

X-3073

FEDERAL RESERVE BOARD
STATEMENT FOR THE PRESS

For release in morning papers,
Thursday, March 17, 1921.

A communication has been received by the New York office of the Federal Reserve Board from Professor Riccardo Bachi of Rome, Italy, stating that he has constructed a new index number of wholesale prices in Italy to take the place of the old one which has been compiled by him for a number of years. The new index number is based upon the prices of 76 commodities, just double the number of commodities in the old index. It is constructed by obtaining the unweighted arithmetic average of the ratios of the individual prices expressed in terms of the base period. The average end of month prices in 1920 serve as the basis for the calculation. In the case of important commodities two or three quotations are included in the index number, otherwise no weighting is used. As the new index number agrees fairly well with the old one for the year 1920, Professor Bachi has recomputed the new series on the basis of the old index number and thus carries on the original series without a break.

Prices in Italy declined slightly during January, the new index number registering approximately 105 in December as compared with 103 in January (on the basis of prices in 1920 - 100). Prices have been on the decline for only two months, the peak of the year coming in November. The present level is something like eight times as high as in 1901-05 and over six times as high as in 1913.

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INDEX NUMBERS FOR ITALY

Prof. Bachi's New Series
(basis 1920 = 100)

	:Vege- :table :foods	:Ani- :mal :foods	:Chem- :icals	:Tex- :tiles	:Min- :erals :and :metals	:Build :ing :mate- :rials	:other :vege :table :pro- :ducts	:Sun- :dries	:Gene :ral :index	:Old :series :basis :1901- :05	:New :series :refer- :red to :the old :basis :1901-05
Commo- dities	19	10	8	9	12	5	4	9	76	38	76
1920											
Jan.	86.2	81.2	64.2	95.3	75.9	72.0	93.5	78.2	81.25	634.7	639.23
Feb.	91.6	79.5	76.8	106.0	92.7	75.4	100.9	85.8	89.13	701.0	701.22
Mar.	93.1	82.7	96.8	115.6	104.8	82.2	102.4	92.8	96.41	780.0	758.50
April	102.7	83.6	110.4	130.8	115.8	96.4	99.8	104.2	106.30	855.7	836.30
May	102.2	92.9	122.6	104.9	113.2	101.8	97.2	107.8	105.73	830.3	831.82
June	100.2	101.1	112.8	90.8	99.1	106.3	95.9	105.7	101.18	774.7	796.02
July	96.8	100.3	100.0	88.3	95.5	108.4	90.2	104.9	97.77	772.4	761.33
August	100.7	103.4	102.3	94.9	96.6	109.9	91.9	101.4	100.13	795.9	787.76
Sept.	104.8	108.8	100.1	99.6	103.7	109.9	97.5	102.1	104.98	832.3	825.92
Oct.	107.1	108.0	103.4	97.9	106.5	112.8	100.5	105.4	105.47	834.3	829.77
Nov.	107.7	124.1	107.7	94.0	101.4	112.6	108.7	105.2	107.33	829.1	844.41
Dec.	106.9	126.4	102.8	81.9	92.7	112.6	121.8	106.8	104.97	800.6	825.84
1921											
Jan.	106.7	120.7	98.1	77.4	88.2	113.3	123.4	107.1	102.89	---	809.48