

BUSINESS CONDITIONS



SEVENTH FEDERAL RESERVE DISTRICT

VOL. 4, No. 7—JULY 30, 1921

AGRICULTURAL PRODUCTION IN THE SEVENTH FEDERAL RESERVE DISTRICT, even with the wheat and oat crops falling somewhat short of earlier predictions, is regarded as sufficient to enable the farmer to pay current bills and liquidate a considerable portion of his bank indebtedness, if he is able to market his products. This statement, however, will not apply with equal force to all sections of the district. His problem now is becoming one of markets and transportation instead of one of production and, together with the manufacturer, he is beginning to realize more and more the vital importance of the resumption of purchases by the European consumer in the American market and the clearing up of the foreign exchange situation.

Meantime, manufacturing and mercantile business is reflecting a distinct disposition on the part of the domestic consumer to buy only what is absolutely necessary, and not to look so much at the intrinsic value as at the price-mark to determine whether the particular article sought is being offered at a substantial reduction from the peak of a year ago. In the agricultural sections, because of the early and far-reaching readjustment in prices of farm products, the disposition is to be more insistent regarding price concessions than in the manufacturing centers.

CONSUMPTION OF MEATS PER CAPITA SHOWS A DECREASE

Statistics reveal that during the first five months of 1921 the people of the United States consumed less meat per capita than in the corresponding period of the previous year, this reduction in the consumption of all meats being eight-tenths of a pound. The chief curtailment in meat consumption was in beef and veal, as can be seen in the accompanying table.

	BEEF & VEAL		PORK		LAMB & MUTTON		TOTAL	
	POUNDS		POUNDS		POUNDS		POUNDS	
	1921	1920	1921	1920	1921	1920	1921	1920
January.	3.69	4.66	5.49	5.35	.53	.40	9.71	10.41
February	2.85	3.82	4.36	3.08	.43	.35	7.64	7.25
March..	3.64	4.38	4.46	4.03	.48	.33	8.58	8.74
April...	3.47	4.07	4.76	3.78	.40	.29	8.63	8.14
May....	3.42	4.31	4.78	4.82	.36	.25	8.56	9.38
Total...	17.07	21.24	23.85	21.06	2.20	1.62	43.12	43.92
Decrease	4.17	....	2.79*	....	0.58*	....	0.80	....

*Increase.

Six months statistics, compared with the corresponding period of a year ago, show a greater percentage of decrease in total shipments of cattle and calves than in total receipts. There was a decrease in local slaughter of 8.7 per cent, while the shipments of stockers and feeders back to the farms were 24.8 per cent less. Government earlier reports show smaller farm holdings.

The tendency now is toward an increase in the feeding of hogs, as is indicated by the movement of hog feeders. The slaughter of sheep is heavier, while the movement of sheep feeders and stockers to the farms is about half that of a year ago, attributed chiefly to the uncertainty of the wool market. The detailed statistics follow:

Compiled July 26, 1921

RECEIPTS AND DISPOSITION OF LIVE STOCK AT 69 MARKETS

	RECEIPTS		LOCAL SLAUGHTER		STOCKER AND FEEDER SHIPMENTS		TOTAL SHIPMENTS	
	1921	1920	1921	1920	1921	1920	1921	1920
<i>June—</i>								
Cattle and Calves.....	1,579,941	1,878,951	1,004,814	1,061,271	197,075	271,690	607,578	799,252
Decrease.....	299,010		56,457		74,615		191,674	
Decrease per cent.....	15.9		5.3		27.5		24.0	
<i>Total for 6 months—</i>								
Cattle and Calves.....	9,013,213	10,237,921	5,490,748	6,012,712	1,255,232	1,668,577	3,489,555	4,139,083
Decrease.....	1,224,708		521,964		413,345		649,528	
Decrease per cent.....	12.0		8.7		24.8		15.7	
<i>June—</i>								
Hogs.....	3,573,083	3,709,169	2,474,203	2,421,417	33,316	43,333	1,143,300	1,307,884
Decrease.....	136,086		52,786*		10,017		164,584	
Decrease per cent.....	3.7		2.2*		23.1		12.6	
<i>Total for 6 months—</i>								
Hogs.....	22,202,429	23,566,611	14,593,995	15,191,070	304,290	467,215	7,625,502	8,312,371
Decrease.....	1,364,182		597,075		162,925		686,869	
Decrease per cent.....	5.8		3.9		34.9		8.3	
<i>June—</i>								
Sheep.....	1,849,527	1,639,687	1,092,510	844,787	88,910	226,970	781,885	806,244
Decrease.....	209,840*		247,723*		138,060		24,359	
Decrease per cent.....	12.8*		29.3*		60.8		3.0	
<i>Total for 6 months—</i>								
Sheep.....	10,499,476	8,938,527	6,183,253	4,785,409	582,181	1,316,246	4,379,343	4,201,478
Decrease.....	1,560,949*		1,397,844*		734,065		177,865*	
Decrease per cent.....	17.5*		29.2*		55.8		4.2*	

*Increase.

DIFFICULTIES IN FINANCING CATTLE RAISING

These changes, traceable partly to smaller per capita consumption and to a dropping off in exports, particularly of beef, also indicate, to some extent, the diminished supply of cattle in the country. The decrease in shipments of feeders back to the farm, together with the statistics on slaughter, seem to indicate that feeders and stockers are being slaughtered, instead of being purchased for the farm. There is a disposition on the part of the big cattle feeders, because of the difficulty in financing their operation, and of the uncertainty regarding profits, to curtail their activities, and to send stock to the market unfinished. In the Middle West live stock situation there is an abundance of feed, and a shortage of cattle and calves and of long time credit to fatten them. If the feeding of cattle is to be resumed on anything like a pre-war or normal scale, it will call for some very large advances.

The shrinkage in the price of live cattle from that of last year, which is accounted for by the decreased demand for meat, together with the low hide market and lower prices for offal, will be noted from the following comparative table:

COMPARATIVE PRICES ON LIVE STOCK AT CHICAGO

	1921		1920	
	June 16-30	July 1-15	June 16-30	July 1-15
Native beef steers				
750-1050 lbs.....	\$7.47	\$7.42	\$14.15	\$13.93
1050-1200 lbs.....	7.67	7.55	14.83	14.80
1200-1350 lbs.....	7.96	7.85	15.70	15.78
1350-1500 lbs.....	8.07	8.00	16.20	16.20
1500-1800 lbs.....	8.23	8.10	16.52	16.45
Fat cows, heifers.....	4.90	5.20	9.57	9.35
Canners, cutters.....	2.15	2.38	4.77	4.85
All bulls.....	4.37	4.75	8.52	7.95
Bologna bulls.....	4.15	5.18	7.62	6.68

	1921		1920	
	June 16-30	July 1-15	June 16-30	July 1-15
Calves.....	\$ 8.97	\$10.25	\$13.62	\$13.20
Stockers and feeders..	5.58	5.55	9.05	8.90
Fat native sheep.....	3.55	4.18	7.08	7.75
Fat native lambs.....	10.32	10.10	13.52	14.98
Fat western sheep.....	5.05	5.80	8.35	8.90
Fat western lambs...	10.80	11.08	14.22	15.80
Yearling sheep.....	8.09	7.28	10.58	10.70
Hogs.....	8.38	9.28	15.11	14.72

All except hogs based on weekly averages; hogs based on daily averages.

