Agricultural and Business Conditions

IN THE TWELFTH FEDERAL RESERVE DISTRICT

Monthly Report to the Federal Reserve Board
by
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HARVESTING of the **crops** of the district was practically completed during November, permitting a preliminary estimate of the results of the year's operations in agriculture. The acreage planted to crops in 1922 was slightly smaller than in the previous year and on the whole yields were below those of 1921.

The Month

But crops were raised with a minimum of outlay for labor and materials, and the prices of farm products, with the exception of potatoes, rice, apples, raisins and hops, are now uniformly above those of a year ago, so that in many parts of the district the margin of return to the farmer has increased during the past year. Banks in the country districts, instead of expanding their borrowings from the Federal Reserve Bank throughout the harvesting and marketing period, have been steadily reducing them from a total of $34,000,000 on August 2nd to $18,000,000 on December 6th, a decrease of 47 per cent.

Commercial loans of reporting member banks in the principal cities of the district, on the other hand, have increased with the acceleration of business and industry during recent months. On December 6th, commercial loans of 66 reporting banks stood at $760,000,000, seven per cent above the low point of June 28, 1922. This increase of $48,000,000 was accompanied by a smaller increase of $22,000,000 in the borrowings of these city banks from the Reserve bank. Investments of the same banks did not decline during the period but increased by $17,000,000. Business, both at retail and at wholesale, was notably more active during November, 1922, than during November, 1921. **Department store sales** increased 14.5 per cent in value compared with last year, and exceeded sales during November of 1920 and 1919. All lines of **wholesale trade** reported increases in the value of their sales during November, 1922, compared with November, 1921. The increase was over 10 per cent in nine of the 10 reporting lines, and in agricultural implements, dry goods, furniture, groceries, hardware, shoes and stationery it was over 15 per cent. **Debits to individual accounts** in the banks of the district, omitting figures for San Francisco, where a decline of 2.9 per cent occurred, were 14.6 per cent larger during November, 1922, than during November, 1921. **Business failures,** although greater in number, were smaller in amount of liabilities than in the previous month or the same month a year ago. Liabilities of failures during November, 1922, were 35.5 per cent less than during November, 1921.

The **lumber** industry operated at normal capacity during November. The autumn market for lumber continued active longer than is customary and mills have announced that the usual winter shut-down will be brief. Production of the principal **metals** of the district is growing steadily. The improvement in the statistical position of copper has been noteworthy and on December 18th electrolytic copper was quoted at 14⅜ cents per pound in the New York market, compared with a price of 13¾ cents per pound one month ago and one year ago. The flow of **petroleum** from the oil wells of California during November again increased in volume faster than did consumption, which also increased, and stored stocks were 2,184,892 barrels larger at the close of the month than at its beginning. Industrial **construction** during the first 11 months of 1922 has been greater in value and volume than during the whole year 1921, according to figures assembled for seven large cities in the district. There was a seasonal decline in general building activity during November compared with October but present construction projects exceed those of a year ago both in number and value. Seasonal decreases in employment have been general throughout the district, but the amount of involuntary unemployment is relatively small.

Price movements during November were favorable to the majority of producers in this district, advances in the prices of many agricultural products greatly increasing the exchange value of the district's crops. The general price level, as shown by the index numbers of the United States Department of Labor, rose from 154 to 156 during the month, taking the price level in 1913 as 100.

Fall seeding of grains for the 1923 crop has been practically completed in this district. Recent general rains and snows have favored the growing grain, the present condition of which is reported to be satisfactory.

Grains

Marketing of 1922 crop wheat in the Pacific Northwest, which was accelerated by an advance in the price of wheat, continued to be hindered by car shortage during November. For the season beginning July 1, 1922, exports from the Pacific Northwest have been only one-half as large as last year, although slightly in excess of the small shipments of 1920.

WHEAT EXPORTS

	July 1st to December 1st		
	1922 (bushels)	1921 (bushels)	1920 (bushels)
Portland	10,185,835	21,267,987	8,872,783
Puget Sound.	2,616,814	4,160,252	2,847,752
Total	12,802,649	25,428,239	11,720,535

The completion of the harvest of the 1922 crop of wheat shows a slightly larger yield than was estimated earlier in the season. The December 1st estimate of the United States Department of Agriculture places the crop in this district at 99,280,000 bushels compared with an estimated yield of 96,659,000 bushels on October 1, 1922. According to revised final estimates 112,035,000 bushels were produced last year, an unusually large yield. Commercial factors report that 85 per cent of the 1922 crop of wheat in the major producing sections in the Pacific Northwest is out of the hands of the growers.

Domestic demand for wheat has been active and prices advanced during the past month. In the San Francisco market, hard white milling wheat, which was quoted at $1.26 to $1.32 per bushel ($2.10 to $2.20 per cental) on November 16th, advanced to $1.32 to $1.38 per bushel ($2.20 to $2.30 per cental) on November 21st, the quotation prevailing on December 15th.

During November, 1922, exports of barley from San Francisco totaled 412,976 centals (860,267 bushels), as compared with 1,394,819 centals (2,905,873 bushels)* shipped from that port during October, 1922. For the corresponding periods of the crop years 1922 and 1921 exports have been as follows:

BARLEY EXPORTS

	July 1st to December 1st	
	1922 (bushels)	1921 (bushels)
San Francisco............	11,559,376	13,287,234

*Latest available revised figures for October, 1922.

The San Francisco barley market was moderately active during the early weeks of November. Shipping barley was quoted at $1.52½ to $1.57½ per cental up to November 22nd, since when quotations have declined, shipping barley being quoted at $1.50 to $1.52½ per cental on December 6th.

Reporting flour mills of this district operated at 71.3 per cent of capacity during November, 1922, compared with 67.7 per cent of capacity during October, 1922, and 58.9 per cent of capacity during November, 1921 (see table "A"). Stocks of flour held by 16 reporting milling companies decreased from 404,240 barrels on November 1st to 366,620 barrels on December 1st. Stocks of wheat held by the same companies increased approximately 188 per cent during the month of November and are now over 200 per cent greater than stocks of wheat held on December 1, 1921.

Milling

Flour millers report that there has been little export demand for their product, but that do-

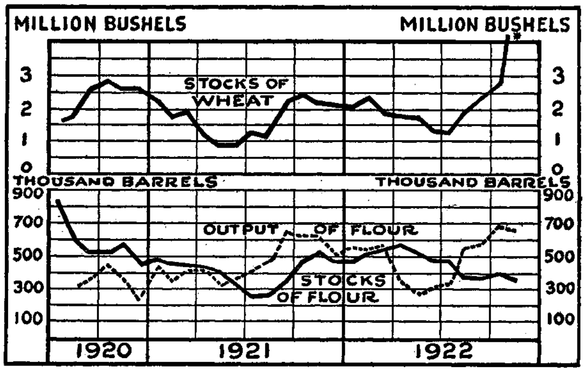
(A) Milling—

	No. Mills Reporting		Output		Per Cent Mill Capacity in Operation		
	Nov., 1922	Oct., 1922	Nov., 1922 (barrels)	Oct., 1922 (barrels)	Nov., 1922	Oct., 1922	Nov., 1921
California	10	10	368,512	344,117	83.0	81.1	68.6
Idaho	3	3	13,091	10,630	81.2	55.6	23.1
Oregon	15	15	180,761	166,312	92.0	54.7	50.9
Washington	16	17	384,034	389,851	69.5	68.0	58.1
District	44	45	946,398	910,910	71.3	67.6	58.9

mestic buying, especially on the part of bakers, has increased during the month. Price quotations for flour, as furnished by reporting millers, follow:

AVERAGE LIST PRICES FOR FLOUR, DECEMBER 1st
(per barrel)

	First Grade Family Patent		First Grade Bakers Patent	
	1922	1921	1922	1921
California	$7.87	$7.71	$7.63	$7.78
Oregon	7.60	7.00	7.35	6.55
Washington	7.31	6.91	7.00	6.85
District	7.59	7.21	7.33	7.06



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

*4,807,665 bushels.

Field Crops

Preliminary crop estimates of the United States Department of Agriculture showing the 1922 yields of 10 of the most important crops of this district and of the United States were released on December 15th. These figures, together with comparable December 1st estimates of crop production for the years 1921 and 1920 are reproduced in table "B."

The 1922 crop of **potatoes,** at 46,667,000 bushels, is more than two million bushels larger than was previously estimated. Increased yields are reported from other sections of the United States and in the face of this large supply prices have been low. Not all of the potatoes produced are being marketed, many growers allowing the crop to remain in the ground rather than incur the additional expense of digging and marketing it at prevailing prices.

The **cotton** crop of the district has declined from 106,000 bales, estimated on September 1st, to 76,000 bales on December 1st. Excessive heat in the Imperial Valley of California and early frosts and insect depredations in Arizona have caused this reduction. Approximately 31,000 bales of Pima long staple cotton are included in the December 1st estimate. Picking and ginning of cotton has proceeded under favorable conditions, the supply of pickers being adequate and wages the same or slightly higher than one year ago. The United States Department of Commerce figures on the ginning of cotton in California and Arizona up to December 1st of this year and last year follow:

COTTON GINNING TO DECEMBER 1st

	1922 (bales)	1921 (bales)
Arizona	28,247	25,791
California	17,195	15,737
Total	45,442	41,528

Commercial factors report that growers were receiving 33 cents per pound for number 2 Pima cotton on December 1st. One year ago growers were receiving 30 cents per pound for the same type and grade of cotton. Between one-third and one-half of the crop of long staple cotton has been reported sold at prevailing prices. Short staple cotton was selling for 25 to 27 cents per pound at growers' shipping points during the first week of December, an advance of approximately 5 cents per pound over prices paid on December 1, 1921. This cotton is being disposed of practically as fast as it is ginned and it is reported that more than one-third of the crop has already been sold.

