

# FEDERAL RESERVE BULLETIN

(FINAL EDITION)

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FEDERAL RESERVE BOARD  
AT WASHINGTON

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OCTOBER, 1921



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1921

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The FEDERAL RESERVE BULLETIN is the Board's medium of communication with member banks of the Federal Reserve System and is the only official organ or periodical publication of the Board. It is printed in two editions, of which the first contains the regular official announcements, the national review of business conditions, and other general matter, and is distributed without charge to the member banks of the Federal Reserve System. Additional copies may be had at a subscription price of \$1.50 per annum.

The second edition contains detailed analyses of business conditions, special articles, review of foreign banking, and complete statistics showing the condition of Federal Reserve Banks. For this second edition the Board has fixed a subscription price of \$4 per annum to cover the cost of paper and printing. Single copies will be sold at 40 cents. Foreign postage should be added when it will be required. Remittances should be made to the Federal Reserve Board.

No complete sets of the BULLETIN for 1915, 1916, 1917, or 1918 are available.

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# FEDERAL RESERVE BULLETIN

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## REVIEW OF THE MONTH.

During the past month a variety of indications have seemed to point more and more definitely toward a change in the direction of business, accompanied by improvement in important branches of industry and probably for the country as a whole. The fact that some exceptions are noted does not alter the general tendency. Striking among these indications of a change in the volume and direction of business is the alteration that has occurred in the movement of bank accounts and the progressive liquidation of frozen credits the country over. It would seem clear that there has been a slowing down in the general liquidation of bank accommodation. It will be noted that bill holdings of the Federal Reserve Banks, member bank reserve accounts, as well as net demand deposits of the reporting member banks, were at the lowest point reported for the period under discussion on September 21, the net demand deposits of the member banks showing, however, a relatively much smaller reduction from the corresponding August totals than the other two items. The following brief tabulation furnishes facts with respect to the credit situation:

	Total bills held by F. R. Banks.	Reserve account, all member banks.	Net demand deposits, reporting member banks.
May 14, 1920.....	\$2,964,582,000	\$1,874,145,000	\$11,563,867,000
Sept. 24, 1920.....	3,012,083,000	1,800,677,000	11,160,537,000
May 18, 1921.....	1,924,220,000	1,665,517,000	10,155,685,000
Sept. 21, 1921.....	1,420,751,000	1,588,209,000	9,833,196,000
	<i>Sept. 21, 1921.</i>	<i>Sept. 21, 1921.</i>	<i>Sept. 21, 1921.</i>
Low point.....	1,420,751,000	1,588,209,000	9,833,196,000

It was not until close to the end of the year 1920, more than six months after price recession had been in full progress, that business change was reflected in the volume of credit.

The movement of credit at Federal Reserve and member banks should be studied in comparison with the movement of production and volume of business during the period in question, not because there is necessarily an immediate or close correspondence between any individual item or group of items and the credit situation, but because the volume of trade and industry and the volume of credit are necessarily interrelated factors. Items showing selected movements of trade during the period in question may be represented in tabular form as follows, for the periods corresponding roughly to those already selected in the foregoing review of the history of credit:

[000 omitted.]

Month.	Cotton sight receipts.	Receipts of grain at 17 interior centers.	Receipts of live stock at 15 western markets.	Lumber shipments of 3 associations.	Pig-iron production.	Steel ingot production.	Zinc production.	Anthracite coal production.	Bituminous coal production.
	<i>Bales.</i>	<i>Bushels.</i>	<i>Head.</i>	<i>Feet.</i>	<i>Long tons.</i>	<i>Long tons.</i>	<i>Short tons.</i>	<i>Short tons.</i>	<i>Short tons.</i>
May, 1920.....	361	64,380	4,878	862,931	2,986	2,883	45	7,940	38,993
September, 1920.....	772	118,409	5,269	715,968	3,129	3,000	37	4,638	49,172
May, 1921.....	777	72,640	4,574	825,350	1,221	1,266	18	7,497	33,350
August, 1921.....	617	177,430	4,917	819,924	954	1,138	15	7,196	34,538

Month.	Crude petroleum production.	Cotton consumption.	Wool consumption.	Sole leather production.	Stamps sold for small cigarette production.	Newsprint production.	Value of merchandise exported.	Volume of exports of 29 commodities (1913=100).	Debits to individual deposit account. <sup>1</sup>
	<i>Barrels.</i>	<i>Bales.</i>	<i>Pounds.</i>	<i>Sides.</i>	<i>Number.</i>	<i>Net tons.</i>	<i>Dollars.</i>	<i>Per cent.</i>	<i>Dollars.</i>
May, 1920.....	36,503	541	58,589	1,706	3,953,345	129	745,523	112.5	9,111,513
September, 1920.....	37,532	458	36,297	1,376	3,557,483	121	604,686	88.6	8,638,648
May, 1921.....	42,043	440	56,929	1,561	4,136,085	79	329,710	112.5	6,992,219
August, 1921.....	40,964	467	58,261	1,607	5,130,577	102	371,935	140.9	6,286,178

<sup>1</sup> Last week in month.

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It will be observed that the agricultural data thus presented show a different trend from those which represent manufacture, and that certain of the series show distinct seasonal variations. The situation has been set forth in an index number of the Harvard Committee on Economic Research, which has issued a table relating solely to manufactures showing the movement during 1919-1921 in various groups of industries. Of this the committee says that the index "registers the cycle through which manufacturing activity has passed since the beginning of 1919." It will be observed that the low point in most lines was reached in February, last, and that there have been various fluctuations since then.

MONTHLY INDEXES OF THE VOLUME OF MANUFACTURE FOR EIGHT GROUPS OF MANUFACTURING INDUSTRIES AND FOR THE GROUPS COMBINED.

[1919 monthly average=100.]

Month.	All groups.	Iron and steel.	Lumber.	Paper.	Petro-leum.	Textiles.	Leather.	Food.	Tobacco.
1919.									
January.....	101.6	130.1	75.5	93.0	89.7	96.5	.....	114.9	87.3
February.....	86.7	113.7	75.8	82.8	83.8	72.7	.....	87.3	83.8
March.....	92.6	113.5	88.8	87.0	92.8	79.0	.....	92.1	97.7
April.....	93.7	94.6	97.8	88.4	92.4	92.9	.....	92.8	82.0
May.....	95.7	81.2	112.1	95.1	100.7	99.2	.....	93.5	88.0
June.....	95.9	90.9	103.5	98.3	96.1	100.2	.....	83.8	92.9
July.....	101.9	103.1	103.7	103.3	103.7	109.4	.....	85.9	90.3
August.....	107.2	113.5	123.4	108.8	107.4	103.4	.....	88.4	101.1
September.....	103.8	97.6	113.8	106.2	108.3	105.3	.....	97.7	108.6
October.....	104.4	73.2	123.4	116.4	112.0	119.3	.....	111.2	125.4
November.....	102.2	94.0	102.0	108.6	107.0	104.9	.....	109.0	117.0
December.....	102.1	103.4	80.1	109.8	107.6	110.1	.....	108.6	113.0
1920.									
January.....	115.9	124.2	101.1	120.9	102.3	126.6	90.8	112.2	115.7
February.....	104.6	120.5	101.3	105.8	97.0	110.5	81.6	85.3	98.9
March.....	118.0	138.3	117.4	119.5	111.6	121.0	94.0	90.8	123.1
April.....	108.8	111.0	122.3	121.7	109.3	119.3	84.7	75.9	108.0
May.....	111.8	121.2	127.3	119.2	115.0	110.5	90.9	85.1	111.1
June.....	109.6	124.9	115.4	122.5	115.9	104.1	95.2	80.8	114.4
July.....	102.3	118.0	103.1	123.0	122.9	92.8	80.7	80.8	98.1
August.....	104.9	125.3	117.8	122.5	132.2	88.2	70.5	83.3	104.8
September.....	101.4	125.0	108.7	119.3	134.6	83.4	73.3	78.0	104.9
October.....	101.2	126.7	108.1	119.7	135.2	78.7	77.8	81.1	106.3
November.....	88.9	111.3	86.2	108.0	131.2	62.1	70.1	91.0	93.1
December.....	77.9	99.5	62.8	94.6	134.6	54.5	72.1	88.4	73.5
1921.									
January.....	78.3	92.7	59.5	84.3	131.6	68.1	63.5	84.1	88.7
February.....	75.0	73.7	65.3	78.5	115.0	76.3	62.8	74.4	95.0
March.....	80.6	65.2	78.2	83.2	117.9	89.3	72.0	85.6	106.6
April.....	75.8	50.5	84.6	79.3	124.9	89.3	75.8	82.4	96.6
May.....	79.3	52.4	100.7	73.6	122.8	96.2	83.2	79.9	100.6
June.....	75.9	42.3	93.3	75.6	122.7	100.8	81.1	82.7	108.0
July.....	.....	34.0	.....	71.0	.....	89.5	.....	82.3	.....

Comparisons should also be drawn between the course of prices during the past year and the course of credit, with a view to comparing fluctuations in credit and the price movements of important commodities. The peak in prices was reached in May, 1920, and from that time forward decline continued without interruption, save for temporary reactions of

minor amount, until the month of July, 1921, when a slight upturn in average prices began.

The significance of changes in bank credit is always a matter of doubt when public finance capital obligations or claims and credit. upon fixed forms of wealth or future income are used as its

basis. This is what usually happens during war; and a return to normal conditions invariably results when such elements of bank credit disappear. Changes in the condition of Federal Reserve Banks during the past year have been in no respect more striking than in the diminution of advances based upon public obligations. In the following table is shown the extent of the reduction of this element of the portfolios at both Federal Reserve and at about 800 reporting member banks:

	F. R. Bank loans secured by Government obligations.	Reporting member bank loans secured by Government obligations.	Government obligations owned by reporting member banks.
May 14, 1920.....	\$1,508,104,000	\$1,090,554,000	\$1,675,457,000
Sept. 24, 1920.....	1,220,423,000	950,324,000	1,447,757,000
May 18, 1921.....	774,869,000	714,852,000	1,285,459,000
Sept. 21, 1921.....	495,156,000	592,842,000	1,402,606,000

These figures show a steady restoration of the commercial basis of bank credit in the United States and an elimination of the extraneous or nonliquid basis for lending which found a place in our institutions, as in those of all other countries, during the war in consequence of the necessities of the Government for a quick sale of their obligations. Although it is true that the Government of the United States continues to sell large issues of Treasury notes and certificates, these issues continue to be made chiefly or solely for the purpose of meeting current maturities, so that the total amount which is held by the community shows little change. Indeed, a reduction of public debt during the fiscal year ended June 30, 1921, was reported, this reduction amounting to approximately \$514,000,000. Many of the outstanding issues of bonds were not altered in amount. The striking modification which has taken place in our debt situation during the year is found not in volume so much as in distribution. The transference of bond holdings from commercial credit to investment channels has greatly relieved

the former and has restored the representative character of bank-loan figures as an index of commercial activity.

The fact that credit and the volume of business are closely related and that credit volume conforms to business requirements has always been recognized. It was upon this idea of credit elasticity, corresponding to changes in business demand, that the Federal Reserve System itself was developed. Its underlying thought was that of providing for the conversion of the most liquid and unquestionably sound elements of credit in the community into a reserve basis for the credit operations of the country. The resort to rediscounting is necessarily directly influenced by the volume of business which gives rise to such elements of credit, and movements in business are therefore reflected in or paralleled by corresponding movements in the volume of paper presented for rediscount at reserve institutions. The movement of Federal Reserve accounts during the past year has probably not responded as directly to changes in the volume of live business as would ordinarily be the case, due to the fact that not long after the conclusion of the armistice a substantial element of paper representing long-term operations found lodgment in Federal Reserve Bank portfolios. It may be concluded, therefore, that the great shrinkage which has occurred in the total of Federal Reserve Bank bill holdings during the past year, and which would in ordinary circumstances be taken as an evidence of the extent of its credit elasticity, is only in part the reflection of changes in the volume of business, being at least partly due to the conversion of bank-held securities into investment holdings through the process of liquidation to which reference has already been made. Due to the combined working of these factors the reduction in bill holdings of Federal Reserve Banks and in the volume of credit extended by them to members by way of rediscount has probably been greater than would have occurred had it been influenced only by shrinkage in the general volume of the country's business. In other words, the shrinkage in credit has been greater than the shrinkage in business for reasons already indi-

cated. Changes in the volume of credit are, therefore, a less accurate indicator of changes in the volume of business than is ordinarily the case.

While the changes which have taken place in bank investments have been general and while statements concerning them hold good not only of Federal Reserve but also of member banks, such changes are obviously more striking in the Federal Reserve System than they are elsewhere for reasons just stated. The Federal Reserve System, on account of the stringent requirements of law which limit the character of paper that can be purchased by it, should be far more responsive to changes in the volume of commercial credit than the rank and file of banking institutions, many of whose operations have an investment character. This responsiveness has always been present in the operations of the system in some degree, although during the latter part of the war with Germany it was masked by the presence of great quantities of Government-secured obligations in its portfolio. The experience of the past year, however, illustrates clearly the essentially elastic quality of the system, as may be seen by the comparison of the upper and lower levels of bill holdings. At their highest or peak point the bill holdings of the Federal Reserve System were about \$3,000,000,000, while at the low point, on September 21, 1921, they may be stated in round numbers as \$1,420,000,000. The difference between the upper and lower levels of bill holdings was thus somewhat over \$1,500,000,000, although, as already stated, this was not a change in pure commercial credit. Exactly how great a volume of bank credit of both member and nonmember banks would be sustained by the \$1,500,000,000 margin between the high and low points in Federal Reserve portfolios is a matter for estimate. The shrinkage in deposits shown by the report of September 2, 1921, as having taken place between the end of June, 1920 and 1921, pointed to a fall of over \$2,000,000,000 in the deposit credits of member banks. Making due allowance for the changes in nonmember bank deposits both directly and indirectly connected with changes in Federal Reserve Bank accounts, it does not

seem that a shrinkage of between \$2,500,000,000 and \$3,500,000,000 is excessive as a measure of fluctuation of credit in the country as a whole, such elasticity being reflected in or taking effect through changes in the outstanding credits of Federal Reserve Banks. How accurately this reduction in bank credit reflects the actual change in the volume of business is a question of very great interest, but obviously one hard to determine statistically. There has been no material shrinkage in most departments of agriculture except in cotton and some minor crops. Most of the reduction which has taken place thus far has been in basic manufactures. This fact alters the percentual relationships of several of the figures already cited.

This variation in the situation as between agriculture and manufacturing credit operations in the various sections of the country is summarized in the statement published in the last issue of the BULLETIN, as follows:

Loans and discounts of banks in agricultural counties throughout the country declined \$37,000,000 (between

May 4, 1920, and Apr. 28, 1921), or slightly more than 1.2 per cent; the loans and discounts in semiagricultural counties declined \$19,000,000, or 1.3 per cent; and the loans and discounts of banks in nonagricultural counties declined \$827,000,000, or 5.6 per cent. The borrowings from the Federal Reserve Banks by banks in agricultural counties increased \$128,000,000, or 56.5 per cent; borrowings by banks in semiagricultural counties remained practically stationary; and borrowings by banks in nonagricultural counties declined \$629,000,000, or 28.5 per cent.

It further appears from the same analysis that between the dates mentioned member banks showed a total reduction of loans amounting to \$882,000,000, of which \$827,000,000, or 94 per cent, is shown for banks in nonagricultural counties, while the reduction in agricultural and semiagricultural counties amounted to only about \$55,000,000. A subsequent analysis shows that during the year under consideration the share of agriculture in the total of outstanding loans did not diminish but, on the contrary, increased. The relative changes in the volume of accommodation to manufacturing and agricultural enterprises may be inferred from the following table:

DISTRIBUTION OF MEMBER BANK LOANS, BY CHARACTER OF COUNTIES, ON MAR. 4, 1920, AND APR. 28, 1921.

[Amounts in millions of dollars.]

District.	Loans of member banks in--						Percentage of total loans.					
	Agricultural counties.		Semiagricultural counties.		Nonagricultural counties.		1920			1921		
	1920	1921	1920	1921	1920	1921	Agri-cultural.	Semi-agricultural.	Non-agricultural.	Agri-cultural.	Semi-agricultural.	Non-agricultural.
Boston.....	35.2	34.5	21.3	22.9	1,332.0	1,295.9	2.5	1.6	95.9	2.6	1.7	95.7
New York.....	146.5	161.5	76.4	81.9	5,494.7	5,068.6	2.6	1.3	96.1	3.1	1.5	95.4
Philadelphia.....	87.2	96.8	33.2	34.7	1,003.7	975.9	7.8	3.0	89.2	8.8	3.1	88.1
Cleveland.....	162.5	160.8	367.8	375.3	1,062.2	1,163.0	10.2	23.1	66.7	9.5	22.1	68.4
Richmond.....	197.3	202.1	147.2	146.7	552.0	542.7	22.0	16.4	61.6	22.7	16.4	60.9
Atlanta.....	150.3	154.7	113.3	118.4	484.1	425.4	20.1	15.2	64.7	22.1	17.0	60.9
Dallas.....	360.0	337.2	106.5	104.2	237.4	207.5	51.1	15.2	33.7	52.0	16.0	32.0
Chicago.....	691.9	675.5	291.9	274.6	2,107.6	1,975.2	22.4	9.4	68.2	23.1	9.4	67.5
St. Louis.....	200.0	196.2	34.9	34.3	623.9	550.2	23.3	4.1	72.6	25.1	4.4	70.5
Minneapolis.....	395.2	376.0	76.3	71.6	338.5	297.8	48.8	9.4	41.8	50.4	9.6	40.0
Kansas City.....	406.7	353.8	87.0	78.0	564.9	489.5	38.4	8.3	53.3	38.4	8.5	53.1
San Francisco.....	357.3	404.5	128.3	122.8	990.3	972.6	24.2	8.7	67.1	27.0	8.2	64.8
Total.....	3,190.1	3,153.6	1,484.1	1,465.4	14,791.3	13,964.3	16.4	7.6	76.0	17.0	7.9	75.1

Several factors need to be considered in examining this analysis. One is the fact that the dates represented in it do not show the extreme of the variations, for while the volume of loans was probably near the peak on the date selected in 1920, at the comparative date a

year later the lowest point of bank-credit reduction had by no means been reached. It is also to be recalled that the unusually great carry-over of crops from the crop year of 1920, as well as various other exceptional circumstances, tended to make far greater demands



upon the resources of banks in agricultural sections and through them upon the resources of banks in other parts of the country than is usual. It is, of course, also obvious that inasmuch as both of the comparative dates selected are in the spring of the year the figures presented have no relation to seasonal variations, but must be considered only from the standpoint of long-range changes or of variations resulting from fluctuations in the aggregate volume of business of all kinds.

Of special interest in this connection is the fact that the figures, subject as they are, of course, to the limitations already mentioned, disclose a correspondence between the physical volume of production and the credit situation. It is in manufacturing that the greatest shrinkage has taken place during the year 1920-21, while in agricultural production (with the exception of cotton) the product of 1920, as already seen, makes a very satisfactory comparison with that of the preceding season. Shrinkage in the amount of credit required by agriculture, then, could be looked for only to the extent that might be expected as the result of price decline. Even here the shrinkage is masked by the fact that many of the bank loans made on the old basis of prices were simply renewed from time to time for the purpose of carrying the retained or surplus portion of the crop until such time as it could be disposed of. The reduction of loans of member banks in nonagricultural counties is shown as \$827,000,000, and if these members represent about one-half of the banking assets of the country, the reduction of accommodation to manufacturers, as thus far indicated between the spring of 1920 and that of 1921, would presumably be about \$1,650,000,000. How much the falling off in the total output of commodities has been is, of course, a more or less conjectural matter. This falling off is by some regarded as not greater than perhaps 25 to 30 per cent. On this basis the decline of total output would be much larger than the shrinkage in credit—a fact which is explainable by the circumstance that in many lines the prices were slow to decline while, as already stated, many loans were continued for the purpose of carrying hold-over products at their old level of value.

A factor which has doubtless had some considerable effect in masking the working of our elastic credit system, and to which occasional reference has already been made in preceding sections, is the elimination of "frozen credit." This "frozen credit" represents in a large measure the financing of products of various kinds carried over from a preceding year, or the obligations of individuals which have not been paid at maturity on account of the slow movement of goods into the hands of purchasers. The increased activity in the cotton-raising States, resulting from recent advances in the price of cotton, are now tending to bring about in some measure a clearance of the frozen credits which have been carried by banks in those districts. One effect of such liquidation is to reduce rediscounts with Federal Reserve Banks. The outcome of this process is at times to make it appear that there has been a reduction in the total volume of credit extended when, as a matter of fact, what has been done has been to settle obligations made some time ago whose payment has no immediate bearing upon the financing of current business operations. Such elimination of frozen credit is not confined to the cotton-raising States or, indeed, to the agricultural parts of the country in general, but the process of settling such indebtedness carried over from a preceding period is going on in many branches of wholesale and of retail trade as well, it would seem, as in some manufacturing sections. The ultimate effect of it is to strengthen the banks by making their portfolios consist of self-liquidating accounts and by increasing the amount of their resources available for new production and business. Not the least important phase of the liquidation operation is that of enabling the banks to curtail their dependence upon the reserve institution for rediscounts. This reduces their expense of doing business and at the same time places them in position to discount new and live paper which they can rediscount, inasmuch as they have reduced their earlier outstanding lines.

The situation is in some measure reflected in the increasing degree of self-support among the several districts and their ability to supply

their own credit demands without calling upon others.

Reference has already been made to the fact that in a low-price period a smaller amount of bank credit is required to carry a given volume of commodities than is the case when prices are high. In ordinary circumstances the variation of prices is not sufficient to make this an important factor in the study of credit. It should further be remembered that in ordinary circumstances variations in prices tend to react upon the volume of goods purchased, the amount turned out increasing as prices fall because of the increase in demand exerted by consumers. The past year has been one of those unusual periods in which a very great and continuous fall in prices has coincided with a large shrinkage in the outturn of many kinds of goods, the result being to bring the influence of both factors—price reduction and product limitation—to bear upon the banks. Starting with May, 1920, when prices and the credit volume of the Federal Reserve System were both nearly at their peak, it will be noted that the growth of credit, after a recession during the summer, continued on to near the close of 1920, while prices, after a period of hesitation, fell, and this fall did not halt until the summer of 1921. The turn in the amount of outstanding accommodation made by Federal Reserve Banks, as measured by bills held, did not take a definite downward trend until December, 1920, at which time prices had already fallen about a third from the maximum. In a general way, it may be said that there has been parallelism between the reduction of prices and the reduction in the amount of credit extended by the banks in general during the year 1920-21, even though a decline in the volume of bills held by Federal Reserve Banks continued after the fall of prices ceased and the slight upward turn in prices set in in July. The facts are illustrated in the following table which has been prepared for the purpose of making clear this situation:

Date.	Total loans, discounts, and investments (including bills rediscounted) of reporting member banks (000's omitted).	Month.	Wholesale price indexes in the United States (1913=100).
1920.		1920.	
May 14.....	\$16,983,816	May.....	264
June 11.....	16,926,277	June.....	258
July 16.....	16,893,150	July.....	250
Aug. 13.....	16,828,278	August.....	234
Sept. 17.....	17,057,374	September.....	226
Oct. 15.....	17,283,996	October.....	208
Nov. 12.....	16,848,730	November.....	190
Dec. 17.....	16,803,226	December.....	173
1921.		1921.	
Jan. 14.....	16,397,231	January.....	163
Feb. 11.....	16,110,241	February.....	154
Mar. 11.....	15,974,669	March.....	150
Apr. 15.....	15,756,517	April.....	143
May 11.....	15,489,269	May.....	142
June 15.....	15,430,366	June.....	139
July 13.....	15,051,267	July.....	141
Aug. 17.....	14,843,767	August.....	143

The table shows considerable correspondence in shifts in credit accommodation and price changes. Expressed in percentages, however, it is evident, as stated above, that the decrease in credit accommodation has proceeded at a much slower pace than the drop in prices. The explanation of this lag in the contraction of banking credit as contrasted with price declines is primarily due to two facts—the first, that the volume of bank accommodation can not be instantly altered because the volume of bank paper, even on the most liquid basis, runs for a number of days, while at commercial banks the average life of paper would be still longer; the other factor in the situation is that in many cases a sharp fall in prices necessitates action on the part of banks in extending the credit which they have already granted to cover a rather longer period in order to give the borrower opportunity to readjust himself. Where such extensions are made there is necessarily a postponement of the date when the credit movement will adapt itself to that of prices.

Credit conditions in the earlier part of the year, as reflected in the sketch thus made of them, are also to be observed in their latest form in the usual production indexes of the month.

Domestic business demand.

The situation of business at the present time has been so thoroughly canvassed as to require but little review. Briefly stated, it would appear to point to an upturn or improvement in the total volume of operations, although how far such an upturn is likely to go is still uncertain. The current production indexes are as follows:

[000 omitted.]

	August, 1920.		August, 1921.		July, 1921.	
	Total.	Relative.	Total.	Relative.	Total.	Relative.
Receipts of live stock at 15 western markets (head).....	4,979	100	4,917	98.7	4,004	80.4
Receipts of grain at 17 interior centers (bushels).....	98,579	100	177,430	180.0	134,458	166.4
Sight receipts of cotton (bales).....	308	100	617	200.3	608	197.4
Shipments of lumber reported by three associations (million feet).....	783,929	100	819,924	104.6	610,708	77.9
Bituminous coal production (short tons).....	48,910	100	34,538	70.6	30,394	62.1
Anthracite coal production (short tons).....	8,013	100	7,196	89.8	7,050	87.9
Crude petroleum production (barrels).....	39,055	100	40,964	104.9	40,328	103.2
Pig iron production (long tons).....	3,147	100	954	30.3	865	27.5
Steel ingot production (long tons).....	3,000	100	1,138	37.9	803	26.7
Cotton consumption (bales).....	484	100	467	96.5	410	84.7
Wool consumption (pounds).....	38,055	100	58,261	153.0	53,076	139.4

During the month ending September 10 the net inward movement of gold and silver movements was \$77,364,000, as compared with a net inward movement of \$81,468,000 for the month ending August 10. England and France combined furnished over 55 per cent, or \$43,647,000, of the \$78,001,000 of gold imported during the monthly period ending September 10, other countries of Europe furnishing over 21 per cent, and the Orient most of the remainder. Of the gold exports, amounting to \$637,000, over 44 per cent, or \$282,000, was consigned to Canada and the remainder to Hongkong, Mexico, and Cuba.

Net imports of gold since August 1, 1914, were \$1,384,639,000, as may be seen from the following exhibit:

[In thousands of dollars.]

	Imports.	Exports.	Excess of imports.
Aug. 1, 1914 to Dec. 31, 1918.....	1,776,616	705,210	1,071,406
Jan. 1 to Dec. 31, 1919.....	76,534	368,185	<sup>1</sup> 291,651
Jan. 1 to Dec. 31, 1920.....	417,068	322,091	94,977
Jan. 1 to Sept. 10, 1921.....	521,264	11,264	509,907
Total.....	2,791,482	1,406,843	1,384,639

<sup>1</sup> Excess of exports.

Since the beginning of the present year net gold imports totaled \$509,907,000. The largest gains are shown through imports from the following countries: England, \$149,387,000; France, \$145,054,000; Sweden, \$55,188,000. Gold exports during the present year were consigned chiefly to the following destinations: Mexico, \$5,199,000; Sweden, \$2,643,000; Canada, \$1,629,000; Hongkong, \$1,550,000.

During the month ending September 10 the net inward movement of silver was \$1,771,000, as compared with a net inward movement of \$968,000 for the month ending August 10. Germany furnished over one-half, or \$3,685,000, of the \$7,239,000 of silver imported during the monthly period ending September 10, the remainder coming principally from Mexico, Canada, and Peru. Silver exports, amounting to \$5,468,000, were consigned principally to China, British India, and other countries of the Orient.

Net exports of silver since August 1, 1914, were \$445,680,000, as may be seen from the following exhibit:

[In thousands of dollars.]

	Imports.	Exports.	Excess of exports.
Aug. 1, 1914, to Dec. 31, 1918.....	203,592	483,353	297,761
Jan. 1 to Dec. 31, 1919.....	89,410	239,021	149,611
Jan. 1 to Dec. 31, 1920.....	88,060	113,616	25,556
Jan. 1 to Sept. 10, 1921.....	41,774	32,526	9,248
Total.....	422,836	868,516	445,680

<sup>1</sup> Excess of imports.

Little change in the general credit situation appears to have taken place during the four weeks between August 17 and September 14.

The banking situation. Aggregate loans and discounts of the reporting banks fluctuated within moderate limits. The September 14 total of \$11,563,000,000 was only \$22,000,000 larger than the total reported four weeks previous, a reduction of \$21,000,000 in "Government paper" being offset by an increase of \$43,000,000 in the amount of other loans outstanding. A reduction from \$3,303,000,000 to \$3,238,000,000 in the investment block is due chiefly to further liquidation of Treasury certificates during the latter part of August, and to a much smaller extent to liquidation of other Government obligations and of

corporate securities. Accumulation of funds to provide for September 15 tax payments apparently accounts in part for the gradual increase in demand deposits of the reporting banks; also for the large reduction in borrowings from the Federal Reserve Banks indicated in the September 14 statement.

The following table throws some light upon the course of member bank credit operations during the four weeks ending September 14:

REPORTING MEMBER BANKS.

[In millions of dollars.]

Date.	Number of reporting banks.	Loans and discounts and investments. <sup>1</sup>	Rediscounts and bills payable with F. R. Bank.	Ratio of accommodation (3÷2).	Net demand deposits.
	1	2	3	4	5
Aug. 17.....	812	14,844	979	6.6	9,938
Aug. 24.....	812	14,734	967	6.5	9,894
Aug. 31.....	812	14,762	956	6.5	9,988
Sept. 7.....	810	14,730	980	6.7	9,982
Sept. 14.....	810	14,801	908	6.1	10,131

<sup>1</sup> Including rediscounts with F. R. Banks.

Federal Reserve Bank figures, which cover the four-week period between August 24 and September 21, indicate further reduction of \$46,600,000 in the reserve banks' holdings of paper secured by Government obligations, of \$61,500,000 in their holdings of other discounts, and of \$1,700,000 in acceptances, or a total reduction in bill holdings of nearly \$110,000,000 for the four weeks under review. Pittman certificates show a gradual decline of \$17,000,000, while other Treasury certificates, including those held under repurchase agreements, show an increase of \$5,800,000. Holdings of other United States securities, including the newly issued Treasury notes, likewise show an increase for the period of about \$4,000,000.

Total earning assets on September 21 stood at \$1,652,300,000, or about 52 per cent below

the peak figure of \$3,422,000,000 shown for October 15 of last year. Federal Reserve note circulation, notwithstanding the large note issues before the Labor Day holiday period, shows a further reduction of \$11,200,000, the September 21 total of \$2,474,700,000 being about \$930,000,000 below the peak attained on December 23 of last year. The banks also report a reduction of \$9,200,000 in their net liabilities on Federal Reserve bank notes in circulation. Rediscounts of the Richmond, Atlanta, Minneapolis, and Dallas banks with other Federal Reserve Banks show but little change, and at the end of the report period totaled \$66,500,000, or slightly less than four weeks before.

The Federal Reserve Banks report a further gain of \$92,000,000 in gold and of \$4,900,000 in other reserve cash. It is this gain largely which is responsible for the further rise of the reserve ratio from 66.5 to 68.7 per cent. This rise was continuous, except for the week ending September 7, when a temporary increase in note and deposit liabilities caused a decline in the ratio from 66.8 to 66.2 per cent.

In the following exhibit are shown the principal changes in the condition of Federal Reserve Banks between August 24 and September 21:

FEDERAL RESERVE BANKS.

[In millions of dollars.]

Date.	Cash reserves.	Bills discounted.		Total deposits.	F. R. notes in actual circulation.	Reserve ratio.
		Secured by U. S. Government obligations.	All other.			
Aug. 24.....	2,766	542	954	1,674	2,486	66.5
Aug. 31.....	2,788	545	947	1,691	2,481	66.8
Sept. 7.....	2,803	539	969	1,718	2,518	66.2
Sept. 14.....	2,835	504	924	1,706	2,492	67.5
Sept. 21.....	2,863	495	892	1,692	2,475	68.7

## BUSINESS, INDUSTRY, AND FINANCE, SEPTEMBER, 1920.

Further decided improvement in the credit situation has been the noteworthy feature of business during the month of September. In the cotton regions liquidation of credit has been rendered possible in consequence of the marked advance in the price of cotton, which has carried practically all contracts above 20 cents a pound. At the same time improvement in wholesale and retail trade is expected as a result of the increase in the ability of the farmer to settle his accounts both with banks and with dealers. The greater abundance of funds in the cotton-raising districts is reported as having been reflected in larger wholesale trade. The effects of liquidation expected from the advance in the price of cotton have not as yet had time to appear in the condition statements of Federal Reserve Banks. On the other hand, the advance in prices not only of cotton but of other agricultural products has had certain indirect results. The textile industry has not yet bought freely of cotton at the new price level which has been established, but such mills as possessed a stock of low-priced cotton have attracted a considerable volume of orders. In the grain-growing districts the output has continued to move steadily to distributing points and has also gone abroad in considerable amounts. This grain movement has been practically the heaviest on record and there has also been a heavy movement of live stock.

While attention has been largely concentrated on the agricultural side of business development during the month, manufacturing has also continued to show a wholesome improvement in many lines. The advance in the iron and steel trade, first noted in August, has been sustained during the month of September in certain lines, notably in pig iron and light products, such as wire and sheets, in which price advances have occurred. Although orders fell off in August, an increase has occurred since that time, and at the same time more men have been employed. In this connection should also be noted the improvement in the railway industry. The net earnings of Class I railways for July were about \$70,000,000, and on many lines the rate of earnings is near the level taken as a standard in the transportation act. Textile manufacturing has been well sustained during the month, and the boot and shoe industry has been notably active in districts Nos. 1, 7, and 8. There is still, however, hesitancy on the part of distributors to place forward orders, although a large seasonal increase in certain lines of wholesale trade, coupled with replacement orders, have resulted in advances.

Prices continued to advance during August. The index compiled by the Federal Reserve Board for international comparisons registered an increase of 2 points over the July figure, while the trend during September also appears to have been upward. Price declines in particular lines of business, such as live stock, are due to local marketing conditions.

Employment, on the other hand, has increased only slightly, although the situation is better than at the end of August. The end of the harvesting and crop-moving season may tend to increase the number of unemployed, but such tendency is likely to be offset by the growth in demand on the part of manufacturing industries. Railroads have begun to increase the number of their employees to some extent. This is especially noteworthy in the Far West and is emphasized in the reports received from district No. 12 (San Francisco), where it holds true also for general public-utility undertakings. The fact that building contracts have reached a record figure for this year promises larger employment in that direction during the autumn.

Financially the month has been notable for the decided fall in German exchange, the mark at one time going below nine-tenths of 1 cent. Easier money conditions have grown out of the gradual liquidation in the East and South, and two Federal Reserve Banks have reduced their discount rate to 5 per cent. The shrinkage of bills held has been a natural outgrowth of the credit situation. Call money, as well as commercial paper rates, have tended lower.

Taken all in all, the month has been in the main a period of distinct encouragement and gives promise of better conditions as the autumn and winter advance.

## AGRICULTURE.

The composite condition of all crops on September 1 was 92.9 per cent of their average condition on that date during the last 10 years, as compared with a composite condition of 93 per cent on August 1. There was a serious deterioration in the crops of cotton and oats during August, but this was largely counterbalanced by a marked improvement in the condition of the corn and tobacco crops. The production of corn forecasted on September 1 amounted to 3,186,000,000 bushels, which is 154,000,000 bushels greater than the forecast of August 1 and 316,000,000 bushels greater than the average production for the last six years. The corn crop in district No. 9 (Minneapolis) is about 6 per cent greater than that of 1920, and is the largest on record. In district No. 10 (Kansas City) there was also a considerable improvement in the condition of corn during August, but hot weather and lack of moisture caused considerable damage in Nebraska and Oklahoma. The indicated production of wheat was 754,000,000 bushels on September 1, as compared with a forecast of 757,000,000 bushels on August 1, and an average production of 824,000,000 bushels during the last six years. However, district No. 9 (Minneapolis) states that the spring wheat crop is superior to any crop in a generation from a milling and baking standpoint, and estimates that the gluten content will average 2 per cent higher than that of the 1920 crop. The white-potato crop improved somewhat during August, but the estimated production on September 1 was only 323,000,000 bushels, in comparison with an average production of 380,000,000 bushels during the previous six years. District No. 6 (Atlanta) reports that the condition of the cane-sugar crop in Louisiana on September 1 indicated a production of 222,527 tons of sugar, as compared with a production of 169,127 tons in 1920.

## COTTON.

Picking and ginning of cotton is now in progress throughout the cotton belt. Since the issuance of the condition report of August 25, the cotton crop in district No. 11 (Dallas) has suffered serious damage from a tropical storm which swept 20 counties of Texas. District No. 6 (Atlanta) states that boll weevils have continued to be very active throughout Georgia, and, as a result, the crop in 32 counties is estimated to be less than 30 per cent of normal. The Alabama crop, on the other hand, showed some improvement during the past month. Reports from district No. 10 (Kansas City) indicate that the Oklahoma crop has been seriously damaged by

hot weather and drought, and has also suffered during September from the continued activities of the boll weevil, the boll worm, and the army worm. District No. 8 (St. Louis) reports that the depredations of the boll weevil continued unchecked during September, and that the crop has continued to deteriorate at quite as disastrous a pace as in August. The adverse news concerning the condition of the cotton crop resulted in an increase in the price of cotton at New Orleans from 12 cents per pound on August 16, to 19 cents per pound on September 16. Cotton growers in general seem to consider that this appreciation in cotton values more than compensates them for the reduction in the volume of their crop.

## TOBACCO.

As a result of favorable weather conditions during August, the average condition of the tobacco crop increased from 67 per cent on August 1 to 71 per cent on September 1, and the estimated production on the latter date was 948,324,000 pounds. The increase was found in both the cigar and manufactured and export types. The North Carolina and Virginia crops are far below last year, the second being estimated as the smallest since 1907, and on account of unfavorable weather much of the crop is of poor grade. Harvesting was in progress in general during September and has been completed in some sections. The South Carolina markets have closed, the crop having been short and on the whole of unsatisfactory quality. Good tobacco brought satisfactory prices, but low grades were difficult to sell at any price. The eastern North Carolina markets opened early in September and repeated the situation found earlier in South Carolina.

The demand for cigars and cigarettes in district No. 3 (Philadelphia) apparently shows further improvement. Cigar manufacturers in general report increased sales since June. Eight and 10 cent cigars continue to be the best sellers. Operations are still less than at this time last year but they are steadily increasing.

## FRUIT.

There was little change in the condition of the deciduous and citrus fruit crops during August. The deciduous fruit crops this year are the smallest in a generation. On September 1 the production of apples was estimated at 107,000,000 bushels, as compared with a forecast of 109,000,000 bushels on August 1, and an average production of 193,000,000 during the last six years. This is the smallest apple crop since 1890. The forecasted production of peaches was 33,000,000 bushels, a

decline of 13,100,000 bushels from the average production of the years 1915 to 1920, inclusive. It is estimated that the pear crop will amount to 9,475,000 bushels, as compared with 17,279,000 bushels in 1920. The condition of the watermelon crop is the best of any crop planted this year, and is 121.7 per cent of its average condition during the last 10 years. District No. 6 (Atlanta) reports that there have been large yields of watermelons in Mississippi and Tennessee. The Florida crop of citrus fruit is estimated to amount to 13,600,000 boxes, as compared with 13,200,000 boxes in 1920. The yield of grapefruit in that State will be exceptionally large, while the crops of limes and tangerines will be below normal.

#### GRAIN MOVEMENTS.

Receipts of grain at primary markets were greater in August than in July and exceeded the receipts in any other month on record. This was due mainly to the large receipts of winter and spring wheat. Receipts of wheat at Minneapolis and Duluth during August totaled 21,911,320 bushels, as compared with 11,261,947 bushels in July and 9,297,800 bushels in August, 1920. Wheat receipts at the four leading markets of district No. 10 (Kansas City) amounted to 29,955,300 bushels in August, as compared with 32,789,400 bushels in July and 15,942,000 bushels in August, 1920. Receipts of corn and oats also showed large increases in August. At Chicago, 16,810,000 bushels of corn and 16,722,000 bushels of oats were received during August, as compared with 8,954,000 bushels of corn and 10,722,000 bushels of oats in July. The August movement of corn to the four leading markets of district No. 10 (Kansas City) was 96.3 per cent greater than that of a year ago, while the volume of oats marketed was 36.8 per cent larger than in August, 1920. Stocks of grain at interior centers also increased, except in the case of corn. Terminal elevators at Minneapolis and Duluth reported that stocks of grain and flax amounted to 31,056,927 bushels on August 31, 1921, an increase of 47 per cent over the stocks on July 30, 1921, and an increase of about 670 per cent over the stocks reported on August 31, 1920. Stocks of oats in these elevators have shown a particularly large increase and amounted to 21,567,259 bushels on August 31, as compared with 15,919,084 bushels on July 30 and 1,228,883 bushels on August 31, 1920.

#### FLOUR.

Production of flour has been maintained at a high rate. The output of mills producing 75

per cent of the total production of district No. 9 (Minneapolis) during the four weeks ending August 27 was 2,289,335 barrels, an increase of 22 per cent over the output of 1,871,265 barrels during the four weeks ending July 30. Reporting mills in district No. 10 (Kansas City) show an output of 2,482,618 barrels during August, which was 31 per cent greater than the July output of 1,902,527 barrels. Average production in district No. 12 (San Francisco) was 662,190 barrels for 70 millers, as compared with 598,615 barrels for 72 millers in July. In considering these figures, it should be remembered, however, that for the United States as a whole, average August production for the seven years 1914-1920, inclusive, was 32.8 per cent in excess of July production. The output during the present year is, however, 29 per cent in excess of production during August, 1920, in district No. 9 (Minneapolis) and 72 per cent greater in district No. 10 (Kansas City). Flour shipments from Minneapolis and Duluth during August were 24 per cent greater than during July and 14 per cent greater than during August, 1920, while August shipments from Kansas City were 29 per cent greater than during July and 61 per cent greater than in August, 1920. The milling situation in the Southwest has very materially improved, while "the unanimous comment of 12 reporting mills" in district No. 8 (St. Louis) "is that business during the past two months has undergone a marked change for the better." Export inquiry holds up excellently in that district, and the demand for domestic consumption, especially from the South, has been better than at any time in more than a year. A moderate export movement of clears is reported in district No. 10 (Kansas City), and a fairly heavy demand from nearly all sections of this country. Wheat flour prices were lower at the opening of September than they were a month earlier, but subsequently increased again.

#### LIVE STOCK.

Live stock on farms and ranges in general continues in good condition, although some sections in district No. 11 (Dallas) have been adversely affected by drought and heat. Movement to market has been very heavy, and efforts to hold it in check were not wholly satisfactory. Receipts of cattle and calves at 15 western markets during August were 1,418,237 head, corresponding to an index number of 141, as compared with 940,173 head during July, corresponding to an index number of 93. Receipts of sheep increased from 1,035,674 head during July to 1,568,584 head during August. The respective index numbers are 76 and 115. Receipts of hogs, however, decreased

from 2,021,268 head during July, corresponding to an index number of 92, to 1,919,514 head during August, corresponding to an index number of 87. The movement of cattle and calves and of sheep was, however, smaller than a year ago, although that of hogs was larger. August, 1920, receipts of cattle and calves were 1,451,985 head, of hogs 1,784,209 head, and of sheep 1,687,787 head, while the respective index numbers were 144, 81, and 124. A feature of the situation, states district No. 10 (Kansas City), is the dearth of good corn-fed cattle, and the greater volume of receipts have been light grass-fed stock. There is, however, a shortage of cattle in the West, and the delay in the feeder movement this year has resulted in a large number of good western cattle going to slaughter instead of back to the farms. Increase of the feeder movement in August has been noted, and feeder shipments of cattle and calves from 34 markets increased from 120,429 head in July to 353,619 head in August, while shipments of sheep increased correspondingly from 138,414 head to 367,042 head.

As a result of the heavy movement, cattle prices in general fell, and at Chicago even affected some of the corn-fed grades of cattle. Similar changes were noted in the case of hogs and sheep. Thirteen reporting packers in district No. 7 (Chicago) show decreases of 13.5 per cent in dollar sales in August as compared with July, and 35.2 per cent as compared with August, 1920, due in part to the decline in prices. A gradual improvement in the demand for fresh meats was in evidence in that district from the middle of August to the middle of September, but some surplus found its way into the freezers. Wholesale prices, however, in general declined. Stocks of fresh and cured meats declined somewhat during August.

#### COAL.

Production of bituminous coal increased somewhat during August, but was still far under the normal figure for that month. It was 34,538,000 tons, corresponding to an index number of 93, as compared with 30,394,000 tons for July, corresponding to an index number of 82. Compared with the average for the eight years preceding, 1921 production is 62,000,000 tons in arrears and is steadily falling still further behind. Purchasing has increased somewhat in district No. 3 (Philadelphia), but domestic buying continues to be almost entirely for spot coal. Export demand is reported very small. Retailers' yards in districts No. 5 (Richmond) and No. 6 (Atlanta) are well stocked, and consumers have been slow in placing orders. An increase in the demand for domestic sizes in district No. 7 (Chicago) is reported, and the

scale of operations in Illinois and Indiana has accordingly increased somewhat. Operating conditions in district No. 10 (Kansas City) show no material improvement, and during September there has been a further slowing down of operations. Although spot prices of certain grades have fluctuated considerably, the average price remains practically unchanged. Future quotations, states district No. 3 (Philadelphia), are much higher, but consumers show little interest in the contract market.

During the past few weeks the consumer has displayed more interest in purchasing anthracite coal. Demand for the most popular size, stove coal, has increased to such an extent in district No. 3 (Philadelphia) that dealers are having difficulty in filling orders promptly. Orders for other sizes have also increased. August production increased to 7,196,000 tons, as compared with 7,050,000 tons in July. The respective index numbers are 97 and 95. The larger companies made the usual 10 cents per ton advance on mine prices on September 1. Independent operators, many of whom underbid the companies during the slack summer period, have again advanced quotations, which are now 10 to 40 cents per ton higher for prepared sizes than the company levels. The continued sluggishness of the small sizes, however, combined with lack of storage facilities, has forced them to dispose of these grades at prices considerable lower than those of the companies. Some of the independent mines which were closed on account of the slack demand during the early part of August, have lately resumed operations. The output of beehive coke, although showing an appreciable increase, is still less than 15 per cent of normal, but the output of by-product coke is from 40 to 50 per cent of normal. Producers' stocks have decreased as a result of renewed demands from iron and steel manufacturers, and spot prices in district No. 3 (Philadelphia) have stiffened materially.

#### PETROLEUM.

The decline in petroleum production, which commenced in July, continued at a somewhat accelerated rate during August. This was largely due to a marked curtailment in drilling operations. Demand for both crude and refined oils showed some improvement during August, but prices of most refined petroleum products continued to decline on account of the large stocks on hand. Prices of fuel oil, however, showed a slight increase during the early part of September.

District No. 10 (Kansas City) reports that development operations have been curtailed in



recent months to a point where fewer wells are now being drilled than at any other time in the last three years. Only 480 wells, with an initial daily production of 69,787 barrels, were completed in August, as compared with 640 wells, with an initial daily production of 77,997 barrels, in July. The total output of crude petroleum in Kansas and Oklahoma amounted to about 13,000,000 barrels in August, as compared with 13,598,000 barrels in July. Production of crude oil in district No. 11 (Dallas) totaled 10,538,893 barrels during August, a decline of 127,453 in comparison with the July output. In this district only 223 new wells, with an initial daily production of 27,302 barrels, were completed in August, as compared with 251 wells, with an initial flow of 60,810 barrels, in July. Average daily California production declined from 331,252 barrels in July to 323,676 barrels in August, but consumption decreased even more, and stored stocks at the end of the month therefore increased to 33,829,725 barrels. Eighty-three new wells were completed, with an initial daily new production of 20,895 barrels, as compared with 76 new wells, producing 19,675 barrels, in July.

#### IRON AND STEEL.

After a continuous decline since October, 1920, pig-iron production showed an increase during August. The output during that month amounted to 954,193 tons, as compared with 864,555 tons during July. The respective index numbers were 41 and 37. The number of furnaces in blast remained unchanged. Steelingot production showed a somewhat greater increase, from 803,376 tons to 1,138,071 tons. The respective index numbers were 35 and 49. This increase in output was not, however, accompanied by a similar increase in orders for advanced delivery, as the unfilled orders of the United States Steel Corporation declined from 4,830,324 tons at the close of July, corresponding to an index number of 92, to 4,531,926 tons at the close of August, corresponding to an index number of 86.

There is now a generally stronger tone in the industry. The improvement which made its appearance in August has become somewhat more marked. This is noticeable in the case both of pig iron and of certain finished products. The demand for pig iron has broadened to some extent, and more interest is displayed in contracting for future delivery. Total sales in August were the best of the year by a substantial margin and shipments improved in an even greater proportion. Prices hardened considerably during the latter part of August after having dropped to low levels earlier in the

month, and some increases are reported during the present month. Whereas the gain in August pig-iron production was due principally to the operations of steel works stacks, several merchant furnaces have been blown in since the 1st of September. The situation with respect to finished steel products, however, is still uneven and conditions are unsettled. Manufacturers of certain of the lighter products, notably wire and sheets, have booked considerable tonnage and have advanced prices. In other lines, however, particularly shapes and bars, further price reductions have been made, and buyers in these lines still are unwilling to place orders for future delivery.

#### AUTOMOBILES.

August shipments by automobile manufacturers showed some increase over the July figures. Carload shipments were 20,350 carloads, as compared with 19,470 in July and 23,386 in August, 1920. Driveaways, however, decreased somewhat and were about one-half those in August, 1920, and the same is true of boat shipments. Keen competition continues among manufacturers and further cuts have been made on certain cars. In spite of those reductions, reports from representative manufacturers, it is stated from district No. 7 (Chicago), seem to indicate that any increases in sales by individual manufacturers have been at the expense of other manufacturers, rather than a result of the development of new demand. The condition of truck manufacturers has been less favorable than that of manufacturers of passenger cars. Immediate orders, it is stated from district No. 4 (Cleveland), are at low ebb, but inquiries have recently been increasing.

#### NONFERROUS METALS.

There was a slight improvement in the demand for nonferrous metals in the early part of September. The price of copper (New York, net refinery) was 11½ cents per pound on September 14, as compared with 11¼ cents per pound on September 1, while the price of lead at New York increased from 4.4 cents per pound on September 1 to 4.6 cents per pound on September 14. The demand for zinc continued to be very light, and the price at St. Louis remained practically unchanged during the last month. Copper production in August amounted to 20,019,000 pounds, in comparison with a production of 16,390,000 pounds in July. There was a further curtailment of zinc production, from 15,495 tons in July to 14,621 tons in August. Shipments of zinc, however, showed a considerable increase in August, which resulted in reducing

the stocks on hand from 92,408 tons on August 1 to 86,549 tons on August 31. This stock of zinc is not regarded as excessive, as it represents no more than three months' normal consumption. Only about 3,000 miners were working underground in zinc and lead mines of district No. 10 (Kansas City) at the end of August, as compared with 12,000 to 15,000 during the years 1915 to 1917, inclusive. The demand for both zinc and lead ores from that district continued to be restricted, but there was an advance of \$2.50 per ton in the price of lead ore during August.

#### COTTON TEXTILES.

The unexpectedly rapid advance in the price of raw cotton has introduced such an element of uncertainty into all branches of the cotton textile industry that it has been necessary for many interests to "mark time" and to await developments. There appears to be a great difference of opinion concerning the future changes in the market for raw cotton, and consequently there is a general unwillingness to enter into contracts for future delivery based on present prices of cotton. As many mills have been carrying stocks which are below normal, they are not in a position to enter into new contracts unless account is taken of recent price increases. Distributors, on the other hand, fear that attempts to pass on price advances will cause undue restriction of demand on the part of the consuming public. As a result, both distributors and manufacturers have in many instances withdrawn lines until a greater measure of stability in the cotton market can be counted upon to afford a basis for safe calculation. Yarn prices have advanced with the increase in the price of the raw material and have been especially heavy in long-staple yarns. In the yarn market, likewise, there are practically no future contracts being entered into. In district No. 6 (Atlanta) reports from 34 representative yarn mills showed a decided advance in production during the month of August of 14.4 per cent, as measured in pounds, while totals were only 8.7 per cent below the figures for a year ago. Orders at the end of August were 56.4 per cent above those on hand at the end of the preceding month, while shipments during the month advanced 36.9 per cent. Thirty-three representative cotton-cloth mills in the district were producing a yardage 7.2 per cent greater in August than in July, but the figures were 39.8 per cent below those for August, 1920. Orders on hand at the end of August were 7.8 per cent above those for the end of July. In district No. 5 (Richmond) it was reported at

the date of writing that mills were running "on approximately full time" and that many of them had sold out their products for several months ahead. In this district, too, some of the textile mills, since the rise in the price of cotton, have withdrawn goods not previously contracted for, and it remains to be seen how much buying will be done when these goods are offered at an advance in price. The amount of raw cotton consumed during August amounted to 467,103 bales, as compared with 410,120 bales in July. The total was slightly below consumption of August, 1920, which amounted to 483,560 bales.

#### FINISHERS OF COTTON FABRICS.

Reports received from 34 members of the National Association of Finishers of Cotton Fabrics showed a large increase in the total gray yardage of finishing orders received during the month. The output rose from 82,734,438 yards to 101,741,412 yards. The total finished yards billed during August amounted to 95,915,235, as compared with 85,233,724 during July. The total average percentage of capacity operated during the month of August rose to 71 from an average of 62 in July. The increase in the average work ahead at the end of the month was slight, amounting to 9.6 days as compared with 8.9 at the end of July.

#### WOOLEN TEXTILES.

The woolen industry in New England continues to maintain a high degree of activity, and woolen and worsted mills are operating at about 80 per cent of capacity at the present time. The monthly consumption of wool, which was only slightly above 12,000,000 pounds last December (grease equivalent basis), has risen to about 35,000,000 pounds in the New England section, while wool consumption for the country as a whole amounted to 58,261,000 pounds for August, as compared with 53,076,000 pounds for July. District No. 1 (Boston) reports that the Boston wool market "continued to be moderately active during September and prices paid for finer grades were firm." In district No. 3 (Philadelphia) carpet wools, long inactive because of the strike of carpet and rug weavers, are now in demand. There has been some shift of demand from woolen to worsted goods, and consequently production of the latter has increased, while there has been a slight falling off in the production of woolens. Duplicate orders for the heavy weight fall season of 1921 and buying for the spring of 1922 is at the present time much less active than it was earlier in the present season.

The special inquiry into the clothing industry, which is made each month by district No. 7 (Chicago), indicates that there was not much change in general conditions during the month of August. The number of suits made by reporting wholesale clothiers increased somewhat during August as compared with July and was about equal to the output during August, 1920, except in the case of one concern, which showed a large increase. The 13 reporting firms representing tailors-to-the-trade showed an output for August substantially the same as for July, although the number of suits made during the month was 42.8 per cent below the totals for August, 1920. Replies to questionnaires sent to 23 leading clothing firms by district No. 8 (St. Louis) indicated a fairly steady improvement in demand. The reporting establishments in that district were stated to be sold up for the next two months, with excellent inquiry for fall and winter goods and marked improvement in orders from the South for the fall.

#### SILK.

The silk industry in the Paterson and North Hudson section showed lessened activity during the two weeks ending September 12 as compared with the preceding period of two weeks. In the North Hudson section 2,848 looms were producing out of a total of 4,670, which was a slight increase over the number reported for the previous two weeks' period of 2,812; but the percentage of loom hours to the total possible was only 47.1 per cent, as compared with 60.3 per cent during the preceding period. Only 4,002 out of a total of 15,000 looms were producing in Paterson, a drop from 4,447 for the preceding two weeks. The percentage of loom hours also fell from 27.5 per cent to 22.9 per cent. District No. 3 (Philadelphia) reports a falling off in demand for broad silk and silk ribbons. Mills in the district state that production is still curtailed and they are operating at about 70 to 85 per cent of capacity. Even so, some firms say that stocks are "gradually accumulating." It is said that "conditions prevailing in the silk-goods trade are reflected in the thrown-silk market. Operations have been reduced by many throwsters to only 50 per cent of capacity. Prices remain at about the same level as last month, but they are considerably lower than were those of 1920." There is little demand for raw silk at the present time, but both consumption and imports showed a marked increase as compared with August a year ago. In August of last year imports of raw silk amounted to 16,106 bales and consumption to 17,241 bales, while this

year imports totaled 33,823 bales and consumption 32,790 bales.

#### HOSIERY AND UNDERWEAR.

Business in knit-goods lines and in hosiery has felt seriously the effect of the rise in the price of cotton yarns. District No. 3 (Philadelphia) states that activity in cotton and mercerized hosiery has come almost to a standstill, while conditions in the underwear trade "are such as to force the majority of manufacturers into the position of mere onlookers waiting for a stabilization in prices." The business in silk hosiery continues to be good and mills making full-fashioned hosiery in district No. 3 are running at full capacity. During August 25 firms selling to the wholesale trade stated that there was an increase of 14.2 per cent in product manufactured as compared with July and of 31.7 per cent as compared with August, 1920. Orders booked during August were, however, 31.9 per cent below those for July, although 56.1 per cent in excess of those received during August, 1920. Unfilled orders at the end of August were 17.1 per cent less than at the end of July, but 24.4 per cent above those of August 1920. In the case of firms selling to the retail trade the product manufactured declined slightly during August by 0.4 per cent as compared with July; orders booked were 38.4 per cent less during August, unfilled orders on hand declined 28.9 per cent and were 26.1 per cent below those for the end of August, 1920. The reports received from 41 members of the Knit Goods Manufacturers of America engaged in producing underwear showed substantial improvement in output during August as compared with July. Mills producing 255,829 dozens in July had an output of 279,600 dozens in August, a gain of 9 per cent. Unfilled orders the 1st of July amounted to 372,514 dozens and had risen to 395,902 dozens on August 1, or 6 per cent. New orders rose from 238,258 dozens in July to 444,243 dozens in August, or 9 per cent. Shipments also increased from 233,972 in July to 360,787 in August, or 5 per cent. Production reports from 34 representative mills comparing July with August indicate the following substantial gain: Unfilled orders, 23,888 dozens; new orders, 205,985 dozens; shipments, 126,815 dozens; production, 23,771 dozens. Five mills still remain closed, but those in operation show an increase in production of more than 20 per cent over July. Confidence is being restored and as a result production and distribution are gaining slowly but steadily. Both summer and winter lines rose in equal

proportion during this month, indicating a return to normal seasonal channels of distribution. Prices were firmer, business was broader, and it is believed the period of deflation is over for the present.

#### SHOES AND LEATHER.

Prices of green hides registered little change during the first three weeks of September. Lambskins have increased somewhat in price, while calfskins have shown a slight decline. Production of green cattle hides increased during August, but showed a moderate decline in the early part of September. District No. 7 (Chicago) reports that trading in packer hides has been very active at Chicago, whereas the market for country hides has been very quiet. Tanneries in district No. 7 (Chicago) report an increase in volume of sales of leather during the first two weeks of September. Operations of upper leather tanneries on September 10 were between 75 and 80 per cent of normal. District No. 3 (Philadelphia) states that upper leathers were less active in September than August. Sole leather, however, has been in good demand, and there has been a substantial increase in orders from the repair trade. There has been a slight improvement in sales of belting leather, but no price changes have been reported. The activity of the boot and shoe industry continued to increase during August for the ninth successive month. The August production of nine leading shoe manufacturers in district No. 1 (Boston) was 13.4 per cent greater than in July, while shipments increased 27.5 per cent. Unfilled orders declined somewhat during August, but the volume of new orders was larger than in August, 1920. Forty-four shoe firms in district No. 3 (Philadelphia) report for August that production increased 26.7 per cent, shipments 81.4 per cent, and new orders 31 per cent over figures for July. Orders on hand, however, decreased 12.2 per cent during the month. Shipments by 11 reporting manufacturers in district No. 8 (St. Louis) during August ranged from 20 to 40 per cent larger than in August, 1920. Four of the largest interests in that district are now producing more goods than at any time in the past. Fourteen manufacturers in district No. 7 (Chicago) produced in August 19.5 per cent more shoes than in July, and 15.9 per cent more shoes than in August, 1920. Shipments by these manufacturers were 24.7 per cent greater than in July and 34.5 per cent greater than in August, 1920. All Chicago factories report an improvement in the demand for men's shoes, but some recession in the demand for women's shoes.

#### LUMBER.

Reports from the several lumber districts indicate improving conditions and a more optimistic attitude generally in the lumber trade. District No. 12 (San Francisco) reports that there has been some improvement in the district for upper grades of Douglas fir during September; spot prices of California redwood, white pine, and sugar pine have remained stationary or receded. Four lumber associations in that district report a cut of 356,233,000 feet for the four weeks ending August 27, which was 81 per cent greater than during the four weeks ending July 30. New orders increased from 263,416,000 feet in July to 331,316,000 feet in August. About 75 per cent of the lumber mills capacity in the Pacific Northwest and 60 per cent in the inland empire is reported as being in operation, while logging operations are only 40 per cent of normal. In district No. 11 (Dallas) 36 pine mills report an improvement in demand in August. Orders received by these mills during the month were 88 per cent of the normal monthly production, while orders booked during July represented but 66 per cent of the normal monthly production. Orders received from railways for car repair materials account for the greater proportion of this increase. In district No. 6 (Atlanta) 130 mills, members of the Southern Pine Association, report orders received during August to be 5.7 per cent greater than the normal production of these mills. Actual production was 67,766,786 feet, approximately 24.3 per cent less than normal. The shipments showed an increase each week and totaled 78,454,426 feet for the month, which is but 9.7 per cent below normal production. This district reports the reopening of some mills which had been closed during July. Present prices are much lower than those which prevailed a year ago, but the market is reported to be considerably stronger than it was during July. District No. 8 (St. Louis) reports an increasing demand for yellow pine but a quiet hardwood market. Production of hardwood remains at a very low level, due to low prices and the present high freight rates. In district No. 9 (Minneapolis) the reported August lumber cut totaled 12,549,909 feet, which was about 5 per cent less than in July, but which was 56 per cent less than in August of last year. The stocks of lumber manufacturers showed less than a 1 per cent decrease from the total at the close of July, and a 29 per cent increase over the stocks on hand on August 31, 1920. Lumber shipments in this district during August increased 24 per cent over the July figure in contrast with declines in August shipments in both 1919 and 1920.

## BUILDING.

The total value of contracts awarded (compiled by the F. W. Dodge Co.) indicates an increase during August as compared with July, and as compared with August of last year. Four of the seven districts for which contract figures are available show a considerable increase over July, while districts No. 4 (Cleveland) and No. 9 (Minneapolis) show decided decreases. Contracts awarded during August in district No. 1 (Boston) amounted to \$19,276,295, as compared with \$19,298,334 during July. About \$6,702,583 of this total was for residential purposes, as compared with \$6,672,758 during July. In district No. 2 (New York) contracts awarded totaled \$62,043,905, as compared with July contract figures of \$54,500,566, and residential building amounted to \$36,061,717, as compared with \$22,546,142 during July. Contracts for district No. 3 (Philadelphia) amounted to \$22,350,500, as compared with \$13,563,100 during July. Of this total, \$5,331,500 was for residential building, as compared with \$2,971,900 during July. In district No. 4 (Cleveland) total contracts for August were \$26,665,555, in comparison with \$35,669,377 for July. Of these, residential contracts amounted to \$8,209,645, in comparison with \$8,319,248 during July. Total contracts for district No. 5 (Richmond) totaled \$17,337,624 during August, as compared with \$16,026,969 during July. Residential building amounted to \$5,938,417 in August, as compared with \$5,335,545 in July. In district No. 7 (Chicago) total contracts awarded amounted to \$44,680,034 during August, in comparison with \$41,119,866 during July, and residential building amounted to \$10,424,029 in comparison with \$7,382,427 during July. Contracts for district No. 9 (Minneapolis) totaled \$9,173,552 in August, as compared with \$12,651,007 in July. Of this amount, \$2,975,503 was for residential purposes as compared with \$3,758,504 in July.

In district No. 2 (New York) 8,188 permits were issued during August, valued at \$55,534,223, as compared with 5,071 permits, valued at \$35,952,930, during August, 1920. Permits granted in nineteen cities of district No. 7 (Chicago) numbered 6,157, valued at \$25,578,330, as compared with 5,346 permits, valued at \$15,539,077, granted during the corresponding month of last year. The number and valuation of building permits issued during August in nine cities of district No. 9 (Minneapolis) increased 27 and 34 per cent, respectively, as compared with the July figures.

In the districts for which no contract figures are prepared, district No. 6 (Atlanta) reports that the number of permits granted in fourteen

cities during August totaled 3,437, valued at \$5,304,592, as compared with 2,007 permits, valued at \$4,057,181, granted during August, 1920. In four cities of district No. 8 (St. Louis) 1,971 permits, valued at \$3,325,791, were issued during August in comparison with 1,302 permits, valued at \$2,751,877, issued during the corresponding month of 1920. Reports from sixteen cities of district No. 10 (Kansas City) for August show a gain of 54.8 per cent in the number of permits granted and 93.8 per cent in the estimated cost, as compared with August, 1920. This is the largest percentage of gain that has been shown in any month this year over the corresponding month last year. In nine cities of district No. 11 (Dallas) 2,814 permits, valued at \$6,401,268, were issued during August, in comparison with 1,548 permits, valued at \$2,950,694, issued during August, 1920. The value of building permits for twenty cities of district No. 12 (San Francisco) amounted to \$17,126,365 in August, as compared with \$15,080,736 in August of last year, and the number increased from 7,577 to 10,096.

