Monthly Review

FEDERAL RESERVE BANK OF SAN FRANCISCO

DECEMBER 1947

REVIEW OF BUSINESS CONDITIONS—TWELFTH DISTRICT

PRODUCTION and other economic activities in the Twelfth District continue at high levels. Shortages of materials have not been entirely overcome, however, and much remains to be done in increasing the supply of iron and steel, lumber, and other construction materials. Freight car shortages, which have hampered operations in many industries, particularly in coal mining and lumbering, still remain a limiting factor in production and distribution, although this situation has improved somewhat in recent weeks.

Although the demand for most District products is being more adequately supplied than at any time since the war, prices generally remain high and an upward trend is still apparent. Foreign demand is large, and many District products are entering into export trade. Employment is stable, and recent small declines are due to seasonal influences. The continued expansion of bank credit reflects the current high levels of economic activity. Retail sales have shown the usual seasonal increase, and the early Christmas trade of department stores, in dollar volume, was slightly above the record levels of 1946.

Department Store Christmas Trade

Based on the dollar sales of weekly reporting stores, Christmas buying in Twelfth District department stores from November 1 through the second week in December was about 6 percent ahead of the 1946 record levels. There was, however, considerable variation in behavior among the seven major cities in the District for which data were available. Although total sales levels corresponded closely with forecasts made by department store executives early in November, some departments varied considerably from expectations. Inventories at the end of the year were expected to be smaller than in 1946 and not far off from early November estimates of end-of-season levels.

Gain in District sales smaller than national average

Department store sales for the Christmas season through the second week in December did not increase as much in the Twelfth District as in the rest of the country. The District gain over last year was only 6 percent, while that for the United States was 9 percent. Only two other districts, Richmond and New York, reported smaller gains over last year than the San Francisco District. Increases larger than the national average were registered by Philadelphia, Dallas, St. Louis, Kansas City, Chicago, and Cleveland. Smaller than average increases in addition to those previously mentioned were reported by Boston and Minneapolis; the Atlanta District reported a gain over last year equal to that of the country as a whole. It is interesting to note that the districts having large agricultural areas deriving income from grains and livestock (Dallas, Kansas City, and Chicago) uniformly reported gains greater than average.

Wide differences in sales in major cities

Within the Twelfth District, the range of results among major cities varied from no gain in the Los Angeles area to a gain of 15 percent in Portland. The high gain over the pre-Christmas period a year ago registered by Portland was followed closely by those recorded in San Diego, Salt Lake City, and Spokane. Each of these cities reported a percentage increase in dollar volume at least twice as great as that for the District as a whole. The larger metropolitan areas, however, did not do as well. Seattle department stores reported a gain only slightly larger than that for the district as a whole. Sales results in San Francisco were somewhat below that for the District as a whole.

SALES OF WEEKLY REPORTING DEPARTMENT STORES
Six weeks ending December 13, 1947 compared with six weeks ending December 14, 1946

City or area	Percent change
Los Angeles Area	0
Downtown Los Angeles	— 4
Westside Los Angeles	— 2
San Diego	+13
San Francisco	+ 5
Portland	+15
Seattle	+ 6
Spokane	+12
Salt Lake City	+13
Twelfth District	+ 6
United States	+ 9

The Los Angeles area reported no change, and sales data available for the segments of that area reveal marked differences in results achieved in the different shopping centers. In the downtown area, where independent stores predominate and where the greatest portion of Los Angeles area department store volume is concentrated, sales were about 4 percent below those of 1946. In the Westside-Hollywood-Beverly Hills shopping center, a much higher than average proportion of the sales is in women's

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ready-to-wear apparel and several chain organizations have outlets. Consequently, the results here were somewhat better than in the downtown area, although sales were below 1946. In the outlying shopping areas, where considerably larger proportions of the sales are made by chain stores than in the two areas above, results were very favorable, both in comparison with 1946 and the District as a whole.

Variation in results by department

Based upon an early December survey of selected department stores in leading cities of the district, several departments stand out as having exceeded the expectations of the trade in sales made in the five weeks from November 1. Major household appliances, floor coverings, furniture, women's clothing, men's clothing, children's and teen-age clothes all appeared to be well above the expectations of merchandise executives. Fashion change is one of the reasons given for the success of women's ready-to-wear apparel. In a few instances toys also appeared to be selling at a more rapid rate than expected.

Linens and domestics, women's accessories, men's furnishings, sporting goods, shoes, expensive dresses, and jewelry are among the items for which sales goals were not being achieved. High prices are cited as retarding the sales of women's shoes and several other items which did not meet expectations.

As far as the trade could discern, buyer reactions did not fall into any clear pattern, with one possible exception. Stores reported a greater increase in basement or inexpensive department buying relative to the store as a whole. Resistance to prices was associated with particular lines of goods such as women's shoes and sporting goods; but for certain items such as major appliances and men's clothing, some stores were of the opinion that consumers were racing against further price rises by buying ahead. All the stores felt that customers were much more selective than last year. Better quality items were in strong demand in the so-called middle price ranges. High priced novelty items which were eagerly purchased a year ago moved slowly if at all.

Employment

Stability at a relatively high level has marked the overall employment situation in the Twelfth District in recent months. The principal variations in aggregate volume of employment this year have been due to seasonal influences. Normal seasonal fluctuations in the operations of agriculture, construction, lumbering, fishing, packing and canning food products, and in wholesale and retail trade, regularly introduce an element of variability into the total demand for labor at different seasons. If allowance is made for such seasonal influences the residual changes in the total volume of employment in the District in 1947 are small.

Total estimated manufacturing employment in California, for example, during the first six months of 1947 varied between 697,000 in January and 689,000 in June—a range of slightly over one percent. Seasonal expansion in the food canning and preserving industries brought the total up to 760,000 in August, the high month for the year. Seasonal contraction in the same industries accounted for more than the total decline of about 25,000 in all manufacturing employment in California between August and October.

In Washington, manufacturing employment fluctuates through a somewhat greater range, owing to the marked seasonality of the food processing and wood products industries. In the first six months of 1947 total estimated employment in Washington manufacturing establishments ranged from 159,000 in January to 179,000 in June, reached a high point of 192,000 in September, and declined to 184,000 in October. Most of this fluctuation was accounted for by seasonal changes in the rate of activity in the canning industry and in logging camps and lumber mills.

Manufacturing employment in the remaining states of the District showed a marked degree of stability during the first five months of the year, followed by seasonal expansion in the summer. Complete information on more recent months is not yet available for these areas.

Individual industries

Among individual industries there have been both gains and losses. Aircraft and shipbuilding establishments in California experienced the largest declines in 1947; each of these industries lost about 8,000 employees between January and October. The aircraft and its related parts industry, however, still remains California's leading manufacturing employer, with a total payroll of close to 90,000 employees in the third quarter of 1947. Shipbuilding has fallen from its position of leadership during the war to about twelfth place among California manufacturing industries, with about 17,000 employees in October. The losses in these two industries were largely offset by expansion, partly seasonal, in the lumber and timber products industries and the stone, clay and glass industry, which together accounted for an increase between January and October of about 15,000 employees.

Other California industries showing increases during this period included, among others, the apparel and printing and publishing groups, which together gained about 6,000 employees. These two industry groups, with about 45,000 employees each in October, were operating at new high levels. Net changes in other industries were small. Among California non-manufacturing industries, wholesale and retail trade scored the largest relative increases, about seven percent each, between January and October. Gains and losses were about equally distributed among the other non-manufacturing industries.

Lumber Industry

The building industry made a much better than seasonal showing in November. Nationally, construction in general fell only slightly, and the estimated value of urban residences completed in November was about two percent greater than in October. While data for the Twelfth Dis-

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trict are not available, it is believed that building activity in November may have been relatively greater here than in the country as a whole. The maintenance of building activity above seasonal trends has greatly stimulated the lumber industry. Output and shipments in the Twelfth District have continued at high levels substantially above those of last year.