More than 90 per cent of the California **rice** crop, amounting to 8,260,000 bushels, or 3,717,000 bags of 100 pounds each, has now been harvested and placed in warehouses. Rains

(B) Grains and Field Crops—Twelfth Federal Reserve District and the United States*—

		Twelfth Federal Reserve District—Forecasted Yield December 1st			United States—Forecasted Yield December 1st		
Crop	Unit	1922	1921	1920	1922	1921	1920
Wheat	bushels	99,280	122,045	100,232	856,211	794,893	833,027
Barley	"	45,358	39,148	38,703	186,110	151,181	189,332
Oats	"	30,126	34,343	35,482	1,229,774	1,060,737	1,496,281
Hay	tons	15,456	16,115	14,082	112,791	96,802	105,351
Potatoes	bushels	46,667	35,371	39,445	451,185	346,823	403,296
Rice	" †	8,260	5,880	9,720	41,965	35,105	52,066
Beans	"	5,166	3,902	2,925	11,893	9,118	9,077
Hops	pounds	25,910	28,560	33,330	25,910	29,140	34,280
Cotton	bales	76	90	185	9,964	7,954	13,440
Sugar Beets	tons	1,137	2,496	2,867	5,243	7,678	8,546

*000 omitted.
†One bushel of paddy rice contains approximately 45 pounds.

during November damaged a small amount of sacked rice which had not yet been removed from the fields but most of this rice has been reconditioned and will be saleable. Early season sales, both by the Rice Growers' Association and by independent growers, have been made at prices ranging from $2.20 to $2.40 per 100 pounds for number 1 paddy rice. The market for cleaned California rice, both on the Pacific Coast and in the principal export markets, Japan, Hawaii, and Porto Rico, has been inactive.

Aided by favorable weather conditions, harvesting of the 1922 crop of **sugar beets** has been completed in all growing areas except certain sections of Utah where heavy snows have hindered beet digging. The latest available estimate of the crop, 1,137,000 tons, is less than one-half of the 1921 crop of 2,496,000 tons.

Fruits

Estimates of the 1922 commercial **apple** crop in this district remain unchanged at 34,713,000 bushels, as compared with the 1921 crop of 38,825,000 bushels. Movement of apples from this district to date has been unusually slow. Shipments early in the season were impeded by an inadequate supply of freight cars and have recently been curtailed because producers are dissatisfied with the prices for apples prevailing in nearly all markets. Prices in Eastern markets have been depressed this autumn by the abundance of locally grown fruit available for sale. Although the 1922 crop of apples in this district is smaller than the 1921 crop, holdings of boxed apples in storage on December 2, 1922, were nearly double the amount held in storage on the same date a year ago, as shown by the following estimates:

Movement of Boxed Apples from Twelfth District

	1922 (cars)	1921 (cars)
Total commercial crop	44,800*	51,123
Shipments, July 1 to December 2	23,788	39,793
Remaining in storage in the District	21,012*	11,330

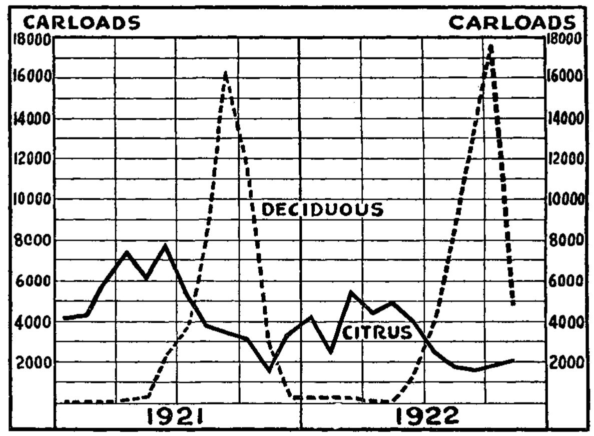
*Based on December 1st estimates of commercial crop.

Late varieties of apples held in common storage in this district are reported to be in good condition. The intermediate varieties, in many cases, have been held beyond their usual shipping dates and their condition is unsatisfactory. Commercial factors state that large supplies of Eastern apples, which had been placed in storage, are being marketed rapidly to avoid deterioration. Prices obtained for Northwestern boxed apples have advanced somewhat during the past month, Winesaps selling for $1.65–1.75 per box during the period November 16th to 30th, as compared with $1.60–1.65 during the period November 1st to 15th and $2.00–2.15 per box during the period November 16th to 30th a year ago.

Shipments of **citrus fruit** from California during November, 1922, were slightly greater than during November, 1921, as shown by the following table:

	November 1 to 30 (inclusive) 1922 (cars)	1921 (cars)
Oranges	1,707	1,667
Lemons	394	387
Total citrus fruits	2,101	2,054

The Navel orange crop has matured slowly this year and the fruit has not yet been shipped in sufficient quantity to establish definitely the trend of the market. Both the late Valencias and the early Navel oranges, however, have been forced this season to meet increased competition in Eastern markets from Florida, Alabama, Louisiana, Texas and Porto Rico oranges. Prices during November, 1922, were considerably lower than during October, 1922,



California Fruit Shipments, 1921-1922

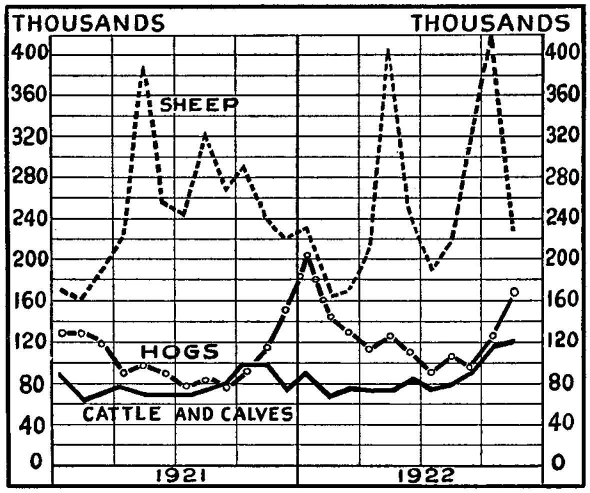
or November, 1921. A shortage in the supply of lemons during October resulted in the maintenance of lemon prices at high levels during November. Preliminary average returns to members of the California Fruit Growers Exchange for citrus fruits marketed during November, 1922, as compared with average returns in October, 1922, and November, 1921, were reported as follows:

	November, 1922 (per box)	October, 1922 (per box)	November, 1921 (per box)
Oranges	$2.34	$4.30	$4.14
Lemons	6.78	6.62	2.51

Livestock

Range conditions throughout the district were greatly improved by the rains and light snows of November and early December. The weather continued comparatively mild in most sections and livestock generally are reported to have entered the winter season in good condition. Winter feeding has begun and with few exceptions supplies of hay are ample.

Receipts of cattle and hogs at the principal markets of the district during November, 1922, were much larger than during November, 1921, and slightly in excess of receipts during October, 1922. Receipts of hogs during November, 1922, were 51 per cent greater than during November, 1921, and for the first time in many months a considerable part of the hog shipments originated within the district. Receipts of sheep during November, 1922, not only declined seasonally from the figures of October, 1922, but were also slightly lower than receipts during November, 1921.



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

The market for stocker and feeder animals continues to gain strength, especially in the Pacific Northwest, where the demand is strong for both cattle and sheep. Buyers from Washington and Idaho are taking the majority of the animals sold.

Figures showing the receipts of livestock and the trend of prices in the principal markets of the district during November, 1922, are presented in tables "C" and "D."

Dairy Products

Withdrawals of butter from cold storage in the four principal markets of this district during November, 1922, totaled 961,216 pounds, compared with withdrawals of 822,294 pounds in October, 1922, and 36,617 pounds in November, 1921. Large importations of butter from Australia, which resulted in a brief period of depression in Pacific Coast butter markets, were responsible for the small withdrawals of November, 1921 (see table "E" and the accompanying chart). Production of butter in California is now increasing and several carloads have been shipped to Eastern markets in

(C) *Receipts of Livestock—*

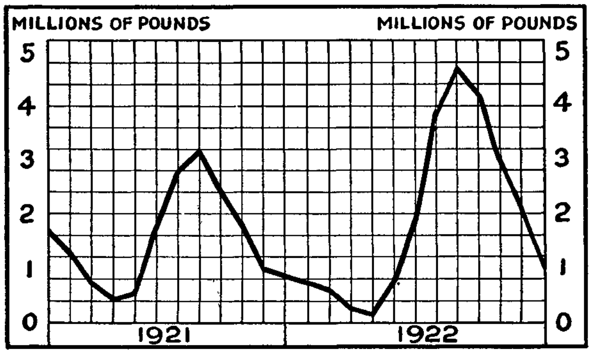
	Cattle		Calves		Hogs		Sheep		Horses and Mules	
	Nov., 1922	Nov., 1921	Nov., 1922	Nov., 1921	Nov., 1922	Nov., 1921	Nov., 1922	Nov., 1921	Nov., 1922	Nov., 1921
*Los Angeles	21,097	19,097	9,836	7,364	43,613	29,832	39,214	47,500	...	...
Ogden	20,180	15,961	682	195	23,424	16,181	29,787	48,254	102	5
Portland	13,252	7,785	1,131	773	20,192	10,087	11,072	14,089	...	...
Salt Lake City	15,530	7,832	250	73	8,079	5,668	49,171	36,294	433	86
*San Francisco	17,910	22,825	6,351	4,119	42,850	33,020	69,847	74,921	...	...
Seattle	3,559	3,392	129	113	14,365	2,974	9,312	7,771	39	17
Spokane	9,004	5,683	318	841	6,650	2,833	15,139	3,809	41	45
Tacoma	2,432	1,995	224	417	7,900	8,043	4,549	8,203	...	...
Twelfth Dist.	102,964	84,570	18,921	13,895	167,073	108,638	228,091	240,841	615	153