DRESSED MEAT AND PROVISION MARKET FACTORS

Dressed hogs, on July 15, were 2 cents a pound higher than on June 15, the prices for green hams $3\frac{1}{2}$ to 4 cents higher, and other pork products ruled from 1 to 3 cents higher, depending on the cut. Sweet pickled hams advanced between 3 and 4 cents, while the other pickled products ranged from $\frac{1}{2}$ to 2 cents higher. These increases are attributable to the improved export demand from England for pork products.

The British Food Ministry still has a quantity of Wiltshires, but its old stock of bacon has been practically consumed; hence the increased demand from England for bacon. Old stocks of bacon and pork products in Holland, Belgium, the Scandinavian countries, and other parts of Continental Europe, are fast disappearing and this is resulting in a greater demand for dry salt meats and barreled pork. There is an improved demand in the shape of sales, instead of shipments on consignment, for dry salt meats in Germany and other countries adjacent thereto. There was a good domestic demand for pork loins toward the latter part of July. Weather conditions affected domestic sales of fresh meat in June and July.

AVERAGE COMPARATIVE MEAT PRICES AT CHICAGO

	July 1 to 15 1921	June 16 to 30 1921	July 24 to 31 1920
<i>Wholesale Prices per cwt.—</i>			
Prime native steers dressed	\$15 @ 16	\$15.65 @ 16.68	\$27 @ 28
Steer loins No. 1†	29.00	30.00	46.00
Steer rounds No. 1	16.75	16.50	28.00
Cow rounds	14.00	14.00	16.00
Cow chucks	5.25	7.16	11.00
Choice lambs	27.00	26.50	35.00
Heavy sheep	9.50	8.34	13.00
Dressed hogs	14.50	13.34	22.00
Loose Prime Steam Lard	9.725	9.268	17.60
Choice carcass veal	16.50 @ 18.00	15.67 @ 17.00	28.00
Pork loins	21.00	19.33	34.00
<i>Retail Prices per cwt.—*</i>			
Beef rib roast No. 1 hvy.	30.00	30.00	40.00
Beef round steak No. 1	33.00	33.00	45.00
Porterhouse No. 1	52.00	52.00	75.00
Pork loins 8 to 10 lb.	26.00	26.33 @ 29.00	42.00 @ 45.00
Hind quarters lamb, good	42.00	42.00	40.00
Good stew lamb	15.00	15.00	18.00
Mutton legs	25.00	25.00	25.00
Mutton stew	10.00	10.00	18.00
Hind quarters veal	20.00	20.00	29.00 @ 36.00
Fore quarters veal	14.00	14.00	20.00 @ 29.00

†Sirloin and porterhouse come from this cut.

*Compiled from published prices furnished by the United Master Butchers Association of Chicago.

Wholesale prices for best prime good and medium steer carcass beef declined 2 cents between June 1, and July 16, and other classes of beef declined correspondingly. Retail meat prices, however, showed little change in the last month. There has been practically no beef export business and packers are advised that England, Australia, and Germany have enough stock on hand to supply the domestic requirements for some time. This has had a great bearing on the Argentine, as well as the domestic market. The pending tariff bill, together with a 50 per cent curtailment in the killing of beef in the Argentine, has tended to stabilize the market on live stock and meats.

Lard has been moving to export in moderate quantities, Germany showing a good demand for lard and fats, although German prices offered are below other countries. Germany purchased 7 million pounds of Chicago lard during the week ending July 21. Stocks of lard in the United States increased over 18 million pounds during May, and about 24 million pounds in June. There was a large production during the first six months of this year, 786,153,000 pounds, compared with 717,718,000 pounds during the corresponding period of 1920. Stocks of lard on hand January 1, 1921, were 59,318,673 pounds, and on hand July 1, 1921, were 205,878,000 pounds.

STORAGE HOLDINGS OF FROZEN AND CURED MEATS

Storage holdings of meats as a rule show a decrease in stocks on July 1, 1921, as against the previous month.

The increase in dry salt and sweet pickled pork in process indicates that the packers are beginning to build up their stocks of cured meats. Storage holdings in the United States compare as follows in thousands of pounds:

STOCKS OF FROZEN AND CURED MEATS IN U. S.

	July 1, 1921	July 1, 1920	June 1, 1921	June 1, 1920
Frozen Beef	76,653	95,297	88,836	130,619
Frozen Pork	182,799	170,054	194,486	156,963
Frozen Lamb and Mutton	8,719	4,311	15,877	5,735
Cured Beef	11,381	16,121	11,835	19,158
In process of cure	8,515	10,234	8,881	7,494
Dry Salt Pork	142,918	311,775	144,455	329,042
In process of cure	106,886	96,905	96,155	101,740
Pickled Pork	138,515	161,333	144,725	153,179
In process of cure	228,413	242,386	221,566	218,414
Lard	205,878	193,316	181,992	152,307
Miscellaneous Meats	85,145	86,047	90,392	86,384

Western meat stocks, other than lard at principal points for July 1 show little change from June. The stocks at Chicago, Kansas City, Omaha, St. Joseph, Milwaukee, St. Louis and East St. Louis, compare as follows, with the last three figures omitted:

	July 1, 1921	June 1, 1921	July 1, 1920
<i>Pork (barrels)</i>			
Mess pork, new	3,494	5,322	24,673
Other pork	52,714	50,943	70,197
Total pork—barrels	56,208	56,265	94,870
<i>Lard (pounds)</i>			
Prime Steam, new	122,437	105,118	100,802
Prime Steam, old			2
Other lard	21,725	14,547	25,354
Total lard—pounds	144,162	119,665	126,158
<i>Dry Salt Pork (pounds)</i>			
Short ribs	18,720	16,518	17,409
Short clears	1,117	1,523	8,146
Extra clears	9,796	10,351	13,892
Fat backs	20,069	22,954	24,015
Extra ribs	2,501	1,750	2,164
Shoulders	2,334	1,541	6,156
Bellies	72,739	70,985	66,278
Other cuts	42,384	42,244	87,589
Total D. S. Pork—pounds	169,660	167,866	225,649
<i>Sweet Pickled Pork (pounds)</i>			
Hams	67,898	71,993	75,558
Skinned hams	29,446	30,854	29,716
Picnics	23,971	22,612	27,255
Shoulders	548	434	377
Bellies	33,502	32,571	27,405
Total S. P. Pork—pounds	155,365	158,464	160,311
TOTAL CUTS (pounds)	325,025	326,330	385,960

CROPS GOOD BUT CAR SHORTAGE MENACES MARKETING

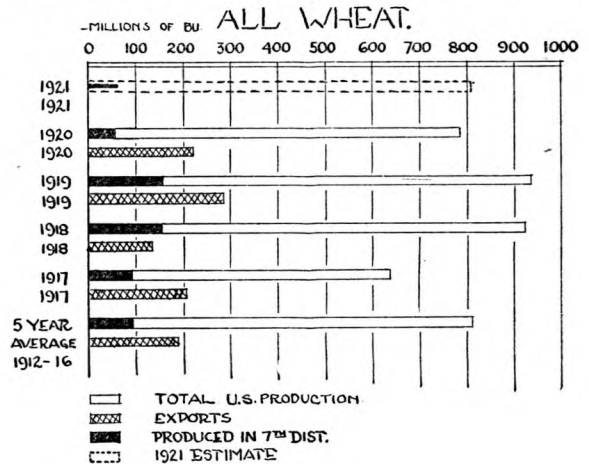
Excessive heat resulted in an early harvest of wheat and oats all through the Seventh Federal Reserve District, but it also has affected the filling out of the grain properly, and consequently threshing returns are somewhat of a disappointment. The winter wheat acreage for the country was slightly above that of 1920.