## EMPLOYMENT.

There were no noteworthy changes in the employment situation during the month of August, the period covered by the latest report of the United States Department of Labor. Decreases were recorded in five of the fourteen reporting industries, but it is noticeable that in two of these five industries—namely, woolen textiles and cigar manufacturing—the numbers employed in August were 114 per cent and 4.5 per cent, respectively, above those employed during August, 1920, while in the case of the silk industry the employment figures were only 2.2 per cent below those given for a year ago. There was an increase of 4.9 per cent in numbers employed in the iron and steel industry during the month as compared with the July figures. On the other hand, there was a slight decline for bituminous-coal mining of 1.6 per cent. The special report on employment conditions, which is regularly made by district No. 7 (Chicago), covers 237 manufacturing concerns, employing at the present time 138,237 men. The employment in these factories increased 1.4 per cent in August for the district as a whole and 1.2 per cent for the establishments located in Chicago. These figures coincide very closely with those for the general survey of the Department of Labor, which showed an increase of 1.08 per cent in numbers employed for the industries covered. District No. 8 (St. Louis) likewise made special inquiry in regard to the employment conditions in the 21 largest cities of that district, and reports that in establishments with a nor-

mal complement of 215,784 workers, numbers employed August 1, 1921, were 165,874, a decrease of 21.3 per cent as compared with August 1, 1920. Reports made by the various State departments of labor indicate a slight improvement in conditions during the month of August.

In Pennsylvania the State Department of Labor estimates that unemployment in the six cities of Altoona, Harrisburg, Johnstown, Philadelphia, Scranton, and Williamsport has steadily declined since August 15, the figures for September 15 of numbers unemployed being 3.8 per cent below those of August 31, which in turn were 2.5 per cent under returns of August 15. In district No. 5 (Richmond) conditions were reported to be less favorable for unskilled workers, but they had improved in the building trades, the textile mills, and railroad work. The strike in the mills around Charlotte has been settled, and there has been a resumption of activity in that region. In district No. 10 (Kansas City) operating conditions in the mining sections showed no material improvement. A survey of labor conditions disclosed the fact that in Missouri, in the zinc and lead mining districts, "there were only 270 miners working underground, while there were 800 in Kansas and 2,200 in Oklahoma, a total of slightly over 3,000 men, as compared with 12,000 to 15,000 during the period of 1915 to 1917. There were but 35 mills working out of 208 in the district, which is another criterion of the inactivity now prevailing in the zinc industry as compared with previous years." Although in district No. 12 (San Francisco) there has been a slight increase in employment in Oregon and Washington due to seasonal activities and public works, the situation in California has become aggravated by an influx of workers from outside points. Reports indicate that about 45,000 are unemployed in that State. There has been no increase in the activity in the metal mining in Arizona, Nevada, and Utah, but nevertheless some decrease in unemployment has resulted from greater building activity and increased work on public improvements and for railroads.

#### WHOLESALE TRADE.

Sales of reporting wholesale firms in three lines, hardware, dry goods, and boots and shoes, showed an average advance in August as compared with July for every district. Increases in wholesale grocery sales also occurred in districts No. 2 (New York), No. 3 (Philadelphia), No. 5 (Richmond), No. 6 (Atlanta), No. 7 (Chicago), and No. 11 (Dallas). In district No. 10 (Kansas City) and district No. 12 (San Francisco), however, decreases

were recorded amounting to 7.2 per cent with four firms reporting, and 9.8 per cent with twenty-nine firms reporting, for the respective districts. Apparently the need of replenishing retail stocks allowed to run down during the summer largely explains the increases in grocery sales. District No. 3 (Philadelphia), with an increase of 10.4 per cent for forty-eight reporting grocery firms, states that there is comparatively little tendency to buy for the future, and this testimony is corroborated by similar statements from other districts. The fall demand for dry goods and boots and shoes has resulted in especially heavy advances in these two lines. In four districts, namely, district No. 2 (New York), No. 5 (Richmond), No. 9 (Minneapolis), and No. 11 (Dallas), there were increases in dry goods sales in excess of 50 per cent, ranging from 50.6 per cent for district No. 5 (Richmond), with eight firms reporting, to 54.2 per cent for district No. 11 (Dallas), with eight firms reporting. In district No. 7 (Chicago), with six firms reporting, dry goods sales increased 43.1 per cent and in district No. 6 (Atlanta), 45.5 per cent, eighteen firms reporting. The minimum increase occurred in district No. 12 (San Francisco), with ten firms recording an advance of 29 per cent. In the case of boots and shoes, five reporting districts, No. 2 (New York), No. 5 (Richmond), No. 6 (Atlanta), No. 7 (Chicago), and No. 12 (San Francisco), showed increases ranging from 29.8 per cent for thirteen reporting firms in district No. 12 (San Francisco) to 84.3 per cent for the eight reporting firms in district No. 5 (Richmond). The increases in sales of wholesale hardware have been much less pronounced, the minimum advance being 1.2 per cent for ten firms in district No. 2 (New York), the maximum 18.4 per cent for eleven firms in district No. 11 (Dallas). Notwithstanding these heavy seasonal increases in sales, sales expressed in terms of value are still far below the figures for August, 1920, although in the majority of cases the volume of sales compares favorably with the returns for a year ago, generally being as large or in some instances larger than in August, 1920, except in the case of hardware lines. Caution in placing orders and unwillingness to make extensive commitments for the future continue to characterize the attitude of the retailer, despite the fact of general improvement in current business.

#### RETAIL TRADE.

The value of sales for retail trade in August continued to be less than last year. The fact that price reductions have been relatively greater than reductions in value of sales would seem to indicate that the physical volume of retail trade was actually larger than in August,

1920. The commodities which seem to be selling best are furniture, knitting yarns, and cotton piece goods. August reports for 330 department stores throughout the United States show a moderate improvement over those for July. Average sales for these stores were 11.9 per cent less than in August, 1920, whereas average sales for July were 15.1 per cent less than in July, 1920. The improvement seems to be mostly confined to the East, as districts No. 7 (Chicago) and No. 11 (Dallas) show a decrease from last month and other western districts still show a large decrease compared with last year. Reports of these 330 representative department stores show a decrease from August, 1920, amounting to 4.5 per cent in district No. 1 (Boston), 5.2 per cent in district No. 2 (New York), 4 per cent in district No. 3 (Philadelphia), 21 per cent in district No. 4 (Cleveland), 9.8 per cent in district No. 5 (Richmond), 31.3 per cent in district No. 6 (Atlanta), 18.8 per cent in district No. 7 (Chicago), 11.7 per cent in district No. 8 (St. Louis), 11 per cent in district No. 9 (Minneapolis), 8.9 per cent in district No. 10 (Kansas City), 23.3 per cent in district No. 11 (Dallas), and 6.2 per cent in district No. 12 (San Francisco). The stocks on hand at the end of August were very much lower than a year ago, but were slightly greater than at the end of July. The rate of stock turn-over has changed little, although it shows a slight tendency to decline. Orders in August continued at about the same high level as in July.

#### PRICES.

During the first three weeks of September prices of most basic commodities advanced or showed little change from the August level. In the case of live stock the tendency was the reverse, hogs showing particular weakness, but certain other agricultural commodities, such as cotton, wheat, oats, and wool, advanced. The 50 per cent increase in the price of cotton during the course of the month led to large nominal advances in yarn and cloth prices and stimulated demand for allied commodities. In the woolen industry raw materials were firm and showed a tendency to advance in the middle of the month, while yarn and cloth prices in general remained unchanged. No important fluctuations occurred in hide and leather prices. The September quotations are approximately the same as those for August.

Prices of pig iron are slightly higher than a month ago, while semifinished steel products with some exceptions are lower. Large price cuts in the steel industry, however, appear to have come to a halt. Prices of nonferrous

metals advanced during the month. No important changes occurred in the prices of building materials, while there was a hardening tendency in coal and oil prices.

Wholesale index numbers are not yet available for September, but the August figures for "all commodities" show small increases over the July averages. The index number of the Federal Reserve Board, constructed primarily for international comparisons and computed with prices in 1913 as 100, gives an average of 143 in August as compared with 141 in July. The most important increases occurred in consumers' or highly manufactured goods. Decreases were registered in producers' or semifinished goods, while raw materials remained practically unchanged. Retail prices of foods continued to advance, the index number of the Bureau of Labor Statistics for August showing an increase of approximately 5 per cent over July.

#### SHIPPING.

During September some improvement was noticeable in the amount of cargo offered for shipment to foreign ports. The available steam tonnage remains, however, greatly in excess of shippers' requirements, with the result that ocean freight rates continued merely steady and substantially unchanged from the levels which were reached last June. An important factor contributing toward the steadiness of rates in recent months has been the large volume of grain shipped throughout the summer, thus keeping many ships in constant service. Owners of vessels are able to do little more than meet expenses with rates at current levels, and in many cases have preferred to lay up their ships rather than accept such partial cargoes as have offered. A development in the last week of September was the announcement of a reduction in rates to European ports by the several conference lines. This action is generally recognized as an effort to meet the competition of "tramp" vessels, which of late have been making inroads in the liners' business.

#### FOREIGN TRADE.

The value of our foreign trade in August is reported at \$372,000,000 for exports and \$195,000,000 for imports, leaving an export balance of \$177,000,000, which was only partially offset by net importations of gold to the amount of \$86,000,000. The values of both imports and exports show gains over July, exports being higher than in any month since March. Comparisons between the months of this year and similar periods last year are apt to be misleading on account of the far higher level of prices which then prevailed, so that while the

reported value of exports in the last few months has been only one-half as much as in the same months of 1920, the volume of exports stated in quantitative terms has actually been greater than a year ago. This means that the prices upon which the export valuations are based have declined more rapidly than have exports stated in terms of dollars. In substantiation of these facts it may be pointed out that the Board's foreign trade index, in which the effects of price changes have been eliminated, stands at 140.9 for exports in August, 1921, compared with 87.3 in August, 1920, and a monthly average during 1920 of 107.7. The index number for August, 1913, is 90.7, the 1913 monthly average being 100. The conclusion is therefore to be drawn that in volume our export trade is now larger than in 1920 or in the months shortly preceding the war.

### DEALING IN ACCEPTANCES.

#### DEFINITION OF TERM "DEALER."

The following description of methods employed in buying and selling acceptances is based upon the answers to questions furnished by the principal dealers in New York, Chicago, and Boston, who have kindly agreed to give this information. As the inquiry has been confined to dealers' practices, it is desirable to define the term "dealer" as it is employed in this article. An acceptance dealer is an individual, firm, or corporation engaged in actually buying and selling the acceptances of others. A portion of the profit that may be derived from such operations comes from disposing of the bill at a lower rate of discount than that at which it is bought, and bills are bought to be sold as speedily as possible. Thereby the acceptance dealer is to be distinguished from the investor on the one hand, and on the other, from institutions that find their profit in granting acceptance credits. Institutions that do a direct acceptance business may at the same time buy and sell acceptances of others in addition to handling their own obligations, but the term "dealer" has in general been restricted to those who "deal in" the acceptances of others. One reporting dealer, however, who has the privilege of accepting bills, has at times exercised that privilege to a considerable extent. Another dealer who also has the right to accept does not make use of it.

#### FUNCTION OF THE DEALER.

The function performed by dealers as intermediaries between accepting banks and houses on the one hand and investing banks and the public on the other is quite evident. In the

absence of a ready market for the sale of acceptances, an accepting bank may find it necessary to carry its own acceptances for the drawer, and in that case the accepting bank is put in the position not only of granting its credit to the drawer but of actually carrying him. The result is that the purpose of the establishment of the acceptance credit, namely, to lend currency to a bill on which the drawer can realize without engrossing the resources of the accepting bank, has been defeated. Or, if the bank is not constrained to hold its own acceptances, it may have no other recourse than to negotiate directly the sale of these acceptances to investment institutions. To do this effectively on any large scale, however, necessitates a considerable organization and a large variety of bills, and for many banks would be quite impracticable. Moreover, when bills are marketed directly by the acceptor, conditions are not as favorable for achieving an impartial appraisal of such offerings by the open market as they are when the bills have been subjected to a process of evaluation by passing through the hands of men whose business it is to deal in acceptances.

In short, the services of the dealers are similar to those performed by middlemen everywhere, i. e., the creation, or more exactly, organization of a market to which both buyers and sellers may resort without loss of time and in the expectation of finding a scale of prices, or, as in this case, of rates which reflect current market conditions. The existence of a market for acceptances which can be relied upon by sellers to absorb their offerings immediately depends upon the extent to which a professional dealer's demand has been built up, as direct reliance upon the investment demand means an appeal to a heterogeneous group, which in turn means numerous, uncoordinated, and uncertain markets. The dealers, however, in order to be in a position always to handle all legitimate offerings, must in their turn not only have established extensive contacts with many types of investors, but they should also be able at all times to secure sufficient funds at rates low enough to make it possible for them to carry large and well diversified portfolios at a moderate profit. The margin of profit secured by the dealer from the difference between his bid and offer prices is, in a well-developed market, more than compensated for, from the point of view of the seller, by the advantage that comes from instantaneous sale. By securing acceptances from various sources, dealers are also in a position to facilitate sales by the variety of their offerings as regards names, maturities, denominations, and other factors. And, being specialists, the



dealers are, as already indicated, in a position to arrive at the true open-market appraisal of the bills that pass through their hands. If one fails to do so, the competition of other dealers will force conformity. The result is the establishment of more equitable rates and a broader and more fluid market, which again encourages and, indeed, is an indispensable preliminary to a further extension of a properly conceived acceptance business.

#### NUMBER OF DEALERS FURNISHING DATA.

The information which follows is based upon reports received from dealers operating in New York, Boston, and Chicago. Of the six reporting dealers doing business in New York, two have their main offices in Boston. The Boston offices also made reports concerning the extent of their dealings in that market, while all other returns from Boston and from Chicago came either from branches or from correspondents of three of the six dealers mentioned.

#### PURCHASES OF NEW YORK DEALERS—AMOUNT AND SOURCES FROM WHICH OBTAINED.

In order to obtain an idea of the magnitude of dealers' operations in the several markets and the relative amounts purchased from various classes of holders, dealers were asked to state the average amounts of the portfolios carried during the year ending June 30, 1921, and the per cent of the total purchases obtained from drawers, from acceptors, from indorsers, and from all other sources. In New York the sum of the average amounts of the portfolios carried by six reporting dealers during the period in question was approximately \$54,000,000, and, considering the rapid turnover, it is evident that these dealers did a large volume of business in the course of the year. As a matter of fact, business done by nonreporting dealers in the New York market was so insignificant that the returns as given are practically inclusive. The greater part of the acceptances purchased by the six New York dealers came directly from accepting banks and, with one exception, were around 50 per cent or more of total purchases. The average amount of all purchases obtained from acceptors was 50.5 per cent (average weighted according to the size of the average portfolio); from indorsers, 16.3 per cent; and from all other sources, 33.2 per cent. Four of the six dealers who reported separately purchases obtained from drawers showed the following distribution: From acceptors, 48.6 per cent; from indorsers, 14.8 per cent; from drawers, 11.5 per cent; and from all other sources, 25.1 per cent. A

desire was expressed by a number of the New York dealers to encourage the presentation of bills directly by drawers or indorsers. It is evident that this preference lends support to the statement set forth above, namely, that the less the reliance placed by the drawer upon the accepting institution in disposing of his bill the more sharply defined becomes the fundamental character of the acceptance as a loan of credit and not a loan of funds by the accepting bank. Naturally, in the slow upbuilding of a new institution, the theoretically most desirable processes are not always immediately capable of adoption; and so it is in the present instance, as dealers who expressed a preference for receiving bills from the drawer or indorser nevertheless obtained not much more than a quarter of their holdings from those two sources.

#### PURCHASES OF BOSTON DEALERS.

The returns from three of the four reporting Boston dealers gave estimates of the average amounts of the portfolios carried during the year ending June 30, 1921. The sum of the averages so reported amounted to approximately \$5,000,000, but as the returns for the Boston market do not include all the local dealers, their significance is found chiefly in connection with statements of the sources from which these bills were obtained and the way in which they were distributed among investors. Over 90 per cent of the acceptances bought by three dealers were obtained from the acceptors. The combined percentages, weighted according to the size of the average portfolios, were 93.3 per cent for purchases from acceptors; 5.7 per cent from drawers; none from indorsers; and 1 per cent from other sources. A fourth dealer, who did not give actual percentages, stated that the largest supply of bills came directly from accepting banks and that direct purchases were made from only a few drawers.

#### PURCHASES OF CHICAGO DEALERS.

The average size of the portfolios carried by three reporting dealers in Chicago can not be exactly determined, but the sum of the averages was probably between \$3,000,000 and \$4,000,000 during the year ending June 30, 1921. No attempt has been made to average returns showing the percentages of total purchases obtained from various classes of holders, as the percentages showed such a wide spread that averages would be misleading. The major portion of the bills dealt in, however, came from acceptors.

## LOCATION OF ACCEPTING BANKS.

In all three cities the acceptances dealt in were in large part those of local institutions, but in the Boston and Chicago market they were in general obtained from a more restricted area than in the case of New York. Although the acceptances of New York institutions constituted at least 70 per cent or more of the purchases of at least three New York dealers for the year ending June 30, 1921, the New York houses nevertheless obtain bills over a wide area, and some of the reporting dealers make purchases in other large centers through the medium of branches or correspondents. Out-of-town business is generally secured largely by means of the telegraph and telephone, and its origin no doubt depends chiefly upon established connections made through other types of activity in the commercial paper and securities markets. Locally, representatives of the dealers call daily on designated banks to find out what bills are for sale. Purchases are made outright as a rule, and only in a very limited number of instances, and then infrequently, do some dealers act as brokers in the purchase and sale of acceptances. In the Boston market over 90 per cent of the acceptances dealt in by the reporting houses were those of banks located in that city, while the rest were acceptances coming chiefly from banks in the larger cities of New England, although the market also absorbed some New York, Chicago, and western bills. The methods of getting into touch with local banks and outside interests are the same as in New York. A similar situation is found in Chicago, where the major part of the acceptances dealt in originated with Chicago banks.

## ARRANGING ACCEPTANCE CREDITS.

Practice differs among dealers in the matter of making arrangements whereby individuals desiring to obtain credit in the form of acceptances can be put in touch with banks that will accept for them. Some houses prefer not to undertake to make these connections, believing that discussion should be held directly with the banks and that intervention may put them under obligations to market the bills drawn. Others are ready to perform this service regularly and systematically.

## DENOMINATIONS OF BILLS.

Bills are very commonly drawn for sums ranging from \$5,000 to \$25,000, and \$50,000 denominations are not unusual. When an acceptance credit is so large that it becomes desirable for purposes of sale to offer it in the

form of several bills, only one bill will, as a rule, be drawn for the odd amount. But in the case of import bills, especially, odd amounts are frequent, and the sums involved are often less than \$5,000. One dealer states, however, that his actual range during the past year was from \$10 to \$800,000.

## SALES DISTRIBUTION, BY CLASSES OF INVESTORS.

With a view to determining the relative importance of the various groups of investors to whom sales of acceptances were made during the past year, questions were put concerning the percentages of total sales, exclusive of sales to Federal Reserve Banks, made to savings banks, to other banks, and to corporate and private investors. Inquiry was also made concerning the territorial distribution of the sales effected. The distribution of acceptances among the several classes of investors showed great variation from dealer to dealer, making average percentages misleading in some instances. For the six New York dealers sales to banks other than savings banks averaged over 60 per cent of total sales for the year ending June 30, 1921. The sales to private individuals and corporate investors ranged from less than 10 per cent to over 15 per cent, while the distribution to savings banks was highly irregular, varying from less than 5 per cent to a maximum of 50 per cent. The figures showing distribution of the sales of reporting Boston dealers, if given in the form of averages, are not typical, as one firm disposed of much the greater part of the acceptances handled to savings banks, with few sales to other banks, whereas in the other three cases the practice was the reverse. Sales to corporations and private individuals were also variable, but for three dealers the average was about 15 per cent. The information obtained from Chicago concerning sales distribution was not available in sufficient detail to afford comparable statistics.

## SALES DISTRIBUTION ACCORDING TO LOCATION.

The data given above show that the chief reliance of the dealers in seeking a market for acceptances has so far been the banks. The location of such purchasing banks is a matter of interest, and questions were accordingly asked concerning the territorial extent of sales distribution. In the case of New York dealers, it appeared that about 50 per cent of the sales to banks during the past year were made in New York City or vicinity. The outside distribution is widely scattered, but acceptances are chiefly lodged with the banks in the larger cities. One dealer says that his firm has dis-

tributed bills in 38 States and more than 400 cities. Most of the regular dealers are also engaged either in selling commercial paper or in handling stocks and bonds, or else they follow both lines of activity. Hence they are in a position to utilize the existing selling organizations and to place acceptances through their branches or through correspondents. In New York City special salesmen are sometimes employed, and in all cases daily visits by firm representatives are made to banks and other institutions who may be possible purchasers of acceptances. One dealer has a special local selling organization, consisting of a manager of the acceptance department and six salesmen in New York City, to cover all classes of investors in bills, i. e., national banks, trust companies, savings banks, insurance companies, other corporations and firms. The private investors are taken care of by the private investors' department. Sales of reporting Boston dealers were largely confined to Boston and New England, but were widely distributed within that territory. One house, for example, stated that it had covered 150 New England cities and towns as well as a number of middle western and western cities. The sales of reporting Chicago dealers were largely confined to the Seventh Federal Reserve District and were chiefly made to the smaller banks in the country.

#### METHODS EMPLOYED IN SELLING OUTSIDE CITY.

General and very extensive reliance is placed upon circularization for effecting sales to outside interests, supplemented by the use of the telegraph and telephone. The daily offering sheets, sent out as a rule to the number of 500 copies or more to the principal banks and a few corporations and individuals, are an important means of securing orders, especially from outside the city. In the majority of cases no use is made of traveling representatives in furthering the sale of acceptances except in connection with the transaction of other business. However, the Boston office of one dealer has three traveling salesmen who devote the major part of their efforts to the promotion of the acceptance business, while in the New York office of the same house three men spend part of their time visiting out-of-town banks. Another dealer, with a large number of branch offices throughout the United States, reports that although the salesmen are primarily interested in the distribution of long-term securities, they also carry acceptances regularly and transmit orders to their respective offices, from which such orders are forwarded to one of the four large cities in which acceptance portfolios are carried. A third dealer, with correspond-

ents in nine large cities located in eight Federal Reserve districts, buys and sells prime bills through these correspondents. It should be remembered, however, that the New York banks which purchase acceptances frequently do so for correspondents scattered over a wide area. Otherwise, as stated, the outside distribution is largely governed by the location of branches, affiliations, etc., of the respective dealers. The majority of dealers state that they do not indorse the acceptances that they sell, although one house has indorsed a very limited amount but only "for a consideration."

#### BORROWED FUNDS—AMOUNT AND TERMS ON WHICH OBTAINED—NEW YORK DEALERS.

A question concerning the average amount of borrowed funds used in carrying acceptances during the year ending June 30, 1921, brought out the fact that in the New York market three reporting dealers borrowed all funds so employed. This is possible because of the fact that such dealers have established banking relationships and obtain the necessary advances in connection with other lines of business. Only one large dealer, whose principal business consists of buying and selling acceptances, has a substantial capital devoted directly to the purchase of acceptances and constituting a considerable percentage of the funds employed. For all six reporting New York dealers the percentage of borrowed funds on the average to the average size of the portfolios carried was 84 per cent. Borrowed funds are almost without exception obtained on call, although in two instances it was stated that a negligible amount of time money had been occasionally used. The rates for time money, as a matter of fact, have not been low enough to enable it to be used in making purchases without a loss, or at least on the few occasions when it has been available the call rate has been even more favorable. In any case, the uncertainty in regard to the ability to utilize funds continuously makes it usually undesirable to borrow for fixed periods. The aim is to borrow just enough from day to day to take care of the daily purchases and to dispose of the bills so bought immediately. It is striking that one dealer alleges that the average yield of his portfolio did not exceed the cost of carrying in the case of prime bills, while the yield exceeded cost by as much as 1 per cent or more on nonprime bills. In another case the average yield did not exceed the average cost, and in three other instances the average yield exceeded the average cost by from one-eighth to one-half per cent. The weighted average (i. e., weighted according to the size of the

average portfolios) gave the average yield for five reporting dealers as 6.2 per cent; the weighted average (weighted according to average amounts borrowed) gave the average cost of the loans as 5.9 per cent.

#### BORROWED FUNDS—BOSTON AND CHICAGO DEALERS.

For three Boston dealers furnishing information in regard to amount and cost of borrowed funds, the proportion of average total borrowings to the summed-up total of their average portfolios was 92.6 per cent for the year ending June 30, 1921, and the average yield of these portfolios was just equal to the average cost of borrowed funds. Call loans were, with occasional minor exceptions, exclusively employed. Although returns from Chicago were incomplete, two reports showed that portfolios were carried entirely through the use of borrowed funds. In one case the average yield was just equal to the average cost of the borrowed funds. In the other case the average yield was not given, but as the average cost of borrowed funds was slightly higher than in the first instance, it probably was at least equal to the average yield.

#### SIGNIFICANCE OF NARROW MARGINS BETWEEN AVERAGE YIELD AND AVERAGE COST.

It would appear from the data given above that the operations of reporting dealers in Boston and Chicago were not carried on upon a basis to yield a profit directly. Indirectly, however, there may be a certain amount of interchange between branches of the same firm or between correspondents, which in the long run may be worth while, even though it brings no addition to the net earnings of the outside dealer. Even in New York City the margin between average yield and average cost was narrow and in one case nonexistent. It is obvious, therefore, that a very slight change in rates may bring losses to the dealer, and if, when the demand for bills is light, he is carrying a heavy portfolio on money borrowed at rates higher than the average yield on his bills, his continuous daily loss may easily become so large as to force him to liquidate his bills at whatever they will bring and retire from the business. In any case a rapid turnover is essential if borrowed funds are to be used profitably. To the extent that dealers are employing their own capital in the direct purchase of acceptances, their ability to hold these acceptances under unfavorable conditions of the money market is obviously strengthened. They can at least carry their purchases for

what they will bring, and their loss, if loss it be, on the capital investment merely involves a foregoing of what might have been secured in alternative forms. But as few dealers have much capital directly invested in the business, and as they employ call-loan funds almost exclusively, rapid conversion is at times essential. When the investment demand is not adequate to absorb the offerings, the market is supported by those Federal Reserve Banks which are ready to buy acceptances from dealers under repurchase agreements limited to 15 days. Except for funds so made available by Federal Reserve Banks, loans are obtained by the reporting dealers very largely from local banks. In view of the existing situation, it is evident why preferential rates are granted to dealers by certain banks anxious to build up the acceptance market by providing it with a steady flow of funds at rates that enable the proceeds to be used in buying bills.

#### CONCLUSION.

A broadening and stabilizing of the dealers' market is highly desirable for reasons already set forth. The expansion need not be limited by the rate of growth of acceptance business in general, but should proceed at a faster pace as it becomes more generally recognized that dealers have a function to perform that is vital to the upbuilding of a broad and dependable open market. Dealers will, however, only be able to expand their purchases and thereby offer a ready outlet for acceptances in proportion as they can feel assured of being able to control adequate supplies of credit at rates that yield a necessary profit. Moreover, an increase in the scale of their operations implies an expansion of the investment demand which they satisfy. It is evident that there exists a large opportunity for the development of such an investment demand, especially among corporations and private individuals, as so far dealers' sales have been principally confined to banks.

#### THE APPLICATION FOR LETTERS OF CREDIT.

In the previous articles dealing with letters of credit, reference has at times been made to the application. This ancillary document is essential in the issuing of commercial credits and so is of interest to both banker and merchant, since it forms the basis for the contractual relations between these two parties. The present study will describe its use and set forth

a comparative analysis of the various expressions found in the applications issued by American banks. Eighty-five different sets of forms were examined, and, as in the case of the letter of credit, little uniformity was found in the content of the applications of American banks. Since the publication of the article in the FEDERAL RESERVE BULLETIN of February, 1921, pages 158-171, which reviewed the leading cases on commercial credits, British and American courts have rendered decisions bearing directly upon the terms of the application for a letter of credit and the credit itself, and these opinions will be cited in this survey.

An applicant for a letter of credit may transmit his request to the bank by telephone, telegraph, or letter. The bank which has been asked to issue the credit usually insists that the importer submit his requisition in a formal document, known as an application for a letter of credit. This instrument has several uses. It supplies the bank with information for analyzing the nature of the transaction. Since the application for a letter of credit is the same in nature as the request for a loan, the bank must understand fully the extent of the risk which it is asked to assume. It is also essential to know the tenor of the drafts and the nature of the import, for these conditions will affect materially the eligibility and therefore the marketability of the bills created by the shipment of the goods. If the terms of the credit are approved by the officers of the bank, the application then serves a third purpose in furnishing the facts necessary for filling out the letter of credit. In this connection it is well to note that the issuing bank considers only the data presented in the application for a letter of credit and does not regard itself bound by the more detailed terms stated in the contract of sale between buyer and seller. (See *Maitland v. Chartered Mercantile Bank of India, London and China* (38 Law Journal, 363); *Oriental Banking Corporation v. Tippert & Co.*, (Buchanan's Reports, South Africa, p. 152); *Frey & Son v. Sherburne Co. and National City Bank* (184 N. Y. Supp., 661); *American Steel Co. v. Irving National Bank*, 266 Fed., 41). In one way, the interest of the importer is safeguarded by a formal application, as this document presents definitely the conditions which the bank must observe in issuing the credit and in paying the drafts drawn by the exporter.

An application for a letter of credit may be addressed directly to the bank by one of its own customers, or it may be presented indirectly by a correspondent bank acting in behalf of its clients. This institution is usually

an inland bank which has no foreign department of its own, and so transmits the request of its customer to a metropolitan bank with facilities for issuing foreign credits. (See answers to question 5, FEDERAL RESERVE BULLETIN, February, 1921, p. 165.)

As an illustration of an application for a letter of credit, the following form is presented:

Date .....

DEAR SIR: {I} hereby request you to open by {cable} {We} {mail} an irrevocable letter of credit upon the following terms and conditions:

For account of ..... in favor of  
(applicant requesting credit)

..... up to an aggregate amount of  
(foreign shippers)

..... available by drafts at  
(amount in words)

..... drawn on .....  
{sight} {date} (name of bank and city)

Accompanied by the following documents:  
Cross out documents not required.  
Full set of negotiable ocean bills of lading made out to the order of ..... bank.  
Commercial invoice.  
Consular invoice.  
Marine insurance policy or certificate.  
War risk insurance policy or certificate.  
Certificate of .....  
Certificate of .....  
purporting to evidence and cover shipment from .....  
..... to ..... of {full} %  
invoice cost of ..... {c. i. f.} {f. o. b.} (place)

Bills of lading to be dated not later than .....  
....., and unless specifically stated otherwise herein, bills of lading in the form of "received for shipment" may be accepted.

{Marine} {War risk} insurance to be effected by {me} {us} of ..... under blanket policy No. .... issued by ..... (shipper)

This credit is {to be confirmed} {not to be confirmed} by (name of foreign bank)

Unless mentioned to the contrary, it is understood that part shipments may be made under this credit. Furthermore, unless stated herein to the contrary, in case shipments are to be made in stated periods, you are expressly authorized, in the event of the failure to ship in any designated period, to accept drafts drawn under said credit for shipments made in any period or periods subsequent to the period in which payment or shipments shall not have been made.

Remarks: .....

{I} {We} hereby agree to sign on demand, and deliver to you, an obligation for such credit, in the form now used by you, the provisions of which are agreed to as defining your rights and {my} {our} obligations.

This form has been suggested by the committee on uniform credit instruments appointed by the Bankers' Commercial Credit Conference of New York. The application contains all the necessary provisions and will serve

as a basis for discussion in the present article. From this instrument it is seen that an application contains the following elements: (1) Request for letter of credit; (2) description of drafts; (3) description of documents; (4) description of shipment; (5) description of merchandise; (6) statement of expiration date.

1. *Request for letter of credit.*—The essential feature of any application is the address in which the importer asks the bank to issue a credit. In the above form, the importer requests the bank to open an irrevocable letter of credit. An analysis of other applications indicates an extensive use of the word "issue." A distinction may be drawn between "open" and "issue," in that the former by implication would permit the notifying of the credit to the beneficiary through a second bank, while the latter would limit the bank to the transmitting of its own obligation to the recipient of the credit. The same difference is found in the applications which request banks to establish "a credit" or to furnish "your credit." As indicated above, a credit may be opened by cable or by mail. If by cable, the communication is usually forwarded to the beneficiary through a correspondent bank which possesses the correct test words. When credit letters are sent by mail they are generally given by the issuing bank to the importer, who in turn sends them to the recipient. A considerable variation is also found in the description of the credit which the bank is requested to open. In the above form the bank is instructed to open an "irrevocable" letter of credit.

In some other forms of application the bank is requested to open simply a "credit." This expression is quite indefinite and therefore unsatisfactory, for it does not furnish the bank with sufficient data in that it leaves uncertain the nature of the credit desired by the importer. The term "documentary" appears in a number of forms, but this expression is unnecessary, since commercial credits provide for the payment of drafts only if accompanied by shipping documents.

The application forms show considerable confusion in the use of the terms "irrevocable" and "confirmed." A distinction between these two terms is recognized in the above form by the clause which permits the importer to indicate whether he wishes the credit to be further confirmed. When a credit is confirmed it is so notified to the beneficiary through the agency of a second bank. In this form the importer may specify the bank which is to confirm the credit, but as a rule this selection is left to the bank issuing the credit. This institution must then exercise due care in choosing a solvent bank for confirming the credit.

2. *Description of drafts.*—After stating the request for the letter of credit, the application then indicates the number, amount, and tenor of the drafts to be drawn by the accredittee. In the form above, the amount is so described as to permit the beneficiary to receive payment by drawing either one draft, or even several bills if he so desires. It is quite necessary to allow the exporter this choice, for he may find it difficult to forward his goods entirely in one consignment but instead he must effect partial shipments. The amount to which the exporter may draw his drafts is usually specified as a stated amount of dollars or foreign money. When such terms as "about" or "approximately" are used in referring to the amount of the drafts, the accredittee is allowed a margin of 10 per cent above this sum in drawing his bills. The tenor of the drafts will depend upon whether the beneficiary is receiving a cash or an acceptance credit, and so the drafts will be made either at sight or for such periods of time as 3 and 6 months. To a large extent the tenor of the draft is limited to 90 days, so as to render the bill eligible for rediscount with the Federal Reserve Banks. The extent of the credit is not always expressed in terms of money, but may also be limited by the quantity of goods. For example, an application may request the bank to issue a credit which permits the beneficiary to draw his drafts covering shipment of a certain number of tons of a commodity.

3. *Description of documents.*—This part of the application is defined with utmost care. The shipping documents constitute the main assurance of reimbursement to a bank in financing foreign trade. The most important shipping document is the bill of lading. It may be classified according to negotiability or to carrier. In the first place, straight bills are consigned to a definite party, and so are non-negotiable, while order bills are negotiable, for they may be freely indorsed by the holder. According to carrier, bills of lading may be classified as follows: (1) Railroad, when transported by an inland railway; (2) ocean, when carried by a vessel; (3) through, when shipped both by rail and steamer or on different navigation lines. The nonnegotiable or straight bill of lading is made payable in the name of the consignee. Railroad bills of lading seldom appear in foreign trade, since ocean bills are generally required. As Chicago, St. Louis, and other inland cities are gradually entering the field of financing foreign trade, through shipment bills of lading are now being regarded as acceptable documents.

It is also necessary for a bill of lading to be "clean" or free from any notations which

qualify or limit the responsibility of the carriers. Steamship companies often make a practice of stamping upon bills of lading expressions which qualify the condition of the merchandise which they are carrying. For example, these notations have reference to the rusting of metals, the leakage of barrels, or the breakage of boxes. Banks are naturally unwilling to negotiate drafts accompanied by bills of lading containing these qualifying expressions.

During the past year widespread consideration has been given to the question whether a bill of lading offers assurance of the actual placement of the goods on board a vessel. This controversy arises from the lack of a clear legal conception of the term "shipment." American courts have given different interpretations to this expression. In the case of *Mora y Ledon v. Havemeyer* (121 New York, 179), shipment was defined as actual delivery on board a vessel, while *Goldenberg v. Cutler* (189 Appellate Division, 489), held that shipment merely implied the surrender of goods to the carrier. The latter view has found favor among American business men and as a result "received for shipment" or "received for transportation" bills of lading have been generally recognized as acceptable documents. This view finds support in *Marlborough Hill v. Cowan* (Law Reports, Appeal Cases, 1921, vol. 1, pp. 444-457.) In this case the court drew no distinction between a bill of lading which described the goods either as "shipped on board" or "received for shipment." On this point the decision states that "there can be no difference in principle between the source, master or agent acknowledging that he has received the goods on his wharf or allotted portion of quai, or his storehouse awaiting shipment, and his acknowledging that the goods have been put over the ship's rail."

This opinion was controverted by the King's Bench Division in July, 1921, in the case of the *Diamond Alkali Export Corporation v. Bourgeois*. The litigation arose over the refusal of the importers to pay drafts accompanied by a bill of lading which stated that the goods had been received "to be transported by the steamship *Anglia* \* \* \* or failing shipment by said steamer in and upon a following steamer." This expression is in common use in exporting goods from American ports. Nevertheless, the King's Bench Court refused to recognize this document as a true bill of lading. In its decision the court referred to *Scrutton and Mackinnon on Charterparties*, where a bill of lading is defined as "a receipt of goods shipped on board a ship, signed by the person who contracts to carry them or his agent, and stating the terms on which the goods were delivered to and

received by the ship." The court thereupon drew a distinction between a receipt for goods actually shipped on board a particular vessel and a receipt for goods which at some future time are to be shipped on board either a particular vessel or an unnamed vessel which will sail at a later date. The court therefore refused to recognize this document as a true bill of lading, but as a "mere receipt for goods which at some future time and by some uncertain vessel are to be shipped." It is therefore highly essential that American banking and commercial interests shall arrive upon a settled definition of the term "shipment" and agree upon the acceptance of a received-for-shipment bill of lading.

The application also furnishes the necessary details regarding insurance. In addition to marine insurance, letters of credit and therefore applications, still require the carrying of mine-risk policies as a safeguard against loss from floating mines. The applicant for a credit must specify whether the insurance is to be taken out by the shipper or by another party. Application forms seldom refer to the name and place of the insurer or the amount of the policy. This matter is usually covered by the contract between the importer and the issuing bank, which states that the insurance companies must be satisfactory to the bank and that the amount shall be adequate.

Applications for letters of credit and likewise the letters themselves have drawn no distinction between the insurance policy and the insurance certificate. It has been common practice for insurance companies to grant open policies which permit the issuing of certificates in the place of the original policies. Justice Bailhache, in *Wilson Holgate & Co., 1920, 2 King's Bench Division*, makes the following statement: "It must be borne in mind that in dealing with certificates of insurance I am not referring to American certificates of insurance, which stand on a different footing and are equivalent to policies being accepted in this country as policies." However, Justice McCordie, in the case of the *Diamond Alkali Export Co. v. Bourgeois*, regards a certificate of insurance as an unacceptable document. The court claims that the certificate does not contain the terms of the insurance which are to be found only in the original policy, and therefore it is impossible to learn from the certificate whether the policy has been issued in the recognized and usual form. The court therefore held that the certificate is not a policy and regards it "as an ambiguous thing; unclassified and undefined by law." The case of *Diamond Alkali Export Corporation v. Bourgeois* expresses views on the bill of lading and

marine insurance certificate which are quite contrary to the opinions long accepted by legal thought and commercial usage. This fact is fully appreciated by the presiding judge, who closes his decision with the following remarks: "It may well be that this decision is disturbing to business men. It is my duty, however, to state my view of the law without regard to mere questions of convenience."

In addition to the bill of lading and marine insurance policy or certificate, the application also requires the importer to describe the other documents in the commercial set. This includes the commercial and consular invoices, and minor documents, such as certificates of inspection, weight, health, and customhouse declarations.

4. *Description of shipment.*—Most applications call for both the place of origin and destination of the shipment in the expression "from \_\_\_\_\_ to \_\_\_\_\_." The port of origin is an essential factor in such commodities as coffee or spices, for it may determine the quality of the goods. On the other hand, the insertion of this condition in a letter of credit may at times impede negotiation of the drafts. For example, owing to a port strike or embargo order, the exporter may be unable to secure cargo space from the port mentioned in the credit and may therefore find it necessary to ship his goods from a second point. Banks would probably be reluctant to negotiate the exporter's drafts, because the conditions of the credit had not been observed in this particular. (See *Brazilian & Portuguese Bank (Ltd.) v. British & American Exchange Banking Corporation* (18 *Law Times*, p. 823); also *FEDERAL RESERVE BULLETIN*, February, 1921, p. 161.)

The applicant is sometimes required to indicate the route over which goods are to be shipped in order to allow him some control over the time of the shipment and the freight rate.

5. *Description of merchandise.*—Applications usually make only brief mention of the merchandise, for it is against the interest of the bank issuing the credit to overload it with a detailed description of the imports. A number of applications permit the importer to describe such details concerning the goods, as quantity, quality, packing, marks, and numbers. In interpreting these conditions, the banks are given wide latitude and they are permitted to refuse payment of drafts if the documents are not in strict conformity with the terms of the credit. This principle has recently been upheld in the case of the *International Banking Corporation v. Irving National Bank*, cited in the *United States District Court, Southern District of New York*, on May 10, 1921.

6. *Date of expiration.*—The applications used in this study express the expiration date of the letter of credit in the following way: (1) Date of draft; (2) date of shipment; (3) date of bill of lading; (4) date of credit.

These terms need not be further analyzed, as they have already been studied in a previous article. (See *FEDERAL RESERVE BULLETIN*, April, 1921, p. 412.) These expressions have reference to irrevocable letters of credit rather than revocable forms which are subject to immediate cancellation. In connection with this subject it may be interesting to note that a recent British decision in "*Cape Asbestos Co. v. Lloyd's Bank*" upheld the right of a bank to cancel an unconfirmed, revocable letter of credit any time even without notice to the beneficiary.

From the above review it is evident that there is a lack of agreement between the legal conception and business practice regarding commercial credits in foreign trade. These differences can be reconciled by a clearer definition of the terms used in financing foreign trade and the acceptance of standard forms for the application, contract, and the various types of letters of credit themselves.

## TOBACCO FINANCE.

The following is the second of a series of articles describing the financing methods which are employed in the tobacco industry. The first article appeared in the September, 1921, issue. Data were obtained partly through the cooperation of the Federal Reserve Agent, in the various districts, and partly direct from banks and persons interested in the industry in various capacities, as well as from other Government organizations. To all of them acknowledgment is due.

### II. FINANCING THE GROWER—CIGAR TYPE DISTRICTS.

The financing of the grower in the cigar type districts differs in important respects from that found in the manufactured and export type districts. Each will accordingly be treated in turn and considered as a unit. Consideration of the operations of the large grower-dealer corporations of the Connecticut Valley will, however, be postponed until the general subject of dealing in leaf tobacco is discussed.

#### A. ACCOMMODATION TO THE GROWER.

The financial needs of the grower differ greatly as between the several districts. Fertilizer bills are large in the Connecticut Valley, but are comparatively small in Penn-



sylvania, Ohio, and Wisconsin. Where diversified farming is practiced, as in Ohio and Wisconsin, the outlay for commercial fertilizer is much less than in the Connecticut Valley, where the one-crop system is practiced year after year and large quantities of commercial fertilizer are needed. In Pennsylvania large numbers of cattle are fed and manure is used to a certain extent instead of commercial fertilizer. In the Connecticut Valley, also, hail insurance is used by the growers of the sun-grown types, namely Havana seed and broadleaf, and fire insurance by the large growers of shade-grown tobacco and by growers of both classes after the tobacco is placed in the sheds. In that district alone insurance provides a considerable item of expense. Hail and fire insurance are said, e. g., to be bought in Wisconsin "at a very nominal figure."

As a general rule the growers in Ohio and Wisconsin are well to do and need very little financial assistance. In the Miami Valley, however, states one authority, owners of small farms where tobacco is practically the only cash crop produced, generally need more or less financial assistance to carry them from one crop to the next, and likewise with tenant farmers and croppers who reside in the village. In Pennsylvania more help is needed, but less than is required in the Connecticut Valley. A banker in York County, Pa., comments that "farmers in this section are small borrowers for any of their needs. This, we think, is evidenced by the large amounts deposited in our county banks on certificate of deposit."

The grower in the cigar-type districts secures his accommodation from one of three principal sources—the bank, the fertilizer dealer, and, in the Connecticut Valley and Wisconsin, the leaf tobacco dealer. The landowner in some cases advances funds or indorses for the tenant, who then discounts the note at the local bank.

The store plays a minor rôle as a source of funds in all the northern cigar-type districts. No local stores in these districts specialize in time business. It is reported that in Pennsylvania from 75 to 90 per cent of the growers pay cash at the local store for all the goods. These accounts are frequently settled on a monthly basis. Sometimes tenants and croppers in Ohio are assisted by the owner of the farm, and they are stated in many cases to pay their bills but once a year. In that State and Wisconsin, however, the business on the whole is done very largely on a cash basis. The same is true of the Connecticut Valley, although in that section certain stores show a larger proportion of time business. Prior to about 15 years ago in that section and to about 5 years

ago in Pennsylvania, however, sales on crop time were frequent. In the case of such sales the grower seldom gives either his note, or security such as crop lien or chattel mortgage, although from Pennsylvania the use of a bill of sale at times is reported. Likewise, it is quite generally the practice for the local store in these districts to have only one price for both time and cash payments. Such differences as are reported in the Connecticut Valley and Pennsylvania are from 5 to 10 per cent, or a small discount for cash.

In the Connecticut Valley, Pennsylvania, and Wisconsin the store in turn obtains such accommodation as it requires from the local bank rather than from wholesalers through purchases on time. There is no regular practice on the part of wholesalers of carrying local stores, and short terms, such as 30 days, are usually specified. The note given the bank may be secured by indorsement, or by collateral in the form of stocks and bonds, Liberty bonds, or insurance policies. Several Pennsylvania banks located at smaller points state that some growers' notes are discounted.

It is the general custom for the grower to borrow funds from the local bank to pay the store bill rather than to ask the local store to carry him. While the amount of credit granted the growers in Ohio and Wisconsin and to a lesser extent in Pennsylvania is small and often insignificant, so that it results in no strain whatever on the local banks, it is true that the greater part of the credit extended is advanced by the local banks. In the Connecticut Valley, on the other hand, they play an important rôle in furnishing funds to the growers. Many growers in that district, however, find it possible to do without help from the banks until harvest time. One Pennsylvania grower states that if a grower "can not sell by April 1, which is 'our settling day' in Lancaster County, he sometimes borrows money from his bank." The principal financing in Wisconsin, it is reported, is necessary where the grower is unable to sell his crop before spring. The banks there ordinarily will advance a sum equivalent to one-half of what they consider the value of the crop, usually upon mortgage or upon presentation of a warehouse receipt where packed by local cooperative concerns.

The grower in the Connecticut Valley, Pennsylvania, and Wisconsin is not generally granted a line of credit by his local bank, but borrows from time to time as his needs require. The smaller growers usually are granted these loans in amounts ranging from \$25 or \$100 to \$1,000 or larger. The loan is usually made on

a straight note on four to six months' time, which is often indorsed by the grower's wife or neighbor. At times mortgages on farms or growing crops may be given, but this is not the prevailing practice. Other instances of collateral reported in the Connecticut Valley are savings accounts or Liberty bonds. The use of the latter, as well as stocks, was also reported in Ohio. The growers in the Connecticut Valley usually begin their heaviest borrowing in August and this continues through September or until the harvesting season ends. Applications by growers for loans at banks then fall off rapidly, though the amount outstanding does not decrease materially until January or February, when the grower commences to deliver his crop and receives funds with which he settles bank obligations. Farmers' obligations as a general rule should reach a low point by April 1. In the other cigar-type districts liquidation likewise occurs during the first quarter of the year, when the crop is marketed.

It is stated from Pennsylvania that formerly dealers deposited funds in a local bank to cover purchases and drew against this deposit, but the practice has been generally discontinued and farmers are now given checks on Lancaster banks, in which center most of the dealers are located.

Due to the small bank borrowing on the part of farmers in general in the cigar-type districts, as well as to the diversified type of agriculture and the fact that tobacco raising (except in the Connecticut Valley) is subordinate on the individual farm to other activities, little strain is placed upon the banks in connection with the financing of the tobacco crop. They are therefore not under the necessity of rediscounting paper with or borrowing directly from other banks at certain seasons of the year in order to finance the crop, as is conspicuously the case in the manufactured and export-type districts. The nearest approach is in the Connecticut Valley.

#### B. THE FERTILIZER MANUFACTURER AND DEALER.

A considerable part of the accommodation which the grower in the Connecticut Valley requires is obtained from fertilizer dealers and manufacturers through purchase on time. In the other three districts, as noted above, the matter is of minor importance. In the Connecticut Valley fertilizer is as a rule sold direct by the manufacturers to the growers through traveling salesmen, although some of the larger companies have agents. The majority of agents are reliable farmers, although in the

large towns and cities agricultural warehouses and grain dealers handle fertilizer as a side line. It is the general practice for manufacturers and dealers to sell to growers on December 1 terms, with 5 per cent cash discount for payment on July 1, 4 per cent August 1, 3 per cent September 1, etc. The July 1 payment may be anticipated at the rate of one-half per cent per month. Sales are largely on open account, though notes are also taken. Sometimes, however, the grower may buy on a cash basis but give an interest-bearing note for the time to be taken. Considerable care is exercised by manufacturers before granting these terms. Since it cost from \$50 to \$150 an acre, averaging about \$100, for fertilizer last year, the amount of credit thus granted to growers is very large in the aggregate. It has been estimated by one authority that only one-fourth to one-third of the fertilizer sold in the Valley is for cash on delivery, while another places the figure at one-half, and states that the cash business is largely in nonmixed fertilizer. It is not customary for the growers to borrow from the local banks to pay for fertilizer, but rather to buy it on time and wait until the crop is sold and delivered before paying for it. Local agents transfer to the dealers or manufacturers the accounts or the notes which they have received from the growers. Dealers are supported by local banks, receiving credit largely on their unsecured notes.

In Pennsylvania 75 per cent or more of the fertilizer is apparently sold through dealers. Terms reported differ somewhat, being either 5 per cent for payment July 1, as in the Connecticut Valley, or net July 1 for spring shipments and net December 1 for fall shipments. Not over 50 per cent of the growers pay the dealers cash, while from 10 to 20 per cent of the dealers pay the manufacturers cash. One manufacturer observes that July 1 terms are equivalent on the average to 90-day terms. Manufacturers do not take growers' notes indorsed by dealers. In Ohio such fertilizer as is not handled by the farm bureau or grange, which is bought by the farmer on a cash basis, is stated to be sold largely through agents, who indorse the notes of their customers and turn them in to the companies. The Wisconsin grower, states one large buyer, "is too conservative ever to borrow money to buy fertilizer," and one bank believes that 95 per cent of the fertilizer sold there is for cash.

Large quantities of manure are used instead of or with commercial fertilizer. The expense of this is largely determined by the location. In the Connecticut Valley alone, where a one-crop system largely prevails, does the grower have to purchase practically all the manure

used. It is bought during the two plowing seasons, when it can be plowed under immediately. The manure used in the Valley is shipped from New York or Boston in carload lots, and is then sold by local dealers. Settlement date for fall delivery is February or March. Large quantities are sold on open account. Manure for spring delivery is usually sold on 30-day terms. No interest is charged in either case until after the settlement date. Manure dealers usually borrow from banks on their unsecured note.

The farmers of Lancaster County, Pa., annually feed from 60,000 to 75,000 head of steers, in addition to the dairy cattle they keep. These steers are stabled in October and November and are usually fed until the following April, May, or June, and are then sold. There are thus no cattle to be taken care of during the growing season of the tobacco crop. The system provides for a rather constant demand for labor throughout the entire year, and thus enables most of these farmers to hire their labor for the year. It was stated last year<sup>1</sup> that the 49 banking institutions in Lancaster County advance annually to farmers for the purpose of buying cattle in the fall of the year more than \$2,000,000. Over 60 per cent of these loans are paid off when the tobacco crop is delivered during January and February.

#### C. ADVANCES ON CONTRACTS.

As has been noted previously in section I, in the Connecticut Valley the crop is usually contracted for during July and August by the leaf dealers. In such cases an advance is often made, the amount varying with the grower's needs and the dealer's willingness to put up the funds. The usual advance in 1920 ranged from \$10 to \$100 per acre, with an average of probably \$50 per acre. One large leaf dealer reported that he advanced \$12,800 to one grower on 32 acres, while another stated that he would lose heavily on a contract for 200 acres on which he had advanced \$50 per acre. Another dealer emphasized the risk in making advances, because of the damage which frequently occurred in curing the tobacco. On the other hand, the statement is often made by growers that the contracts represent little more than options given the dealer, in view of the possibility of conflicting opinion as to whether the tobacco is in the merchantable condition specified in the contract. No interest is charged on dealers' advances. Some contracts in the Connecticut Valley, however, do not call for an advance.

<sup>1</sup> E. K. Hibshman: The Relation of Cattle Feeding to the Tobacco Industry. Address before the Connecticut Tobacco Growers' Association, 1920.

In Pennsylvania no advance is made on the small part of the crop which is contracted for while growing. One dealer in Ohio states that the last time advances were made to growers in that district before their tobacco was received was in 1906, while another dealer states that "in our 30 years' buying experience we do not believe we have made over 50 advances, and can also add that in many cases advances made have been at our suggestion in order to protect purchases made." In Wisconsin advances are made on crops purchased while in the field or hanging in the shed. For years this amount did not average to exceed \$5 per acre. In the last two or three years the amount has increased until it now averages \$25 per acre, and additional advances are often asked by the grower at tax-payment time, February 1, if the crop has not at that time been delivered to the purchaser. It is also noted by dealers that the number of mortgages on tobacco crops is increasing.

#### SOME ASPECTS OF ITALY'S WAR FINANCES.<sup>2</sup>

While Italy did not enter the war until May, 1915, a study of Italian war finances should begin with the summer of 1914, as the 10 months of neutrality must be regarded as a period of preparation for an eventual participation in the war, so far as public finances are concerned. A comparison of the annual budgets for the two fiscal years ending June 30, 1914, and the same date in 1915, shows that the combined expenditures for the army and the navy, which amounted to about 32 per cent of the total effective expenditures<sup>3</sup> in 1913-14, formed over 58 per cent in 1914-15. While the total expenditures had increased about 100 per cent, those for the two military departments increased nearly 250 per cent. Accordingly, Italy had to resort to the policy of extraordinary financing long before she became an actual belligerent. Thus, as early as August and September, 1914, the first decrees were issued providing for an expansion of the bank-note circulation and allowing advances of the banks of issue to the Treasury to be increased beyond the normal limits. In January, 1915,

<sup>2</sup> Prepared under the supervision of Alexander Gourvitch Division of Analysis and Research. The principal sources on which this article is based are the annual financial statements of the Minister of the Treasury, the annual reports of the Banca d'Italia, Riccardo Bachi's Italia Economica for the years 1914 to 1919, and Cenni Statistici sul Movimento Economico dell'Italia, published annually by the Banca Commerciale Italiana.

<sup>3</sup> The figures and the classification of effective receipts and expenditures for the years 1914-15 to 1918-19 used in this article are those of the Ministry of the Treasury as corrected by Prof. Cesare Bachi in the annual issues of Riccardo Bachi's Italia Economica. For 1919-20 the provisional figures and the classification of Minister of the Treasury Meda, in his annual statement to the Chamber of Deputies, on December 19, 1920, have been corrected, as far as this was practicable, in accordance with Bachi's method.

a national loan (essentially a mobilization loan) was floated, which opened the series of war loans.

During the six years extending from July 1, 1914, to June 30, 1920, Italy's total effective expenditures, as shown by Table 1, amounted to about 114,000,000,000 lire, while the effective receipts for the same period aggregated about 43,000,000,000 lire, thus leaving a deficit of 71,000,000,000 lire.

TABLE 1.—EFFECTIVE RECEIPTS AND EXPENDITURES IN THE FISCAL YEARS 1914-15 TO 1919-20.

[In millions of lire.]

Year.	Receipts.	Expenditures.	Deficit.
1914-15.....	2,560	5,428	2,868
1915-16.....	3,707	10,557	6,850
1916-17.....	5,346	17,146	11,800
1917-18.....	7,533	25,329	17,796
1918-19.....	9,676	32,454	22,778
1919-20.....	14,234	23,121	8,833
Total.....	43,056	114,035	70,979

The statement of effective expenditures, however, does not include the disbursements on account of the amortization and refunding of the public debt nor certain other expenditures. A great number of disbursements which were made in the form of advances by the Treasury or by the banks of issue for the account of the Treasury to various organizations and administrations do not figure in the budget statements at all. The most important expenditures of this sort have been in connection with the food supply and with other economic activities controlled, regulated, or subsidized by the Government. While the aggregate amount of such disbursements can not be ascertained, they account to a large extent for the growth of Italy's floating debt and note circulation. It is possible to gain an idea of their importance, however, from the fact that the net loss incurred by the Treasury in 1919-20 in connection with the food supply administration alone (which was not included in the budget of that year) has been estimated by the Minister of the Treasury at over 6,000,000,000 lire.

A nearer approach to a correct estimate of the total expenditures can be obtained from Table 2 and graph A, in which an attempt has been made to show for each fiscal year the amount of the revenues derived by the Treasury from the several sources. The total for the six years appears to be about 119,000,000,000 lire, of which about 43,000,000,000 lire, or 36 per cent, have been effective receipts, the rest, about

76,000,000,000 lire, having been entirely obtained through loans.

GRAPH A.

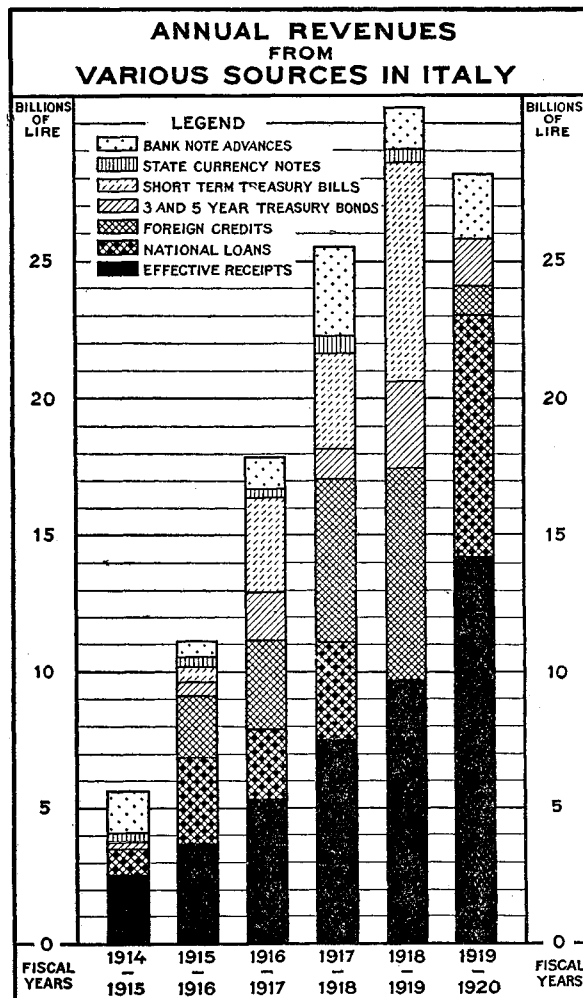


TABLE 2.—ANNUAL REVENUES FROM THE SEVERAL SOURCES IN THE FISCAL YEARS 1914-15 TO 1919-20.

[In millions of lire.]

	1914-15	1915-16	1916-17	1917-18	1918-19	1919-20 <sup>1</sup>
Effective receipts.....	2,560	3,707	5,346	7,533	9,676	14,234
Domestic funded loans <sup>2</sup> .....	970	3,199	2,586	3,587	.....	8,759
Foreign credits <sup>3</sup> .....	.....	2,276	3,260	5,936	7,735	1,000
Three and five year Treasury bonds <sup>4</sup> .....	200	505	1,807	1,100	3,168	1,758
Short-term Treasury bills.....	21	556	3,438	3,500	8,043	.....
State currency notes.....	267	369	325	653	409	16
Bank-note advances.....	1,613	545	1,137	3,187	1,544	2,307
Total.....	5,631	11,157	17,899	25,500	30,555	28,134

<sup>1</sup> Provisional figures.

<sup>2</sup> Amounts actually received in cash.

<sup>3</sup> Par value.

<sup>4</sup> Nominal value at par.

<sup>5</sup> Approximate figures.

As a result the nominal capital value of Italy's public debt increased from 15,719,000,000 lire on June 30, 1914, to 96,121,000,000 lire on June 30, 1920, or over 80,000,000,000 lire.<sup>4</sup>

TABLE 3—ITALY'S PUBLIC DEBT ON JUNE 30, 1914, AND ON JUNE 30, 1920.

[In millions of lire.]

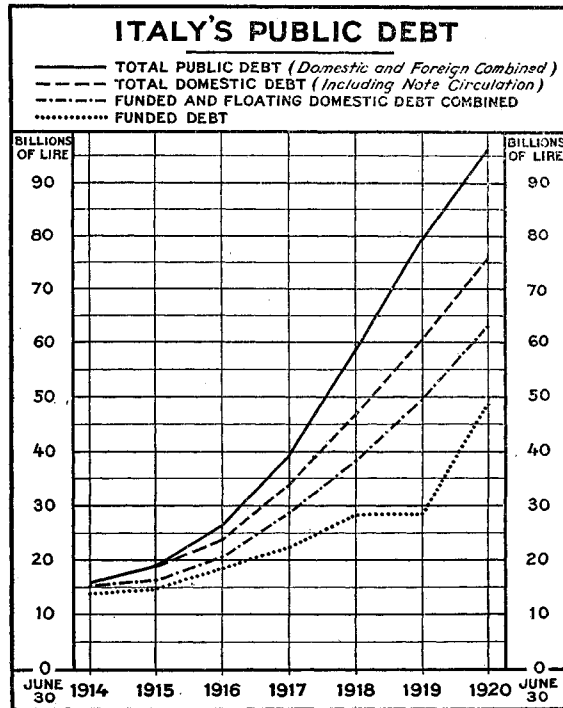
	June 30, 1914.	June 30, 1920.
Funded debt.....	13,733	48,881
Floating debt:		
Short-term Treasury bills.....	380	9,216
3 and 5 year Treasury bonds and long-term Treasury bonds.....	1,107	4,374
Current account of the Cassa Depositi.....		513
Foreign credits <sup>1</sup> .....		20,266
	1,487	34,369
Note circulation:		
State currency.....	499	2,538
Bank notes advanced.....		10,333
	499	12,871
Total public debt.....	15,719	96,121

<sup>1</sup> Par value.

This increase is accounted for to the extent of over 20,000,000,000 lire by the foreign debt, which is entirely a product of the war. In the

<sup>4</sup> As the prewar debt was reduced during that period from 15,719,000,000 lire to 14,346,000,000 lire, this means that the war loan operations have amounted to 81,783,000,000 lire in nominal capital value, the foreign debt being counted at par.

GRAPH B.



increase of the domestic debt, funded loans account for about 35,000,000,000 lire, floating debt obligations for nearly 13,000,000,000 lire, and note circulation for over 12,000,000,000 lire. Table 4 and graph B show the movement of the public debt for each of the six fiscal years under consideration, taking into account all refunds and conversions.

TABLE 4.—ITALY'S PUBLIC DEBT AT THE END OF EACH FISCAL YEAR FROM 1913-14 TO 1919-20.

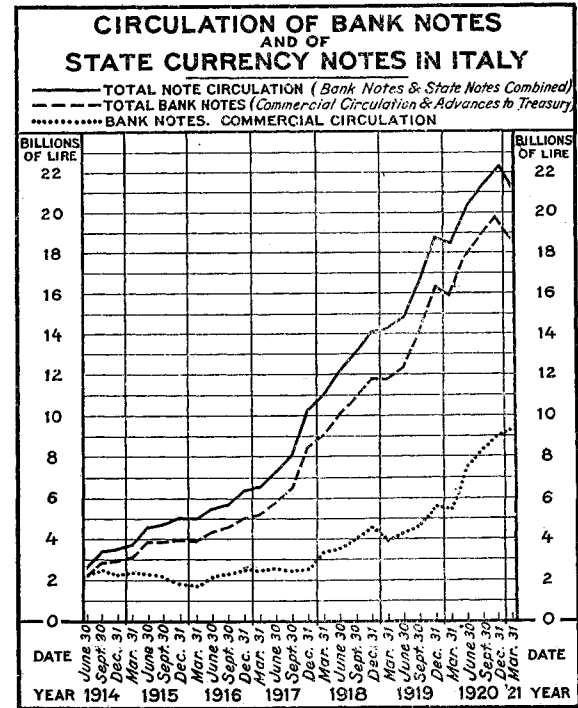
[In millions of lire.]

Date.	Domestic debt.				Foreign debt. <sup>1</sup>	Total debt.
	Funded.	Float-ing.	Note circulation.	Total.		
June 30:						
1914.....	13,733	1,487	499	15,719		15,719
1915.....	14,691	1,637	2,379	18,707		18,707
1916.....	18,231	2,346	3,293	26,146	2,276	26,146
1917.....	22,176	6,569	4,755	39,036	5,536	39,036
1918.....	28,242	9,928	8,595	58,236	11,471	58,236
1919.....	28,335	21,278	10,548	79,367	19,206	79,367
1920.....	48,881	14,103	12,871	96,121	20,266	96,121

<sup>1</sup> At par value of the lira.