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

(D) *Weekly Average Price Quotations for Best Grade Livestock—*

	Prime Steers — Week Ending				Light Hogs — Week Ending				Choice Lambs — Week Ending			
	Nov. 11	Nov. 18	Nov. 25	Dec. 2	Nov. 11	Nov. 18	Nov. 25	Dec. 2	Nov. 11	Nov. 18	Nov. 25	Dec. 2
Los Angeles	$8.00	$7.87	$7.83	$7.75	$10.75	$10.56	$ 9.56	$ 9.21	$13.50	$13.50	$13.50	$13.50
Ogden	6.75	6.75	6.58	6.50	7.97	7.91	7.42	7.80	11.30	11.51	11.43	11.48
Portland	7.25	7.25	7.25	7.00	9.61	9.48	9.44	9.25	11.00	11.16	11.75	11.50
Salt Lake City	6.41	6.62	6.56	6.25	8.00	8.23	7.73	7.72	11.54	11.75	12.01	12.12
San Francisco	7.87	7.87	7.87	7.87	11.00	11.00	11.00	10.70	13.25	13.50	13.75	13.75
Spokane	6.62	6.62	6.62	6.62	9.25	9.25	8.34	8.65	9.87	9.87	10.29	10.70

response to advancing prices there. In the San Francisco market, the price of 93 score butter rose from 43½ cents per pound on November 14th to 49½ cents per pound on December 12th. On December 1, 1921, the price of 93 score butter in the same market was 42½ cents per pound.



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

Prices paid producers for raw milk advanced slightly during November. Compared with November, 1921, raw milk prices have advanced four cents per 100 pounds both in the Intermountain states and on the Pacific Coast (see table "F"). It is reported that producers of condensed and evaporated milk have been unable to obtain a supply of raw milk, at prices in line with prevailing prices for their products, sufficient to satisfy present production requirements. As a result, their production has declined and stocks have been reduced. On November 1, 1922, stocks of condensed and evaporated milk in the United States were estimated to be 50 per cent lower than on November 1, 1921. An active demand for both condensed and evaporated milk existed throughout November and prices have risen, although they are still below the quotations of a year ago.

Holdings of cold storage eggs in five markets of the district were reduced by more than 200,000 cases during November, as shown by the following figures:

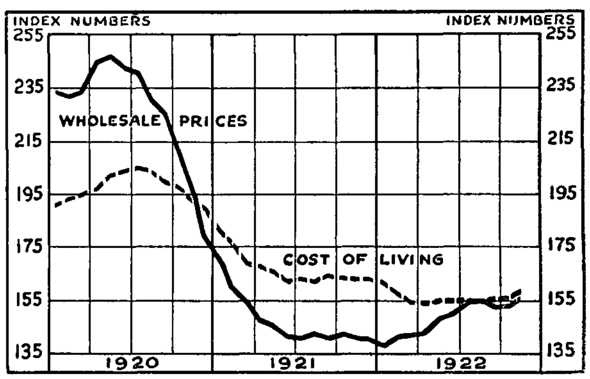
COLD STORAGE HOLDINGS OF EGGS

	Dec. 1, 1922 (cases)	Nov. 1, 1922 (cases)	Dec. 1, 1921 (cases)
Twelfth District....	73,183	282,576	89,982

Extra grade fresh California eggs, which were quoted at 56¾ cents per dozen on November 14th in the San Francisco market, advanced to 60¾ cents per dozen on November 16th, but had declined to 53¾ cents per dozen on December 12th.

Prices

The upward movement of prices continued during November. The price index of 20 basic commodities constructed by the Federal Reserve Bank of New York advanced from 148.0 on November 4th to 149.6 on December 2nd, an increase of 1.3 per cent during the month. This index now stands 23.3 per cent above the low point, 121.4, reached in June, 1921. The general level of wholesale prices, as reflected by the index number of the United States Department of Labor, also advanced 1.3 per cent during November and now stands at 156 compared with 154 a month ago and 141 a year ago. The National Industrial Conference Board index number of the cost of living for November, 1922, was 158.4. The index number for October, 1922, was 157.1 and for November, 1921, it was 163.0.



Wholesale Prices and the Cost of Living, 1920-1922

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

(E) *Movement of Stocks of Cold Storage Butter—*

	Nov. 1922 Net Decrease (pounds)	Nov. 1921 Net Decrease (pounds)	Dec. 1, 1922 Holdings (pounds)	Dec. 1, 1921 Holdings (pounds)
Los Angeles...	247,344	44,316*	336,550	324,611
Portland	179,923	50,480	195,205	46,517
San Francisco..	304,764	35,643*	371,309	412,292
Seattle	229,185	66,096	275,396	72,546
Totals	961,216	36,617	1,178,460	855,966

*Increase.

(F) *Prices Received by Milk Producers**—

Section†	Nov., 1922 Range	Nov., 1922 Average	Oct., 1922 Average	Nov., 1921 Average
Mountain (7 Mkts.)....	$1.66–2.80	$2.16	$2.15	$2.12
Pacific (7 Mkts.).....	1.92–3.37	2.66	2.51	2.62
U. S. (93 Mkts.)......	1.40–4.81	2.48	2.39	2.54

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

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

In this district the movement of prices during the month favored the majority of crop farmers and the sheepmen but was unfavorable to cattle and hog producers. Prices of sheep and lambs advanced during November both in the local markets and in the livestock marketing centers of the Middle West. Wheat prices gained approximately 2½ cents per bushel during the month and prices for barley, cotton, sugar and wool all advanced. Hogs were in heavy supply on most markets and prices declined. Fancy Japan California rice was quoted at $4.75 per hundred pounds on December 1st, compared with $5.00 per hundred pounds on November 1st. The price of oranges fell sharply both on this Coast and in Eastern markets. Quotations on all agricultural products listed, with the exception of rice, apples and raisins, were higher than one year ago.

Of the non-agricultural products, advance in the price of copper from 13¾ cents on November 1st to 14⅜ cents on December 18th has been a noteworthy feature of recent price movements.

Lumber

Production of lumber in this district during November, 1922, was estimated at 100 per cent of normal mill capacity, compared with 110 per cent during October, 1922, and 75 per cent during November, 1921. Stocks of lumber held at many producing centers on December 1, 1922, were reported to be lower than holdings one year ago despite the heavy production of lumber during the past 10 months and the more recent curtailment of shipments resulting from the shortage of freight cars. Mills are now preparing for the usual brief shut-down during the holiday season. Figures showing the percentage increase or decrease in activity of 157 reporting mills in the four lumber associations in this district follow:

	November, 1922 compared with November, 1921*	November, 1922 compared with October, 1922†
Production	+46.5	— 8.3
Shipments	+ 8.8	— 5.8
Orders	+21.1	+ 9.0
Unfilled Orders	+43.5	+15.7

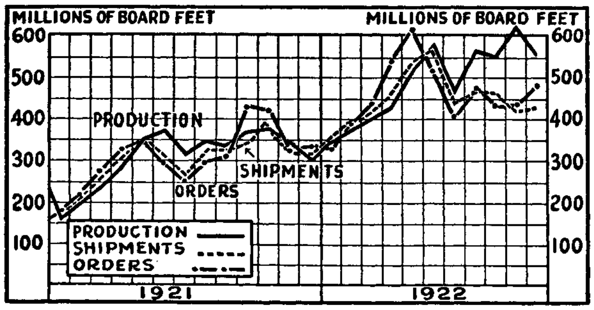
*November, 1921, figures based on 160 mills.
†October, 1922, figures based on 147 mills.

(G) Commodity Prices—

Commodity		Unit	Dec. 1, 1922	One Month Ago	One Year Ago
Twenty Basic Commodities (F. R. B. of N. Y.) 1913=100			149.6	148.0	128.3
Wholesale Prices (U. S. Bureau of Labor*) 1913=100			156	154	141
Cost of Living (National Industrial Conference Board) July, 1914=100			158.4	157.1	163.0
Cattle (Native Beef)	Weekly average price at Chicago	100 lbs.	$9.65	$10.30	$7.30
Sheep	Weekly average price at Chicago	100 lbs.	7.00	6.65	4.35
Lambs	Weekly average price at Chicago	100 lbs.	14.35	13.40	9.90
Hogs	Weekly average price at Chicago	100 lbs.	8.15	8.20	6.90
Wheat	Chicago contract prices for December Wheat	bu.	1.18½–1.20	1.16–1.17⅝	1.10½–1.14¼
Barley	Shipping Barley f. o. b. San Francisco	cental	1.50–1.55	1.45–1.55	1.40–1.55
Rice	California Fancy Japan at San Francisco	cental	4.75	5.00	5.25
Cotton	Middling Uplands—Weekly range of spot quotations at New Orleans	lb.	25.25–25.62¢	23.25–24.00¢	16.75–17.00¢
Wool	Average of 98 quotations at Boston	lb.	78.43¢	76.84¢	43.27¢
Sugar	Beet granulated f. o. b. San Francisco	100 lbs.	7.45	7.20	5.20
Apples	Extra Fancy Winesaps f. o. b. Pacific Northwest	box	1.65–1.75	1.60–1.75	2.00–2.15
Oranges	Valencias, special brands, Los Angeles	box	6.00–7.00	10.00–11.00	4.75–5.75
Lemons	Special Brands, Fancy, at Los Angeles	box	8.00–9.50	9.00–10.00	4.00
Dried Apples	Choice in 50-lb. boxes f. o. b. California	lb.	.09¼	.10½	.12¾
Dried Apricots	Choice in 25-lb. boxes f. o. b. California	lb.	.23–.24	.23–.24	.19–.21
Prunes	Size 40/50 in 25-lb. boxes f. o. b. Calif.	lb.	.12¼	.12¼–.12½	.11¼–.11½
Raisins	Loose Muscatel in 25-lb. boxes f. o. b. California	lb.	.11	.11	.15
Canned Apricots	Choice 2½s f. o. b. California	doz.	3.25	3.25	3.00
Canned Peaches	Cling, Choice, 2½s f. o. b. California	doz.	2.60	2.60	2.60
Canned Pears	Bartlett, Standard 2½s f. o. b. California	doz.	2.85	2.85	3.00
Butter	93 score at San Francisco	lb.	.45½	.46½	.42½
Eggs	Extras—San Francisco	doz.	.59	.59½	...
Copper	Electrolytic; New York Spot	lb.	.13⅞	.13¾	.13¾
Lead	New York Spot	lb.	7.375¢	7.125¢	4.70¢
Petroleum	California 35° and above	bbl.	1.95	1.95	2.45
Douglas Fir	2x4, 16-ft. No. S1S1E f. o. b. Seattle	M ft.	20.50	20.50	11.50
Douglas Fir	12x12 Timbers f. o. b. Seattle	M ft.	20.00	20.00	14.00

*Revised figures.

