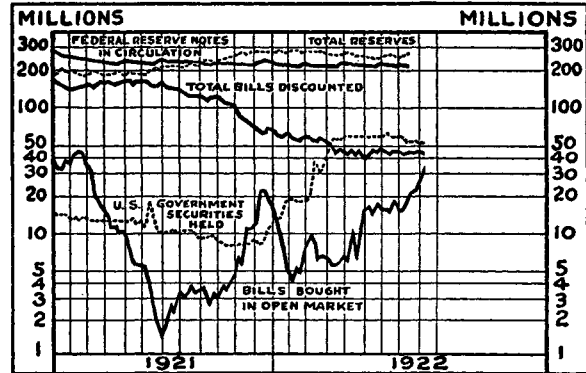
The issue was heavily over-subscribed, total subscriptions amounting to \$570,476,500 when the books were closed at noon on September 15th. In the Twelfth Federal Reserve District subscriptions amounted to \$45,542,500 of which \$14,120,000 were allotted by the Treasury Department through the Federal Reserve Bank of San Francisco. The total of subscriptions in this district was exceeded only in the New York, Philadelphia, Chicago and Cleveland districts.

Statements of 68 reporting member banks in the larger cities of the district indicate an increase in the demand for credit during August.

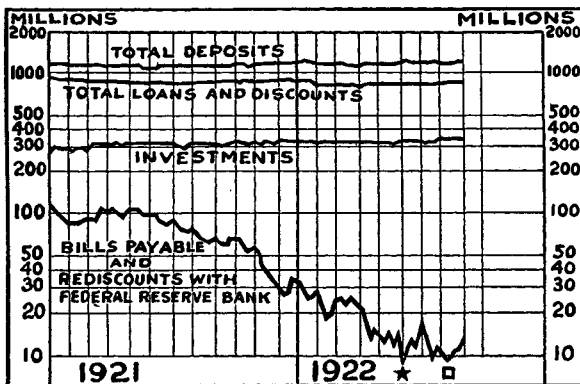
Commercial loans, which totaled \$700,138,000 on August 9th, were \$709,934,000 on September 6th, an increase of \$9,796,000 or 1.4 per cent. Their borrowing from the Federal Reserve Bank, after declining on August 9th to \$9,362,000—next to the lowest figure in three

years—advanced steadily and stood at \$13,025,000 on September 6th. Investments of reporting banks fluctuated within narrow limits and at \$333,627,000 on September 6th were \$928,000 below the figures reported four weeks previous. Total deposits increased from \$1,184,485,000 to \$1,196,793,000 or \$12,308,000 during this period.

The total of bills discounted by the Federal Reserve Bank of San Francisco for both city and country banks advanced slightly during



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



*\$7,060,000 on June 7, 1922. □\$9,875,000 on August 16, 1922.

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

the latter part of August but declined during the first two weeks of September, and on September 13th was \$38,000 below the \$43,388,000 reported on August 16th. A small increase in Federal Reserve Note circulation from \$216,013,000 on August 16th to \$221,327,000 on September 13th was a normal movement at this season of the year, when additional funds are needed for moving the crops of the district.

Since September 14, 1921, there has been a decrease of \$76,045,000, or 63.7 per cent, in the amount of bills discounted by this bank. During the same period, combined holdings of acceptances bought in the open market and of United States Government securities have increased by approximately an equal amount. Total earning assets on September 13, 1922, were therefore only \$1,987,000 or 1.5 per cent less than one year ago. Federal Reserve note circulation has changed but little during the year period.

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

	Sept. 6, 1922	Aug. 9, 1922	Sept. 7, 1921
Number of Reporting Banks	68	68	70
Loans and Discounts (exclusive of rediscounts).....	\$ 866,824,000	\$ 863,027,000	\$ 875,520,000
Investments	333,627,000	334,555,000	301,324,000
Cash in Vault and with Federal Reserve Bank.....	101,831,000	104,934,000	99,793,000
Total Deposits	1,196,793,000	1,184,485,000	1,120,648,000
Bills Payable and Rediscounts with Federal Reserve Bank.....	13,025,000	9,362,000	64,464,000