It should be noted that the figures for foreign loans as given in Tables 2, 3, and 4 are based on the par value of the lira. The actual value in paper lire of the amounts received by the Treasury through foreign credits, at the rate of exchange prevailing at the time they

GRAPH C.



were obtained, was over 28,000,000,000 lire. Much greater, of course, is the difference between the par value of the capital of the foreign debt and its amount at the present rate of exchange.

It should also be observed that the so-called "effective receipts" are not identical with ordinary revenues. Before the war the "effective receipts" consisted almost entirely of revenues from taxation and monopolies. This is not the case at the present time, however, as revenues of a miscellaneous nature have come to be of considerable importance. The so-called "minor" or miscellaneous revenues which formed on the average, in the four prewar budgets, some 8 per cent of the total effective receipts, amounted to over 38 per cent of the effective receipts in 1918-19. To a great extent these miscellaneous receipts consist of refunds and temporary entries effected by the Treasury for the various departments. These have increased very considerably during the war. They also include a number of revenues of an extraordinary nature. Among the important items of this character are the profits accruing to the Treasury from the sale, at the current rate, of foreign exchange obtained from foreign loans which were placed at par. Another source of revenue has been the interest on deposits abroad based on the same loans. Since the armistice the revenues from the sale of war material, which amounted to about 1,500,000,000 lire in 1919-20, have also been included among the minor receipts.

TABLE 5.—EFFECTIVE RECEIPTS, 1910-11 TO 1919-20.

[In millions of lire.]

Year.	Revenues from taxation and monopolies.	Minor receipts.	Total effective receipts.
1910-11 to 1913-14 (annual averages).....	2,243	196	2,439
1914-15.....	2,209	351	2,560
1915-16.....	2,747	980	3,707
1916-17.....	3,778	1,568	5,346
1917-18.....	4,676	2,857	7,533
1918-19.....	5,938	3,738	9,676
1919-20 (provisional figures).....	7,697	6,537	14,234

Italy's sources of revenue for the six years under consideration may thus be classified in eight groups, the respective yield from which may be estimated approximately as follows in proportion to the total receipts, the foreign loans being counted at par:

- (1) Taxation and monopolies, 27,000,000,000 lire, or 23 per cent.
- (2) Minor receipts, 16,000,000,000 lire, or 13 per cent.
- (3) Domestic funded loans, 19,000,000,000 lire, or 16 per cent.

- (4) Foreign loans, 20,000,000,000 lire, or 17 per cent.
- (5) Three and 5 year Treasury bonds, 9,000,000,000 lire or 8 per cent.
- (6) Short term Treasury bills, 16,000,000,000 lire or 13 per cent.
- (7) State currency notes, 2,000,000,000 lire or 2 per cent.
- (8) Bank note advances, 10,000,000,000 lire or 8 per cent.

#### TAXES AND MONOPOLIES.

Since the beginning of the war it has been Italy's declared policy to meet at least the growing charges of the public debt by increased taxation. In fact, the revenues from taxation and monopolies, after a decline in 1914-15 due chiefly to the falling off of customs receipts, have been steadily increasing, and this increase has been much greater than the growth in the public debt charges. While the latter increased during the six years under consideration by about 3,000,000,000 lire (from about 500,000,000 lire to about 3,500,000,000 lire), the yield from taxes and monopolies amounted in 1919-20 to 7,700,000,000 lire, against 2,300,000,000 lire in 1913-14, thus increasing about 5,400,000,000 lire.

TABLE 6.—REVENUES FROM TAXATION AND MONOPOLIES IN EACH FISCAL YEAR FROM 1913-14 TO 1919-20.

[In millions of lire.]

	Direct taxes.	Taxes on consumption.	Taxes on business. <sup>1</sup>	Industrial monopolies.	Commercial monopolies.	Public service.	Other. <sup>2</sup>	Total.
1913-14.....	541	625	338	550	.....	211	46	2,311
1914-15.....	592	465	341	576	.....	218	17	2,209
1915-16.....	721	641	399	704	.....	287	25	2,747
1916-17.....	1,058	922	538	851	.....	307	102	3,778
1917-18.....	1,532	970	692	1,136	.....	326	20	4,676
1918-19.....	2,066	1,033	937	1,529	.....	356	17	5,938
1919-20 <sup>3</sup> .....	2,330	1,208	1,361	1,995	447	340	16	7,697

- <sup>1</sup> Inheritance tax, stamp and registry duties, luxury taxes, etc.
- <sup>2</sup> Public domain, state railways, and miscellaneous.
- <sup>3</sup> Provisional figures.

This increase has been attained through the enactment of new taxation measures, which have differed widely in importance and effectiveness. As may be seen from Table 6, the largest increase has been effected in direct taxes, which yielded 2,330,000,000 lire in 1919-20, as compared with 541,000,000 lire in 1913-14. To the extent of 980,000,000 lire this increase was due to the excess-profits tax, from which over 2,300,000,000 lire have been obtained since its enactment in 1916. Nearly 65,000,000 lire were obtained in 1919-20 from the tax on capital increments due to the war, and about the same amount from the supertax on incomes of over 10,000 lire, both taxes being enforced for the first time that year. An aggregate of over 1,000,000,000 lire was obtained

during the four years 1916-17 to 1919-20 from the so-called "war centimes contribution," an emergency tax which was established as a levy on all payments received from the Government and as an addition to all direct taxes, the rate having been several times revised and having varied between 1 and 3 per cent.<sup>5</sup> The rates of the various registry and stamp taxes have been repeatedly advanced and new ones established, inheritance taxes have been increased, and a number of luxury taxes have been created. These various changes resulted in an increase in the yield from the so-called "taxes on business" of 1,023,000,000 lire between 1913-14 and 1919-20. The increase in the revenue from industrial monopolies has been almost entirely due to gradual advances in the sale prices of tobacco. The receipts from this source amounted to 1,569,000,000 lire in 1919-20, as compared with 350,000,000 lire in 1913-14. The Government monopolies of the sale of coffee, coffee substitutes, and electric lamps, which was established in 1919, produced a revenue of 447,000,000 lire in 1919-20 and 410,000,000 lire in the first 10 months of 1920-21.<sup>6</sup> Otherwise taxes on consumption have been increased relatively less than other classes of taxes, the yield amounting to 1,209,000,000 lire in 1919-20, as compared with 538,000,000 lire in 1913-14. The chief increases have been those in import duties and in taxes on sugar and liquors.

A number of new fiscal measures have been enacted in the fiscal year 1920-21. The levy on capital was enforced for the first time, and the law for confiscating excess war profits became effective in April, 1921. Inheritance taxes and taxes on automobiles have been revised upward, and prices of tobacco have again been advanced. In addition, the law of February 27, 1921, enacted with a view to meeting the deficit on account of the grain administration, provides for the payment of the annual installments of the capital levy one year in advance (the 1922 installment being paid in 1921), raises the tax on wine from 10 lire to 30 lire per hectoliter, and doubles the rate of the supertax on incomes of over 10,000 lire.

The revenues from taxes and monopolies in the fiscal year 1920-21 have been provisionally estimated by the Minister of the Treasury at 11,200,000,000 lire, which is an increase of about 3,500,000,000 lire over the preceding year. In this increase, direct taxes account for about 1,700,000,000 lire and industrial monopolies for over 1,000,000,000 lire.

<sup>5</sup> At present this tax is levied only as an addition to direct taxes, at a rate of 1 or 2 per cent.

<sup>6</sup> This monopoly has recently been abolished.

## NATIONAL LOANS.

Long-term loans were resorted to as a means of financing the war before floating-debt operations were undertaken on a large scale, the first national loan having been placed as early as January, 1915. Since that time six national loans have been floated, yielding in the aggregate over 19,000,000,000 lire in cash. As may be seen from Table 7, the first three loans were of the redeemable type, maturing in not less than 10 and not more than 25 years, and not convertible before 10 years. Since 1917 perpetual loans assured against conversion for a number of years have been used. Beginning with the third loan, floated in 1916, considerable facilities for conversion have been offered to holders of preceding loans and of Treasury bonds, and the floating of national loans since that time consisted to a great extent of funding operations. A floating debt aggregating about 12,000,000,000 lire has thus been consolidated, including about 1,000,000,000 lire of prewar obligations of the Treasury in the form of 5-year 4 per cent bonds, which were funded at or shortly before maturity by conversion into the consolidated loans. In addition to this nearly 2,000,000,000 lire of the first two war loans were converted into the third and subsequent loans, while the nominal capital of the outstanding 5 per cent redeemable bonds of the third loan has been reduced from 4,066,000,000 lire to 1,249,000,000 lire through conversions into the new 5 per cent consolidated loan.

TABLE 7.—ITALY'S SIX WAR LOANS.

Date of issue.	Maturity.	Interest rate.	Nominal price of issue.	Amount sub-	Actual yield in cash.
				scribed (nominal capital).	
				In millions of lire.	
1. January, 1915.	10 to 25 years, nonconvertible before 10 years.	Per cent. 4½	97	1,000	970
2. July, 1915.	.....do.....	4½	95	1,147	1,071
3. January, 1916.	.....do.....	5	97.50	4,066	2,127
4. January, 1917.	Perpetual, nonconvertible before 1931.	5	90	7,102	2,586
5. January, 1918.	.....do.....	5	86.50	6,258	3,587
6. January, 1920.	.....do.....	5	87.50	20,591	8,759

On March 31, 1921, the last date for which information is available, the six national loans represented an aggregate nominal capital of over 36,000,000,000 lire. The aggregate annual debt charge on that date amounted to about 1,800,000,000 lire.

## SIX NATIONAL LOANS.

	Millions of lire.
First and second loans (4.50 per cent redeemable) . . . . .	250
Third loan (5 per cent redeemable) . . . . .	1, 249
Fourth, fifth and sixth loans (5 per cent consolidated) . . . . .	34, 522

## FLOATING DEBT.

On June 30, 1914, Italy's floating debt consisted of 380,000,000 lire of so-called Buoni Ordinari, or Treasury bills, running for 12 months or less, and of about 1,100,000,000 lire of 5-year 4 per cent Treasury bonds, the latter having been issued chiefly to meet the requirements of the State railways and those arising from the Libyan War. As is apparent from Table 2, a total of about 24,000,000,000 lire, or about 20 per cent of the total receipts, was obtained in the following six years through the issue of these types of paper, namely, 15,500,000,000 from short-term bills and 8,500,000,000 from three and five year bonds.

It was not until the fiscal year 1916-17 that floating debt operations began to play an important part in the financing of the war. Twenty-one million lire of short-term bills were placed in 1914-15 and 556,000,000 lire in 1915-16, including the "special bills for army supply payments," which were created by a decree of October, 1915, and were similar to the ordinary Treasury bills with regard to interest and maturity. In the same two years, 5-year 4 per cent bonds were placed to an aggregate amount of 246,000,000 lire.

On May 5, 1916, a decree was issued which was designed to make the floating debt issues popular and to facilitate their placement. With regard to short-term bills, in addition to the old type of registered bills of large denominations, provisions were made for the issuance of bills of small denominations, which were to be sold to the public at the banks of issue, at the more important private banks, at savings banks, post offices, bureaus of revenue collection, etc. These were dated from 3 to 12 months and were declared exempt from taxation. Interest on them was payable in advance; they were made eligible as collateral at banks of issue and convertible at par (with interest discounted) into national loans. The interest rate was advanced at that time from  $2\frac{1}{2}$ ,  $2\frac{1}{2}$ , and  $3\frac{1}{2}$  per cent to 3,  $4\frac{1}{2}$ , and  $4\frac{1}{2}$  per cent, according to maturity. This increase was followed by further advances, so that in October, 1920, the nominal rates ranged from 5 per cent to 6 per cent and the actual rates (taking into account the advance payment of interest) from 5.06 per cent to

6.38 per cent. A premium of 10 centimes per 100 lire is granted to holders of bonds maturing in from 9 to 12 months if they renew them at maturity for a new period of at least 9 months, and a premium of 75 centimes per 100 lire to those who convert their short-term bills into 5-year Treasury bonds.

The legal limit of the issue of short-term bills, which was set at 400,000,000 lire for the year 1913-14, has been gradually advanced by a series of decrees. The increase in the circulation of bills has been continuous since 1916, except at times when subscriptions were made to national loans, when the circulation was temporarily checked.<sup>7</sup>

The same decree of May 5, 1916, which was mentioned above, created two series of Treasury bonds of a new type, namely, 3 and 5 year bonds bearing 5 per cent, which were likewise to be issued to bearer in small denominations.<sup>8</sup> These bonds had the same advantage as the short-term bills as regards immunity from taxation and convertibility into national loans. Interest was made payable 6 months in advance, and in addition a premium of 1.50 per cent was granted to purchasers of the new 5-year bonds, and one of 0.75 per cent to those of 3-year bonds. The premiums have been gradually raised since that time, and in October, 1920, amounted to 2.25 per cent on 3-year bonds and to 4.50 per cent on 5-year bonds. Additional premiums are granted for the conversion of maturing bonds into new issues.

TABLE 8.—CIRCULATION OF SHORT-TERM TREASURY BILLS AND OF 3 AND 5 YEAR 5 PER CENT TREASURY BONDS, ON JUNE 30 OF EACH YEAR FROM 1914 TO 1920.

[In millions of lire.]

	Short-term bills.	3 and 5 year 5 per cent bonds.	Total.
1914 . . . . .	380	—	380
1915 . . . . .	401	—	401
1916 . . . . .	785	459	1, 244
1917 . . . . .	4, 120	1, 671	5, 991
1918 . . . . .	7, 004	2, 553	9, 557
1919 . . . . .	15, 046	5, 721	20, 767
1920 . . . . .	9, 216	4, 338	13, 552

From Table 8, which shows the circulation of short-term bills and 3 and 5 year Treasury bonds<sup>9</sup> at the end of each fiscal year from 1914 to 1920, after deducting all conversions and withdrawals, it may be seen that the greatest

<sup>7</sup> As a rule, the interest rate on short-term bills was reduced during the periods when national loans were floated.

<sup>8</sup> In October, 1920, they ranged from 200 to 50,000 lire.

<sup>9</sup> The 5-year 4 per cent Treasury bonds had been completely extinguished by the end of October, 1920, partly through refunding, but to a much larger extent through conversion into national loans.



expansion of the circulation occurred in 1918-19. On June 30, 1919, there were outstanding 15,046,000,000 lire of short-term bills and 5,721,000,000 lire of 3 and 5 year 5 per cent bonds. The maximum point was attained somewhat later, the circulation on October 31, 1919, consisting of 15,961,000,000 lire of short-term bills and 6,745,000,000 lire of 3 and 5 year bonds. A considerable contraction of the floating debt took place early in 1920, as a result of conversions into the sixth national loan, 5,614,000,000 lire of short-term bills and 3,141,000,000 lire of 3 and 5 year bonds having been delivered in payment for subscriptions. Furthermore the success of the loan permitted the withdrawal from circulation of over 200,000,000 lire additional short-term bills. On June 30, 1920, the total floating debt amounted to about 14,000,000,000 lire, showing a net increase of about 12,600,000,000 lire over the prewar debt.

After the conclusion of the sixth national loan the floating debt was expanded again. The sale of Treasury bonds was greatly facilitated by the fact that they are the only securities explicitly exempted from compulsory registration. A new type of Treasury bonds, namely, 7-year bonds bearing 5 per cent interest, have been offered for sale since February, 1921. Until August 15, the price of issue was 91.50, plus the accrued interest from February 15 to the date of sale; after August 15 the rate was to be advanced. Lottery drawings will take place twice a year, and a total of 2,545,000 lire will be paid annually in premiums ranging from 1,000 lire to 1,000,000 lire. By the end of June, 1921, the combined amount of outstanding short-term bills and 3, 5, and 7 year bonds was about 25,500,000,000 lire.

#### NOTE CIRCULATION.

As is shown by Table 9 and graph C, the aggregate total circulation of the three banks of issue (Banca d'Italia, Banco di Napoli, and Banco di Sicilia) increased from 2,199,000,000 lire on June 30, 1914, to 17,817,000,000 lire on June 30, 1920, or 15,618,000,000 lire. To the extent of 10,333,000,000 lire the increase was due to advances made by the banks of issue to the Treasury.

TABLE 9.—CIRCULATION OF BANK NOTES AND OF STATE CURRENCY NOTES FROM JUNE 30, 1914, TO MARCH 31, 1921.

(In millions of lire.)

	Bank notes.			State currency notes.	Total note circulation.
	Commercial circulation.	Advances to the Treasury.	Total.		
June 30, 1914.....	2,199	-----	2,199	499	2,698
Sept. 30, 1914.....	2,484	337	2,821	555	3,376
Dec. 31, 1914.....	2,201	735	2,936	657	3,593
Mar. 31, 1915.....	2,285	827	3,112	673	3,785
June 30, 1915.....	2,243	1,613	3,856	766	4,622
Sept. 30, 1915.....	2,139	1,676	3,815	964	4,779
Dec. 31, 1915.....	1,899	2,069	3,968	1,082	5,050
Mar. 31, 1916.....	1,790	2,103	3,893	1,097	4,990
June 30, 1916.....	2,158	2,158	4,316	1,135	5,451
Sept. 30, 1916.....	2,274	2,288	4,562	1,230	5,792
Dec. 31, 1916.....	2,458	2,554	5,012	1,317	6,329
Mar. 31, 1917.....	2,435	2,746	5,181	1,411	6,592
June 30, 1917.....	2,521	3,295	5,816	1,460	7,276
Sept. 30, 1917.....	2,432	4,042	6,472	1,595	8,067
Dec. 31, 1917.....	2,592	5,833	8,425	1,841	10,266
Mar. 31, 1918.....	3,378	5,656	9,034	1,981	11,015
June 30, 1918.....	3,590	6,482	10,072	2,113	12,185
Sept. 30, 1918.....	4,001	6,883	10,884	2,200	13,084
Dec. 31, 1918.....	4,585	7,166	11,751	2,337	14,088
Mar. 31, 1919.....	3,953	7,764	11,717	2,429	14,146
June 30, 1919.....	4,255	8,026	12,281	2,522	14,803
Sept. 30, 1919.....	4,735	9,250	13,985	2,531	16,516
Dec. 31, 1919.....	5,652	10,630	16,282	2,533	18,815
Mar. 31, 1920.....	5,478	10,454	15,932	2,538	18,470
June 30, 1920.....	7,484	10,333	17,817	2,538	20,355
Sept. 30, 1920.....	8,231	10,682	18,913	2,546	21,459
Dec. 31, 1920.....	8,988	10,743	19,731	2,546	22,277
Mar. 31, 1921.....	9,234	9,531	18,765	2,546	21,311

The advances to the Treasury have been of three distinct kinds—(1) so-called "statutory" advances, (2) extraordinary advances, and (3) advances to the Treasury for loans to third parties.

(1) Under the statutes governing the Italian banks of issue, they are required to make advances to the Treasury, at an annual interest rate of 1.50 per cent, the circulation on account of such advances being covered by a metallic reserve to the extent of one-third. Before the war the maximum legal limit of these "statutory" advances was fixed at an aggregate amount of 155,000,000 lire for the three banks, but no advantage had been taken by the Treasury of this source of revenue, and consequently there were no bank notes in circulation on account of advances to the Treasury on June 30, 1914. By a decree of September 19, 1914, the legal limit was raised to 310,000,000 lire, and later was advanced to 485,000,000 lire; the actual circulation on that account has been maintained at the latter figure since May, 1915.

(2) In addition to advancing the limit of statutory advances, the banks of issue have been authorized to make extraordinary advances to the Treasury, which are guaranteed by special Treasury bonds issued to the several banks and bearing an annual interest of 0.25 per cent. The bank notes issued on that account are exempted from all reserve requirements. The decree of June 27, 1915, which contained the first provisions to that effect, fixed the limit of extraordinary advances at an aggregate of 200,000,000 lire for the three banks, but the limit has been gradually raised, and the circulation on this account now amounts to 4,850,000,000 lire. In addition, two special advances above this limit were authorized in 1919. One advance of a maximum amount of 1,000,000,000 lire was designed to enable the Treasury to extinguish at maturity some of the Treasury bills which had been discounted directly by the banks of issue. This was done with a view to the gradual withdrawal from circulation of a corresponding amount of notes which had been advanced on the bills by the banks, and had been charged to the account of commercial circulation. Another advance, which on December 31, 1920, amounted to over 800,000,000 lire, was intended for the special purpose of withdrawing Austro-Hungarian currency in Venetia and in the annexed territories.

(3) Finally, since August, 1914, a series of decrees have been issued authorizing the banks of issue to make advances to various administrations and institutions through the Treasury and under its guaranty, and to issue notes for that purpose, the issues being free from all reserve requirements. Originally, these provisions were designed to meet certain limited and temporary needs, such as to enable the savings institutions of the country to withstand the rush of depositors during the critical period that followed the outbreak of the European war. For this purpose advances to the Treasury were authorized for loans on collateral to various savings funds, and another series of advances for loans, likewise secured by collateral, to the so-called Cassa Depositi e Prestiti (Institute of Deposits and Loans), which administers the postal-savings funds, to enable it to meet the demand of depositors, and also to grant loans to provincial and communal administrations for the carrying out of public works. The advances made by the banks for the ordinary savings funds, the maximum amount of which had been fixed at 300,000,000 lire, were gradually refunded, and the notes issued on that account had been almost entirely withdrawn from circulation by the end of 1920. On the contrary, the amount of notes issued for ad-

vances to the Cassa Depositi has been maintained at 700,000,000 lire since May, 1915, although as early as the summer of 1915 the situation of the postal savings had improved to such an extent that relief measures were no longer necessary. Of the 700,000,000 lire advanced by the banks, only a part (not much more than 300,000,000 lire) has been actually remitted to the Cassa Depositi; the rest, serving to maintain the current account of that institution with the Treasury, is held by the latter. Gradually, as the war progressed, bank-note advances to the Treasury for loans to third parties were used more and more extensively and for an increasing variety of objects, advances having been authorized for such widely different activities as railway construction by concessionaires, cooperative credits, rural credits, Government subsidies to the silk trade, restoration of live stock to the invaded regions, loans to victims of the war having claims for reparation from the enemy, purchase of war materials, and most important of all, the requisition and importation of grain.

On December 31, 1920, the note circulation on account of advances of this class, exclusive of the 700,000,000 lire advanced for the Cassa Depositi, amounted to 2,900,000,000 lire. As these advances have been made for specific operations, they are regarded as of a temporary nature. As a matter of fact the total of these advances outstanding has fluctuated and some of them have been refunded. Thus, the 384,000,000 lire advanced to the Central Office for the Silk Market, which was established at the end of 1918 when the market was facing a collapse, had been completely refunded by the end of 1919. At the end of 1920 the advances to railway concessionaires had been repaid, those to ordinary savings funds had been reduced to 3,000,000 lire and those for the purchase of war materials to 4,000,000 lire. Advances to the food administration for the purchase of grain, which constitutes by far the most important item (about 2,300,000,000 lire as compared with a total of 2,900,000,000 lire on December 31, 1920), have naturally been alternately expanded and contracted as the acquisition and the sale of grain have proceeded. They may now be expected to be permanently reduced or completely extinguished as a result of the recent provisions for the financing of the grain supply, and the changed condition of the grain market. On the other hand, the advances to the Federal Institute of Credit for the Reconstruction of the Venetian Provinces for the granting of loans to victims of the war have increased from 155,000,000 lire on December 31, 1919, to 320,000,000 lire on December 31, 1920, and

their refund or further expansion is entirely dependent upon the settlement of the reparations question.

The aggregate circulation for the account of the Treasury, as may be seen from Table 9 and graph C, increased continuously until the end of 1919, particularly large increases having taken place in 1917, following the disaster of Caporetto, and in 1919 when new requirements arose in connection with the food supply, the reparation of war damages, and the exchange of Austro-Hungarian currency. In 1920 it remained practically stationary, the growth of the total circulation being due almost exclusively to the expansion of commercial circulation. In the first months of this year the circulation for the account of the Treasury began to decrease, with the result that there has been a contraction of the total bank circulation, in spite of the continued expansion of the commercial circulation. On June 20, 1921, advances to the Treasury amounted to about 9,000,000,000 lire, which was a decrease of nearly 2,000,000,000 lire since December 31, 1920.

In addition to notes advanced by the banks, the Treasury's own issues increased during the period under consideration from 499,000,000 lire to 2,538,000,000 lire. The latter figure included 2,269,000,000 lire of ordinary state currency notes, the legal limit of which had been gradually advanced from 500,000,000 lire to 2,300,000,000 lire. The gold reserve against state note circulation, which on June 30, 1914, amounted to 132,000,000 lire, composed exclusively of gold coins, amounted on Dec. 31, 1919, to 163,000,000 lire, and was almost entirely made up of certificates of deposit of foreign banks of issue and of foreign Treasury bonds payable in gold. On the other hand, there were outstanding about 269,000,000 lire of the so-called "Buoni di Cassa," special notes issued since September, 1917, for the purpose of withdrawing silver coins from circulation. They were covered by a silver reserve to the extent of about 180,000,000 lire.

## FOREIGN CREDITS.

On June 30, 1921, Italy's foreign debt amounted to 20,858,000,000 lire, when calculated at par value of the lira, with an annual interest charge of 1,168,000,000 lire. This debt, which is entirely the result of war-time credit operations, and is constantly increasing owing to the deferment of interest payments, consists, on the one hand, of credits of the United States Treasury (about 8,400,000,000 lire), and, on the other hand, of the so-called "special bonds placed abroad" since the summer of 1915. The latter, which represent credits in foreign currency for the financing of imports, have been almost entirely obtained from the British Treasury; the only important exceptions seem to be the \$25,000,000 loan obtained in 1915 in New York from Lee, Higginson & Co., which was refunded in 1920, and the public loan floated in the United States in 1920, which produced about \$10,000,000.

The annual movement of the foreign debt for each fiscal year from 1914-15 to 1919-20 is shown by the following table:

TABLE 10.—ITALY'S FOREIGN LOANS IN EACH FISCAL YEAR, FROM 1914-15 TO 1919-20.

[In millions of lire.]

Fiscal year.	Increase in foreign debt at par value of the lira.			Estimated receipts in paper lire. <sup>1</sup>
	United States Government credits.	Other loans.	Total.	
1914-15.....	0	0	0	0
1915-16.....		2,276	2,276	2,679
1916-17.....	518	2,742	3,260	4,276
1917-18.....	2,849	3,086	5,935	9,293
1918-19.....	4,690	3,045	7,735	10,283
1919-20.....	341	719	1,060	1,536
Total.....	8,398	11,368	20,266	28,067

<sup>1</sup> At rate of exchange prevailing at the time when the several loans were obtained.

## BUSINESS AND FINANCIAL CONDITIONS ABROAD.

With the gradual elimination of war-time Government control of foreign trade since the armistice, there has been built up very generally in the industrial countries of the world a more rigid system of import and export tariffs than existed before the war. There are still distinctions between countries in the extent to which they have applied tariff measures, but in all cases the recent tendency has been to increase rather than to reduce rates. Increases in Government expenditures since the war have frequently been the cause of advances. Restriction of imports in order to pay foreign debts is a determining factor with Germany and some of the other countries whose financial strength has been seriously impaired, while in the case of the stronger countries so-called antidumping provisions have been common. In still other cases there has been a general revision of the entire tariff system, with a view to the protection of young industries or industries which were expanded during the war. In practically all cases key industries and those that are considered essential from a defense point of view are given protection.

Antidumping bills are characterized by provisions for import duties on goods which are being brought into a country at prices less than the cost of production in the place of origin; and in some cases by provisions for the elimination of the price advantage of exporting countries with depreciated exchanges. To quote from the title of the safeguarding of industries act, which has just become a law in England: "An act to impose duties of customs on certain goods, with a view to the safeguarding of certain special industries and the safeguarding of employment in industries in the United Kingdom against the effects of the depreciation of foreign currencies, and the disposal of imported goods at prices below the cost of production." Or, to quote from the United States emergency tariff law enacted last May, "if the purchase price or the exporter's sales price is less than the foreign market value (or, in the absence of such value, than the cost of production) there shall be levied, collected, and paid, in addition to the duties imposed thereon by law, a special dumping duty in an amount equal to such difference." A similar clause is contained in the Canadian tariff law. But probably the most extreme "antidumping" tariffs are those of France and Belgium. In the case of the latter the limits of the so-called "coefficients of increase"

have recently been raised to 6; in other words, duties may be assessed up to six times the value of those provided by the old tariff law. Although such large increases have apparently not been frequently applied, a "coefficient of increase" of 4 is not uncommon in the Belgian law. In the new Italian and French laws the basic rates have been increased and in addition coefficients of increase are being applied. In the Italian law a coefficient of increase of 1 (i. e., an increase of 100 per cent over basic rates) is customary, while in France the coefficients vary from 1.1 to 10, the most usual coefficients being 3, 4, and 5.

A more or less thorough revision of existing tariff laws has been made by a number of countries within the last year or so; among others Canada, British India, Australia, Italy, France, Spain, Portugal, Sweden, and Japan, while several other countries such as the United States, Denmark, and Holland, have the subject under consideration. In the case of Canada and Australia there already existed comparatively high tariffs before the recent revisions were made. The new amendments provide in general for higher rates. British India has had a long and varied tariff career. However, until 1916 her import duties on an average had not exceeded 5 per cent ad valorem. With a view to increasing revenue during the war the usual rates were increased at that time to 7½ per cent, while the recent revisions increase them further to 11 per cent, with the rates on some articles as high as 15 and 20 per cent. The new Italian law may be classed also among those providing definite protection to domestic industries. Rates have been generally increased, the advances being greatest in the case of manufactured goods. The new Spanish tariff, enacted in November, 1920, may also be classified as definitely protective, and although some of the original increases in rates have been reduced since the law was enacted, rates are now from 50 to 100 per cent higher than under the old system of customs for purely revenue purposes. The Japanese law, enacted in July, 1920, and described in the BULLETIN for December of that year, is frankly protective. Even in Holland, which has always been a free-trade country, the new tariff bill now under consideration provides for an increase in existing duties from 5 to 7 per cent ad valorem.

In certain South American countries, high duties are being levied on luxury imports. The

motive in such cases is primarily that of increasing revenues. In the case of Germany the importation of luxury goods is prohibited in order that an export balance may be built up.

#### ENGLAND.<sup>1</sup>

The British safeguarding of industries bill, which was passed by the House of Commons in August and will become effective on October 1, will serve two main functions. In the first place, by the terms of this act certain specific key industries are given a very material degree of protection, and, in the second place, all British industries are given the opportunity to claim protection against foreign competition in the domestic market under certain conditions. The specific commodities upon which a 33½ per cent import duty is to be levied are as follows:

##### GOODS CHARGEABLE WITH DUTY.

Optical glass and optical elements, whether finished or not, microscopes, field and opera glasses, theodolites, sextants, spectrosopes, and other optical instruments.

Beakers, flasks, burettes, measuring cylinders, thermometers, tubing, and other scientific glassware and lamp-blown ware, evaporating dishes, crucibles, combustion boats, and other laboratory porcelain.

Galvanometers, pyrometers, electroscopes, barometers, analytical and other precision balances, and other scientific instruments, gauges and measuring instruments of precision of the types used in engineering machine shops and viewing rooms, whether for use in such shops or rooms or not.

Wireless valves and similar rectifiers, and vacuum tubes.

Ignition magnetos and permanent magnets.

Arc-lamp carbons.

Hosiery latch needles.

Metallic tungsten, ferrotungsten and manufactured products of metallic tungsten, and compounds (not including ores or minerals) of thorium, cerium, and the other rare earth metals.

All synthetic organic chemicals (other than synthetic organic dyestuffs, colors, and coloring matters imported for use as such, and organic intermediate products imported for their manufacture), analytical reagents, all other fine chemicals (except sulphate of quinine of vegetable origin), and chemicals manufactured by fermentation processes.

These are mainly commodities which are essential in time of war, the manufacture of which it is desired to encourage and perfect within the United Kingdom. The terms of the act provide protection for these industries for five years.

The administration of the antidumping portion of the law is under the direction of the Board of Trade, but the power to issue antidumping orders remains with Parliament, and any industry desiring protection must prove not only that the price of the foreign article competing with its own product is less than

the cost of production in the country of origin, but also that the commodity is being produced efficiently and economically at home and that the levy of an antidumping duty will not in any way interfere with employment in other British industries. Depreciation of currency will not be considered a cause for antidumping orders unless the currency under consideration is as much as one-third below parity. Goods dutiable under the conditions of this part of the act will be charged with a 33½ per cent levy.

It appears that the act has been hedged about with conditions which may tend to neutralize the effect of the antidumping regulations where cost of production is made the criterion. It will be a matter of considerable interest, however, to follow the working of the act, as it is generally thought that few countries are producing at present on a scale to make possible export of goods at less than the cost of producing them. Of more importance is the provision of protection in case the foreign currency is depreciated to such a point that the foreign price is below that at which the commodity can be manufactured in the United Kingdom. Since the currencies of all of the European belligerents are depreciated more than 33½ per cent, and in many cases goods can be delivered in England at lower prices than those set by British manufacturers, it seems likely that the new act will give considerable protection in these cases, and that the ratio of European imports into England will be reduced. To quote the act:

##### PREVENTION OF DUMPING.

2. (1) If, on complaint being made to the board to that effect, it appears to the board that goods of any class or description (other than articles of food or drink) manufactured in a country outside the United Kingdom are being sold or offered for sale in the United Kingdom—

(a) At prices below the cost of production thereof as hereinafter defined; or

(b) At prices which, by reason of depreciation in the value in relation to sterling in the currency of the country in which the goods are manufactured, not being a country within His Majesty's dominions, are below the prices at which similar goods can be profitably manufactured in the United Kingdom;

and that by reason thereof employment in any industry in the United Kingdom is being or is likely to be seriously affected, the board may refer the matter for inquiry to a committee constituted for the purposes of this part of this act: *Provided*, That the board shall not so refer any matter involving a question of depreciation of currency unless they are satisfied that the value of the currency of the country in question in relation to sterling is less by 33½ per cent or upward, than the par value of exchange.

(2) The board, on referring any such matter to a committee, shall direct that the committee shall report also on the effect which the imposition of a duty under this part of this act on goods of any particular class or description would exert on employment in any other industry, being an industry using goods of that class or description as material. \* \* \*

<sup>1</sup> British price, trade, and financial statistics may be found on pp. 1226, 1230, 1257.

3. (1) Subject to the provisions of this part of this act, there shall be charged, levied, and paid on goods of any class or description in respect of which an order has been made under this part of this act, if manufactured in any of the countries specified in the order, on the importation thereof into the United Kingdom, in addition to any other duties of customs chargeable thereon, duties of customs equal to one-third of the value of the goods.

Before the war England obtained approximately 40 per cent of her imports from the Continent. In 1920 this percentage dropped to 23, but in the first half of 1921 rose to 35 per cent.

The depreciation of the purchasing power of the Continent affects England quite as seriously, however, from the selling as the buying point of view. In both 1913 and 1920 the six leading continental countries, France, Italy, Belgium, Holland, Russia, and Germany, took approximately 25 per cent of England's exports, while the other European countries (including Sweden) took 9 per cent in 1913 and 14 per cent in 1920. During 1921 there has been a very material decrease in British exports to all of these countries. The falling off in exports to France is particularly striking. These were valued at £77,000,000 for the first six months of 1920 and at only £21,000,000 during the same period of 1921. Exports to Belgium, Netherlands, and Italy fell off similarly, although not so much. Exports to Germany amounted to a value of £11,000,000 in the first six months of 1920 and to £7,000,000 in the same period of 1921.

During August there was an increase in British imports and exports large enough to indicate a very material increase in trade. No figures are available at this time, however, to show in what geographical directions the expansion has occurred. The commodities which have been exported on a larger scale than during recent months comprise coal, cotton manufactures, and vehicles (including locomotives, ships, and air craft).

Very optimistic reports were made a year ago regarding Great Britain's international trade balance. Due to the depression of trade and the reduction in freight earnings, it appears that for the year 1921 the balance will be adverse instead of favorable, as it was in 1920. Shipping earnings were estimated at £340,000,000 for the year 1920 by the Board of Trade. Estimates of £60,000,000 to £70,000,000 for 1921 have recently been made by a shipping expert, which, combined with 1920 estimates of income from investments of £120,000,000 and from banking and other services of £40,000,000, gives a total of £225,000,000 on the credit side as compared with an estimated £280,000,000<sup>1</sup> on the debit side for imports.

<sup>1</sup> Estimate of Manchester Guardian.

This gives an unfavorable balance of £55,000,000 for the year as compared with an estimated favorable balance of £165,000,000 in 1920.

The railways bill, which has been before Parliament for some months, was passed on August 19, four days after the railroads were returned to private management. The most important provisions in the act are those (1) for the amalgamation and grouping of the different railways, (2) for the creation of a rates tribunal, and (3) for the reconstitution of the wages boards. As the bill was finally passed the railways of Great Britain are to be divided into four groups—the southern and western, which are comparatively small, and the north-western and northeastern, which are large. These amalgamations will take effect January, 1923. The act also provides that the Ministry of Transport may order the railroads to conform to measures of general standardization of ways, plant, and equipment, and to make common use of rolling stock, workshops, plant facilities, etc. The new railway rates tribunal is an executive department similar to the Interstate Commerce Commission in the United States. This body has the power not merely to set the maximum limits but the actual rates to be charged on the railroads. During the first three years of operation rates will be reviewed annually. Until the time of amalgamation, councils will function for each railroad to adjust labor disputes. Employees and management will be represented on these councils. In addition, the central and national wages boards have been reconstituted, and leading trade unions given separate representation.

In its issue of August 27, 1921, the London Statist makes a summary of the financial condition of British railroads at the time of their return to private management. The following brief table shows total net receipts from 1913 to August 15, 1921. Until the latter date deficiencies were met by the Government. With the payment of the £60,000,000 against claims for deferred maintenance and stores, however, the financial responsibility of the Government will be at an end.

TOTAL NET RECEIPTS OF RAILWAYS OF GREAT BRITAIN.

1913.....	£45,633,078	1918.....	£44,068,105
1914.....	16,281,648	1919.....	8,950,908
1915.....	45,171,403	1920.....	5,974,765
1916.....	49,420,063	1921.....	20,920,964
1917.....	53,885,849		

General business conditions during late August and early September appear not to have been materially better than in recent months, but there are a few factors which can be measured statistically which point toward improvement. The volume of production of iron and

steel has increased slightly, prices are more stable than a few months ago, and foreign trade is larger. Coal production, on the other hand, is on the decrease because of surplus stocks and lack of demand, and the cotton industry is still depressed in spite of the spectacular advance in the price of the raw material. Wool prices are slightly higher than a month ago, but there is very little demand for the finished goods, and as a result uncertainty about prices of tops and yarns.

VOLUME OF BRITISH COMMODITY PRODUCTION, SHIP TONNAGE UNDER CONSTRUCTION, AND TONNAGE MOVED ON BRITISH RAILWAYS.

	Production (long tons, 000 omitted).			Ship tonnage under construction (gross tons).	British railways (ton-miles, 000,000 omitted).
	Coal.	Pig iron.	Steel ingots and castings. <sup>1</sup>		
Monthly average:					
1913.....	23,957	855	639	<sup>2</sup> 2,002,699	.....
1920.....	19,128	667	755	<sup>2</sup> 3,603,131	.....
July.....	<sup>3</sup> 22,926	750	790	.....	1,506
August.....	16,970	752	709	.....	1,347
September.....	18,885	741	885	3,731,000	1,489
October.....	<sup>3</sup> 14,044	533	544	.....	.....
November.....	15,920	404	505	.....	1,469
December.....	20,230	675	747	3,709,000	1,323
1921					
January.....	21,805	642	493	.....	1,440
February.....	17,369	464	484	.....	1,276
March.....	16,437	386	359	<sup>4</sup> 3,799,000	1,273
April.....	<sup>5</sup> 1,950	60	71	.....	597
May.....	.....	14	6	.....	498
June.....	<sup>6</sup> 179	1	2	<sup>7</sup> 3,530,000	443
July.....	<sup>3</sup> 15,214	10	117	.....	.....
August.....	16,594	94	433	.....	.....

<sup>1</sup> Revised figures.

<sup>2</sup> Average of 4 quarterly estimates.

<sup>3</sup> 5 weeks.

<sup>4</sup> Work suspended on all but 2,952,000 tons.

<sup>5</sup> First week in April.

<sup>6</sup> Production from Apr. 4 to July 4.

<sup>7</sup> Work suspended on all but 2,351,000 tons.

The trend of prices during August was downward, according to the index of the Board of Trade and the Statist. Nevertheless, a considerable number of prices advanced, especially in the food groups. Live stock and meats advanced, as did butter, cheese, sugar, tea, and coffee. Cereals, on the other hand, tended to be reduced in price, as was wheat flour. Cleveland pig iron was advanced, but leading semifinished steel products declined or remained unchanged. Cotton and woolen yarns as well as boots and shoes were lower than in July.

The index of the cost of living decreased from 122 during July to 120 during August, with the level in July, 1914, considered as 100. Improvement continued in employment conditions, the percentage of trade union members out of work averaging 16.5 at the end of August, as compared with 16.7 at the end of

July. The percentage of unemployed among those people who are insured under the unemployment insurance act decreased from 14.8 at the end of July to 13.15 at the end of August. There were 1,573,000 people registered at employment offices on August 26, as compared with 1,780,000 on July 29.

#### FRANCE.<sup>1</sup>

In June, 1919, when the abolition of war-time import prohibitions made tariff revision a pressing matter, the French Government began to apply "coefficients of increase" to its tariff rates. Customs duties have been levied in France almost entirely by means of specific rather than ad valorem rates ever since 1881, and the change in the price level which took place there during the war made these rates comparatively ineffective either for protection or revenue. The action taken by the Government in 1919 is best explained by an excerpt from the introduction to the decree of July 8, 1919, which first imposed "coefficients of increase."

The decree of June 14, 1919, published in the Journal Officiel for the 18th of that month, laid down for a certain number of goods ad valorem surtaxes intended to restore to the customs duties a protective incidence equal to that which they possessed before the war, this incidence having been reduced to such an extent that for most goods the duties had become a mere statistical tax, and did not have any protective effect. The decree was merely a provisional readjustment aiming at reestablishing the tariff equilibrium which has been disturbed by the considerable increase in prices. This readjustment was carried out by adding to the duties prescribed in the tariff ad valorem surtaxes which, on the basis of the official valuations of goods, would bring the duties to the level of the prewar percentage.

The Government has been considering the possibility of obtaining the desired results by a more convenient method without in any way abandoning the principles which had led them to impose such surtaxes. Although ad valorem duties may not be open to criticism in principle, they are nevertheless difficult to apply in practice and have well-known disadvantages. \* \* \* For this purpose coefficients have been established for the classes of goods specified in the customs tariff (other than those which it appears desirable to except from this reform), representing the relation between the value of the goods in 1913 and 1918, according to the official valuations laid down for those years by the Permanent Commission on Customs Values.

The Government, however, has systematically adopted the figure 3 as the maximum "coefficient of increase," being desirous of avoiding as far as possible all abnormal causes of increase in price, and having decided to indicate very clearly its intention not to appear to sanction the present prices of goods, which are too often the result of pure speculation.

On this basis the duty to be paid for any particular class of goods will be the product of the specific duty laid down in the tariff multiplied by the coefficient attributed to the article concerned. In view further of the necessity of not exceeding the limits of a just equalization, the Govern-

<sup>1</sup> French price, trade, and financial statistics may be found on pp. 1227, 1230, 1258.

ment will continue to follow the markets closely and will not fail if necessary to reduce the rates of the coefficients of increase. For this purpose an interministerial commission will be set up, charged with the duty of preparing a periodical revision of the schedule of coefficients in order that such schedule may correspond as exactly as possible to the relation between present and prewar values.

The law of May 6, 1916, which authorized the Government to raise customs duties by ministerial decree, was continued in force until January 1, 1922, by a law of December 31, 1920. Early in 1921, because of the spread of industrial depression and unemployment in France, there was a popular demand for further tariff protection, particularly against countries with depreciated exchanges. The tariff commissions of both the Senate and Chamber of Deputies therefore began a revision of the basic rates of the maximum tariff and of the "coefficients of increase" of the 1919 decree soon after the first of the year. A decree of March 28, 1921, increased from two to three times the duty on goods coming from countries with which France has no special tariff agreement, and these include most of the countries with greatly depreciated exchanges. Some of the products of the United States are subject to the French maximum tariff and they are specifically excepted from the increase in rates. The new coefficients were announced and became effective at intervals until June 29, 1921, when a presidential decree established the complete revision of the coefficients, which are applied to both the minimum and the new maximum rates. This revision is intended to reestablish the protective measures of the tariff of 1892 which were in force (with some changes) at the time of the outbreak of the war, but it appears also to afford additional protection to certain industries. Most of the commodities to which coefficients of increase are applied are manufactured articles, but some foods and raw materials are also included. The tariff rates on wool are to be multiplied by 3, on wheat and other bread grains by 2, on sugar by 2.5, on pig iron by 2, on copper bars by 2.4, and on ferromanganese, ferrosilicon, and silico-spiegel by 6.3.

In general, coefficients of increase vary from 1.1 to 10, those most usual being 3, 4, and 5. In a few cases the new coefficient is less than the one which was previously in force, but, on the other hand, many rates to which coefficients were not applied previously are now increased from two to six times. For most textiles the coefficient of increase is 5, although it ranges as high as 10 in the case of velvets and plushes of linen for manufacturing; for metal manufactures the coefficients vary from 1.4 to 8.8 and for some chemicals the tariff is

increased as much as six times. The decree of June 29 provides that in the course of the first quarter of 1922 these coefficients shall again be revised.

It is difficult to gauge the exact effect of the tariff upon French imports. It was pointed out in the August issue of the BULLETIN that the volume of French imports for the first six months of 1921 was distinctly less than in the first six months of 1913. The recently published figures on the July import trade show little improvement. French imports for July, 1921, weigh 2,164,000 metric tons, as compared with 3,808,000 metric tons in July, 1913. How much of this decline is due to lack of demand in France itself and how much to the new tariff it is difficult to estimate.

It seems quite likely that the unfavorable rate of the exchanges with the United States and England, two countries from which France normally purchases large quantities of goods, may have been quite as important as the tariff in reducing French expenditures from abroad. In September French exchange on New York fell as low as 6.88 cents to the franc, and by September 30 it had progressed to 7.13 cents to the franc.

Meanwhile, prices in general seem to be rising in France. In August the wholesale price index of the French General Statistical Office rose to 331, an increase of nine-tenths of 1 per cent over the month previous. This rise was the result of increases in the prices of animal foods and of textiles. The price of spot cotton at Havre rose from 211 francs for 50 kilograms on July 30 to 261 francs on August 27. Silk prices also increased slightly during the month, but Lyons reports no real activity in the market. The price of some grades of rubber rose in August. The Marseilles quotation for Para rubber increased from 4 francs 75 per kilo on July 30 to 5 francs 30 on August 27. On the other hand the price of sugar declined sharply in August, as did nonferrous metal prices. Pig-iron prices fell again because of lack of demand, but prices of iron plates and rails remained stationary. During September the general upward movement seems to have been continued, as the wholesale price index of the French General Statistical Office rose from 331 to 342 during the month.

Industrial conditions in the Lille district were complicated during August and early September by the strike of the textile operatives. In the iron and steel districts a great deal of involuntary unemployment continued. In general, however, there was less unemployment in France in August than in the months previous, because of the seasonal demand for labor in that month of the year.



The situation of the Bank of France has not changed very greatly during the last month. On August 25 the gold reserve of the bank held in France amounted to 3,573,765,000 francs, while on September 22 it had risen to 3,574,545,000 francs. During the same period the amount of the notes of the bank in circulation changed from 36,783,000,000 francs to 36,920,973,000 francs. The debt of the State to the bank remained unchanged during September, while the loans and advances of the bank to private investors fell from 4,683,468,000 francs to 4,559,497,000 francs in the same period.

Developments in public finance were also unimportant during August and early September. Late in August the Finance Minister communicated to the public his proposals for the "recoverable budget" for 1922. These

proposals contemplate an expenditure of 7,158,620,742 francs in 1922, as compared with 15,913,000,000 francs in 1921. Of this amount 3,656,887,660 francs will be spent for pensions and 1,146,508,977 francs for the devastated regions. The Finance Minister proposes that the expenses included in the recoverable budget, which are not met by payments from Germany this year, shall be financed either by the Credit National or by the cities or industries of the devastated regions.

The following table gives some indication of the general trend of business conditions in France during the last few months. The decline in stocks of coal at the mine since April is due in part to increased demand for French coal resulting from decreased shipments from Germany.

## FRENCH BUSINESS INDEXES.

	Coal.			Raw cotton imported for consumption.	Cotton stocks at Havre. <sup>1</sup>	Raw silk imported for consumption.	Total imports.	Total exports.	Number of unemployed receiving State or municipal aid. <sup>1</sup>
	Pro-duced.	Stocks at mines. <sup>1</sup>	Imported for consumption.						
	Thousands of metric tons.								
1913, average.....	3,338	.....	1,558	27,428	274	629	3,685	1,840	.....
1920, average.....	2,025	279	2,022	19,576	225	390	4,245	1,039	<sup>2</sup> 39,522
1921.									
January.....	2,352	879	1,738	26,393	200	161	3,702	1,117	71,774
February.....	2,137	.....	1,177	14,199	196	97	2,579	1,414	89,289
March.....	2,255	.....	1,256	10,323	185	73	2,827	1,069	88,382
April.....	2,257	1,566	1,066	12,696	167	251	2,652	1,154	75,569
May.....	2,108	1,363	731	7,709	169	161	2,250	1,168	<sup>3</sup> 60,362
June.....	1,762	1,190	608	14,014	135	174	2,047	1,405	<sup>3</sup> 55,439
July.....	2,280	1,256	.....	.....	131	.....	2,164	1,194	<sup>3</sup> 37,226
August.....	.....	.....	.....	.....	132	.....	.....	.....	<sup>3</sup> 30,645

<sup>1</sup> End of month.<sup>2</sup> End of December, 1920.<sup>3</sup> Provisional.ITALY.<sup>1</sup>

The new Italian customs tariff was enacted by a royal decree of June 9, 1921, and although it is still subject to revision by Parliament, was made effective on July 1. The Government was prompted to resort to this emergency method of legislation by the enactment of new tariff measures in other countries and the cancellation of commercial treaties by Spain, Switzerland, and Rumania. It was deemed necessary to secure a basis for the negotiation of new treaties without delay, and also to provide for Italian industries such protection against foreign imports as could no longer be adequately offered by the old tariff. The tariff which was in existence prior to July of this year was, except for a few minor changes, the one enacted in 1887, when Italy's indus-

trial development was in a rudimentary stage. Tariff controversy during the past few years in Italy has centered about the question of whether the old form of a "general" tariff subject to modifications by treaty should be continued or whether a tariff with a double series of maximum and minimum duties should be instituted. The Royal Commission, appointed in 1913 for the study of the tariff, recommended the latter system in accordance with the unanimous demand of the industrial groups of the country. Similar recommendations were made by several parliamentary and Government committees which have taken up the problem since 1917. Agricultural interests, on the contrary, and in particular those of southern Italy, have insistently demanded the continuation of the old system of a general tariff and commercial treaties. This system was considered to be best calculated to pro-

<sup>1</sup> Italian price, trade, and financial statistics will be found on pp. 1227, 1231, 1253.

mote the export of agricultural products. The Royal Commission of 1913, with a view to the encouragement of agricultural exports, had recommended "a limited preferential treatment to be granted wherever necessary in order to preserve foreign markets for Italian agriculture." In the end it was decided to continue the old form of tariff out of consideration for agricultural interests. Accordingly, the new tariff is a general tariff and will serve as a basis for negotiating commercial treaties.

Except in this regard, the new tariff is fundamentally based on the recommendations of the Royal Commission and embodies the results of the studies which it carried on for several years. The classification adopted in the tariff is, on the whole, merely a reproduction of the one recommended in the report of the commission, and when compared with the classification of the old tariff of 1887 reflects the changes which have taken place in Italy's situation in the course of the last 30 years. While the old tariff contained 472 main headings, the new one contains 953 and, if the subdivisions are taken into account, includes about 3,000 entries. New detailed specifications have been introduced for almost all classes of goods; in particular for metals and textiles. Ferroalloys, raw iron, and steel bars and wires and tubes are now classified in over 70 subdivisions, while in the old tariff they were grouped in three. A very elaborate classification has also been adopted for machinery, machine tools, scientific instruments, and automobiles. Hemp, linen, and cotton yarns and cotton tissues have been classified in a great number of subdivisions, according to quality. Chemical products are now grouped under 362 headings, as compared with 206 headings in the old tariff.

The recommendations of the Royal Commission have also been followed for the most part as regards increased protection of the products of young industries and in particular of those industries whose development was due to war conditions—i. e., the iron and steel and chemical industries. The much-debated question as to the advisability of the further development of Italy's cast-iron industry, an outgrowth of the war, was decided in favor of protection, and high import duties have accordingly been established. Import duties on automobiles have been advanced, while export duties on a number of domestic ores have been increased. Imports of raw hemp, flax, jute, wool, and silk remain free from duty, while raw cotton is subject to a duty of 3 gold lire per 100 kilograms. Export duties on raw silk have been removed and import duties on silk tissues revised upward. An import duty of  $1\frac{1}{2}$  gold

lire per kilogram has been established on artificial silk, the production of which has developed in Italy during the last 15 years. With regard to the other textiles, the new tariff is characterized by increased protection for the finer grades of yarns and tissues and less protection for the coarser grades. Increased duties have been imposed on most chemical products, including dyestuffs, but imports of fertilizers are either free or subject to low duties. Other increases have been made in the rates for tanned hides, leather, and shoes (imports of raw hides remaining free), and glass and pottery. As measures of protection for agricultural interests, import duties have been imposed on live stock and poultry and those on wine have been increased. The basic rates established by the new tariff are the minimum rates recommended in the schedule of the Royal Commission.

Under the new law the Government is empowered to increase these basic rates in accordance with changes in the comparative costs of production in Italy and abroad. The extent of such increases is indicated by an elaborate series of "coefficients." The conditions which have determined the various coefficients are essentially of a temporary nature. The highest coefficient on the list, that for cast iron, which is 2.5, indicates an increase of 250 per cent over the basic rate which is 1.25 gold lire per 100 kilograms. This was determined by the high prices of imported coal and the resulting disadvantages of Italian producers of cast iron, as compared with German, Czecho-Slovak, and French. The coefficients for machines and machine tools (varying between 0.5 and 1.5) was dictated by the foreign exchange situation. In the sale of these commodities Italy competes with countries with a more depreciated currency than hers, while she must obtain the raw materials from countries on which the exchange rate is high. The coefficient for silk tissues (1) is designed to protect the Italian product against German competition.

The Government is authorized, according to the decree, to modify the coefficients as conditions require. Although, strictly speaking, the coefficients are determined by comparison of the costs of production in Italy and abroad, the ministerial report on the tariff seems to indicate that changes in the coefficients may be made for other reasons such as to give special protection to certain industries or to discriminate against countries which increase tariffs on Italian goods. It may be concluded, therefore, that until commercial treaties have been arranged on the basis of the new tariff, the latter, with its basic rates and coefficients,

affords to the Government a weapon of economic defense analogous to a tariff with a double series of duties.

#### GERMANY.<sup>1</sup>

In a country like Germany, where a greatly depreciated currency acts as an automatic barrier against an influx of imports, and the disparity between internal and external prices encourages exports, the chief problems involved in the regulation of foreign trade are the prevention of the export of essential commodities and the restriction of imports to the foods and raw materials necessary for the country's existence. There has been no thoroughgoing revision of the German tariff since the beginning of the war. The most important alteration in German customs duties has been the requirement, which became effective in July, 1919, that all duties must be paid in gold or its equivalent. Duties paid in paper marks are increased by an "agio" (Aufgeld), which is announced monthly and which varies with mark exchange. This "agio" contributed an additional 1,844,654,956 paper marks to the revenues of the German Government in 1920. German imports are still carefully regulated, however, and the "import free" list is relatively short. The announced policy of the Government is to allow the importation of essential raw materials without license and to license the importation of most half-finished articles and finished articles not regarded as luxuries.

A similar policy is applied to exports. Practically no raw materials may be exported. Half-finished goods are licensed for export if they are not needed within the country, and the export of most finished articles is allowed. The question of taxing goods exported from Germany arose early in 1920, when the Government began to refuse licenses for goods which it considered underpriced, and by a proclamation of April 17 an export tax was established for a large number of commodities. The rate of the tax varied from 1 to 10 per cent ad valorem. The aim of the export duties was partly to prevent the withdrawal of necessary goods from the domestic market and partly to take for the Government part of the profits accruing to exporters from the higher prices prevailing abroad. An attempt has been made to adjust the taxes to fluctuations in prices and in mark exchange, but exporters have complained that the officials charged with these adjustments have been unnecessarily slow in discharging their duties. With the decrease in foreign demand, the Gov-

ernment has yielded to the requests of exporters and has decreased some export duties and removed others entirely. The most important additions to the "export free" list in 1921 have been textiles and textile manufactures, excepting raw cotton and cotton cloth.

The taxes on exports yielded 2,237,000,000 paper marks of revenue in the fiscal year 1920 and 282,710,000 paper marks from April through July, 1921.

Because of the difficulties of trading with Germany, both German imports and exports were comparatively small last year. The German Government has recently published figures on the tonnage of the import and export trade in 1920 and on the value of the export trade. No official figures on the total value of imports in 1920 have been made available, however. The figures published show a great falling off of trade in all commodity lines as compared with 1913. The decrease of exports of textile and textile manufactures, of leather and leather manufactures, of foods, and of minerals and metal manufactures are most striking. The decline in the exports of minerals, metals, and textiles is, of course, due partly to the transfer of Alsace-Lorraine to France. Among the imports the greatest decreases occur in the case of machinery, textiles, chemicals, foods, and minerals. The following table gives the tonnage of the chief group of German imports and exports for 1913 and 1920:

#### GERMAN FOREIGN TRADE.

[In thousands of metric tons.]

	Imports.		Per cent of decrease.	Exports.		Per cent of decrease.
	1913	1920		1913	1920	
Foods, etc.....	26,615	6,563	75	6,663	1,410	79
Minerals and mineral oils.....	41,602	11,140	73	51,856	11,848	77
Chemicals and dyes.....	2,060	266	87	4,903	2,632	46
Textiles and textile manufactures.....	299	87	71	426	78	82
Leather and leather manufactures.....	21	17	19	54	10	82
Paper and paper manufactures.....	113	80	29	543	277	49
Glass and glass manufactures.....	17	14	18	246	118	52
Metals and metal manufactures.....	1,054	529	50	6,846	1,848	73
Machinery.....	103	8	92	836	673	19
All other commodities.....	964	143	85	1,384	917	34
Total.....	72,848	18,847	74	66,911	19,811	70

The fluctuations of mark exchange during September tended further to discourage imports into Germany and to encourage the placement of orders for export. The average price of the mark in New York during September was 0.96 cent, and the lowest price (on September 28) 0.78 cent. The further deprecia-

<sup>1</sup> German price, trade, and financial statistics will be found on pp. 1228, 1231, 1259.

tion of German currency in foreign markets was due partly to buying of grain and cotton and partly to the reparations payment to the allies.

The payment of 1,000,000,000 gold marks on reparations account was not accomplished without drawing heavily upon the resources of the Reichsbank. In the first place a large amount of the silver, which the bank has held in a special account since the demonitization of silver in Germany, was used to establish credit balances in New York, where it yielded about 50,000,000 gold marks, and in the second place it was necessary to draw upon the gold reserve of the bank to the extent of almost 68,000,000 gold marks. The Reichsbank has held between 1,090,000,000 and 1,092,000,000 gold marks since early in 1920, but the recent payment so reduced the reserve that it stood at 1,023,708,000 gold marks on August 31.

These inroads upon the resources of the Reichsbank were necessary in spite of the fact that the Government had been making every effort to increase its stock of gold for some time before the payments came due, by buying, through the Reichsbank and the post offices, gold coins and gold by weight at special prices, corresponding roughly to the value of the paper mark in world markets. The Frankfurter Zeitung publishes the following table, giving the prices which have prevailed since the 1st of June:

GOVERNMENT PURCHASE PRICES.  
[In paper marks.]

	For 1 20-mark gold piece.	For 1 kilogram fine gold.
1921.		
June 1-11.....	260	37,000
June 12-25.....	280	40,000
June 26-July 3.....	300	42,500
July 3-10.....	310	43,500
July 11-31.....	320	44,600
Aug. 1-8.....	340	47,600

The prewar price of one kilogram of fine gold was 2,789 marks. According to this same paper these purchases of gold in the open market brought in about 15,000,000 gold marks.

The problem of further payments on reparations account is very much complicated by the recent decline in the exchange value of the mark. On the other hand, the agreement recently concluded in regard to German cooperation in the rebuilding of the devastated regions in France should help in solving the problem of future payments to France, at least.

No decision has yet been reached in regard to the method by which the revenue needed for Government expenses and payments on reparations account shall be raised. During August a whole series of new taxes which would involve very considerable sacrifices on the part of German taxpayers were proposed for the consideration of the Reichstag, and some action upon further taxation probably will be taken in the near future.

Speculation in both securities and commodities has continued as a result of the recent fluctuations in exchange rates. The Frankfurter Zeitung index for 25 stocks went to 239 on September 14, and its index number of wholesale prices rose to 1,777 on September 3. The most important price increases took place in the case of hops, potash, kainite, milk, lentils, peas, hay, tobacco, rolled plates, bar iron, steel scrap, twine, linen yarn, and raw cotton. There has been a definite increase in the price of iron products in Germany in the last month or two. Prices of most iron products at the beginning of September equal or exceed the rates fixed by the Eisenwirtschaftsbund last May just before price fixing was abandoned, although prices have gone much lower in the interim.

According to the Prussian Chamber of Commerce the increase of industrial activity in August again emphasized the fact that German industries are undersupplied with coal. The quantity of coal to be delivered to the allies by Germany is now being fixed by the Reparations Commission month by month. The totals vary from 1,600,000 tons to 2,200,000 tons. In July, however, only 1,390,000 tons were delivered because France did not require all the coal and lignite to which she is entitled. The following table gives coal, lignite, and coke production in Germany in the first seven months of 1920 and 1921:

GERMAN COAL PRODUCTION.<sup>1</sup>

[In thousands of metric tons.]

	Coal.		Lignite.		Coke.	
	1920	1921	1920	1921	1920 <sup>2</sup>	1921
January.....	10,329	12,009	8,643	10,071	1,925	2,350
February.....	10,225	12,009	8,464	10,039	1,916	2,277
March.....	10,150	11,460	7,920	9,876	1,871	2,442
April.....	10,011	* 8,985	8,900	* 10,373	1,775	* 2,150
May.....	10,167	* 7,797	8,705	* 9,368	2,070	* 2,154
June.....	11,008	* 8,688	9,572	* 10,055	2,075	* 2,086
July.....	11,509	10,731	9,235	10,065	2,221	2,218

<sup>1</sup> Not including the Saar or the Palatinate.

<sup>2</sup> Not including Upper Silesia.

## THE NETHERLANDS.

Bank and other financial reports from the Netherlands indicate that there has been a material reduction in note circulation and credits in the past three months. The course of contraction has not been rapid, but a comparison of the present volume of loans and notes of the Netherlands Bank with that of the first of the year clearly indicates the tendency toward contraction. It has not been the policy of the bank to raise the discount rate in order to accomplish this. It has viewed inflation not as a cause, but as an accompaniment of present economic conditions, and as the direct consequence of conditions growing out of the war. Therefore, a more closely related means of restricting the increase in loans has been sought in the exercise of a rationing policy, by which fresh demands for credit were granted almost exclusively for the purpose of increasing home production. This attitude toward raising the bank rate has been also shaped quite largely by the desire to avoid the adverse influence which an increased rate would exert on the already severe competition which Dutch trade and industry have to meet in other countries. The bank feels that results have justified its course, as credits necessary for the economic welfare of the country have been provided, and a decided reduction in the price level has taken place.

The investment market has been well supplied with money for short-term loans, apparently through funds brought into the Netherlands by foreigners on account of the political security of the country and the relative stability of the exchange value of the florin. Much of this "foreign money" (largely German marks), however, has not sought investment but has been held in the form of cash, with the consequence that a considerable amount of Netherlands currency has in effect been hoarded, and that actual circulation in the country has been less than the volume of notes outstanding would indicate.

Business of all kinds has suffered from high prices. Prices are high, even aside from the difficulties arising out of the depreciation of the German mark in terms of Dutch florins. Especially is this true of the transshipment trade, which represents approximately 22 per cent of the total imports and exports of the country. There has been considerable agitation about transshipment costs. The labor costs in the handling of cargoes is such that if the port of Rotterdam were not so equipped as to make the labor element comparatively small, the port could not hold its trade in the handling of grain, coal, and bulk cargoes.

Labor costs in practically all lines are an increasingly adverse element in Netherlands trade. The labor law enacted October, 1920, which prescribed the 45-hour week for industrial workers, without privilege of working overtime except by express governmental authority, has been subject to attack. A bill is now before Parliament which proposes to substitute by mutual agreement between employers and employed a 48-hour week, with privilege of working overtime. Meanwhile, there is no prospect of a more intensive production, and the continued high costs of producing, together with the necessity for greater output, which serious foreign competition imposes on home industries, are causing considerable misgivings to manufacturers and economists alike.

An amelioration of the wage and price situation will probably follow upon the decline in wholesale commodity prices which has set in and from adjustments which it is hoped will come out of the conferences in which employers and employed are at present engaged over wage reductions. There has been some reaction, however, in the wholesale price decline. During May and June the wholesale index number was somewhat higher than that for April, but figures for July indicate a resumption of the downward course. A survey of prices in the retail trade for 1920-21 is of interest in connection with the wholesale price index.

INDEX NUMBER OF WHOLESALE PRICES IN THE NETHERLANDS AND OF RETAIL PRICES OF 29 ARTICLES.<sup>1</sup>

[1913=100.]