Car shortage continued as a dominant factor in the lumber market during the greater part of November. The peak of the shortage in the Pacific Northwest was passed about November 15th, since when the decreasing needs of shippers of agricultural products have released equipment for lumber shipments; but on December 15th the supply of cars was still inadequate. Tidewater mills are shipping practically their entire cut by water and these mills are reported to be having no difficulty in disposing of a capacity output. Shipments to the East



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

Coast of the United States by way of the Panama Canal were heavy during November. In general, prices on the various grades of Pacific Coast lumber remained unchanged during the month. Compared with prices one year ago, November, 1922, prices show an increase in most items.

The shingle branch of the lumber industry was more active during November than during October. Production during the early part of the month was approximately 50 per cent of the capacity of Pacific Northwestern shingle mills.

Log production in the Pacific Northwest during November, 1922, was maintained at the high level of the previous month when a capacity output was reported. Continued double-shift operation of saw mills in some sections prevented the November accumulation of logs from attaining its usual large proportions but stocks were increased nevertheless. On December 1st the supply of logs was deemed adequate for current needs of mills now in operation. In the territory west of the Cascade Mountains, logging camps at the higher elevations are preparing to close, as winter storms are already interfering with operations. East of the mountains, camps are being opened for winter logging.

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

Activity in the mineral producing sections of the district, which has been a feature of the industrial situation for the past six months, continued during October, with reported

Mining

production and shipments of the principal non-ferrous metals greatly in excess of the figures for October a year ago. Figures showing the national production of copper, silver and zinc, three of the most important metals produced in this district, are shown in the following table, which compares the output during October, 1922, with September, 1922, and October, 1921:

	Oct., 1922	Sept., 1922	Oct., 1921
Copper (lbs.) (mine production)	103,881,223	96,407,992	24,613,754
Silver (oz.) (commercial bars)	5,160,732	5,324,873	4,724,382
Zinc (tons) (slab)	39,940	33,134	14,538

Reports received from mine operators in Idaho indicate that the lead and silver mines of that state are operating at approximately 80 per cent of normal capacity. One year ago they were operating at 65 per cent of normal capacity. The silver mines of Nevada have maintained operations at approximately 90 per cent of capacity throughout the past year, the lack of fluctuation in production being a reflection of the fixed price of $1.00 an ounce paid by the government, under the Pittman Act, for silver from domestic mines. The copper mines of

(H) Lumber—	*West Coast Lumbermen's Association*		*Western Pine Manufacturers' Association*		*California White and Sugar Pine Manufacturers' Association*		*California Redwood Association*		*TOTAL*	
	Nov., 1922	Nov., 1921	Nov., 1922	Nov., 1921	Nov., 1922	Nov., 1921	Nov., 1922	Nov., 1921	Nov., 1922	Nov., 1921
Average No. of Mills Reporting.	96	96	43	45	6	7	12	12	157	160
Cut*	317,857	241,865	122,801	50,701	24,089	16,308	47,381	40,483	512,128	349,357
Shipments*	238,762	206,432	72,127	76,050	22,521	20,577	37,963	38,012	371,373	341,071
Orders*	280,025	215,984	90,975	81,950	18,769	14,788	39,692	41,659	429,461	354,381
Unfilled Orders*...	310,152	232,328	121,000	60,100	..	..	48,728	41,800	479,880	334,228

*In thousands of feet.

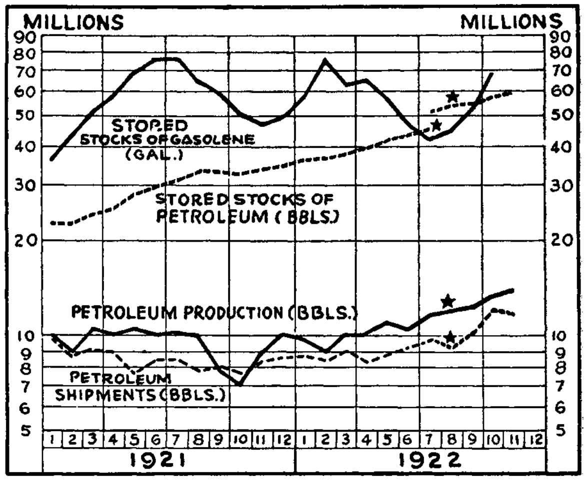
Arizona and Utah operated at about 66 per cent of normal during October and November, whereas one year ago they were producing less than 20 per cent of their normal output. In October, 1922, the production of copper at 9 of the 13 principal copper mines now operating in this district was 35,757,000 pounds compared with 32,891,000 pounds produced in September, 1922. In October, 1921, the production of the three mines then producing metal was 7,772,000 pounds. A slight increase in activity in the deep gold mines of California has been noted during the past few months. Reporting mines and dredges operated at 100 per cent of capacity during November, 1922.

Average prices quoted for copper, lead and zinc during November, 1922, continue well above the prices of one year ago. The most noteworthy advance has been in the price of lead, the November, 1922, average being 7.04 cents per pound compared with an average of 4.68 cents per pound in November, 1921. Although the average price of copper in November, 1922, was slightly below that of October, 1922, the market strengthened during the last days of the month and on December 18th copper was quoted at 14⅜ cents per pound.

	Average Prices Nov., 1922 (cents)	Oct., 1922 (cents)	Nov., 1921 (cents)
Copper (lb.)			
New York Electrolytic..	13.84	13.88	13.28
Lead (lb.) New York.....	7.04	6.53	4.68
Silver (oz.)			
New York Foreign.....	65.17	68.01	68.23
Zinc (lb.) St. Louis.......	7.10	6.84	4.66

Petroleum

Production of petroleum in California continued to increase during November, 1922, the average daily output being 467,851 barrels compared with an average daily output of 432,885 barrels during October, 1922. Compared with November, 1921, average daily production during November, 1922, was larger by 174,528 barrels or 59.4 per cent. Daily consumption of petroleum indicated during November, 1922, was 395,021 barrels, an increase of 4,421 barrels per day compared with the previous month. November production exceeded consumption by 72,830 barrels per day and stored stocks were increased until they stood at 59,754,724 barrels on December 1st. With the exception of the months of September and October, 1921, when the oil workers' strike in the San Joaquin Valley oil-fields greatly curtailed production, stored stocks of petroleum held in California have increased during each month since December, 1920, at which time they amounted to 22,240,271 barrels. Seventy-one new wells were completed during November and 22 wells abandoned, a net increase of 49 producing wells during the month.



CALIFORNIA

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

*See footnote to Table "I".

Stocks of gasoline held at refineries in California on November 1, 1922, totaled 69,187,603 gallons, compared with 53,634,199 gallons held on October 1, 1922, and were 19,529,577 gallons or 39.3 per cent larger than stocks on November 1, 1921.

(*I*) *Petroleum**—

	November, 1922	October, 1922	November, 1921
Production (daily average)........................	467,851 bbls.	432,885 bbls.	293,323 bbls.
Indicated Consumption (daily average)............	395,021 bbls.	390,600 bbls.	335,967 bbls.
Stored Stocks (end of month)......................	59,754,724 bbls.	57,569,832 bbls.	22,240,271 bbls.
New Wells Completed............................	71	84	58
With Daily Production...........................	78,165 bbls.	67,203 bbls.	16,625 bbls.
Wells Abandoned	22	17	9

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

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

Greater activity of production has been indicated by sales of electric power for industrial purposes during each month since May, 1922.

Electric Energy

The increase for October, the latest month for which figures are available, compared with October, 1921, was 17.2 per cent, the largest percentage increase over 1921 yet reported. All sections of the district and all of the specific industries for which reports are received, except mining, participated in the increase. The decrease in sales to the mining industry, 4.8 per cent, was due to the restriction of power production and sale in Arizona because of low water in the Roosevelt Reservoir, and not to any decrease of activity in the mining industry itself. Eliminating the figures for Arizona, sales of power to the mining industry during October, 1922, were 5.7 per cent greater than during October, 1921. In Utah, Idaho and Nevada the combined increase in sales to mining companies was 57.4 per cent. Sales of power for industrial purposes by certain industries and by sections of this district are compared in the following percentage table:

Percentage Increase or Decrease, October, 1922, compared with October, 1921

	Agriculture	Mining	Manufacturing	Total Industrial Sales
California	+ .3	— 6.3	+23.1	+13.9
Pacific Northwest	+ 52.4	+24.8	+20.7	+ 8.2
Intermountain ...	+116.2	—19.5	+27.8	+60.4
Twelfth District..	+ 2.5	— 4.8	+22.5	+17.2

Compared with September, 1922, sales of electric power to industrial consumers during October declined 41.2 per cent, largely because of the reduced needs of agricultural consumers. The lumber industry in the Pacific Northwest and the oil industry in California used more power during October, 1922, than during the previous month. Detailed figures as reported by 20 of the principal power companies of the district are presented in table "J."