**COMPARATIVE STATEMENT OF CONDITION OF FEDERAL RESERVE BANK OF SAN FRANCISCO
AT CLOSE OF BUSINESS, SEPTEMBER 13, 1922**

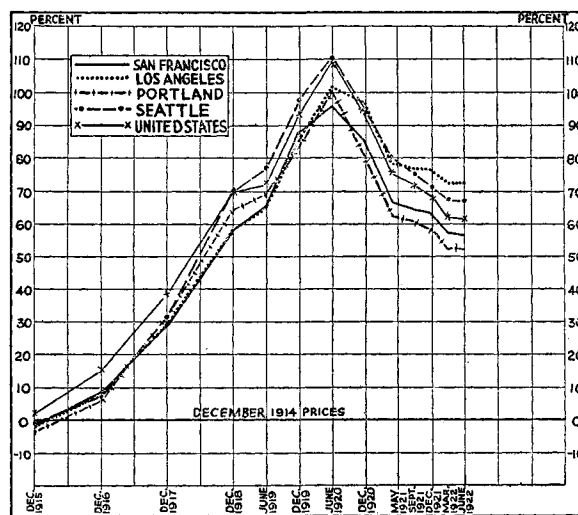
	Sept. 13, 1922	Aug. 16, 1922	Sept. 14, 1921
RESOURCES			
Total Reserves	\$242,000,000	\$259,093,000	\$235,737,000
Bills Discounted	43,352,000	43,388,000	119,397,000
Bills Bought in Open Market.....	33,831,000	17,702,000	3,655,000
United States Government Securities.....	52,977,000	53,977,000	9,095,000
Total Earning Assets.....	\$130,160,000	\$115,067,000	\$132,147,000
All Other Resources*.....	55,671,000	45,656,000	51,491,000
Total Resources	\$427,831,000	\$419,816,000	\$419,375,000
LIABILITIES			
Capital and Surplus.....	\$ 22,811,000	\$ 22,789,000	\$ 22,566,000
Total Deposits	138,866,000	141,308,000	122,404,000
Federal Reserve Notes in Actual Circulation.....	221,327,000	216,013,000	228,674,000
All Other Liabilities†.....	44,827,000	39,706,000	45,731,000
Total Liabilities	\$427,831,000	\$419,816,000	\$419,375,000
*Includes "Uncollected Items".....	48,612,000	38,914,000	45,358,000
†Includes "Deferred Availability Items".....	41,080,000	35,172,000	37,241,000

CHANGES IN THE COST OF LIVING

The cost of living in the four principal cities of the Twelfth Federal Reserve District was relatively stable during the three months' period from March to June, 1922, according to the reports of the United States Department of Labor. The rapid decline in living costs which began in June, 1920, terminated in May, 1921, and the gradual decline thereafter ensuing ended, at least temporarily, in March, 1922. Changes in the total cost of living in four cities of this district and in the United States are summarized in the accompanying table and chart. The dates selected for comparison are December, 1914, in a pre-war normal year, June, 1920, approximately the high point in the rise of the cost of living, and May, 1921, the date from which relative stability has obtained.

Itemized figures of changes in the cost of food, clothing, housing, fuel and light, furniture and miscellaneous goods and services are included in the tabulation of the total cost of living. Recently all of these items have not followed the same general trend. Food prices, which fell most quickly and sharply after the peak level of prices had been reached in June, 1920, have recently been advancing. Clothing, fuel and light, and furniture and furnishings prices, which reached higher levels than the

other items when prices were advancing, have lagged behind on the decline and are still falling slowly. Housing costs have risen steadily even during the period of falling commodity prices in 1920 and 1921, and, except in Seattle, where a decrease of 5.8 per cent has occurred, they are now from 7 to 37 per cent higher than they were two years ago.