In the Douglas Fir region of Oregon and Washington, new postwar records were set in November for both production and shipments. Average weekly production, estimated at nearly 149 million board feet, was about 2.6 million board feet above the weekly average in October, and about 30 percent greater than in November 1946. Estimated November shipments averaged 168 million board feet per week, as compared to 145 million in October, and were approximately 50 percent above what they were in November 1946.

In the Western Pine region, much less affected by construction activity, average weekly production in the first three weeks of November was estimated to be nearly 7 percent lower than in October, but 7 percent above that of November 1946. Weekly shipments in November averaged 3 percent higher than in October, and 16 percent greater than in November 1946. Recent data for the Redwood region are not available, but estimates of those familiar with the industry indicate present rates of production and shipments are much higher than in 1946, when output was adversely affected by the beginning of the strike in the redwood mills.

Following small declines in May and June, lumber prices have resumed their upward trend. For the country as a whole, according to the Bureau of Labor Statistics index, wholesale lumber prices in October 1947 were about 1.5 percent higher than in September and more than 60 percent above those of October 1946. In the Douglas Fir region, the estimated average price received on shipments in October 1947 was nearly 6 percent above that of the preceding month and about 59 percent higher than in October 1946. Trade reports indicate a wide variation in prices, with lack of uniformity especially marked for the scarce high grade items. On the demand side, high construction requirements continue to exert heavy pressure on lumber prices. On the supply side, the freight car shortage has constituted a serious bottleneck, restricting the flow of lumber to market and thus adding to the pressure on prices. As more cars became available in November, shipments increased, with a greater volume of Pacific Coast lumber moving east, and stocks and unfilled orders declined.

Lumber exports from Oregon and Washington ports during the third quarter of 1947 amounted to approximately 236 million board feet, representing about 6.5 percent of the estimated production of the Douglas Fir and Western Pine areas in the Twelfth District during the same period. These exports compare with 299 million board feet during the entire year 1946. The United Kingdom is the largest buyer of Pacific Coast lumber. Other important purchasing countries are China, Australia, Holland, and France. The Department of Commerce has announced recently that export controls over lumber will be continued without change for the present. These controls generally require the licensing of exports under quotas, with consideration of such factors as use of the lumber, the section of its origin, grades and sizes, and the country of destination and its needs.

Banking and Credit

In the week ending December 10, the increase in total loans of reporting District member banks set a new record for recent months. Commercial, industrial, and agricultural loans, as well as real estate loans, increased substantially. While too much significance should not be attached to a single week's operation, this rise is in marked contrast to the November increase, which was considerably less than in September and October. The gain in November in commercial, industrial, and agricultural loans was only about half as large as in each of the previous two months; in fact, the increase in the four weeks ending December 3 was smaller than in any other four-week period since July. The November rise in real estate loans and other loans (largely consumer loans), however, reflected no such slackening. As of December 10, total loans of weekly reporting banks were up one-third over a year ago; commercial, industrial, and agricultural loans were up one-fifth; and real estate loans had increased about 60 percent. Government security holdings were down substantially from a year ago, but have shown little change in recent months.

After some decline in the first part of 1947, demand deposits adjusted have continued the rise evident since the middle of the year, and by November were above a year ago. Time deposits, after increasing consistently but at a lessening rate in the first ten months of this year, declined in the five weeks ending December 3, but advanced again in the following week. While this drop was primarily seasonal, it was larger and more sustained than last year.

The flow of funds into the District in the second half of the year has increased member bank reserves as well as deposits. This has made possible the loan expansion without any significant shift out of Government securities. Reserves of District banks are little above the level of a year ago, however. Consequently, with excess reserves at low levels, the reduction in Government security holdings over the year-period was a necessary accompaniment of the corresponding increase in loans of District banks.

Borrowings of weekly reporting District banks have recently experienced a marked increase. In the five weeks ending December 10, they averaged $29 million, while in September and October such obligations had fluctuated under $4 million, for the most part. This increase reflects the fact that banks are no longer making short-run adjustments in their reserve positions by dealing in Treasury bills with the Reserve Bank. The last issue eligible for sale and repurchase at the fixed rate of .375 percent matured in early October. In contrast, the Treasury bill issue of December 11 was sold at an average rate of .948 percent.

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FARM MORTGAGE LOANS OF COMMERCIAL BANKS—TWELFTH DISTRICT[1]

THE AVERAGE farm mortgage loan outstanding in the Twelfth District in mid-1947 amounted to $4,900 compared with $2,700 for the country as a whole. This difference, along with the even larger one in the case of farm production loans,[2] indicates clearly that District agricultural enterprises are significantly larger, in financial terms, than the average for the United States. The typical farm real estate loan in the District was made to an operator of a specialized farm of relatively small acreage rather than a general farm. As would be expected, the most common use for the loan proceeds was to buy land. Approximately nine-tenths of the loans were repayable in instalments. The most common rate of interest was 5 percent, and the majority of the loans in terms of dollar amount outstanding had a maturity of five to ten years.

Commercial banks provide a much smaller proportion of total farm mortgage credit than they do of other forms of agricultural credit. For the country as a whole, two-thirds of the non-real estate agricultural loans outstanding at the end of 1946 were held by insured commercial banks. In contrast, in both the Twelfth District and the United States only about one-eighth of the total farm mortgage debt was held by insured commercial banks on the same date.

Loans by size of bank and original amount of loan

As in the case of farm production loans, the greater part of the Twelfth District farm real estate loans outstanding at banks was extended by smaller banking offices situated in agricultural areas. Banking offices with total deposits of less than $10 million, including branch banking offices, provided 61 percent of the number and 56 percent of the dollar amount of these loans (Table 1).

TABLE 1—FARM MORTGAGE LOANS OF INSURED COMMERCIAL BANKS OUTSTANDING IN MID-1947, BY SIZE OF BANK—TWELFTH DISTRICT AND UNITED STATES[1]
(Percentage distribution)

Size of bank (Total deposits)	Twelfth District—Number	Twelfth District—Amount	United States—Number	United States—Amount
Under $2 million	12	9	37	28
$2-10 million	49	47	52	53
$10 million and over	39	44	12	19
All insured banks	100	100	100	100

[1] Estimated on basis of banks covered by the survey.
Note: Detailed figures may not add to totals because of rounding.

The larger banking offices, those with deposits of $10 million and over, accounted for 39 percent of the number and 44 percent of the amount of all loans outstanding in the District, compared with only 12 percent of the number and 19 percent of the dollar amount in the country as a whole. A larger proportion of the total amount of farm real estate than of farm production loans was extended by District banking offices in this larger size group.

[1] This is the second of two articles based upon a survey of agricultural loans of Twelfth District insured banks conducted by the Federal Reserve Bank of San Francisco and the Federal Deposit Insurance Corporation. The first article, dealing with non-real estate loans, appeared in the *Monthly Review* for November. The methods used in the survey were described in that article.

[2] The average farm production loan outstanding in the Twelfth District amounted to $2,030 or three times the average loan of $680 for the country as a whole.

Although the smaller banking offices (those with total deposits of less than $10 million) provided the majority of the farm mortgage loans in the District, the smallest offices (those with total deposits of under $2 million) were much less important as a source of such loans in the District than in the United States. This was also true in the case of farm production loans. Banking offices in this size group had 12 percent of the number and 9 percent of the dollar amount of farm real estate loans outstanding in the District compared with 37 percent of the number and 28 percent of the amount in the country as a whole. Several factors contribute to this difference. The larger scale of agricultural enterprise in the Twelfth District and the correspondingly larger average size of loan tend to direct business to the larger banking offices, which are readily accessible in many of the important agricultural areas. Some of the difference is also due to the fact that banking offices with deposits of under $2 million constitute a smaller proportion of total banking offices in the District than in the United States.