Workers in the seasonal occupations of the district are now being released and employment has decreased accordingly. Compared

Employment

with November, 1921, however, the record of the past month shows a large increase in employment in all sections and in practically all industries of the district.

In November, for the second consecutive month, there was a decrease in employment in Oregon and Washington. The closing of the salmon fishing season and the completion of harvesting operations have greatly reduced the number of unskilled laborers employed in these states. Employment in the lumber industry of the Pacific Northwest also decreased slightly during November, due both to seasonal influences and to the curtailment of operations resulting from the shortage of cars for shipment of lumber. Compared with November, 1921, there was a large increase in employment of all classes of labor. The number of workers employed in the 10 principal lumbering districts of Idaho, Oregon and Washington was approximately 80,000 on December 1, 1922, compared with 58,000 on December 1, 1921, an increase of 37 per cent during the year.

In California there was a decline in the number of unskilled workers employed during November, due to the cessation of activity in many

(J) Electric Energy—

(1) Production—

	Plant Capacity K. W.			Peakload K. W.			Plant Output K. W. H.		
	October, 1922	September, 1922	October, 1921	October, 1922	September, 1922	October, 1921	October, 1922	September, 1922	October, 1921
California (8 companies reporting)	1,048,045	1,048,045	974,345	803,187*	794,930*	693,716*	333,036,757	345,052,610	294,390,281
Pacific Northwest (6 companies reporting).	367,235	365,735	355,175	209,100*	187,050*	188,219*	119,765,916	111,986,204	105,599,669
Intermountain States (6 companies reporting).	229,647	232,197	226,128	133,028*	142,924*	107,797*	68,571,105	76,244,939	49,760,330
Twelfth District (20 companies reporting).	1,644,927	1,645,977	1,555,648	1,145,315*	1,124,904*	989,732*	521,372,778	533,283,753	449,750,280

(2) Sales—

	Number of Industrial Consumers			Connected Industrial Load H. P.			Industrial Sales K. W. H.		
	October, 1922	September, 1922	October, 1921	October, 1922	September, 1922	October, 1921	October, 1922	September, 1922	October, 1921
California	54,715	53,624	47,264	1,726,833*	1,733,384*	1,556,856*	214,319,020	237,010,256	188,099,672
Pacific Northwest	11,158	11,013	10,342	180,941*	164,231*	174,209*	67,865,504	68,092,305	62,708,270
Intermountain States ..	10,612	10,533	9,736	285,520*	283,873*	261,335*	44,055,021	55,693,948	27,449,183
Twelfth District	76,485	75,170	67,342	2,193,294*	2,181,488*	1,992,400*	326,239,545	360,796,509	278,257,125

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

outdoor occupations, particularly in agriculture. There was noted in that state during the month the beginning of the usual winter influx of unskilled migratory laborers from other parts of the country. There was no decline in building activity in California and building trades artisans were in demand in all parts of the state. Public employment offices in eight cities of California reported a decrease of 27.6 per cent in the number of placements made during November, 1922, compared with October, 1922. Compared with November, 1921, the number of workers placed increased 90.4 per cent.

Employment conditions in the Intermountain states, Arizona, Idaho, Nevada and Utah, changed little during November. Decreased employment in some industries was offset by increased employment in other industries, notably mining, and building construction. Farm labor throughout the Intermountain section was generally well employed harvesting the late crops, particularly sugar beets. Picking and ginning of the cotton crop in the Salt River Valley of Arizona was in progress and provided employment for approximately 4,000 workers.

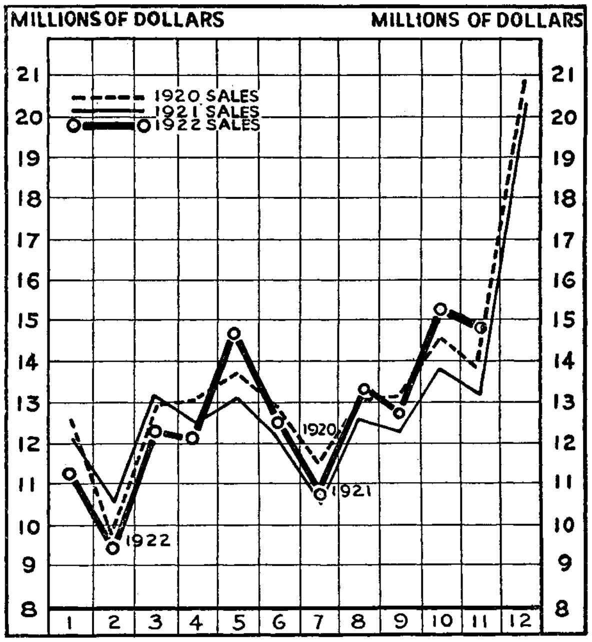
Employment in manufacturing industries during November, 1922, compared with October, 1922, decreased in Portland and Seattle and increased in Los Angeles and San Francisco, according to figures compiled by the United States Employment Service of the Department of Labor. Compared with November, 1921, there was an increase in the number of men employed in Los Angeles, San Francisco and Seattle. Figures showing the total number of workers on the payrolls of 40 manufacturing firms usually employing 501 men or more are given in the following table:

	Number of Firms	Number of Men on Payroll* — Nov. 30, 1922	Oct. 31, 1922	Nov. 30, 1921
Los Angeles	16	29,161	28,822	22,027
Portland	8	7,494	7,680	7,993
San Francisco	10	7,050	6,812	6,643
Seattle	6	2,331	2,417	2,274
Total	40	46,036	45,731	38,937

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

Sales of 33 department stores in eight cities of this district were 14.5 per cent greater in value during November, 1922, than during November, 1921, and only 3.0 per cent less than during October, 1922. The increase compared with one year ago is the largest reported this year with the exception of the month of May when many special sales were held in all of the cities represented. For the second consecutive month the value of sales was greater than during the same month in any of the past three years. Retail prices have shown only a slight upward movement in the year period November, 1921, to November, 1922, and an increase of 14.5 per cent in the value of sales undoubtedly represents a marked increase in the quantity of goods now being sold compared with one year ago.

Retail Trade



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

The decline in the value of sales during November, 1922, compared with October, 1922, was less than the usual seasonal decline during this month which lies between the periods of early fall and holiday buying.

A statistical record of the movement of stocks and outstanding orders follows:

	Percentage increase or decrease (—) in the value of stocks at end of month compared with same month of previous year	Percentage outstanding orders at end of month to total purchases during year 1921	Annual rate of turnover of stocks indicated at end of month
January, 1922	3.4	8.9	2.4
February, 1922	—4.3	10.3	2.3
March, 1922	—2.4	9.5	2.3
April, 1922	—4.3	7.2	2.4
May, 1922	—9.0	9.1	2.6
June, 1922	—1.9	11.2	2.5
July, 1922	—1.4	10.7	2.4
August, 1922	—7.6	10.6	2.6
September, 1922	—5.6	7.9	2.6
October, 1922	—4.7	10.7	2.7
November, 1922	—2.5	9.8	2.7

Collections were characterized by reporting firms as follows:

	Excellent	Good	Fair	Poor
No. of reporting firms....	4	10	7	0

Table "K" gives in detail statistics in regard to sales, stocks and outstanding orders as furnished by 33 department stores in this district.

Wholesale Trade

All lines of wholesale trade for which this bank assembled figures reported an increase in value of sales during November, 1922, compared with November, 1921. In nine of the 10 lines increases of 10 per cent or more were reported and in seven lines the increase exceeded 15 per cent. The general level of wholesale prices has advanced during the past year, the all commodities index of the United States Department of Labor having risen from 141 to 156 or 10.6 per cent; but after making allowance for this advance in prices, the present physical volume of business appears to be greater in all lines than it was one year ago. Reporting wholesale automobile tire firms have shared in this increase in business although they reported an increase of only 4.3 per cent in the value of their sales during November, 1922, compared with 1921. Contrary to the general trend of prices, prices of automobile tires are now approximately 30 per cent below the levels of one year ago and an increase in value of sales, although slight, therefore represents an increase in the physical volume of sales.

Compared with October, 1922, the value of sales during November, 1922, declined in all lines except dry goods. This is a normal seasonal movement.