Changes in Cost of Living—Per Cent Increase From December, 1914 to June, 1922

COST OF LIVING IN THE TWELFTH FEDERAL RESERVE DISTRICT

City	Food			Clothing			Housing			Fuel and Light		
	Per Cent Increase Dec., 1914 to June, 1922	Per Cent Decrease June, 1920 to June, 1922	Per Cent Decrease May, 1921 to June, 1922	Per Cent Increase Dec., 1914 to June, 1922	Per Cent Decrease June, 1920 to June, 1922	Per Cent Decrease May, 1921 to June, 1922	Per Cent Increase Dec., 1914 to June, 1922	Per Cent Decrease June, 1920 to June, 1922	Per Cent Decrease May, 1921 to June, 1922	Per Cent Increase Dec., 1914 to June, 1922	Per Cent Decrease June, 1920 to June, 1922	Per Cent Decrease May, 1921 to June, 1922
Los Angeles.....	30.6	31.5	1.9	81.3	36.2	20.2	95.6	37.1*	5.5*	39.1	9.4	8.9
Portland	26.5	38.9	.4*	53.2	40.8	19.8	43.3	7.6*	.3*	50.3	2.3*	10.0
San Francisco (and Oakland)...	31.1	32.4	1.6	90.7	34.4	20.8	29.4	18.3*	6.3*	59.5	8.4*	2.3
Seattle	30.0	35.7	2.3*	78.0	35.0	22.1	64.7	5.8	5.8	64.3	.9	8.1
United States†.....	41.0	35.6	2.5	72.3	40.0	22.6	60.9	18.9*	1.2*	74.4	1.4*	3.9

COST OF LIVING, Continued

City	Furniture			Miscellaneous			Total		
	Per Cent Increase Dec., 1914 to June, 1922	Per Cent Decrease June, 1920 to June, 1922	Per Cent Decrease May, 1921 to June, 1922	Per Cent Increase Dec., 1914 to June, 1922	Per Cent Decrease June, 1920 to June, 1922	Per Cent Decrease May, 1921 to June, 1922	Per Cent Increase Dec., 1914 to June, 1922	Per Cent Decrease June, 1920 to June, 1922	Per Cent Decrease May, 1921 to June, 1922
Los Angeles.....	128.8	24.3	10.8	103.8	9.2*	3.5*	72.5	14.4	3.5
Portland	101.9	28.8	18.6	78.5	.7	1.4	52.1	24.1	6.2
San Francisco (and Oakland).....	104.4	27.0	16.2	83.7	2.3*	.4	56.8	20.0	5.9
Seattle	137.3	26.1	14.4	97.6	3.6*	3.8	67.0	20.7	7.3
United States†.....	102.9	30.7	18.1	101.5	.05*	3.5	66.6	23.0	7.6

*Increase.

†Base year 1913.

FINANCIAL CONDITIONS IN THE TWELFTH FEDERAL RESERVE DISTRICT

by

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

San Francisco, California, September 16, 1922

A SURVEY of financial conditions in the Twelfth Federal Reserve District based upon reports of condition of banks as of June 30, 1922, is presented herewith, in comparison with the last survey, as of December 31, 1921, which was published last April. When allowance is made for the normal expansion of loans to meet the seasonal requirements of agriculture, which are well defined in this district by June 30th, conditions compare very favorably with those of December 31, 1921.

The same criterion of financial conditions in a given area was used as in previous surveys, i. e., the ratio of total loans and discounts of all banks, State and National (except in the case of Oregon and Utah, where figures for non-member State banks are not yet available), in that area to their total deposits. Where total loans and discounts in a given area were less than 80 per cent of total deposits, financial conditions were considered "good" (colored blue on accompanying maps); where the ratio was between 80 per cent and 100 per cent, financial conditions were considered "fair" (colored yellow on maps); and where the ratio was over 100 per cent and where, consequently, many banks were borrowing from the Federal Reserve Bank or their correspondents, financial conditions were considered "poor" (colored green on maps).

As in previous surveys, this study relates primarily to conditions in the agricultural regions of the district, figures for the cities of Berkeley,

Los Angeles, Oakland, Portland, Salt Lake City, San Francisco, and Seattle having been excluded.