The crop estimates on wheat for Illinois on July 1 conditions indicated 42,937,000 bushels, against 35,720,000 a year ago, and 42,485,000, the five year average; Michigan 14,949,000 bushels against 13,795,000 a year ago, and 15,647,000, the five year average; Indiana 26,648,000 bushels, against 23,400,000 a year

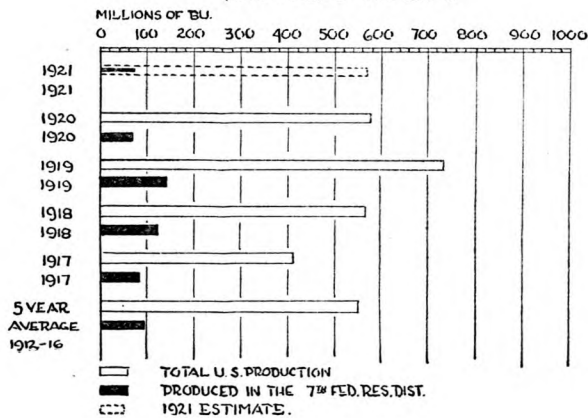
ago, and 37,936,000 the five year average; Iowa 8,913,000 against 8,491,000 a year ago, and 9,696,000, the five year average. This indicated winter wheat production in these states of 93,447,000 bushels, against 81,406,000 bushels a year ago, and a five year average of 105,764,000. Scattered threshing returns show that the actual production is falling short of the July estimate. The corn crop is growing rapidly and is looking exceptionally well.

There is a decided tendency among farmers all through the district to market their wheat as fast as it is threshed, and this already has resulted in some congestion at grain terminals and a shortage of grain carrying cars. The railroads have not been in a financial position to increase their equipment or to repair a sufficient number of cars to care for the requirements should the grain movement become unusually heavy. Cars arriving at Chicago and other terminals are not being unloaded and released promptly, partly due to the strike of elevator employees and partly due to market conditions. This, together with the congestion at ports, is proving a serious handicap to the railroads in providing for the grain movement. The traffic men admit that they cannot handle the movement if all the grain is offered for shipment as soon as threshed.

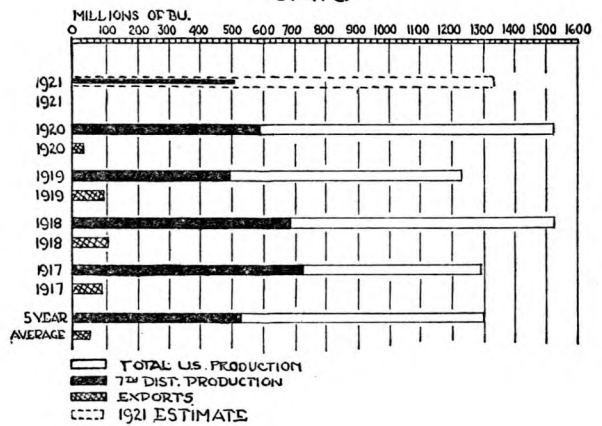
Western elevators are pretty well filled up with last year's crop, which is another factor to be reckoned with. Some railroads report as high as 10 per cent of their grain cars in repair shops. The car shortage so far, is not serious, but the heavy movement of grain to market has not yet begun. Eastern railroads are loaning cars fit for grain loading to the Western lines.



WINTER WHEAT



OATS



THE PRODUCTION OF CORN, WHEAT, COTTON, OATS AND HAY, BY FEDERAL RESERVE DISTRICTS AS FORECAST BY THE DEPARTMENT OF AGRICULTURE, JULY 1, 1921, COMPARE AS FOLLOWS:

(In thousands of units of measurement)

Federal Reserve District	CORN (Bushels)		TOTAL WHEAT (Bu.)		WINTER WHEAT (Bu.)		SPRING WHEAT (Bu.)	
	July 1 Forecast for 1921	Estimate for 1920	July 1 Forecast for 1921	Estimate for 1920	July 1 Forecast for 1921	Estimate for 1920	July 1 Forecast for 1921	Estimate for 1920
Boston.....	5,044	4,535	323	368	.....	.....	323	368
New York.....	37,102	38,550	10,305	12,016	9,820	11,276	485	740
Philadelphia.....	59,553	63,133	24,009	23,022	23,701	22,711	308	311
Cleveland.....	195,975	216,642	41,787	35,442	41,372	34,979	415	463
Richmond.....	182,064	202,850	29,942	36,871	29,942	36,871	.....	.....
Atlanta.....	278,398	266,055	7,147	6,363	7,147	6,363	.....	.....
Chicago.....	993,233	987,897	71,509	66,530	61,293	54,887	10,216	11,643
St. Louis.....	449,328	441,118	67,019	60,611	66,441	59,895	578	716
Minneapolis.....	292,195	259,126	168,386	145,521	7,076	6,659	161,310	138,862
Kansas City.....	427,011	542,699	252,909	282,060	237,396	268,685	15,513	13,375
Dallas.....	193,490	199,638	21,561	18,222	20,833	17,508	728	714
San Francisco.....	9,746	10,124	114,515	100,102	68,909	57,929	45,606	42,173
TOTAL.....	3,123,139	3,232,367	809,412	787,128	573,930	577,763	235,482	209,365

FEDERAL RESERVE DISTRICT	COTTON (Bales)		OATS (Bushels)		HAY, tame and wild (Tons)	
	July 1 Forecast for 1921	Estimate for 1920	July 1 Forecast for 1921	Estimate for 1920	July 1 Forecast for 1921	Estimate for 1920
Boston.....	.....	.....	8,206	9,571	3,077	4,211
New York.....	.....	.....	37,036	46,797	4,486	6,005
Philadelphia.....	.....	.....	22,372	28,882	2,444	2,945
Cleveland.....	.....	.....	66,250	92,711	5,858	6,209
Richmond.....	1,416	2,389	25,471	25,626	4,417	4,751
Atlanta.....	1,841	2,435	31,965	28,090	4,371	4,594
Chicago.....	.....	.....	505,905	587,706	15,442	17,129
St. Louis.....	1,517	2,085	68,714	77,814	7,559	8,183
Minneapolis.....	.....	.....	283,954	306,867	16,261	17,896
Kansas City.....	555	1,164	187,627	229,297	17,813	20,301
Dallas.....	3,017	4,725	47,217	48,296	1,898	2,005
San Francisco.....	81	(a) 174	44,220	44,398	13,335	14,004
TOTAL.....	(b) 8,433	(b) 12,987	1,328,937	1,526,055	96,961	108,233

(a) In addition the following amounts were estimated grown in Lower California (Mexico): July 1, 1921 forecast—30,000 bales; estimate for 1920—75,000 bales.

(b) Cotton grown outside of cotton belt included as follows: July 1, 1921 forecast—6,000 bales; estimate for 1920—15,000 bales.