TABLE 2—FARM MORTGAGE LOANS OF INSURED COMMERCIAL BANKS OUTSTANDING IN MID-1947, BY ORIGINAL AMOUNT OF LOAN—TWELFTH DISTRICT AND UNITED STATES[1]
(Percentage distribution)

Original amount of loan	Twelfth District—Number	Twelfth District—Amount	United States—Number	United States—Amount
Under $1,000	3	[2]	18	3
$1,000-1,499	6	1	12	4
$1,500-2,499	16	5	21	11
$2,500-4,999	33	19	28	28
$5,000-9,999	27	29	16	30
$10,000-24,999	12	27	5	18
$25,000-49,999	2	9	[2]	3
$50,000 and over	1	10	[2]	2
All loans	100	100	100	100

[1] Estimated on basis of banks covered by the survey.
[2] Less than 0.5 percent.
Note: Detailed figures may not add to totals because of rounding.

Twenty-five percent of the number of loans in the Twelfth District, and about 50 percent in the United States, had an original size of less than $2,500 (Table 2). In both the District and the rest of the country, there were relatively few farm mortgage loans which had an original size of $25,000 or more.

Loans by types of properties mortgaged

Farms producing wheat and other field crops accounted for both the largest number, 22 percent, and the largest dollar amount, 27 percent, of agricultural real estate loans in the Twelfth District (Table 3). The same type of farms had only 8 percent of the number and 11 percent of the dollar amount in the country as a whole. Fruit farms ranked next in importance in the District with 22 percent of the dollar amount of loans compared with only 4 percent for the United States. The specialized character of Twelfth District agriculture is also illustrated by the fact that only one-fifth of both the number and amount of loans was made to operators of general farms as compared with nearly one-half for the country as a whole. Dairy farms had about the same relative importance in the District as in the United States.

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TABLE 3—FARM MORTGAGE LOANS OF INSURED COMMERCIAL BANKS OUTSTANDING IN MID-1947, BY TYPE OF FARM MORTGAGED—TWELFTH DISTRICT AND UNITED STATES[1]

Type of farm mortgaged	Twelfth District: Percentage distribution Number	Twelfth District: Percentage distribution Amount	Twelfth District: Average size of loan	United States: Percentage distribution Number	United States: Percentage distribution Amount	United States: Average size of loan
General[2]	20	20	$4,870	48	46	$2,630
Dairy	18	16	4,310	15	17	4,000
Wheat and other field crops	22	27	5,930	8	11	3,760
Fruit	19	22	5,680	2	4	4,830
Truck	6	6	4,720	3	2	2,570
Livestock	2	2	6,040	5	6	3,580
Cotton	3	2	3,690	7	4	1,590
Tobacco	—	—	—	3	2	1,890
Poultry	3	2	2,870	2	2	2,750
All others[3]	7	4	2,700	7	6	2,210
All farms	100	100	4,930	100	100	2,740

[1] Estimated on basis of banks covered by the survey.
[2] General farms are farms not more than 50 percent of whose income is derived from any one source.
[3] Includes part-time and unclassified farms.
Note: Detailed figures may not add to totals because of rounding.

Livestock producers had a relatively small dollar amount of loans secured by farm real estate, but the average size of their loans, $6,000, was larger than that for any other type of farm. Producers of wheat and other field crops ranked a close second with an average loan of $5,900. For most types of farms, the average size of loan in the Twelfth District was significantly larger than for the country as a whole. In the case of dairy and poultry farms, however, the average loan in the District was only slightly larger than in the United States.

TABLE 4—FARM MORTGAGE LOANS OF INSURED COMMERCIAL BANKS OUTSTANDING IN MID-1947, BY NUMBER OF ACRES MORTGAGED—TWELFTH DISTRICT AND UNITED STATES[1]

Number of acres mortgaged	Twelfth District: Percentage distribution Number	Twelfth District: Percentage distribution Amount	Twelfth District: Average size of loan	United States: Percentage distribution Number	United States: Percentage distribution Amount	United States: Average size of loan
Under 10	9	4	$2,460	3	2	$1,500
10-29	28	17	3,090	9	6	1,840
30-69	25	21	4,050	24	16	1,770
70-139	19	19	4,890	36	31	2,380
140-259	10	15	7,350	20	27	3,770
260-499	6	8	7,540	5	10	5,210
500 and over	4	15	20,190	2	7	10,240
Not given	—	—	—	1	1	3,500
Total	100	100	4,930	100	100	2,740

[1] Estimated on basis of banks covered by the survey.
Note: Detailed figures may not add to totals because of rounding.

Properties under 70 acres in size served as security for nearly two-thirds of the number and about two-fifths of the dollar amount of Twelfth District loans, or roughly twice as many in both number and dollar amount as for the country as a whole (Table 4). The average size of loan secured by properties of less than 70 acres in the Twelfth District was $3,400 compared with the national average of $1,760 for properties in the same size group. This reflects the fact that land values are substantially higher in the District than in most other sections of the country. As would be expected, the bulk of the dairy, fruit, truck, and poultry farms in the District had less than 70 acres, while field crop and livestock operations involved much larger acreages on the average.

Purpose of loan

About 60 percent of both the number and amount of farm mortgage loans outstanding in the Twelfth District were made for the purpose of purchasing land, compared with approximately 70 percent for the country as a whole (Table 5). Loans to construct or repair buildings were of about the same relative importance in the District as in the United States, making up somewhat less than 10 per-

TABLE 5—FARM MORTGAGE LOANS OF INSURED COMMERCIAL BANKS OUTSTANDING IN MID-1947, BY PURPOSE OF LOAN—TWELFTH DISTRICT AND UNITED STATES[1]

Purpose	Twelfth District: Percentage distribution Number	Twelfth District: Percentage distribution Amount	Twelfth District: Average size of loan	United States: Percentage distribution Number	United States: Percentage distribution Amount	United States: Average size of loan
To buy land mortgaged	50	51	$5,020	57	61	$2,910
To buy other land	8	10	6,530	10	11	3,080
To build or repair buildings	11	8	3,560	9	6	2,040
Other	28	27	4,780	19	18	2,510
Not known	4	4	5,760	6	5	2,190
All loans	100	100	4,930	100	100	2,740

[1] Estimated on basis of banks covered by the survey.
Note: Detailed figures may not add to totals because of rounding.

cent of the dollar amount. Loans for other purposes, such as the payment of production expenses, the repayment of debts, and the purchase of machinery, accounted for 27 percent of the dollar amount in the District compared with 18 percent in the United States. The average size of loan for the purchase of land was $5,200 in the District and $2,900 in the United States, while the average for all other purposes combined was $4,500 in the District compared with $2,300 for the country as a whole.

Maturity and method of repayment

As in the case of farm production loans, a greater proportion of farm mortgage loans in the District were of longer maturities than in the United States. Two-thirds of the dollar amount of all loans in the District had a maturity of over five years, compared with two-fifths for the country as a whole.