Comparison of the accompanying map with the map showing conditions as of December 31, 1921, indicates the areas in which changes have taken place. The proportion of banking resources in "poor" areas is still diminishing. In most cases where a change from "good" to "fair" occurred, it was the result of loan expansion to meet harvesting and marketing requirements. These changes are summarized below:

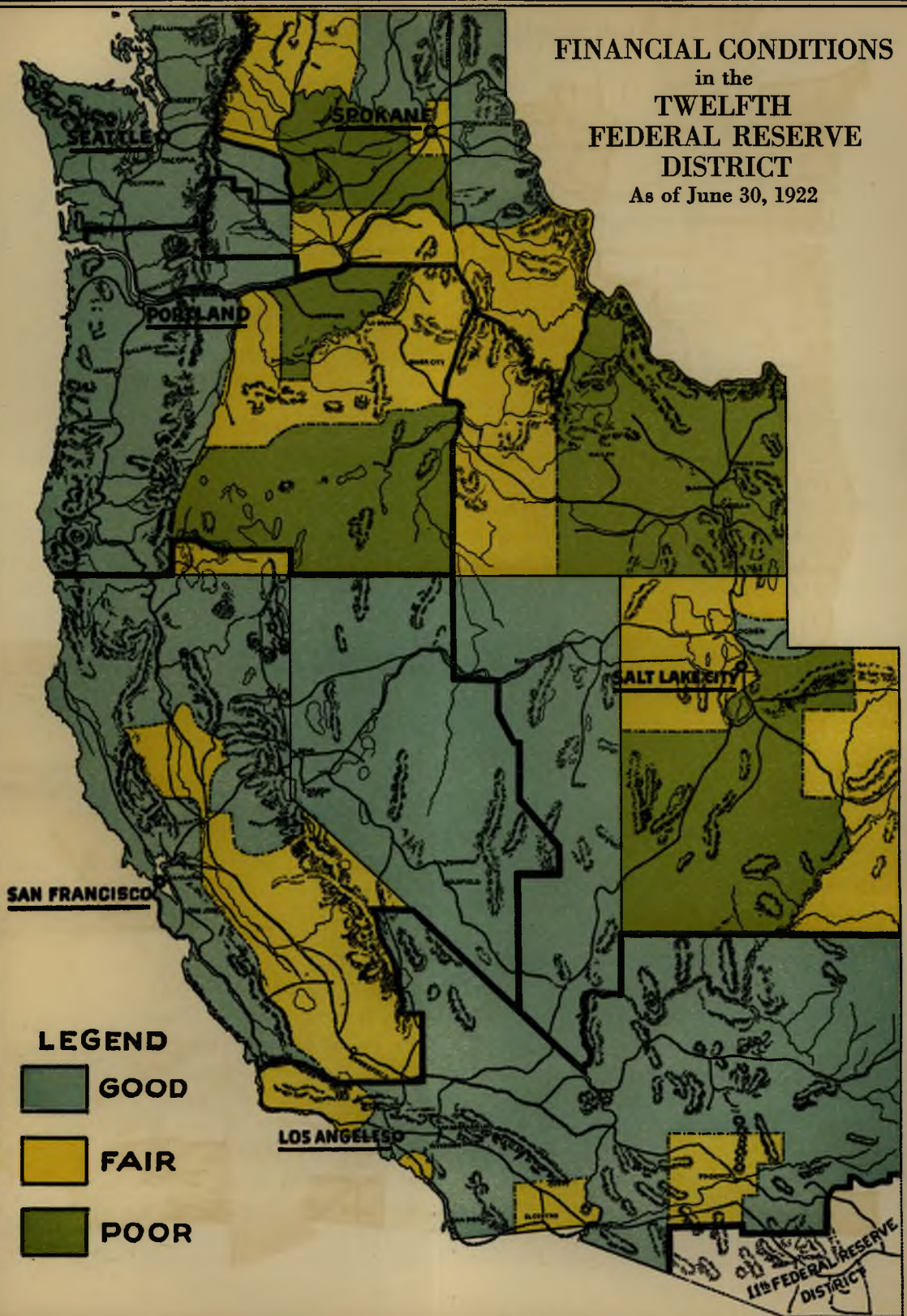
PROPORTION OF TOTAL DEPOSITS OF BANKS IN COLORED AREAS TO TOTAL DEPOSITS OF ALL COUNTRY BANKS

	April 28, 1921	Dec. 31, 1921	June 30, 1922
"Good" areas.....	54.9%	80.3%	66.1%
"Fair" "	34.8%	12.7%	27.2%
"Poor" "	10.3%	7.0%	6.7%