MANUFACTURING CONTINUES HESITANT

AUTOMOBILE INDUSTRY READJUSTING PRICES

Price adjustments of the automobile industry to a lower selling level are progressing in an orderly manner. So far, seventy-two automobile manufacturers have announced reductions in the marketing price of their cars, while four have increased the price. Some of the prices announced are back to the 1918 level, notwithstanding improvements. While there has been some revival in sales, in consequence of these reductions, thus far, the announcements have not stabilized the market to the extent expected by the manufacturers. That element of the public having available funds is still holding aloof to some extent in the automobile market, as well as in other lines, on the expectation that there will be further price reductions, losing sight of the fact that existing conditions, taxes, and increased overhead, due to curtailed production, are factors to be reckoned with, in making a selling price that affords some profit on manufacturers from materials on the lowered cost basis. Another factor is the scarcity of funds in the farming communities.

Reductions on higher priced cars have been comparatively fewer than in the medium grade automobile. About 30 per cent of the cars selling above \$4,000.00 have been reduced in price, while more than 50 per cent of those selling under \$4,000.00 have announced reductions. Measured in percentage, the reductions range from 5 per cent to 34 per cent, the average decrease announced by forty-five of the companies which have reduced prices, being 14.8 per cent.

Efforts are being made on the part of manufacturers to avoid guaranteeing prices, as was done earlier in the year, but, instead, to endeavor to impress the public, which now generally seems to be waiting for final adjustment of motor car prices, that they are getting only a reasonable profit included in the selling price. Competition, however, among car manufacturers is becoming quite keen, and those companies which are showing a high percentage of capacity operation and excellent sales for this season, attribute their success to salesmanship and to the early recognition that market conditions are changing, so that the auto-

mobile producer must seek the buyer, instead of the buyers clamoring for the car.

Incomplete reports indicate shipments in June, 8 per cent in excess of the final figures for May, and 60 per cent of the total for June, 1920. This year, averaging the boat shipments and driveaways in carload equivalents, the total shipments for the second quarter are nearly twice that of the first quarter, and 61 per cent of the total for the second quarter, last year. Figures compare as follows:

	CARLOADS†		DRIVEAWAYS		BOAT	
	1921	1920	1921	1920	1921	1920
June.....	19,200*	22,516	18,000	60,746	3,700*	8,350
May.....	18,608	21,977	15,193	74,286	2,381	.....
April.....	20,187	17,147	14,197	64,634	1,619	.....
March.....	16,287	29,326	9,939	57,273	75	.....
February....	9,986	25,505	7,507	43,719	99	.....
January.....	6,485	25,057	3,185	29,283	93	.....

†Not computed in number of machines.

*Partly estimated.

Statistics are now available showing the total purchases, past due accounts, and notes outstanding for automobile parts and accessories. During the month of May, the comparative figures of purchases by automobile passenger car and motor truck makers are gathered from three hundred parts and accessory manufacturers. The past due accounts, and also the notes outstanding, are the totals of those reported. The comparative figures follow:

	TOTAL PURCHASES	TOTAL ACCOUNTS PAST DUE	TOTAL NOTES OUTSTANDING
May.....	\$26,653,406	\$ 4,515,157	\$ 4,447,593
April.....	26,746,580	5,352,271	5,371,086
March.....	20,120,386	5,603,992	5,069,877
February.....	10,408,962	6,717,165	6,063,118
January.....	6,264,587	8,099,727	4,359,871

CONDITIONS IN GENERAL MANUFACTURING LINES

Manufacturing generally is marking time. Here and there production shows a slight increase over the previous month, but the output compares unfavorably with a year ago, and the change seems to be due to low stocks in the retailers' hands rather than to a general

demand. Boxes and containers sales for June, as reported by nine firms, were 29 per cent of those for the corresponding month of last year, while sales for the first six months of this year were 35 per cent of those for the similar period of 1920. Allowing for price declines, this tells the story of production where the goods are shipped in boxes or containers.

Agricultural machinery production is at low ebb. There is an improvement in the manufacture of woolen

goods in the Middle West, and mills are well booked with orders and are increasing production.

Pig iron production in June was the lowest for any month since 1908. Steel mills are running one-quarter of capacity, with few orders being placed. The recent readjustment by the various steel manufacturers is causing some inquiry, but has not yet speeded up production to any considerable extent.

HIDE AND LEATHER INDUSTRY STILL MARKING TIME

HIDE MARKET REFLECTS RENEWED ACTIVITY

The last of June and the first of July hides were very quiet, although a few sales were reported; one-half million hides, of which 250,000 were sold in one day, were marketed in the week ending July 15, at declines of 1 to 1½ cents from previous sales prices. This cleaned up most of the large packers' supply. There has been some inquiry for country hides, but little trading, although the market is higher since sales of packer hides July 14.

Comparisons between prices of July, 1921, and preceding months, show that green hides have fallen about 21 cents per pound, on an average, or the equivalent of 1 cent a pound or more on the live weight of the carcass and about 1¾ cents a pound on the dressed weight of the cattle:

	1921		1920	
	July 15	June	July	Jan.
<i>Packer Hides</i>				
Native Steers.....	\$12.50 to \$13	\$14.00	\$27.00	\$38.85
Texas Steers.....	11 to 13.50	14.00	25.00	33.80
Butts.....	12.50	14.00	25.00	33.20
Colorados.....	12.00	14.00	24.00	32.60
Branded Cows.....	10.00	11.00	23.00	31.60
Heavy Cows.....	10 to 11	12.00	27.00	39.00
Light Cows.....	10.50	12.00	20.00	37.00
Native Bulls.....	7.50	8.00	23.00	33.00
Branded Bulls.....	6.50	6.50	21.00	28.40
Calf Skins.....	20.00	21.00	30.00	79.20
<i>Country Hides</i>				
Heavy Steers.....	10.00	8.50	20.00	33.80
Heavy Cows and Buffs....	8.00	6.50	17.00	27.80
Branded.....	5.00	5.00	13.00	22.80

NOTE—The first six items in July, 1921, reflect the effect of the sale of 310,050 hides on July 13, quotations on July 15 showing a tendency to recover.

LEATHER SUBNORMAL; SHOE MAKERS SPEED UP

Conditions in the leather market are still subnormal. About eighty-two per cent of the sole leather of the country is in the tanners' hands at the present time. The hand-to-mouth policy of purchasing on the part of the customers, together with the small export business, accounts for this position.

Inventories of the leather houses as a rule were marked down the first of June to the present selling values, which are below December inventories. Leather houses believe that unless the leather industry is called upon to make further liquidation during the next five months, a small profit will be shown in the sale of June inventories.

There is more activity in the shoe business than for many months, the improvement being stronger in Chicago than elsewhere, although Boston is also securing orders. Trade reports say that shoe manufacturers in the Chicago district are working at an average of better than 75 per cent, while reports of four Chicago manufacturers show increase in production of 19 per cent and in shipments of 16 per cent in June, 1921, as compared with June, 1920. Prices are approximately 33⅓ per cent below a year ago, declines being due to drop in raw material and reduction in mark-up.