Date.	General articles (52).	Food articles (32).	Average retail price of 29 articles.
Year 1919.....	299	287	210
1920.			
January.....	287	253	226
February.....	283	243	225
March.....	286	242	229
April.....	292	248	235
May.....	293	250	239
June.....	294	256	242
July.....	296	253	241
August.....	288	253	238
September.....	285	249	235
October.....	282	246	237
November.....	269	241	231
December.....	233	221	222
Year.....	282	247	232
1921.			
January.....	213	202	207
February.....	196	196	188
March.....	187	189	180
April.....	175	181	177
May.....	178	182	172
June.....	179	185	168
July.....	174	177	168

<sup>1</sup> The wholesale price index has been revised to include 52 articles (32 food articles) instead of 49 and 31 as previously shown.

Closely related to wages and prices is the status of unemployment. Figures taken from the official Maandschrift, showing the index of unemployment in the most important industries for the year 1920, are compared with those of the first quarter of the present year. Tabulated data for the succeeding months are not available, but most recent reports are to the effect that, roughly speaking, about 20 per cent of the laborers are without work and that strikes continue.

INDEX NUMBER OF UNEMPLOYMENT IN REPRESENTATIVE INDUSTRIES IN THE NETHERLANDS.

Groups.	Year, 1920.	January, 1921.	February, 1921.	March, 1921.
Building trade.....	6.2	14.3	10.5	6.6
Diamond workers.....	51.8	36.1	38.2	39.3
Printing trade.....	0.9	1.4	1.9	2.3
Metal workers.....	1.5	4.1	5.2	5.1
Textile workers.....	3.2	7.9	14.8	13.9
Cigar makers.....	19.6	38.6	44.5	36.4
Commercial clerks.....	0.1	0	0.5	0.8
Transport workers.....	5	13.4	13.7	13.2
Clothing factory hands.....	2.2	11.6	8.2	3.5
Other groups.....	3.4	8.2	9.8	9.4
All groups.....	5.8	13.8	13.5	11.5
All groups, exclusive of diamond workers.....	4.6	11.9	11.7	9.5

#### THE TRADE BALANCE.

Large decreases in both exports and imports still characterize the total foreign trade of the Netherlands, though in recent months there have been increased imports from Germany, particularly manufactures of iron, steel, dyes, chemicals, and machinery. On the other hand, Germany has not taken a correspondingly large amount of Dutch exports. As a whole, imports tend more and more to come within the limit of strict necessities, and are marked by decrease in raw materials, especially steel, grain, and cotton. The unfavorable balance shows steady improvement since March, the figure for July being the smallest of the seven months with the exception of February, which was preceded and followed by the largest import balances of the current year. The total for January-July aggregates 548,709,000 florins, exclusive of gold and silver, for which there is an export balance amounting to 40,519,000 florins. Comparison of totals over any considerable period show that the growth of the unfavorable balance is becoming characteristic of the Netherlands international situation.

#### CONDITIONS IN THE DUTCH EAST INDIES.

Conditions in the East Indian Colony are not regarded as favorable. In recent months almost all the import trade has been carried by the banks, and export trade has been nearly at a standstill on account of lack of orders from abroad. Prices of nearly all export items, especially coffee and rubber, have declined to prewar levels, involving great loss. The depression is complicated by internal conditions, particularly the falling off in revenues. Taxes levied upon greatly inflated values are not now forthcoming, and there is a large budget deficit necessitating a thorough revision of fiscal plans. Changes in the taxation scheme have been made by which all classes of levy are affected, and, in addition, temporary taxes on products have been instituted pending the coming into operation of permanent measures. These taxes, which press heavily at this time when industry without any extra burden is already in a difficult position, will doubtless influence the movement to curtail production which has appeared in some cases, notably that of rubber. The status of the sugar market is somewhat less unfavorable than was expected. Only about 2,500,000 piculs<sup>1</sup> of the 1921 crop remain to be marketed, and the prospects are that the entire crop will soon be sold. The net results, although they will be far below the total of 1920, are estimated as making a fair return, and as averaging from 14 to 16 florins per picul.

Plans have matured for the establishment of an emergency bank in the Indies for the aid of agricultural concerns, especially tea and rubber. The Government has declared its willingness to support the bank by guaranteeing a fixed amount in cases of eventual losses, and projects are before Parliament to make the State guarantee for this purpose 5,000,000 florins. Though there has been little actual stringency, the depression in the Indies is expected to be of longer duration than that which occurred in 1918, and local banks are in a less favorable position to render support.

A table is attached showing the relative position of the Javasche Bank over an extended period. Notwithstanding the distance of the Colonies from the area of the war, the Javasche Bank, as guardian of Dutch East Indian finance, has had to meet many of the problems which have confronted the European banks of issue in their relations to their governments.

<sup>1</sup> 1 picul equals 136 pounds.

## PRINCIPAL ASSETS AND LIABILITIES OF THE JAVASCHE BANK ON THE LAST OF MARCH, 1915-1921, AND ON AUGUST 6, 1921.

[In thousands of florins.]

	Mar. 31, 1915.	Mar. 31, 1916.	Mar. 31, 1917.	Mar. 31, 1918.	Mar. 29, 1919.	Mar. 27, 1920.	Mar. 26, 1921.	Aug. 6, 1921.
<b>ASSETS.</b>								
Gold.....	30,890	46,775	72,099	92,167	127,706	173,675	224,974	207,930
Silver.....	29,025	33,667	23,669	19,409	10,748	4,378	12,008	19,363
Total metallic reserve.....	59,915	80,442	95,768	111,576	138,454	178,053	236,982	227,293
Discounts, loans, and advances.....	72,104	54,834	56,534	80,231	174,662	186,736	190,937	168,586
Foreign bills.....	5,710	15,697	37,208	34,161	22,069	16,055	24,883	25,081
Securities and mortgages.....	8,347	8,716	8,546	8,224	8,077	8,494	7,416	7,515
All other assets.....	5,878	29,170	8,445	21,544	12,980	43,207	34,596	37,318
Total assets.....	151,954	188,859	206,501	255,736	356,242	432,545	494,814	465,793
<b>LIABILITIES.</b>								
Capital.....	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000
Reserve fund.....	3,119	2,761	3,175	3,162	3,644	3,942	3,982	4,913
Notes in circulation.....	118,085	144,883	157,946	180,755	210,776	314,315	325,809	305,628
Deposits.....	19,235	27,102	32,072	56,055	123,127	89,309	138,966	137,431
Bills payable.....	1,928	4,470	3,086	5,181	2,911	2,741	2,491	3,039
All other liabilities.....	3,587	3,643	4,222	4,583	9,784	16,238	17,566	8,782
Total liabilities.....	151,954	188,859	206,501	255,736	356,242	432,545	494,814	465,793

## PRINCIPAL ASSET AND LIABILITY ITEMS OF THE NETHERLANDS BANK.

[In thousands of florins.]

Date.	Metallic reserve.			Loans, discounts, and advances.	Advances to Gov- ernment bearing no in- terest.	Foreign bills.	Notes in circula- tion.
	Gold.	Silver.	Total.				
1920.							
Aug. 30.....	636,340	16,530	652,870	407,259	3,205	46,484	1,026,033
Sept. 27.....	636,347	17,732	654,079	415,859	478	39,435	1,030,310
Oct. 25.....	636,141	18,944	655,085	441,216	6,523	29,041	1,057,317
Nov. 29.....	636,141	20,171	656,312	447,066	14,951	44,415	1,078,032
Dec. 27.....	636,141	21,190	657,331	444,428	13,832	52,754	1,072,145
1921.							
Jan. 31.....	636,141	22,456	658,597	444,777	4,930	43,017	1,072,109
Feb. 28.....	636,141	20,392	656,533	407,872	14,573	35,992	1,053,417
Mar. 29.....	621,034	16,687	637,721	408,336	14,740	18,708	1,036,816
Apr. 25.....	610,977	14,434	625,411	440,165	14,916	39,502	1,043,276
May 30.....	605,965	13,065	619,030	408,969	13,493	48,695	1,029,565
June 27.....	605,969	12,331	618,300	374,971	1,276	49,234	991,929
July 25.....	605,969	11,159	617,128	392,002	13,138	48,583	1,012,790
Aug. 29.....	605,969	10,566	616,535	382,453	14,957	47,894	1,004,129

## INDEPENDENT CURRENCY FOR THE INDIES.

As the Dutch East Indies has more and more established its position as a country with a favorable trade balance, the solution of the problem of financial independence and a separate currency which has long been considered has become more urgent. A commission under Dr. Vissering has been instituted to study the requirements. The special difficulties attending an actual separation of the currency, aside from the economic position of the Colony, will be the fluctuations in the value of silver, and the existence already of a considerable amount of special Indian paper money, small uncovered notes of the Javasche Bank, which the Government was forced to issue during the war.

On account of the lack of silver money in 1919, which was partly due to the fact that the

silver currency of the Indies was leaving the country in considerable quantities because of its high silver value, and partly because during the war the demand for circulation medium could not be met by importation of gold or silver, the Government was compelled to authorize the bank to issue paper money of small denominations, for which the bank was willing to provide the necessary cover. This the Government regarded as unnecessary, since the note issue was intended to be only a temporary measure. The notes thus became a kind of intermediary between bank notes and State notes, and were not interchangeable with silver. Instead, however, of being temporary, their circulation has continued to increase from the first issue of 5,700,000 florins October 4, 1919, to about 51,000,000 florins the middle of April, 1921, and the original maximum of

10,000,000 florins has been increased to 400,000,000 florins. In the process of separation of the Indian monetary system from that of the Netherlands, the position of these notes will have to be defined, perhaps by a gradual change to silver money.

Gold currency, represented by the 10-florin piece, has not circulated to any extent in the Colony, although from time to time large quantities of gold have been sent from the Netherlands to the Javasche Bank to stabilize exchange conditions created by the Indies' large export balances. This practice of exporting gold for stabilization of exchange with the Colony has, for the present at any rate, been abandoned. The Bank of Netherlands decided a year ago not to seek further to maintain the par rate by gold exports, both because the rate was dominated by abnormal world conditions to such extent that it seemed doubtful whether it could be thus maintained, and whether it would be of benefit to the community if achieved. The rates of exchange between the Dutch East Indies and the Netherlands the past two years have fluctuated between 0.95 and 1.04½ Dutch florins for 1 colonial florin.

### State Banks and Trust Companies.

#### ADMISSIONS.

The following list shows the State banks and trust companies which were admitted to membership in the Federal Reserve System during the month ending September 30, 1921, on which date 1,617 State institutions were members of the system, having a total capital of \$583,190,000, total surplus of \$528,699,084, and total resources of \$9,950,987,334.

	Capital.	Surplus.	Total resources.
<i>District No. 2.</i>			
Boonton Trust Co., Boonton, N. J. ....	\$100,000	\$50,000	\$150,000
<i>District No. 4.</i>			
The Minerva Banking Co., Minerva, Ohio .....	50,000	3,084	395,253
First-Tyler Bank & Trust Co., Sistersville, W. Va. ....	200,000	100,000	2,721,283
<i>District No. 6.</i>			
Citizens Bank of Claxton, Claxton, Ga. ....	30,000	3,000	134,759
Greenville Banking Co., Greenville, Ga. ....	65,000	100,000	574,205
Morgan County Bank, Madison, Ga. ....	50,000	.....	180,363
Rhine Banking Co., Rhine, Ga. ....	25,000	.....	98,186
<i>District No. 7.</i>			
Strawberry Point State Bank, Strawberry Point, Iowa .....	50,000	10,000	785,779
Victor Savings Bank, Victor, Iowa .....	50,000	30,000	520,256
<i>District No. 12.</i>			
Mission Savings Bank, San Francisco, Calif. ....	500,000	28,000	7,387,089
Commercial Bank, San Luis Obispo, Calif. ....	700,000	50,000	5,348,620
Bank of Commerce, Oregon City, Oreg. ....	100,000	26,000	1,064,959

#### CHANGE OF NAME.

Alameda Savings Bank, Alameda, Calif., to Bank of Alameda.

#### BANK REOPENED.

Guaranty State Bank, Troup, Tex.

#### WITHDRAWALS.

Farmers State Bank, Cozad, Nebr.  
Citizens Bank, Billings, Okla.

#### CONVERSIONS.

The First State Bank, Oklahoma City, Okla., has converted into a national bank.  
The Metropolitan Bank, New York, N. Y., has converted into a national bank.

#### CONSOLIDATION.

The Stockgrowers State Bank, Pawhuska, Okla., has consolidated with the Citizens National Bank of Pawhuska.

#### VOLUNTARY LIQUIDATIONS.

Farmers & Merchants Bank, Boonton, N. J.  
First State Bank of Quinlan, Quinlan, Tex.

### Fiduciary Powers Granted to National Banks.

The applications of the following banks for permission to act under section 11-k of the Federal Reserve Act were approved by the Board during the month ending September 30, 1921.

#### DISTRICT NO. 1.

Trustee, executor, administrator, registrar of stocks and bonds, guardian of estates, assignee, receiver, and committee of estates of lunatics:  
First National Bank, Attleboro, Mass.

#### DISTRICT NO. 2.

Trustee, executor, administrator, registrar of stocks and bonds, guardian of estates, assignee, receiver, and committee of estates of lunatics:  
Metropolitan National Bank, New York, N. Y.  
Suffolk County National Bank, Riverhead, N. Y.  
First National Bank, Butler, N. J.

#### DISTRICT NO. 3.

Guardian of estates, assignee, receiver, and committee of estates of lunatics:  
First National Bank, Stroudsburg, Pa.

#### DISTRICT NO. 5.

Trustee, executor, administrator, registrar of stocks and bonds, guardian of estates, assignee, receiver, and committee of estates of lunatics:  
Pulaski National Bank, Pulaski, Va.  
Central National Bank, Richmond, Va.

#### DISTRICT NO. 7.

Trustee, executor, administrator, registrar of stocks and bonds, guardian of estates, assignee, receiver, and committee of estates of lunatics:  
First National Bank, Montpelier, Ind.

#### DISTRICT NO. 8.

Trustee, executor, administrator, registrar of stocks and bonds, guardian of estates, assignee, receiver, and committee of estates of lunatics:  
Exchange National Bank, Little Rock, Ark.

#### DISTRICT NO. 9.

Trustee, executor, administrator, and guardian of estates:  
First National Bank, Blooming Prairie, Minn.

#### DISTRICT NO. 12.

Trustee, executor, administrator, registrar of stocks and bonds, guardian of estates, assignee, receiver, and committee of estates of lunatics:  
Seaboard National Bank, Seattle Wash.



## RULINGS OF THE FEDERAL RESERVE BOARD.

### **Purpose of original negotiation determines eligibility and classification of paper.**

The Board recently ruled that a note of a grain dealer or other purchaser of grain given to a grower in whole or part payment for grain purchased for resale is commercial paper, even though the grower subsequently discounts the note and uses the proceeds for an agricultural purpose, and that the same principle applies to a draft drawn by the grower and accepted by the purchaser in whole or part payment for grain purchased for resale.

The principle upon which this ruling is predicated, and which has been enunciated in previous rulings of the Board, is that the purpose of the original negotiation of an instrument determines the eligibility and classification of the instrument, and that any subsequent negotiations are immaterial from this standpoint. In other words, the transaction out of which an instrument arises in the first instance determines its eligibility and classification, irrespective of the nature of any transaction in which the instrument may be negotiated subsequently. For example, if a note is given in the first instance in payment for securities, other than bonds or notes of the United States, the note is ineligible for all time and will not be made eligible by the payee's subsequent negotiation in a commercial or agricultural transaction.

The original negotiation of a dealer's note given to a farmer in payment for goods purchased for resale takes place when the dealer delivers the note to the farmer, and the purpose of this original negotiation is to finance the purchase and resale of a part of the dealer's stock of goods. This purpose is, of course, a commercial rather than an agricultural one, and the case does not come within the intent of that provision of the Federal Reserve Act which permits the discount by Federal Reserve Banks of paper with a maturity in excess of 90 days when drawn or issued for agricultural purposes. Such a note should not, therefore, be classed as agricultural paper eligible for discount at Federal Reserve Banks with a maturity not in excess of 6 months from the date of discount, but should be classed as commercial paper which is eligible for discount only when maturing within 90 days from the date of the discount.

### **Growers' drafts accepted by cooperative marketing association.**

The Federal Reserve Board recently considered the question of whether certain drafts

drawn upon and accepted by a tobacco growers' cooperative marketing association should be classed as agricultural paper eligible for rediscount at Federal Reserve Banks with a maturity up to 6 months, or should be classed as commercial paper eligible for rediscount only when its maturity is not in excess of 90 days.

The association was a nonstock and non-profit corporation, and its members consisted exclusively of growers of tobacco who had agreed to sell and deliver to the association all the tobacco grown by or for them or acquired by them as landlord or lessor. The agreements between the growers and the association provide for the pooling of the tobacco each year by type and grade and for the distribution of the proceeds of each pool pro rata among the growers who have contributed to that pool. The association is given power to sell the tobacco in such form and upon such terms as may be deemed most advantageous to the growers, it being contemplated that a part of the tobacco will be sold without being redried and that such of the tobacco as can not be sold at a reasonable price in that form will be redried and stored by the association and sold as there is a demand for redried tobacco. It was stated to be necessary for the association to make advances to the growers at the time the growers deliver their tobacco to the association, and it was proposed that the association should make these advances by accepting drafts drawn upon it by the growers, the amount of the drafts to be equal to a fixed percentage of the estimated market value of the tobacco delivered. These drafts were to be discounted by the drawers with their own indorsements at their local banks.

The question upon which the Federal Reserve Board was asked to rule is whether drafts so drawn and so discounted could be eligible for rediscount with Federal Reserve Banks as agricultural paper with maturities not in excess of 6 months, or could be eligible for rediscount only as commercial paper with maturities not in excess of 90 days.

The Federal Reserve Board ruled some time ago that drafts drawn upon and accepted by cooperative marketing associations, in transactions similar to those between the growers and the tobacco growers' cooperative marketing association in the instant case, were not trade acceptances within the meaning of the Board's regulations, for the reason that looking through the form of these transactions and at the sub-

stance thereof the drafts represented advancements made by the associations to the growers rather than partial payments of the purchase price of the commodities delivered to the associations. Although the Board was not asked at that time to rule upon the particular question raised by the tobacco growers' cooperative marketing association, the Board did, in order to define the scope of its ruling, intimate that the drafts then under consideration, although not trade acceptances, would be eligible as agricultural paper, provided that the drawers discounted the drafts at their local banks and used the proceeds for agricultural purposes, and provided, also, that the drafts complied in other respects with the requirements of the law and the Board's regulations.

A further consideration of the subject has confirmed the Board in the views expressed in its former ruling, and the Board ruled, therefore, that in its opinion drafts, with maturities not in excess of 6 months, drawn by the growers, accepted by the tobacco growers' cooperative marketing association, and discounted by the growers with their indorsements, in accordance with the statement of facts herein contained, would be technically eligible for rediscount at Federal Reserve Banks as agricultural paper when offered by member banks, provided that the growers use the proceeds of the drafts for agricultural purposes, and provided, also, that the drafts comply in other respects with the requirements of the law and the Board's regulations.

As indicated in the ruling headed "Purpose of original negotiation determines eligibility and classification of paper," published simultaneously with the present ruling, if the drafts drawn by the growers had been drawn upon and accepted by a tobacco dealer in payment for tobacco purchased under an absolute sale at a price definitely fixed at the time of the acceptance, the drafts would have to be classified as commercial rather than agricultural paper. In the case under consideration, however, while the form of the transactions between the grower and the acceptor of the drafts is a sale, in substance it is only a consignment. The grower rather than the association takes all the risks incident to resale, since the association does not agree to pay any fixed price, but only such price as is equivalent to the average price realized by the association upon the sale of all the tobacco in that particular pool. Consequently, the acceptance of each draft by the association is merely a loan of the association's credit to the grower, rather than a payment on account of the purchase price of the tobacco, and the first negotiation of the draft takes place

when the grower discounts it at his local bank. This ruling is therefore believed to be entirely consistent with the foregoing ruling to the effect that the original negotiation of a note or draft determines for all time its eligibility and classification.

### New National Bank Charters.

The Comptroller of the Currency reports the following increases and reductions in the number and capital of national banks during the period from August 27 to September 23, 1921, inclusive:

	Number of banks.	Amount of capital.
New charters issued.....	10	\$745,000
Restored to solvency.....	0	0
Increase of capital approved.....	8	1,435,000
Aggregate of new charters, banks restored to solvency, and banks increasing capital.....	18	2,180,000
Liquidations.....	12	2,705,000
Reducing capital <sup>1</sup> .....	1	50,000
Total liquidations and reductions of capital.....	13	2,755,000
Consolidations of national banks under act of Nov. 7, 1918.....	1	100,000
Aggregate increased capital for period.....		2,180,000
Reduction of capital owing to liquidations, etc....		2,755,000
Net decrease.....		575,000

<sup>1</sup> Includes one reduction in capital of \$50,000 incident to a consolidation under act of Nov. 7, 1918.

### Commercial Failures Reported.

The increase in number of failures over last year's comparatively moderate mortality continues sharply defined, the 994 defaults reported to R. G. Dun & Co. during three weeks of September largely exceeding the 418 insolvencies of the corresponding period of 1920. The returns for August, the latest month for which complete statistics are available, disclose 1,562 commercial failures, involving \$42,904,409 of liabilities. Both as to number and amount the August defaults are well below the high levels of the present year, but comparison with the figures of last year still shows large increases, the insolvencies of August, 1920, having numbered only 673 for \$28,372,895 of indebtedness. Examined according to Federal Reserve districts, the August statement reveals more failures than in that month of last year in all of the twelve districts, and only in the second and third districts are the liabilities smaller than those of August, 1920.

#### FAILURES DURING AUGUST.

District.	Number.		Liabilities.	
	1921	1920	1921	1920
First.....	118	58	\$2,821,841	\$780,210
Second.....	216	179	9,685,653	15,009,838
Third.....	68	33	2,090,756	3,066,914
Fourth.....	137	70	5,183,707	1,347,045
Fifth.....	98	40	2,658,017	691,785
Sixth.....	198	42	4,489,443	2,605,429
Seventh.....	204	86	4,123,520	3,177,188
Eighth.....	67	31	2,200,012	288,672
Ninth.....	72	18	1,458,576	85,515
Tenth.....	75	11	966,896	85,735
Eleventh.....	137	33	1,991,284	411,027
Twelfth.....	172	72	5,234,704	823,537
Total.....	1,562	673	42,904,409	28,372,895

**PRICE MOVEMENT AND VOLUME OF TRADE.**

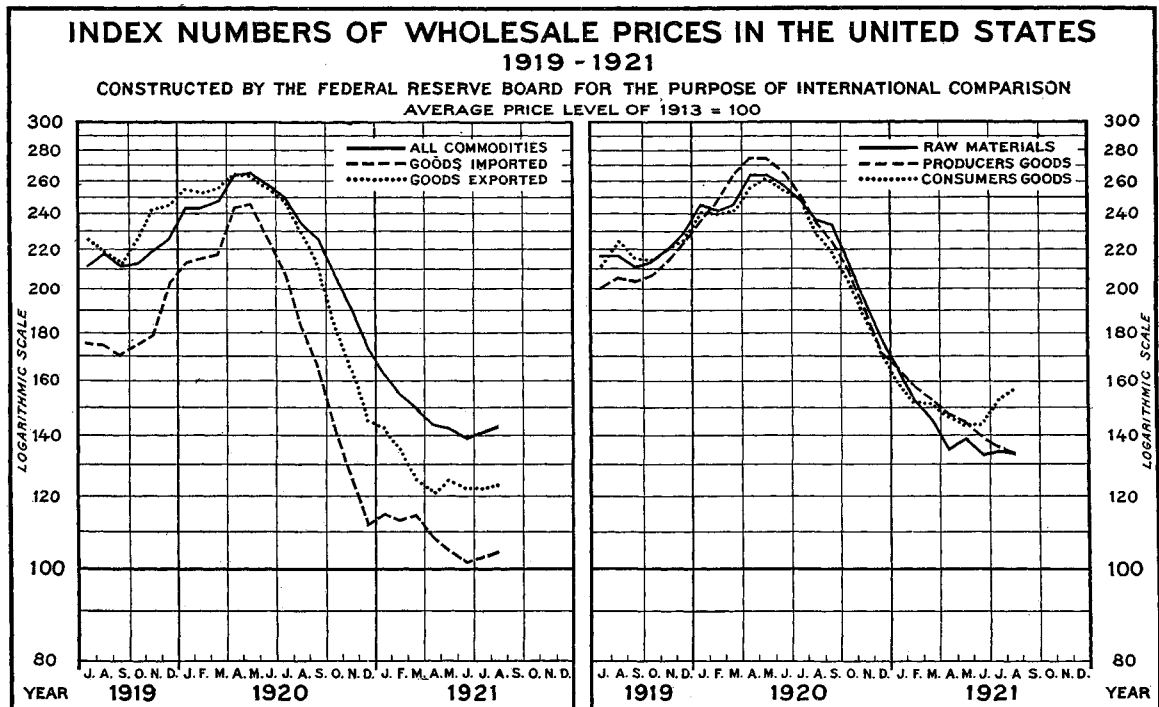
**WHOLESALE PRICES IN THE UNITED STATES.**

The trend of prices in August was commented on in the BULLETIN for September.

Comparing the recent price situation with that of a year ago, the Federal Reserve all-commodities index shows a drop of 91 points between August, 1920, and 1921. Expressed in a percentage this means a decline of 39 per cent. The index of the Bureau of Labor Statistics records a drop of the same percentage during the period, although the level of prices (when compared with 1913) works out somewhat higher in the case of the Department of Labor index than in that of the Federal Reserve Board.

The most extreme price reductions have occurred in agricultural lines, the percentage decrease between August of last year and this year amounting to over 50 per cent. Although the decline in prices of animal products (including wool and hides) has not been so great, this group of commodities is nearer the prewar level than any other group. Mineral products have been reduced less than any other group of raw materials (somewhat less than 35 per cent), and forest products are about 43 per cent lower than a year ago.

Contrasting the rate of decline in raw materials with that in finished consumable goods, it appears that the former as a whole have declined between 40 and 45 per cent, while consumers' goods as a whole are probably not more than 30 to 35 per cent lower than a year ago.



**INDEX NUMBERS OF WHOLESALE PRICES IN UNITED STATES—CONSTRUCTED BY THE FEDERAL RESERVE BOARD FOR THE PURPOSE OF INTERNATIONAL COMPARISON.<sup>1</sup>**

[Average price for 1913=100.]

Date.	Goods produced.	Goods imported.	Goods exported.	Raw materials.	Producers' goods.	Consumers' goods.	All commodities.
1919, average.....	209	174	214	209	198	207	206
1920, average.....	236	191	227	235	237	229	233
1920, August.....	238	182	229	237	235	229	234
1921.							
January.....	166	114	142	164	166	159	163
February.....	156	113	135	152	158	152	154
March.....	152	114	125	146	153	151	150
April.....	145	109	121	136	148	147	143
May.....	145	105	125	139	145	144	142
June.....	141	102	122	133	140	144	139
July.....	144	103	122	134	136	152	141
August.....	145	104	123	133	133	157	143

<sup>1</sup> The index number of the Federal Reserve Board has been constructed primarily with a view to international comparisons of wholesale prices. Due to the difficulties connected with the collection of foreign prices, the foreign index numbers are still incomplete, but in spite of this it has seemed advisable to publish the American number, since it contains certain classifications of commodities not otherwise available, namely, the prices of the important goods imported into this country, and of goods largely exported, and compares them with the general price level in the United States. The number has been published monthly since May, 1920, but is computed for the years 1913, 1919, and the first of 1920 as well.

For detailed information regarding the makeup of the number, reference may be made to the FEDERAL RESERVE BULLETIN for May, 1920, pages 499-503. The commodities included in the different groups are listed there with exact specifications and markets indicated. The "weights" assigned to the different commodities in constructing the index numbers are also given in detail. Revisions in prices or weights appear in BULLETINS for June, 1920, and June, 1921.

The index of "goods produced" consists of 74 quotations (30 raw materials, 24 producers' and 20 consumers' goods). These include agricultural products (such as grains, live stock, and textiles), minerals, and lumber, among the raw materials; yarns, leather, semifinished steel products, refined oils, chemicals, building materials, etc., among the producers' goods; and potatoes, meats, flour, rice, dairy products, cotton and woolen cloths, boots and shoes, and kerosene among the consumers' goods.

The index of "goods imported" consists of 18 quotations (9 raw materials, 7 producers' and 2 consumers' goods). It includes Egyptian cotton, Australian and South American raw wool, Japanese and Chinese silk, South American hides, Straits tin, and Canadian lumber among the raw materials; plantation and Para rubber, Chilean nitrate, cane sugar, burlap, sisal, etc., among producers' goods; and tea and coffee for consumers' goods.

Leading American exports are included in the index of prices of "goods exported," which is made up of 40 quotations (17 raw materials, 12 producers' and 11 consumers' goods). Grains, tobacco, cotton, copper, coal, pig iron, petroleum, and lumber make up the list of raw materials; vegetable oils, leather, semifinished metal products, refined oils, and chemicals the producers' goods; and wheat flour, refined sugar, pork products, coffee, cotton cloth, boots and shoes, and kerosene the consumers' goods.

The index numbers of "raw materials," "producers' goods," and "consumers' goods" consist of the commodities mentioned above which fall into these classes, whether they are of domestic or foreign origin. The raw materials group includes 39 quotations, the producers' goods 29, and the consumers' goods 22.

The "all commodities" index is obtained by combining the group indexes of domestic and foreign goods. It consists of 90 different quotations. The quotations are obtained from representative trade journals and private firms. About half of them are the same that are used by the Bureau of Labor Statistics in its larger compilation of prices and are furnished to the Board by that bureau.

**INDEX NUMBERS OF WHOLESALE PRICES IN THE UNITED STATES FOR PRINCIPAL CLASSES OF COMMODITIES—BUREAU OF LABOR STATISTICS—REGROUPED BY FEDERAL RESERVE BOARD.<sup>2</sup>**

[Average price for 1913=100.]

Year and month.	Raw materials.					Producers' goods.	Consumers' goods.	All commodities.
	Agricultural products.	Animal products.	Forest products.	Mineral products.	Total raw materials.			
August..... 1920.	259	181	351	265	251	238	250	250
1921.								
January.....	155	119	245	220	175	169	182	177
February.....	145	114	225	207	164	155	171	167
March.....	136	116	210	197	157	149	168	162
April.....	126	106	205	189	149	143	159	154
May.....	131	104	205	188	149	140	153	151
June.....	125	102	204	182	145	137	152	148
July.....	122	109	203	177	145	134	153	148
August.....	123	112	200	175	145	132	152	152

<sup>2</sup> As the index number of the Bureau of Labor Statistics (which is based upon 315 quotations) has been reclassified by the Federal Reserve Board, the raw materials group consists of approximately 76 quotations, the producers' goods of about 80, and the consumers' goods of 158. Raw materials have been subclassified into agricultural products (mainly grains, cotton, and tobacco), based upon 19 quotations, animal products based upon the same number, forest products based upon 11 quotations, and mineral products based upon 27 quotations. The FEDERAL RESERVE BULLETIN for October, 1913, contains a list of the commodities in each group. The weights are the same as those used by the Bureau of Labor Statistics.

In order to give a more concrete illustration of actual price movements, there are also presented in the following table monthly actual and relative figures for certain commodities of a basic character. The prices shown in the

table have been obtained from the records of the United States Bureau of Labor Statistics, except in the case of bituminous coal, prices for which have been obtained from the Coal Age.

AVERAGE MONTHLY WHOLESALE PRICES OF COMMODITIES.

[Average price for 1913=100.]

Year and month.	Corn, No. 3, Chicago.		Cotton, middling, New Orleans.		Wheat, No. 1, northern spring, Minneapolis.		Wheat, No. 2, red winter, Chicago.		Cattle, steers, good to choice, Chicago.		Hides, packers, heavy native steers, Chicago.	
	Average price per bushel.	Relative price.	Average price per pound.	Relative price.	Average price per bushel.	Relative price.	Average price per bushel.	Relative price.	Average price per 100 pounds.	Relative price.	Average price per pound.	Relative price.
1913.....	\$0.6155	100	\$0.1270	100	\$0.8735	100	\$0.9863	100	\$8.5072	100	\$0.1839	100
1919.....	1.5800	257	.3185	251	2.5660	294	2.5370	239	17.4957	206	.3931	210
1920.....	1.3908	227	.3301	260	2.5581	293	2.5225	256	14.4856	170	.3122	174
1920.												
August.....	1.5310	249	.3380	266	2.5500	292	2.4735	251	15.3500	180	.2850	155
1921.												
January.....	.6553	106	.1450	114	1.7884	205	1.9613	199	9.8400	116	.1675	91
February.....	.6352	103	.1322	104	1.6713	191	1.9194	195	9.3125	109	.1363	74
March.....	.6180	100	.1105	87	1.6135	185	1.6798	170	9.5625	112	.1150	63
April.....	.5547	90	.1116	88	1.4959	161	1.8499	141	8.7188	102	.1012	55
May.....	.6090	99	.1178	93	1.4923	171	1.5680	159	8.4250	99	.1188	65
June.....	.6075	99	.1101	87	1.4894	172	1.4384	146	8.0938	95	.1395	76
July.....	.6019	98	.1147	90	1.4384	165	1.2291	125	8.4063	99	.1188	75
August.....	.5578	91	.1290	102	1.3953	160	1.2373	125	8.7750	103	.1405	76

Year and month.	Hogs, light, Chicago.		Wool, Ohio, 4-3 grades, scoured, eastern markets.		Hemlock, New York.		Yellow pine, flooring, New York.		Coal, bituminous, run of mine, f. o. b. spot at mines, Pittsburgh.		Coal, bituminous, Pocahontas, f. o. b. spot at mines, Columbus.	
	Average price per 100 pounds.	Relative price.	Average price per pound.	Relative price.	Average price per M feet.	Relative price.	Average price per M feet manufactured.	Relative price.	Average price per short ton.	Relative price.	Average price per short ton.	Relative price.
1913.....	\$8.4541	100	\$0.4710	100	\$24.2273	100	\$44.5909	100	\$1.3200	100	\$1.5710	100
1919.....	18.3260	217	1.1854	248	39.7500	164	78.8333	177				
1920.....	14.7106	174	.9712	203	56.6667	234	145.4167	326	6.0433	458	5.8891	375
1920.												
August.....	15.7350	186	.8727	185	57.0000	235	157.0000	352	10.6300	805	8.6300	549
1921.												
January.....	9.6700	114	.5455	116	48.0000	198	110.0000	247	2.5300	192	4.2500	271
February.....	9.7083	115	.5455	116	48.0000	198	95.0000	213	2.4200	183	3.7300	237
March.....	10.3062	122	.5273	112	48.0000	198	95.0000	213	2.2900	173	3.4000	216
April.....	8.8563	105	.5273	112	41.0000	169	91.0000	204	2.2500	170	3.3625	214
May.....	8.4550	100	.5091	105	41.0000	169	91.0000	204	2.1310	161	3.4940	222
June.....	8.2500	98	.4909	104	41.0000	169	91.0000	204	1.9000	144	3.4250	213
July.....	10.2000	121	.4909	104	37.5000	155	91.0000	204	2.0750	157	3.2000	204
August.....	10.3950	123	.4727	100	37.2500	154	92.0000	206	2.1300	161	3.0600	195

Year and month.	Coal, anthracite, stove, New York, tidewater.		Coke, Connellsville, at furnace.		Copper, ingot, electrolytic, New York.		Lead, pig, desilverized, New York.		Petroleum, crude, Pennsylvania, at wells.		Pig iron, basic, Mahoning and Shenango Valley, at furnace.	
	Average price per long ton.	Relative price.	Average price per short ton.	Relative price.	Average price per pound.	Relative price.	Average price per pound.	Relative price.	Average price per barrel.	Relative price.	Average price per long ton.	Relative price.
1913.....	\$5.0613	100	\$2.4396	100	\$0.1573	100	\$0.0440	100	\$2.4500	100	\$14.7058	100
1919.....	8.1639	161	4.7375	194	.1911	122	.0578	131	4.1346	169	27.6971	188
1920.....	9.4265	186	10.8153	443	.1797	114	.0898	184	5.9750	244	42.2892	287
1920.												
August.....	9.6087	190	15.5500	637	.1900	121	.0898	204	6.1000	249	48.1000	327
1921.												
January.....	10.6373	210	5.5313	227	.1288	82	.0497	113	5.7750	236	30.0000	204
February.....	10.6382	210	5.1875	213	.1288	82	.0468	106	4.1875	171	27.5000	187
March.....	10.6382	210	5.0000	205	.1223	78	.0405	92	3.0000	122	24.2000	165
April.....	10.1380	200	3.7188	152	.1247	79	.0428	97	3.1875	130	22.8750	156
May.....	10.2910	203	3.3250	136	.1283	82	.0495	113	3.3590	137	22.0000	150
June.....	10.3900	205	3.0938	127	.1284	82	.0451	103	2.6250	107	20.7500	141
July.....	10.5048	208	2.9063	119	.1253	80	.0440	100	2.2500	92	19.3750	132
August.....	10.6036	210	2.8000	115	.1173	75	.0440	100	2.2500	92	18.2000	124

<sup>1</sup> On Toledo market, average for last six months of 1913.

## AVERAGE MONTHLY WHOLESALE PRICES OF COMMODITIES—Continued.

Year and month.	Cotton yarns, northern cones, 10/1 Boston.		Leather, sole, hemlock, No. 1, Chicago.		Steel billets, Bessemer, Pittsburgh.		Steel plates, tank, Pittsburgh.		Steel rails, open hearth, Pittsburgh.		Worsted yarns, 2-32's crossbred, Philadelphia.	
	Average price per pound.	Relative price.	Average price per pound.	Relative price.	Average price per long ton.	Relative price.	Average price per pound.	Relative price.	Average price per long ton.	Relative price.	Average price per pound.	Relative price.
1913.....	\$0.2213	100	\$0.2821	100	\$25.7892	100	\$0.0148	100	\$30.0000	100	\$0.7767	100
1919.....	.5340	241	.5283	187	40.5385	157	.0271	183	49.2642	164	1.6274	210
1920.....	.6245	282	.5342	189	56.2596	218	.0328	222	53.8269	179	1.8250	235
August..... 1920.	.6310	285	.5500	195	61.0000	327	.0325	220	54.5000	182	1.7500	225
January..... 1921.	.2878	130	.4000	142	43.5000	169	.0265	179	47.0000	157	1.1500	148
February.....	.2775	125	.3800	135	42.2500	164	.0233	157	47.0000	157	1.1500	148
March.....	.2447	111	.3700	131	38.4000	149	.0204	138	47.0000	157	1.2000	155
April.....	.2388	108	.3700	131	37.5000	145	.0210	142	47.0000	157	1.2000	155
May.....	.2491	113	.3700	131	37.0000	143	.0220	149	47.0000	157	1.2500	161
June.....	.2545	115	.3700	131	37.0000	143	.0195	132	47.0000	157	1.2000	155
July.....	.2411	109	.3500	124	32.2500	125	.0185	125	47.0000	157	1.1500	148
August.....	.2586	117	.3400	121	29.6000	115	.0178	120	47.0000	157	1.1500	148
Year and month.	Beef, carcass, good native steers, Chicago.		Coffee, Rio, No. 7, New York.		Flour, wheat, standard patents (1918, standard war), Minneapolis.		Hams, smoked, Chicago.		Illuminating oil, 150° fire test, New York.		Sugar, granulated, New York.	
	Average price per pound.	Relative price.	Average price per pound.	Relative price.	Average price per barrel.	Relative price.	Average price per pound.	Relative price.	Average price per gallon.	Relative price.	Average price per pound.	Relative price.
1913.....	\$0.1295	100	\$0.1113	100	\$4.5837	100	\$0.1662	100	\$0.1233	100	\$0.0427	100
1919.....	.2333	180	.1785	160	11.9982	262	.3433	207	.2004	163	.0894	209
1920.....	.2304	178	.1198	108	12.6750	277	.3340	201	.2629	213	.1267	297
August..... 1920.	.2550	197	.0936	84	12.2350	267	.3725	224	.2600	211	.1490	349
January..... 1921.	.1738	134	.0669	60	9.6250	210	.2488	150	.2900	235	.0757	177
February.....	.1600	124	.0672	60	9.1813	200	.2600	156	.2750	223	.0709	166
March.....	.1625	125	.0639	57	8.7300	190	.2725	164	.2625	213	.0784	184
April.....	.1650	127	.0600	54	7.9500	173	.2763	166	.2540	206	.0725	170
May.....	.1650	127	.0621	56	8.7450	191	.2725	164	.2400	195	.0632	148
June.....	.1600	124	.0666	60	9.0063	196	.2822	170	.2200	178	.0569	133
July.....	.1490	115	.0647	58	8.9000	194	.3200	193	.2200	178	.0546	128
August.....	.1600	124	.0703	63	8.1200	177	.3248	195	.2200	178	.0583	137

### FOREIGN TRADE INDEX.

There is presented below a series of indexes designed to reflect movements in foreign trade of the United States, with fluctuations due to price changes eliminated. The commodities chosen for these indexes are those for which prices are compiled by the Federal Reserve Board in the preparation of its international price index. The list includes 25 of the most important imports the value of which in 1913 formed 47.7 per cent of the total import values, and 29 of the most important exports the value of which in 1913 formed 56.3 per cent of the total export values. The classification of the original list of commodities used was given in the July, 1920, BULLETIN. The classification of the 11 additional commodities of imports was given in the April, 1921, BULLETIN.

There was a considerable increase in the total volume of both exports and imports during August. Exports of raw materials and of consumers' goods were much larger than in July, while the volume of producers' goods exported showed little change. The increase in exports of raw materials was wholly due to large shipments of grain from this country, as the volume

of exports of all other unmanufactured products actually declined. In the group of consumers' products, exports of wheat flour showed the greatest growth, although August exports of shoes, hams, lard, cotton cloth, and illuminating oil were all larger than those of July. Exports of cotton cloth have now shown a steady growth for six consecutive months. Among the producers' commodities, exports of gasoline and acetate of lime showed a considerable increase, while exports of steel rails and upper leather declined. August was the seventh successive month to register a falling off in exports of cottonseed oil.

The increase in volume of August imports was most noticeable in the case of producers' goods. Imports of cane sugar, India rubber, and nitrate of soda were much greater than in July, while paper imports were larger than in any previous month this year. Imports of raw materials and consumers' goods also showed moderate increases. Silk imports reached the highest monthly total for over a year. Imports of flaxseed and lumber in August exceeded those of any month since October, 1920, while imports of tobacco were greater than in any month since February.

#### INDEX OF VALUE OF FOREIGN TRADE IN SELECTED COMMODITIES AT 1913 PRICES.

[Monthly average values, 1913=100.]

	Exports.				Imports.			
	Raw materials (12 commodities).	Producers' goods (10 commodities).	Consumers' goods (7 commodities).	Total (29 commodities).	Raw materials (10 commodities).	Producers' goods (12 commodities).	Consumers' goods (3 commodities).	Total (25 commodities).
1913—Year.....	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1919—Year.....	88.9	154.7	188.5	118.6	157.5	193.0	161.4	171.1
1920—Year.....	92.2	142.6	137.9	107.7	135.2	227.3	155.3	171.7
1921.								
January.....	105.2	187.9	126.0	117.6	74.5	130.8	146.5	104.7
February.....	91.0	141.0	116.4	101.6	118.2	143.5	160.8	133.1
March.....	78.2	104.4	122.4	91.1	160.7	177.4	209.3	173.2
April.....	76.6	102.7	122.5	89.9	153.4	177.7	206.3	169.3
May.....	97.7	81.8	112.8	100.0	98.7	150.1	179.3	128.2
June.....	107.9	74.4	135.1	111.3	94.5	152.5	126.7	119.7
July.....	111.6	68.3	131.8	112.5	99.3	126.5	114.9	111.4
August.....	142.5	68.1	164.1	140.9	116.7	164.8	126.3	135.7

**INDEX OF OCEAN FREIGHT RATES.**

The accompanying table shows the monthly fluctuations in ocean freight rates prevailing between United States Atlantic ports and the principal European trade regions. The figures are derived from the actual rates quoted on the following commodities: Grain, provisions, cotton, cottonseed oil, and sack flour. For the methods used in constructing the index, see the August, 1921, BULLETIN, pages 931-934.

During September rates in all the European trades remained substantially unchanged until the final week of the month, when the rate on heavy grain to the United Kingdom was cut from 5 shillings to 4 shillings per quarter (480 pounds). Rates to French Atlantic and Netherlands ports were reduced correspondingly, and the steamship lines comprising the Baltic-Scandinavian conference took similar action following the announcement of the lower tariffs in the United Kingdom and Continent trades. As a result of these rate revisions the September index numbers all show moderate declines from August, although, on account of the higher rate level in effect during most of September, the full extent of the recent

decline can not be reflected in the index until October.

**RELATIVE OCEAN FREIGHT RATES IN UNITED STATES AND EUROPE TRADE.**  
[January, 1920, rates=100.]

Month.	United States Atlantic ports to—					
	United Kingdom.	French Atlantic.	Netherlands and Belgium.	Scandinavia.	Mediterranean.	All Europe
1920.						
January.....	100.0	100.0	100.0	100.0	100.0	100.0
February.....	96.5	86.9	83.3	99.1	91.1	90.3
March.....	91.2	78.5	78.0	84.6	79.5	83.4
April.....	90.2	87.2	78.9	82.7	72.2	83.5
May.....	96.2	85.9	87.3	82.5	75.2	87.5
June.....	101.2	87.1	89.5	82.1	76.5	90.0
July.....	96.0	85.6	82.1	82.0	75.3	86.3
August.....	85.7	77.9	70.4	82.1	73.2	78.5
September.....	86.7	73.7	66.9	82.1	71.6	76.9
October.....	84.9	68.9	70.9	75.3	69.6	75.4
November.....	77.8	51.6	59.9	59.6	59.2	63.8
December.....	72.3	38.5	47.0	51.6	49.2	53.6
1921.						
January.....	60.7	30.2	34.1	42.9	43.2	43.3
February.....	54.7	27.7	29.2	30.9	43.8	38.5
March.....	49.3	24.6	28.3	30.8	42.2	35.9
April.....	50.1	32.6	36.6	29.4	35.7	39.0
May.....	50.6	35.0	38.2	31.3	34.6	40.1
June.....	42.7	34.7	38.3	31.3	34.0	37.6
July.....	42.5	33.2	37.0	29.0	34.7	36.8
August.....	42.9	33.4	36.7	28.4	34.3	36.7
September.....	41.8	32.7	35.8	28.2	33.6	36.0

**OCTOBER CROP REPORT.**

Forecasts and preliminary estimates issued by the United States Department of Agriculture as of October 1, 1921, are shown in the table following, in comparison with estimates of production for the past crop year.

Corn production is expected to be somewhat larger than the September forecast, and only 69,000,000 bushels less than last year's record crop. The preliminary estimate for wheat is 741,000,000 bushels, compared with 787,000,000

bushels last year, the larger part of the decrease being in winter wheat. A further reduction of 500,000 bales in the cotton forecast brings the total down to 6,537,000 bales, or somewhat less than one-half of last year's estimated production. The preliminary estimate for oats is 1,079,000,000 bushels, or nearly one-third less than a year ago, while the estimate for hay is about 12 per cent below the 1920 amount.

**PRODUCTION OF CORN, WHEAT, COTTON, OATS AND HAY, BY FEDERAL RESERVE DISTRICTS—OCTOBER 1, 1921, FORECAST OF THE DEPARTMENT OF AGRICULTURE.**

[In thousands of units of measurement.]

Federal Reserve District.	Corn (bushels).		Total wheat (bushels).		Spring wheat (bushels).		Cotton (bales).		Oats (bushels).		Hay, tame and wild (tons).	
	Oct. 1 forecast for 1921.	Estimate for 1920.	Preliminary estimate for 1921.	Estimate for 1920.	Preliminary estimate for 1921.	Estimate for 1921.	Oct. 1 forecast for 1921.	Estimate for 1920.	Preliminary estimate for 1921.	Estimate for 1920.	Preliminary estimate for 1921.	Estimate for 1920.
Boston.....	5,810	4,535	343	368	343	368	.....	.....	8,703	9,571	3,552	4,211
New York.....	44,643	38,550	10,095	12,016	450	740	.....	.....	30,326	46,797	4,649	6,005
Philadelphia.....	64,609	63,133	22,745	23,022	279	311	.....	.....	21,169	28,882	2,466	2,945
Cleveland.....	201,017	216,642	34,552	35,442	341	463	.....	.....	51,454	92,711	5,596	6,209
Richmond.....	181,536	202,850	27,542	36,871	.....	.....	1,143	2,570	25,141	25,626	4,205	4,751
Atlanta.....	305,067	266,055	7,130	6,363	.....	.....	1,456	2,459	33,839	28,090	4,686	4,594
Chicago.....	928,661	987,897	61,964	66,530	8,231	11,643	.....	.....	378,388	587,706	14,747	17,129
St. Louis.....	450,971	441,118	60,396	60,611	529	716	1,344	2,161	58,477	77,814	7,280	8,183
Minneapolis.....	281,559	259,126	135,105	145,521	129,302	138,862	.....	.....	211,153	306,867	15,492	17,896
Kansas City.....	483,966	542,699	248,121	282,060	13,240	13,375	384	1,188	171,104	229,297	10,048	20,301
Dallas.....	206,152	199,638	19,604	18,222	643	714	2,126	4,881	45,052	48,296	2,008	2,005
San Francisco.....	9,072	10,124	113,058	100,102	43,418	42,173	177	1,168	43,713	44,398	13,890	14,004
Total.....	3,163,063	3,232,367	740,655	787,128	196,776	209,365	2,657	13,440	1,078,519	1,526,055	94,619	108,233

<sup>1</sup> In addition, the following amounts were estimated grown in Lower California (Mexico): Oct. 1, 1921, forecast, 31,000 bales; estimate for 1920, 75,000 bales.

<sup>2</sup> Cotton grown outside of cotton belt included as follows: Oct. 1, 1921, forecast, 7,000 bales; estimate for 1920, 13,000 bales.



### PHYSICAL VOLUME OF TRADE.

The volume of production and trade showed a more general upward trend in August than in any previous month this year. The increase in agricultural movements was particularly noteworthy. Wheat receipts at 17 interior centers exceeded the record total of July, while receipts of corn and oats also showed large increases. Stocks of grain at interior and seaboard centers were considerably augmented, in spite of a shrinkage in corn stocks. August production of wheat flour showed a marked increase for the second successive month. Live-stock movements closely paralleled those of grain, and August receipts at 59 markets were appreciably larger than in July, despite a falling off in hog receipts. Movements of sugar, cotton seed, California deciduous fruits, and rosin also increased during August, while movements of California citrus fruits and of turpentine declined in volume.

There was a noticeable increase in fuel production during August. Both by-product and beehive coke production increased after a long period of decline. The output of anthracite and bituminous coal mines also showed a moderate gain. Petroleum production in August was slightly larger than in July, but drilling operations were noticeably curtailed.

Production of iron and steel increased during August, but unfilled orders of the United States

Steel Corporation continued to decline. Copper production showed an upward trend in August, but zinc mining showed a slight curtailment. Imports of pig tin were larger than in July.

Textile production was well maintained during August, although there was some increase in the percentage of idle wool machinery. Cotton consumption showed a moderate increase, while imports of raw silk reached the largest total of any month this year.

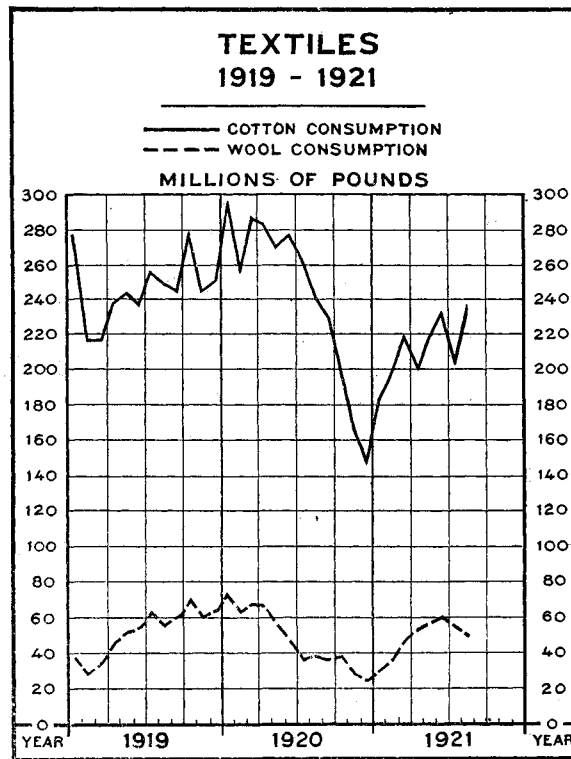
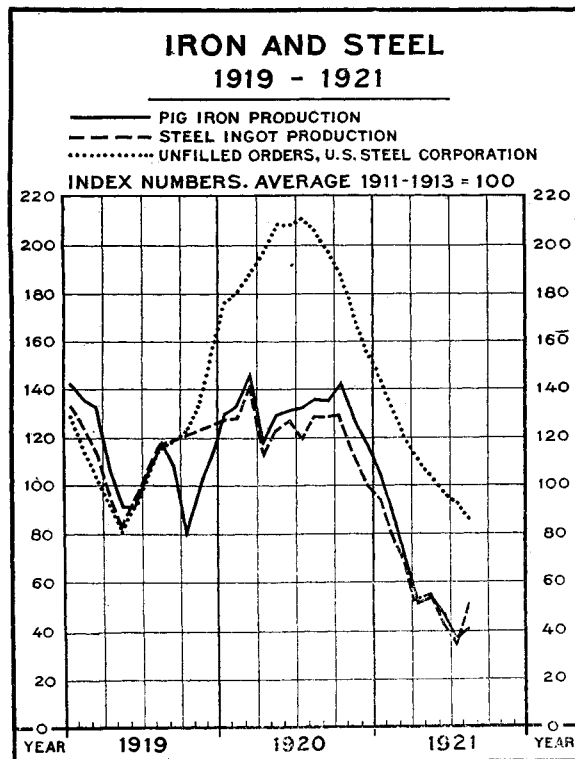
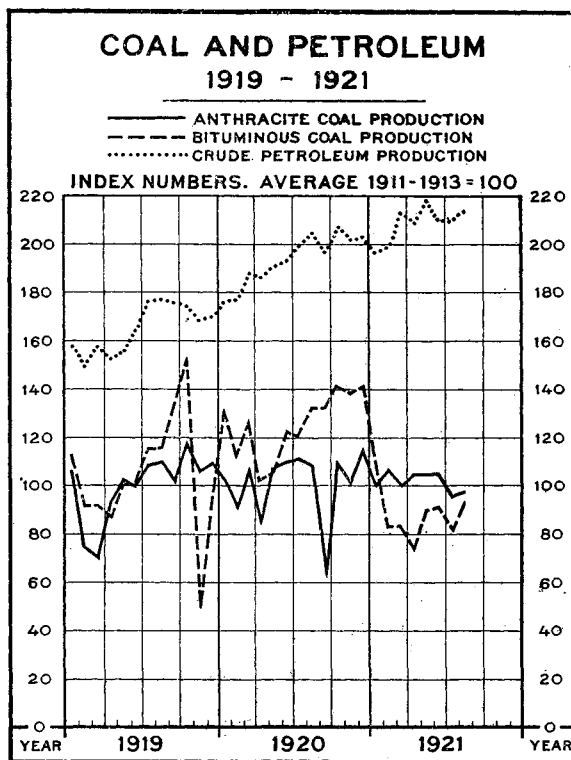
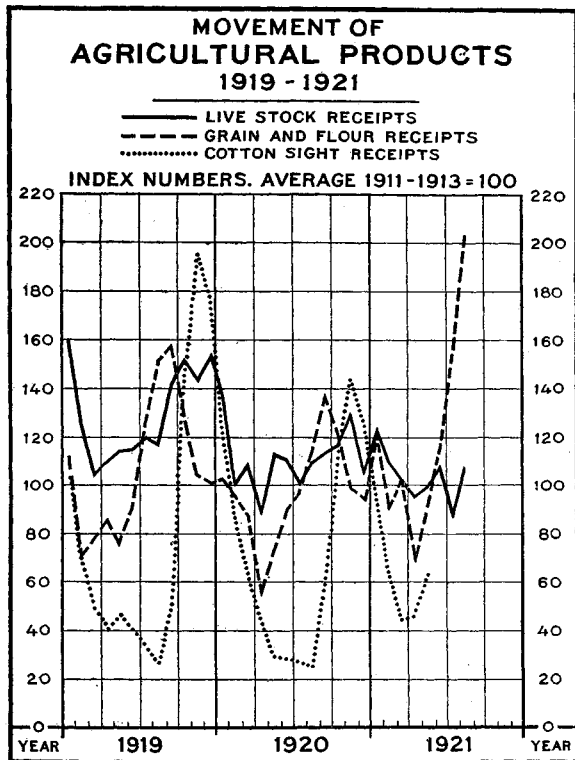
Reporting lumber associations increased both their cut and shipments during August. There was also a considerable increase in production of wood pulp and of paper. August production of cement was the largest of any month on record. Leather production also showed an increase, and the August output of sole leather was greater than in any month since June, 1920. There was a marked gain in locomotive production, but the output of railroad cars and vessels declined. Shipments of automobiles were at about the same level as in July.

Revenue freight loaded by railroads was about 12 per cent greater in August than in July. This increase was about equally distributed among the leading classes of carload freight, but was much greater in the East, the Northwest, and the Central West than in other sections of the country.

### LIVE-STOCK MOVEMENTS.

[Bureau of Markets.]

	Receipts.					Shipments.				
	Cattle and calves, 59 markets.	Hogs, 59 markets.	Sheep, 59 markets.	Horses and mules, 43 markets.	Total, all kinds.	Cattle and calves, 54 markets.	Hogs, 54 markets.	Sheep, 54 markets.	Horses and mules, 43 markets.	Total, all kinds.
	Head.	Head.	Head.	Head.	Head.	Head.	Head.	Head.	Head.	Head.
1920.										
August.....	1,944,506	2,382,204	2,560,802	72,556	6,960,068	869,849	953,088	1,453,198	68,571	3,350,706
1921.										
May.....	1,531,682	3,311,976	1,886,817	17,824	6,748,299	591,770	1,037,466	915,116	16,610	2,560,962
June.....	1,572,334	3,559,165	1,812,339	13,292	6,957,130	605,822	1,136,269	763,577	13,214	2,518,882
July.....	1,335,648	2,717,247	1,738,957	10,696	5,802,448	490,751	915,998	760,172	10,036	2,176,957
August.....	1,856,948	2,647,965	2,467,048	15,933	6,987,894	842,254	927,962	1,110,134	14,661	2,895,011



RECEIPTS AND SHIPMENTS OF LIVE STOCK AT 15 WESTERN MARKETS.

[Chicago, Kansas City, Oklahoma City, Omaha, East St. Louis, St. Joseph, St. Paul, Sioux City, Cincinnati, Cleveland, Denver, Fort Worth, Indianapolis, Louisville, Wichita. Monthly average, 1911-1913=100.]

RECEIPTS.

	Cattle and calves.		Hogs.		Sheep.		Horses and mules.		Total, all kinds.	
	Head.	Relative.	Head.	Relative.	Head.	Relative.	Head.	Relative.	Head.	Relative.
1920.										
August.....	1,451,985	144	1,784,209	81	1,687,787	124	55,371	120	4,979,352	108
1921.										
May.....	1,062,988	105	2,401,246	109	1,097,976	80	12,082	26	4,574,292	99
June.....	1,117,111	111	2,671,462	122	1,130,874	83	8,135	18	4,927,582	107
July.....	940,173	93	2,021,268	92	1,035,674	76	6,952	15	4,004,067	87
August.....	1,418,237	141	1,919,514	87	1,568,584	115	11,147	24	4,917,482	106

SHIPMENTS.

	Cattle and calves.	Hogs.	Sheep.	Horses and mules.	Total, all kinds.
1920.					
August.....	640,295	157	627,670	130	820,341
1921.					
May.....	424,558	104	644,788	133	415,569
June.....	414,814	102	703,724	145	403,748
July.....	338,306	83	619,854	128	408,088
August.....	656,106	161	609,506	126	604,996

SHIPMENTS OF STOCKERS AND FEEDERS FROM 34 MARKETS.

	Cattle and calves.	Hogs.	Sheep.	Total, all kinds.		Cattle and calves.	Hogs.	Sheep.	Total, all kinds.
	Head.	Head.	Head.	Head.		Head.	Head.	Head.	Head.
1920.					1921.				
August.....	273,512	34,415	567,429	875,356	May.....	211,846	29,409	114,811	356,066
					June.....	195,039	31,373	88,302	314,714
					July.....	120,429	15,493	138,414	274,336
					August.....	353,619	21,564	402,372	777,558

ANIMALS SLAUGHTERED UNDER FEDERAL INSPECTION.

[Bureau of Animal Industry. Monthly average, 1911-1913=100.]

	Cattle.		Calves.		Hogs.		Sheep.		Total.	
	Head.	Relative.	Head.	Relative.	Head.	Relative.	Head.	Relative.	Head.	Relative.
1920.										
August.....	685,763	113	332,349	188	2,190,821	78	1,041,580	86	4,250,513	88
1921.										
May.....	559,979	92	366,798	207	3,274,114	116	984,903	82	5,185,794	108
June.....	640,164	105	369,696	209	3,618,174	128	1,116,069	93	5,744,103	117
July.....	579,028	95	324,046	183	2,820,616	100	1,059,902	88	4,783,592	100
August.....	680,419	112	303,796	172	2,530,459	90	1,236,992	103	4,751,666	99

EXPORTS OF CERTAIN MEAT PRODUCTS.

[Department of Commerce. Monthly average, 1911-1913=100.]

	Beef, canned.		Beef, fresh.		Beef, pickled, and other cured.		Bacon.		Hams and shoulders, cured.		Lard.		Pickled pork.	
	Pounds.	Relative.	Pounds.	Relative.	Pounds.	Relative.	Pounds.	Relative.	Pounds.	Relative.	Pounds.	Relative.	Pounds.	Relative.
1920.														
August.....	1,231,070	186	343,352	28	2,152,982	81	23,333,156	139	9,360,469	63	31,020,802	71	2,257,511	51
1921.														
May.....	326,459	49	191,366	15	1,822,383	68	38,464,256	230	15,508,520	104	48,604,395	110	2,558,043	58
June.....	186,647	28	167,318	13	2,004,136	75	35,011,966	209	13,536,898	124	67,655,776	154	3,337,759	75
July.....	351,566	53	918,476	74	2,418,262	91	48,171,465	288	27,786,271	186	83,329,134	189	3,368,482	76
August.....	914,418	138	292,663	24	2,752,598	103	45,340,151	271	32,233,527	216	87,410,516	199	3,212,347	73

RECEIPTS OF GRAIN AND FLOUR AT 17 INTERIOR CENTERS.

[Chicago, Cleveland, Detroit, Duluth, Indianapolis, Kansas City, Little Rock, Louisville, Memphis, Milwaukee, Minneapolis, Omaha, Peoria, St. Louis, Spokane, Toledo, Wichita; receipts of flour not available for Cleveland, Detroit, Indianapolis, Louisville, Omaha, Spokane, Toledo, and Wichita. Compiled from reports of trade organizations at these cities. Monthly average, 1911-1913=100.]

	Wheat.		Corn.		Oats.		Rye.		Barley.		Total grain.		Flour.		Total grain and flour. <sup>1</sup>	
	Bushels.	Relative.	Bushels.	Relative.	Bushels.	Relative.	Bushels.	Relative.	Bushels.	Relative.	Bushels.	Relative.	Barrels.	Relative.	Bushels.	Relative.
1920.																
August.....	43,039,021	159	9,840,320	44	30,728,748	153	3,191,103	289	3,007,508	42	89,806,700	115	1,949,339	100	98,578,726	114
1921.																
May.....	25,514,527	94	20,939,570	93	15,524,227	77	1,368,821	124	2,551,087	36	65,898,232	35	1,498,212	77	72,640,186	84
June.....	30,342,592	112	35,816,899	160	21,921,817	109	1,464,530	133	3,859,432	54	93,405,270	120	865,219	44	97,298,756	112
July.....	71,422,624	263	19,713,672	88	25,527,442	127	2,557,053	232	3,073,358	43	122,294,149	157	2,705,340	138	134,468,179	155
August.....	77,026,777	284	30,983,238	138	42,739,890	213	6,207,749	562	6,387,297	89	163,344,951	210	3,130,086	160	177,430,338	205

<sup>1</sup> Flour reduced to its equivalent in wheat on basis of 4½ bushels to barrel.

SHIPMENTS OF GRAIN AND FLOUR AT 14 INTERIOR CENTERS.

[Chicago, Cleveland, Detroit, Duluth, Kansas City, Little Rock, Louisville, Milwaukee, Minneapolis, Omaha, Peoria, St. Louis, Toledo, Wichita; shipments of flour not available for Cleveland, Detroit, Louisville, Omaha, Toledo, and Wichita.]

	Wheat.		Corn.		Oats.		Rye.		Barley.		Total grain.		Flour.		Total grain and flour. <sup>1</sup>	
	Bushels.	Relative.	Bushels.	Relative.	Bushels.	Relative.	Bushels.	Relative.	Bushels.	Relative.	Bushels.	Relative.	Barrels.	Relative.	Bushels.	Relative.
1920.																
August.....	24,934,816	160	6,260,144	44	12,814,067	84	2,880,003	407	2,231,851	57	49,120,881	99	3,605,105	106	65,343,854	101
1921.																
May.....	18,675,009	120	15,747,327	110	12,447,121	82	1,309,016	185	1,682,946	43	49,861,419	100	2,533,847	75	61,263,730	94
June.....	21,550,026	138	21,381,193	150	11,656,507	77	1,427,796	202	2,224,652	57	58,240,174	117	2,113,649	62	67,751,594	104
July.....	31,373,871	201	20,154,143	141	10,051,024	66	878,751	124	2,313,726	59	64,771,515	130	3,842,046	113	82,060,722	126
August.....	58,901,701	378	22,657,863	159	15,422,006	101	4,548,466	642	4,060,175	104	105,590,211	213	5,040,334	149	128,271,714	198

<sup>1</sup> Flour reduced to its equivalent in wheat on basis of 4½ bushels to barrel.