The most common maturity for farm mortgage loans in the Twelfth District was from five to ten years. Fifty-two percent of the dollar amount of loans had maturities within that range compared with 27 percent for the country as a whole (Table 6). In both the District and the United States, about one-fourth of the dollar amount of loans had maturities of three to five years. Less than 3

TABLE 6—FARM MORTGAGE LOANS OF INSURED COMMERCIAL BANKS OUTSTANDING IN MID-1947, BY MATURITY—TWELFTH DISTRICT AND UNITED STATES[1]

Maturity[2]	Twelfth District: Percentage distribution Number	Twelfth District: Percentage distribution Amount	Twelfth District: Average size of loan	United States: Percentage distribution Number	United States: Percentage distribution Amount	United States: Average size of loan
Demand	1	[3]	$2,800	8	7	$2,380
Under 6 months	2	1	2,440	11	8	1,900
6 months to 1 year	3	1	2,480	17	11	1,780
1 to 2 years	4	2	2,610	5	3	1,920
2 to 3 years	7	5	3,320	7	6	2,410
3 to 5 years	30	25	3,970	22	24	2,970
5 to 10 years	41	52	6,200	19	27	3,920
10 to 15 years	7	8	5,950	3	6	4,560
15 to 20 years	1	2	7,520	2	3	4,800
Over 20 years	1	1	7,180	1	1	5,000
Past due	4	3	3,910	5	4	1,860
All loans	100	100	4,930	100	100	2,740

[1] Estimated on basis of banks covered by the survey.
[2] Each level includes the upper limit.
[3] Less than 0.5 percent.
Note: Detailed figures may not add to totals because of rounding.

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percent of the dollar amount of Twelfth District mortgages had a maturity of less than one year compared with 26 percent for the United States.

Generally speaking, larger loans had longer maturities than did smaller ones. Loans for the purpose of constructing or repairing buildings tended to be of shorter maturity than did those for other purposes. The most common maturity for loans of the former type was three to five years, compared with five to ten years for all other purposes.

As would be expected, loans with the longer maturities were generally repayable in instalments. In terms of dollar amount outstanding, virtually all of the loans with maturities of over five years were of this type, as were nine-tenths of those with three to five years maturity, about three-fifths of those running from one to three years, and one-sixth of those maturing in one year or less, excluding demand loans. Instalment loans were relatively more important in the District than in the United States.

Year mortgage was written

During the war years total farm mortgage debt declined steadily in both the Twelfth District and the United States. From the end of 1939 to the close of 1945, farm mortgage debt declined 21 percent in the District and 23 percent in the country as a whole. This trend was reversed in 1946, however. Total farm mortgage debt increased 8 percent in the District and 2 percent in the United States in that year and has continued to grow during 1947.

TABLE 7—FARM MORTGAGE LOANS OF INSURED COMMERCIAL BANKS OUTSTANDING IN MID-1947, BY DATE OF MORTGAGE—TWELFTH DISTRICT AND UNITED STATES[1]

Date of mortgage	Twelfth District: Percentage distribution: Number	Twelfth District: Percentage distribution: Amount	Twelfth District: Average size of loan	United States: Percentage distribution: Number	United States: Percentage distribution: Amount	United States: Average size of loan
Before 1940	2	2	$4,780	6	4	$1,560
1940-45	37	33	4,410	34	30	2,370
1946	38	43	5,530	36	39	2,970
1947	24	23	4,800	23	27	3,190
Total	100	100	4,930	100	100	2,740

[1] Estimated on basis of banks covered by the survey.
Note: Detailed figures may not add to totals because of rounding.

The loan survey figures showing the years in which the farm mortgages outstanding in mid-1947 were written reflect these two trends. Approximately two-thirds of both the number and the dollar amount of Twelfth District farm real estate bank loans then outstanding were made in 1946 and 1947 (Table 7). About one-third originated in the period from 1940 to 1945, and only 2 percent were made prior to 1940. Since the most common maturity for District farm mortgage loans was from five to ten years, many of the loans made in the 1940-45 period would still have been outstanding in mid-1947 had they run their full term. The fact that so large a proportion of the outstanding loans was made in 1946 and 1947 reflects, on the one hand, a strong demand since 1945 for new loans of this type, and, on the other, a repayment of loans obtained prior to 1946 at a more rapid rate than the contracts required.

Change in lending practices

As shown in the following table, data collected in the farm real estate loan survey indicate that District member banks now lend relatively less against the current selling price of farm real estate than they did in 1940. Despite this decline, banks are lending more dollars on a given property in 1947 than in 1940 because farm real estate values in the Twelfth District are now about 100 percent above their 1935-39 level.

Percentage of selling price[1]	Percentage of banks reporting: 1947	Percentage of banks reporting: 1940
33⅓ or less	28	5
Over 33⅓ to 50	32	15
50	22	40
Over 50	18	40
Total	100	100

[1] In answering this question, some banks deleted "selling price" and wrote in "appraisal." Other banks may actually have been thinking in terms of "appraisal" but did not change the wording of the question. The data in this table, therefore, are composed partly of answers couched in terms of "selling price" and partly of answers in terms of "appraisal." Since appraised values are usually lower than selling prices, the table tends to overstate the amount which banks were willing to lend in terms of selling price. Nevertheless, the table shows clearly that a change in the lending practices of District member banks has occurred. Moreover, since appraisal values in 1947 usually constitute a smaller fraction of the current selling price of farm real estate than they did in 1940, the table understates the decline in the percentage of current selling price which banks are willing to lend.

Loans by interest rate

Forty-two percent of the number and 49 percent of the dollar amount of the farm real estate loans in the Twelfth District carried an interest rate of 5 percent (Table 8). Six percent was the next most common rate, accounting for 36 percent of the number and 23 percent of the amount. Eleven percent of the number and 20 percent of the dollar amount had an interest rate of 4 percent.

TABLE 8—FARM MORTGAGE LOANS OF INSURED COMMERCIAL BANKS OUTSTANDING IN MID-1947, BY INTEREST RATE—TWELFTH DISTRICT[1]

Interest rate (percent)	Percentage distribution: Number	Percentage distribution: Amount	Average size of loan
4.0	11	20	$8,590
4.5[2]	4	7	9,220
5.0[2]	42	49	5,770
6.0[2]	38	23	2,950
7.0	1	[3]	2,260
8.0	4	1	1,400
Total	100	100	4,930

[1] Estimated on basis of banks covered by the survey.
[2] Includes a very small number of loans at 4.25, 5.5, and 6.5 percent respectively.
[3] Less than 0.5 percent.
Note: Detailed figures may not add to totals because of rounding.

As would be expected, the larger loans carried the lower rates of interest. There were also significant geographic differentials in interest rates within the Twelfth

TABLE 9—USUAL INTEREST RATE CHARGED ON FARM MORTGAGE LOANS BY TWELFTH DISTRICT MEMBER BANKS—1947, 1940, AND 1930

Usual interest rate (percent per annum)	Percentage of banks reporting rate: 1947	Percentage of banks reporting rate: 1940	Percentage of banks reporting rate: 1930
Under 5	12	5	1
5	41	13	3
5.1-5.9	18	12	1
6	23	55	34
6.1-6.9	1	6	16
7	2	5	31
Over 7	2	4	13
All reporting banks	100	100	100

Note: Detailed figures may not add to totals because of rounding.

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District. A detailed discussion of the interest rate structure will be presented in a subsequent article.

The survey indicated that a significant decline has occurred since 1930 in the usual rate of interest charged by Twelfth District banks for farm real estate loans. Of the member banks submitting information on this point, nearly one-third stated that in 1930 they usually charged 7 percent on such loans, while another third listed 6 percent (Table 9). Only 5 percent of the banks reported interest rates of less than 6 percent. In 1947, however, almost three-fourths of the banks indicated that their usual rate was less than 6 percent.

POPULATION AND LABOR FORCE OF PRINCIPAL METROPOLITAN AREAS—TWELFTH DISTRICT, 1947

THE RAPID population increase of the principal urban areas of the Twelfth District since 1940 has been much publicized. It is perhaps not so widely known that the character of the population has also greatly changed and that a larger proportion of the residents of these areas than before the war have become members of the labor force; that is to say, they normally work and expect to make their living by working.