Census reports show stocks of green hides on hand at end of May, 1921 and September, 1920, and distribution of the same as follows:

	TOTAL	PACKERS	TANNERS	DEALERS	BOOT &	OTHER
				AND IMPORTERS	SHOE MFRS.		MFRS.
May 31, 1921						
Cattle.....	7,441,619	2,100,446	2,181,909	1,946,422	1,184,660	28,182
Calf and kip.....	4,736,641	701,964	2,555,561	1,444,476	32,416	2,224
Goat and kid.....	8,789,123	952	6,628,953	2,156,218	3,000	.....
Sheep and lamb.....	13,334,187	1,088,873	7,572,304	4,632,597	64	40,349
Sept. 30, 1920						
Cattle.....	5,093,824	2,150,193	1,638,649	1,172,508	24,878	107,596
Calf and kip.....	4,625,581	682,914	2,236,578	1,694,352	9,410	2,327
Goat and kid.....	15,605,426	12,875	12,730,302	2,840,991	20,516	742
Sheep and lamb.....	11,235,417	1,209,831	5,553,818	4,342,576	128,428	764

COAL PRODUCTION CONTINUES TO DRAG

At the present time the soft coal industry is passing through the worst depression it has experienced in many years, and there seems no immediate prospect of a revival in sight. The bituminous coal business began to feel the effects of the readjustment period as early as January 1 of this year, but some of the companies were not affected until March. Several factors

conspired lately to intensify the dullness which has permeated the market for the last six or eight weeks. The end of the British strike brought with it at least the temporary end of foreign interest in American coals for immediate buying. Foreign buyers disappeared from the coal fields and markets, and a new dullness settled on the export trade. Many of the large con-

tract customers of big coal companies practically discontinued taking any coal at all, since that time.

Some of the big railroads have accounts with the large coal companies which are seven months past due and which are not being reduced to exceed ten per cent a month, and the railroads give no encouragement for anything better until the United States Government makes substantial payments on their guaranty provided in the Transportation Act. Owing to the uncertainties of the income and excess profits taxes, the coal companies hesitate to extend operations or develop new properties.

MERCANTILE TRADE REFLECTS UNDERCURRENTS OF READJUSTMENT

In practically all lines of mercantile trade, counter-currents are at work attendant on the readjustment of prices. In some instances, liquidation of stocks has reached the point where the merchandise bought at the top prices has been exhausted, and re-orders at reduced prices are stimulating trade activity. In others, merchandise bought at the high prices is moving slowly, even when offered by the merchant at a loss. In some lines, the depletion of stocks is stimulating the demand on the wholesaler. Conditions in the wholesale dry goods line are regarded satisfactory, while the volume of sales is fairly good; in some instances it is reported better than a year ago. The hot weather has stimulated trade in men's furnishings and ladies' light weight wearing apparel and hosiery, but the special price reductions, generally speaking, have been relied upon to stimulate retail trade. Some of the large dry goods houses report that they are selling more units, even in the face of a decrease in the dollar sales. Necessarily, this is a factor in the increased sales by wholesalers, the latter being traceable to smaller stocks carried by the retailer, compared with last year, and to the need of more frequent replenishment of those stocks.

COLLECTIONS ARE REGARDED AS FAIR

Collections generally have been fair, although it should be noted that most wholesalers and jobbers have many more slow accounts on their books than for some years, the reason being that these accounts belong principally to those merchants who overbought or who were not able to turn their stocks, and liquidate, and take their losses last year. It is evident that the larger per cent of retail clothiers will require to the end of the year to properly liquidate their business. In general, buying by the retailers for fall has been conservative.

SHOE DEMAND FEATURE IN WHOLESALE TRADE

Analysis of the wholesale merchandising business for June in the Seventh Federal Reserve District, reveals a more favorable comparison of net sales in shoes with 1920. An improvement was noted in May over April, when May sales showed a decrease of 10.1 per cent by eleven dealers from May, 1920. In their report for June, nine shoe dealers showed an increase of 0.7 per cent, as compared with June, 1920. Comparisons for dry goods and groceries are not so favor-

At the same time, mine operators realize the difficulties which may be experienced by coal operators in taking care of the domestic trade during the fall and winter months. This trade has held aloof, expecting lower prices and lower freight rates.

The operating time of mines in this territory in June was slightly under May. There is a somewhat better market tone on steam coal, particularly screenings, as reduced running time and demand for domestic sizes is decreasing the production of those grades. The number of cars of screenings on hand unbilled in Central and Southern Illinois decreased from 1,100 to 400 cars during June.

able; the former showing a decrease of 30.8 per cent for June from eleven firms, as compared with 22.1 per cent from thirteen firms for May; and the latter, 52.8 per cent for June, from twenty-one firms, as compared with 45.2 per cent from twenty-six firms for May. Most of the dealers report that buying by both wholesaler and retailer continues cautious, and that cancellations are negligible. Prices are stable in dry goods and shoes, in the opinion of the majority of the reporting firms; while in groceries a downward trend is reported by nine firms although one firm reports an upward trend and six believe prices are stable.

CHANGES IN CLOTHING INDUSTRY FROM 1920

Returns from clothing manufacturers for June show greatest change in the Cut-Trim-Make Industry in which a much larger percentage of decrease in orders, production, and shipments from June, 1920, appears than in the May comparison.

Detailed statistics for June are as follows:

	TAILORS-TO-THE-TRADE	CUT-TRIM-MAKE
Number of firms reporting..	17	5
Orders for suits as compared with June, 1920.....	-32.1%	-36.3%
Number of suits made as compared with June, 1920.....	-31.0%	-38.3%
Number of suits shipped as compared with June, 1920	-30.6%	-30.0%
		WHOLESALE CLOTHING
Number of firms reporting.....		8
Orders for suits for fall since January, 1921 as compared with same season, 1920.....		-18.8%
Number of suits made as compared with June, 1920.....		-43.5%
Number of suits shipped as compared with June, 1920.....		-42.1%

RETAIL TRADE NET SALES CONTINUE TO DECREASE

A falling off in the dollar amount of sales from 1920 is again reported by department stores, although reduction in prices will account for all, or a large part, of the decrease. The decrease for June, 1921, from June, 1920, is 15.5 per cent from forty-eight stores, as compared with 12.0 per cent from sixty-one stores, reporting for May. A decrease of 1.5 per cent for June, as compared with May, is shown by stores for which comparative figures are available. The decrease for the six months period ending June 30, com-

pared with the corresponding period in 1920, is 9.3 per cent. A reduction in stocks at selling price of 3.2 per cent is shown during June, 1921, making the total reduction, as compared with June, 1920, of 19.1 per

cent, although, in such comparison, reduction in prices should again be considered, in estimating the volume of stock. A turnover rate of 2.8 times a year is reported.

INDUSTRIAL EMPLOYMENT CONDITIONS IN THE MIDDLE WEST

Reports covering the labor situation in the Seventh Federal Reserve District for June indicate that the manufacturing plants of the district are still reducing their working forces. A reduction of 0.8 per cent was made by 192 firms employing 121,318 men. This was considerably less than in May when 4.3 per cent of the men were laid off. Total payrolls decreased 3.4 per cent from May to June, reducing the average wage per man by 2.7 per cent. This was due in many instances to a shorter hour schedule as well as to a revised wage scale.

In the iron and steel industries a decline of 4.3 per cent in employment was largely due to the inactivity of the steel mills and the agricultural implement concerns. Railway repair shops also were hard hit, the four concerns reporting to this bank showing a drop of 19 per cent. A reduction of 15.9 per cent in the automobile industry as indicated by the reports from eleven plants throughout the district outside of Detroit, should be supplemented by the report from the Employers' Association of Detroit. The 79 firms represented by this association made no change in employment during the month of June and the reports for July give indication of a possible increase in activity.