STOCKS OF GRAIN AT 11 INTERIOR CENTERS AT CLOSE OF MONTH.

[Chicago, Detroit, Duluth, Indianapolis, Kansas City, Milwaukee, Minneapolis, Omaha, Peoria, St. Louis, and Toledo.]

	Wheat.	Corn.	Oats.	Rye.	Barley.	Total grain.
1920.						
August.....	Bushels. 5,460,879	Bushels. 1,414,708	Bushels. 7,447,762	Bushels. 338,600	Bushels. 709,469	Bushels. 15,371,418
1921.						
May.....	3,787,294	10,539,233	24,926,743	363,170	1,079,831	40,696,271
June.....	3,853,292	17,944,190	29,273,562	239,665	1,407,124	52,717,833
July.....	13,541,547	10,392,384	32,845,591	625,975	1,406,742	58,812,239
August.....	21,927,695	6,906,590	50,835,039	2,571,473	2,206,180	84,446,977

RECEIPTS OF GRAIN AND FLOUR AT NINE SEABOARD CENTERS.

[Boston, New York, Philadelphia, Baltimore, New Orleans, San Francisco, Portland (Oreg.), Seattle, Tacoma; receipts of flour not available from Seattle and Tacoma. Compiled from reports of trade organizations at these cities. Monthly average, 1911-1913=100.]

	Wheat.		Corn.		Oats.		Rye.		Barley.		Total grain.		Flour.		Total grain and flour. <sup>1</sup>	
	Bushels.	Relative.	Bushels.	Relative.	Bushels.	Relative.	Bushels.	Relative.	Bushels.	Relative.	Bushels.	Relative.	Barrels.	Relative.	Bushels.	Relative.
1920.																
August.....	28,098,022	223	1,576,842	44	2,671,365	56	3,407,799	2,398	2,289,791	138	38,043,819	168	1,390,077	133	44,299,166	162
1921.																
May.....	15,052,060	119	4,807,533	135	1,221,630	26	1,506,359	1,060	1,422,693	86	24,010,275	106	1,518,671	145	30,844,295	113
June.....	16,628,892	132	5,385,639	152	1,903,786	40	1,180,119	831	658,295	40	25,756,731	113	1,714,852	164	33,473,565	122
July.....	34,142,124	271	9,343,697	263	7,002,155	147	3,143,438	2,212	4,626,343	279	58,257,757	257	7,210,521	690	90,705,102	331
August.....	29,364,521	233	1,936,481	55	2,625,147	53	1,965,932	1,384	6,089,131	367	41,981,212	185	2,172,836	208	51,758,974	189

<sup>1</sup> Flour reduced to its equivalent in wheat on the basis of 4½ bushels per barrel.

## STOCKS OF GRAIN AT EIGHT SEABOARD CENTERS AT CLOSE OF MONTH.

[Boston, New York, Philadelphia, Baltimore, New Orleans, Newport News, Galveston, San Francisco. Compiled from reports of trade organizations at these cities.]

	Wheat.	Corn.	Oats.	Rye.	Barley.	Total grain.
August..... 1920.	<i>Bushels.</i> 13,915,892	<i>Bushels.</i> 1,097,945	<i>Bushels.</i> 1,532,272	<i>Bushels.</i> 777,445	<i>Bushels.</i> 4,052,189	<i>Bushels.</i> 21,375,748
May..... 1921.	3,788,898	1,185,753	1,107,518	534,574	1,300,852	7,917,595
June.....	3,486,041	2,136,128	1,058,652	157,397	1,664,674	8,502,892
July.....	9,972,506	1,113,767	981,942	386,710	3,738,401	16,193,326
August.....	12,934,198	955,694	1,592,072	1,359,338	3,997,970	20,869,272

## WHEAT-FLOUR PRODUCTION.

[January, 1918, to June, 1920, U. S. Grain Corporation; July, 1920, on, estimated by Russell's Commercial News (Inc.), New York.]

	1920.	<i>Barrels.</i>	1921.	<i>Barrels.</i>
August.....	10,200,000		8,406,000	
May.....			8,087,000	
June.....			10,720,000	
July.....			13,266,000	
August.....				

## COTTON.

[New Orleans cotton exchange. Monthly average crop years, 1911-1913=100.]

	Sight receipts.		Port receipts.		Overland movement.		American spinners takings.		Stocks at ports and interior towns at close of month.	
	Bales.	Relative.	Bales.	Relative.	Bales.	Relative.	Bales.	Relative.	Bales.	Relative.
August..... 1920.	308,262	25	159,586	17	25,322	24	251,841	55	1,365,397	116
May..... 1921.	777,011	62	595,346	65	84,594	80	288,411	63	2,869,165	244
June.....	659,900	53	482,944	53	112,955	107	410,734	90	2,659,826	226
July.....	607,788	48	465,143	51	78,106	74	469,715	103	2,311,696	196
August.....	617,049	49	406,823	44	95,025	90	369,420	81	2,167,927	184

## COTTONSEED.

[Bureau of the Census.]

	Received at mills.	Crushed.	On hand at mills (close of month).	1921.	Received at mills.	Crushed.	On hand at mills (close of month).
August..... 1920.	<i>Tons.</i> 22,938	<i>Tons.</i> 20,099	<i>Tons.</i> 32,923	May.....	<i>Tons.</i> 70,467	<i>Tons.</i> 131,522	<i>Tons.</i> 130,471
				June.....	77,434	98,646	109,309
				July.....	54,241	27,466	94,543
				August.....	130,333	100,496	124,377

## SHIPMENTS OF CITRUS AND DECIDUOUS FRUITS FROM CALIFORNIA.

[March, 1921, on, Bureau of Markets and California Fruit News.<sup>1</sup> Monthly average, 1911-1913=100.]

	Oranges.		Lemons.		Total citrus fruits.		Total deciduous fruits.
	Carloads.	Relative.	Carloads.	Relative.	Carloads.	Relative.	Carloads.
August..... 1920.	1,707	70	751	185	2,458	86	7,239
May..... 1921.	4,710	193	1,250	309	5,960	209	85
June.....	5,628	230	2,230	551	7,858	276	2,200
July.....	3,465	142	1,843	455	5,308	186	3,439
August.....	3,126	128	579	143	3,705	130	8,113

<sup>1</sup>For previous sources, see April, 1921, Bulletin.<sup>2</sup>Including grapefruit.

## SUGAR.

Data for ports of New York, Boston, Philadelphia. Weekly Statistical Sugar Trade Journal. Tons of 2,240 pounds. Monthly average, 1911-1913=100.]

	Receipts.		Meltings.		Raw stocks at close of month.			Receipts.		Meltings.		Raw stocks at close of month.	
	Tons.	Relative.	Tons.	Relative.	Tons.	Relative.		Tons.	Relative.	Tons.	Relative.	Tons.	Relative.
1920.							1921.						
August.....	308,313	168	287,000	156	125,340	73	May.....	251,302	137	236,000	129	224,035	130
							June.....	186,800	101	217,000	118	193,835	112
							July.....	148,045	80	221,000	120	104,558	61
							August.....	304,087	165	314,000	171	96,603	56

## TOBACCO SALES AT LOOSE-LEAF WAREHOUSES.

[Reports of State authorities.]

	Virginia dark.	Bright belt.				Burley.	Western dark.	
		Virginia.	North Carolina.	South Carolina.	Total.			
1920.	<i>Pounds.</i>	<i>Pounds.</i>	<i>Pounds.</i>	<i>Pounds.</i>	<i>Pounds.</i>	<i>Pounds.</i>	<i>Pounds.</i>	<i>Pounds.</i>
August.....	109,266		12,659,567	51,377,514	64,037,081	1,223,750	710,560	66,080,657
1921.			2,200,905		2,200,905	1,521,247	573,650	4,295,802
July.....			11,840,109		11,840,109	2,662,095	486,550	
August.....								

NOTE.—Includes sales for growers and dealers, but excludes resales.

## SALE OF REVENUE STAMPS FOR MANUFACTURES OF TOBACCO IN THE UNITED STATES (EXCLUDING PORTO RICO AND PHILIPPINE ISLANDS).

[Commissioner of Internal Revenue.]

	Cigars.		Cigarettes.	Manu- factured tobacco.		Cigars.		Cigarettes.	Manu- factured tobacco.
	Large.	Small.	Small.			Large.	Small.	Small.	
1920.	<i>Number.</i>	<i>Number.</i>	<i>Number.</i>	<i>Pounds.</i>	1921.	<i>Number.</i>	<i>Number.</i>	<i>Number.</i>	<i>Pounds.</i>
August.....	672,020,289	48,171,240	3,569,397,443	32,164,734	May.....	555,497,120	55,349,100	4,136,084,890	28,671,501
					June.....	618,495,102	50,175,400	4,219,727,623	31,737,525
					July.....	564,598,255	47,362,340	4,161,217,573	29,226,353
					August.....	622,039,033	53,630,000	5,130,577,133	33,601,590

## NAVAL STORES.

[Data for Savannah, Jacksonville, and Pensacola. Compiled from reports of trade organizations at these cities.]

	Spirits of turpentine.		Rosin.			Spirits of turpentine.		Rosin.	
	Receipts.	Stocks at close of month.	Receipts.	Stocks at close of month.		Receipts.	Stocks at close of month.	Receipts.	Stocks at close of month.
1920.	<i>Barrels.</i>	<i>Barrels.</i>	<i>Barrels.</i>	<i>Barrels.</i>	1921.	<i>Barrels.</i>	<i>Barrels.</i>	<i>Barrels.</i>	<i>Barrels.</i>
August.....	33,747	27,963	106,964	144,109	May.....	26,364	38,650	61,213	312,293
					June.....	33,533	36,949	80,943	308,341
					July.....	36,435	47,580	90,382	328,224
					August.....	33,773	52,861	92,580	328,907

## COAL AND COKE.

[U. S. Geological Survey. Monthly average, 1911-1913=100.]

	Bituminous coal, estimated monthly production.		Anthracite coal, estimated monthly production.		Beehive coke, estimated monthly production.	
	Short tons.	Relative.	Short tons.	Relative.	Short tons.	Relative.
September..... 1920.	49,172,000	133	4,638,000	63	1,757,667	67
..... 1921.						
May.....	33,330,000	90	7,497,000	101	290,000	11
June.....	33,852,000	91	7,786,000	105	232,000	9
July.....	30,394,000	82	7,050,000	95	181,000	7
August.....	34,533,000	93	7,196,000	97	248,000	9
September.....	35,105,000	95				

## CRUDE PETROLEUM.

[Production and stocks, U. S. Geological Survey; wells completed, Oil and Gas Journal and Standard Oil Bulletin (California). Barrels of 42 gallons each. Monthly average, 1911-1913=100.]

	Production.		Stocks at close of month (barrels).	Producing oil wells completed.		Production.		Stocks at close of month (barrels).	Producing oil wells completed.
	Barrels.	Relative.				Barrels.	Relative.		
..... 1920.									
August.....	39,055,000	204	124,449,000	2,456	..... 1921.				
					May.....	42,043,000	219	156,561,000	1,405
					June.....	40,405,000	211	164,837,000	1,471
					July.....	40,328,000	210	172,359,000	1,157
					August.....	40,964,000	214	176,248,000	952

## TOTAL OUTPUT OF OIL REFINERIES AND STOCKS OF OIL.

[Bureau of Mines.]

## OUTPUT BY MONTHS.

	Crude oil run (barrels).	Gasoline (gallons).	Kerosene (gallons).	Gas and fuel (gallons).	Lubricating (gallons).
..... 1920.					
July.....	37,024,052	423,419,770	172,213,511	751,193,898	92,369,504
..... 1921.					
May.....	36,990,478	448,567,873	145,225,023	817,367,590	70,000,194
June.....	36,940,821	430,344,393	141,637,081	826,355,262	63,088,609
July.....	36,040,797	419,641,815	138,724,132	807,428,397	65,893,228

## STOCKS AT CLOSE OF MONTH.

	Crude oil run (barrels).	Gasoline (gallons).	Kerosene (gallons).	Gas and fuel (gallons).	Lubricating (gallons).
..... 1920.					
July 31.....	17,086,253	413,279,319	410,853,047	655,152,293	131,866,455
..... 1921.					
May 31.....	20,816,203	800,495,787	452,437,995	1,163,388,695	261,759,797
June 30.....	21,008,986	750,644,450	435,056,713	1,248,664,088	260,883,121
July 31.....	19,115,631	684,236,695	412,201,674	1,269,419,283	258,638,298

## IRON AND STEEL.

[Pig-iron production, Iron Age; steel-ingot production, American Iron and Steel Institute. Monthly average, 1911-1913=100.]

	Iron-ore shipments from the upper lakes.		Pig-iron production.		Steel-ingot production.		Unfilled orders U. S. Steel Corporation at close of month.	
	Gross tons.	Relative.	Gross tons.	Relative.	Gross tons.	Relative.	Gross tons.	Relative.
September..... 1920.	8,923,482	147	3,129,323	135	2,999,551	128	10,374,804	197
..... 1921.								
May.....	2,594,027	43	1,221,221	53	1,265,850	54	5,482,487	104
June.....	3,600,989	59	1,064,833	46	1,003,406	43	5,117,868	97
July.....	4,047,687	67	864,555	37	803,376	35	4,830,324	92
August.....	4,329,158	71	954,193	41	1,138,071	49	4,531,926	86
September.....			985,529	43	1,174,740	51	4,560,670	87

**STRUCTURAL-STEEL ORDERS AND SHIPMENTS.**

[Bridge Builders and Structural Society.]

	Fabricated structural steel contracted for throughout country.		Structural-steel orders and shipments of the membership of Bridge Builders and Structural Society.			
	Tonnage.	Per cent shop capacity.	Orders.		Shipments.	
			Tonnage.	Per cent shop capacity.	Tonnage.	Per cent shop capacity.
August..... 1920.	72,000	40.0	36,843	50.0	51,381	70.0
..... 1921.						
May.....	50,800	28.0	25,763	37.5	27,987	41.0
June.....	66,900	37.0	25,247	35.5	27,363	39.0
July.....	70,200	33.5	21,847	32.0	22,186	32.5
August.....	59,300	33.9	18,010	26+	23,558	34.5

**PRODUCTION OF BLISTER COPPER.**

[American Bureau of Metal Statistics. Monthly average, 1911-1913=100.]

	Pounds.	Relative.
..... 1921.		
May.....	22,653,328	23
June.....	18,033,954	18
July.....	13,390,107	17
August.....	20,018,569	20

**ZINC.**

[American Zinc Institute. Tons of 2,000 pounds.]

	Produced.	Stocks at end of month.		Produced.	Stocks at end of month.
..... 1920.			..... 1921.		
September.....	36,819	42,900	June.....	19,443	89,886
..... 1921.			July.....	15,495	92,408
May.....	18,026	83,721	August.....	14,621	86,549
			September.....	14,367	81,135

**LEAD PRODUCTION.**

[American Bureau of Metal Statistics. Tons of 2,000 pounds.]

	Production.	Relative.		Production.	Relative.
..... 1921.			..... 1921.		
May.....	27,650	79	July.....	27,827	80
June.....	23,348	81	August.....		

**TIN.**

[Imports, Department of Commerce. Deliveries, New York Metal Exchange. Monthly average, 1911-1913=100.]

	Imports.	Relative.	Deliveries to factories.		Imports.	Relative.	Deliveries to factories.
..... 1920.				..... 1921.			
September.....	Pounds. 9,596,819	106	Pounds. 10,886,400	May.....	Pounds. 2,021,762	22	Pounds. 2,744,000
				June.....	4,133,450	45	3,561,600
				July.....	3,565,767	39	3,411,520
				August.....	5,200,504	57	7,436,800
				September.....			5,835,200



**TEXTILES—COTTON AND SILK.**

[Cotton, Bureau of the Census; silk, Department of Commerce. Cotton, monthly average, crop years 1912-1914=100; silk, monthly average, 1911-1913=100.]

	Cotton consumption.		Cotton spindles active during month.	Imports of raw silk.			Cotton consumption.		Cotton spindles active during month.	Imports of raw silk.	
	Bales.	Relative.		Pounds.	Relative.		Bales.	Relative.		Pounds.	Relative.
1920. August.....	483,560	108	34,513,203	2,690,690	132	1921. May.....	439,884	98	32,631,051	4,437,080	217
						June.....	461,656	103	32,665,315	3,871,327	189
						July.....	410,120	91	32,446,281	4,867,985	238
						August.....	467,103	104	33,059,211	5,114,901	250

**TEXTILES—WOOL.**

[Wool consumption, Bureau of Markets; idle wool machinery, Bureau of the Census.]

	Consumption (pounds). <sup>1</sup>	Percentage of idle machinery on first of month to total reported.				Percentage of idle hours on first of month to total reported.							
		Looms.		Sets of cards.	Combs.	Spinning spindles.		Looms.		Sets of cards.	Combs.	Spinning spindles.	
		Wider than 50-inch reed space.	50-inch reed space or less.			Woolen.	Worsted.	Wider than 50-inch reed space.	50-inch reed space or less.			Woolen.	Worsted.
1920. September.....	36,297,221	51.8	34.8	39.6	37.3	44.6	38.0						
1921. May.....	56,929,000	26.2	28.7	25.3	14.2	23.8	12.9	26.6	36.8	25.0	5.4	22.9	13.5
June.....	59,592,000	20.5	25.2	21.6	10.9	20.6	10.1	19.9	30.1	19.8	1.4	18.6	10.4
July.....	53,076,000	18.7	25.2	21.3	11.0	20.5	9.8	17.5	26.3	17.9	4.1	18.2	6.6
August.....	58,261,000	20.4	26.4	22.9	12.7	21.9	13.3	20.8	29.6	20.6	12.6	20.0	14.3
September.....		22.0	28.4	22.8	16.7	22.4	9.5	23.3	31.0	21.1	8.8	21.2	11.5

<sup>1</sup> Converted to grease-equivalent basis.

**LUMBER.**

[From reports of manufacturers' associations.]

	Southern pine.			Western pine.			Douglas fir.			Eastern white pine.			North Carolina pine.		
	Number of mills.	Production.	Shipments.	Number of mills.	Production.	Shipments.	Number of mills.	Production.	Shipments.	Number of mills.	Production.	Shipments.	Number of mills.	Production.	Shipments.
1920. August.....	204	M feet. 383,540	M feet. 337,677	50	M feet. 171,143	M feet. 123,344	123	M feet. 366,433	M feet. 322,908	20	M feet. 46,149	M feet. 55,991	19	M feet. 19,511	M feet. 14,130
1921. May.....	191	389,745	420,663	55	110,162	74,685	113	294,762	330,002	19	32,708	22,018	14	16,126	15,673
June.....	190	365,970	371,183	55	121,648	76,874	114	232,407	230,970	19	42,171	23,536	12	15,342	18,243
July.....	187	366,057	346,300	56	110,588	77,243	107	191,257	187,165	19	43,843	21,991	11	15,267	14,864
August.....	185	388,510	405,974	56	107,346	92,397	103	290,877	321,553	19	47,675	25,933			

**RECEIPTS AND SHIPMENTS OF LUMBER AT CHICAGO AND ST. LOUIS.**

[Chicago Board of Trade and Merchants' Exchange of St. Louis. Monthly average, 1911-1913=100.]

	Receipts.		Shipments.			Receipts.		Shipments.	
	M feet.	Relative.	M feet.	Relative.		M feet.	Relative.	M feet.	Relative.
1920. September.....	375,456	81	242,857	96	1921. May.....	354,992	76	242,452	95
					June.....	372,453	80	253,848	100
					July.....	328,129	71	216,908	85
					August.....	356,730	77	235,736	93
					September.....	388,740	84	246,602	97

## PRODUCTION OF WOOD PULP AND PAPER.

[Federal Trade Commission.]

	Wood pulp.	News-print.	Book.	Paper board.	Wrap-ping.	Fine.		Wood pulp.	News-print.	Book.	Paper board.	Wrap-ping.	Fine.
1920.	<i>Net tons.</i>	<i>Net tons.</i>	<i>Net tons.</i>	<i>Net tons.</i>	<i>Net tons.</i>	<i>Net tons.</i>	1921.	<i>Net tons.</i>	<i>Net tons.</i>	<i>Net tons.</i>	<i>Net tons.</i>	<i>Net tons.</i>	<i>Net tons.</i>
August.....	305,965	128,818	94,424	215,633	75,226	33,122	May.....	216,101	78,868	52,642	122,801	53,084	17,484
							June.....	189,389	87,724	53,934	130,177	50,332	17,511
							July.....	178,173	94,247	48,527	112,265	45,090	16,327
							August.....	195,176	102,277	59,711	138,530	56,167	18,833

## CEMENT.

[U. S. Geological Survey.]

	Production.	Shipments.	Stocks at close of month.		Production.	Shipments.	Stocks at close of month.
1921.	<i>Barrels.</i>	<i>Barrels.</i>	<i>Barrels.</i>	1921.	<i>Barrels.</i>	<i>Barrels.</i>	<i>Barrels.</i>
May.....	9,281,000	9,488,000	12,450,000	July.....	9,568,000	10,301,000	10,414,000
June.....	9,296,000	10,577,000	11,150,000	August.....	10,244,000	12,340,000	8,280,000

RAW STOCKS OF HIDES AND SKINS.<sup>1</sup>

[Bureau of Markets; July, 1920, on, Bureau of the Census.]

	Cattle hides.	Calfskins.	Kipskins.	Goat and kid.	Cabaretta.	Sheep and lamb.
1920.						
August 31.....	5,498,844	2,145,320	585,269	19,143,722	2,348,769	7,126,885
1921.						
May 31.....	7,441,619	3,715,602	1,021,039	8,789,123	1,244,069	13,334,187
June 30.....	7,077,950	3,890,547	1,026,189	9,679,847	1,218,839	13,755,042
July 31.....	6,448,869	3,639,871	980,762	9,784,714	1,109,005	13,761,905
August 31.....	6,494,281	3,459,310	895,523	10,948,785	1,029,369	13,904,019

<sup>1</sup> Includes hides and skins in transit.

## LEATHER PRODUCTION.

[Tanner's Council.]

	Sole leather (sides).	Skivers (dozens).	Oak and union harness leather (stuffed sides).		Sole leather (sides).	Skivers (dozens).	Oak and union harness leather (stuffed sides).
1920				1921			
August.....	1,322,594	13,275	97,580	May.....	1,561,220	14,499	57,480
				June.....	1,521,521	14,753	57,196
				July.....	1,431,373	12,321	44,971
				August.....	1,607,302	21,430	48,286

## SHIPMENTS OF AUTOMOBILES.

[National Automobile Chamber of Commerce.]

	Railroad (car loads).	Driveaways (machines).	Boat (machines).		Railroad (car loads).	Driveaways (machines).	Boat (machines).
1920				1921			
August.....	23,386	34,060	7,095	May.....	18,608	15,193	2,331
				June.....	20,269	18,834	3,947
				July.....	19,470	15,320	3,725
				August.....	20,350	14,290	3,565

**OUTPUT OF LOCOMOTIVES AND CARS.**

[Locomotives, reports from individual producers; cars, Railway Car Manufacturers' Association.]

	Locomotives.		Output of cars.				Locomotives.		Output of cars.		
	Domes- tic shipped.	Foreign com- pleted.	Domes- tic.	Foreign.	Total.		Domes- tic shipped.	Foreign com- pleted.	Domes- tic.	Foreign.	Total.
1920	Number.	Number.	Number.	Number.	Number.	1921	Number.	Number.	Number.	Number.	Number.
August.....	114	125	3,409	1,210	4,619	May.....	56	18	3,843	444	4,287
						June.....	43	36	2,540	417	2,957
						July.....	31	25	4,140	441	4,581
						August.....	43	51	2,364	182	2,546

**VESSELS BUILT IN UNITED STATES, INCLUDING THOSE FOR FOREIGN NATIONS, AND OFFICIALLY NUMBERED BY THE BUREAU OF NAVIGATION.**

[Monthly average, 1911-1913=100.]

	Number.	Gross tonnage.	Relative.		Number.	Gross tonnage.	Relative.
1920.				1921.			
September.....	135	261,962	1,084	May.....	116	132,622	549
				June.....	160	173,885	720
				July.....	107	90,636	375
				August.....	106	84,918	351
				September.....			

**RAILROAD OPERATING STATISTICS.**

[United States Railroad Administration; March, 1920, on, Interstate Commerce Commission.]

	Net ton-miles, revenue and nonrevenue.	Net tons per train.	Net tons per loaded car.		Net ton-miles, revenue and nonrevenue.	Net tons per train.	Net tons per loaded car.
1920.				1921.			
July.....	40,449,000,000	769	29.7	May.....	28,221,000,000	674	27.8
				June.....	28,140,661,000	671	27.7
				July.....	28,414,000,000	670	27.5

**RAILROAD REVENUE-FREIGHT LOADED AND RECEIVED FROM CONNECTIONS.**

[American Railway Association. Carloads.]

**REVENUE-FREIGHT LOADED, CLASSIFIED ACCORDING TO NATURE OF PRODUCT.**

	Grain and grain products.	Live stock.	Coal.	Coke.	Forest products.	Ore.	Mer- chandise, L. C. L.	Miscella- neous.	Total.
1920.									
August.....	177,725	118,022	902,850	64,303	278,857	338,955	877,433	1,438,809	4,196,954
1921.									
January.....	177,222	139,455	730,603	44,618	200,070	37,408	728,667	877,475	2,935,518
February.....	147,874	113,007	594,287	35,826	213,314	35,295	730,996	864,401	2,735,000
March.....	164,077	117,879	576,753	28,168	226,852	29,160	933,564	1,043,670	3,120,123
April.....	145,041	119,241	583,716	20,075	206,617	24,980	922,058	1,024,625	3,046,353
May.....	161,133	111,416	657,022	21,622	207,598	100,396	899,233	1,006,632	3,165,052
June.....	181,080	121,751	696,312	21,064	221,569	130,838	947,162	1,106,768	3,426,544
July.....	239,857	104,224	634,100	17,057	182,078	131,666	879,382	1,072,774	3,261,138
August.....	269,878	124,394	699,193	19,875	202,545	142,961	968,746	1,227,599	3,655,191

**REVENUE-FREIGHT LOADED, CLASSIFIED ACCORDING TO GEOGRAPHICAL DIVISIONS.**

	Eastern.	Allegheny.	Poca- hontas.	Southern.	North- western.	Central western.	South- western.	Total.
1920.								
August.....	1,028,917	876,255	157,144	559,062	715,032	575,812	284,732	4,196,954
1921.								
January.....	664,020	620,842	121,948	452,091	390,569	447,637	238,411	2,935,518
February.....	635,163	566,600	92,633	440,897	380,515	395,047	224,145	2,735,000
March.....	738,164	624,606	105,377	515,636	429,911	448,772	257,657	3,120,123
April.....	747,015	613,045	118,170	489,587	398,453	434,190	245,893	3,046,353
May.....	772,733	651,670	137,324	468,284	453,876	431,815	249,350	3,165,052
June.....	826,912	714,503	150,331	497,093	519,090	465,973	252,642	3,426,544
July.....	786,454	651,910	122,958	465,145	489,118	485,161	260,392	3,261,138
August.....	890,199	716,717	120,320	493,840	579,035	567,883	287,197	3,655,191

**TONNAGE OF VESSELS CLEARED IN THE FOREIGN TRADE.**

[Department of Commerce. Monthly average, 1911-1913=100.]

	Net tonnage.			Relative.	Per-centage American to total.	Relative.	• Net tonnage.			Relative.	Per-centage American to total.	Relative.	
	American.	Foreign.	Total.				American.	Foreign.	Total.				
1920.													
August.....	3,616,267	3,929,602	7,545,869	184	47.9	181	1921.						
							May.....	2,113,881	2,910,341	5,024,222	123	42.1	159
							June.....	3,058,679	3,094,452	6,153,131	150	49.7	187
							July.....	2,512,712	3,362,443	5,875,155	144	42.8	161
							August.....	2,581,600	3,222,908	5,804,508	142	44.5	168

**COMMERCE OF CANALS AT SAULT STE. MARIE.**

[Monthly average, May-November, 1911-1913=100.]

**EASTBOUND.**

	Grain other than wheat.		Wheat.		Flour.		Iron ore.		Total.	
	Bushels.	Relative.	Bushels.	Relative.	Barrels.	Relative.	Short tons.	Relative.	Short tons.	Relative.
1920.										
September.....	3,102,770	35	11,624,488	60	621,010	53	8,721,412	147	9,290,129	133
1921.										
April.....	7,418,708		8,592,826		54,540		95,328		518,458	
May.....	12,431,592	140	12,609,469	66	890,330	77	2,652,033	45	3,407,827	49
June.....	11,358,929	127	10,418,433	54	1,150,240	99	3,892,791	66	4,628,057	66
July.....	10,839,026	122	7,878,077	41	1,119,140	96	4,356,760	73	5,011,900	72
August.....	10,298,759	116	10,132,267	53	1,232,250	106	4,384,049	74	5,128,043	73
September.....										

**WESTBOUND.**

	Hard coal.		Soft coal.		Total.		Total freight.	
	Short tons.	Relative.	Short tons.	Relative.	Short tons.	Relative.	Short tons.	Relative.
1920.								
September.....	177,123	57	2,040,774	106	2,458,002	99	11,748,131	124
1921.								
April.....	109,719		259,288		438,673		957,131	
May.....	214,776	69	2,303,369	120	2,747,236	110	6,155,063	65
June.....	247,048	80	3,027,177	158	3,451,409	139	8,079,476	85
July.....	445,754	144	2,486,990	129	3,126,683	126	8,138,583	86
August.....	489,142	158	1,698,068	88	2,369,833	95	7,497,876	79
September.....								

**PRODUCTION OF ELECTRIC POWER BY PUBLIC UTILITY POWER PLANTS.**

[U. S. Geological Survey.]

	Kilowatt hours.				Kilowatt hours.		
	Produced by waterpower.	Produced by fuels.	Total.		Produced by waterpower.	Produced by fuels.	Total.
1920.				1921.			
July.....	1,393,987,000	2,227,954,000	3,621,941,000	May.....	1,322,201,000	1,941,565,000	3,263,766,000
				June.....	1,215,976,000	2,027,902,000	3,243,878,000
				July.....	1,226,779,000	2,043,197,000	3,269,976,000

**BUILDING STATISTICS.**

**BUILDING PERMITS IN 166 SELECTED CITIES.**

[Collected by the 12 Federal Reserve Banks.]

**NUMBER OF PERMITS ISSUED.**

	District No. 1 (14 cities).	District No. 2 (22 cities).	District No. 3 (14 cities).	District No. 4 (12 cities).	District No. 5 (15 cities).	District No. 6 (14 cities).	District No. 7 (19 cities).	District No. 8 (4 cities).	District No. 9 (9 cities).	District No. 10 (14 cities).	District No. 11 (9 cities).	District No. 12 (20 cities).	Total (166 cities).
1920.													
August.....	1,765	5,071	1,879	3,602	2,837	2,007	5,346	1,302	1,356	1,724	1,548	7,562	35,999
1921.													
May.....	2,412	8,146	3,187	5,107	4,170	2,770	6,132	1,998	2,528	2,655	2,473	8,525	50,373
June.....	2,517	7,534	2,874	4,564	4,045	2,800	5,930	1,939	1,971	2,166	2,617	8,199	47,156
July.....	2,209	7,501	2,599	3,678	3,278	2,564	5,392	1,815	1,753	2,240	2,475	7,925	43,429
August.....	2,206	8,188	2,749	4,222	3,756	3,437	6,157	1,971	2,390	2,653	2,814	10,187	50,730

**VALUE OF PERMITS ISSUED.**

	District No. 1 (14 cities).	District No. 2 (22 cities).	District No. 3 (14 cities).	District No. 4 (12 cities).	District No. 5 (15 cities).	District No. 6 (14 cities).	District No. 7 (19 cities).	Total (166 cities).
1920.								
August.....	6,524,855	35,952,930	10,763,970	11,250,175	7,788,862	4,057,181	15,539,077	
1921.								
May.....	5,850,526	55,493,186	6,244,792	10,451,771	8,332,123	5,674,822	14,914,403	
June.....	6,602,647	48,312,504	7,875,639	15,658,897	8,779,653	4,723,709	20,593,319	
July.....	6,289,448	64,146,117	5,875,871	9,342,411	5,606,030	5,772,478	29,933,415	
August.....	5,857,057	55,534,223	6,379,857	10,857,711	8,190,936	5,304,592	25,578,330	
	District No. 8 (4 cities).	District No. 9 (9 cities).	District No. 10 (14 cities).	District No. 11 (9 cities).	District No. 12 (20 cities).	Total (166 cities).		
1920.								
August.....	2,751,877	3,303,129	3,803,405	2,950,694	15,080,736	119,766,891		
1921.								
May.....	2,696,521	4,574,734	6,096,407	4,190,778	17,763,732	142,283,795		
June.....	4,448,228	5,602,586	5,452,181	4,155,749	15,450,694	147,655,797		
July.....	3,485,150	3,905,381	5,496,947	4,133,025	15,298,705	159,285,779		
August.....	3,325,791	5,423,460	7,529,619	6,401,268	17,226,365	157,609,209		

**VALUE OF BUILDING CONTRACTS AWARDED, BY FEDERAL RESERVE DISTRICTS.**

[F. W. Dodge Co.]

**VALUE OF CONTRACTS FOR ALL CLASSES OF BUILDINGS.**

	District No. 1.	District No. 2.	District No. 3.	District No. 4.	District No. 5. <sup>1</sup>	District No. 7.	District No. 9. <sup>2</sup>
1920.							
August.....	21,668,221	39,683,789	12,805,600	24,410,816	10,822,174	64,072,802	7,300,579
1921.							
May.....	17,954,234	58,816,766	23,373,200	33,915,207	23,023,500	54,867,976	8,841,467
June.....	15,308,072	63,561,928	14,796,800	39,928,314	20,428,761	45,199,007	8,762,123
July.....	19,298,334	54,500,566	13,563,100	35,669,377	16,026,969	41,119,866	12,651,007
August.....	19,276,295	62,043,905	22,350,500	26,665,555	17,337,624	44,680,034	9,173,552

<sup>1</sup> North and South Carolina not included prior to May, 1921.

<sup>2</sup> Montana not included.

**VALUE OF CONTRACTS FOR RESIDENTIAL BUILDINGS.**

	District No. 1.	District No. 2.	District No. 3.	District No. 4.	District No. 5. <sup>1</sup>	District No. 7.	District No. 9. <sup>2</sup>
1920.							
August.....	5,832,187	13,130,813	2,445,500	7,197,875	2,474,869	5,204,979	1,802,754
1921.							
May.....	6,933,658	36,963,442	6,846,800	9,188,212	6,961,450	9,779,947	2,323,242
June.....	6,531,152	34,355,048	3,543,700	8,198,377	4,090,859	9,880,273	2,554,420
July.....	6,672,758	22,546,142	2,971,900	8,319,248	5,335,545	7,382,427	3,758,504
August.....	6,702,583	36,061,717	5,331,500	8,209,645	5,938,417	10,424,029	2,975,503

<sup>1</sup> North and South Carolina not included prior to May, 1921.

<sup>2</sup> Montana not included.

PRODUCTION AND SHIPMENTS OF FINISHED COTTON FABRICS.<sup>1</sup>

	July, 1921.				August, 1921.			
	White goods.	Dyed goods.	Printed goods.	Total.	White goods.	Dyed goods.	Printed goods.	Total.
<b>Total finished yards billed during month:</b>								
District 1.....	11,598,255	18,643,683	10,529,836	45,559,624	14,914,899	20,671,092	12,500,238	52,575,398
2.....	7,405,056	2,122,166	4,004,107	19,999,113	7,801,482	2,373,173	3,920,889	18,646,418
3.....	4,867,583	4,742,474	10,863,158	10,863,158	6,229,464	6,913,754	.....	14,972,575
5.....	5,936,236	193,126	.....	6,129,362	5,468,177	153,884	.....	5,622,061
6.....	235,913	758,103	.....	994,016	314,702	1,373,112	.....	1,687,418
8.....	.....	.....	.....	1,778,451	.....	.....	.....	2,410,969
<b>Total.....</b>	<b>30,043,043</b>	<b>26,459,552</b>	<b>14,533,043</b>	<b>85,323,724</b>	<b>34,728,724</b>	<b>31,485,015</b>	<b>16,421,127</b>	<b>95,915,235</b>
<b>Total finishing charges billed during month:</b>								
District 1.....	\$229,505	\$745,184	\$487,599	\$1,620,223	\$282,083	\$878,130	\$532,564	\$1,837,856
2.....	\$124,276	\$68	\$165,663	\$511,361	\$135,643	\$79,231	\$152,846	\$472,283
3.....	\$155,345	\$192,334	.....	\$370,037	\$196,680	\$280,346	.....	\$507,879
5.....	\$120,954	\$497	.....	\$121,451	\$106,041	\$90	.....	\$106,131
6.....	\$3,988	\$31,341	.....	\$35,329	\$5,474	\$56,622	.....	\$62,096
8.....	.....	.....	.....	\$25,600	.....	.....	.....	\$31,948
<b>Total.....</b>	<b>\$634,068</b>	<b>\$1,035,707</b>	<b>\$653,262</b>	<b>\$2,684,001</b>	<b>\$725,921</b>	<b>\$1,294,419</b>	<b>\$685,410</b>	<b>\$3,018,193</b>
<b>Total average per cent of capacity operated:</b>								
District 1.....	57	62	65	60	72	69	72	69
2.....	66	51	39	60	87	54	54	65
3.....	67	59	.....	64	76	75	.....	78
5.....	87	.....	.....	87	77	.....	.....	77
6.....	.....	.....	.....	54	.....	.....	.....	104
8.....	.....	.....	.....	73	.....	.....	.....	99
<b>Average for all districts.....</b>	<b>65</b>	<b>60</b>	<b>61</b>	<b>62</b>	<b>76</b>	<b>68</b>	<b>69</b>	<b>71</b>
<b>Total gray yardage of finishing orders received:</b>								
District 1.....	12,724,194	16,820,005	9,855,208	45,211,150	17,791,421	20,511,161	14,106,663	55,869,933
2.....	6,195,653	2,586,383	4,692,734	15,849,082	9,216,479	3,532,379	5,295,545	20,599,591
3.....	5,558,733	6,424,959	.....	13,656,773	5,724,209	6,154,224	.....	13,146,095
5.....	4,900,160	139,803	.....	5,039,963	7,785,136	58,969	.....	7,844,105
6.....	130,569	1,323,597	.....	1,454,166	204,958	1,257,793	.....	1,462,751
8.....	.....	.....	.....	1,523,304	.....	.....	.....	2,818,937
<b>Total.....</b>	<b>29,509,309</b>	<b>27,294,747</b>	<b>14,547,942</b>	<b>82,734,438</b>	<b>40,722,203</b>	<b>31,514,526</b>	<b>19,402,208</b>	<b>101,741,412</b>
<b>Number of cases of finished goods shipped to customers (case equals approximately 3,000 yards):</b>								
District 1.....	4,952	5,800	2,809	23,481	5,531	6,276	3,634	26,449
2.....	3,795	100	.....	10,624	4,604	176	.....	10,967
3.....	3,145	1,665	.....	5,264	4,287	2,553	.....	7,517
5.....	1,461	.....	.....	3,312	1,484	.....	.....	3,256
6.....	.....	.....	.....	969	.....	.....	.....	988
8.....	.....	.....	.....	.....	.....	.....	.....	.....
<b>Total.....</b>	<b>13,353</b>	<b>7,565</b>	<b>2,809</b>	<b>43,650</b>	<b>15,906</b>	<b>9,005</b>	<b>3,634</b>	<b>49,177</b>
<b>Number of cases of finished goods held in storage at end of month:</b>								
District 1.....	3,930	3,137	3,032	20,107	4,626	3,313	3,489	22,391
2.....	2,746	208	.....	7,974	2,609	283	.....	8,285
3.....	192	325	.....	5,409	224	348	.....	5,995
5.....	257	.....	.....	1,344	275	.....	.....	1,338
6.....	.....	.....	.....	44	.....	.....	.....	53
8.....	.....	.....	.....	553	.....	.....	.....	351
<b>Total.....</b>	<b>7,125</b>	<b>3,670</b>	<b>3,032</b>	<b>35,431</b>	<b>7,734</b>	<b>3,944</b>	<b>3,489</b>	<b>38,413</b>
<b>Total average work ahead at end of month (expressed in days):</b>								
District 1.....	6.1	5.8	14.0	8.9	6.8	6.7	13.0	8.8
2.....	7.8	4.9	10.0	6.6	9.0	6.8	18.0	8.3
3.....	9.9	16.0	.....	13.0	8.9	14.0	.....	11.0
5.....	8.8	.....	.....	8.8	20.0	.....	.....	20.0
6.....	.....	.....	.....	15.0	.....	.....	.....	14.0
8.....	.....	.....	.....	6.5	.....	.....	.....	10.0
<b>Average for all districts.....</b>	<b>7.5</b>	<b>7.6</b>	<b>14.0</b>	<b>8.9</b>	<b>9.4</b>	<b>8.2</b>	<b>14.0</b>	<b>9.6</b>

<sup>1</sup> The National Association of Finishers of Cotton Fabrics, at the request of the Federal Reserve Board, has arranged for a monthly survey within the industry. The results of the inquiries are herewith presented in tabular form. The secretary of the association makes the following statement concerning the tabulation:

The accompanying figures are compiled from statistics furnished by 34 out of 58 member firms of this association. It is probably fair to state that in the absence of having specific detail at hand, but according to our best estimate, it is probably well within the fact that the figures given for the various classes of work would cover, approximately, the following percentages of the entire industry: White goods, 72 per cent; dyed goods, 62 per cent; printed goods, 30 per cent. The figures given represent reports from exactly the same finishers for the two months, both for the totals and for the subdivisions, and therefore are strictly comparable.

NOTE.—Many plants were unable to give details under the respective headings of white goods, dyed goods, and printed goods, and reported their totals only; therefore the column headed "Total" does not always represent the total of the subdivisions, but is a correct total for the district.

**REPORT OF KNIT-GOODS MANUFACTURERS OF AMERICA.**

The total production of winter and summer underwear for the six months ending August 31 was as follows:

	Number of mills reporting.	Actual production (dozens).	Per cent of normal.
1921.			
March.....	62	421, 140	50. 1
April.....	61	401, 938	49. 6
May.....	62	505, 347	55. 4
June.....	60	559, 591	65. 5
July.....	61	490, 640	51. 2
August.....	1 48	412, 627	71. 1
Winter underwear (August).....		245, 503	72. 6
Summer underwear (August).....		167, 124	69. 5

<sup>1</sup> 5 other mills report closed.

Order and production report for month ending August 31, 1921, follows. The number of mills reporting was 46.

	Dozens.	Per cent of normal production.
Unfilled orders first of month.....	445, 196	.....
New orders received during month.....	452, 641	79. 2
Total (A).....	897, 837	.....
Shipments during month.....	384, 632	68. 2
Cancellations during month.....	4, 662	8. 2
Total (B).....	389, 294	.....
Balance orders on hand Aug. 1 (A minus B).....	508, 543	.....
Production.....	292, 066	51. 0

Thirty-four representative mills which reported for July and August furnish the data for the following table:

[In dozens.]

	July (34 mills).	August (34 mills).	Gain.	Loss.
Unfilled orders first of month.....	372, 514	395, 902	23, 388	.....
New orders.....	238, 258	444, 243	205, 985	.....
Shipments.....	233, 972	360, 787	126, 815	.....
Cancellations.....	11, 485	4, 457	.....	7, 028
Production.....	255, 829	279, 600	23, 771	.....

**RETAIL TRADE.**

The following tables are a summary of the data obtained from 337 representative department stores in the 12 Federal Reserve districts. In districts Nos. 1, 2, 5, 6, 7, 9, 11, and 12 the data were received in (and averages computed from) actual dollar amounts. In districts Nos. 3, 4, 8, and 10 the material was received in the form of percentages, and the averages for the cities and districts computed from such percentages were weighted according to volume of business done during the calendar year 1920.

The tables for the month of August are based on reports from 23 stores in district No. 1, 55 stores in district No. 2, 49 stores in district No. 3, 16 stores in district No. 4, 23 stores in district No. 5, 29 stores in district No. 6, 44 stores in district No. 7, 20 stores in district No. 8, 14 stores in district No. 9, 13 stores in district No. 10, 20 stores in district No. 11, and 31 stores in district No. 12. Separate figures for Birmingham, Chicago, Kansas City, and Denver are shown for the first time this month.

CONDITION OF RETAIL TRADE IN THE FEDERAL RESERVE DISTRICTS.

[Minus sign (-) denotes decrease.]

District and city.	Percentage of increase in net sales as compared with corresponding period previous year.										Ratio of outstanding orders at close of month to total purchases during previous calendar year (per cent).				
	Apr., 1921.	May, 1921.	June, 1921.	July, 1921.	Aug., 1921.	Jan. 1, 1921, to close of—			July 1, 1921, to close of—		Apr., 1921.	May, 1921.	June, 1921.	July, 1921.	Aug., 1921.
						Apr., 1921.	May, 1921.	June, 1921.	July, 1921.	Aug., 1921.					
District No. 1:															
Boston.....	- 1.3	- 2.4	- 1.5	-11.5	- 2.1	3.6	2.2	1.5	-11.5	- 6.8	5.2	5.7	8.9	6.1	7.2
Outside.....	- 3.8	-11.4	- 8.5	-14.1	-10.5	- 5.5	- 6.8	- 7.1	-14.1	-12.4	9.6	8.8	5.5	7.5	7.4
District.....	- 1.9	- 4.5	- 3.1	-12.3	- 4.5	1.4	.1	- .5	-12.3	- 8.4	5.8	6.2	6.7	6.3	7.3
District No. 2:															
New York City and Brooklyn.....	- 2.8	-11.7	- 8.7	-12.0	- 4.1	- 3.8	- 6.4	- 8.8	-12.0	- 8.2	6.7	6.6	5.4	6.9	7.5
Buffalo.....		.4	- 3.4	- 9.1	- 6.2		5.1	3.5	- 9.1	- 7.6		5.5	8.3	9.2	10.0
Newark.....		- 9.2	- 4.4	-13.8	- 6.4		- 2.5	- 2.8	-13.8	-10.2		4.5	5.5	6.0	5.7
Rochester.....		- 2.2	2.4	- 6.0	- 3.1		9.1	7.9	- 6.0	- 4.5		5.3	4.2	7.5	11.7
Syracuse.....		- 3.9	- 9.2	-14.3	- 9.4		5.2	- 3.3	-14.3	-12.0			3.7		
Outside.....	5.8	- 9.9	- 7.7	-14.9	-11.2	2.2	- 4.6	- 5.3	-14.9	-14.3	10.0	7.1	7.3	8.6	8.3
District.....	- .5	-10.0	- 7.1	-11.5	- 5.2	- 2.1	- 4.3	- 5.1	-11.5	- 8.6	6.5	6.2	6.2	8.0	8.3
District No. 3:															
Philadelphia.....	- 2.5	- 8.8	- 9.5	-13.8	- 2.9	1.8	- 1.9	- 3.3	-13.8	- 8.5	8.6	7.5	8.2	8.1	8.9
Outside.....	5.8	- 4.8	- .8	- 6.4	- 6.7	3.7	.7	1.9	- 6.4	- 7.8	4.9	5.0	5.4	7.5	8.1
District.....	- .4	- 7.8	- 7.3	-11.8	- 4.0	2.3	- 1.2	- 1.9	-11.8	- 8.3	7.8	7.0	7.5	7.9	8.7
District No. 4:															
Cleveland.....		-17.9	-21.8	-29.2	-22.4		-10.1	-11.8	-29.2	-22.8		5.5	5.3	8.6	8.6
Pittsburgh.....		1.3	- 9.9	-16.3	-22.5		5.7	4.9	-16.3	-17.8		5.1	4.3	5.8	7.1
Outside.....		.2	-11.0	-17.0	-11.0		2.9	2.1	-17.0	-17.4		5.8	5.3	9.4	11.3
District.....	.8	- 5.5	-14.1	-21.4	-21.0	2.3	- .3	- 1.1	-21.4	-19.3	5.3	5.4	4.7	7.2	8.0
District No. 5:															
Baltimore.....	- 6.8	- 7.1	- 7.0	-16.9	-17.4	- .6	- 2.0	- 2.9	-16.9	-17.2	6.1	5.4	7.9	9.5	9.8
Richmond.....	3.1	- 3.0	- 4.1	-15.9	- 4.9	4.9	3.2	1.8	-15.9	-11.0	4.6	7.2	10.7	12.5	12.0
Washington.....	5.3	4.3	4.9	- 4.2	- 1.4	6.9	6.3	4.9	- 4.2	- 2.9	4.8	6.8	7.7	7.6	6.9
Other cities.....	3.7	- 5.2	- 3.1	-10.1	- 9.2	8.7	5.4	3.7	-10.1	-10.1	5.1	6.6	8.9	9.6	9.0
District.....	- .7	- 3.0	- 4.2	-11.7	- 9.8	3.6	2.1	.9	-11.7	-10.8	5.4	5.6	8.3	9.2	9.0
District No. 6:															
Atlanta.....			-32.1		-35.1			-25.5		-36.4			2.4		19.9
Birmingham.....					-32.9					-36.2					5.5
Nashville.....			-19.0	-22.3	-15.7			-11.8	-22.3	-17.5			4.9	9.3	7.6
New Orleans.....			- 8.3	- 8.6	-10.9			- 4.9	- 8.6	- 9.9			8.5	10.1	11.8
Outside.....			-18.6	-30.0	-28.0			-15.8	-30.0	-29.0			3.1	6.3	7.2
District.....	-19.5	-16.8	-17.0	-21.2	-21.3	- 8.7	-10.7	-12.0	-21.2	-21.7	5.1	4.6	5.4	7.5	8.0
District No. 7:															
Chicago.....					-12.4					-10.4					6.8
Outside.....					-20.3					-18.9					8.0
District.....	- 3.1	-12.5	-17.3	-14.7	-18.8	- 5.6	- 8.0	-11.6	-14.7	-17.1	5.8	4.0	5.4	8.9	7.9
District No. 8:															
St. Louis.....				-13.2	- 8.9				-13.2	-11.1				8.2	7.5
Louisville.....				-20.9	- 9.5				-20.9	-15.0				5.7	8.3
Memphis.....				-26.6	-21.4				-26.6	-24.3				5.9	8.9
Outside.....				-12.9	-14.7				-12.9	-13.0				6.6	11.4
District.....	- 2.9	- 1.6	- 7.9	-16.5	-11.7	- 1.7	- .4	- 1.8	-16.5	-13.9	7.1	5.1	5.6	7.4	8.2
District No. 9:	- 5.4	-14.9	-16.8	-21.8	-11.0	-10.7	- 7.0	-15.6	-21.8	-23.6	3.5	9.5	9.4	10.5	8.0
District No. 10:															
Kansas City.....					- 9.4					-10.1					7.6
Denver.....					.7					- 7.3					8.5
Outside.....					-16.6					-18.1					8.5
District.....	- 2.8	- 5.3	-10.8	-10.9	- 8.9	- 1.8	- 3.8	- 4.3	-10.9	-11.6	4.8	3.9	5.9	9.9	8.1
District No. 11:	-17.7	-17.4	-17.4	-22.1	-23.3	-11.2	-13.0	-15.2	-22.1	-22.7	4.6	4.4	6.4	10.4	8.7
District No. 12:															
Los Angeles.....	3.4	8.8	2.9	- 1.5	.4	9.7	9.5	8.0	- 1.5		9.8	9.2	11.1	11.9	10.1
San Francisco.....	- 9.6	- 2.4	- 5.7	-11.6	- 1.6	- 5.2	- 4.5	- 4.1	-11.6		7.5	9.1	10.3	12.1	10.4
Oakland.....	1.4	- 2.1	- 3.9	- 7.9	- 8.4	2.0	1.5	.5	- 7.9			4.8	5.0	11.0	
Sacramento.....	- 7.3	14.8	-13.8	-11.4	- 8.5	- 5.1	14.0	- 9.2	-11.4						
Seattle.....	-16.1	-16.8	-13.5	-18.6	-12.5	-15.7	-13.5	-15.6	-18.6		6.7	5.2	6.2	7.0	8.7
Spokane.....	- 6.4	-17.9	-23.4	-22.0	- 8.6	- .9	- 5.4	- 8.2	-22.0		7.9	4.0	9.2	9.5	7.7
Salt Lake City.....	- 8.7	-18.7	- 6.1	-16.2	-15.3	.1	- 3.5	- 7.3	-16.2		4.9	6.0	4.0	9.6	10.5
District.....	- 9.3	- 4.1	- 7.8	-12.9	- 6.2	- 3.8	- 6.9	- 6.6	-12.9		8.7	6.7	8.4	10.0	10.0
United States.....	- 4.2	- 8.6	-10.7	-15.1	-11.9	- 2.6	- 4.3	- 6.0	-15.1	-14.2	6.0	5.5	6.4	8.4	8.3



## CONDITION OF RETAIL TRADE IN THE FEDERAL RESERVE DISTRICTS—Continued.

[Minus sign (—) denotes decrease.]

District and city.	Percentage of increase in stocks at close of month compared with—										Ratio of average stocks at close of each month to average monthly sales for same period (per cent).				
	Same month previous year.					Previous month.					Jan. 1, 1921, to close of—			July 1, 1921, to close of—	
	Apr., 1921.	May, 1921.	June, 1921.	July, 1921.	Aug., 1921.	Apr., 1921.	May, 1921.	June, 1921.	July, 1921.	Aug., 1921.	Apr., 1921.	May, 1921.	June, 1921.	July, 1921.	Aug., 1921.
District No. 1:															
Boston.....	-18.9	-18.7	-16.6	-15.6	-17.9	3.5	-2.9	-3.4	-3.4	1.7	295.5	289.8	283.0	422.1	405.0
Outside.....	-17.5	-16.5	-17.1	-16.7	-19.1	1.1	.2	-5.8	.6	.5	421.8	421.5	416.0	432.6	458.0
District.....	-18.5	-18.1	-16.8	-15.9	-18.2	2.8	-2.0	-4.1	-2.6	1.4	321.7	319.5	312.0	425.1	420.0
District No. 2:															
New York City and Brooklyn.....	-22.0	-16.8	-17.6	-20.6	-23.1	5.1	-2.6	-5.9	-3.9	4.0	322.5	309.5	329.6	443.6	455.6
Buffalo.....	-10.4	-12.2	-12.2	-18.3	-21.6	.....	3	-8.4	-3.1	4.8	.....	352.6	396.4	470.9	462.0
Newark.....	-25.8	-23.2	-24.6	-5.9	.....	.....	2	-8.9	4.5	7.0	.....	340.4	339.3	451.9	459.1
Rochester.....	-23.2	-31.0	-30.2	-25.1	.....	.....	-6.0	-2.7	-2.8	5.4	.....	332.4	387.0	433.8	445.2
Syracuse.....	-12.6	-21.5	-23.1	-24.6	.....	.....	-2.1	-1.8	-7.6	4.9	.....	446.5	411.7	469.4	498.1
Outside.....	-20.7	-10.0	-5.0	-8.3	-9.1	1.1	1.6	3.3	-6.8	1.0	394.4	482.2	472.5	487.3	567.4
District.....	-21.6	-17.3	-11.5	-20.6	-19.7	4.0	-2.1	-5.6	-4.2	5.2	342.5	323.5	333.9	431.6	453.7
District No. 3:															
Philadelphia.....	-20.5	-17.0	-11.9	-13.6	-19.1	1.4	-.5	-.9	-4.9	-2.5	313.5	314.2	311.9	469.2	442.2
Outside.....	-13.0	-8.2	-12.9	-15.2	-20.0	.8	2.7	-4.6	-4.3	4.6	423.4	447.7	432.3	479.0	525.5
District.....	-18.7	-14.9	-12.1	-14.0	-17.3	1.3	.2	-1.7	-4.7	-.7	310.4	346.1	341.0	471.9	462.8
District No. 4:															
Cleveland.....	.....	-28.7	-28.0	-27.9	-28.7	.....	-1.0	-2.6	-6.0	7.8	.....	328.7	363.1	476.3	461.0
Pittsburgh.....	.....	-14.1	-14.9	-14.9	-13.4	.....	-4.9	-3.6	-5.4	6.2	.....	302.4	287.7	362.7	443.1
Outside.....	.....	-9.8	-9.0	-9.1	-20.3	.....	-2.7	1.7	-10.4	7.3	.....	418.1	378.9	483.1	588.9
District.....	-17.8	-18.2	-19.1	-19.6	-18.8	4.2	-3.1	-2.8	-6.1	6.8	327.4	334.0	319.5	416.9	467.3
District No. 5:															
Baltimore.....	-26.0	-25.3	-24.2	-27.8	-23.1	3.6	-3.1	-6.6	-4.2	6.7	327.1	327.9	323.7	463.2	475.1
Richmond.....	-13.6	-14.6	-14.2	-16.9	-15.0	4.3	-.2	-2.2	-1.9	5.4	355.9	358.5	350.8	429.5	459.0
Washington.....	-29.0	-29.2	-27.5	-23.9	-20.8	5.7	-.5	-2.8	-2.3	8.9	344.1	315.3	310.6	431.8	458.3
Other cities.....	-23.3	-24.2	-21.0	-18.2	-18.6	3.0	-1.7	-1.2	2.3	4.7	400.5	394.6	391.7	480.5	495.3
District.....	-25.8	-25.8	-24.2	-24.1	-22.3	4.2	-1.7	-4.1	-2.2	7.0	345.3	345.6	341.3	453.3	471.2
District No. 6:															
Atlanta.....	.....	.....	-21.8	.....	-23.3	.....	.....	-.6	.....	8.3	.....	.....	499.1	.....	656.1
Birmingham.....	.....	.....	.....	.....	20.3	.....	.....	.....	.....	0.02	.....	.....	.....	.....	809.7
Nashville.....	.....	.....	-19.1	-22.9	-22.8	.....	.....	-2.8	-2.5	10.0	.....	.....	442.7	633.3	556.7
New Orleans.....	.....	.....	-6.6	-15.2	-17.4	.....	.....	-4.9	2.4	3.2	.....	.....	350.8	510.9	510.9
Outside.....	.....	.....	-23.4	-23.4	-21.4	.....	.....	-3.6	-2.6	9.9	.....	.....	533.6	644.3	805.8
District.....	-11.6	-11.5	-17.4	-21.6	-19.8	.4	-2.7	-2.8	-.4	5.3	428.7	417.8	425.3	571.6	612.2
District No. 7:															
Chicago.....	.....	.....	.....	.....	-14.3	.....	.....	.....	.....	12.2	.....	.....	.....	.....	463.1
Outside.....	.....	.....	.....	.....	-23.2	.....	.....	.....	.....	7.0	.....	.....	.....	.....	517.5
District.....	-21.3	-18.8	-20.6	-20.0	-21.6	-.7	-3.1	-4.0	-1.2	8.0	385.9	411.4	428.3	500.4	505.2
District No. 8:															
St. Louis.....	.....	.....	.....	-6.8	-7.6	.....	.....	.....	-3.4	10.2	.....	.....	.....	410.3	419.8
Louisville.....	.....	.....	.....	-18.4	-11.5	.....	.....	.....	-3.4	11.2	.....	.....	.....	455.6	729.3
Memphis.....	.....	.....	.....	-7.4	-20.6	.....	.....	.....	-6.9	3.8	.....	.....	.....	475.7	463.3
Outside.....	.....	.....	.....	-15.6	-12.9	.....	.....	.....	-9.6	11.2	.....	.....	.....	337.7	521.5
District.....	-12.9	-11.0	-9.9	-9.3	-10.7	.2	-1.7	-.5	-3.7	9.4	388.1	329.6	344.2	426.1	461.8
District No. 9:															
District.....	-19.1	-24.3	-27.4	-21.6	-21.1	-2.9	-4.2	-5.7	-.6	6.9	.....	.....	.....	.....	.....
District No. 10:															
Kansas City.....	.....	.....	.....	.....	-13.1	.....	.....	.....	.....	10.3	.....	.....	.....	.....	544.1
Denver.....	.....	.....	.....	.....	-13.9	.....	.....	.....	.....	13.2	.....	.....	.....	.....	443.3
Outside.....	.....	.....	.....	.....	-19.8	.....	.....	.....	.....	16.4	.....	.....	.....	.....	560.2
District.....	-21.6	-19.8	-17.0	-15.0	-15.1	1.7	-4.3	-9.0	6.8	12.7	346.9	359.2	378.1	497.1	527.9
District No. 11:															
District.....	-18.1	-21.0	-22.6	-27.6	-25.5	.5	-3.4	-4.6	-2.2	16.9	339.6	407.5	383.5	543.2	594.8
District No. 12:															
Los Angeles.....	-12.8	-9.4	-17.6	-3.6	-.6	4.5	2.3	-9.1	7.5	.6	367.9	374.1	376.0	393.7	394.1
San Francisco.....	-13.8	-17.6	-16.3	-14.6	-9.2	4.4	-2.3	-8.6	-.6	7.9	402.6	383.8	394.4	406.0	404.5
Oakland.....	-23.5	-16.5	-18.4	-16.6	-12.7	2.4	6.8	-4.7	-.7	7.0	454.3	464.2	468.2	460.7	498.9
Sacramento.....	-30.5	-29.4	-32.6	-32.4	-14.5	3.0	-6.9	-6.8	-.6	22.9	.....	382.6	422.0	424.3	448.1
Seattle.....	-28.7	-27.4	-28.3	-37.0	-23.2	2.6	-3.0	-5.1	-6.8	13.5	399.1	423.4	410.1	410.8	404.0
Spokane.....	-17.7	-17.1	-16.3	-17.2	-15.5	9.2	-2.5	-7.1	-13.5	7.3	617.8	602.2	575.5	575.5	586.1
Salt Lake City.....	-11.9	-10.8	-25.7	-30.2	-24.7	1.2	-3.2	-8.3	-7.6	13.1	.....	.....	.....	.....	.....
District.....	-13.9	-14.2	-20.9	-18.3	-15.5	3.0	-1.0	-7.6	-.7	4.6	477.9	466.6	469.7	478.3	455.7
United States.....	-19.0	-17.7	-17.4	-19.1	-19.0	1.9	-2.4	-4.4	-2.0	6.6	367.8	366.0	369.3	468.0	487.6

## WHOLESALE TRADE.

PERCENTAGE OF INCREASE (OR DECREASE) IN NET SALES IN AUGUST, 1921, AS COMPARED WITH THE PRECEDING MONTH (JULY, 1921).

District.	Groceries.		Dry goods.		Hardware.		Boots and shoes.		Furniture.		Drugs.		Auto supplies.		Stationery.		Farm imple-ments.		Auto tires.	
	Per cent.	Number of firms.	Per cent.	Number of firms.	Per cent.	Number of firms.	Per cent.	Number of firms.	Per cent.	Number of firms.	Per cent.	Number of firms.	Per cent.	Number of firms.	Per cent.	Number of firms.	Per cent.	Number of firms.	Per cent.	Number of firms.
No. 2.....	+24.7	9	+51.4	3	+ 1.2	10	+44.4	7	.....	.....	+ 7.5	3	.....	.....	+ 3.7	5	.....	.....	.....	.....
No. 3.....	+10.4	48	.....	.....	+ 3.1	25	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
No. 5.....	+ 0.7	9	+50.6	8	+12.7	21	+84.3	8	+27.2	3	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
No. 6.....	+10.2	27	+45.5	18	+17.9	17	+51.3	10	+47.9	8	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
No. 7.....	+15.4	14	+43.1	6	.....	.....	+60.4	7	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
No. 9.....	.....	.....	+52.9	3	+ 0.9	8	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	-27.5	6	.....	.....
No. 10.....	- 7.2	4	+23.1	3	+ 5.2	3	.....	.....	+64.8	4	+ 5.9	3	.....	.....	.....	.....	.....	.....	.....	.....
No. 11.....	+ 1.8	12	+54.2	8	+18.4	11	.....	.....	.....	.....	+12.7	7	.....	.....	.....	.....	.....	.....	.....	.....
No. 12.....	- 9.8	29	+29.0	10	+ 6.9	23	+29.8	13	+18.9	15	+ 7.6	8	- 3.7	20	+36.1	28	+11.8	20	+ 6.7	13

PERCENTAGE OF INCREASE (OR DECREASE) IN NET SALES IN AUGUST, 1921, AS COMPARED WITH AUGUST, 1920.

District.	Groceries.		Dry goods.		Hardware.		Shoes.		Furniture.		Drugs.		Auto supplies.		Stationery.		Farm imple-ments.		Auto tires.	
	Per cent.	Number of firms.	Per cent.	Number of firms.	Per cent.	Number of firms.	Per cent.	Number of firms.	Per cent.	Number of firms.	Per cent.	Number of firms.	Per cent.	Number of firms.	Per cent.	Number of firms.	Per cent.	Number of firms.	Per cent.	Number of firms.
No. 2.....	-13.4	9	-22.4	3	-45.1	10	-25.4	7	.....	.....	+ 3.0	3	.....	.....	-34.1	5	.....	.....	.....	.....
No. 3.....	-16.1	48	.....	.....	-37.2	25	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
No. 4.....	-20.4	11	-13.2	4	-41.1	7	.....	.....	.....	.....	-21.2	7	.....	.....	.....	.....	.....	.....	.....	.....
No. 5.....	-27.0	9	-32.9	8	-38.0	21	-21.3	8	-35.5	3	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
No. 6.....	-30.8	27	-33.0	18	-48.2	17	-42.6	10	-26.8	8	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
No. 7.....	-27.2	17	-30.0	10	.....	.....	-26.2	7	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
No. 9.....	.....	.....	-41.1	3	-36.9	8	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	-58.6	6	.....	.....
No. 10.....	-21.8	4	-39.0	3	-30.0	3	.....	.....	-36.1	4	-15.2	3	.....	.....	.....	.....	.....	.....	.....	.....
No. 11.....	-33.7	12	-55.7	8	-36.7	11	.....	.....	.....	.....	-24.2	7	.....	.....	.....	.....	.....	.....	.....	.....
No. 12.....	-28.2	29	-41.1	10	-30.0	23	-22.5	13	-17.3	15	-17.6	8	-18.5	20	-27.8	28	-44.6	20	-11.4	13

COMPARATIVE WHOLESALE PRICE LEVELS IN PRINCIPAL COUNTRIES.