Information with respect to recent changes in the number and composition of the populations of 34 principal metropolitan districts in the United States was secured by means of sample surveys conducted by the Census Bureau in April 1947. These surveys covered housing conditions and characteristics of the labor force as well as population characteristics. A summary of the Census findings with respect to housing in the five metropolitan areas of the Twelfth District included in the survey was presented in the MONTHLY REVIEW for September-October, 1947. This article discusses some of the characteristics of the civilian population and the labor force of the Los Angeles, San Francisco-Oakland, Seattle, Portland, and Salt Lake City areas. Comparisons are given in some instances with metropolitan districts in other parts of the country and with data drawn from the census of 1940.

Population growth since 1940 most rapid in the West

The increase in metropolitan populations in the United States between 1940 and 1947 was most pronounced in the western areas. Of the seven districts reporting population gains in excess of 30 percent, four were in the Twelfth District, one in Texas and two on the Atlantic Coast. Only one district among the 34, Norfolk-Portsmouth-Newport News, had a higher rate of growth—43 percent—than the three leading western areas. The slowest-growing metropolitan districts were practically all in the northeastern states; one Pennsylvania area actually reported a population loss. With few exceptions, the more rapidly growing districts were in the West and South.

The estimated civilian populations of the five western metropolitan districts included in the 1947 surveys, together with their total population in 1940 and rates of increase, are shown in Table 1.

TABLE 1—POPULATION IN FIVE METROPOLITAN DISTRICTS, AND PERCENT INCREASE, 1940-47

District	1947 Civilian population (thousands)	1940 Total population (thousands)	Percent increase
Los Angeles	3,917	2,905	35
San Francisco-Oakland	1,990	1,429	39
Seattle	603	453	33
Portland	534	406	31
Salt Lake City	245	204	20
Total	7,289	5,397	35

Large proportion of "migrants" in western districts

Over 2,500,000 individuals, or more than one-third of the total civilian population of the five western metropolitan districts in 1947, were persons who had moved into the county of their residence since 1940. (See Table 2.) The proportion of such persons in the population of the San Francisco-Oakland and Portland districts (40 percent and 38 percent, respectively), exceeded that in any of the other 32 districts surveyed. The Seattle and Los Angeles districts, where migrants constituted 34 and 32 percent of the 1947 population, also ranked high. Only eight other metropolitan districts, chiefly in the South and Southwest, had migration rates above the Salt Lake City rate of 22 percent. The 12 districts with the lowest proportion of migrants were nearly all in the northeastern states, areas that tended to lose population to other regions during the war.

TABLE 2—PERCENTAGE DISTRIBUTION OF 1947 POPULATION WITH RESPECT TO MIGRATION SINCE 1940

District	Migrants[1] total	Nonmigrants		
		Total	Same house	Different house
Los Angeles	32	68	29	39
San Francisco-Oakland	40	60	33	27
Seattle	34	66	30	36
Portland	38	62	30	32
Salt Lake City	22	78	42	36

[1] The term "migrants" means residents of a metropolitan district who lived in different counties in 1940 and 1947.

Among the striking evidences of the wide prevalence of change in American life, at least during recent years, is the fact that in three-fourths of the metropolitan districts surveyed in 1947, less than half the population were living in the same house they occupied in 1940. In the five western districts the proportion was even lower; in none of these areas except Salt Lake City was more than one-third of the population occupying the same living quarters in 1947 as in 1940. (See Table 2.) Six other metropolitan districts, all in the South or Southwest, reported a similar low degree of stability in housing occupancy. The 12 areas where residence remained most stable during this period were all in the northeastern states; not even in any of these areas, however, were as many as 60 percent of the population living in the same house in both years.

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Migration, chiefly of negroes, has been largely responsible for the 80 percent increase in the nonwhite population of the five western metropolitan districts since 1940. This rate compares with an increase of about 33 percent in the white population of the area, and with an increase of less than 12 percent in the nonwhite population of the country as a whole, during the same period. The composition of the nonwhite population group in the Twelfth District has also changed fundamentally; where it was formerly largely Japanese and Chinese, it is now predominantly negro.

Relative gains in population, labor force and employment, 1940-47

Large as was the population growth of the western metropolitan areas between 1940 and 1947, the expansion of the labor force was still more impressive. The total civilian population of these five areas increased during the seven-year period by more than 1,890,000, or about 35 percent. The number of persons of working age, i.e., those over 13 years old, increased during the same period by 1,312,000, or about 29 percent; while the labor force itself expanded by 913,000 or almost 39 percent. In 1940 about 52 out of each 100 persons of working age in the five districts were members of the labor force; by 1947 the proportion was nearly 57 out of each 100. This increase was roughly double that for the 34 metropolitan areas as a whole.

Reflecting the much better balance of supply and demand in the labor market in 1947, unemployment was far less than in 1940 both in comparison with the labor force and in absolute numbers. In fact, the increase in the number of persons having jobs in the five western districts actually outstripped the growth of the labor force itself.

The estimated numbers in these several groups in April 1947, for the five western metropolitan districts as a whole, compared with the Census counts in 1940, were as follows:

TABLE 3—POPULATION, LABOR FORCE AND EMPLOYMENT, 1940 AND 1947—FIVE WESTERN METROPOLITAN DISTRICTS COMBINED

	1947 (thousands)	1940 (thousands)	Percent increase
Total population	7,289	5,397	35
Persons over 13 years old	5,783	4,471	29
Labor force	3,267	2,355	39
Number employed	3,091	2,033	52
Unemployed	177	322	—45

The labor force in relation to the population of working age

A larger proportion of the population of working age was actually employed or looking for work in 1947 than in 1940 in all of the five western metropolitan districts. The ratio varied in 1940 from about 49 percent in the Salt Lake City district to about 54 percent in the San Francisco-Oakland, Seattle, and Portland districts. In 1947 the proportion ranged from 55 percent in the Salt Lake City and Los Angeles districts to 59 percent in the San Francisco-Oakland district. For the 34 metropolitan districts as a whole the proportion averaged about 54 percent in 1940 and about 57 percent in 1947. (See Table 4.)

TABLE 4—PERCENTAGE OF PERSONS 14 YEARS OLD OR OVER IN THE LABOR FORCE, 1940 AND 1947

District	Total 1947	Total 1940	Male 1947	Male 1940	Female 1947	Female 1940
Los Angeles	55	52	81	77	32	28
San Francisco-Oakland	59	54	85	78	36	30
Seattle	57	54	81	78	33	29
Portland	57	54	82	79	34	29
Salt Lake City	55	49	81	76	30	23
General average	57	52	82	77	33	29
34 districts, average	57	54	83	80	33	29

Somewhat less than four out of five of all males of working age were in the labor force in each of the five western metropolitan districts in 1940, while by 1947 the ratio had increased to somewhat over four-fifths. This was a relative increase of about one-fifteenth. The corresponding increase in the proportion of women of working age who were in the labor force was nearer one-seventh. Taking the five districts as a whole, about 29 percent of the potential woman power was in the labor force in 1940, while by 1947 the proportion had moved up to around 33 percent. (See Table 4.)

Large increase in number of working women

An important part of the labor force since 1940 in all sections of the country has come from the large increase in the number of working women. In the five western metropolitan districts as a whole the increase in the number of females in the labor force between 1940 and 1947 was about 55 percent, as against a gain in the number of males of about 33 percent. For the entire group of 34 metropolitan areas the number of males in the labor force increased during the same period by about 14 percent, the number of females by about 28 percent. With respect to employment, women made a gain in the five western districts between 1940 and 1947 of about 66 percent as against 47 percent for men. The corresponding increases for the 34 districts as a whole were 42 percent for women and 29 percent for men. (See Table 5.)