Of the industries showing an increase in employment, the most notable was the contracting and building industry where, after a decline of 19 per cent in May, an increase of 30 per cent took place in June. Minor gains were made also in the clothing, in the knit goods, and in the shoe manufacturing industries.

HIGH COST OF CONSTRUCTION AND SCARCITY OF MONEY CURTAIL BUILDING

Reports from forty-four representative Building and Loan Associations of the district indicate curtailment of building by the present high cost of construction and the lack of funds available for building loans. In many cases building is reported at a standstill. In practically all of the reports is emphasized the seriousness of the building situation resulting from the great need for residences at a time when building is so curtailed. One correspondent reports caution in the building of new homes, and that only those compelled to build or buy are going into the venture. Another reports that only about 10 per cent of the loans this year are for new houses as compared with a normal figure of 75 per cent. In some parts of the district considerable building is reported in spite of the generally unfavorable condition, and one correspondent estimates more residence building in his city than in any year since 1913.

All of the reports indicate a continuation of the disposition to save on the part of their depositors, although as one expresses it, "During the war ability

Chicago makes a somewhat better showing than the entire district, its increase of 2.7 per cent being largely due to the contracting and building industry. The Buildings' Trades in Chicago are working at the old wage scale pending the decision of Judge Landis.

Compared with June, 1920, the reports representing the combined industries of the Seventh Federal Reserve District show a falling off of 35.0 per cent in employment, 45.6 per cent in payroll, and 16.4 per cent in wages per man.

The analysis of the replies to the Labor Questionnaire shows:

	DISTRICT	CHICAGO
Number of firms reporting.....	192	61
Total number employed June 30, 1921....	121,318	56,450
Number employed as compared with		
(a) the preceding month.....	-0.8%	+2.7%
(b) the same month a year ago.....	-35.0%	-23.1%
Amount of payroll as compared with		
(a) the preceding month.....	-3.4%	+0.4%
(b) the same month a year ago.....	-45.6%	-30.6%
Pay per man as compared with		
(a) the preceding month.....	-2.7%	-2.2%
(b) the same month a year ago.....	-16.4%	-9.8%
Percentage of production to maximum monthly output in 1920:		
(a) June, 1921.....	47.0%	51.0%
(b) May, 1921.....	48.0%	54.0%
(c) June, 1920.....	83.0%	80.0%

According to the records of the Free Employment Offices of the State of Illinois the registrations for each 100 places open have increased steadily during the last three months from 204 in April, to 220 in May, and reaching 240 in June.

to save was there, but the wish was absent; today the wish is there, but the ability to save is not present." Withdrawals are reported by most of the correspondents as much heavier than last year, although as one states, "Withdrawals, particularly by small stockholders and those unemployed are made only when absolutely necessary." One correspondent estimates that 10 per cent of the withdrawals are due to living requirements and unemployment, 20 per cent for the purchase of real estate, and 70 per cent diverted to other investments. In some of the cities where unemployment is especially marked, savings are reported to have been used to a great extent to meet living requirements, and reports are made that some accounts not touched for years have been drawn against. Especially as affecting the loans made by Building and Loan Associations is the fact that the bank rate on loans made to the associations for temporary requirements has been so much higher than the rate of interest charged by the associations as to make supply of money from the banks prohibitive.

Comparative figures available from twenty-eight of the reporting concerns show total deposits on their books at the close of 1920, were 50 per cent greater than those at the close of 1917, compared with 23 per cent greater at the close of 1919, and 6 per cent greater at the close of 1918. At the close of July, the corresponding figure was 57 per cent indicating that, considering the withdrawals mentioned, the growth of deposits for the first six months of 1921 is at a rate considerably less than that of the two preceding years.

The effect of the purchase of Government War Obligations in diverting savings for investment in those bonds is mentioned by some of the correspondents and accounts for the small figures during 1918 and even a loss by some of the associations. Changes in loans followed changes in deposits very closely, as is natural.

BUILDING ACTIVITY IN PROSPECT

Building statistics for cities in the Seventh Federal Reserve District, for June, show an increase of 7 per cent in number of permits, as compared with June, 1920, and a decrease in estimated cost of 10 per cent. June is the first month since March that increase in number of permits has been shown, and all of the states, except Michigan, contributed to the increase. In estimated cost, also, all of the states except Michigan show an increase.

While contracts awarded in the Chicago District during June show a small increase in the number of projects, there is a decrease in valuation from corresponding figures for May. In June there were 1,754 contracts awarded as compared with 1,639 in May, with a valuation of \$61,028,200 as compared with

\$72,894,400 in May. Detailed statistics for June, 1921, covering Illinois, Indiana, Iowa, Michigan, Wisconsin, Missouri and portions of eastern Kansas and Nebraska follow:

BUILDINGS	CONTRACTS AWARDED IN JUNE		
	NO. OF PROJECTS	NEW FLOOR SPACE IN SQ. FT.	VALUATION
Business Buildings.....	203	1,378,200	\$7,519,600
Educational Buildings.....	137	1,600,400	9,066,800
Hospitals and Institutions.....	18	320,500	2,967,600
Industrial Buildings.....	52	619,400	2,461,000
Military and Naval Buildings..	1	.....	37,700
Public Buildings.....	18	38,200	339,000
Public Works and Public Utilities.....	361	.....	17,132,300
Religious and Memorial Buildings.....	37	406,700	2,098,000
Residential Buildings.....	(a) 887	3,428,100	15,377,900
Social and Recreational Buildings.....	40	634,300	4,028,300
Total.....	1,754	.....	\$61,028,200

CONTRACTS AWARDED

JAN. 1 TO JULY 1

1921.....	\$325,929,000
1920.....	465,753,000
1919.....	392,983,000
1918.....	188,343,000
1917.....	344,419,000
1916.....	219,237,000
1915.....	119,021,000
1914.....	104,656,000
1913.....	106,531,000
1912.....	59,402,000
1911.....	80,822,000
1910.....	111,959,000

(a) 1,151 Buildings. Building Statistics by F. W. Dodge Co.

BANKING AND CREDIT CONDITIONS

RESERVE BANK LOANS DECREASE

The weekly statements of the Federal Reserve Bank of Chicago for the period from June 22 to July 20 show a more favorable condition, due largely to changes occurring in the last two weeks. Total Bills on Hand show a decrease of 9.2 per cent for the four week period, while Total Deposits and Total Reserves increased 4.4 per cent and 9.1 per cent, respectively. Federal Reserve Notes in Circulation showed an increase on July 6 and a decrease from July 6 to July 20, resulting in a net decrease of 1.3 per cent for the four weeks. The Reserve Percentage, which had been around 54 per cent for three weeks, changed in the week ending July 13 to 57.3 per cent and stood at 58.6 per cent on July 20.

LIQUIDATION OF LOANS AT MEMBER BANKS SLOWS UP

Reports from 113 member banks in the district, including 52 banks in Chicago and 13 in Detroit, reflect a slightly less favorable condition from the standpoint of the liquidation of loans than was reported in the preceding month. In the five week period from June 8 to July 13 these banks reduced their loans and discounts, including rediscounts with the Federal Reserve Banks, by 0.9 per cent, as compared with 2.9 per cent

in the four week period from May 11 to June 8. Detroit banks, which had in the preceding period shown a decrease of 5.7 per cent, report an increase of 3.0 per cent, while Chicago banks show a decrease of 1.7 per cent as compared with 2.8 per cent in the preceding period.