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

	Nov., 1922 compared with Nov., 1921	Nov., 1922 compared with Oct., 1922	Eleven months ending Nov. 30, 1922 compared with same period in 1921
Agricultural Implements.	16.7	—23.8	1.4
Automobile Supplies.....	12.2	— 3.5	— .4
Automobile Tires........	4.3	—18.6	— 8.8
Drugs	10.9	— 4.3	4.1
Dry Goods..............	19.3	2.6	4.8
Furniture	15.2	— 4.6	7.5
Groceries	24.4	— 7.8	4.2
Hardware	24.9	— 4.3	14.1
Shoes	17.1	— 4.8	.1
Stationery	22.4	— 9.2	2.7

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

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

	Number of Firms	1922	1921
Agricultural Implements....	3	31.2	..
Automobile Tires..........	11	24.1	25.6

Percentage of Outstandings December 1, 1922, to November, 1922, Sales

	Number of Firms	1922	1921
Groceries	20	120.6	125.9

(K) Retail Trade Activity—*

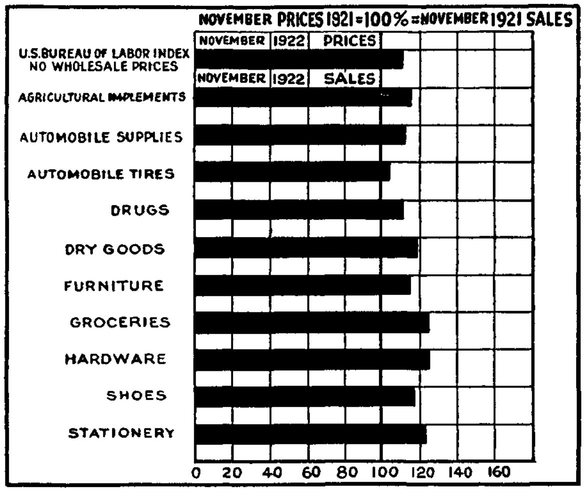
CONDITION OF RETAIL TRADE DURING NOVEMBER, 1922
In Federal Reserve District No. 12
(33 Stores Reporting)

	Los Angeles	Oakland	Salt Lake City	San Francisco	Seattle	Spokane	District
No. of reporting firms................	6	4	4	8	5	4	33
Net sales (percentage increase or decrease) November, 1922, compared with November, 1921................	18.4	7.8	2.1	12.3	22.3	5.1	14.5
November, 1922, compared with October, 1922	.7	—5.9	—6.6	—4.7	—2.3	—14.1	—3.0
Period July 1 to November 30, 1922, compared with same period in 1921...	10.6	.7	1.1	6.9	12.8	—2.6	7.7
Stocks: (Percentage increase or decrease) November, 1922, compared with November, 1921...............	—7.0	—3.9	.9	— .8	3.2	— .8	—2.5
November, 1922, compared with October, 1922	8.4	.7	2.3	2.7	2.5	—2.1	3.5
Percentage of average stocks on hand at close of each month since July 1, 1922, to average monthly sales during same period......................	386.9	545.7	538.0	431.0	393.2	582.5	431.0
Percentage outstanding orders at close of November, 1922, to total purchases during year 1921.............	10.8	..	3.6	10.6	8.2	8.9	9.8

*(—)Denotes decrease.

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

	Number of Firms	1922	1921
Automobile Supplies......	10	61.4	61.0
Drugs	6	81.1	83.2
Dry Goods................	9	39.6	40.6
Furniture	10	56.1	51.4
Hardware	17	51.0	48.3
Shoes	9	41.6	40.3
Stationery	11	66.8	66.1



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

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

	Number of Firms Reporting Collections as Excellent	Good	Fair	Poor
September	4	56	78	10
October	5	68	70	12
November	5	53	73	8

Statements of increases or decreases in net sales of 191 reporting wholesale firms during November, 1922, compared with November, 1921, and the 11 months of 1922 compared with the same period in 1921 are shown in table "L."

Building Activity

The rapid increase in building activity during 1921 and the early months of 1922 was largely due to the magnitude of residential construction undertaken during that period. During the present year, however, there has been a notable growth of the volume of industrial construction for which permits have been issued. A study of the accompanying chart shows that whereas changes in the number of building permits granted during the present year have been relatively small, the value of such permits has shown a noteworthy increase. Although rising costs of building account for some part of this advance, it is probable that the construction of factory buildings, office buildings, and other types of construction for which the value per permit is high has been increasing. This inference is supported by figures showing the number and cost of various

(L) *Wholesale Trade—*

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

	Agricultural Implements	Auto Supplies	Auto Tires	Drugs	Dry Goods	Furniture	Groceries	Hardware	Shoes	Stationery
Number of reporting firms..	23	18	16	10	15	16	30	21	14	28
Los Angeles....	—15.3	10.0	53.6	..	39.3	35.5	2.1	41.9	35.3	10.1
Portland	24.9	13.5	..	8.5	..	— 4.0	30.0	25.9	22.9	20.4
Salt Lake City..	6.3	54.8	..	..	..	..	19.4	6.8	..	16.8
San Francisco...	48.5	6.3	14.0	31.3	19.6	— 3.0	42.4	12.9	12.7	36.8
Seattle	..	10.8	—19.0	..	..	..	..	21.1	— 1.8	20.0
Spokane	—67.3	..	14.7	..	..	..	15.1	6.3	..	7.2
Tacoma	..	..	..	..	— 2.7	49.0	35.8	83.3	..	27.1
District	16.7	12.2	4.3	10.9	19.3	15.2	24.4	24.9	17.1	22.4

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

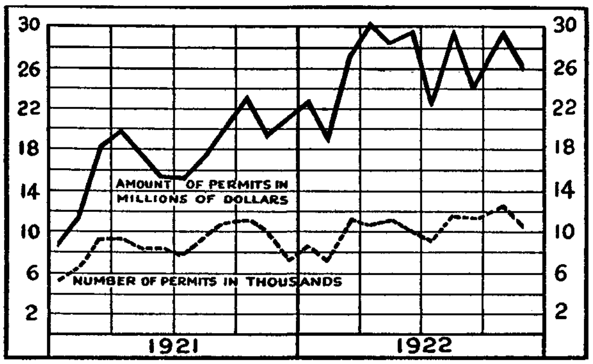
	Agricultural Implements	Auto Supplies	Auto Tires	Drugs	Dry Goods	Furniture	Groceries	Hardware	Shoes	Stationery
Number of reporting firms..	23	18	16	10	15	16	30	21	14	28
Los Angeles....	63.5	2.0	32.4	..	2.3	2.3	— 3.2	33.1	14.6	4.0
Portland	—19.6	— 2.2	..	2.1	..	6.4	4.6	7.5	3.4	.1
Salt Lake City..	—30.4	— 1.0	..	..	..	..	5.6	— 4.8	..	.4
San Francisco...	16.3	— 4.6	— 8.0	— 9.5	2.9	6.3	12.0	3.5	— 7.2	.07
Seattle	..	— 3.0	— 2.0	..	..	..	..	22.0	13.5	16.2
Spokane	64.9	..	—22.3	..	..	..	— 3.9	— 5.8	..	— 3.3
Tacoma	..	..	..	..	16.9	24.6	16.2	5.1	..	2.6
District	1.4	— .4	— 8.8	4.1	4.8	7.5	4.2	14.1	.1	2.7

classes of buildings for which permits were issued during the year 1921 and the first 11 months of 1922, gathered from seven of the principal cities of the district (Los Angeles, Oakland, Portland, Salt Lake City, San Francisco, Seattle and Spokane) and presented in the following table:

	1922*		1921	
	Number	Value	Number	Value
New Residential Buildings	29,709	$126,178,613	25,154	$84,460,393
Stores, Warehouses	1,343	16,286,735	1,336	10,508,630
Office Buildings	172	11,949,830	83	8,818,924
Schools, Libraries	128	7,788,472	139	7,143,512
Factories, Shops	520	6,350,777	423	5,565,847
Public Garages	345	3,978,396	247	2,915,914
Private Garages	19,915	3,908,030	17,803	3,585,559
Amusement—Recreation Places	74	3,843,796	87	7,864,179
Churches	67	1,647,958	57	1,227,137
Gasoline Service Stations	345	394,151	292	377,061

*11 months.

Measured by the number and value of permits issued in 20 cities of the district, building activity declined slightly during November compared with October, but continued to exceed the figures of one year ago. Building departments of the 20 cities report that the total number of permits issued during November, 1922, was 10,490, with an estimated valuation of $26,200,472, compared with 12,254 permits issued in October, 1922, with a valuation of $29,338,159, a decrease of 16.8 per cent in number and 10.6 per cent in value. In comparison with November, 1921, the figures for November, 1922, represent an increase of 328 or 3.2 per cent in number and $6,620,480 or 33.8 per cent in value.

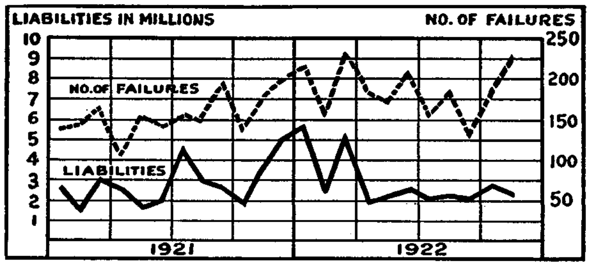


Building Permits Issued in 20 Principal Cities, Twelfth Federal Reserve District, 1921-1922

There was a marked increase in the number of business failures during November, 1922, but a decrease in the amount of liabilities involved.

Business Failures

The average liabilities of business failures during November, 1922, were $10,244, compared with $15,106 during October, 1922, and $20,355 during November, 1921.