TABLE 5—PERCENTAGE INCREASE IN LABOR FORCE AND EMPLOYMENT, 1940-47

District	Labor force Total	Labor force Male	Labor force Female	No. employed Total	No. employed Male	No. employed Female
Los Angeles	40	34	51	51	48	60
San Francisco-Oakland	45	35	67	59	49	84
Seattle	32	26	46	43	39	56
Portland	33	28	46	47	44	55
Salt Lake City	30	22	54	46	38	69
Average	39	33	55	52	47	66
34 districts, average	18	14	28	33	29	42

In spite of the larger relative increase between 1940 and 1947 in the number of women seeking employment, as compared with men, the 1947 surveys indicate that they were having greater difficulty than men in finding work, at least in the five western districts. Whereas women constituted less than 31 percent of the total labor force of these five areas in April 1947, they accounted for over 36 percent of the total estimated unemployment at that date. In 1940 the reverse situation existed; at that

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time women constituted between 27 and 28 percent of the total labor force of the five western metropolitan areas, but accounted for only slightly over 25 percent of the unemployed.

The rapid increase in all parts of the country in the number of women in the labor force suggests that some general set of causes must be at work to produce such a general condition. The explanation is to be sought in a number of influences, most of which can probably be traced to the effects of the war.

Probably the most important single factor is that of war casualties, including deaths, injuries and other disabilities. Because of these casualties the potential number of men in the labor force has been reduced, while more women have been forced into the labor market as breadwinners, either on their own account or for their families. Another factor associated with the war is the circumstance that a relatively large number of men were still in the armed services in April 1947, as compared with early 1940, and a considerable fraction of those who had been demobilized were attending school or college under the provisions of the "G. I. Bill of Rights." Both these influences tended to reduce the potential number of men in the civilian labor force.

The habituation of large numbers of women to industrial and mechanical occupations in defense industries during the war has undoubtedly led a certain proportion of women to remain in the labor force who might otherwise never have entered it. The extensive participation of women in war industries was especially marked in the metropolitan areas of the Twelfth District.

The stress of economic necessity during a period of rapidly increasing commodity prices has probably driven many women into the labor market in order to supplement the family income and to help meet the rising cost of living. Taken in conjunction with the influences already suggested, this has undoubtedly been an important factor contributing to the changing character of the labor force.

It is probable that some of the influences forcing women into the labor market were also responsible in part for the reduction of school attendance among young women of working age. Total school and college enrollment among persons 7 to 24 years old in the five western districts increased nearly 20 percent between 1940 and 1947. Up to age 17 relatively little change occurred during this period in the proportion of children who were at school. At ages 18 to 24, however, there was an actual decline in the number of young women attending school in the five western areas although the number of females in this age group had increased nearly 22 percent. In 1940 about 54,000 women in the 18-24 year age group were in school or college in the five western districts; in 1947 the number had shrunk to about 48,000. Among young men the corresponding numbers were about 73,000 in 1940 and 96,000 in 1947, an increase of nearly 33 percent. No doubt the large number of war and early postwar marriages has also played a part in reducing the number of young women attending school.

Occupational and industrial shifts among employed persons, 1940-47

Noteworthy changes have occurred since 1940 in the occupational and industrial distribution of the working population in the five western metropolitan districts. The 1947 surveys disclose an increased tendency toward wage and salary employment and a decline in self-employment in every district. This drift, together with the general increase in the proportion of proprietors, managers and officials, no doubt reflects the greater degree of corporate and large scale organization of business and industry. The proportion of craftsmen, foremen, and similar skilled workers increased at the expense of operatives, semi-skilled workers, and laborers in every district except Portland, where the gain was at the expense of the service and professional groups.

Among the striking tendencies revealed by the 1947 surveys are the marked increase in the entry of women into clerical and sales work in recent years and their very general withdrawal from domestic service. Clerical and sales occupations represented a higher proportion of all employed persons in each of the western areas in 1947 than in 1940, in spite of the relative shifting of men out of these occupations. The number of men employed in clerical and sales work in the five districts increased between 1940 and 1947 from 292,000 to 365,000, or 25 percent. The number of women employed in these occupations more than doubled during the same period, rising from 210,000 to 423,000. As against about 42 percent of the total sales and clerical group in 1940, women accounted for nearly 54 percent in 1947.

Almost equally striking was the decline of domestic service, predominantly a women's occupation. In spite of large population increases in all the western metropolitan districts, particularly among the younger age groups, the number of female domestic servants actually fell between 1940 and 1947 in every district except San Francisco-Oakland. The total number of domestic service workers, male and female, was smaller in all districts in 1947 than in 1940. Service occupations as a whole represented a considerably smaller fraction of the employed population in 1947 than in 1940. Professional and semi-professional workers remained a fairly constant fraction of the total number employed in each district.

Employment in the western metropolitan areas expanded more rapidly between 1940 and 1947 in the manufacturing and construction industries than in any of the other industrial categories. The number employed in each of these two groups rose about 76 percent as against an average gain for all industries of 52 percent. Next in rate of increase was transportation, communication and other public utilities, with a 58 percent rate of growth. Wholesale and retail trade increased at slightly less than the average rate, with a gain of 49 percent. Employment in the service industries, including finance, insurance and real estate, business and repair services, and entertainment, as well as professional, personal and domestic service, increased a little over one-third (36 percent).

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The growth of manufacturing and construction was especially rapid in the Los Angeles area, where the number of persons employed in these industries nearly doubled between 1940 and 1947. Corresponding rates of increase in the other districts ranged from about 35 percent for Salt Lake City to 64 percent for Portland. Expressed as a percentage of the total number of employed persons, employment in manufacturing and construction in the several districts compared as follows in 1940 and 1947:

	1947	1940
Los Angeles	34	26
San Francisco-Oakland	27	27
Seattle	27	26
Portland	28	25
Salt Lake City	19	21

WHEAT FLOUR PRODUCTION—TWELFTH DISTRICT

FLOUR MILLS in the Twelfth Federal Reserve District, operating at an average 98 percent of capacity, produced approximately 11.9 million barrels of flour in the first nine months of 1947. This represents an increase of about 6 percent over the 11.2 million barrels produced in the first nine months of 1946, despite the fact that serious fires reduced the total milling capacity of the District by an estimated 7 percent during 1947. Some 10 percent of the national total has been produced in the Twelfth District this year, compared with 11.5 percent in 1945 and 8.5 percent in 1939.

Wheat flour production in the Twelfth District increased gradually through 1942 from the 1933 low, and rose sharply through 1945. Output in 1946 showed a slight decline from 1945, but figures for the first nine months of 1947 suggest that a new high will be recorded this year.

Disappearance of seasonal fluctuations

The gradual increase in production between 1933 and 1942 was accompanied by the concentration of production in the larger mills, where seasonal fluctuations have been minimized to a considerable extent. At the same time there was increasing utilization of milling capacity. These developments contributed to a gradual reduction in seasonal variation between 1933 and 1942. In the last few years, seasonal variation in flour production has been reduced to a much further extent. To meet increased war and postwar demand for flour, the larger mills in particular have been operating on a more sustained basis throughout the year. In 1942, monthly operations of reporting mills ranged from 56 percent of capacity to 77 percent; in the first ten months of 1947 operations have ranged from 92 to 100 percent of capacity. The accompanying table shows the average percent of capacity at which reporting mills in the Twelfth District have operated over selected periods.

MONTHLY AVERAGE PRODUCTION OF WHEAT FLOUR AS PERCENT OF CAPACITY—TWELFTH DISTRICT REPORTING MILLS

1924-1933	54.2
1934-1943	63.4
1944	76.8
1945	85.0
1946	84.1
1947 (10 months)	98.0

There has been a general decrease in the number of mills in operation in the Twelfth District, particularly smaller mills, and many of the remaining small independent mills have become branch mills of larger companies. No significant additions have been made to milling capacity in the Twelfth District for many years, but a few large mills are now planned or under construction.