Rediscounts by these banks at the Federal Reserve Bank show a decrease of 4.0 per cent as compared with a decrease of 8.2 per cent during the preceding period. Detroit banks, which had the largest percentage of reduction, 39.9 per cent, in the preceding period, show an increase of 2.4 per cent, while Chicago banks, which showed a decrease in the preceding period of 7.4 per cent, now show a decrease of 6.7 per cent.

A reduction of 0.4 per cent in time deposits and an increase of 0.2 per cent in total deposits are shown for all reporting banks from June 8 to July 13.

No changes in the customary discounts and interest rates at Chicago banks during the month ending June 15 are reported, although there are some minor changes in the high and low rates. The customary rate for the period, as reported, is 7 per cent on all classes of paper, except on commercial loans secured by Government obligations, in which a rate of 6½ @ 7 per cent is given.

PURCHASES OF ACCEPTANCES BY BANKS INCREASE

Reports from banks and dealers in the Seventh Federal Reserve District show an increase in purchases of acceptances by banks in June, although sales showed a marked decrease. Country banks are reported to have purchased less, the demand coming from corporations and small buyers. The maturities of bills purchased were divided as follows: 30 day, 13.3 per cent; 60 day, 18.8 per cent; 90 day, 65.6 per cent, and 180 day, 2.3 per cent.

Classification of practically all purchases shows that 68 per cent of bills purchased were based on transactions involving importation or exportation of goods.

Comparison of returns from 29 banks shows an increase of 22.3 per cent in bills bought; of 75.4 per cent in bills held at close of the month; and of 4.2 per cent in bills accepted. Bills sold decreased 17.5 per cent. Reporting dealers show decreases in all the items; 27.3 per cent in bills bought; 52.2 per cent in bills sold, and 15.6 per cent in bills held at the close of the month.

Comparative figures for May and June transactions are given below:

	(IN THOUSANDS OF DOLLARS)			
	JUNE		MAY	
	29 BANKS	3 DEALERS	29 BANKS	3 DEALERS
Bills bought.....	14,911	7,978	12,188	10,967
Bills sold.....	13,671	6,743	16,579	14,108
Held at close of month	5,734	2,872	3,270	3,402
Amount accepted....	16,821	....	16,140	.....

HOW RETAIL PRICES OF STAPLES COMPARE

The accompanying table gives comparisons of catalogue prices of staple articles at one of the large mail order houses in Chicago with the 1913 price. Two catalogues a year are issued—one in the spring and one in the fall and the two quotations refer to these catalogues. Where only one quotation is

Statistics on Bankers Acceptances at the Federal Reserve Bank of Chicago for June are as follows:

	DURING MONTH	JUNE	MAY
	Bankers Acceptances Rediscounted..		\$ 578,281	$ 60,000
*Bankers Acceptances Bought		8,331,600	10,997,981
Bankers Acceptances Sold from holdings		199,156	2,331,162
HELD CLOSE OF MONTH			
Bankers Acceptances Rediscounted....		None	6,500
*Bankers Acceptances Bought		3,499,624	4,821,453

*Included in Acceptances Bought but not in Acceptances Sold, are those bought with agreement by the seller to repurchase within 15 days.

COMMERCIAL PAPER SALES DECREASE

The commercial paper market in Chicago continued slow during June, with a falling off in country buying and very little city or suburban demand. This condition is said to be due in part to income tax payments and high rates of interest. One dealer reports banks buying only the very best paper, even if below the average market rate. Sales of five dealers, show decrease of 23.7 per cent for June as compared with May. A tendency for lower rates is reported. Rates ranged from 6½ to 8½ per cent, the customary rate as reported ranging from 7 to 8 per cent.

The investment market during the last thirty days has been unusually quiet and the level of prices is almost as low as it was in December and in May, 1920. The municipal bond market has been very active at the low prices. Public utility securities continue to be in fair demand, although prices have not risen. The light and power end of the public utility business is emerging from the war conditions on a sound basis.

MAIL ORDER PRICE COMPARISONS FOR STAPLE ARTICLES AT CHICAGO

ARTICLE	(PRICE FALL, 1913=100.0)											
	1913	1917		1918		1919		1920		1921		
	FALL PRICE	SPRING	FALL	SPRING	FALL	SPRING	FALL	SPRING	FALL	SPRING	FALL	(CURRENT) PRICE
Coffee.....	\$.24½	95.9	102.0	99.2	91.8	136.7	185.7	176.3	157.1	89.8	85.7	\$.21
Flour.....	5.10	186.7	233.0	225.9	225.9	210.2	252.6	278.4	280.8	153.9	169.6	8.65
Sugar.....	4.37	165.2	179.4	189.9	201.4	224.3	263.2	393.6	572.1	148.7	135.9	5.94
Rice.....	.062	85.5	151.6	174.2	177.4	177.4	250.0	271.0	319.4	88.7	77.4	.048
Tomatoes (Canned).....	1.33	138.3	161.7	185.0	197.7	175.2	191.7	194.0	188.0	116.5	109.8	1.46
House Paint.....	1.07	143.9	194.4	183.2	182.2	267.3	241.1	241.1	255.1	245.8	211.2	2.26
Prepared Roofing.....	2.10	111.9	111.9	126.2	118.1	135.7	140.5	154.8	197.6	150.0	126.2	2.65
Bolts.....	.78	191.0	198.7	282.1	233.3	264.1	200.0	216.7	279.5	220.5	165.4	1.29
Walking Plow.....	9.95	124.6	124.6	143.2	143.2	158.3	163.3	184.4	178.4	190.4	172.5	17.16
Automobile Tires.....	14.25	80.0	97.2	107.0	107.0	124.6	106.3	97.9	117.5	83.9	69.8	9.95
Harness.....	24.75	128.3	161.4	185.7	185.7	212.1	220.2	268.7	283.9	209.7	184.8	45.75
Blankets.....	1.00	175.0	219.0	365.0	369.0	439.0	385.0	395.0	495.0	275.0	225.0	2.25
Mattress.....	3.25	120.0	137.8	152.3	169.2	204.6	213.8	244.6	336.9	198.5	170.8	5.55
Shoes (Women's Dress).....	2.89	137.7	162.3	169.2	164.4	173.0	190.3	241.5	206.9	137.7	136.7	3.95
Work Shoes.....	2.75	121.8	136.4	140.0	143.6	163.6	152.4	166.9	152.4	126.5	116.0	3.19
Calico.....	.05	170.0	190.0	250.0	420.0	400.0	280.0	380.0	480.0	200.0	200.0	.10
Muslin (Unbleached).....	.06½	153.8	184.6	246.2	369.2	338.5	292.3	415.4	430.8	184.6	130.8	.085
Percalé.....	.11½	113.0	130.4	191.3	243.5	252.2	226.1	252.2	339.1	126.1	108.7	.125
Taffeta.....	.96	130.2	130.2	165.6	165.6	206.2	175.0	289.6	258.3	161.5	164.6	1.58
Hosiery.....	.12	125.0	141.7	158.3	191.7	225.0	200.0	225.0	275.0	191.7	183.3	.22
Shirts.....	.89	164.0	207.9	252.8	280.9	278.7	275.3	334.8	391.0	212.4	178.7	1.59
Overalls.....	.89	156.2	166.3	167.4	264.0	376.4	222.5	353.9	392.1	189.9	156.2	1.39
Underwear.....	.40	87.5	....	112.5	....	157.5	207.5	147.5	....	92.5	92.5	.37
Waist.....	1.98	186.4	....	....	....	201.0	....	....	....	302.0	176.3	201.0
Dress (Serge).....	4.65	236.1	....	....	....	279.1	....	401.1	....	424.7	214.6	150.1
Suit (Men's).....	8.75	102.3	112.6	148.0	170.9	245.7	182.3	330.9	328.6	226.9	191.4	16.75