Business Failures, Twelfth Federal Reserve District, 1921-1922

(*M*) *Building Permits*—

	November, 1922		October, 1922		November, 1921		Per Cent Increase or Decrease (—) in Value Nov., 1922, compared with Nov., 1921
	No.	Value	No.	Value	No.	Value	
Berkeley	157	$ 331,980	224	$ 420,000	208	$ 438,942	— 24.4
Boise	58	26,916	91	49,951	56	57,676	— 53.3
Fresno	272	491,136	301	611,352	253	405,988	21.2
Long Beach	369	1,046,465	425	1,248,801	390	1,254,500	— 16.5
Los Angeles	4,614	11,355,710	4,951	11,580,427	4,242	8,685,775	30.7
Oakland	853	2,584,752	1,025	2,316,833	646	1,235,174	109.2
Ogden	19	65,050	36	58,800	36	65,222	— .2
Pasadena	319	548,707	434	1,297,256	362	701,998	— 21.8
Phoenix	51	297,713	47	154,788	50	86,903	242.5
Portland	1,006	1,858,550	1,213	1,519,185	1,082	1,374,615	35.2
Reno	20	40,275	13	46,900	7	3,600	1,018.7
Sacramento	211	445,770	301	1,378,486	288	496,235	— 10.1
Salt Lake City	74	276,690	108	297,480	157	385,876	— 28.2
San Diego	444	2,231,890	495	660,900	409	846,995	163.7
San Francisco	638	2,620,471	679	4,719,394	613	2,244,606	16.7
San Jose	78	161,575	79	116,110	89	238,100	— 32.3
Seattle	788	1,259,610	1,013	2,249,035	735	593,800	112.3
Spokane	187	161,927	329	223,564	183	118,205	36.9
Stockton	78	187,308	139	168,199	93	165,130	13.4
Tacoma	254	207,977	351	220,698	263	180,652	15.1
District	10,490	$26,200,472	12,254	$29,338,159	10,162	$19,579,992	33.8

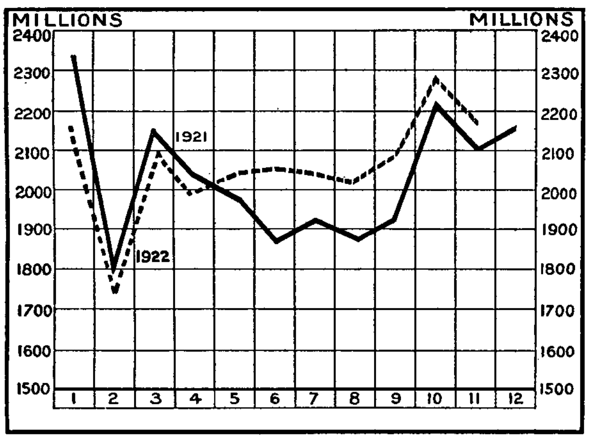
Total liabilities of 228 failures in November, 1922, were $2,335,805. In November, 1921, 178 failures with liabilities of $3,623,247 were reported. A comparison of the two sets of figures shows an increase in number of 50 or 28.0 per cent and a decrease in amount of liabilities of $1,287,442 or 35.5 per cent over the year period. The decrease in amount of liabilities is the more noteworthy in view of the increase of approximately 11 per cent in wholesale prices during the period.

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

	November, 1922		October, 1922	
	No.	Liabilities	No.	Liabilities
Arizona	..	..	2	$ 8,356
California	81	$ 593,529	81	919,588
Idaho	20	197,371	19	978,449
Nevada	1	9,641	2	21,100
Oregon	53	550,294	29	320,161
Utah	15	126,993	12	85,089
Washington	58	857,977	39	446,765
District	228	$2,335,805	184	$2,779,508

Bank Debits

The activity of business in this district during November, 1922, as measured by debits to individual accounts in the principal clearing house centers, was 8.1 per cent greater than in November, 1921. Omitting the figures for San Francisco, where a decline of 2.9 per cent occurred, the increase was 14.6 per cent. Seventeen of the 20 reporting cities participated in the increase.



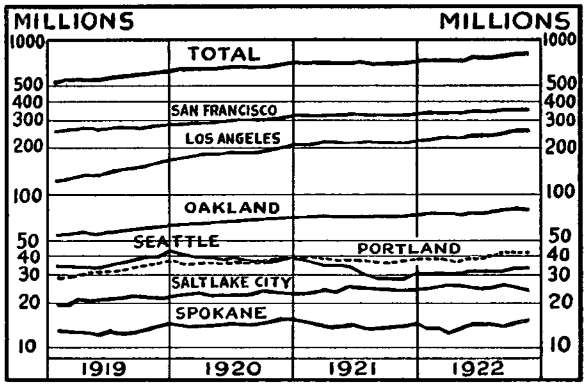
Debits to Individual Accounts in 20 Principal Cities, Twelfth Federal Reserve District, 1921-1922

Since November, 1921, wholesale prices (according to the United States Department of Labor) have increased 10.6 per cent and retail prices have changed comparatively little. It would appear, therefore, that the physical volume of business now being transacted is less than it was a year ago in San Francisco and greater elsewhere in the district.

Comparative figures of debits to individual accounts in 21 clearing house centers during the four weeks ending November 29, 1922, November 1, 1922, and November 30, 1921, are shown in table "N."

Savings Accounts

Savings accounts, in 75 banks of seven principal cities, reached a new high record on November 30th. The total on that date, $796,128,000, was 82 hundredths of 1 per cent higher than on October 31, 1922, and 11.7 per cent higher than on November 30, 1921. Gains were reported



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

(*N*) *Bank Debits**—

	Four weeks ending Nov. 29, 1922	Four weeks ending Nov. 1, 1922	Four weeks ending Nov. 30, 1921
Berkeley	$ 15,625	$ 16,516	$ 12,670
Boise	12,547	11,957	12,402
Fresno	68,821	67,859	59,454
Long Beach	39,180	38,507	22,831
Los Angeles	512,685	508,205	444,585
Oakland	92,905	101,728	74,328
Ogden	31,519	20,698	18,707
Pasadena	25,053	23,729	21,700
Phoenix†	19,285	17,146	..
Portland	131,536	146,418	120,453
Reno	10,667	10,519	10,115
Sacramento	52,420	61,544	67,890
Salt Lake City	65,315	57,794	65,041
San Diego	37,171	36,015	31,166
San Francisco	692,863	693,751	713,780
San Jose	25,113	25,081	20,391
Seattle	159,123	151,170	128,989
Spokane	41,305	48,273	39,557
Stockton	25,139	21,885	18,624
Tacoma	36,340	37,311	34,683
Yakima	11,100	10,841	12,173
Total	$2,105,712	$2,106,947	$1,929,539

*000 Omitted.
†Figures for 1921 not available.

during the month of November in Los Angeles, Portland, San Francisco, Seattle and Spokane, and losses in Oakland and Salt Lake City. Savings accounts are larger than a year ago in all cities.

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

Acceptances

Steadiness has characterized the acceptance market during the month ending December 15th. Rates have remained unchanged at 4 per cent, although for a time a general advance in bidding by dealers seemed to indicate a further rise in selling prices. At present, demand and supply seem about equal.

Demand continued brisk from all sources until about the first of December when city banks generally ceased purchasing. The market since that time may be characterized as dull, except for a broad inquiry for short bills maturing before January 1st.

The supply of bills has remained sufficient for present needs, with an increasing number of export transactions represented, and a diminution of those based on domestic shipment and storage.

A general classification of acceptances marketed showed an increased interest in shorter maturities:

Maturity	November 15 to December 15	October 15 to November 15
30 days	12%	11.3%
60 days	36%	14.2%
90 days	44%	63.8%
120 days	2%	6.5%
150 days	6%	4.2%

Reports received by this bank from 35 of the principal accepting banks in the district show a decrease in the volume of their acceptance business during November, 1922, compared with October, 1922, and November, 1921. Percentage comparisons of the acceptance business of reporting banks are presented in the following table:

	Nov., 1922, compared with Nov., 1921	Nov., 1922, compared with Oct., 1922
Amount of bills accepted	— 4.9%	—29.9%
Amount of bills bought	—63.7%	—51.3%
Amount of bills held at close of month	—29.4%	+ .7%

The principal commodities upon which these acceptances were based were canned fruit, wheat and cotton. Purchases and holdings of acceptances of reporting banks appear in table "P."

(O) *Savings Accounts**—

	Number of Banks	Nov. 29, 1922	Oct. 31, 1922	Nov. 30, 1921	Per Cent Increase or Decrease (—) Nov. 29, 1922, over Nov. 30, 1921
Los Angeles	13	$251,788	$247,110	$212,854	18.3
Oakland	7	78,723	79,179	73,485	7.1
Portland	9	41,937	40,968	37,926	10.6
Salt Lake City	9	23,840	24,428	23,666	.7
San Francisco	16	351,826	350,541	320,837	9.7
Seattle	15	32,976	32,638	29,974	10.0
Spokane	6	15,038	14,695	13,911	8.1
Total	75	$796,128	$789,559	$712,653	11.7

*000 omitted.

(P) *Acceptances**—

	Amount Accepted		Amount Bought — Created in Twelfth District		Amount Bought — All Other		Amount Bought — Total		Amount held at close of month	
	Nov., 1922	Oct., 1922	Nov., 1922	Oct., 1922	Nov., 1922	Oct., 1922	Nov., 1922	Oct., 1922	Nov., 1922	Oct., 1922
Pacific Northwest	$ 874,414	$ 850,728	$ 152,033	$1,324,307	$ 204,543	$ 877,975	$ 356,576	$2,202,282	$ 1,095,442	$ 1,756,638
Northern California	3,701,619	5,096,821	1,222,368	1,559,254	29,076	34,033	1,708,698†	1,593,287	1,025,886	645,271
Southern California	713,224	1,607,488	351,049	622,550	1,700,000	4,050,000	2,051,049	4,672,550	8,537,123	8,177,718
Other Districts	..	..	..	..	..	..	..	..	..	..
Total	$5,289,257	$7,555,037	$1,725,450	$3,506,111	$1,933,619	$4,962,008	$4,116,323	$8,468,119	$10,658,451	$10,579,627

*35 Banks reporting.
†Figures for one bank included in total but not included in the amount bought "Created in Twelfth District" or "All Other."

Government Financing

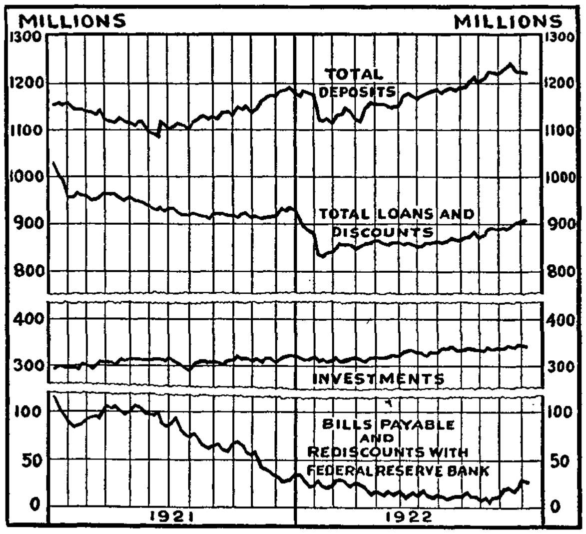
On December 7th the Treasury Department opened subscription books for an issue of Treasury Notes designated Series C-1925, dated December 15, 1922, and payable June 15, 1925. The notes will bear interest at the rate of 4½ per cent per annum payable semi-annually on June 15th and December 15th of each year and they are not subject to call for redemption before maturity. The offering was for $300,000,000 or thereabouts, sales to be effected for cash and in exchange for Treasury Certificates of Indebtedness of Series TD and TD2-1922, both maturing December 15, 1922, and 4¾ per cent Victory Notes whether or not the latter had been called for redemption.