Increase in flour-wheat export ratio

Continued population increase has been the most important factor sustaining a high level of wheat flour production in the Twelfth District. An important influence on the production of wheat flour in all parts of the country is the currently high exports of flour, which presently account for about 27 percent of United States production. Exports of both flour and wheat from this country were much higher in 1946 than in 1939. Flour exports in 1946 were 330 percent greater than in 1939, while wheat exports were 270 percent greater. Figures for 1947 reveal a further increase in foreign shipments of flour relative to wheat. Exports of flour in the first nine months of 1947 were 72 percent above exports for the first nine months of 1946, while exports of wheat were 29 percent less in the first nine months of 1947 than in the corresponding period of 1946.

Wheat flour exports—Twelfth District

Wheat flour exports from Twelfth District ports totaled 1.9 million barrels in the first nine months of 1947. This is an increase of three percent over exports in the same period of 1946, but a decline of 40 percent from 1939. In the first nine months of 1939 Twelfth District flour exports were slightly more than half of national flour exports. In the first nine months of 1946 this ratio was reduced to 10 percent, and in 1947 only 6 percent of the total flour exports were shipped from Twelfth District ports.

Index of flour production

With this issue of the MONTHLY REVIEW, the base period for the wheat flour production index has been changed from 1923-25 to 1935-39. Because of the virtual disappearance of seasonal fluctuations in recent years, the seasonally adjusted index is no longer being published.

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BUSINESS INDEXES—TWELFTH DISTRICT

1935-39 Average = 100[1]

Year and month	Industrial production (physical volume)[2]									Factory employment[4]		Factory payrolls[4]	
	Lumber		Petroleum[3] Crude	Petroleum[3] Refined	Cement		Wheat flour	Electric power		California		California	
	Adjusted	Unadjusted	Unadjusted	Unadjusted	Adjusted	Unadjusted	Unadjusted	Adjusted	Unadjusted	Adjusted	Unadjusted	Adjusted	Unadjusted
1929	.....	148	121	193	.....	110	106	.....	83	.....	100	.....	111
1930	.....	112	95	168	.....	96	100	.....	84	.....	86	.....	93
1931	.....	77	78	140	.....	74	101	.....	82	.....	73	.....	73
1932	.....	46	74	134	.....	48	89	.....	73	.....	61	.....	54
1933	.....	62	72	127	.....	54	88	.....	73	.....	66	.....	53
1934	.....	67	73	123	.....	70	95	.....	79	.....	79	.....	64
1935	.....	83	86	140	.....	68	94	.....	85	.....	87	.....	78
1936	.....	106	89	154	.....	117	96	.....	96	.....	99	.....	96
1937	.....	113	99	163	.....	112	99	.....	105	.....	112	.....	115
1938	.....	88	104	159	.....	92	96	.....	102	.....	98	.....	101
1939	.....	110	93	160	.....	114	107	.....	112	.....	104	.....	110
1940	.....	120	93	158	.....	124	103	.....	122	.....	122	.....	134
1941	.....	140	96	172	.....	164	103	.....	136	.....	173	.....	224
1942	.....	140	103	175	.....	194	104	.....	167	.....	270	.....	460
1943	.....	133	118	194	.....	160	115	.....	214	.....	363	.....	705
1944	.....	138	129	226	.....	128	119	.....	231	.....	335	.....	694
1945	.....	108	135	243	.....	131	132	.....	219	.....	246	.....	497
1946	.....	118	131	219	.....	165	128	.....	219	.....	177	.....	339
1946													
September	120	139	131	222	170	182	134	227	227	187*r*	188*r*	368*r*	369*r*
October	122	133	131	229	161	175	135	236	229	190*r*	192*r*	376*r*	380*r*
November	128	122	132	227	182	176	127	237	232	192	193	372	373
December	133	100	133	221	182	170	145	243	240	192	193	387	388
1947													
January	155	106	134	219	191	164	152	250	246	194	191	386	379
February	172	121	136	227	182	166	147	249	244	192	191	387	384
March	143	124	137	255	207	190	141	252	248	193	192	390	389
April	132	135	137	259	193	196	133	254	252	192	192	392	392
May	130	151	138	267	193	195	129	251	253	190	190	392	394
June	131	151	139	264	186	202	138	251	257	187	187	394	396
July	126	140	139	261	184	195	126	252	262	184	184	392	392
August	130	158	139	279	185	201	125	252	263	189	189	408*r*	410*r*
September	131	154	139	278	.....	.....	123	259	259	191	191	411	412
October	140	153	140	261	.....	.....	133	260	253	192	193	418	423

Year and month	Carloadings (number)[3]						Department store sales (value)[2]					Dept. store stocks (value)[5]		Retail Food Prices
	Total		Merchandise and miscellaneous		Other		District		California	Pacific Northwest	Utah & So. Idaho	District		
	Adjusted	Unadjusted	Adjusted	Unadjusted	Adjusted	Unadjusted	Adjusted	Unadjusted	Adjusted	Adjusted	Adjusted	Adjusted	Unadjusted	Unadjusted
1929	.....	112	.....	114	.....	109	.....	112	109	115	124	.....	132	132.0
1930	.....	93	.....	105	.....	84	.....	104	103	106	111	.....	125	124.8
1931	.....	75	.....	89	.....	57	.....	94	94	91	97	.....	110	104.0
1932	.....	57	.....	74	.....	37	.....	71	72	68	69	.....	89	89.8
1933	.....	58	.....	70	.....	43	.....	68	68	66	72	.....	80	86.8
1934	.....	66	.....	81	.....	48	.....	77	75	78	82	.....	85	93.2
1935	.....	72	.....	85	.....	56	.....	86	86	85	89	.....	89	99.6
1936	.....	85	.....	97	.....	70	.....	100	99	100	99	.....	97	100.3
1937	.....	90	.....	102	.....	75	.....	105	106	105	104	.....	108	101.5
1938	.....	79	.....	90	.....	65	.....	100	100	100	98	.....	101	99.0
1939	.....	85	.....	96	.....	72	.....	109	109	110	110	.....	106	96.9
1940	.....	90	.....	99	.....	79	.....	116	117	117	116	.....	113	97.6
1941	.....	105	.....	116	.....	91	.....	139	136	146	138	.....	137	107.9
1942	.....	113	.....	121	.....	103	.....	169	160	189	174	.....	187	130.9
1943	.....	109	.....	119	.....	97	.....	201	192	219	212	.....	172	143.4
1944	.....	115	.....	130	.....	97	.....	221	217	232	217	.....	177	142.1
1945	.....	110	.....	131	.....	83	.....	244	242	252	237	.....	182	146.3
1946	.....	111	.....	132	.....	86	.....	306	304	310	304	.....	238	167.4
1946														
September	109	126	125	148	90	100	313	326	303	312	319	249	281	179.7
October	109	128	125	151	89	99	319	330	320	313	301	270	299	186.2
November	111	112	134	134	83	84	319	376	325	307	289	296	313	199.9
December	121	107	145	129	91	79	317	503	310	329	305	334	273	198.4
1947														
January	136	108	146	122	124	89	313	249	307	318	326	315	277	195.7
February	134	111	150	125	113	93	330	278	317	352	335	330	290	193.5
March	117	109	129	120	103	96	325	295	318	336	314	331	308	196.6
April	120	117	130	122	108	111	315	297	314	311	313	308	304	197.8
May	112	112	131	123	88	98	323	300	321	331	279	287	298	197.3
June	115	124	134	142	91	101	319	293	317	324	294	280	285	194.8
July	122	124	133	142	107	102	329	271	322	333	349	267	283	196.5
August	109	125	129	145	82	100	340	306	329	349	363	248	272	197.9
September	108	124	121	142	91	101	321	335	317	323	312	253	285	206.6
October	109	128	122	147	92	103	324	335	321	332	294	288	319	204.8

[1] The terms "adjusted" and "unadjusted" refer to adjustment of monthly figures for seasonal variation. Excepting department store statistics, all indexes are based upon data from outside sources, as follows: Lumber, various lumber trade associations; Petroleum and Cement, U.S. Bureau of Mines; Wheat flour, U.S. Bureau of the Census; Electric power, Federal Power Commission; Factory employment, Factory payrolls, and Consumers' prices, U.S. Bureau of Labor Statistics and cooperating state agencies; and Carloadings, various railroads and railroad associations.