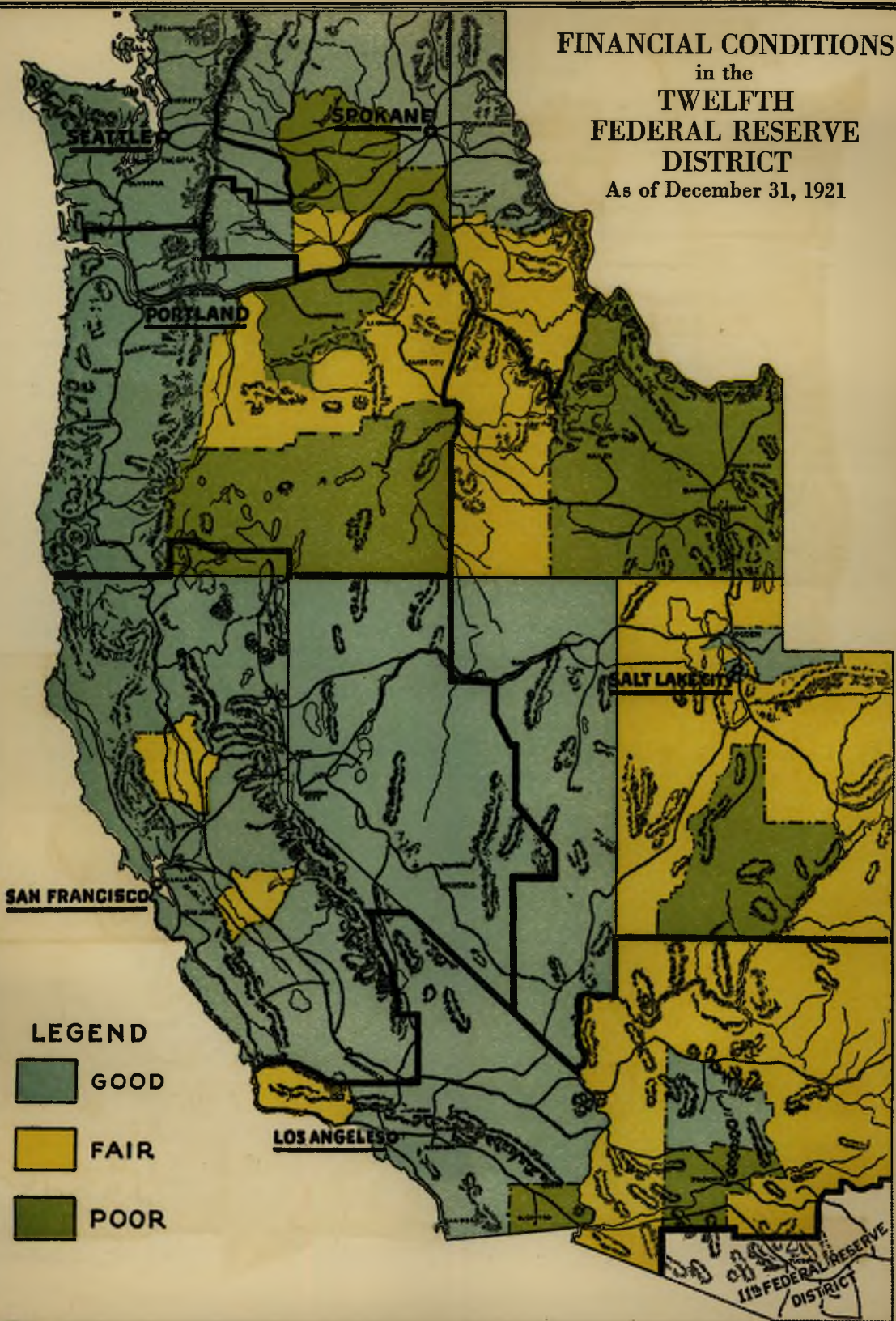
Total deposits of all banks included in this survey (excepting banks in the city of Spokane) —the so-called country banks—were on June 30, 1922, approximately 40 per cent of total bank deposits in the Twelfth Federal Reserve District. Deposits in the cities above mentioned and in Spokane equaled 60 per cent of total bank deposits in the district. The condition of the banks in these cities was excellent, the ratio of their combined loans to deposits being 64.8 per cent, compared with 67.6 per cent on December 31, 1921.