HOW PRICES OF STAPLE GROCERIES AT CHICAGO COMPARE

The accompanying table gives comparisons of actual prices paid by jobbers, F.O.B. Chicago, with pre-war prices. The figures in each case are the "high" for the periods indicated and are reduced to

index numbers or percentages of the prices on a 1914 base, indicating the cost in the periods named of dollar amounts of the article in 1914.

WHOLESALE PRICE COMPARISONS FOR GROCERIES AT CHICAGO

ARTICLE	1914								July, 1921	July, 1921 PRICE PER
	PRICE PER	1915	1916	1917	1918	1919	1920			
Almonds—Calif. Drake.....	.19 lb.	100.0	84.2	97.4	126.3	139.5	94.7	71.1	.13½ lb.	
Asparagus—No. 2½ Cal. White.....	2.95 dz.	100.0	101.7	113.6	.....	161.0	161.0	152.5	4.50 dz.
Apples—Canned—Md.....	2.15 dz.	109.3	137.2	248.8	248.8	309.3	216.3	255.8	5.50 dz.	
Beans—Dry—Michigan.....	2.85 bu.	108.8	175.4	252.6	215.8	166.7	178.9	87.7	2.50 bu.	
Beets—No. 3 Cut.....	.90 dz.	105.6	122.2	150.0	177.8	172.3	144.4	144.4	1.30 dz.	
Coffee—Green—No. 7 Rio.....	.08¾ lb.	85.7	104.3	108.6	205.7	254.3	151.4	71.4	.06¾ lb.	
Coffee—Green—No. 4 Santos.....	.11½ lb.	93.5	100.0	91.3	197.8	247.8	202.2	78.3	.09 lb.	
Corn—Canned—Standard.....	.75 dz.	100.0	173.3	253.3	246.7	206.7	186.7	133.3	1.00 dz.	
Hominy—Canned—No. 3 Standard.....	.70 dz.	100.0	107.1	185.7	200.0	185.7	178.6	157.1	1.10 dz.	
Kraut—Canned—No. 3 Standard.....	.65 dz.	107.7	238.5	384.6	223.1	215.4	230.8	177.0	1.15 dz.	
Lard—Pure.....	13.62 lb.	101.0	145.0	224.8	222.1	290.0	213.8	101.0	13.75 lb.	
Matches—Searchlight.....	4.77 case	100.0	132.1	132.1	132.1	132.1	142.6	142.6	6.80 case	
Milk—Evaporated—16oz.....	3.52 case	100.9	127.8	166.2	198.3	153.4	146.3	117.9	4.15 case	
Peaches—No. 2½ Cal. Exstd.....	2.10 dz.	111.9	121.4	140.5	192.9	300.0	238.1	178.6	3.75 dz.	
Peaches—Calif. Evap.—Ch.....	.06½ lb.	92.3	123.1	200.0	215.4	376.9	315.4	269.2	.17½ lb.	
Peanuts—No. 1 Virginia.....	.04¾ lb.	78.9	78.9	184.2	226.3	273.7	273.7	157.7	.07½ lb.	
Pears—No. 3 Exstd. N. Y.....	1.50 dz.	100.0	100.0	126.7	.....	233.3	206.7	166.7	2.50 dz.
Peas—Canned—No. 2 E. June.....	.80 dz.	106.2	143.7	206.2	218.7	206.2	162.5	137.5	1.10 dz.	
Peas—Canned—No. 2—Ex. Sift.....	1.15 dz.	108.7	117.4	160.9	187.0	178.3	126.1	130.4	1.50 dz.	
Pepper—Whole Blk.....	.11½ lb.	130.4	173.9	234.8	247.8	213.0	191.3	91.3	.10½ lb.	
Pineapple—Hawaiian—No. 2½.....	2.35 dz.	104.3	119.1	170.2	246.8	191.5	180.9	166.0	3.90 dz.	
Prunes—60-70 Cal.....	.10 lb.	90.0	90.0	130.0	135.0	180.0	160.0	90.0	.09 lb.	
Pumpkin—No. 3 Standard.....	.75 dz.	100.0	180.0	213.3	213.3	133.3	180.0	153.3	1.15 dz.	
Raisins—Choice Seed.....	.08 lb.	100.0	137.5	137.5	137.5	237.5	312.5	225.0	.18 lb.	
Rice—Fancy Blue Rose.....	.04¾ lb.	115.8	115.8	194.7	226.3	305.3	294.7	84.2	.04 lb.	
Salmon—No. 1 Pink.....	.92½ dz.	108.1	135.1	216.2	232.4	259.5	216.2	108.1	1.00 dz.	
Sardines—¼ Oil Maine.....	3.45 case	100.0	130.4	147.8	194.2	150.7	136.2	91.3	3.15 case	
Spinach—No. 3 Standard.....	1.05 dz.	104.8	166.7	238.1	166.7	166.7	214.3	200.0	2.10 dz.	
Sugar—Fine Gran.....	6.80 lb.	96.3	118.4	133.1	139.0	244.1	398.5	90.4	6.15 lb.	
Sw. Potatoes—No. 1 Standard.....	1.15 dz.	104.3	113.0	160.9	217.4	200.0	230.4	169.6	1.95 dz.	
Tea—Formosa.....	.19½ lb.	105.1	98.7	141.0	164.1	169.2	184.6	92.3	.18 lb.	
Tomatoes—No. 3 Standard.....	.95 dz.	110.5	126.3	210.5	242.1	257.9	226.3	152.6	1.45 dz.	
Walnuts—No. 1 Calif.....	.16 lb.	103.1	100.0	125.0	175.0	250.0	193.7	237.5	.38 lb.	
Vinegar—Pure Cider.....	.15 gal.	100.0	106.7	180.0	213.3	266.7	300.0	140.0	.21 gal.	
Macaroni.....	.05½ lb.	145.5	190.9	190.9	181.8	195.5	190.9	136.4	.07½ lb.	
Cocoa—Bulk.....	.09¾ lb.	153.8	143.6	148.7	174.4	246.2	184.6	51.3	.05 lb.	

TREND OF INDICES OF BASIC COMMODITIES

INDEX PRICES OF 12 BASIC COMMODITIES

The accompanying chart shows the sharp decrease in American wholesale prices of basic commodities since the peak in May, 1920. The index stood at 104.09 on July 5, showing a decrease of 57.05 per cent from the peak reached on May 17, 1920, and was the lowest since the latter part of 1915. This index number is compiled by the Federal Reserve Bank of New York, and is based on prices of hides, rubber, cotton, wheat, corn, hogs, sugar, copper, lead, pig iron, timber, and petroleum.