[2] Daily average. [3] 1923-25 daily average = 100. [4] Wage earners only. Excludes fish, fruit and vegetable canning.

[5] At retail, end of month or end of year. [6] Los Angeles, San Francisco, and Seattle indexes combined.

p—preliminary. *r*—revised.

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BANKING AND CREDIT STATISTICS—TWELFTH DISTRICT

(amounts in millions of dollars)

Year and month	Condition items of all member banks[1]									
	Loans and discounts					Investments[2]		Demand deposits adjusted[3,4]	Time deposits (except U.S. Gov't)[4]	U.S. Gov't deposits[4]
	Total[2]	Coml., ind. & agric.	For purch., carry'g secs.	Real estate	All other	U.S. Gov't securities	All other securities			
1929	2,239	.....	.....	647	.....	495	458	1,234	1,776	36
1930	2,218	.....	.....	721	.....	467	561	1,158	1,915	49
1931	1,898	.....	.....	711	.....	547	560	984	1,667	99
1932	1,570	.....	.....	635	.....	601	528	840	1,515	148
1933	1,486	.....	.....	668	.....	720	510	951	1,453	233
1934	1,469	.....	.....	670	.....	1,064	575	1,201	1,759	228
1935	1,537	.....	.....	662	.....	1,275	587	1,389	2,006	167
1936	1,682	.....	.....	686	.....	1,334	614	1,791	2,078	96
1937	1,871	.....	.....	730	.....	1,270	498	1,740	2,164	90
1938	1,869	663	82	798	327	1,323	486	1,781	2,212	127
1939	1,967	664	76	864	362	1,450	524	1,983	2,263	118
1940	2,130	735	65	931	399	1,482	590	2,390	2,351	68
1941	2,451	933	59	1,000	460	1,738	541	2,893	2,417	144
1942	2,170	870	51	974	275	3,630	538	4,356	2,603	307
1943	2,106	934	62	899	211	6,235	557	5,998	3,197	842
1944	2,254	956	184	885	228	8,263	698	6,950	4,127	1,442
1945	2,663	1,103	343	908	309	10,450	795	8,203	5,194	2,050
1946	4,068	1,882	195	1,431	560	8,426	908	8,821	5,781	303
1946										
October	3,794	.....	.....	.....	.....	9,157	891	8,757	5,669	808
November	3,954	.....	.....	.....	.....	8,815	889	8,801	5,696	610
December	4,068	1,882	195	1,431	560	8,426	908	8,821	5,781	303
1947										
January	4,140	.....	.....	.....	.....	8,303	911	8,704	5,761	308
February	4,254	.....	.....	.....	.....	8,058	893	8,367	5,804	370
March	4,364	.....	.....	.....	.....	7,909	894	8,327	5,820	396
April	4,479	.....	.....	.....	.....	7,677	876	8,334	5,837	286
May	4,558	.....	.....	.....	.....	7,662	862	8,260	5,851	235
June	4,658	2,047	134	1,828	649	7,370	871	8,297	5,908	103
July	4,755	.....	.....	.....	.....	7,375	874	8,366	5,888	148
August	4,879	.....	.....	.....	.....	7,353	871	8,462	5,887	208
September	4,997	.....	.....	.....	.....	7,364	889	8,600	5,909	216
October	5,158	.....	.....	.....	.....	7,361	896	8,722	5,949	192
November	5,240	.....	.....	.....	.....	7,361	884	8,797	5,907	205

Year and month	Member bank reserves and related items[5]								Bank debits index 31 cities[8]
	Reserve bank credit[6]	Commercial operations[6]	Treasury operations[6]	Coin and currency in circulation		Reserves[7]			
				Total[6]	F.R. notes of F.R.B. of S.F.	Total	Required	Excess	Unadjusted
1929	− 34	0	+ 23	− 6	189	175	171	4	146
1930	− 16	− 53	+ 89	+ 16	186	183	180	5	126
1931	+ 21	− 154	+ 154	+ 48	231	147	154	− 4	97
1932	− 42	− 175	+ 234	+ 30	227	142	135	8	68
1933	− 2	− 110	+ 150	− 18	213	185	142	37	63
1934	− 7	− 198	+ 257	+ 4	211	242	172	84	72
1935	+ 2	− 163	+ 219	+ 14	280	287	201	100	87
1936	+ 6	− 227	+ 454	+ 38	335	479	351	119	102
1937	− 1	− 90	+ 157	− 3	343	549	470	70	111
1938	− 3	− 240	+ 276	+ 20	361	565	418	142	98
1939	+ 2	− 192	+ 245	+ 31	388	584	459	138	102
1940	+ 2	− 148	+ 420	+ 96	493	754	515	257	110
1941	+ 4	− 596	+1,000	+ 227	700	930	720	245	134
1942	+ 107	−1,980	+2,826	+ 643	1,279	1,232	1,025	262	165
1943	+ 214	−3,751	+4,486	+ 708	1,937	1,462	1,343	103	211
1944	+ 98	−3,534	+4,483	+ 789	2,699	1,706	1,598	104	237
1945	− 76	−3,743	+4,682	+ 545	3,219	2,033	1,878	136	260
1946	+ 9	−1,607	+1,329	− 326	2,871	2,094	2,051	59	298
1946									
October	− 162	− 29	+ 223	− 2	2,875	2,040	2,002	56	310
November	+ 74	− 136	+ 111	− 2	2,866	2,092	2,030	54	313
December	+ 37	+ 37	− 62	+ 7	2,871	2,094	2,051	59	339
1947									
January	+ 109	− 35	− 168	− 81	2,800	2,081	2,043	60	322
February	+ 14	− 25	− 133	− 32	2,765	1,981	1,982	51	325
March	− 62	+ 3	+ 50	− 30	2,735	2,003	1,940	61	332
April	− 2	− 69	+ 47	− 18	2,716	1,997	1,934	63	309
May	+ 34	− 14	+ 49	+ 10	2,714	1,993	1,934	59	297
June	− 21	− 41	− 7	− 13	2,695	1,992	1,944	51	322
July	− 234	− 213	+ 381	− 23	2,669	1,963	1,956	60	305
August	− 48	+ 78	+ 124	− 23	2,685	2,078	1,985	62	322
September	− 87	− 85	+ 172	− 10	2,675	2,095	2,028	80	325
October	+ 23	− 39	+ 35	− 16	2,656	2,137	2,046	77	347
November	− 4	0	+ 33	+ 3	2,653	2,130	2,059	65	344

[1] Annual figures are as of end of year; monthly figures are as of last Wednesday in month or, where applicable, as of call report date.
[2] Monthly data for 1946 partly estimated.
[3] Demand deposits, excluding interbank and U.S. Gov't deposits, less cash items in process of collection.
[4] Monthly data partly estimated. [5] End of year and end of month figures. [6] Changes only.
[7] Total reserves are as of end of year or month. Required and excess: monthly figures are daily averages, annual figures are December daily averages.
[8] Debits to total deposit accounts, excluding interbank deposits. 1935-39 daily average = 100.
p—preliminary. *r*—revised.

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