The foreign index numbers published herewith are constructed by various statistical offices according to methods described, in most cases, in the BULLETIN for January, 1920.<sup>1</sup>

In the following table the all-commodities index numbers for the whole series of countries appear together to facilitate the study of comparative price levels.

1921. Complete information regarding the computation of the United States Bureau of Labor Statistics appears in the publications of that bureau, and a description of the index number of the Federal Reserve Board may be found in the BULLETIN for May, 1920. Details as to the method used by the Økonomisk Revue in constructing its index of wholesale prices in Christiania are not available in this country. The Danish index has been constructed only recently, is based upon the prices of 33 commodities, and is roughly weighted according to consumption. The new British index number, compiled by the Board of Trade, will be found on p. 1226 of this issue of the BULLETIN. It has been revised and now uses prices in 1913 as a base. In the case of the two American index numbers, 1913 is used as the basis in the original computations. In the other cases in which 1913 appears as the basis for the computation, the index numbers have been shifted from their original bases. The computations in these cases are, therefore, only approximately correct. In a few cases July, 1914, or the year immediately preceding that, is used as the base. The figures are for the most part received by cable, and the latest ones are subject to revision. In cases where the index numbers were available they have been published for the war years in various issues of the BULLETIN in 1920.

<sup>1</sup> A description of the method used in the construction of the Swedish index number appeared in the BULLETIN for February, 1921, for the new Italian index number in the April, 1921, issue of the BULLETIN, and the method used by the Frankfurter Zeitung in the case of the German index number was described in the BULLETINS for February and March,

INDEX NUMBERS OF WHOLESALE PRICES (ALL COMMODITIES).

	United States; Federal Reserve Board (90 quotations). <sup>2</sup>	United States; Bureau of Labor Statistics (315 quotations). <sup>2</sup>	United Kingdom; Board of Trade (159 commodities).	United Kingdom; Statist (45 commodities). <sup>3</sup>	France; Bulletin de la Statistique Générale (45 commodities). <sup>3</sup>	Italy; <sup>1</sup> Prof. Bachi (38 commodities until 1920, 76 thereafter). <sup>2</sup>	Germany; Frankfurter Zeitung (77 commodities). <sup>4</sup>	Sweden; Svensk Handels-tidning (47 quotations). <sup>5</sup>	Christiania, Norway; Økonomisk Revue (93 commodities). <sup>6</sup>	Denmark; Finans-tidende (33 commodities). <sup>7</sup>	Japan; Bank of Japan for Tokyo (56 commodities). <sup>2</sup>	Australian Commonwealth; Bureau of Census and Statistics (92 commodities). <sup>2</sup>	Canada; Department of Labor (272 quotations). <sup>8</sup>	Calcutta, India; Department of Statistics (75 commodities). <sup>8</sup>
1913.....	100	100	100	100	100	100	.....	<sup>8</sup> 100	.....	.....	100	.....	100	.....
1914.....	.....	100	.....	101	101	95	.....	<sup>9</sup> 100	<sup>10</sup> 115	<sup>11</sup> 100	.....	<sup>12</sup> 100	.....	<sup>13</sup> 100
1915.....	.....	101	.....	126	137	133	.....	145	159	138	97	141	.....	110
1916.....	.....	124	.....	159	187	202	.....	185	233	164	117	132	.....	135
1917.....	.....	176	.....	206	262	299	.....	244	341	228	147	<sup>14</sup> 155	.....	177
1918.....	.....	196	.....	226	339	409	.....	339	345	293	192	170	.....	206
1919.....	206	212	.....	242	357	364	.....	330	322	294	236	180	.....	217
1920.....	233	243	314	291	510	624	1,522	347	377	382	259	218	246	204
1920.														
August.....	234	250	320	298	501	625	1,528	365	417	385	235	236	244	209
September..	226	242	318	292	526	655	1,560	362	425	394	230	230	241	208
1921.														
January....	163	177	251	232	407	642	1,603	267	344	341	201	196	208	178
February...	154	167	230	215	377	613	1,473	250	319	290	195	192	199	174
March.....	150	162	215	208	360	604	1,419	237	312	280	191	181	194	175
April.....	143	154	209	199	347	584	1,410	229	297	270	190	171	187	183
May.....	142	151	205	191	329	547	1,428	218	294	257	191	166	183	184
June.....	139	148	202	183	325	509	1,387	218	294	254	192	162	179	178
July.....	141	148	198	186	330	520	1,467	211	300	253	196	159	176	183
August.....	143	152	194	183	331	542	1,723	198	.....	256	199	.....	174	184
September..	.....	.....	.....	.....	342	.....	1,777	.....	.....	.....	.....	.....	.....	.....

<sup>1</sup> Index numbers for 1920 and thereafter based upon prices of 76 commodities. Computations arrived at by the method described on p. 465 of the BULLETIN for April, 1921.

<sup>2</sup> Average for the month.

<sup>3</sup> End of month.

<sup>4</sup> Beginning of month but not always the first.

<sup>5</sup> Middle of month.

<sup>6</sup> End of year and end of month.

<sup>7</sup> First of month.

<sup>8</sup> July 1, 1913, to June 30, 1914=100.

<sup>9</sup> Middle of 1914=100.

<sup>10</sup> Dec. 31, 1913-June 30, 1914=100.

<sup>11</sup> July 1, 1912-June 30, 1914=100.

<sup>12</sup> July, 1914=100.

<sup>13</sup> End of July, 1914=100.

<sup>14</sup> Last six months of 1917.

In the following tables the index numbers for individual groups of commodities are given for each country separately. Reference should be made to the preceding table for the "all commodities" indexes. In the case of the Italian group index numbers, Prof. Bachi's new computations only are given. These can not be

referred back to the 1913 base and it is therefore impossible to compare present levels with prewar levels in these cases. No group index numbers are compiled by the Bank of Japan and the Danish index published by the Finans-tidende has only two group indexes, one for food and one for "other commodities."

GROUP INDEX NUMBERS—UNITED STATES—BUREAU OF LABOR STATISTICS.

[1913=100.]

Date.	Farm products.	Food, etc.	Cloths and clothing.	Fuel and lighting.	Metals and metal products.	Lumber and building material.	Chemicals and drugs.	House furnishing goods.	Miscellaneous.	All commodities.
1913.....	100	100	100	100	100	100	100	100	100	100
1914.....	103	103	98	98	87	97	101	99	99	100
1915.....	105	104	100	93	97	94	114	99	99	101
1916.....	122	123	128	119	148	101	159	115	120	124
1917.....	189	178	181	175	208	124	198	144	155	176
1918.....	220	189	239	163	181	151	221	196	193	196
1919.....	234	210	261	173	161	192	179	236	217	212
1920.....	218	239	302	238	186	308	210	366	236	243
August, 1920.....	222	235	299	268	193	328	216	363	240	250
1921.										
January.....	136	162	208	223	152	239	182	283	190	177
February.....	129	150	198	218	146	221	178	277	180	167
March.....	125	150	192	207	139	208	171	275	167	162
April.....	115	141	186	199	138	203	168	274	154	154
May.....	117	133	181	194	138	202	166	262	151	151
June.....	113	132	180	187	132	202	166	250	150	148
July.....	115	134	179	184	125	200	163	235	149	148
August.....	118	152	179	182	120	198	161	230	147	152

ALL COMMODITIES GROUP INDEX NUMBERS—UNITED KINGDOM—BOARD OF TRADE.

[1913=100.]

	Cereals.	Meat and fish.	Other foods.	Total food.	Iron and steel.	Other metals and minerals.	Cotton.	Other textiles.	Other articles.	Total not food.	All commodities.
1920 average.....	273	263	278	272	406	252	480	362	274	340	314
August, 1920.....	279	279	268	275	434	264	506	342	270	347	320
1921.											
January.....	245	285	251	257	359	213	224	220	221	248	251
February.....	212	266	227	234	320	201	195	201	216	228	230
March.....	205	251	229	228	283	192	173	179	205	209	215
April.....	200	245	224	222	259	192	181	170	196	202	209
May.....	197	220	222	213	250	193	183	166	201	201	205
June.....	199	219	218	212	240	189	180	162	199	196	202
July.....	200	214	218	211	229	185	180	161	194	192	198
August.....	204	217	214	212	222	172	176	159	189	186	194

GROUP INDEX NUMBERS—UNITED KINGDOM—STATIST.

[1913=100.]

Date.	Vegetable foods.	Animal foods.	Sugar, coffee, tea.	Food-stuffs.	Minerals.	Textiles.	Sundries.	Materials.	All commodities.	Date.	Vegetable foods.	Animal foods.	Sugar, coffee, tea.	Food-stuffs.	Minerals.	Textiles.	Sundries.	Materials.	All commodities.
1913.....	100	100	100	100	100	100	100	100	100	1921.									
1914.....	110	100	107	105	90	97	105	98	101	January.....	234	283	192	251	225	198	230	219	232
1915.....	155	125	130	137	109	111	131	119	126	February....	206	270	187	234	200	179	224	203	215
1916.....	193	152	161	169	140	152	163	153	159	March.....	214	262	182	232	179	171	221	193	208
1917.....	252	192	213	218	152	228	212	198	206	April.....	212	249	180	225	176	172	199	184	199
1918.....	248	210	233	229	167	265	243	225	226	May.....	211	223	158	209	177	164	192	179	191
1919.....	252	215	275	238	190	271	268	243	242	June.....	226	206	156	207	157	164	181	168	183
1920.....	321	264	366	301	269	299	290	285	291	July.....	222	212	144	206	168	167	183	174	186
August, 1920.	317	295	404	319	281	298	278	285	298	August.....	221	213	159	207	156	160	180	168	183

GROUP INDEX NUMBERS—FRANCE—GENERAL STATISTICAL BUREAU.

[1913=100.]

Date.	Animal foods.	Vegetable foods.	Sugar, coffee, and cocoa.	Foods (20).	Minerals.	Textiles.	Sundries.	Raw materials (25).	All commodities.	Date.	Animal foods.	Vegetable foods.	Sugar, coffee, and cocoa.	Foods (20).	Minerals.	Textiles.	Sundries.	Raw materials (25).	All commodities.	
1913.....	100	100	100	100	100	100	100	100	100	1921.										
1914.....	103	103	106	104	98	109	99	101	101	January.....	483	334	337	397	341	460	445	415	407	377
1915.....	126	126	151	131	164	132	145	145	137	February.....	452	317	338	378	300	398	422	378	377	377
1916.....	162	170	164	167	232	180	199	206	187	March.....	406	322	367	366	289	375	392	355	360	360
1917.....	215	243	201	225	271	303	302	291	262	April.....	396	348	359	372	281	314	371	328	347	347
1918.....	286	298	231	281	283	460	420	387	339	May.....	379	346	317	356	266	282	355	309	329	329
1919.....	392	313	253	336	272	444	405	373	357	June.....	349	368	338	357	261	278	341	300	325	325
1920.....	503	427	422	459	449	737	524	550	510	July.....	353	364	393	366	253	290	343	301	330	330
September,										August.....	371	337	352	355	245	321	356	312	331	331
1920.....	531	412	544	487	468	715	540	558	526	September..	359	311	389	347	253	388	370	338	342	342

GROUP INDEX NUMBERS—ITALY—RICCARDO BACHI.

[1920=100.]

	Vegetable foods.	Animal foods.	Chemicals.	Textiles.	Minerals and metals.	Building materials.	Other vegetable products.	Sundries.	All commodities.		Vegetable foods.	Animal foods.	Chemicals.	Textiles.	Minerals and metals.	Building materials.	Other vegetable products.	Sundries.	All commodities.	
August, 1920.	101	103	102	95	97	110	92	101	100	1921.										
1921.										April.....	106	116	83	57	69	109	111	105	94	94
January.....	107	121	98	77	88	113	123	107	103	May.....	102	112	76	47	62	107	110	95	88	88
February.....	103	120	89	65	80	117	127	107	98	June.....	97	101	63	46	60	102	95	90	81	81
March.....	108	117	87	64	72	113	123	104	97	July.....	100	109	65	54	60	95	92	87	83	83
										August.....	107	113	68	62	60	92	96	87	87	87

GROUP INDEX NUMBERS—GERMANY—FRANKFURTER ZEITUNG.

[Middle of 1914=100.]

	Agricultural products.	Textiles, leather.	Minerals.	Miscellaneous.	All commodities.		Agricultural products.	Textiles, leather.	Minerals.	Miscellaneous.	All commodities.
1920.						1921.					
Average for the year.....	1,232	3,175	1,733	1,440	1,522	Beginning of—					
Beginning of October..	1,344	2,943	1,734	1,592	1,582	April.....	1,195	2,153	1,608	1,500	1,410
1921.						May.....	1,169	2,125	1,566	1,617	1,428
Beginning of—						June.....	1,116	1,907	1,524	1,633	1,387
January.....	1,353	2,643	1,678	1,575	1,603	July.....	1,270	2,153	1,613	1,588	1,467
February.....	1,265	2,507	1,580	1,525	1,473	August.....	1,881	2,289	1,636	1,550	1,723
March.....	1,204	2,371	1,552	1,517	1,419	September.....	1,845	2,616	1,748	1,608	1,777
						October.....	1,995	3,270	2,112	1,733	1,993

GROUP INDEX NUMBERS—SWEDEN—SVENSK HANDELSTIDNING.

[July 1, 1913-June 30, 1914=100.]

Date.	Vegetable food.	Animal food.	Raw materials for agriculture.	Coal.	Metals.	Building material.	Wood pulp.	Hides and leather.	Textiles.	Oils.	All commodities.
1913-14.....	100	100	100	100	100	100	100	100	100	100	100
1914 <sup>1</sup> .....	136	101	114	123	109	104	118	118	103	111	116
1915.....	151	140	161	177	166	118	116	158	116	120	145
1916.....	152	182	180	266	272	165	233	229	166	149	185
1917.....	181	205	198	551	405	215	267	206	247	212	244
1918.....	221	419	304	856	398	275	300	195	-----	-----	339
1919.....	261	409	340	804	258	286	308	211	-----	-----	330
1920.....	262	296	312	1,007	278	371	675	215	324	294	347
August, 1920.....	271	307	310	1,117	286	388	756	191	328	322	365
1921.											
January.....	244	266	281	371	230	320	520	131	169	328	267
February.....	231	241	248	362	204	319	511	108	147	318	250
March.....	238	229	240	279	185	298	510	85	134	268	237
April.....	232	231	236	291	178	236	510	84	125	264	229
May.....	221	217	245	369	153	237	286	106	132	238	218
June.....	237	206	236	371	149	224	286	108	129	207	218
July.....	236	227	216	315	149	199	197	112	133	191	211
August.....	217	230	214	250	130	198	183	107	132	191	198

<sup>1</sup> Average for 6 months ending Dec. 31, 1914.

## GROUP INDEX NUMBERS—CHRISTIANIA, NORWAY—ØKONOMISK REVUE.

[Dec. 31, 1913-June 30, 1914=100.]

Date.	Animal food.	Vegetable foods.	Feed-stuffs and fertilizers.	Fuel.		Iron.	Metals.	Building materials.	Textiles.	Hides and leather.	Pulp wood.	Paper.	All commodities.
				Coal and coke.	Petroleum and benzine.								
End of—													
1914.....	115	130	108	151	104	115	128	107	105	158	103	101	115
1915.....	149	150	150	224	132	158	289	131	121	193	124	137	159
1916.....	193	198	195	355	170	435	401	213	178	251	171	190	233
1917.....	260	292	231	1,161	231	720	503	326	264	296	217	263	341
1918.....	324	277	284	514	247	573	503	359	302	286	283	313	345
1919.....	329	281	277	767	152	442	187	358	356	284	277	322	322
1920.....	352	385	340	647	407	482	200	416	402	255	321	472	377
July, 1920.....	337	376	328	1,050	274	724	237	455	413	269	413	453	409
1921.													
January.....	307	370	317	512	384	394	165	378	374	217	321	472	344
February.....	294	324	292	358	364	340	167	362	352	212	289	472	319
March.....	307	315	287	289	357	328	169	339	350	203	289	472	312
April.....	283	304	273	317	343	295	166	329	329	199	289	413	297
May.....	280	303	277	317	343	295	166	324	324	190	289	413	294
June.....	273	323	275	345	336	296	167	308	324	197	289	413	294
July.....	301	408	254	388	303	307	190	309	319	197	276	392	300

## GROUP INDEX NUMBERS—AUSTRALIAN COMMONWEALTH—BUREAU OF CENSUS AND STATISTICS.

[July, 1914=100.]

Date.	Metals and coal.	Textiles, leather, etc.	Agricultural products.	Dairy products.	Groceries and tobacco.	Meat.	Building materials.	Chemicals.	All commodities.
July, 1914.....	100	100	100	100	100	100	100	100	100
1915.....	117	93	202	127	110	150	110	149	141
1916.....	154	131	113	124	127	155	136	172	132
1917.....	213	207	110	116	131	155	194	243	155
1918.....	230	232	135	121	138	147	245	315	170
1919.....	193	217	136	137	147	145	261	282	180
1920.....	209	243	229	184	189	201	295	277	218
August, 1920.....	209	251	238	189	193	284	312	282	236
1921.									
January.....	215	145	197	208	197	191	279	244	196
February.....	214	132	192	206	197	184	303	242	192
March.....	203	107	176	207	198	178	303	234	181
April.....	202	114	164	178	196	144	284	231	171
May.....	194	108	161	173	195	140	279	224	166
June.....	195	105	160	171	188	154	250	233	162
July.....	195	111	158	166	188	119	238	220	159
August.....	194	116	160	164	190	120	231	224	160

GROUP INDEX NUMBERS—CANADA—DEPARTMENT OF LABOR.<sup>1</sup>

[1913=100.]

Date.	Grains and fodder.	Animals and meats.	Dairy products.	Fruits and vegetables.	Other foods.	Textiles.	Hides, leather, etc.	Metals.	Implements.	Building materials, lumber.	Fuel and lighting.	Drugs and chemicals.	All commodities.
1913.....	100	100	100	100	100	100	100	100	100	100	100	100	100
1914.....	114	107	100	99	104	102	105	96	101	100	94	106	101
1915.....	136	104	105	93	121	114	110	123	106	97	92	160	110
1916.....	142	121	119	130	136	148	143	167	128	100	113	222	135
1917.....	206	161	149	233	180	201	168	217	174	118	163	236	177
1918.....	231	197	168	214	213	273	169	229	213	147	188	250	206
1919.....	227	199	192	206	222	285	213	173	328	171	201	205	217
1920.....	263	198	204	261	258	303	192	203	245	268	255	204	246
August, 1920.....	271	204	198	216	277	309	173	209	243	285	298	218	244
1921.													
January.....	186	175	216	184	212	228	131	174	257	248	247	196	208
February.....	171	171	185	163	205	204	126	167	257	239	234	183	199
March.....	168	171	174	175	203	198	118	158	243	231	233	181	194
April.....	154	169	161	162	189	191	115	146	241	229	226	180	187
May.....	150	158	126	182	189	187	114	147	236	224	216	178	183
June.....	146	146	124	169	183	180	106	154	236	218	212	175	179
July.....	143	143	133	157	174	179	106	147	236	217	207	175	176
August.....	152	143	142	182	173	181	101	145	237	192	206	176	174

<sup>1</sup> Unimportant groups omitted.

## GROUP INDEX NUMBERS—CALCUTTA, INDIA—DEPARTMENT OF STATISTICS.

[End of July, 1914=100.]

Date.	Build- ing mate- rials.	Manu- fac- tured articles	Metals.	Hides and skins.	Cotton manu- fac- tures.	Raw cotton.	Jute manu- fac- tures.	Other tex- tiles.	Oils, mus- tard.	Raw jute.	Oil seeds.	Tea.	Sugar.	Pulses.	Cereals	Other foods.	All com- modi- ties.
End of July, 1914..	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
Average for 1920...	138	231	238	147	354	153	149	162	128	104	173	78	407	166	154	184	204
August, 1920.....	142	235	257	99	360	139	163	168	115	91	167	72	477	160	154	185	209
1921.																	
January.....	158	238	247	81	324	107	104	149	116	85	130	77	314	135	139	139	178
February.....	147	226	243	80	305	104	101	149	97	80	124	70	352	119	129	148	174
March.....	153	239	255	86	301	98	91	143	90	81	122	71	369	122	128	136	175
April.....	147	242	255	97	311	119	97	123	110	85	131	76	359	147	141	130	183
May.....	151	262	254	110	312	124	94	126	112	75	142	78	302	156	145	153	184
June.....	149	244	245	119	303	129	100	132	114	76	145	89	239	165	150	152	178
July.....	149	237	245	115	316	136	102	147	115	80	157	92	247	173	151	162	183
August.....	143	242	241	121	301	150	107	135	116	85	150	107	236	182	153	170	184

## COMPARATIVE RETAIL PRICES IN PRINCIPAL COUNTRIES.

In the following table are presented statistics showing the trend of retail prices and the cost of living in the United States and important European countries:<sup>1</sup>

<sup>1</sup> Three of these index numbers—those for the United Kingdom, Paris, and Sweden—are constructed on the basis of prices in July, 1914=100. In the case of the United States, the original base, that of the year 1913, has been shifted to the July, 1914, base. The German index uses the year ending July, 1914, as a base.

The American index number, constructed by the Bureau of Labor Statistics, was based upon the retail prices of 22 articles of food, weighted according to family consumption, until January, 1921, when it was increased to 43 articles reported by dealers in 51 important cities. The method of weighting continues the same, although the actual "weights" applied have been changed.

The British index number of the cost of living constructed by the Ministry of Labor consists of the retail prices not only of foodstuffs but of other articles as well. Retail clothing prices, rents, and the cost of fuel, lighting, and miscellaneous household items are also taken into consideration. The index number is weighted according to the importance of the items in the budgets of working-class families.

The retail price index for Paris, compiled by the French General Statistical Office, consists of retail prices of 13 different commodities, weighted according to the average annual consumption of a workingman's family of four persons. Eleven of the commodities included in this index are foods, and the other two are kerosene and alcohol.

The Swedish index number consists of the retail prices of foodstuffs, fuel, and lighting and is based upon the prices of 51 articles in 44 towns (in 1920, 50 articles in 49 towns), weighted according to the budget of a workingman's family which before the war had a yearly income of 2,000 kroner.

The German index expresses upon a percentage basis figures compiled by Dr. R. R. Kuczynski of the Statistical Office of Berlin-Schöne-

berg. Dr. Kuczynski bases his calculations upon the cost of living per week of a family of four in Greater Berlin.

## RETAIL PRICES IN THE UNITED STATES, PARIS, AND SWEDEN; COST OF LIVING IN UNITED KINGDOM AND BERLIN.

[July, 1914=100.]

	United States, retail prices. <sup>1</sup>	United King- dom, cost of living. <sup>2</sup>	Paris, retail prices. <sup>1</sup>	Sweden, retail prices.	Berlin, cost of living. <sup>3</sup>
1919.....	182	216	260	321	.....
1920.....	199	249	371	298	1,080
1920.					
August.....	203	255	373	308	1,069
1921.					
January.....	169	265	410	283	1,111
February.....	155	251	382	262	1,087
March.....	153	241	358	253	1,035
April.....	149	233	328	248	976
May.....	142	228	317	237	990
June.....	141	219	312	234	1,080
July.....	145	219	306	232	1,125
August.....	152	222	317	234	.....
September.....	.....	.....	329	.....	.....

<sup>1</sup> Average for the month.<sup>2</sup> Beginning of month.<sup>3</sup> August, 1913-July, 1914=100.

## FOREIGN TRADE—UNITED KINGDOM, FRANCE, ITALY, SWEDEN, JAPAN, AND GERMANY.

In the following table are presented figures showing the monthly value of the foreign trade of a group of important European countries and Japan. Up-to-date figures for Germany are not available.<sup>1</sup>

<sup>1</sup> Currencies have not been converted to a common unit, nor are methods of valuation the same in all countries. In England imports are given current c. i. f. values in England; exports and reexports,

current f. o. b. values. The same method is followed in Japan and Sweden. In France and Italy the value of foreign trade is estimated not in terms of current prices but in terms of those of some earlier date, usually the preceding year.

None of the figures presented below include the import or export of gold and silver. In the case of England and France, group figures are given as well as total values, while in the case of the other countries, total values only are presented. This does not mean that group figures are not obtainable, merely that they are either delayed in publication or appear not to be of such general interest as the French and English material.

Japanese figures for recent months are received by cable and subject to revision.

### FOREIGN TRADE OF THE UNITED KINGDOM.

	Imports.						Exports.					Reexports.		
	In thousands of pounds ster. ling.						In thousands of pounds sterling.					In thousands of tons.	In thousands of pounds sterling.	
	Food, drink, and tobacco.	Raw materials and articles mainly unmanufactured.	Articles wholly or mainly manufactured.	Miscellaneous, including parcel post.	Total.	In thousands of tons.	Food, drink, and tobacco.	Raw materials and articles mainly unmanufactured.	Articles wholly or mainly manufactured.	Miscellaneous, including parcel post.	Total.			
Monthly average:														
1913.....	24,184	23,485	16,134	259	64,061	4,669	2,716	5,825	34,281	949	43,770	7,650	9,131	152
1919.....	59,927	50,565	24,663	358	135,513	358	2,814	9,274	53,457	1,008	66,553	13,729	13,729	82
1920.....	63,948	59,292	37,902	254	161,395	3,795	4,241	12,138	93,394	1,528	111,297	3,292	18,701	139
1920.														
August.....	61,874	51,268	40,016	185	153,343	4,302	3,503	10,467	99,645	1,288	114,903	3,066	13,368	118
1921.														
January.....	49,158	37,005	30,467	420	117,051	3,383	3,852	7,668	79,746	1,491	92,756	2,558	9,955	87
February.....	47,750	25,504	23,394	326	96,974	2,573	3,075	5,881	58,177	1,089	68,222	2,446	8,004	82
March.....	50,888	17,739	24,930	184	93,742	2,697	2,897	5,832	56,969	1,111	66,809	2,656	8,888	127
April.....	52,908	16,547	20,374	167	89,996	2,668	2,729	2,936	52,019	1,184	59,868	1,279	8,524	126
May.....	50,994	16,711	19,282	221	86,308	2,891	2,101	1,437	38,662	889	43,088	500	7,232	90
June.....	51,915	18,389	17,600	278	88,182	.....	2,439	1,125	33,658	930	38,152	.....	7,083	.....
July.....	42,090	20,232	18,005	431	80,757	4,050	2,702	2,775	36,705	991	43,172	1,350	9,362	.....
August.....	50,504	19,589	18,194	214	88,581	3,389	3,124	7,058	39,936	1,228	51,346	3,747	9,998	154
September.....	.....	.....	.....	.....	55,248	.....	.....	.....	.....	.....	87,118	.....	8,595	.....

<sup>1</sup> Includes reexports.

### FOREIGN TRADE OF FRANCE.<sup>1</sup>

	Imports.					Exports.					In thousands of metric tons.	
	In thousands of francs.					In thousands of francs.						
	Food.	Raw materials.	Manufactured articles.	Total.	In thousands of metric tons.	Food.	Raw materials.	Manufactured articles.	Parcel post.	Total.		
Monthly average:												
1913 <sup>2</sup> .....	151,465	412,144	138,169	701,778	3,685	69,908	154,841	301,420	47,182	573,351	1,840	
1919 <sup>3</sup> .....	892,040	1,229,435	861,797	2,983,272	3,204	99,201	203,691	615,630	71,444	989,966	464	
1920 <sup>3</sup> .....	718,179	1,400,046	832,187	2,950,413	4,245	184,277	397,677	1,187,742	99,867	1,869,563	1,039	
1920.												
August <sup>4</sup> .....	1,219,150	1,735,556	1,144,940	4,099,646	4,201	252,118	557,791	1,854,852	116,255	2,781,016	1,299	
1921. <sup>3</sup>												
January.....	346,703	1,101,267	534,498	1,982,468	3,702	188,546	436,069	1,142,398	115,605	1,882,618	1,116	
February.....	386,169	803,231	424,531	1,613,931	2,579	172,992	478,561	1,162,817	85,074	1,899,444	1,414	
March.....	455,545	786,352	501,017	1,742,908	2,827	162,901	379,281	1,035,826	108,418	1,685,426	1,069	
April.....	390,345	887,151	501,593	1,779,089	2,652	176,333	468,453	1,179,683	107,799	1,922,268	1,154	
May.....	419,220	690,553	455,726	1,565,508	2,250	151,724	415,057	996,583	95,271	1,648,635	1,163	
June.....	490,615	871,374	361,545	1,723,534	2,047	148,237	540,722	977,129	84,376	1,950,494	1,405	
July.....	434,001	704,069	331,047	1,469,117	2,164	123,303	439,534	925,868	74,350	1,593,055	1,194	
August.....	555,515	855,697	321,152	1,732,304	2,593	112,654	445,312	1,084,193	82,735	1,724,894	1,034	

<sup>1</sup> Not including gold, silver, or the reexport trade.

<sup>2</sup> Calculated in 1913 value units.

<sup>3</sup> Calculated in 1919 value units. French foreign trade figures are originally recorded in quantity units only, and the value of the trade is calculated by applying official value units to the quantities imported and exported. Normally the monthly statements of trade appear computed at the rates of the year previous, and only at the end of the year is the trade evaluated at the prices prevailing during that year. Because of the disturbed price conditions in France during the past two years, 1919 price units are being applied to the 1921 trade.

<sup>4</sup> Calculated in 1920 value units.



## FOREIGN TRADE OF ITALY, SWEDEN, AND JAPAN.

	Italy. (In millions of lire.) <sup>1</sup>		Sweden. (In millions of kronor.)		Japan. (In millions of yen.)	
	Imports.	Exports.	Imports.	Exports.	Imports.	Exports.
Monthly average:						
1913.....	304	210	71	68	61	53
1919.....	1,385	506	211	131	181	175
1920.....	1,322	650	281	191	195	162
1920.						
May.....	1,401	662	314	227	296	193
June.....	2,076	752	283	224	220	184
July.....	1,040	521	331	268	177	154
August.....	1,249	532	308	230	123	175
1921.						
January.....	1,166	503	122	91	105	75
February.....	1,320	566	116	89	119	77
March.....	1,503	569	99	75	137	94
April.....	1,346	586	106	69	139	115
May.....			95	82	149	105
June.....			93	69	148	107
July.....					109	99
August.....					131	105

<sup>1</sup>1920 and 1921 figures based on 1919 value units.<sup>2</sup> Provisional.

## FOREIGN TRADE OF GERMANY.

[In thousands of marks.]

	Imports. <sup>1</sup>	Exports. <sup>2</sup>				Imports. <sup>1</sup>	Exports. <sup>2</sup>		
	Tonnage in thou- sands of metric tons.	Gold and silver	Merchan- dise.	Tonnage in thou- sands of metric tons.		Tonnage in thou- sands of metric tons.	Gold and silver.	Merchan- dise.	Tonnage in thou- sands of metric tons.
Monthly average:					1920.				
1913.....	6,068	8,450	841,375	6,146	September.....	1,680	6,400	6,411,311	1,837
1920.....	1,570	17,773	5,775,933	1,651	October.....	1,757	6,239	6,488,133	1,494
1920.					November.....	1,737	3,353	7,909,571	1,768
July.....	1,739	2,350	6,187,922	2,094	December.....	2,007	45,306	7,817,910	1,758
August.....	1,512	5,116	6,027,625	1,911					

<sup>1</sup> Not including philanthropic gifts.<sup>2</sup> Not including deliveries on reparations account.

**DISCOUNT AND OPEN-MARKET OPERATIONS OF FEDERAL RESERVE BANKS.**

Following is a set of tables showing the volume of bills discounted and of acceptances and Government securities purchased by the Federal Reserve Banks during August, 1921:

**VOLUME OF OPERATIONS DURING AUGUST, 1921.**

Federal Reserve Bank.	Bills discounted for member banks.	Bills bought in open market.	U. S. securities purchased.		Total.	
			Bonds and notes.	Certificates of indebtedness.	August, 1921.	August, 1920.
Boston.....	\$294,781,550	\$15,126,938	\$360,000	\$1,506,000	\$311,774,488	\$468,250,695
New York.....	1,598,703,932	63,566,966	.....	25,957,500	1,688,228,398	5,280,564,185
Philadelphia.....	309,970,456	4,302,509	.....	1,758,000	316,030,965	558,633,920
Cleveland.....	193,149,873	3,482,056	.....	308,500	196,940,429	234,380,105
Richmond.....	214,762,719	1,647,203	.....	.....	216,409,922	271,092,721
Atlanta.....	123,641,568	778,995	240,000	500	124,661,063	209,481,507
Chicago.....	293,918,693	9,814,864	268,500	8,802,500	312,804,557	547,983,880
St. Louis.....	117,532,426	1,187,430	.....	1,618,500	120,338,356	207,493,845
Minneapolis.....	56,610,268	.....	113,500	536,500	57,260,268	81,748,590
Kansas City.....	59,954,639	248,100	.....	144,500	60,347,239	150,307,279
Dallas.....	63,432,441	20,000	.....	.....	63,452,441	111,637,861
San Francisco.....	186,604,625	7,127,984	77,000	1,105,500	194,915,109	234,997,154
Total: August, 1921.....	3,513,063,190	107,303,045	1,059,000	41,738,000	3,663,163,235	.....
August, 1920.....	7,982,524,044	259,708,278	18,900	124,320,500	.....	8,366,571,722
8 months ending Aug. 31, 1921.....	43,836,513,065	921,737,496	29,316,661	2,576,573,557	47,364,140,779	.....
8 months ending Aug. 31, 1920.....	53,128,856,073	2,192,875,340	264,400	5,370,209,000	.....	60,692,204,813

**VOLUME OF BILLS DISCOUNTED DURING AUGUST, 1921, BY CLASSES OF PAPER; ALSO NUMBER OF MEMBER BANKS ACCOMMODATED.**

Federal Reserve Bank.	Customers' paper secured by Government obligations.	Member banks' collateral notes.		Commercial paper, n. e. s.	Agricultural paper.	Live-stock paper.	Bankers' acceptances.		
		Secured by Government obligations.	Otherwise secured.				Foreign.	Domestic.	Dollar exchange.
Boston.....	\$12,055,781	\$163,934,300	.....	\$118,078,703	\$500,581	\$2,500	.....	.....	.....
New York.....	12,970,010	829,890,423	.....	751,648,157	439,333	19,829	\$448,095	\$715,392	\$10,000
Philadelphia.....	4,484,400	228,551,657	.....	76,650,385	165,762	1,000	.....	.....	.....
Cleveland.....	3,189,290	105,485,920	\$140,000	81,722,967	378,360	96,103	66,345	30,000	.....
Richmond.....	1,959,878	174,762,044	1,222,500	31,697,284	4,560,879	.....	.....	.....	.....
Atlanta.....	3,596,886	61,592,290	678,000	52,468,826	4,046,366	378,453	.....	.....	.....
Chicago.....	3,724,872	163,884,885	488,700	112,235,477	13,128,128	113,880	.....	20,000	.....
St. Louis.....	2,136,260	78,745,218	95,760	32,653,072	3,147,144	396,488	60,000	52,800	.....
Minneapolis.....	767,891	23,902,187	1,955,570	24,456,339	3,810,930	1,368,249	.....	.....	.....
Kansas City.....	927,968	39,717,340	.....	13,515,676	1,770,314	3,969,332	.....	.....	.....
Dallas.....	268,197	34,187,152	5,323,000	13,848,470	4,324,769	5,031,984	.....	.....	.....
San Francisco.....	1,749,688	117,689,122	23,125,923	35,585,743	5,065,068	2,401,797	5,000	.....	.....
Total: August, 1921.....	47,831,121	2,022,342,538	33,032,253	1,844,561,099	41,337,334	13,770,615	579,440	818,192	10,000
July, 1921.....	69,798,974	2,114,363,112	22,416,045	1,454,254,080	46,104,562	17,526,512	1,417,068	474,560	50,000
August, 1920.....	178,013,613	4,755,968,937	8,232,752	.....	3,020,807,623	.....	5,490,299	.....	.....
July, 1920.....	149,726,351	4,383,779,883	8,297,166	.....	2,152,594,118	.....	7,068,782	.....	.....

Federal Reserve Bank.	Trade acceptances.		Total <sup>1</sup> all classes.	Total reduced to a common maturity basis. <sup>1</sup>		Member banks.		
	Foreign.	Domestic.		Amount.	Per cent of total.	Number in district Aug. 31.	Accommodated.	
							Number.	Per cent.
Boston.....	.....	\$209,685	\$294,781,550	\$174,093,230	5.0	437	217	49.7
New York.....	\$65,000	2,497,693	1,598,703,932	859,214,613	24.5	794	321	40.4
Philadelphia.....	.....	117,252	309,970,456	243,482,959	6.9	700	382	54.6
Cleveland.....	.....	2,040,888	193,149,873	287,702,810	8.2	881	363	41.2
Richmond.....	.....	560,134	214,762,719	240,254,381	6.8	621	411	66.2
Atlanta.....	.....	880,747	123,641,568	231,780,106	6.6	500	372	74.4
Chicago.....	.....	322,751	293,918,693	570,224,500	16.2	1,436	915	63.7
St. Louis.....	.....	242,684	117,532,426	160,398,703	4.6	585	327	55.8
Minneapolis.....	.....	349,602	56,610,268	158,340,735	4.5	1,018	552	54.2
Kansas City.....	.....	63,009	59,954,639	127,744,193	3.6	1,089	500	45.9
Dallas.....	.....	448,869	63,432,441	183,704,521	5.2	873	640	73.3
San Francisco.....	73,900	908,384	186,604,625	278,122,439	7.9	868	452	52.1
Total: August, 1921.....	138,900	8,641,698	3,513,063,190	3,020,807,623	100.0	9,802	5,452	55.6
July, 1921.....	45,000	8,628,499	3,755,078,412	.....	.....	9,789	5,602	57.2
August, 1920.....	.....	14,010,820	7,982,524,044	.....	.....	9,487	4,780	50.4
July, 1920.....	.....	13,457,509	6,714,923,809	.....	.....	9,458	4,858	51.4

<sup>1</sup> Total discounts multiplied by ratio of average maturity of bills discounted by each bank to average maturity (15.76) for system.

**VOLUME OF BILLS DISCOUNTED DURING AUGUST, 1921, BY RATES OF DISCOUNT CHARGED; ALSO AVERAGE RATES AND MATURITIES.**

Federal Reserve Bank.	5½ per cent.	6 per cent.	6½ per cent.	Total.	Average rate (365-day basis).	Average maturity.
					<i>Per cent.</i>	<i>Days.</i>
Boston.....	\$294,781,550			\$294,781,550	5.50	9.31
New York.....	1,598,703,932			1,598,703,932	5.50	8.47
Philadelphia.....	309,970,456			309,970,456	5.50	12.38
Cleveland.....	148,785,734			148,785,734	5.60	23.47
Richmond.....		\$44,289,139	\$75,000	214,762,719	6.00	17.63
Atlanta.....		214,762,719		123,641,568	6.00	29.54
Chicago.....		123,641,568		293,918,693	6.00	30.57
St. Louis.....	60,000	117,472,426		117,532,426	6.00	21.50
Minneapolis.....		24,704,408	31,905,860	56,610,268	6.42	43.52
Kansas City.....		59,954,639		59,954,639	6.00	33.57
Dallas.....		63,432,441		63,432,441	6.00	45.63
San Francisco.....	186,604,625			186,604,625	5.50	23.47
Total: August, 1921.....	2,538,906,297	942,176,033	31,980,860	3,513,063,190	5.76	15.76
July, 1921.....	875,972,363	2,694,528,909	164,577,140	3,735,078,412	6.02	16.18

**VOLUME OF BANKERS' AND TRADE ACCEPTANCES PURCHASED DURING AUGUST, 1921, BY CLASSES.**

Federal Reserve Bank.	Bankers' acceptances.				Trade acceptances.			Total bills purchased.	Total adjusted to a common maturity basis. <sup>1</sup>	
	Foreign.	Domestic.	Dollar exchange.	Total.	Foreign.	Domestic.	Total.		Amount.	Per cent of total.
Boston.....	\$11,485,729	\$3,074,585	\$566,624	\$15,126,938				\$15,126,938	\$9,283,442	14.1
New York.....	50,002,896	9,140,916	4,390,170	63,533,982	\$32,984		\$32,984	63,566,966	47,481,592	59.2
Philadelphia.....	2,540,875	1,642,804	118,830	4,302,509				4,302,509	8,610,863	4.0
Cleveland.....	1,507,300	1,974,756		3,482,056				3,482,056	2,637,912	3.3
Richmond.....	308,403	1,338,800		1,647,203				1,647,203	2,438,532	1.5
Atlanta.....	547,058	231,937		778,995				778,995	1,446,196	.7
Chicago.....	6,724,315	2,990,549	100,000	9,814,864				9,814,864	29,142,881	9.2
St. Louis.....	948,911	198,519	40,000	1,187,430				1,187,430	721,517	1.1
Minneapolis.....										
Kansas City.....	248,100			248,100				248,100	437,339	.2
Dallas.....		20,000		20,000				20,000	45,723	
San Francisco.....	5,443,653	1,104,328	530,000	7,127,984				7,127,984	5,057,048	6.7
Total: August, 1921.....	79,757,243	21,717,194	5,795,624	107,270,061	32,984		32,984	107,303,045	107,303,045	100.0
July, 1921.....	29,136,700	16,140,995	1,345,000	46,622,695	46,844		46,844	46,669,539		
August, 1920.....	190,985,198	51,027,040	5,426,161	247,438,399	12,269,879		12,269,879	259,708,278		
July, 1920.....	158,499,195	48,772,794	2,023,747	209,295,736	9,953,648	\$214,293	10,167,941	219,463,677		

<sup>1</sup> Total purchases multiplied by ratio of average maturity of bills purchased by each bank to average maturity (25.33) for system.

**VOLUME OF ACCEPTANCES PURCHASED DURING AUGUST, 1921, BY RATES OF DISCOUNT CHARGED; ALSO AVERAGE RATES AND MATURITIES.**

Federal Reserve Bank.	5 per cent.	5½ per cent.	5¾ per cent.	5¾ per cent.	5¾ per cent.	5¾ per cent.	5¾ per cent.	5¾ per cent.	5¾ per cent.	6 per cent.	6½ per cent.	Total.	Average rate (365 day basis).	Average maturity.
													<i>Per ct.</i>	<i>Days.</i>
Boston.....	\$13,810,807	\$906,527	\$215,926	\$193,678								\$15,126,938	5.11	15.54
New York.....	3,981,013	4,345,081	51,402,961	560,065	\$318,363	\$416,742	\$2,424,457	\$48,284	\$20,000	\$50,000		63,566,966	5.32	18.92
Philadelphia.....	3,656,184	145,860	221,755	78,710	200,000							4,302,509	5.11	50.69
Cleveland.....	569,146	1,139,614	836,493	91,791	286,162	260,000	301,850					3,482,056	5.29	19.19
Richmond.....										1,647,203		1,647,203	6.08	37.49
Atlanta.....					112,997					666,028		778,995	6.01	47.02
Chicago.....	1,130,703	4,004,280	3,779,881	365,000	435,000	100,000						9,814,864	5.29	75.20
St. Louis.....	715,234		323,314	75,549	40,000		33,333					1,187,430	5.21	15.39
Minneapolis.....										248,100		248,100	6.08	44.64
Kansas City.....										20,000		20,000	6.08	57.90
Dallas.....										100,000		100,000	5.38	17.97
San Francisco.....	524,215	2,040,481	1,067,093	426,875	2,512,812	339,078	117,430					7,127,984		
Total: August, 1921.....	24,387,302	12,573,843	57,847,423	1,791,668	3,905,304	1,115,820	2,877,070	48,284	2,701,331	50,000		107,303,045	5.31	25.33
July, 1921.....	1,317,271	650,610	4,126,131	4,146,303	9,167,587	3,599,019	18,621,550	1,040,287	3,043,611	5,035		46,669,539	5.70	31.26

<sup>1</sup> Includes \$13,330 and \$938,800 of acceptances purchased at 6½ and 7 per cent, respectively.

NOTE.—All Federal Reserve Banks use 360 days to the year in calculating interest on bills bought in open market.

**HOLDINGS OF EARNING ASSETS, BY CLASSES.**

Following is a set of tables giving a detailed analysis of the different classes of earning assets held by the Federal Reserve Banks at the end of August, 1921:

**AVERAGE DAILY HOLDINGS OF EACH CLASS OF EARNING ASSETS, EARNINGS THEREON, AND ANNUAL RATES OF EARNINGS, DURING AUGUST, 1921.**

Federal Reserve Bank.	Average daily holdings of—				Earnings on—				Annual rate of earnings on—			
	All classes of earning assets.	Discounted bills.	Purchased bills.	U. S. securities.	All classes of earning assets.	Discounted bills.	Purchased bills.	U. S. securities.	All classes of earning assets.	Discounted bills.	Purchased bills.	U. S. securities.
									<i>Per ct.</i>	<i>Per ct.</i>	<i>Per ct.</i>	<i>Per ct.</i>
Boston.....	\$107,169,658	\$82,461,391	\$5,663,453	\$19,044,814	\$460,581	\$401,465	\$25,389	\$33,727	5.06	5.73	5.28	2.09
New York.....	471,162,454	392,668,323	18,101,844	60,392,287	2,075,572	1,872,165	80,359	123,048	5.19	5.61	5.22	2.40
Philadelphia.....	143,453,349	113,653,632	2,085,804	27,713,913	592,029	533,016	9,086	49,927	4.85	5.52	5.12	2.12
Cleveland.....	157,831,135	135,059,745	1,475,741	21,295,650	714,547	670,360	6,866	37,321	5.33	5.84	5.48	2.06
Richmond.....	109,013,750	99,762,215	2,048,458	7,203,077	531,441	508,527	10,567	12,347	5.74	6.00	6.07	2.02
Atlanta.....	124,179,803	102,650,137	1,027,196	20,502,470	604,025	542,521	5,410	56,094	5.58	6.03	6.01	3.22
Chicago.....	270,317,276	227,034,117	3,119,633	40,163,526	1,329,563	1,231,199	14,038	84,326	5.79	6.39	5.30	2.47
St. Louis.....	86,477,520	73,076,918	248,728	13,151,874	399,001	373,626	1,144	24,231	5.43	6.02	5.41	2.17
Minneapolis.....	77,027,000	71,303,000	.....	5,724,000	409,472	399,278	.....	10,194	6.22	6.55	.....	2.10
Kansas City.....	85,192,675	67,116,397	984,745	17,091,533	377,284	341,239	4,782	31,263	5.21	5.99	5.70	2.15
Dallas.....	61,156,097	54,701,201	83,711	6,371,185	311,327	299,054	421	11,852	5.99	6.44	5.93	2.19
San Francisco.....	148,187,259	134,786,428	3,285,082	10,115,749	688,659	655,546	15,170	17,943	5.47	5.73	5.44	2.09
<b>Total:</b>												
<b>August, 1921.....</b>	1,841,167,977	1,554,273,504	38,124,395	248,770,078	8,493,501	7,827,096	173,232	492,273	5.43	5.93	5.35	2.33
<b>July, 1921.....</b>	2,012,699,492	1,725,162,306	26,395,821	261,141,365	9,551,847	8,906,789	133,744	511,314	5.59	6.08	5.97	2.31
<b>August, 1920.....</b>	3,233,862,055	2,605,113,456	325,461,036	303,287,563	15,872,666	13,627,062	1,674,351	571,253	5.81	6.19	6.07	2.22
<b>July, 1920.....</b>	3,200,972,777	2,519,043,471	363,620,679	318,308,627	15,543,678	13,087,226	1,870,735	585,717	5.72	6.13	6.07	2.15

**HOLDINGS OF DISCOUNTED BILLS, BY CLASSES.**

[End of August figures. In thousands of dollars.]

Federal Reserve Bank.	Total.	Customers' paper secured by Government obligations.	Member banks' collateral notes.		Commercial paper n. e. s.	Agricultural paper.	Live-stock paper.	Bankers' acceptances.		Trade acceptances.	
			Secured by Government obligations.	Otherwise secured.				Foreign.	Domestic.	Foreign.	Domestic.
Boston.....	100,323	8,658	29,910	.....	60,379	1,128	7	.....	.....	.....	241
New York.....	355,970	15,497	136,071	.....	200,958	587	.....	337	674	40	1,806
Philadelphia.....	106,529	18,138	60,012	.....	27,701	474	5	.....	.....	.....	199
Cleveland.....	124,748	8,710	34,928	50	77,503	832	317	41	40	.....	2,327
Richmond.....	103,463	4,318	26,135	584	58,631	12,312	74	.....	.....	.....	1,329
Atlanta.....	99,473	6,504	28,574	300	45,975	13,895	2,986	.....	.....	.....	1,239
Chicago.....	210,268	8,556	61,847	223	87,594	51,212	.....	.....	.....	.....	826
St. Louis.....	73,018	3,299	24,026	37	33,468	10,205	1,393	.....	203	.....	467
Minneapolis.....	70,185	909	5,348	1,071	26,457	22,381	13,648	.....	.....	.....	371
Kansas City.....	65,431	2,119	16,366	.....	20,067	6,794	19,893	.....	93	.....	99
Dallas.....	53,713	1,126	5,825	2,630	9,655	19,688	14,071	.....	.....	.....	718
San Francisco.....	128,734	4,219	34,081	11,347	47,303	17,816	.....	257	50	64	958
<b>Total: Aug. 31, 1921</b>	<b>1,491,935</b>	<b>82,053</b>	<b>463,123</b>	<b>16,242</b>	<b>695,691</b>	<b>157,394</b>	<b>65,033</b>	<b>635</b>	<b>1,080</b>	<b>104</b>	<b>10,580</b>
<b>July 30, 1921</b>	<b>1,641,612</b>	<b>96,277</b>	<b>481,497</b>	<b>12,104</b>	<b>801,489</b>	<b>157,456</b>	<b>72,883</b>	<b>5,476</b>	<b>613</b>	<b>85</b>	<b>13,732</b>
<b>Aug. 27, 1920</b>	<b>2,667,127</b>	<b>297,442</b>	<b>1,017,388</b>	<b>3,819</b>	<b>1,103,711</b>	<b>117,050</b>	<b>99,228</b>	<b>9,013</b>	<b>.....</b>	<b>19,476</b>	<b>.....</b>
<b>July 30, 1920</b>	<b>2,491,630</b>	<b>281,766</b>	<b>959,251</b>	<b>3,166</b>	<b>1,015,599</b>	<b>106,611</b>	<b>95,909</b>	<b>9,830</b>	<b>.....</b>	<b>19,498</b>	<b>.....</b>

## HOLDINGS OF BANKERS' AND TRADE ACCEPTANCES PURCHASED OR DISCOUNTED, BY CLASSES OF ACCEPTANCES.

[End of August figures. In thousands of dollars.]

Federal Reserve Bank.	All classes.			Bankers' acceptances.				Trade acceptances.		
	Total.	Purchased in open market.	Discounted for member banks.	Total.	Foreign.	Domestic.	Dollar exchange.	Total.	Foreign.	Domestic.
Boston.....	4,415	4,174	241	4,174	3,248	749	177	241	.....	241
New York.....	18,159	15,302	2,857	16,313	13,737	2,415	161	1,846	40	1,806
Philadelphia.....	3,327	3,128	199	3,128	1,669	1,345	114	199	.....	199
Cleveland.....	3,929	1,521	2,408	1,602	745	857	.....	2,327	.....	2,327
Richmond.....	3,675	2,346	1,329	2,346	583	1,763	.....	1,329	.....	1,329
Atlanta.....	2,117	878	1,239	878	554	324	.....	1,239	.....	1,239
Chicago.....	3,900	3,054	846	3,074	2,190	809	75	823	.....	826
St. Louis.....	1,107	437	670	640	417	223	.....	467	.....	467
Minneapolis.....	371	.....	371	.....	.....	.....	.....	371	.....	371
Kansas City.....	1,210	1,018	192	1,111	998	113	.....	99	.....	99
Dallas.....	788	70	718	70	50	20	.....	718	.....	718
San Francisco.....	4,723	3,394	1,329	3,659	2,814	485	360	1,064	106	958
Total: August 31, 1921.....	47,721	.....	.....	36,995	27,005	9,103	887	10,726	146	10,580
July 30, 1921.....	37,883	.....	.....	24,001	17,518	5,468	1,015	13,882	150	13,732
Purchased in open market:										
August 31, 1921.....	.....	35,322	.....	35,280	26,370	8,023	887	42	42	.....
July 30, 1921.....	.....	19,906	.....	17,912	12,042	4,855	1,015	65	65	.....
Discounted for member banks:										
August 31, 1921.....	.....	.....	12,399	1,715	635	1,080	.....	10,684	104	10,580
July 30, 1921.....	.....	.....	17,977	6,089	5,476	613	.....	13,817	85	13,732

## HOLDINGS OF BANKERS' ACCEPTANCES PURCHASED OR DISCOUNTED, BY CLASSES OF ACCEPTING INSTITUTIONS.

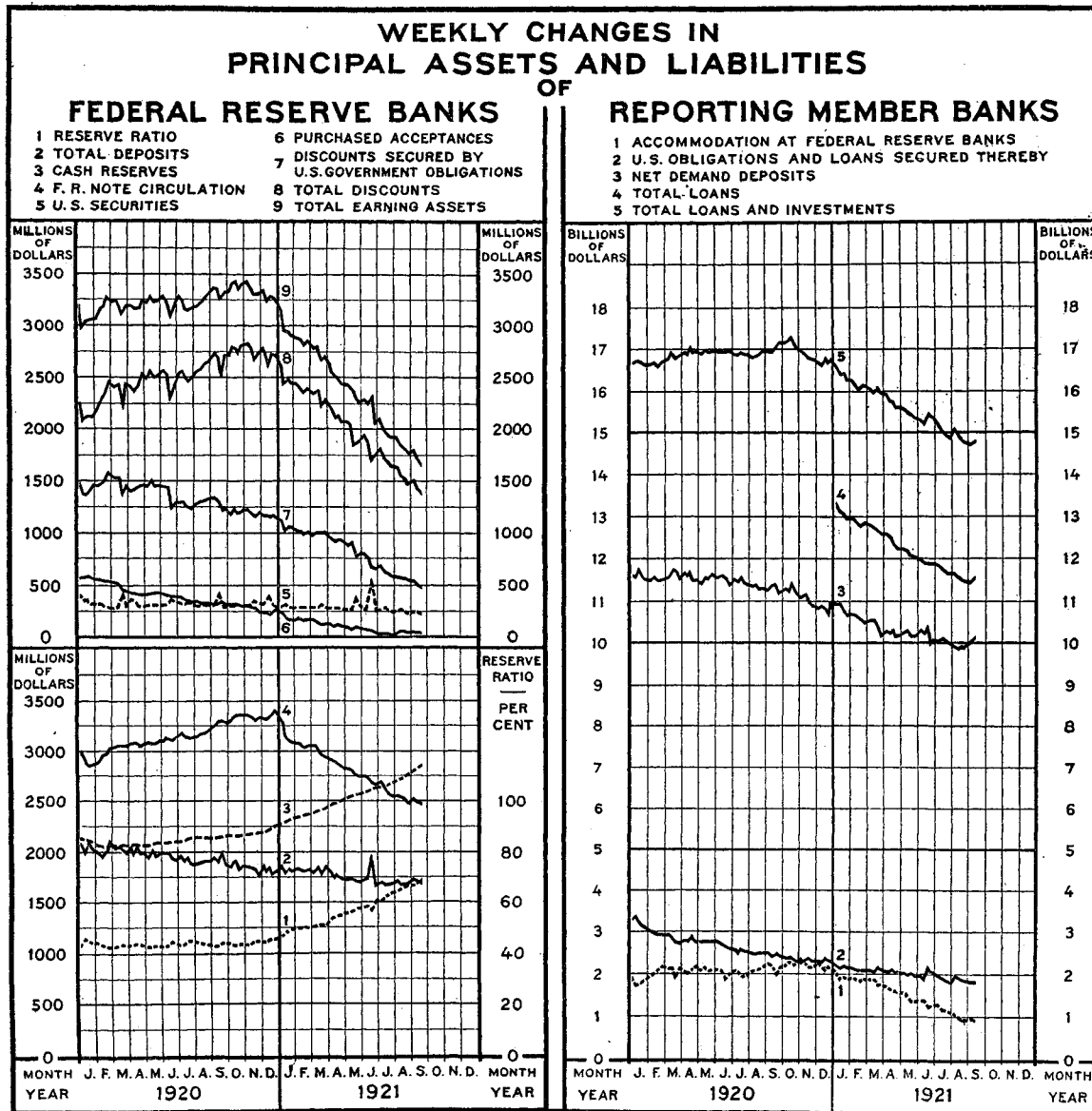
[End of August figures. In thousands of dollars.]

Federal Reserve Bank.	Total.	Member banks.		Nonmember banks and banking corporations.	Private bankers.	Branches and agencies of foreign banks.
		National.	Non-national.			
Boston.....	4,174	2,264	1,352	280	123	155
New York.....	16,313	5,312	2,795	4,428	2,511	1,287
Philadelphia.....	3,128	1,510	985	456	119	58
Cleveland.....	1,602	531	729	313	29	.....
Richmond.....	2,346	2,021	325	.....	.....	.....
Atlanta.....	878	153	685	10	.....	.....
Chicago.....	3,074	1,315	1,759	.....	.....	.....
St. Louis.....	640	263	377	.....	.....	.....
Minneapolis.....	.....	.....	.....	.....	.....	.....
Kansas City.....	1,111	195	916	.....	.....	.....
Dallas.....	70	20	.....	50	.....	.....
San Francisco.....	3,659	1,729	816	826	288	.....
Total: August 31, 1921.....	36,995	15,343	10,739	6,363	3,070	1,480
July 30, 1921.....	24,001	9,517	7,969	4,988	1,116	413
Purchased in open market:						
August 31, 1921.....	35,280	14,763	10,395	5,638	3,022	1,462
July 30, 1921.....	17,912	7,005	6,406	3,087	1,034	380
Discounted for member banks:						
August 31, 1921.....	1,715	580	344	725	48	18
July 30, 1921.....	6,089	2,512	1,563	1,899	82	33

**BANKING CONDITIONS DURING AUGUST AND SEPTEMBER, 1921.**

Changes in the banking situation during the four weeks ending September 14, as indicated by the weekly statements of reporting member banks, were quite moderate, a slight increase in loans and discounts being more than offset

accommodation with the Federal Reserve Banks. Considerable gains of gold and continued reduction of note circulation have caused a further strengthening of the reserve position of the Federal Reserve Banks.



by liquidation of investments, largely Treasury certificates. Redemption of these certificates during September and accumulation of funds in anticipation of September 15 tax payments enabled the member banks during the latter part of the period to reduce substantially their

Except for the gradual liquidation of \$52,000,000 of Treasury certificates, largely through sales to ultimate investors, member bank investments in Government and other securities show but small changes, the total decrease for the review period being \$65,000,000. Loan

liquidation on a moderate scale continued during the first three weeks. During the week ending September 14, apparently in connection with impending tax payments, loans and discounts of the reporting banks show an increase of \$81,000,000, of which \$45,000,000 represents an increase in loans supported by corporate securities. Total loans and investments show a reduction of \$41,000,000 for the period, and on September 14 stood at \$14,801,000,000, or 13 per cent below the total shown about a year before.

Borrowings of the reporting member banks from the Federal Reserve Banks during the first three weeks of the period under review continued fairly constant, but show a substantial decline during the following week, when accumulation of funds to provide for the September 15 tax payments enabled the member banks to reduce for the time being by about \$72,000,000 their borrowings from the Federal Reserve Banks. It is also probable that a large portion of the proceeds from the redeemed certificates went to swell the demand deposits of

the member banks, pending the payment by depositors of the September 15 installment of income and excess profits taxes and the clearance of checks in payment for newly subscribed certificates and notes, for it is well to remember that by far the larger part of Treasury notes and certificates is being held at present by investors outside the banks. The banks, in turn, used these extraordinary accumulations to reduce for the time being their borrowings from the Federal Reserve Banks. The ratio of these borrowings to total loans and investments of the reporting banks shows a decline from 6.6 to 6.1 per cent. For the New York City banks a reduction in borrowings from the local Federal Reserve Bank by nearly \$50,000,000, and in the ratio of accommodation from 5.5 to 4.4 per cent, is noted.

In the following table are shown the principal changes in the condition of the reporting member banks during the four weeks ending September 14. Corresponding changes since the beginning of 1920 are traced in the chart on page 1236:

MOVEMENT OF PRINCIPAL ASSETS AND LIABILITIES OF REPORTING MEMBER BANKS.

[In millions of dollars.]

	Aug. 17.	Aug. 24.	Aug. 31.	Sept. 7.	Sept. 14.
Number of reporting banks.....	812	812	812	810	810
Loans and discounts: <sup>1</sup>					
Secured by U. S. Government obligations.....	620	629	609	605	599
Secured by stocks and bonds (other than U. S. Government obligations).....	2,939	2,927	2,923	2,921	2,966
All other.....	7,980	7,940	7,959	7,956	7,998
Total loans and discounts <sup>1</sup> .....	11,539	11,496	11,491	11,482	11,563
U. S. bonds.....	868	868	870	871	868
U. S. Victory notes.....	165	166	165	162	163
U. S. Treasury notes.....	57	52	51	48	53
U. S. certificates of indebtedness.....	193	171	158	141	141
Other bonds, stocks, and securities.....	2,020	2,029	2,024	2,023	2,013
Total investments.....	3,303	3,286	3,268	3,245	3,238
Total loans and discounts, and investments <sup>1</sup> .....	14,842	14,782	14,759	14,727	14,801
Reserve with F. R. Bank.....	1,216	1,210	1,218	1,226	1,229
Cash in vault.....	299	301	290	308	310
Net demand deposits.....	9,938	9,894	9,968	9,982	10,131
Time deposits.....	2,900	2,905	2,925	2,914	2,917
Government deposits.....	242	197	167	140	130
Bills payable and rediscounts with F. R. Bank, total.....	979	967	956	980	908
Secured by U. S. Government obligations.....	350	337	336	333	296
All other.....	629	630	620	647	612
Ratio of accommodation at F. R. Bank to total loans and investments.....	6.6	6.5	6.5	6.7	6.1

<sup>1</sup> Including bills rediscounted with Federal Reserve Bank.

Discount operations of the Federal Reserve Banks during the four-week period between August 24 and September 21, according to the condition statements of Federal Reserve Banks, show an increase during the first week in September, when member banks increased their borrowings from the reserve banks to

provide themselves with Federal Reserve notes to meet the holiday demand for currency. For the subsequent two weeks these borrowings show a reduction of \$121,300,000, partly in connection with the Government's fiscal operations, particularly the redemption prior to and on September 15 of about \$535,000,000 of

tax certificates. The net result of these operations is seen in a reduction since August 24 by \$46,600,000 in the Federal Reserve Bank holdings of paper secured by Government obligations and by \$61,500,000 in their holdings of other discounted paper. Of the total reduction of Government paper, \$24,700,000 represents the reduction in paper secured by United States bonds, \$19,500,000—the reduction in paper secured by Victory notes, and only \$2,200,000—the reduction in paper secured by Treasury certificates.

Holdings of acceptances purchased in open market show a slight decline from \$35,200,000 to \$33,500,000. "Pittman" certificates on deposit with the Treasury to secure Federal Reserve Bank note circulation show a gradual decline of \$17,000,000, retirement of this amount by the Treasury being accompanied by a reduction of \$9,200,000 in the reserve banks' net liabilities on Federal Reserve Bank

notes in circulation. Changes in other certificate holdings reflect largely the extent of open-market transactions in certificates of the New York Federal Reserve Bank under temporary repurchase agreements. Holdings of other United States securities, including the newly issued Treasury notes, show an increase of about \$4,000,000. Total earning assets of the Federal Reserve Banks, in consequence of the above changes, show a decline for the review period of about \$117,000,000 and on September 21 stood at \$1,652,300,000, or nearly 52 per cent below the total shown at the close of the past year.

The table below presents a summary of the weekly changes in the principal assets and liabilities of the Federal Reserve Banks for the four weeks ending September 21, while the chart on page 1236 gives a graphic picture of these changes since the beginning of last year.

MOVEMENT OF PRINCIPAL ASSETS AND LIABILITIES OF THE 12 FEDERAL RESERVE BANKS COMBINED.

[In millions of dollars.]