The subscription books were closed December 15th. All subscriptions were allotted in full up to amounts not exceeding $500,000 for any one subscriber. Subscriptions over $500,000 but not exceeding $1,000,000 were allotted either $500,000 or 75 per cent of the total subscription. Subscriptions over $1,000,000 were allotted 50 per cent of the total subscription but not less than $750,000 nor more than $5,000,000. All subscriptions for which 4¾ per cent Victory Notes or Treasury Certificates of Indebtedness maturing December 15, 1922, were tendered in payment were, however, allotted in full. In this district total subscriptions under the primary or cash offering amounted to $37,249,200 of which $25,636,700 were allotted. Under the secondary or note conversion offering, total subscriptions in this district amounted to $4,459,200, all of which were allotted.

On December 7, 1922, the Treasury Department also announced an offering of United States Certificates of Indebtedness in two series, one designated Series TM2-1923, dated December 15, 1922, and maturing March 15, 1923, and one designated Series TD-1923, dated December 15, 1922, and maturing December 15, 1923. Interest on the issue maturing in March, 1923, will be paid on a quarterly basis at the rate of 3½ per cent per annum and on the one year issue semi-annually at the rate of 4 per cent per annum. Outstanding Certificates of Indebtedness of Series TD and TD2-1922, both maturing December 15, 1922, and 4¾ per cent Victory Notes called for redemption on that date were accepted in payment for certificates of the new series. The books for this issue were closed on December 15, 1922, and all subscriptions were allotted in full. In this district total subscriptions amounted to $8,074,500 for Series TM2-1923 and $4,588,500 for Series TD-1923.

Banking Situation

Commercial loans* of 66 reporting member banks in this district have increased steadily during recent weeks. On December 6th, these loans were $760,000,000, an increase of $48,000,000, or 6.7 per cent, since the midsummer low of $712,000,000 on June 28th and of $27,000,000 or 3.7 per cent since the early part of October. During the latter period, the borrowings by these banks from the Reserve bank increased from $6,000,000, the lowest point in recent years, to $30,000,000 on November 29th, and on December 6th stood at $28,000,000. Total accommodation of these banks at the Reserve bank is now approximately the same as it was a year ago. Investments held by the same banks have increased slightly during the increase in their commercial loans since midsummer, standing at $343,000,000 on December 6th, compared with $326,000,000 on July 5th.



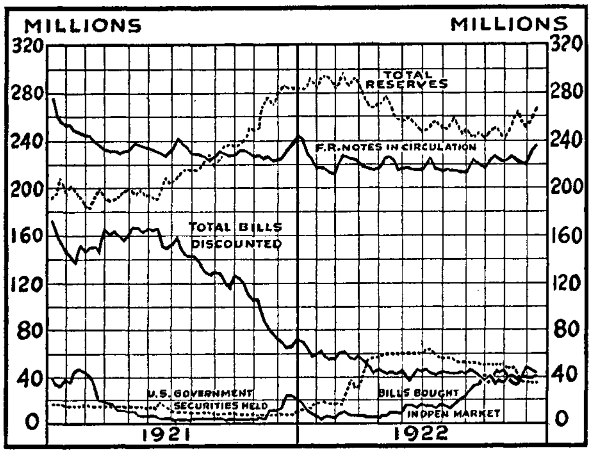
Total Deposits, Loans and Discounts, Investments, and Bills Payable and Rediscounts of Reporting MemberBanks

The consistent increase in deposits of these banks, which has been in progress since February, ceased, at least temporarily, during November. From $1,241,000,000, the peak reached November 15th, their total deposits declined $19,000,000 to $1,222,000,000 on December 6th. At the peak total deposits were the largest recorded, the previous high point having been $1,185,000,000 on November 12, 1920.

While the large city member banks have been increasing their borrowings from the Reserve bank during the past two months, member banks in country districts have been stead-

*Including loans secured by United States government obligations and loans "all other." Loans secured by stocks and bonds other than United States bonds are excluded.

ily paying off their rediscounts, which were $18,000,000 on December 6th, compared with $34,000,000 on August 2nd. This liquidation of their borrowings by country member banks during the months when their customers' demand for credit is customarily at its peak is important evidence of the soundness of their condition.



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

The character of the investments of the Federal Reserve Bank of San Francisco has recently changed. Holdings of government securities have declined from the peak of $62,000,000, reached on July 5th, to $36,000,000 on December 13th, while bills bought in the open market have increased during the same period from $15,000,000 to $41,000,000. Since November 22nd, however, only slight fluctuations in these assets have occurred.

The customary seasonal demand of the business community for additional currency as the holidays approach caused member banks to call upon the Reserve bank for $16,000,000 in Federal Reserve notes during the first two weeks of December. At $236,000,000 on December 13th, notes in circulation were 9.6 per cent larger than they were on August 23rd.

Interest rates in New York City have been stable since the first week of November, following the general advance of September and October. The New York open market rate on prime commercial paper has stood at 4¾ per cent since November 11th.

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

	Dec. 6, 1922	Nov. 8, 1922	Dec. 7, 1921
Number of Reporting Banks	*66**	*66**	*68**
Loans and Discounts (including rediscounts)	$ 910,859,000	$ 891,782,000	$ 940,319,000
Investments	342,800,000	345,708,000	310,137,000
Cash in Vault and with Federal Reserve Bank	110,574,000	114,237,000	102,766,000
Total Deposits	1,222,483,000	1,233,826,000	1,174,687,000
Bills Payable and Rediscounts with Federal Reserve Bank	28,327,000	20,652,000	28,512,000

*Mergers have reduced the number of reporting banks but comparisons of resource and liability items have not been affected.

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

RESOURCES	Dec. 13, 1922	Nov. 15, 1922	Dec. 14, 1921
Total Reserves	$267,108,000	$263,513,000	$284,116,000
Bills Discounted	43,403,000	37,211,000	64,050,000
Bills Bought in Open Market	41,363,000	34,169,000	22,223,000
United States Government Securities	36,098,000	41,992,000	8,089,000
Total Earning Assets	$120,864,000	$113,372,000	$ 94,362,000
All Other Resources*	54,361,000	61,826,000	50,423,000
Total Resources	$442,333,000	$438,711,000	$428,901,000

LIABILITIES	Dec. 13, 1922	Nov. 15, 1922	Dec. 14, 1921
Capital and Surplus	$ 22,769,000	$ 22,760,000	$ 22,578,000
Total Deposits	141,751,000	143,991,000	127,050,000
Federal Reserve Notes in Actual Circulation	235,842,000	221,984,000	231,268,000
All Other Liabilities†	41,971,000	49,976,000	48,005,000
Total Liabilities	$442,333,000	$438,711,000	$428,901,000
*Includes "Uncollected Items"	47,649,000	55,333,000	42,831,000
†Includes "Deferred Availability Items"	39,082,000	46,392,000	38,785,000

COMPARATIVE VALUE OF PRINCIPAL PRODUCTS OF TWELFTH FEDERAL RESERVE DISTRICT

(in thousands of dollars)

	1909	1914	1919
Agriculture	$345,341	..	$1,187,717
Livestock	398,985	..	736,691
Lumber and Timber	177,943	$178,093	479,729
Mining	163,334	..	369,719
Shipbuilding	..	..	366,160
Canning and Preserving	46,776	73,521	272,725
Flour and Grist Mills	49,458	66,941	240,327
Petroleum Refining	17,878	55,528	213,292
Foundry and Machine Shops	38,776	27,283	168,011
Slaughtering and Meat Packing	57,504	81,276	160,561
Smelting and Refining (Copper, Lead)	54,229	75,190	121,702
Butter, Cheese and Condensed Milk	28,671	..	114,446
Printing and Publishing	44,215	52,421	98,773
Cars and Shop Construction	35,090	36,976	92,241
Automobiles and Repairing	..	..	84,160
Bread and Bakers' Products	27,157	34,650	79,842
Beet Sugar Refining	..	..	46,923
Liquors, Malt and Vinous	29,071	36,749	26,362
All Other Manufactures	383,277	..	990,424
	$1,897,705	..	$5,849,805

MINERAL PRODUCTION

	1909	1919
Gold and Silver	$56,262	$ 63,206
Copper	55,527	144,691
Petroleum and Natural Gas	29,310	135,000
Bituminous Coal	13,564	13,468
All Other	8,671	13,354
	$163,334	$369,719

The foregoing comparisons of the dollar value of the principal products of the district are not an accurate indication of the growth in physical volume of output during the ten years, due to the substantial increase in the general price level from 1914 to 1919. The United States Department of Labor index of general wholesale prices (404 commodities) was 214 for the year 1919; 100 for 1914; and 97 for 1909. If, therefore, the value figures for 1919 are adjusted to the level of prices prevailing in 1909, the result would be $2,695,000,000 instead of $5,849,805,000 for 1919. The increase in volume of output of the district's principal products is thus seen to be approximately 42 per cent during the decade 1909–1919, during which time the population of the district increased from 5,177,388 to 6,859,302, or 32.5 per cent.