FEDERAL RESERVE BANK OF PHILADELPHIA
SEP 19 1922

FINANCIAL CONDITIONS
in the
TWELFTH
FEDERAL RESERVE
DISTRICT
As of June 30, 1922

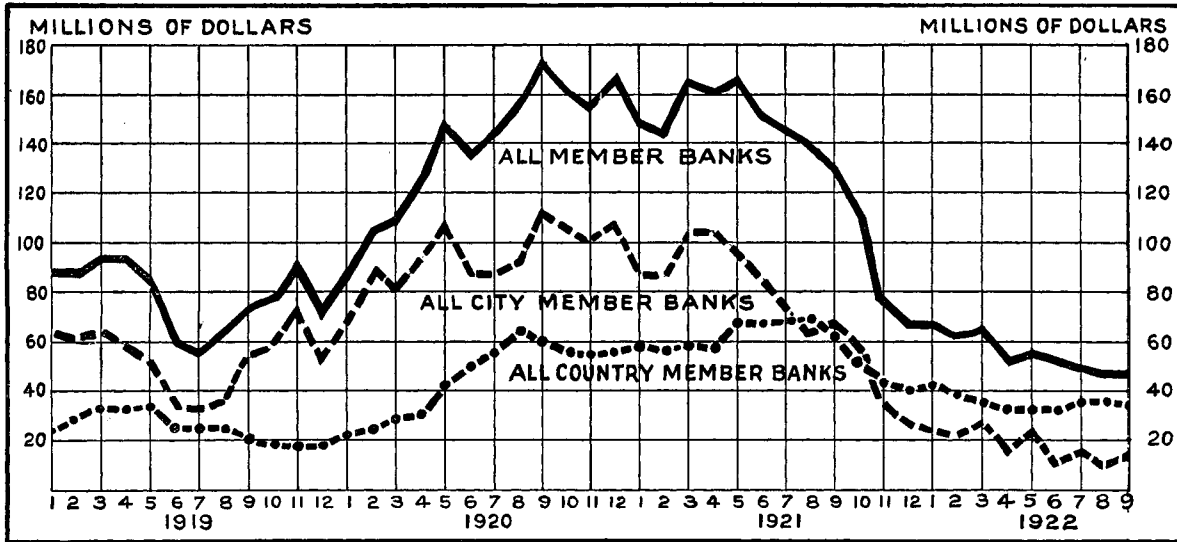


FINANCIAL CONDITIONS
in the
TWELFTH
FEDERAL RESERVE
DISTRICT
As of December 31, 1921



- LEGEND**
- GOOD**
 - FAIR**
 - POOR**

REDISCOUNT OPERATIONS IN THE TWELFTH FEDERAL RESERVE DISTRICT



COMPARATIVE REDISCOUNT OPERATIONS, 1919-1922

NOTE: City banks include all member banks in Los Angeles, Oakland and Berkeley, Portland, Salt Lake City, San Francisco, Seattle and Spokane. Country banks include all other member banks.

BORROWINGS FROM THE FEDERAL RESERVE BANK AND WHOLESALE PRICES

Date	City Bank Borrowings	Country Bank Borrowings	All Member Bank Borrowings	United States Bureau of Labor Wholesale Price Index* (1913=100)
January 22, 1919.....	\$ 61,297,000	\$22,746,000	\$ 84,043,000	199
Subsequent Peak.....	{ October 5, 1920 116,286,000	August 23, 1921 68,985,000	October 5, 1920 174,699,000	May, 1920 247
June 28, 1921.....	83,415,000	67,006,000	150,421,000	142
December 27, 1921.....	32,867,000	39,193,000	72,060,000	140
June 27, 1922.....	13,719,000	35,581,000	49,300,000	150
August 29, 1922.....	11,845,000	35,513,000	47,358,000	155
Percentage decrease from peak.....	89.8%	48.5%	72.9%	37.3%

*Figures are for month appearing in date column. (New index.)