	Aug. 24.	Aug. 31.	Sept. 7.	Sept. 14.	Sept. 21.
<b>Reserves:</b>					
Total.....	2,766.2	2,787.9	2,803.3	2,834.5	2,863.1
Gold.....	2,619.1	2,641.1	2,656.4	2,684.5	2,711.1
<b>Bills discounted:</b>					
Total.....	1,495.4	1,491.9	1,508.5	1,428.2	1,387.2
Secured by U. S. Government obligations.....	541.8	545.2	539.3	503.7	495.1
All other.....	953.6	946.7	969.2	924.5	892.1
Bills bought in open market.....	35.2	35.3	44.9	40.7	33.5
Certificates of indebtedness.....	204.7	196.2	208.0	207.7	193.4
Total earning assets.....	1,769.3	1,757.5	1,795.2	1,710.3	1,652.3
<b>Government deposits.....</b>	31.5	46.8	60.7	49.2	74.2
<b>Members' reserve deposits.....</b>	1,617.0	1,618.9	1,632.1	1,631.0	1,588.2
Total deposits.....	1,673.6	1,690.8	1,718.1	1,705.8	1,691.6
F. R. notes in circulation.....	2,485.9	2,481.5	2,517.6	2,491.7	2,474.7
F. R. Bank notes in circulation—net liability.....	112.8	109.9	107.8	103.1	103.6
Reserve percentage.....	66.5	66.8	66.2	67.5	68.7

Rediscounting operations of the Federal Reserve Banks of Richmond, Atlanta, Minneapolis, and Dallas show a slight reduction in volume, the amount of bills held under discount for these banks by the Boston, New York, and Cleveland Federal Reserve Banks at the close of the period, \$66,500,000, being about \$1,100,000 less than four weeks before. As against increases in rediscounts of \$4,800,000 by the Richmond bank and of \$3,500,000 by the Atlanta bank, the Federal Reserve Bank of Minneapolis shows a reduction of \$10,900,000 and the Dallas bank a reduction of \$3,500,000 for the four weeks under review.

Total deposits at the Federal Reserve Banks fluctuated within the moderate limits of \$1,690,800,000 on August 31 and \$1,718,100,000 on the following Wednesday. Federal Reserve note circulation, after the usual increase before the Labor Day holiday period, resumed its

downward course, and on September 21 stood at \$2,474,700,000, a new low record for the year and about \$930,000,000 below the peak attained on December 23 of last year. For the same period, i. e., since December 23, 1920, the Federal Reserve Banks show also an aggregate reduction of \$115,200,000 in their net liabilities on Federal Reserve Bank notes in circulation.

The Federal Reserve Banks report a further gain for the review period of \$92,000,000 in gold and of \$4,900,000 in other reserve cash. Since the beginning of the year the reserve banks' gold holdings have increased by \$648,300,000 and their aggregate cash reserves by \$609,400,000. It is this gain in reserves which is largely responsible for the further rise of the reserve ratio from 66.5 to 68.7 per cent during the four weeks under review. The rise was continuous, except for the week ending September 7, when a temporary increase in



note and deposit liabilities caused a decline in the ratio from 66.8 to 66.2 per cent.

In the following table are shown comparative figures of average daily cash reserves, deposits, Federal Reserve note circulation, and reserve percentages for the months of August and September of the present and the two preceding years:

**CASH RESERVES, TOTAL DEPOSITS, FEDERAL RESERVE NOTE CIRCULATION, AND RESERVE PERCENTAGES FOR SEPTEMBER AND AUGUST, 1921.**

[Daily averages. Amounts in thousands of dollars.]

Federal Reserve Bank.	Total cash reserves.		Total deposits.		Federal Reserve notes in circulation.		Reserve percentages.	
	September.	August.	September.	August.	September.	August.	September.	August.
Boston.....	259,856	269,837	112,448	110,867	240,205	242,919	73.7	76.3
New York.....	1,013,246	923,104	668,121	651,457	641,957	640,906	77.3	71.4
Philadelphia.....	217,453	207,039	103,411	101,915	212,648	217,506	68.8	64.8
Cleveland.....	256,512	261,381	138,478	138,671	232,296	238,449	69.2	69.3
Richmond.....	68,706	70,820	54,872	55,124	107,510	109,979	42.3	42.9
Atlanta.....	71,492	72,332	44,803	43,980	129,233	132,457	41.1	41.0
Chicago.....	467,369	461,279	247,246	246,837	430,771	433,557	68.9	67.8
St. Louis.....	93,712	94,569	62,292	62,828	100,163	99,219	57.7	58.4
Minneapolis.....	40,224	38,591	44,705	43,377	56,998	55,668	39.6	39.0
Kansas City.....	81,562	88,544	73,894	74,704	74,383	75,233	55.0	59.1
Dallas.....	34,815	33,551	45,059	42,761	39,962	40,233	40.9	40.4
San Francisco.....	231,449	219,341	120,533	118,616	227,784	226,222	66.4	68.6
Total, 1921.....	2,836,396	2,740,388	1,716,162	1,691,137	2,493,910	2,512,348	67.4	65.2
1920.....	2,139,280	2,127,305	1,912,070	1,885,062	3,275,535	3,165,222	143.3	143.7
1919.....	2,157,932	2,146,003	1,930,969	1,911,769	2,627,295	2,544,357	150.4	150.1

<sup>1</sup> Calculated on the basis of net deposits and Federal Reserve notes in circulation.

## CONDITION OF FEDERAL RESERVE BANKS.

RESOURCES AND LIABILITIES OF EACH FEDERAL RESERVE BANK ON WEDNESDAYS, AUG. 31 TO SEPT. 21, 1921.

## RESOURCES.

[In thousands of dollars.]

	Total.	Boston.	New York.	Philadelphia.	Cleveland.	Richmond.	Atlanta.	Chicago.	St. Louis.	Minneapolis.	Kansas City.	Dallas.	San Francisco.
<b>Gold and gold certificates:</b>													
Aug. 31.....	413,900	8,265	323,567	2,064	6,614	2,704	4,929	21,850	3,029	8,720	2,238	9,407	20,513
Sept. 7.....	430,585	8,074	341,497	2,152	6,663	2,741	4,955	21,947	3,043	8,756	2,205	7,915	20,637
Sept. 14.....	446,642	8,107	357,006	1,964	6,725	2,769	4,914	22,069	3,092	8,781	2,231	8,180	20,804
Sept. 21.....	428,036	8,211	334,216	2,050	12,180	2,804	4,961	22,212	3,132	8,785	2,261	8,469	18,765
<b>Gold settlement fund—F. R. Board:</b>													
Aug. 31.....	428,075	23,285	77,240	46,911	60,138	15,942	4,163	100,661	16,787	8,825	42,017	2,732	29,374
Sept. 7.....	438,590	44,432	46,052	51,952	57,923	18,395	5,643	106,308	16,610	9,270	43,764	5,443	32,298
Sept. 14.....	441,109	41,377	38,709	60,724	55,603	18,128	5,311	114,687	16,239	8,709	39,987	7,243	34,392
Sept. 21.....	411,210	45,267	92,876	48,038	46,586	17,088	7,228	62,266	13,528	9,890	29,350	6,362	32,731
<b>Gold with F. R. Agents:</b>													
Aug. 31.....	1,694,523	179,541	502,018	152,758	181,946	34,568	47,218	320,476	57,147	18,588	35,088	8,529	156,646
Sept. 7.....	1,677,195	165,271	501,848	150,960	184,444	32,650	46,783	314,536	57,123	18,664	36,599	9,229	159,088
Sept. 14.....	1,694,301	171,423	501,598	146,233	183,005	29,762	47,153	326,798	56,910	18,807	36,332	8,534	167,746
Sept. 21.....	1,777,529	175,572	576,336	146,508	177,131	37,055	47,948	325,177	57,078	18,302	35,398	7,590	173,434
<b>Gold redemption fund:</b>													
Aug. 31.....	104,563	24,185	20,000	5,110	7,911	6,796	5,127	11,184	3,483	2,456	4,495	4,759	9,057
Sept. 7.....	110,008	28,412	15,000	8,542	5,359	8,475	5,621	16,675	3,438	2,365	2,965	3,768	9,388
Sept. 14.....	102,449	22,204	15,000	6,767	6,328	11,059	4,701	13,898	3,633	2,212	3,217	4,457	8,973
Sept. 21.....	94,353	17,933	15,000	5,994	6,623	5,394	4,855	15,387	3,460	2,706	4,038	5,386	7,577
<b>Total gold reserves:</b>													
Aug. 31.....	2,641,061	235,276	922,825	206,843	256,609	60,010	61,437	454,171	80,446	38,589	83,838	25,427	215,590
Sept. 7.....	2,656,378	246,189	904,397	213,606	254,389	62,761	63,002	459,466	80,214	39,055	85,533	26,355	221,411
Sept. 14.....	2,684,501	243,111	912,313	215,688	251,661	61,718	62,079	477,452	79,874	38,509	81,767	28,414	231,915
Sept. 21.....	2,711,128	246,983	1,018,428	202,590	242,520	62,341	64,982	426,042	77,198	39,683	71,047	27,807	232,507
<b>Legal-tender notes, silver, etc.:</b>													
Aug. 31.....	146,859	15,638	58,916	3,447	8,048	4,599	8,049	19,023	13,360	589	4,753	6,494	3,943
Sept. 7.....	146,876	16,308	58,090	6,574	6,922	4,173	7,759	18,546	13,322	584	4,059	6,454	4,085
Sept. 14.....	150,001	15,602	60,075	6,521	7,408	4,670	8,024	19,098	13,192	587	4,661	6,451	3,822
Sept. 21.....	151,968	15,822	60,140	6,158	6,725	5,059	8,076	19,728	15,236	637	4,373	6,285	3,729
<b>Total reserves:</b>													
Aug. 31.....	2,787,920	250,914	981,741	210,260	284,657	64,609	69,486	473,194	93,806	39,178	88,591	31,921	219,533
Sept. 7.....	2,806,254	262,497	962,487	220,180	281,311	66,934	70,761	478,012	93,536	39,639	89,592	32,809	225,496
Sept. 14.....	2,834,502	258,713	972,388	222,209	259,069	66,288	70,103	496,550	93,066	39,096	86,418	34,865	235,737
Sept. 21.....	2,863,096	262,805	1,078,568	208,748	249,245	67,400	73,058	444,770	92,434	40,320	75,420	34,092	236,236
<b>Bills discounted:</b>													
<b>Secured by U. S. Government obligations—</b>													
Aug. 31.....	545,176	38,568	151,568	78,150	43,638	30,453	35,078	70,403	27,325	6,257	18,485	6,951	38,300
Sept. 7.....	539,333	31,771	151,038	76,937	46,457	24,706	35,248	67,653	28,722	8,996	18,356	9,214	40,205
Sept. 14.....	503,677	32,960	127,374	74,745	45,095	26,090	36,068	63,392	28,198	9,450	18,207	7,540	34,558
Sept. 21.....	495,156	32,021	112,266	74,318	40,226	24,990	36,367	69,047	26,867	9,072	22,754	8,832	38,096
<b>All other—</b>													
Aug. 31.....	946,759	61,755	204,402	28,379	81,110	73,010	64,395	139,865	45,773	63,928	46,946	46,762	90,434
Sept. 7.....	969,154	65,853	219,389	26,246	87,913	72,196	64,838	145,581	45,106	62,390	45,619	45,313	88,690
Sept. 14.....	924,485	62,591	190,142	23,001	88,659	72,987	65,702	132,074	45,285	60,538	47,712	44,955	84,839
Sept. 21.....	892,081	54,594	121,964	28,806	99,308	75,408	63,908	157,162	48,424	62,112	51,282	50,292	78,521
<b>Bills bought in open market:</b>													
Aug. 31.....	35,320	4,174	15,302	3,127	1,521	2,346	878	3,054	437	.....	1,018	70	3,393
Sept. 7.....	44,920	3,246	25,010	2,288	2,250	2,271	1,446	2,656	374	.....	918	42	3,519
Sept. 14.....	40,712	3,445	23,334	1,440	1,880	2,449	2,166	1,559	304	.....	460	20	3,655
Sept. 21.....	33,514	3,454	12,679	2,372	1,513	2,905	3,503	3,387	592	.....	384	20	2,705
<b>U. S. bonds and notes:</b>													
Aug. 31.....	34,008	556	1,005	1,449	844	1,233	10,359	4,490	1,153	118	8,868	3,729	204
Sept. 7.....	33,813	556	1,005	1,449	844	1,233	10,359	4,490	1,153	124	8,868	3,529	203
Sept. 14.....	33,729	553	1,005	1,447	844	1,233	10,359	4,490	1,153	119	8,868	3,454	204
Sept. 21.....	38,081	1,943	1,005	3,397	844	1,233	10,408	5,309	1,153	121	9,425	2,804	439
<b>U. S. certificates of indebtedness:</b>													
<b>One-year certificates (Pittman Act)—</b>													
Aug. 31.....	193,875	17,436	52,276	23,280	19,799	5,260	8,564	31,612	11,568	5,480	7,320	2,400	8,880
Sept. 7.....	190,875	17,436	50,776	23,280	19,799	5,260	8,564	31,612	11,068	4,980	7,320	1,900	8,880
Sept. 14.....	187,875	17,436	49,276	23,280	19,799	5,260	8,564	30,112	11,068	4,980	7,320	1,900	8,880
Sept. 21.....	184,875	16,936	49,276	23,280	18,299	5,260	8,564	29,112	11,068	4,980	7,320	1,900	8,880
<b>All other—</b>													
Aug. 31.....	2,350	21	.....	140	1	.....	1	1,873	274	4	.....	.....	36
Sept. 7.....	17,084	315	15,550	117	3	.....	1	822	176	89	.....	.....	11
Sept. 14.....	19,803	232	19,050	117	21	.....	1	90	135	146	.....	.....	11
Sept. 21.....	8,571	514	3,645	248	37	.....	1	1,879	134	60	1,425	196	432
<b>Total earning assets:</b>													
Aug. 31.....	1,757,488	122,510	424,553	134,525	146,913	112,302	119,275	251,297	86,530	75,787	82,637	59,912	141,247
Sept. 7.....	1,795,179	119,177	463,668	130,317	157,266	105,666	120,456	252,814	86,599	76,569	81,141	59,998	141,508
Sept. 14.....	1,710,281	117,217	410,181	130,030	156,298	108,019	122,860	231,717	86,143	75,233	82,567	57,869	132,147
Sept. 21.....	1,652,278	109,462	300,835	132,421	160,027	109,796	123,251	265,896	88,238	76,345	82,590	64,044	129,373

RESOURCES AND LIABILITIES OF EACH FEDERAL RESERVE BANK ON WEDNESDAYS, AUG. 31 TO SEPT. 21, 1921—  
Continued.

RESOURCES—Continued.

[In thousands of dollars.]

	Total.	Boston.	New York.	Phila- delphia.	Cleve- land.	Rich- mond.	Atlanta.	Chicago.	St. Louis.	Minne- apolis.	Kansas City.	Dallas.	San Fran- cisco.
<b>Bank premises:</b>													
Aug. 31.....	27,509	4,034	5,518	529	2,675	2,351	844	4,430	627	658	3,219	2,003	621
Sept. 7.....	27,700	4,059	5,531	533	2,733	2,352	854	4,478	627	659	3,219	2,017	638
Sept. 14.....	28,877	4,110	5,592	533	2,871	2,501	854	4,986	627	659	3,455	2,051	638
Sept. 21.....	29,111	4,219	5,594	533	2,925	2,501	861	4,987	627	690	3,455	2,052	667
<b>Five per cent redem- ption fund against F. K. Bank notes:</b>													
Aug. 31.....	9,539	772	1,684	700	1,240	263	467	2,001	523	293	916	186	494
Sept. 7.....	9,221	772	1,684	700	1,239	263	467	1,799	523	178	916	186	494
Sept. 14.....	8,845	772	1,413	700	1,239	263	468	1,693	523	178	916	186	494
Sept. 21.....	8,917	772	1,513	700	1,239	263	468	1,665	523	178	916	186	494
<b>Uncollected items:</b>													
Aug. 31.....	455,897	40,127	96,033	45,530	40,707	36,970	15,857	59,720	24,873	12,305	36,982	18,842	27,951
Sept. 7.....	494,667	42,492	99,183	42,611	43,204	37,764	17,964	67,601	30,003	15,304	42,703	23,683	32,155
Sept. 14.....	641,279	57,452	133,250	57,144	67,316	49,008	21,971	81,200	34,312	16,891	49,997	27,980	45,358
Sept. 21.....	591,811	55,835	123,004	50,254	51,279	52,777	21,153	74,367	33,656	15,584	42,899	29,818	41,185
<b>All other resources:</b>													
Aug. 31.....	17,470	402	2,647	411	961	277	884	1,964	768	543	453	2,354	5,806
Sept. 7.....	18,101	430	3,076	442	1,004	591	910	1,959	826	553	469	2,033	5,808
Sept. 14.....	16,801	443	3,199	442	1,067	305	773	1,869	841	597	470	1,794	5,001
Sept. 21.....	16,448	463	2,811	460	1,066	390	846	1,825	845	615	505	1,904	4,718
<b>Total resources:</b>													
Aug. 31.....	5,055,823	418,759	1,512,176	391,985	457,153	216,772	206,813	792,606	207,127	128,764	212,798	115,218	395,652
Sept. 7.....	5,148,122	429,427	1,535,629	394,783	466,757	213,570	211,412	806,663	212,114	132,902	218,040	120,726	406,099
Sept. 14.....	5,240,585	438,707	1,526,023	411,058	487,800	226,384	217,029	818,015	215,512	132,654	223,223	124,745	419,375
Sept. 21.....	5,161,661	433,556	1,512,325	393,116	465,781	233,127	219,637	793,510	216,323	133,732	215,785	132,096	412,673

LIABILITIES.

<b>Capital paid in:</b>													
Aug. 31.....	103,050	7,935	27,067	8,682	11,151	5,389	4,126	14,316	4,566	3,550	4,537	4,317	7,414
Sept. 7.....	103,073	7,935	27,069	8,688	11,131	5,389	4,132	14,324	4,567	3,553	4,537	4,317	7,436
Sept. 14.....	102,982	7,935	27,069	8,688	11,103	5,401	4,138	14,326	4,567	3,553	4,534	4,314	7,359
Sept. 21.....	103,017	7,935	27,069	8,688	11,110	5,402	4,140	14,335	4,567	3,553	4,534	4,314	7,375
<b>Surplus:</b>													
Aug. 31.....	213,824	16,342	59,318	17,564	22,263	11,026	8,708	30,536	9,114	7,303	9,330	7,113	15,207
Sept. 7.....	213,824	16,342	59,318	17,564	22,263	11,026	8,708	30,536	9,114	7,303	9,330	7,113	15,207
Sept. 14.....	213,824	16,342	59,318	17,564	22,263	11,026	8,708	30,536	9,114	7,303	9,330	7,113	15,207
Sept. 21.....	213,824	16,342	59,318	17,564	22,263	11,026	8,708	30,536	9,114	7,303	9,330	7,113	15,207
<b>Reserved for Govern- ment franchise tax:</b>													
Aug. 31.....	48,061	2,457	18,964	3,148	2,147	2,155	3,212	8,951	1,143	1,733	1,684	.....	2,467
Sept. 7.....	49,099	2,536	19,230	3,210	2,264	2,239	3,305	9,061	1,198	1,780	1,722	.....	2,504
Sept. 14.....	50,101	2,568	19,590	3,248	2,421	2,290	3,368	9,155	1,259	1,808	1,735	.....	2,664
Sept. 21.....	50,777	2,634	19,709	3,314	2,462	2,373	3,463	9,196	1,280	1,871	1,766	.....	2,709
<b>Deposits:</b>													
<b>Government—</b>													
Aug. 31.....	46,809	2,853	21,837	2,186	1,475	3,943	1,649	2,120	2,018	1,973	2,633	1,442	2,680
Sept. 7.....	60,701	8,503	16,467	6,445	4,060	1,119	1,963	10,179	2,373	3,148	2,957	1,738	1,749
Sept. 14.....	49,219	2,066	8,597	5,163	5,009	2,160	2,953	5,566	2,046	1,920	8,015	2,021	3,703
Sept. 21.....	74,183	3,457	21,244	670	6,673	4,071	6,603	9,523	2,880	5,454	2,937	6,843	3,828
<b>Member bank— reserve account—</b>													
Aug. 31.....	1,618,901	106,300	634,905	97,476	133,835	49,591	40,859	239,525	59,038	41,478	70,319	38,574	107,001
Sept. 7.....	1,632,135	105,679	643,657	96,348	135,607	49,963	42,511	233,878	60,951	41,239	70,496	39,094	112,712
Sept. 14.....	1,631,038	110,639	623,958	99,364	136,678	50,270	43,696	245,655	58,550	39,902	67,069	40,458	114,799
Sept. 21.....	1,588,209	107,282	614,023	98,309	132,768	49,232	40,738	230,745	58,100	38,643	67,642	38,976	111,751
<b>All other—</b>													
Aug. 31.....	25,044	786	11,889	1,006	715	453	366	2,862	724	481	597	499	4,666
Sept. 7.....	25,232	1,034	12,841	1,017	733	424	479	2,195	766	541	524	516	4,162
Sept. 14.....	25,574	813	12,478	1,309	1,279	524	381	2,335	859	549	641	504	3,902
Sept. 21.....	29,218	968	12,312	1,653	915	675	357	2,972	892	584	724	445	6,721
<b>Total deposits:</b>													
Aug. 31.....	1,690,754	109,939	668,631	100,668	136,025	53,987	42,874	244,507	61,780	43,932	73,549	40,515	114,347
Sept. 7.....	1,718,068	115,216	672,965	103,810	140,400	51,506	44,953	246,252	64,090	44,928	73,977	41,348	118,623
Sept. 14.....	1,705,831	113,518	645,033	105,836	142,966	52,954	47,030	253,556	61,455	42,371	75,725	42,983	122,404
Sept. 21.....	1,691,610	111,707	647,579	100,632	140,356	53,978	47,698	243,240	61,872	44,681	71,303	46,264	122,300
<b>F. R. notes in actual circulation:</b>													
Aug. 31.....	2,481,466	241,411	632,320	213,765	234,852	107,006	127,468	431,431	98,359	55,618	74,408	39,106	225,722
Sept. 7.....	2,517,563	244,906	647,337	213,818	235,728	107,740	128,962	438,117	98,936	57,140	75,063	39,409	230,407
Sept. 14.....	2,491,651	241,999	639,847	213,815	233,545	106,129	127,393	429,888	99,347	57,172	74,427	39,415	228,674
Sept. 21.....	2,474,676	238,331	635,042	210,130	228,882	107,969	128,934	427,286	100,215	57,431	74,379	39,814	226,263
<b>F. R. Bank notes in circulation—net li- ability:</b>													
Aug. 31.....	109,864	6,628	29,070	7,094	12,577	4,440	7,047	12,597	5,896	4,148	12,830	3,499	4,038
Sept. 7.....	107,759	7,116	27,541	7,287	12,485	4,660	7,091	12,420	5,537	3,531	12,868	3,137	4,086
Sept. 14.....	103,078	7,966	23,030	7,476	12,368	4,727	7,344	10,899	5,691	3,528	12,845	3,104	4,100
Sept. 21.....	103,590	7,894	25,396	7,620	10,746	4,728	7,737	9,888	6,022	3,533	12,781	3,095	4,150

RESOURCES AND LIABILITIES OF EACH FEDERAL RESERVE BANK ON WEDNESDAYS, AUG. 31 TO SEPT. 21, 1921—  
Continued.

LIABILITIES—Continued.  
[In thousands of dollars.]

	Total.	Boston.	New York.	Phila- delphia.	Cleve- land.	Rich- mond.	Atlanta.	Chicago.	St. Louis.	Minne- apolis.	Kansas City.	Dallas.	San Fran- cisco.
<b>Deferred availability items:</b>													
Aug. 31.....	389,362	32,836	72,680	40,165	36,835	31,613	12,484	47,059	25,188	11,268	35,306	19,309	24,619
Sept. 7.....	418,553	34,141	77,661	39,456	41,152	29,840	13,334	52,600	27,575	13,454	39,377	24,008	25,955
Sept. 14.....	553,235	47,111	107,906	53,501	61,941	42,659	18,085	66,267	32,961	15,733	43,448	26,383	37,240
Sept. 21.....	503,174	47,420	93,878	44,160	48,639	46,408	17,959	55,270	32,083	14,143	40,441	29,857	32,916
<b>All other liabilities:</b>													
Aug. 31.....	19,442	1,211	4,126	899	1,303	1,156	894	3,209	1,081	1,212	1,154	1,359	1,838
Sept. 7.....	20,183	1,235	4,458	955	1,334	1,170	927	3,353	1,097	1,213	1,166	1,394	1,881
Sept. 14.....	19,883	1,273	4,230	935	1,253	1,198	963	3,388	1,118	1,186	1,179	1,433	1,727
Sept. 21.....	20,993	1,293	4,334	1,013	1,323	1,243	998	3,759	1,170	1,217	1,251	1,639	1,753
<b>Total liabilities:</b>													
Aug. 31.....	5,055,823	418,759	1,512,176	391,985	457,153	216,772	206,813	792,606	207,127	128,764	212,798	115,218	395,652
Sept. 7.....	5,148,122	429,427	1,535,629	394,783	456,757	213,570	211,412	806,663	212,114	132,902	218,040	120,726	406,099
Sept. 14.....	5,240,585	438,707	1,526,023	411,053	487,960	226,384	217,029	818,015	215,512	132,654	223,223	124,745	419,375
Sept. 21.....	5,161,661	433,556	1,512,325	393,116	465,781	233,127	219,637	793,510	216,323	133,732	215,785	132,096	412,673
<b>MEMORANDA.</b>													
<b>Ratio of total reserves to deposit and F. R. note liabilities combined—per cent:</b>													
Aug. 31.....	66.8	71.4	75.5	66.9	71.4	40.1	40.8	70.0	58.6	39.4	59.9	40.1	64.6
Sept. 7.....	66.2	72.9	72.9	69.3	69.5	42.0	40.7	69.8	57.4	38.8	60.1	40.6	64.6
Sept. 14.....	67.5	72.8	75.7	69.5	68.8	41.7	40.2	72.7	57.9	39.3	57.6	42.3	67.1
Sept. 21.....	68.7	73.1	84.1	67.2	67.5	41.6	41.4	66.3	57.0	39.5	51.8	39.6	67.8
<b>Contingent liability on bills purchased for foreign correspondents:</b>													
Aug. 31.....	35,906	2,640	12,931	2,904	2,976	1,778	1,307	4,319	1,706	980	1,742	944	1,670
Sept. 7.....	34,307	2,490	12,713	2,729	2,797	1,672	1,228	4,060	1,603	921	1,638	887	1,589
Sept. 14.....	34,319	2,490	12,725	2,729	2,797	1,672	1,228	4,060	1,603	921	1,638	887	1,589
Sept. 21.....	34,335	2,490	12,741	2,729	2,797	1,672	1,228	4,060	1,603	921	1,638	887	1,589

REDISCOUNTS OF BILLS BETWEEN FEDERAL RESERVE BANKS.

[In thousands of dollars.]

FEDERAL RESERVE BANK.	Paper rediscounted with other F. R. Banks and outstanding at close of business—				Paper discounted for other F. R. Banks and held at close of business—			
	Aug. 31.	Sept. 7.	Sept. 14.	Sept. 21.	Aug. 31.	Sept. 7.	Sept. 14.	Sept. 21.
Boston.....					26,716	24,103	27,058	21,093
New York.....					34,768	35,875	34,030	31,780
Cleveland.....					6,820	9,625	9,910	13,603
Richmond.....	20,000	24,861	24,970	24,728				
Atlanta.....	8,926	9,669	12,673	16,430				
Minneapolis.....	14,768	11,014	9,060	7,052				
Dallas.....	24,610	24,059	24,295	18,266				
<b>Total.....</b>	<b>68,304</b>	<b>69,603</b>	<b>70,998</b>	<b>66,476</b>	<b>68,304</b>	<b>69,603</b>	<b>70,998</b>	<b>66,476</b>

MATURITY DISTRIBUTION OF BILLS AND CERTIFICATES OF INDEBTEDNESS HELD BY THE 12 FEDERAL RESERVE BANKS COMBINED.

[In thousands of dollars.]

	Total.	Within 15 days.	16 to 30 days.	31 to 60 days.	61 to 90 days.	Over 90 days.
<b>Bills discounted:</b>						
Aug. 31.....	1,491,935	859,576	155,111	279,433	164,105	33,710
Sept. 7.....	1,508,487	878,094	172,739	275,915	153,695	28,044
Sept. 14.....	1,428,162	832,181	168,007	246,313	148,124	33,537
Sept. 21.....	1,387,237	781,238	166,165	244,633	162,421	32,780
<b>Bills bought in open market:</b>						
Aug. 31.....	35,320	19,876	5,619	6,987	2,838	
Sept. 7.....	44,920	27,294	6,243	7,804	3,579	
Sept. 14.....	40,712	23,864	8,702	5,704	2,342	100
Sept. 21.....	33,514	12,509	10,980	6,070	3,775	180
<b>U. S. certificates of indebtedness:</b>						
Aug. 31.....	196,225	10,354	15,506	30,107	9,800	130,458
Sept. 7.....	207,959	20,430	23,689	16,063	15,799	131,978
Sept. 14.....	207,678	21,082	16,686	17,280	17,013	135,617
Sept. 21.....	193,446	16,984	11,563	15,700	11,689	137,510

FEDERAL RESERVE NOTES.

FEDERAL RESERVE AGENTS' ACCOUNTS ON WEDNESDAYS, AUG. 31 TO SEPT. 21, 1921.

[In thousands of dollars.]

	Total.	Boston.	New York.	Phila- delphia.	Cleve- land.	Rich- mond.	Atlanta.	Chicago.	St. Louis.	Minne- apolis.	Kansas City.	Dallas.	San Francisco.
Net amount of F. R. notes received from Comptroller of the Currency:													
Aug. 31.....	3,701,036	356,028	1,089,275	263,046	300,543	138,402	214,438	648,411	150,331	70,919	87,644	66,749	315,250
Sept. 7.....	3,688,605	355,658	1,090,850	259,248	299,041	136,484	212,402	648,870	149,508	69,995	86,355	67,703	312,491
Sept. 14.....	3,706,770	359,610	1,094,755	259,520	298,602	135,595	215,174	641,855	150,155	71,978	87,689	69,009	322,830
Sept. 21.....	3,667,177	352,879	1,090,752	254,796	294,209	134,188	213,569	630,232	150,662	72,153	87,155	68,064	318,518
F. R. notes on hand:													
Aug. 31.....	851,315	98,210	315,500	20,620	44,400	24,089	79,799	165,900	29,160	13,015	5,040	24,422	31,160
Sept. 7.....	836,294	96,910	311,500	20,620	43,000	21,649	78,638	167,900	28,160	10,885	3,840	24,932	28,260
Sept. 14.....	844,100	101,950	299,500	20,220	44,200	21,849	81,039	163,980	27,660	11,670	4,640	26,132	41,290
Sept. 21.....	829,510	99,100	305,900	20,220	44,680	19,969	77,919	157,700	26,660	12,150	3,840	24,412	36,960
F. R. notes outstanding:													
Aug. 31.....	2,849,721	257,818	773,775	242,426	256,143	114,313	134,639	482,511	121,171	57,904	82,604	42,327	284,090
Sept. 7.....	2,852,311	258,748	779,350	238,628	256,041	114,835	133,764	480,970	121,348	59,110	82,515	42,771	284,231
Sept. 14.....	2,862,670	257,060	795,255	239,300	254,402	113,746	134,135	477,873	122,495	60,308	83,049	42,877	281,970
Sept. 21.....	2,837,667	253,779	784,852	234,576	249,529	114,219	135,650	472,532	124,002	60,003	83,315	43,652	281,558
Collateral security for F. R. notes outstanding:													
Gold and gold certificates—													
Aug. 31.....	400,992	5,600	346,924	.....	23,775	.....	3,400	.....	6,110	13,052	.....	2,131	.....
Sept. 7.....	402,738	5,600	346,924	.....	23,775	.....	3,400	.....	6,110	13,052	.....	3,877	.....
Sept. 14.....	402,737	5,600	346,924	.....	23,775	.....	3,400	.....	6,110	13,052	.....	3,876	.....
Sept. 21.....	447,337	5,600	396,924	.....	18,375	.....	3,400	.....	6,110	13,052	.....	3,876	.....
Gold redemption fund—													
Aug. 31.....	113,709	13,941	19,094	16,369	13,171	3,588	2,818	15,832	3,906	1,336	2,728	3,164	17,782
Sept. 7.....	113,842	19,671	18,924	12,571	15,669	1,650	4,683	14,892	4,082	1,412	3,239	2,118	14,831
Sept. 14.....	113,195	15,823	18,674	14,844	14,230	1,762	3,053	13,154	3,869	1,555	3,972	3,424	18,835
Sept. 21.....	117,912	19,972	18,412	18,119	13,756	2,035	3,748	15,593	3,537	1,050	2,038	2,480	17,212
Gold settlement fund— F. R. Board—													
Aug. 31.....	1,179,822	160,000	136,000	136,389	145,000	31,000	41,000	304,644	47,131	4,200	32,360	3,234	138,864
Sept. 7.....	1,160,615	140,000	136,000	138,389	145,000	31,000	38,700	299,644	46,931	4,200	33,360	3,234	144,157
Sept. 14.....	1,178,369	150,000	136,000	131,389	145,000	28,000	40,700	313,644	46,931	4,200	32,360	1,234	148,911
Sept. 21.....	1,212,280	150,000	161,000	128,389	145,000	35,000	40,800	309,644	47,431	4,200	33,360	1,234	156,222
Eligible paper— Amount re- quired—													
Aug. 31.....	1,155,198	78,277	271,757	89,668	74,197	79,745	87,421	162,035	64,024	39,316	47,516	33,798	127,444
Sept. 7.....	1,175,116	93,477	277,502	87,668	71,597	82,185	86,981	166,434	64,225	40,448	45,916	33,542	125,143
Sept. 14.....	1,168,369	86,237	293,657	93,067	71,597	85,984	86,982	151,075	65,585	41,501	46,717	34,343	113,824
Sept. 21.....	1,060,138	78,207	208,516	88,068	72,398	77,164	87,702	147,355	66,924	41,701	47,917	36,062	108,124
Excess amount held—													
Aug. 31.....	324,693	26,220	73,151	2,074	51,789	24,263	12,920	51,210	9,479	30,437	18,018	19,891	4,341
Sept. 7.....	332,071	7,393	92,446	3,381	64,809	14,077	14,541	48,762	9,953	30,020	19,002	20,878	6,809
Sept. 14.....	259,546	12,759	21,853	1,704	63,556	14,590	16,949	45,502	8,144	27,753	19,545	18,172	9,019
Sept. 21.....	316,587	11,862	14,299	1,607	68,187	23,893	16,566	82,196	8,942	28,439	26,394	22,916	11,286

CONDITION OF MEMBER BANKS IN LEADING CITIES.

PRINCIPAL RESOURCES AND LIABILITIES OF MEMBER BANKS IN LEADING CITIES ON WEDNESDAYS, FROM AUG. 24 TO SEPT. 14, 1921.

ALL REPORTING MEMBER BANKS IN EACH FEDERAL RESERVE DISTRICT.

[Amounts in thousands of dollars.]

	Total.	Boston.	New York.	Phila-delphia.	Cleve-land.	Rich-mond.	At-lanta.	Chicago.	St. Louis.	Minne-apolis.	Kansas City.	Dallas.	San Fran-cisco.
<b>Number of reporting banks:</b>													
Aug. 24.....	812	49	112	58	87	82	43	112	37	35	79	52	66
Aug. 31.....	812	49	112	58	87	82	43	112	37	35	79	52	66
Sept. 7.....	810	49	112	58	85	82	43	112	37	35	79	52	66
Sept. 14.....	810	49	112	58	85	82	43	112	37	35	79	52	66
<b>Loans and discounts, in- cluding bills rediscounted with F. R. Bank:</b>													
Secured by U. S. Govern- ment obligations—													
Aug. 24.....	629,425	38,337	252,569	68,477	58,243	24,791	16,758	78,990	18,103	13,097	19,102	6,854	34,104
Aug. 31.....	609,197	34,035	242,553	69,773	58,440	24,957	17,683	78,002	18,164	13,114	18,328	7,446	26,702
Sept. 7.....	604,710	33,461	240,396	70,467	56,274	24,501	15,063	78,099	18,382	12,989	17,692	7,448	26,938
Sept. 14.....	598,682	32,898	235,060	68,360	56,004	24,247	18,233	79,766	18,637	13,684	17,936	6,626	27,231
Secured by stocks and bonds (other than U. S. Government obliga- tions)													
Aug. 24.....	2,926,664	186,281	1,217,735	178,730	336,995	109,263	52,004	444,432	118,823	31,671	69,129	37,177	144,424
Aug. 31.....	2,922,720	185,689	1,215,577	182,394	336,644	106,572	51,916	440,646	119,458	32,416	68,583	38,151	144,674
Sept. 7.....	2,920,893	185,527	1,198,691	188,299	335,937	109,832	51,382	449,892	118,495	30,724	66,114	38,427	145,523
Sept. 14.....	2,966,321	189,670	1,258,541	184,233	336,394	109,577	51,602	440,893	118,622	30,785	66,680	37,683	145,635
All other													
Aug. 24.....	7,939,635	594,714	2,683,233	360,421	661,146	327,499	304,064	1,165,909	302,272	236,025	369,387	202,077	732,888
Aug. 31.....	7,939,635	592,889	2,701,886	351,718	655,029	327,365	306,826	1,164,444	301,943	236,088	368,289	205,089	747,751
Sept. 7.....	7,956,277	592,544	2,695,705	352,386	657,603	326,361	308,032	1,162,311	301,376	236,686	370,930	206,604	745,739
Sept. 14.....	7,997,773	597,763	2,691,207	355,788	662,893	330,263	316,515	1,177,158	304,157	238,623	369,231	207,093	747,084
<b>Total loans and discounts, including bills redis- counted with F. R. Bank:</b>													
Aug. 24.....	11,495,724	819,332	4,153,537	607,628	1,056,384	461,553	372,826	1,689,331	439,198	280,793	457,618	246,108	911,416
Aug. 31.....	11,491,244	812,613	4,160,016	603,885	1,050,113	458,894	376,425	1,683,092	439,565	281,628	455,200	250,686	919,127
Sept. 7.....	11,481,880	812,532	4,134,792	611,152	1,049,814	460,744	377,477	1,690,302	438,253	280,399	454,736	252,479	919,200
Sept. 14.....	11,562,776	816,331	4,184,808	608,379	1,055,291	464,087	386,350	1,697,817	441,416	283,092	453,853	251,402	919,950
<b>U. S. bonds:</b>													
Aug. 24.....	868,116	37,252	312,533	46,633	104,818	59,090	30,520	70,056	26,950	15,854	32,720	34,254	97,436
Aug. 31.....	870,054	36,776	312,537	46,560	105,377	59,492	30,849	70,558	26,890	15,833	33,755	33,732	97,695
Sept. 7.....	870,482	37,453	314,085	47,025	104,547	60,386	30,300	69,931	26,868	15,397	32,919	33,978	97,593
Sept. 14.....	867,862	37,338	314,679	46,295	101,590	60,855	30,380	70,645	26,849	15,754	31,565	34,290	97,613
<b>U. S. Victory notes:</b>													
Aug. 24.....	166,084	5,822	78,428	5,681	16,676	5,047	2,175	27,959	1,910	769	3,139	1,188	17,290
Aug. 31.....	165,219	5,990	79,714	5,641	16,659	4,846	2,186	26,952	1,942	761	2,881	1,172	16,475
Sept. 7.....	161,897	5,600	78,192	5,334	16,400	4,859	2,176	26,936	1,925	762	2,483	1,172	16,058
Sept. 14.....	162,475	5,551	77,946	5,355	16,685	4,542	2,162	26,910	1,894	697	2,761	1,272	16,700
<b>U. S. Treasury notes:</b>													
Aug. 24.....	52,019	1,755	29,969	7,985	908	464	.....	5,944	153	254	362	1,131	3,094
Aug. 31.....	50,861	1,937	30,010	7,177	1,152	664	.....	5,792	102	254	161	729	2,883
Sept. 7.....	48,333	1,697	29,804	6,436	1,156	665	.....	4,683	94	254	160	497	2,887
Sept. 14.....	53,369	1,677	29,359	6,509	5,028	819	.....	6,239	114	244	189	597	2,594
<b>U. S. certificates of indebt- edness:</b>													
Aug. 24.....	171,383	5,157	77,598	16,289	10,798	4,689	2,467	21,390	1,646	1,021	6,597	3,622	20,109
Aug. 31.....	157,738	3,640	74,466	13,356	9,689	2,955	2,447	20,651	944	981	6,293	2,967	19,349
Sept. 7.....	140,624	3,706	64,350	10,299	9,256	1,959	2,364	19,281	894	1,079	5,480	2,718	19,238
Sept. 14.....	141,029	4,731	64,015	10,379	10,000	2,401	1,882	20,634	1,631	541	5,577	2,724	16,514
<b>Other bonds, stocks, and securities:</b>													
Aug. 24.....	2,028,706	138,789	721,281	154,504	276,521	54,014	36,797	338,083	66,686	20,211	44,642	9,459	167,719
Aug. 31.....	2,024,094	139,720	712,783	153,441	275,904	53,548	36,290	341,784	67,157	20,248	44,663	9,368	169,188
Sept. 7.....	2,023,369	140,531	715,243	152,708	274,663	53,251	37,128	341,183	67,571	20,310	44,151	9,372	167,258
Sept. 14.....	2,013,237	140,156	711,901	152,907	273,801	47,953	36,946	339,778	67,181	20,183	46,009	10,108	166,314
<b>Total loans and discounts and investments, includ- ing bills re-discounted with F. R. Bank:</b>													
Aug. 24.....	14,782,032	1,008,107	5,373,346	838,720	1,466,105	584,857	444,785	2,152,763	536,543	318,902	545,078	295,762	1,217,064
Aug. 31.....	14,759,210	1,000,676	5,369,526	830,060	1,458,894	580,399	448,197	2,148,829	536,600	319,705	542,953	298,654	1,224,717
Sept. 7.....	14,726,585	1,001,519	5,336,466	832,954	1,455,836	581,864	449,445	2,152,316	535,605	318,201	539,929	300,216	1,222,234
Sept. 14.....	14,800,748	1,005,784	5,382,708	829,824	1,462,404	580,657	457,720	2,162,023	539,085	320,511	539,954	300,393	1,219,685
<b>Reserve with F. R. Bank:</b>													
Aug. 24.....	1,210,452	72,776	563,961	58,063	93,204	30,342	25,657	177,538	38,345	17,805	40,643	20,263	71,855
Aug. 31.....	1,217,579	71,700	576,255	58,815	89,614	29,420	25,279	178,535	38,022	18,907	41,334	18,572	71,126
Sept. 7.....	1,236,233	71,675	586,046	59,118	92,292	29,429	27,048	174,580	40,015	19,228	41,909	18,579	76,314
Sept. 14.....	1,228,693	75,476	564,815	61,034	94,753	30,443	27,953	184,558	37,928	17,052	37,804	19,786	77,091
<b>Cash in vault:</b>													
Aug. 24.....	301,486	20,629	101,029	17,081	28,962	13,905	9,391	53,583	6,544	6,360	12,354	9,249	22,399
Aug. 31.....	289,714	20,105	95,403	16,534	26,592	13,392	9,413	51,708	6,607	6,118	12,080	9,375	22,297
Sept. 7.....	307,600	20,448	101,835	16,145	29,088	14,451	9,478	55,544	7,441	6,540	13,075	9,807	23,648
Sept. 14.....	310,018	21,301	103,022	17,275	29,305	14,455	9,657	53,948	7,388	6,257	12,998	10,213	24,199

PRINCIPAL RESOURCES AND LIABILITIES OF MEMBER BANKS IN LEADING CITIES ON WEDNESDAYS, FROM AUG. 24, TO SEPT. 14, 1921—Continued.

ALL REPORTING MEMBER BANKS IN EACH FEDERAL RESERVE DISTRICT—Continued.

[Amounts in thousands of dollars.]

Table with 14 columns: Total, Boston, New York, Philadelphia, Cleveland, Richmond, Atlanta, Chicago, St. Louis, Minneapolis, Kansas City, Dallas, San Francisco. Rows include Net demand deposits, Time deposits, Government deposits, Bills payable with F. R. Bank, and Bills rediscounted with F. R. Bank.

MEMBER BANKS IN FEDERAL RESERVE BANK CITIES.

[Amounts in thousands of dollars.]

Table with 14 columns: Total, Boston, New York, Philadelphia, Cleveland, Richmond, Atlanta, Chicago, St. Louis, Minneapolis, Kansas City, Dallas, San Francisco. Rows include Number of reporting banks, Loans and discounts including bills rediscounted with F. R. Bank, and U. S. bonds.

PRINCIPAL RESOURCES AND LIABILITIES OF MEMBER BANKS IN LEADING CITIES ON WEDNESDAYS, FROM AUG. 24, TO SEPT. 14, 1921—Continued.

MEMBER BANKS IN FEDERAL RESERVE BANK CITIES—Continued.

[Amounts in thousands of dollars.]

	Total.	Boston.	New York.	Philadelphia.	Cleveland.	Richmond.	Atlanta.	Chicago.	St. Louis.	Minneapolis.	Kansas City.	Dallas.	San Francisco.
<b>U. S. Victory notes:</b>													
Aug. 24.....	99,153	552	70,532	3,137	1,771	181	5	11,928	376	218	1,126	31	9,296
Aug. 31.....	98,257	558	71,842	3,126	1,770	106	5	10,971	394	218	853	31	8,383
Sept. 7.....	96,053	567	70,393	2,858	1,754	106	5	11,155	367	218	579	31	8,020
Sept. 14.....	96,736	515	70,151	2,873	1,754	106	5	11,445	440	218	808	31	8,390
<b>U. S. Treasury notes:</b>													
Aug. 24.....	38,325	327	27,236	7,749	242	15	.....	1,234	75	10	227	636	574
Aug. 31.....	37,147	512	27,372	6,941	232	2	.....	1,219	25	10	26	234	574
Sept. 7.....	35,761	319	27,166	6,200	232	8	.....	1,207	17	10	26	2	574
Sept. 14.....	35,662	319	26,723	6,271	232	7	.....	1,454	36	.....	55	2	563
<b>U. S. certificates of indebtedness:</b>													
Aug. 24.....	116,376	1,638	71,900	14,790	778	200	762	9,440	1,430	155	2,004	1,983	11,296
Aug. 31.....	107,822	1,219	69,365	11,859	843	151	762	9,200	764	130	1,686	1,313	10,530
Sept. 7.....	90,435	1,230	59,416	8,814	775	151	762	7,652	676	136	591	1,089	9,143
Sept. 14.....	89,331	1,271	58,310	8,893	769	165	457	7,769	1,176	30	495	1,095	8,901
<b>Other bonds, stocks, and securities:</b>													
Aug. 24.....	1,106,811	63,705	545,493	124,076	71,517	7,045	3,438	129,378	43,277	8,622	11,782	1,567	96,911
Aug. 31.....	1,101,805	64,100	536,570	122,763	71,467	6,990	3,437	132,424	43,690	8,680	11,799	1,558	98,327
Sept. 7.....	1,104,592	64,679	541,023	122,448	70,529	6,991	3,487	132,937	43,969	8,915	11,761	1,434	96,429
Sept. 14.....	1,094,013	64,819	537,868	122,649	69,849	4,017	3,479	131,129	43,208	8,533	11,833	1,493	95,136
<b>Total loans and discounts and investments (including bills discounted with F. R. Bank):</b>													
Aug. 24.....	9,432,735	706,336	4,651,940	734,988	508,572	101,838	71,263	1,289,632	342,425	146,701	189,850	75,520	613,670
Aug. 31.....	9,423,585	700,465	4,655,016	727,025	506,864	101,718	72,375	1,288,204	342,700	147,599	189,005	74,828	617,786
Sept. 7.....	9,397,291	701,439	4,622,655	729,883	507,600	101,229	71,968	1,296,249	340,505	147,031	187,469	74,664	616,599
Sept. 14.....	9,446,572	706,309	4,664,970	726,711	508,153	98,191	72,361	1,302,343	341,311	147,856	184,909	76,455	617,003
<b>Reserve with F. R. Bank:</b>													
Aug. 24.....	896,623	58,070	520,918	52,891	27,151	4,725	4,136	127,568	28,010	8,179	15,584	5,416	33,975
Aug. 31.....	898,028	57,718	535,010	53,298	25,874	4,862	4,245	127,844	27,916	10,097	15,061	4,738	31,365
Sept. 7.....	909,158	57,348	543,811	54,385	27,193	5,061	4,694	123,135	29,286	9,629	14,482	4,316	35,818
Sept. 14.....	897,045	60,519	518,668	54,481	29,019	5,087	5,838	134,908	27,881	6,728	13,160	5,094	35,962
<b>Cash in vault:</b>													
Aug. 24.....	172,683	11,534	88,697	13,485	7,344	1,095	1,489	30,899	3,268	2,197	2,980	1,403	8,292
Aug. 31.....	164,624	11,153	83,337	13,318	6,722	902	1,756	30,007	3,321	1,896	2,836	1,312	8,064
Sept. 7.....	174,844	11,715	88,142	12,869	7,298	952	1,705	32,201	3,847	2,525	3,164	1,559	8,867
Sept. 14.....	175,843	11,835	89,881	13,641	7,886	966	1,732	30,275	3,751	2,141	3,055	1,542	9,138
<b>Net demand deposits:</b>													
Aug. 24.....	6,933,060	548,200	3,947,586	524,856	203,430	43,586	34,706	887,978	195,273	79,001	143,314	49,244	275,886
Aug. 31.....	7,008,810	542,035	4,007,827	527,722	211,785	42,762	33,726	901,761	196,849	81,904	142,569	48,566	271,304
Sept. 7.....	7,009,179	544,873	3,994,447	534,550	212,123	43,778	34,704	900,510	195,146	82,209	145,658	47,877	273,304
Sept. 14.....	7,108,413	558,088	4,048,910	534,370	212,814	42,721	35,708	929,663	197,966	81,679	141,251	49,273	280,970
<b>Time deposits:</b>													
Aug. 24.....	1,346,599	73,064	259,561	28,654	231,055	23,333	21,524	311,507	83,855	27,382	15,030	6,896	264,738
Aug. 31.....	1,354,718	73,105	266,783	28,434	231,911	23,184	21,475	311,567	84,008	27,291	14,983	7,364	264,613
Sept. 7.....	1,353,348	74,769	269,100	28,858	228,967	23,254	21,565	310,539	84,583	27,134	11,949	7,314	265,316
Sept. 14.....	1,359,013	75,705	272,772	29,745	227,638	23,110	21,424	312,282	84,617	27,079	11,751	7,345	265,545
<b>Government deposits:</b>													
Aug. 24.....	153,259	12,006	83,043	19,280	2,363	601	601	15,436	4,330	1,851	3,880	3,543	6,325
Aug. 31.....	129,670	10,250	71,000	16,479	1,993	513	491	11,885	3,664	1,533	3,316	3,090	5,406
Sept. 7.....	108,473	8,468	58,785	13,353	1,611	427	410	11,324	3,032	1,309	2,752	2,527	4,475
Sept. 14.....	102,888	8,468	58,785	13,348	1,611	427	410	5,816	3,022	1,309	2,752	2,464	4,476
<b>Bills payable with F. R. Bank:</b>													
<b>Secured by U. S. Government obligations—</b>													
Aug. 24.....	142,367	5,140	73,373	24,056	2,700	5,559	605	8,716	6,782	742	2,154	200	12,340
Aug. 31.....	147,285	9,526	72,008	25,599	798	6,482	580	8,591	7,180	702	2,324	.....	13,495
Sept. 7.....	145,485	6,638	70,858	24,941	825	6,632	580	7,758	8,490	763	2,302	.....	15,698
Sept. 14.....	114,719	6,737	51,491	23,360	.....	6,317	580	3,633	8,169	454	3,175	.....	10,803
<b>All other—</b>													
Aug. 24.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Aug. 31.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Sept. 7.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Sept. 14.....	1,895	.....	.....	.....	1,895	.....	.....	.....	.....	.....	.....	.....	.....
<b>Bills rediscounted with F. R. Bank:</b>													
<b>Secured by U. S. Government obligations—</b>													
Aug. 24.....	54,860	10,716	14,360	19,385	2,174	.....	152	4,599	862	399	537	2	1,674
Aug. 31.....	48,552	6,385	13,494	18,388	2,121	.....	303	4,590	527	492	535	8	1,709
Sept. 7.....	46,460	5,495	13,221	17,953	2,531	.....	298	3,725	648	430	454	.....	1,705
Sept. 14.....	42,710	5,361	11,281	17,358	2,013	.....	311	3,247	603	421	501	6	1,608
<b>All other—</b>													
Aug. 24.....	402,804	30,378	158,819	23,200	55,531	9,905	2,478	44,096	13,235	22,878	14,628	3,355	24,301
Aug. 31.....	394,632	33,404	156,208	21,904	49,920	9,814	4,720	37,952	14,097	22,234	13,996	4,070	26,313
Sept. 7.....	420,458	37,186	172,471	20,215	53,993	9,796	4,053	43,539	14,543	21,034	13,071	4,983	25,574
Sept. 14.....	378,727	33,037	143,228	22,930	54,884	9,528	4,836	31,328	13,462	20,014	14,024	6,539	24,917

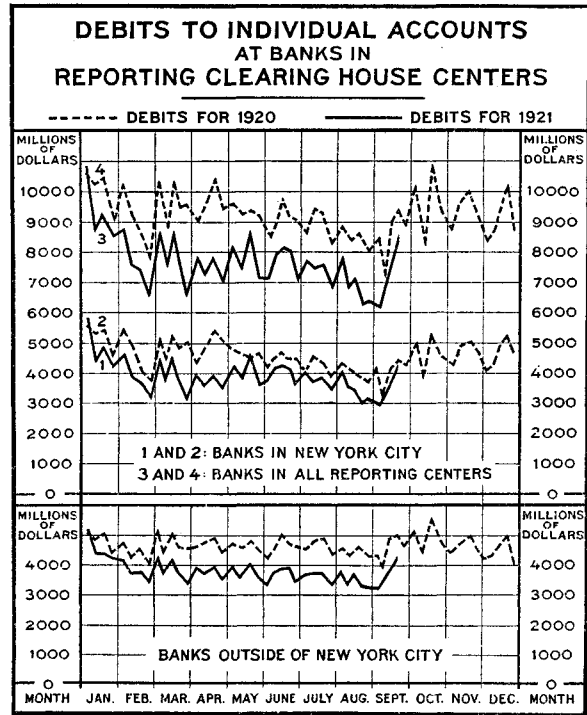


**BANK DEBITS.**

Volume of business, as measured by debits to individual accounts reported to the Federal Reserve Board for banks in 155 leading clearing house centers, shows a decided increase for the two weeks ending September 21 as compared with the immediately preceding two-week period. From a total not much above \$6,000,000,000 for each of the two weeks ending August 31 and September 7, debits increased to over \$7,000,000,000 for the week ending September 14 and to \$8,304,000,000 for the week ending September 21, during which a large amount of income tax checks was drawn and cleared.

As compared with the corresponding period in 1920, the volume of debits for the four weeks under review represented a decline of about 18 per cent. The lag behind last year's figures varied materially for the different centers—for New York City it was only 12 per cent, while for many of the industrial centers it was considerably above the average. Thus the figures for Chicago were 22 per cent below the corresponding figures a year ago; for Detroit they were 25 per cent below last year's level; for Boston 29 per cent; and for Cleveland 38 per cent. Of the two leading centers on the Pacific coast, San Francisco reports debits 23 per cent lower than for the corresponding period in 1920, while for Los

Angeles the figures indicate a lag of only about 4 per cent.



**DEBITS TO INDIVIDUAL ACCOUNTS AT CLEARING HOUSE BANKS.**

**SUMMARY BY FEDERAL RESERVE DISTRICTS.**

[In thousands of dollars.]

Federal Reserve district.	Number of centers included.	1921				1920			
		Week ending—				Week ending—			
		Aug. 31.	Sept. 7.	Sept. 14.	Sept. 21.	Sept. 1.	Sept. 8.	Sept. 15.	Sept. 22.
Boston.....	14	283, 447	283, 694	319, 097	370, 685	413, 272	357, 860	467, 293	479, 629
New York.....	7	3, 258, 885	3, 094, 476	3, 687, 786	4, 388, 704	4, 290, 456	3, 387, 538	4, 290, 125	4, 568, 196
Philadelphia.....	10	302, 715	298, 656	345, 825	397, 013	430, 147	346, 096	409, 929	427, 668
Cleveland.....	13	324, 727	298, 767	368, 780	434, 100	500, 256	419, 310	559, 043	559, 883
Richmond.....	9	166, 067	179, 496	189, 367	213, 530	197, 696	190, 160	217, 230	223, 590
Atlanta.....	15	151, 091	159, 821	192, 830	198, 078	228, 932	212, 358	237, 232	243, 405
Chicago.....	23	814, 003	766, 530	887, 003	1, 023, 856	1, 054, 901	964, 484	1, 243, 970	1, 291, 981
St. Louis.....	5	147, 628	145, 991	174, 955	200, 832	209, 706	199, 109	237, 622	233, 604
Minneapolis.....	12	123, 868	135, 460	155, 368	163, 085	160, 155	149, 148	200, 135	221, 568
Kansas City.....	15	212, 144	223, 354	250, 702	251, 088	305, 540	285, 547	334, 054	342, 721
Dallas.....	12	97, 797	110, 255	116, 419	134, 365	146, 935	138, 621	151, 264	166, 235
San Francisco.....	20	403, 806	400, 357	448, 191	529, 546	482, 763	491, 086	592, 401	583, 699
<b>Total.....</b>	<b>155</b>	<b>6, 286, 178</b>	<b>6, 096, 857</b>	<b>7, 136, 323</b>	<b>8, 304, 882</b>	<b>8, 420, 759</b>	<b>7, 141, 317</b>	<b>8, 940, 298</b>	<b>9, 342, 179</b>

NOTE.—Figures for the following centers, while shown in the body of the statement, are not included in the summary, complete data for the centers not being available for each week under review: Harrisburg, Pa.; Johnstown, Pa.; Reading, Pa.; Cincinnati, Ohio; Greenville, S. C.; Wilmington, N. C.; Springfield, Ill.; East St. Louis and National Stock Yards, Ill.; Quincy, Ill.; Springfield, Mo.; Atchison, Kans.; and Galveston, Tex.

DEBITS TO INDIVIDUAL ACCOUNTS AT CLEARING HOUSE BANKS—Continued.  
 DATA FOR EACH REPORTING CENTER.  
 [In thousands of dollars.]

	1921				1920			
	Week ending—				Week ending—			
	Aug. 31.	Sept. 7.	Sept. 14.	Sept. 21.	Sept. 1.	Sept. 8.	Sept. 15.	Sept. 22.
<b>District No. 1—Boston:</b>								
Bangor.....	2,819	3,037	3,258	3,315	3,938	2,988	3,901	4,193
Boston.....	1,176,910	1,177,253	1,187,201	1,226,839	263,473	226,407	291,387	304,491
Do.....	232,112	231,667	256,743	303,431				
Fall River.....	4,690	4,739	6,388	7,511	5,835	5,269	8,100	8,490
Hartford.....	16,599	15,856	22,048	21,578	19,643	20,339	28,909	24,889
Holyoke.....	2,345	2,289	2,754	3,034	3,851	3,662	3,752	4,105
Lowell.....	3,656	3,400	4,603	5,154	5,044	4,392	5,744	5,988
Manchester.....	3,377	3,514	4,244	5,147	4,704	4,286	4,979	4,720
New Bedford.....	4,191	4,894	6,571	7,235	6,906	5,768	9,113	8,246
New Haven.....	13,391	14,216	14,768	17,292	19,318	17,408	19,204	19,981
Portland.....	6,698	6,810	7,881	7,198	9,277	8,708	9,974	8,610
Providence.....	24,229	22,990	27,559	32,830	32,232	27,516	36,945	39,499
Springfield.....	10,580	10,158	12,180	12,421	14,072	12,962	16,629	17,766
Waterbury.....	2,792	4,073	5,110	6,281	7,135	6,797	9,201	8,574
Worcester.....	11,200	10,665	14,232	14,900	17,844	11,358	19,455	20,077
<b>District No. 2—New York:</b>								
Albany.....	24,004	17,277	15,418	23,545	23,113	19,154	21,710	22,007
Binghamton.....	3,042	3,088	3,751	3,807	4,030	3,625	4,558	4,704
Buffalo.....	47,169	44,775	53,134	58,233	68,326	57,063	70,035	73,908
New York.....	3,147,199	2,989,780	3,572,652	4,253,046	4,141,422	3,260,507	4,135,322	4,407,495
Passaic.....	4,195	4,762	5,081	5,783	5,297	4,645	5,911	6,468
Rochester.....	23,101	24,066	26,292	30,361	30,768	29,006	34,316	33,784
Syracuse.....	10,175	10,728	11,458	13,929	17,500	13,538	18,273	19,830
<b>District No. 3—Philadelphia:</b>								
Alltoona.....	2,764	2,185	3,365	2,075	3,151	2,820	3,800	3,100
Chester.....	3,127	3,509	3,304	4,461	5,122	4,310	6,372	6,053
Harrisburg.....	5,940	5,810	6,070	6,742				
Johnstown.....	4,332	4,076	4,697	4,562				
Lancaster.....	3,453	3,410	4,491	4,890	4,660	4,945	5,890	6,367
Philadelphia.....	252,081	249,832	281,363	334,655	371,508	289,142	337,552	354,138
Reading.....	5,108	5,228	7,689	6,434				
Scranton.....	12,379	11,273	13,296	14,206	11,906	13,173	15,206	14,603
Trenton.....	9,357	9,452	10,298	12,388	11,569	10,237	14,134	16,528
Wilkes-Barre.....	7,935	7,106	8,284	8,770	8,215	7,638	9,929	9,095
Williamsport.....	3,277	3,474	3,895	4,630	3,765	3,740	5,078	5,067
Wilmington.....	5,231	5,511	6,036	6,931	6,241	6,542	7,286	8,206
York.....	3,111	2,904	3,825	4,007	3,896	3,549	4,682	4,511
<b>District No. 4—Cleveland:</b>								
Akron.....	10,751	15,183	11,773	12,785	20,700	21,119	22,349	23,430
Cincinnati.....	48,490	46,455	59,019	67,719				
Cleveland.....	101,204	92,804	115,741	125,034	171,101	145,598	189,513	190,249
Columbus.....	24,296	25,933	27,468	33,444	27,573	23,969	32,671	34,033
Dayton.....	14,568	11,438	13,621	13,283	12,841	11,257	11,451	11,362
Erie.....	4,946	5,457	6,375	6,106	7,485	7,062	8,829	9,719
Greensburg.....	3,744	3,490	4,421	5,776	7,387	7,641	7,256	6,472
Lexington.....	2,815	3,112	3,473	3,396	4,122	4,120	4,723	4,837
Oil City.....	1,583	1,649	2,297	1,875	2,750	3,363	4,303	3,215
Pittsburgh.....	120,543	100,802	131,848	183,931	185,920	150,221	212,037	218,176
Springfield.....	3,959	3,320	3,863	3,586	3,665	3,111	3,754	3,259
Toledo.....	21,922	20,786	30,074	26,358	30,981	24,448	33,905	30,830
Wheeling.....	6,330	4,951	5,800	8,053	10,677	7,107	9,988	9,958
Youngstown.....	8,063	9,842	12,026	10,483	15,054	13,294	18,214	14,343
<b>District No. 5—Richmond:</b>								
Baltimore.....	86,255	94,105	94,145	109,361	98,314	97,399	106,107	112,731
Charleston.....	5,994	6,090	5,397	4,850	5,875	4,900	5,525	6,350
Charlotte.....	4,510	4,941	5,993	6,965	6,878	6,010	8,466	8,132
Columbia.....	3,523	3,614	4,690	5,168	4,717	4,514	5,327	6,200
Greenville, S. C.....	2,248	2,695	3,384	4,379				
Huntington.....	4,048	3,566	4,508	5,044	5,747	4,726	6,189	6,328
Norfolk.....	11,199	10,723	11,739	13,204	17,995	17,049	19,211	18,103
Raleigh.....	3,600	3,700	3,650	4,050	3,400	3,973	4,600	4,100
Richmond.....	19,069	22,759	24,836	26,791	24,996	22,430	25,502	26,259
Washington.....	27,879	29,998	34,409	38,097	29,774	29,159	36,303	35,387
Wilmington.....	4,120	4,016	5,190	5,123				
<b>District No. 6—Atlanta:</b>								
Atlanta.....	19,876	19,762	23,822	26,200	26,452	23,439	29,466	32,199
Augusta.....	4,192	5,413	6,596	7,764	6,153	6,579	7,750	8,975
Birmingham.....	8,808	12,175	15,324	14,895	16,707	15,095	17,856	18,427
Chattanooga.....	5,906	6,710	8,015	8,815	10,219	10,551	12,323	11,844
Jacksonville.....	8,517	8,468	9,308	8,001	12,665	12,425	12,841	14,236
Knoxville.....	5,065	5,242	6,176	6,535	7,310	6,689	7,509	8,690
Macon.....	3,229	4,388	3,640	4,587	5,009	5,043	6,222	5,953
Mobile.....	4,648	5,530	5,834	6,522	8,186	14,216	8,377	8,212
Montgomery.....	3,000	3,032	3,960	4,332	4,949	3,903	4,801	4,603
Nashville.....	22,223	21,842	28,184	27,419	22,927	22,537	26,894	27,679
New Orleans.....	50,373	50,825	62,665	61,777	83,887	70,885	77,655	74,227
Pensacola.....	1,146	1,284	1,421	1,517	2,487	2,448	2,617	2,688
Savannah.....	8,939	9,659	11,475	13,215	15,015	11,736	14,612	18,126
Tampa.....	4,017	4,441	4,690	4,752	5,675	5,200	6,568	5,949
Vicksburg.....	1,152	1,050	1,720	1,747	1,291	1,612	1,741	1,597

DEBITS TO INDIVIDUAL ACCOUNTS AT CLEARING HOUSE BANKS—Continued.

DATA FOR EACH REPORTING CENTER—Continued.

[In thousands of dollars.]

	1921				1920			
	Week ending—				Week ending—			
	Aug. 31.	Sept. 7.	Sept. 14.	Sept. 21.	Sept. 1.	Sept. 8.	Sept. 15.	Sept. 22.
<b>District No. 7—Chicago:</b>								
Bay City.....	2,370	2,902	2,391	2,676	2,953	3,155	3,526	4,448
Bloomington.....	2,115	2,134	2,410	2,309	3,019	2,663	3,383	2,916
Cedar Rapids.....	8,329	8,069	10,978	8,657	10,112	11,088	11,679	11,370
Chicago.....	536,840	494,768	571,735	649,923	685,164	596,988	807,552	798,136
Davenport.....	5,110	5,948	6,890	6,756	7,281	8,019	8,540	9,431
Decatur.....	2,910	2,911	3,485	3,181	4,259	4,083	4,748	4,672
Des Moines.....	13,064	13,326	17,385	14,763	18,865	16,307	20,384	20,979
Detroit.....	100,756	95,631	108,811	153,517	104,058	146,831	150,347	209,023
Dubuque.....	2,137	2,368	2,657	3,240	3,127	3,238	3,971	4,234
Flint.....	4,711	5,718	5,810	6,077	10,481	8,989	10,278	10,925
Fort Wayne.....	5,508	5,632	6,758	6,683	6,999	6,442	8,990	8,659
Grand Rapids.....	16,059	19,337	19,677	20,470	20,466	21,080	23,223	22,326
Indianapolis.....	34,598	24,881	31,781	34,705	59,451	32,752	41,437	41,725
Jackson.....	3,103	2,990	3,334	3,809	5,236	4,121	5,366	6,914
Kalamazoo.....	3,308	3,269	3,756	5,333	5,478	5,016	6,470	5,870
Lansing.....	4,595	4,141	4,712	5,603	6,042	6,102	5,954	6,846
Milwaukee.....	44,062	43,981	53,980	64,811	60,274	47,080	80,145	77,205
Moline.....	1,276	1,559	1,832	2,034	2,828	2,961	2,537	4,564
Peoria.....	6,632	7,093	7,839	8,410	9,922	9,729	11,040	10,455
Rockford.....	3,538	3,720	4,348	4,482	5,962	5,605	6,660	6,433
Sioux City.....	5,879	7,209	7,764	7,500	14,223	13,345	18,089	16,122
South Bend.....	4,881	6,355	6,153	6,109	5,131	5,120	4,993	4,900
Springfield, Ill.....	4,872	4,882	5,422	5,996				
Waterloo.....	2,222	2,588	2,517	2,808	3,570	3,770	4,658	3,828
<b>District No. 8—St. Louis:</b>								
East St. Louis and National Stock Yards.....	7,021	8,064	7,910	7,710				
Evansville.....	4,336	4,362	4,766	5,365	4,760	4,799	5,410	5,342
Little Rock.....	8,424	8,233	11,342	11,958	7,720	11,345	9,605	9,645
Louisville.....	18,152	18,142	21,332	23,432	27,197	23,554	30,468	30,731
Do.....	23,512	23,423	27,574	29,651				
Memphis.....	19,299	20,231	22,176	24,863	30,286	30,171	33,240	29,789
Quincy.....	1,669	1,817	2,208	2,230				
St. Louis.....	197,417	95,023	115,339	135,214	139,743	129,240	158,899	158,097
Do.....	107,656	105,599	129,847	149,207				
Springfield, Mo.....	2,177	2,650	2,818	2,905				
<b>District No. 9—Minneapolis:</b>								
Aberdeen.....	1,234	1,433	1,400	1,379	1,849	2,352	2,171	2,183
Billings.....	1,232	1,629	1,548	1,718	2,031	1,941	2,301	2,295
Duluth.....	18,077	25,047	29,490	28,310	20,482	21,325	37,249	37,409
Fargo.....	2,459	2,574	2,781	3,046	3,499	3,498	4,068	4,319
Grand Forks.....	1,071	1,258	1,523	1,466	1,508	1,503	2,136	1,912
Great Falls.....	1,635	1,798	1,866	1,932	2,341	2,508	2,299	3,143
Helena.....	2,358	2,331	2,285	2,887	2,305	2,246	2,702	2,975
Minneapolis.....	67,014	69,424	82,120	81,900	83,885	78,234	104,232	114,038
St. Paul.....	22,830	23,388	25,920	33,189	34,447	28,611	33,504	43,142
Sioux Falls.....	3,355	3,450	3,376	3,935	4,993	4,883	5,955	6,598
Superior.....	1,829	1,208	2,158	2,202	1,841	958	2,102	2,015
Winona.....	774	915	901	1,121	974	1,089	1,416	1,539
<b>District No. 10—Kansas City:</b>								
Atchison.....	982	1,222	1,475	1,157				
Bartlesville.....	1,533	1,389	1,830	1,954	3,404	2,803	3,671	3,115
Cheyenne.....	2,514	2,007	1,716	1,716	2,001	1,822	2,149	1,987
Colorado Springs.....	2,266	2,678	2,842	2,898	3,204	3,208	4,250	3,597
Denver.....	29,627	29,927	32,070	34,883	43,676	44,272	47,326	51,647
Joplin.....	1,571	1,771	2,251	2,025	2,940	3,489	4,359	3,943
Kansas City, Kans.....	2,891	3,262	3,685	3,709	3,634	3,154	4,396	4,196
Kansas City, Mo.....	67,805	76,619	82,427	85,041	89,495	85,060	106,317	102,949
Muskogee.....	2,765	2,582	3,323	3,504	3,965	4,067	4,857	5,766
Oklahoma City.....	17,071	20,890	24,305	19,754	29,269	21,610	33,421	28,136
Omaha.....	38,540	38,130	43,715	43,100	53,598	54,474	63,903	64,596
Pueblo.....	4,273	3,183	4,322	3,836	3,405	4,241	3,913	3,794
St. Joseph.....	14,341	15,449	16,537	16,965	15,935	15,931	19,981	18,625
Topeka.....	2,717	2,717	4,514	3,797	3,827	3,660	5,183	3,813
Tulsa.....	14,840	11,118	15,213	17,208	31,244	22,636	13,346	30,119
Wichita.....	9,390	11,632	11,952	10,698	15,943	15,120	16,992	16,438
<b>District No. 11—Dallas:</b>								
Albuquerque.....	1,329	1,715	1,605	1,699	1,402	1,615	1,767	2,086
Austin.....	2,293	3,130	3,191	3,554	3,057	2,621	4,448	4,924
Beaumont.....	4,424	2,945	2,907	3,382	4,522	4,404	4,208	5,451
Dallas.....	25,542	30,279	32,309	39,559	36,714	36,982	40,707	48,326
El Paso.....	5,919	5,671	7,291	6,595	8,304	8,449	8,801	8,849
Fort Worth.....	20,250	23,180	24,220	23,920	26,002	26,981	26,548	27,422
Galveston.....	21,389	18,946	25,743	25,243				
Houston.....	21,640	25,539	24,692	32,048	46,566	35,831	38,815	42,954
San Antonio.....	6,403	6,161	6,445	6,928	7,644	7,990	10,240	9,540
Shreveport.....	4,544	4,979	6,860	8,249	5,708	6,529	7,210	7,351
Texarkana, Tex.....	1,341	1,181	1,537	2,217	1,882	1,511	2,225	1,833
Tucson.....	1,302	1,525	1,447	1,400	1,526	1,463	1,469	1,612
Waco.....	2,810	3,950	3,915	4,814	3,608	4,245	4,826	5,887

Debits of banks which submitted reports in 1920.

**DEBITS TO INDIVIDUAL ACCOUNTS AT CLEARING HOUSE BANKS—Continued.**  
**DATA FOR EACH REPORTING CENTER—Continued.**

[In thousands of dollars.]

	1921				1920			
	Week ending—				Week ending—			
	Aug. 31.	Sept. 7.	Sept. 14.	Sept. 21.	Sept. 1.	Sept. 8.	Sept. 15.	Sept. 22.
<b>District No. 12—San Francisco:</b>								
Berkeley.....	2,606	3,545	2,168	3,213	2,079	3,247	3,296	3,257
Boise.....	1,836	2,310	3,003	2,749	2,813	2,741	3,077	3,463
Fresno.....	8,253	8,900	12,038	13,100	8,392	10,326	15,733	12,841
Long Beach.....	4,845	5,159	5,443	5,606	4,271	4,384	6,434	5,713
Los Angeles.....	87,555	79,723	93,590	108,349	88,782	84,515	101,524	108,188
Oakland.....	16,427	19,081	17,083	17,301	20,943	21,617	20,979	22,373
Ogden.....	2,636	2,863	1,644	3,431	4,033	4,164	5,000	4,836
Pasadena.....	3,810	3,802	4,832	5,242	3,865	4,548	5,584	5,075
Portland.....	33,726	34,911	40,235	44,372	41,726	37,355	48,300	53,764
Reno.....	2,368	1,958	2,716	2,642	2,908	2,463	3,523	3,027
Sacramento.....	6,699	13,120	13,107	15,317	14,801	14,142	19,922	17,160
Salt Lake City.....	11,833	14,135	13,108	15,233	15,823	15,172	19,288	18,732
San Diego.....	6,212	6,332	8,262	7,837	7,075	8,561	8,876	7,623
San Francisco.....	159,058	145,685	161,412	205,881	189,743	209,652	237,254	236,783
San Jose.....	4,559	4,543	4,851	4,978	5,564	5,316	7,049	6,827
Seattle.....	28,585	29,715	34,031	43,090	42,214	34,511	49,953	38,730
Spokane.....	9,311	10,150	12,866	12,449	11,499	12,030	14,080	14,280
Stockton.....	4,124	4,282	5,253	5,151	4,916	4,359	6,551	6,041
Tacoma.....	7,202	7,794	9,475	10,458	8,718	9,187	12,414	11,869
Yakima.....	2,061	2,349	3,074	3,147	2,598	2,796	3,514	3,117

**GOLD SETTLEMENT FUND.**

**INTERBANK TRANSACTIONS FROM AUG. 26 TO SEPT. 22, 1921, INCLUSIVE.**

[In thousands of dollars.]

Federal Reserve Bank.	Transfers.		Daily settlements.		Changes in ownership of gold through transfers and settlements.		Balance in bank's fund at end of period.
	Debits.	Credits.	Debits.	Credits.	Decrease.	Increase.	
Boston.....	45,500	32,283	335,825	356,333	.....	7,291	43,809
New York.....	103,500	276,631	1,361,167	1,226,893	.....	38,857	95,692
Philadelphia.....	20,000	.....	447,180	468,793	.....	1,613	50,022
Cleveland.....	39,588	6,839	348,012	368,962	11,799	.....	47,911
Richmond.....	96,222	90,000	391,488	397,762	.....	52	17,885
Atlanta.....	10,173	14,588	141,649	137,822	.....	588	7,920
Chicago.....	60,000	.....	634,566	673,253	21,313	.....	58,143
St. Louis.....	5,000	.....	320,070	319,433	5,637	.....	12,425
Minneapolis.....	27,409	13,500	102,360	120,983	.....	4,714	11,917
Kansas City.....	15,000	.....	279,862	281,459	13,403	.....	29,080
Dallas.....	32,949	28,500	162,814	168,395	.....	1,132	7,542
San Francisco.....	7,000	.....	168,130	173,035	2,095	.....	33,171
<b>Total 4 weeks ending—</b>							
Sept. 22, 1921.....	462,341	462,341	4,693,123	4,693,123	54,247	54,247	415,517
Aug. 25, 1921.....	314,263	314,263	4,624,289	4,624,289	.....	.....	429,075
Sept. 23, 1920.....	897,585	897,585	6,600,694	6,600,694	.....	.....	340,325
Aug. 26, 1920.....	549,852	549,852	6,332,881	6,332,881	.....	.....	369,021

FEDERAL RESERVE CLEARING SYSTEM.

OPERATIONS FROM AUGUST 16 TO SEPTEMBER 15, 1921.

[All figures shown in thousands.]

Federal Reserve Bank or branch.	Items drawn on banks located in own district.				Items drawn on Treasurer of U. S.		Total items handled exclusive of duplication.		Items forwarded to other F. R. Banks and their branches.		Items forwarded to parent bank or to branch in same district.		Total items handled, including duplications.	
	In F. R. Bank or branch city.		Outside F. R. Bank or branch city.		Num-ber.	Amount.	Num-ber.	Amount.	Num-ber.	Amount.	Num-ber.	Amount.	Num-ber.	Amount.
	Num-ber.	Amount.	Num-ber.	Amount.										
Boston.....	668	\$480,900	3,094	\$348,262	133	\$17,150	3,895	\$846,312	160	\$46,942	.....	.....	4,055	\$893,254
New York.....	1,370	1,403,054	4,277	960,791	1,002	101,621	6,649	2,465,466	897	446,333	16	\$5,531	7,562	2,917,330
Buffalo.....	162	75,636	395	48,341	8	1,767	565	125,744	153	25,032	38	17,815	756	168,591
Philadelphia.....	1,593	658,772	1,981	225,691	129	23,752	3,703	908,215	657	131,830	.....	.....	4,360	1,040,045
Cleveland.....	366	176,663	1,172	136,933	68	9,609	1,606	323,205	36	8,363	26	7,757	1,668	339,325
Cincinnati.....	188	109,883	750	67,538	52	6,177	1,998	184,808	10	5,168	11	3,684	1,019	193,660
Pittsburgh.....	366	196,881	748	84,130	29	4,938	1,143	285,949	62	35,109	29	5,228	1,234	326,286
Richmond.....	105	101,020	1,723	230,789	45	6,450	1,873	338,259	144	59,251	37	13,504	2,054	411,014
Baltimore.....	226	136,202	626	67,193	53	8,388	905	211,783	50	24,005	73	7,296	1,028	243,084
Atlanta.....	112	48,014	311	41,159	27	4,591	450	93,764	20	9,583	22	3,726	492	107,073
Birmingham.....	309	30,067	126	6,436	10	984	445	37,487	15	7,946	26	18,470	486	63,903
Jacksonville.....	37	14,566	126	14,331	8	962	171	29,859	16	4,611	3	805	190	35,275
Nashville.....	58	24,614	178	17,837	12	1,268	243	43,719	17	4,016	7	1,473	267	49,208
New Orleans.....	63	37,830	99	11,984	36	11,793	198	61,607	37	11,806	5	732	240	74,145
Chicago.....	778	531,509	3,579	309,611	254	42,057	4,611	883,177	260	28,067	7	3,079	4,878	914,323
Detroit.....	220	141,911	464	45,262	34	3,890	718	191,063	9	3,198	5	1,000	732	195,261
St. Louis.....	233	185,545	1,333	80,866	85	9,145	1,651	275,556	41	6,615	11	1,094	1,703	283,265
Little Rock.....	42	19,331	243	14,640	6	1,066	291	35,036	9	806	25	1,964	325	37,806
Louisville.....	87	50,569	374	21,262	22	2,653	483	74,484	10	1,489	2	235	495	76,208
Memphis.....	64	21,801	142	7,863	9	1,077	215	30,741	1	219	2	230	218	31,190
Minneapolis.....	247	115,347	1,385	77,497	33	3,947	1,665	196,791	87	18,615	4	329	1,756	215,735
Helena.....	18	8,975	182	12,317	5	637	205	21,929	5	1,905	3	1,650	213	25,484
Kansas City.....	314	276,548	1,638	107,119	55	7,467	1,907	391,134	273	39,719	75	15,785	2,255	446,638
Denver.....	124	44,223	345	20,596	22	5,189	491	70,008	84	15,280	51	14,187	626	99,475
Oklahoma City.....	63	54,015	895	67,075	10	1,449	968	122,539	43	7,843	15	7,060	1,026	137,442
Omaha.....	93	47,699	531	34,008	18	2,260	1,643	84,365	42	5,254	20	5,269	705	94,888
Dallas.....	140	50,629	1,508	166,093	27	3,748	1,675	220,470	64	11,546	65	4,450	1,804	236,466
El Paso.....	37	8,341	116	8,349	15	1,583	168	18,273	9	1,457	5	515	182	20,245
Houston.....	67	34,256	296	33,095	29	1,926	392	69,277	15	2,188	4	1,672	411	73,137
San Francisco.....	218	99,294	438	35,597	74	90,811	730	225,702	24	3,575	44	5,013	798	234,290
Los Angeles.....	310	91,740	876	67,186	39	12,514	1,225	177,440	79	10,088	49	13,255	1,353	200,783
Portland.....	55	31,056	208	12,018	20	5,229	283	48,303	4	1,776	33	4,269	320	54,348
Salt Lake City.....	42	23,132	369	25,789	14	2,578	425	51,499	14	12,246	10	7,539	449	71,284
Seattle.....	101	32,597	201	15,188	34	10,904	336	58,689	14	3,586	33	5,183	333	67,458
Spokane.....	33	19,201	190	11,587	9	1,353	232	32,141	10	1,903	14	7,537	256	41,581
Total:														
Aug. 16 to Sept. 15, 1921.	8,904	5,381,821	30,819	3,434,433	2,426	410,933	42,158	19,234,794	3,371	997,370	770	187,336	46,299	10,419,500
July 16 to Aug. 15, 1921.	8,791	5,444,166	30,168	3,345,135	2,484	398,020	41,452	19,188,970	3,318	966,877	728	166,226	45,498	10,322,073
Aug. 16 to Sept. 15, 1920.	7,304	7,700,391	29,237	4,613,487	1,993	564,334	38,541	12,880,327	3,578	1,625,452	853	311,877	42,972	14,817,656

<sup>1</sup> Includes items drawn on banks in other Federal Reserve districts forwarded direct to drawee bank.

NOTE.—Number of business days in period for Baltimore, Jacksonville, San Francisco, and Los Angeles was 25; for other Federal Reserve Bank and branch cities, 26 days.

NUMBER OF MEMBER AND NONMEMBER BANKS IN EACH FEDERAL RESERVE DISTRICT, SEPTEMBER 15, 1921 AND 1920

Federal Reserve district.	Member banks.		Nonmember banks.			
	1921	1920	On par list.		Not on par list. <sup>1</sup>	
			1921	1920	1921	1920
Boston.....	437	434	255	257	.....	.....
New York.....	794	777	329	327	.....	.....
Philadelphia.....	700	694	464	433	.....	.....
Cleveland.....	880	866	1,079	1,076	.....	.....
Richmond.....	620	610	1,013	766	566	784
Atlanta.....	503	445	399	421	1,177	1,202
Chicago.....	1,439	1,401	4,260	4,240	.....	.....
St. Louis.....	584	567	2,499	2,512	167	174
Minneapolis.....	1,020	985	2,739	2,913	99	.....
Kansas City.....	1,087	1,076	3,282	3,395	112	.....
Dallas.....	863	838	1,199	1,254	.....	.....
San Francisco.....	867	813	986	1,026	.....	.....
Total.....	9,794	9,506	18,504	18,620	2,121	2,160

<sup>1</sup> Incorporated banks other than mutual savings banks.

**GOLD AND SILVER IMPORTS AND EXPORTS.**

**GOLD IMPORTS INTO AND EXPORTS FROM THE UNITED STATES, DISTRIBUTED BY COUNTRIES.**

Country.	Imports.						Exports.					
	During 10 days ending Aug. 20, 1921.	During 11 days ending Aug. 31, 1921.	During month of August, 1921.	During 10 days ending Sept. 10, 1921.	From Jan. 1 to Sept. 10, 1921.	From Jan. 1 to Sept. 10, 1920.	During 10 days ending Aug. 20, 1921.	During 11 days ending Aug. 31, 1921.	During month of August, 1921.	During 10 days ending Sept. 10, 1921.	From Jan. 1 to Sept. 10, 1921.	From Jan. 1 to Sept. 10, 1920.
Austria.....					\$9,000							
Belgium.....	\$880		\$880	\$3,720,000	3,760,711	\$335,906						
Denmark.....					3,236,497	109,804						
France.....	7,164,746	\$10,769,347	\$4,999,294	8,743,087	145,054,151	1,744,219						
Germany.....	2,621,160		2,621,162		2,829,166						\$10,000	
Greece.....					715,745	128,700						
Iceland.....											912	
Italy.....		100,000	100,702		213,289	40,107					241,263	
Netherlands.....	102,585	478,940	879,217	245,603	17,926,399	1,161,963						
Norway.....	2,885		2,885		1,534,985	3,324						
Portugal.....					20,892	25,364						
Russia in Europe.....					85,000							
Spain.....	992	23,511	26,442		3,243,238	17,313						
Sweden.....	4,265,290	4,507,000	12,110,726	414,940	55,187,678	249				\$2,643,013		
Switzerland.....			239,774	16,436	572,957	4,937						2,604
Turkey in Europe.....	4,880	7,175	58,025	16,000	393,264							
United Kingdom:												
England.....	2,651,859	8,039,790	19,202,625	6,278,404	149,386,858	85,167,570						13,235
Scotland.....						45						
Total Europe.....	16,815,277	23,925,765	70,241,732	19,434,470	384,169,830	88,739,501				2,643,013		268,014
Bermuda.....	4,645		4,645		102,890							
British Honduras.....						20						
Canada.....	2,539,647	52,435	2,653,997	1,005,559	28,942,093	30,767,357	\$74,731	\$105,602	\$263,197	\$102,141	1,629,589	3,859,442
Costa Rica.....	18,561	2,165	44,623	27,500	651,849	475,680						
Guatemala.....	31,586	17,000	75,586	48,000	501,287	14,872						
Honduras.....	186	2,157	2,942		197,132	181,695						19,000
Nicaragua.....	48,623	72,277	153,423	23	550,296	844,630						
Panama.....	31,982	163,791	318,189	67,282	1,862,915	156,265						
Salvador.....	10,000	83,381	109,836	117,850	788,437	725,765						20,000
Mexico.....	145,004	140,190	471,124	143,716	3,730,854	3,181,290	3,000	118,610	301,905	35,165	5,198,915	16,392,548
Cuba.....		96	96	255,707	358,276	14,480	350			250,844		375,000
British West Indies.....	2,830	76,058	78,888		435,993	110,419						
Virgin Islands of U. S.....					150,000							10,000
Dominican Republic.....		25,000	25,000		25,000							39,000
Dutch West Indies.....		214,154	341,754	23,960	4,765,385	174,081						
Total North America.....	2,833,064	848,704	4,280,103	1,689,597	43,082,407	36,646,554	78,081	224,212	565,452	137,306	7,079,348	20,714,990
Argentina.....	9,129	86,700	95,829	9,797	928,020	77,238						89,995,000
Bolivia.....				827	3,031	6,878						
Brazil.....					93,122	24,585					24,300	280,000
Chile.....	3,390		4,342	2,412	122,649	337,317						400,000
Colombia.....	149,828	202,829	690,074	523,983	8,740,710	3,130,887						700,000
Ecuador.....					380,800	442,932						156,000
British Guiana.....	3,812	20,053	32,650		107,436	93,754						
Dutch Guiana.....		1,385	1,385		54,030	2,387						6,300
Peru.....	23,631	27,828	139,273	47,029	911,455	626,613						3,653,376
Uruguay.....	1,008,390	196,442	1,469,821	160,753	5,031,837							12,850,000
Venezuela.....	8,999	23,736	33,243	74,976	1,027,006	354,265						184,000
Total South America.....	1,207,179	558,973	2,466,617	819,777	17,400,096	5,096,856					24,300	108,224,676
China.....	480,259	46,310	1,351,637	679,369	17,222,109	1,280						20,286,750
Chosen.....		4,860	4,860		4,860							
British India.....		3,529,319	4,563,743	206,000	24,009,263							6,503,741
Straits Settlements.....												6,683,454
Dutch East Indies.....	52,018		52,018	106,828	782,485	2,672,994				60,000		12,065,105
French East Indies.....					6,005,892							2,290,000
Greece in Asia.....	74,708	15,683	166,676	14,900	922,640							
Hongkong.....			254,429		5,580,825	30,191,910	17,300	57,250	106,200	122,600	1,550,090	27,202,797
Japan.....					2,208,234							43,953,495
Palestine and Syria.....		139,050	179,635	147,675	811,495							
Turkey in Asia.....					1,448,793							
Total Asia.....	606,985	3,735,222	6,572,998	1,154,772	58,996,596	32,866,164	17,300	57,250	106,200	122,600	1,610,090	118,985,342
Australia.....		1,946,600	1,946,600		11,690,487							
New Zealand.....		215,390	215,390		2,178,897	1,456,540						
Tahiti.....											300	
Philippine Islands.....	59,000	6,267	107,761	55,000	890,714	647,746						
Abyssinia.....					21,665							
British West Africa.....					13,250							39,446
British South Africa.....					51,823							
Egypt.....		366,714	366,714	1,700,439	2,206,729							
Portuguese Africa.....		1,219	1,219	21,180	562,073	280,358						
Total all countries.....	21,521,505	31,604,854	86,199,134	24,875,235	521,264,567	165,733,719	95,381	281,462	671,652	259,906	211,357,051	248,232,468
Excess imports or exports.....	21,426,124	31,323,392	85,527,482	24,615,328	509,907,516							82,638,749

<sup>1</sup> Includes: Ore and base bullion, \$28,048,000; United States mint or assay office bars, \$428,000; other refined bullion, \$377,174,000; United States coin, \$31,122,000; foreign coin, \$84,492,000.  
<sup>2</sup> Includes: Domestic exports—Ore and base bullion, \$76,000; United States mint or assay office bars, \$621,000; other refined bullion, \$101,000; coin, \$7,049,000. Foreign exports—Ore and base bullion, \$1,000; refined bullion, \$1,521,000; coin, \$1,983,000.

SILVER IMPORTS INTO AND EXPORTS FROM THE UNITED STATES, DISTRIBUTED BY COUNTRIES.

Country.	Imports.						Exports.					
	During 10 days ending Aug. 20, 1921.	During 11 days ending Aug. 31, 1921.	During month of August, 1921.	During 10 days ending Sept. 10, 1921.	From Jan. 1 to Sept. 10, 1921.	From Jan. 1 to Sept. 10, 1920.	During 10 days ending Aug. 20, 1921.	During 11 days ending Aug. 31, 1921.	During month of August, 1921.	During 10 days ending Sept. 10, 1921.	From Jan. 1 to Sept. 10, 1921.	From Jan. 1 to Sept. 10, 1920.
Belgium.....					\$16							
Bulgaria.....	\$16,825		\$16,825		16,825							
Denmark.....					370							
France.....	1,067		2,211	\$485	99,875	\$83,295						\$32,920
Germany.....	2,881,629	\$40,192	3,815,923	763,127	4,955,909							
Greece.....					225,234							
Italy.....					11,351	24,026						
Netherlands.....					805	30,820						
Norway.....	4,111		4,111		4,111	14,453						
Poland and Danzig.....			1,000		1,000							
Portugal.....		4,965	4,965		20,382	7,978						
Spain.....		46	46		16,328	67,848						
Sweden.....		30	30		5,280	6,915						54,960
Turkey in Europe.....					10,157							
United Kingdom—England.....	92	54	344	47	1,143,283	801,061	\$300,737	\$709,897	\$1,070,672	\$544,547	\$8,090,731	4,520,242
Total Europe.....	2,903,724	45,237	3,845,455	763,659	6,510,926	1,036,396	300,737	709,897	1,070,672	544,547	8,090,731	4,608,122
Bermuda.....							200		200		400	
British Honduras.....												
Canada.....	38,674	117,255	206,945	118,025	2,897,954	2,874,480	47,726	68,933	150,063	85,633	1,715,250	6,204,047
Costa Rica.....	26	245	1,206	6,723	51,363	55,306						
Guatemala.....			500		520	21,734					2,500	4,500
Honduras.....	10	1,547	1,566		827,813	1,747,511			1,000		1,800	376,505
Nicaragua.....	23,663	11,893	35,556	1	174,274	573,315						3,000
Panama.....		84	98	117	385,885	135,671						542,000
Salvador.....		2,425	4,014	19,465	40,110	3,685,083					50,000	
Mexico.....	1,016,769	871,933	3,184,586	794,449	24,741,159	41,541,394	13,056	62,975	104,894	53,201	1,606,888	2,711,622
Cuba.....		4	4	37	70,772	62,550				7,200	316,825	1,075,215
British West Indies.....					1,818	7,017				600	98,552	18,080
Virgin Islands of U. S.....												25,000
Dominican Republic.....	6,000	46,000	52,000		170,000	120,800						261,500
Dutch West Indies.....		315	315	40	1,590	1,450						
French West Indies.....						20						
Haiti.....												9,000
Total North America.....	1,085,142	1,051,701	3,486,790	938,857	29,363,258	50,889,698	60,982	131,908	256,157	146,634	4,018,215	11,230,469
Argentina.....	1,274		1,274	3,113	18,592	25,396					900	12,138
Bolivia.....				9,958	269,094	995,664						
Brazil.....				1,116	41,876	293						2,333
Chile.....	10,648		25,939	109,407	1,326,852	2,273,616						
Colombia.....	861	13,567	21,443	12,207	128,782	591,932					239,500	
Ecuador.....					24,400	52,266						
British Guiana.....			3		43	42						
Dutch Guiana.....		6	6		141	6,390						1,402
Peru.....	125,800	8,188	425,768	110,261	3,623,048	9,078,961						
Uruguay.....				79	2,932							
Venezuela.....	11	14	25	8	2,564	72						10,000
Total South America.....	138,594	21,775	474,463	246,149	5,438,324	13,024,622					240,400	25,873
China.....	202	87	509	167	7,608	1,289,974		653,938	1,074,324	631,258	6,531,565	54,251,673
Chosen.....		140	140		140							
British India.....		126	10,163		10,853					1,025,464	2,873,517	223,211
Dutch East Indies.....	33,033		33,033	7,698	383,019	2,327,337					528,000	4,058,373
French East Indies.....											7,588,604	19,397,995
Hongkong.....			204		396	1,650				64,025	2,655,636	1,154,939
Japan.....								762,918	1,012,902	217,170		970
Russia in Asia.....					960	38,511		218,698	329,078			
Turkey in Asia.....												
Total Asia.....	33,235	353	44,049	7,865	402,976	3,657,472		1,635,554	2,416,304	1,937,917	20,177,322	79,087,161
Australia.....					3,128							
New Zealand.....		76	76		1,105	11,617						
Philippine Islands.....	590	28	1,616	550	14,125	14,680						
Abyssinia.....					31							
British So. Africa.....					3,760	6,097						
British West Africa.....												7,480
Portuguese Africa.....		400	400	1,190	37,128	93,321						
Total, all countries.....	4,161,285	1,119,620	7,852,849	1,958,270	41,774,761	68,733,913	361,719	2,477,359	3,743,133	2,629,098	32,526,668	94,959,105
Excess of imports or exports.....	3,799,566		4,109,716		9,248,093			1,357,739		670,828		26,225,192

<sup>1</sup> Includes: Ore and base bullion, \$28,450,000; other refined bullion, \$5,310,000; United States coin, \$2,308,000; foreign coin, \$5,706,000.  
<sup>2</sup> Includes: Domestic exports—Ore and base bullion, \$15,000; United States mint or assay office bars, \$152,000; other refined bullion, \$15,924,000; coin, \$838,000. Foreign exports—Ore and base bullion, \$2,000; bullion refined, \$12,231,000; coin, \$3,364,000.

**MONEY HELD OUTSIDE THE UNITED STATES TREASURY AND THE FEDERAL RESERVE SYSTEM, SEPTEMBER 1, 1921.**

	General stock.	Held in the U. S. Treasury as assets of the Government. <sup>1</sup>	Held by or for F. R. Banks and agents. <sup>2</sup>	Held outside U. S. Treasury and F. R. System.	Amount per capita outside U. S. Treasury and F. R. System.
Gold coin (including bullion in Treasury).....	\$3,377,417,980	\$383,347,076	\$1,778,327,667	\$386,916,668	.....
Gold certificates.....	.....	.....	644,461,480	184,365,089	.....
Standard silver dollars.....	303,739,326	11,366,390	* 40,957,956	34,333,953	.....
Silver certificates.....	.....	.....	26,929,506	188,588,757	.....
Subsidiary silver.....	272,366,584	11,587,229	.....	260,779,355	.....
Treasury notes of 1890.....	.....	.....	.....	1,562,764	.....
United States notes.....	346,681,016	2,952,147	* 78,969,982	264,758,887	.....
Federal Reserve notes.....	2,849,722,060	2,962,222	319,846,227	2,526,913,611	.....
Federal Reserve Bank notes.....	121,766,400	2,593,508	8,662,314	110,510,578	.....
National Bank notes.....	739,148,874	16,815,334	9,032,981	713,300,559	.....
Total:					
Sept. 1, 1921.....	8,010,842,240	431,623,906	2,907,188,113	4,672,030,221	\$43.11
Aug. 1, 1921.....	7,988,397,187	432,471,109	2,818,800,024	4,737,126,054	43.77
July 1, 1921.....	8,024,422,943	460,595,721	2,697,553,897	4,866,273,325	45.02
June 1, 1921.....	8,073,737,233	499,236,987	2,562,692,917	5,011,807,329	46.43
May 1, 1921.....	8,040,936,478	508,349,193	2,512,465,834	5,020,121,451	46.57
Apr. 1, 1921.....	8,082,773,866	496,945,969	2,534,743,843	5,051,084,054	46.91
Mar. 1, 1921.....	8,084,936,396	493,976,120	2,385,101,578	5,205,858,698	48.41
Feb. 1, 1921.....	8,171,237,897	499,358,809	2,438,773,422	5,233,105,666	48.73
Jan. 1, 1921.....	8,372,970,904	494,296,257	2,377,972,494	5,500,702,153	51.29
July 1, 1920.....	7,887,181,586	485,057,472	2,021,271,614	5,380,852,500	50.19
Jan. 1, 1920.....	7,961,320,139	604,888,833	2,044,422,303	5,312,009,003	49.81
July 1, 1919.....	7,588,473,771	578,848,043	2,167,280,313	4,842,345,415	45.00
Jan. 1, 1919.....	7,780,793,606	454,948,160	2,220,705,767	5,105,139,679	47.83
July 1, 1918.....	6,742,225,784	356,124,750	2,018,361,825	4,367,739,209	41.31
Jan. 1, 1918.....	6,256,198,271	277,043,358	1,723,570,291	4,255,584,622	40.53
July 1, 1917.....	5,480,009,884	253,671,614	1,280,880,714	3,945,457,556	37.88

<sup>1</sup> Includes reserve funds held against issues of United States notes and Treasury notes of 1890 and redemption funds held against issues of national-bank notes, Federal Reserve notes, and Federal Reserve Bank notes, but excludes gold and silver coin and bullion held in trust for the redemption of outstanding gold and silver certificates and Treasury notes of 1890.

<sup>2</sup> Exclusive of amounts held with United States Treasurer in gold redemption fund against Federal Reserve notes.

\* Includes subsidiary silver.

\* Includes Treasury notes of 1890.

**FEDERAL RESERVE BANK DISCOUNT RATES.**

RATES ON PAPER DISCOUNTED FOR MEMBER BANKS IN EFFECT OCT. 1, 1921.

Federal Reserve Bank.	Paper maturing within 90 days.				Bankers' acceptances maturing within 3 months.	Agricultural and live-stock paper maturing after 90 days but within 6 months.
	Secured by—		Trade acceptances.	Commercial, agricultural, and live-stock paper, n. e. s.		
	Treasury notes and certificates of indebtedness.	Liberty bonds and Victory notes.				
Boston.....	5	5	5	5	5	5
New York.....	5	5	5	5	5	5
Philadelphia.....	5½	5½	5½	5½	5½	5½
Cleveland.....	5½	5½	5½	5½	5½	5½
Richmond.....	6	6	6	6	6	6
Atlanta.....	6	6	6	6	6	6
Chicago.....	6	6	6	6	6	6
St. Louis.....	6	6	6	6	5½	6
Minneapolis.....	6	6	6½	6½	6	6½
Kansas City.....	6	6	6	6	6	6
Dallas.....	6	6	6	6	6	6
San Francisco.....	5½	5½	5½	5½	5½	5½



**DISCOUNT AND INTEREST RATES.**

In the following table are presented actual discount and interest rates prevailing during the 30-day period ending September 15, 1921, in the various cities in which the several Federal Reserve Banks and their branches are located. A complete description of the several types of paper for which quotations are given will be found in the September, 1918, and October, 1918, FEDERAL RESERVE BULLETINS. Quotations for new types of paper will be added from time to time as deemed of interest.

Rates for almost all classes of paper, and particularly prime commercial paper purchased in the open market, and bankers' acceptances, both indorsed and unindorsed, tended to decrease in comparison with the rates prevailing during the period ending August 15, 1921.

With the exception of the rates on interbank loans and ordinary loans to customers secured by Liberty bonds and certificates of indebtedness, present rates as a whole were lower for all types of paper than those prevailing during the same period of 1920.

**DISCOUNT AND INTEREST RATES PREVAILING IN VARIOUS CENTERS DURING 30-DAY PERIOD ENDING SEPTEMBER 15, 1921.**

District.	City.	Prime commercial paper.				Interbank loans.	Bankers' acceptances, 60 to 90 days.		Collateral loans—stock exchange or other current.			Cattle loans.	Secured by warehouse receipts.	Ordinary loans to customers secured by Liberty bonds and certificates of indebtedness.
		Customers.		Open market.			Indorsed.	Unindorsed.	Demand.	3 months.	3 to 6 months.			
		30 to 60 days.	4 to 6 months.	30 to 90 days.	4 to 6 months.									
No. 1.....	Boston.....	H. L. C. 7 6 6½	H. L. C. 7 6½ 6½	H. L. C. 6½ 5½ 6½	H. L. C. 6½ 5½ 6½	H. L. C. 6½ 6 6½	H. L. C. 5 4½ 5	H. L. C. 5½ 4½ 5	H. L. C. 6 6 6	H. L. C. 6½ 6 6½	H. L. C. 6½ 6½ 6½	H. L. C. 7 6 6½	H. L. C. 7 6 6½	H. L. C. 6½ 5½ 6
No. 2.....	New York <sup>1</sup> .....	8 5 6-6½	7½ 6 6-6½	6½ 6 6-6½	6 6 6	8 6 6-6½	6 5 5-5½	5½ 5 5½-5½	8 5 5½-6	8 5½ 6	7 5½ 6			6½ 5½ 6
No. 3.....	Philadelphia.....	6 6 6	6 6 6	6½ 6 6-6½	6½ 6 6	6 6 6	5½ 5½ 5½	5½ 5½ 5½	6 5 6	6 5½ 6	6 6 6	6 6 6	6 6 6	6 5½ 6
No. 4.....	Cleveland.....	7 6 7	7 6 7	6 6 6	6 6 6	6 6 6	7 6 7	8 6 7	7 6 7	7 6 7	7 6 7	7 7 7	7 7 7	7 6 7
	Pittsburgh.....	6 6 6	6 6 6	6½ 6 6	6½ 6 6	6 6 6	5 5 5	5½ 5 5	6 6 6	6 6 6	6 6 6	7 7 7	7 7 7	6 6 6
	Cincinnati.....	7 6 6-6½	7 6 6½	7 6½ 6½	7 6 6½	7 6 6	5½ 5½ 5½-5½	6 5½ 5½	7 6½ 6½-7	7 6½ 7	7 7 7	7 6½ 7	7 6½ 7	7 6½ 6½
No. 5.....	Richmond.....	6 6 6	6 6 6			6 6 6			6 6 6	6 6 6	6 6 6	6 6 6	6 6 6	6 6 6
	Baltimore.....	6 6 6	6 6 6			6 6 6	6 6 6		6 6 6	6 6 6	6 6 6	6 6 6	6 6 6	6 6 6
No. 6.....	Atlanta.....	8 6 7	8 6 7			8 6 7	8 7 7	8 7 7	8 6½ 7	8 6½ 7	8 6½ 7	8 6½ 7	8 7 7	8 7 7
	Birmingham.....	7½ 6½ 7½	7½ 6 7	7½ 6½ 7½	8 6½ 8	7½ 6½ 6½	8 6 7-8	8 6 7-8	7½ 6 7	7½ 6 7	8 6 7	8 8 8	8 8 8	7½ 6½ 7
	Jacksonville.....	8 6 7	8 7 8	7 7 7	8 7 7	8 7 7	8 7 8	8 7 8	8 7 7	8 7 8	8 8 8	8 6 7	8 6 7	8 8
	New Orleans.....	8 6½ 7-8	8 6½ 7			8 6 7-8	8 6 6½-8	8 6 6½-8	8 6 7½-8	8 6 7½-8	8 6 8	8 6 8	8 6 8	8 6 7-8
	Nashville.....	8 6 7	8 6 7			8 6 6			8 6 7	8 6 7	8 6 7	8 6 7	8 6 7	8 6 6
No. 7.....	Chicago.....	7 5½ 6-7	7 6 6-7	6½ 6 6½	6½ 6 6½	8 6 6½-7			7 6½ 6½-7	7 5½ 6½-7	7 5½ 6½-7	7 7 7	7 6 6½-7	7 6 6½-7
	Detroit.....	7 6 6½	7 6 6½	6½ 6 6	6½ 6 6	7 6 6½	5½ 4½ 4½	5 4½ 4½	7 6 7	7 6 7	7 6 7	7 6 7	7 6 7	7 6 6½
No. 8.....	St. Louis.....	8 6 7	8 6 7	7 6 6½	7 6 6½	7 6 6½	5½ 5 5	5½ 5 5	8 6 7	7 6 7	7 6 7	8 7 7	8 6½ 7	7 6½ 7
	Louisville.....	7 6 6	7 6 6	6½ 6½ 6½	6½ 6½ 6½	6 6 6	6 6 6	6 6 6	6 6 6	6 6 6	6 6 6	6 6 6	6 6 6	6 6 6
	Memphis.....	8 6 7	8 6 7			8 6 7			8 6 7	8 6 7	8 6 7	8 6 7	8 6 7	7 6 7
	Little Rock.....	8 7 8	8 7 8			7½ 7 7			8 7 8	8 7 8	8 7 8	8 7 8	8 7 8	8 7 8
No. 9.....	Minneapolis.....	7½ 7 7	7½ 7 7	6½ 6 6½	7½ 6½ 7	7½ 7 7	6½ 6 6½	6½ 6½ 6½	7½ 7 7½	7½ 7 7½	8 7½ 7½	8 7½ 7½	8 7½ 7½	7 6½ 8
	Helena.....													
No. 10.....	Kansas City.....	7 6 6½-7	8 6 6½-7	7 6½ 6½	7 6½ 6½	7 6 7			7 6 7	7 6 7	7 6 7	8 6 7	7 6 7	8 6 7
	Omaha.....	8 6 7	8 6 7	7 6 7	7 6 7	9 6 7	5½ 5½ 5½		8 6½ 7½	8 6½ 7½	8 6½ 7½	9 7 7½	9 7 7½	7½ 6 7
	Denver.....	8 6 7	8 6 7	6½ 6 6½	6½ 6 6½	8 6 7			8 6 7	8 6 7	8 6 7	8 7 7-8	8 6 7	8 6 7-8
	Oklahoma City.....	10 6 8	10 6 8	7 6 6	7 6 6	8 6 7	8 8 8	8 8 8	10 6 8	10 6 8	10 6 8	10 7 8	10 7 8	10 6 8
No. 11.....	Dallas.....	8 6 7	8 6 7	8 6 7	8 6 7	8 6 6½			8 6 7½	8 6 7½	8 6 7½	8 8 8	8 7 7½	8 6 7½
	El Paso.....	10 7 8	10 8 8	8 8 8	8 8 8	8 7 8			10 6 8	10 8 8	10 8 8	10 8 9	10 8 9	10 6 8
	Houston.....	8 6 7	7½ 6½ 7			7 7 7			8 6 7	8 6 7	8 6 7	8 7 7	8 7 7	8 6 7
No. 12.....	San Francisco.....	7 6 6½	7 6 6½	6½ 6 6½	6½ 6 6½	7 6 6½	5½ 5½ 5½	5½ 5½ 5½	7 6 6½	7 6 6½	7 6 6½	8 7 7	7 6 6½	7 6 6½
	Portland.....	8 6 7	8 6 7	6½ 5½ 6½	6½ 6 6½	7 6 7	6 5 5½	6 5½ 5½	8 4½ 7	8 6 7	8 6 7	8 6 7	8 6 7	8 6 7
	Seattle.....	8 6 7	8 6½ 7	7 6 7	6½ 6 6½	7 7 7	6½ 6½ 6½	5½ 5 5½	8 7 7	8 7 8	8 7 7	8 7 7	8 7 7	8 7 7
	Spokane.....	8 6½ 7	8 7 7			8 6½ 7			8 5 7	8 7 7	8 7 8	8 8 8	8 7 8	8 7 7
	Salt Lake City.....	8 7 8	8 7 8			8 7 8			9 8 8	9 8 8	9 8 8	9 8 8	8 8 8	8 7 8
	Los Angeles.....	8 6 7	8 6 7	7½ 6 6½	6½ 6 6½	8 5 6½	7 5 5½	7 5 5½	8 6 7	8 6 7	8 6 7	8 6 8	10 6 7	8 6 7

<sup>1</sup> Rates for demand paper secured by prime banker's acceptances: High, 6; low, 5; customary, 5-6.

## FOREIGN EXCHANGE RATES.

Following is a table showing noon buying rates for cable transfers in New York for principal foreign currencies, based on reports published daily by the Treasury in accordance with the act of May 27, 1921. High, low, and average rates for September and for August are shown. The general foreign exchange index representing the weighted average of the 18 principal foreign currencies works out at **51** for September, compared with **52** for August.

## COUNTRIES INCLUDED IN COMPUTATION OF INDEX.

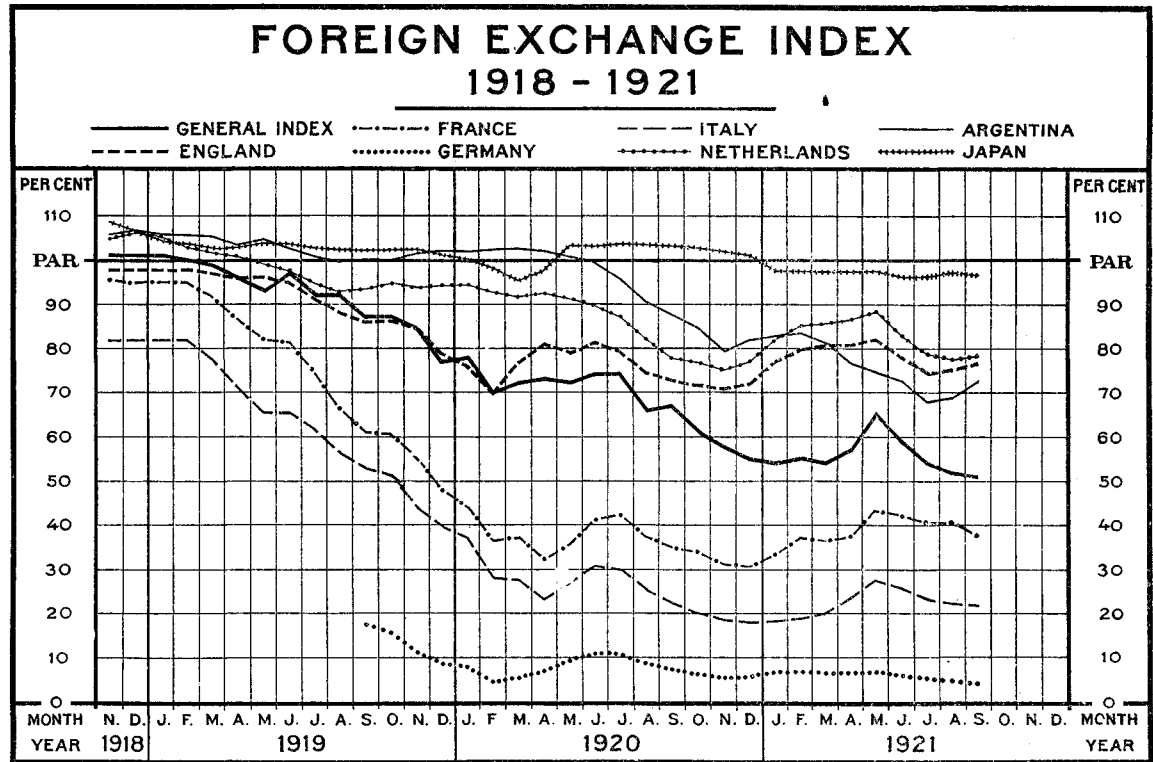
	Monetary unit.	Par of exchange.	Low.		High.		Average.		Per cent of par. <sup>1</sup>		Weight.	
			Sep-tem-ber.	August.	Sep-tem-ber.	August.	Sep-tem-ber.	August.	Sep-tem-ber.	August.	Sep-tem-ber.	August.
Belgium.....	Franc.....	\$0.1930	\$0.0684	\$0.07321	\$0.0764	\$0.0764	\$0.0717	\$0.075270	37.15	39.00	16,260	12,312
Denmark.....	Krone.....	.2680	.1715	.151	.1788	.1785	.1767	.1619	65.93	60.41	4,526	3,100
England.....	Pound.....	4.8665	3.699	3.56475	3.7463	3.7313	3.724	3.653632	76.52	75.08	121,270	107,549
France.....	Franc.....	.1930	.0698	.07619	.0787	.0793	.0728	.077581	37.72	40.20	61,840	52,378
Germany.....	Reichsmark.	.2382	.007989	.01093	.011705	.012485	.009574	.011896	4.02	4.99	53,585	43,352
Italy.....	Lira.....	.1930	.0398	.0419	.045	.0444	.042	.043156	21.76	22.36	19,773	18,711
Netherlands.....	Florin.....	.4020	.31	.3052	.3219	.3176	.3166	.310	78.76	77.11	25,216	20,228
Norway.....	Krone.....	.2680	.1227	.1262	.1362	.1381	.1286	.1307	47.99	48.77	2,824	2,739
Spain.....	Peseta.....	.1930	.1296	.1202	.131	.1307	.1302	.1289	67.46	66.79	5,490	5,624
Sweden.....	Krona.....	.2680	.2139	.20273	.2244	.2173	.2178	.21112	81.27	78.78	16,315	5,823
Switzerland.....	Franc.....	.1930	.1703	.1638	.1731	.1706	.172	.16817	89.12	87.13	3,686	4,246
Canada.....	Dollar.....	1.00	.89125	.89125	.909167	.90208	.898519	.8978194	89.85	89.78	95,566	76,453
Argentina.....	Peso (gold).....	.9648	.6748	.6468	.7383	.6808	.6963	.66555	72.17	68.98	12,229	11,900
Brazil.....	Milreis.....	.3244	.1199	.1144	.1283	.1219	.1237	.1176	38.13	36.25	10,022	7,493
Chile.....	Peso (paper).....	.1953	.09875	.09750	.11625	.10625	.10708	.1024	54.83	52.43	5,701	3,959
China.....	Shanghai tael.	.6685	.6837	.668	.799	.685	.7300	.67858	109.20	101.51	23,795	18,829
India.....	Rupee.....	.4866	.2521	.2283	.2748	.2563	.2639	.24224	54.23	49.78	13,894	9,377
Japan.....	Yen.....	.4985	.4782	.48188	.4846	.4850	.482	.48369	96.69	97.03	43,570	38,831

## OTHER COUNTRIES.

	Monetary unit.	Par of exchange.	Low.		High.		Average.		Percentage of par. <sup>1</sup>	
			Sep-tem-ber.	August.	Sep-tem-ber.	August.	Sep-tem-ber.	August.	Sep-tem-ber.	August.
Austria.....	Krone.....	\$0.2026	\$0.000582	\$0.001125	\$0.00125	\$0.001319	\$0.000936	\$0.001193	0.46	0.59
Bulgaria.....	Lev.....	.1930	.00682	.0085	.008738	.0091	.007387	.008801	3.93	4.56
Czechoslovakia.....	Krone.....	.2026	.010093	.0117	.012193	.0129	.011601	.012247	5.73	6.04
Finland.....	Markka.....	.1930	.011986	.014675	.015671	.0155	.014059	.015106	7.28	7.83
Greece.....	Drachma.....	.1930	.0478	.0547	.0566	.0561	.0524	.05546	27.15	28.74
Hungary.....	Krone.....	.2026	.001375	.0025	.002606	.00289	.001944	.002629	0.96	1.30
Poland.....	Polish mark.....	.2382	.00015	.000392	.000383	.000563	.000256	.000489	0.11	0.21
Portugal.....	Escudo.....	1.0805	.084	.0921	.1108	.1293	.09416	.1007	8.71	9.32
Rumania.....	Leu.....	.1930	.008113	.01163	.011963	.0131	.009574	.012383	4.96	6.42
Jugoslavia.....	Krone.....	.2026	.00395	.005575	.0056	.006231	.004759	.005808	2.35	2.87
	Serbian dinar.....	.1930	.016025	.02245	.0225	.025	.019122	.0233	9.91	12.07
Cuba.....	Peso.....	1.00	.48	.991067	.492813	.9946	.48599	.993225	97.49	99.32
Mexico.....	Peso.....	.4985	.990938	.48125	.995212	.489375	.993233	.484954	99.32	97.28
Uruguay.....	Peso.....	1.0342	.6332	.5898	.6806	.6791	.6489	.63905	62.74	61.79
Hongkong.....	Dollar.....	.4777	.502	.4935	.5605	.5040	.5244	.5007	109.78	104.81
Java.....	Florin.....	.4020	.31	.30	.3175	.3115	.3136	.3053	78.01	75.95
Straits Settlements.....	Singapore dollar.....	.5678	.42	.4108	.4283	.4217	.4246	.41809	74.78	73.63

<sup>1</sup> Based on average.

Average price of silver per fine ounce: In London (converted at average rate of exchange), \$0.67022; in New York, \$0.66235.



### FINANCIAL STATISTICS FOR ENGLAND, FRANCE, ITALY, GERMANY, SWEDEN, AND JAPAN.

A summary of banking and financial conditions abroad is presented statistically in the accompanying tables. Similar material will be published regularly each month in the BULLETIN.

#### BRITISH FINANCIAL SITUATION.

[Amounts in millions of pounds sterling.]

	Deposit and note accounts, Bank of England and Treasury.				Government floating debt.			Nine London clearing banks. <sup>3</sup>				Capital issues of United Kingdom. <sup>4</sup>	Discount rates.		Statist index number of foreign exchange value of £.
	Bank notes. <sup>1</sup>	Currency notes and certificates outstanding.	Deposits, public and other.	Coin and bullion. <sup>2</sup>	Treas-ury bills.	Tempo-rary ad-vances.	Total floating debt.	Money at call and short notice.	Dis-counts and ad-vances.	Invest-ments.	Deposits.		Three months' bank bills.	Six months' trade bills.	
1913, average of end of month figures.....	29	.....	57	38	15	.....	.....	.....	.....	.....	.....	Per ct. 4½	Per ct. 4½	.....	
1920, end of—															
August.....	106	356	116	152	1,067	183	1,250	.....	.....	.....	.....	6½	7½	100.1	
1921, end of—															
January.....	109	342	129	157	1,145	242	1,387	99	1,207	341	1,810	22	6½	7	122.4
February.....	108	336	127	157	1,110	189	1,299	88	1,172	340	1,754	10	6½	7½	120.9
March.....	110	344	133	157	1,121	155	1,275	83	1,145	336	1,715	26	6½	7½	123.0
April.....	109	338	141	157	1,100	190	1,290	92	1,127	309	1,710	15	5½	7	120.0
May.....	108	333	128	157	1,152	163	1,315	96	1,144	307	1,729	17	5½	7	119.1
June.....	110	324	147	157	1,222	152	1,374	98	1,162	312	1,768	34	5½	6½	117.8
July.....	109	325	122	157	1,202	150	1,355	104	1,185	312	1,785	10	4½	5½	112.9
August.....	107	319	137	157	1,166	180	1,347	.....	.....	.....	.....	8	4½	6	113.0

<sup>1</sup> Less notes in currency notes account.

<sup>2</sup> Held by the Bank of England and by the Treasury as note reserve.

<sup>3</sup> Average weekly figures.

<sup>4</sup> Compilation of London Joint City and Midland Bank.

## FRENCH FINANCIAL SITUATION.

[Amounts in millions of francs.]

	Bank of France. <sup>1</sup>					Situation of the Government.				Value of new stock and bond issues placed upon the French market. <sup>7</sup>	Savings banks, excess of deposits(+) or withdrawals(-).	Average daily clearings of the Paris banks.
	Gold reserves.	Silver reserves.	Deposits. <sup>2</sup>	Circulation.	Advances to the Government for purposes of the war. <sup>3</sup>	Government revenue. <sup>4</sup>	Internal debt.	External debt. <sup>5</sup>	Price of 3 per cent perpetual rente. <sup>6</sup>			
1913, average.....	3,343	629	830	5,565	.....	320	35,000	.....	86.77	.....	- 65	59
1920, average.....	* 3,586	253	3,527	38,066	26,042	1,005	.....	.....	57.34	.....	+ 48	<sup>10</sup> 554
1921—												
January.....	3,553	268	3,429	37,913	25,600	1,204	.....	.....	59.16	995	+ 70	657
February.....	3,555	264	3,293	37,808	25,600	921	.....	.....	58.15	1,861	+ 181	591
March.....	* 3,556	267	3,103	38,435	26,200	972	<sup>11</sup> 220,344	.....	58.17	344	+ 111	556
April.....	* 3,566	271	3,018	38,211	26,000	1,248	.....	32,523	56.92	1,085	+ 66	600
May.....	* 3,570	272	3,041	38,233	26,200	1,004	.....	.....	57.15	<sup>11</sup> 892	+ 63	666
June.....	* 3,572	274	2,861	37,422	25,000	1,030	.....	.....	56.26	621	+ 45	582
July.....	* 3,573	275	3,252	36,941	25,100	1,242	229,055	35,268	56.35	2,345	+ 52	438
August.....	* 3,574	277	2,749	36,783	24,900	1,016	.....	.....	56.35	152	.....	.....

<sup>1</sup> End of month figures.<sup>2</sup> Includes Treasury and individual deposits.<sup>3</sup> Under the laws of Aug. 5 and Dec. 26, 1914, July 10, 1915, and Feb. 16, 1917.<sup>4</sup> From indirect taxation and Government monopolies.<sup>5</sup> Foreign debt converted to francs at par.<sup>6</sup> Last Wednesday in the month.<sup>7</sup> Figures of the "Association Nationale des Porteurs Francais de Valeurs Mobilieres." Bonds issued by the Government and the railroad companies not included.<sup>8</sup> Not including 1,978,000,000 francs held abroad from January through August and 1,948,000,000 francs from September through December.<sup>9</sup> Not including about 1,948,000,000 francs held abroad.<sup>10</sup> Average for 11 months.<sup>11</sup> Revised figure.

## ITALIAN FINANCIAL SITUATION.

[In millions of lire.]

	Leading private banks. <sup>1</sup>			Banks of issue.					Government finances.					
	Cash.	Loans, discounts, and due from correspondents.	Deposits and due to correspondents.	Loans and discounts.	Gold reserve.	Total reserve.	Deposits and demand liabilities.	Commercial circulation.	Circulation for account of the state.	State currency notes.	Treasury metallic reserve.	Short-term treasury bills.	Total public debt.	Principal revenues from taxation and monopolies during month. <sup>2</sup>
1913, end of December.	129	2,007	1,674	857	1,375	1,661	318	2,284	.....	499	117	.....	.....	.....
1920, end of—														
June.....	874	14,996	14,060	6,784	1,038	2,110	2,379	7,484	10,333	2,538	343	9,300	95,000	.....
July.....	.....	.....	.....	6,576	1,039	2,113	2,196	7,615	10,284	.....	.....	.....	.....	.....
1921, end of—														
January.....	1,193	17,113	16,392	6,931	1,058	2,046	2,635	8,673	10,591	.....	.....	.....	.....	822
February.....	1,016	16,842	15,961	7,158	1,062	2,007	2,351	8,619	10,308	.....	.....	.....	.....	1,210
March.....	1,067	17,096	16,425	7,144	1,062	2,043	2,461	9,233	9,532	.....	.....	.....	.....	1,606
April.....	1,165	17,162	16,694	7,040	1,066	2,138	2,349	8,677	9,601	.....	.....	.....	.....	1,309
May.....	1,021	17,489	16,645	6,951	1,070	2,105	2,198	8,809	9,219	2,546	.....	106,721	.....	607
June.....	.....	.....	.....	7,438	1,073	1,989	2,366	9,437	8,722	.....	.....	.....	.....	.....
July.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....

<sup>1</sup> Banca Commerciale Italiana, Banca Italiana di Sconto, Credito Italiano, Banco di Roma.<sup>2</sup> Revenues from state railways; from post, telegraph, and telephones; from state domain; from import duties on grain; and from Government sales of sugar are not included.

## GERMAN FINANCIAL SITUATION.

[Amounts in millions of marks.]

	Reichsbank statistics.				Darlehns- kassen- scheine in cir- culation.	Situation of the Government.				Value of new stock and bond issues placed upon the German market. <sup>3</sup>	Index number of securities prices. <sup>2</sup>
	Reserve.		Note cir- culation.	Deposits.		Receipts from taxes.	Floating debt.	3 per cent imperial loan. <sup>1</sup>	5 per cent war loan. <sup>1</sup>		
	Gold.	Reichs- und Darlehns- kassen- scheine.									
1913 average.....	1,068	32	1,958	668	.....	.....	75.90	.....	.....	.....	
1920, end of—											
July.....	1,092	17,874	55,969	17,282	13,328	1,995	60.64	98.50	.....	<sup>6</sup> 140	
August.....	1,092	18,686	58,401	15,772	13,266	1,983	60.80	98.70	.....	148	
1921, end of—											
January.....	1,092	22,810	66,621	15,834	11,341	6,741	67.00	99.50	2,042	179	
February.....	1,092	21,982	67,427	17,357	10,755	7,766	67.25	99.75	2,397	155	
March.....	1,092	23,836	69,417	28,043	10,168	6,846	67.60	99.70	894	<sup>7</sup> 163	
April.....	1,092	24,149	70,840	20,856	9,543	5,357	72.10	99.80	2,559	159	
May.....	1,092	14,362	71,839	14,093	9,043	6,108	72.10	99.75	1,468	166	
June.....	1,092	8,311	75,321	20,393	8,706	5,735	67.75	99.75	2,238	178	
July.....	1,092	5,398	77,391	15,814	8,358	5,566	77.00	99.80	1,507	195	
August.....	1,024	3,045	80,073	13,650	7,837	.....	76.00	99.90	1,228	222	

<sup>1</sup> Quotations of the Berlin Bourse.<sup>2</sup> Calculated by the Frankfurter Zeitung with the prices of 10 bonds and 25 stocks. Prices as of Jan. 1, 1920=100.<sup>3</sup> Compilation of the Frankfurter Zeitung.<sup>4</sup> As of June 1.<sup>5</sup> As of Aug. 3.<sup>6</sup> As of Aug. 2.<sup>7</sup> As of Apr. 2.

## SWEDISH FINANCIAL SITUATION.

[Values in millions of kronor.]

	Riksbank.		Joint-stock banks.		Protested bills. <sup>1</sup>		Business failures. <sup>1</sup>	Foreign exchange index. <sup>1</sup>	Index number of stock prices—A list. <sup>1</sup>
	Gold coin and bullion.	Note circulation.	Bills discounted with Riksbank.	Loans and discounts.	Number.	Value.	Number.	Foreign exchange value of the krona abroad (foreign currencies =100).	
1913, end of December.....	102.1	234.5	138.9	2,286.9	4,314	1.9	309	.....	258
1920, average.....	269.2	732.9	476.3	6,008.2	3,586	6.4	196	112.9	176
1920, end of—									
July.....	261.3	724.8	511.8	6,028.9	3,803	6.2	182	115.8	176
August.....	261.4	742.2	566.0	6,007.4	3,542	5.1	130	115.4	169
1921, end of—									
January.....	281.9	672.5	429.2	6,172.6	5,951	13.4	301	116.1	148
February.....	281.8	687.6	451.3	6,119.2	6,411	14.1	381	116.4	138
March.....	281.7	716.9	442.2	6,093.6	8,521	20.1	390	121.7	133
April.....	281.8	680.5	400.9	6,065.3	7,899	15.6	444	125.5	128
May.....	281.6	651.1	377.6	5,982.7	8,201	22.8	454	123.3	116
June.....	281.4	678.8	365.1	5,949.2	7,376	18.0	433	122.6	110
July.....	280.3	629.4	362.6	5,929.9	7,383	16.8	413	119.3	125
August.....	285.0	632.4	.....	5,937.1	.....	.....	.....	.....	.....

<sup>1</sup> Source: Kommersiella Meddelanden.

## JAPANESE FINANCIAL SITUATION.

[Amounts in millions of yen.]

	Bank of Japan.				Tokyo banks.		
	Private and Government deposits.	Loans and discounts.	Note circulation.	Specie reserve. <sup>2</sup>	Tokyo associated banks, total loans.	Tokyo bank clearings (total within the month).	Average discount rate (Tokyo market).
1920, end of— <sup>1</sup>							<i>Per cent.</i>
March.....	1,181	364	1,368	921	1,982	4,135	10.15
April.....	1,261	432	1,367	917	1,982	3,168	10.62
May.....	1,209	445	1,328	930	2,089	2,922	10.95
June.....	1,165	381	1,349	979	2,036	2,524	10.99
July.....	1,120	273	1,202	1,011	2,029	2,190	10.95
1921, end of—							
January.....	1,071	115	1,235	1,235	2,171	2,013	10.33
February.....	1,126	103	1,141	1,141	2,188	2,143	9.71
March.....	1,190	88	1,178	1,178	2,219	2,502	9.23
April.....	1,098	79	1,058	1,058	1,848	2,442	9.16
May.....	1,172	76	1,059	1,059	1,873	2,506	9.05
June.....	1,119	74	1,053	1,053	1,980	2,670	8.91
July.....					1,987	2,341	8.36
August.....					1,951	2,816	8.43

<sup>1</sup> In case of Tokyo banks, and note circulation and specie reserve of Bank of Japan, last day of month.<sup>2</sup> It is generally understood that in recent years a certain portion of the reserve has been held abroad. Specie reserve figures do not include bank's own notes held in the bank.

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# FEDERAL RESERVE DISTRICTS

