## FEDERAL RESERVE BULLETIN

(FINAL EDITTION)

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# FEDERAL RESERVE BULLETIN 

VoL. 8

## REVIEW OF THE MONTH.

After a session lasting from $\Lambda$ pril 10 to May 19 the Genoa Conference adjourned on the latter date to be succeeded by

> Genoa Confer- ence. tinuation of the sessions on June 15 at The Hague. These renewed sessions are to be devoted primarily to a discussion of the Russian situation and other issues of fundamental political significance. Meantime the cconomic side of the Genoa Conference has proven a matter of large interest and has at least furnished a basis for some progress. As definite results of the Genoa discussions, may be specifically mentioned the decision to hold a moeting of bankers whose object.it shall be to advise the Reparations Commission as to possible methods of improving financial relations with Germany, and the announcement of tentative plans for an international conference of banks of issue to discuss ways and means of effecting a return to the gold standard or to some basis of stabilized exchange. Probably the recommendations of the committee of bankers which is advising the Reparations Commission in Paris must be concluded before very much progress can be made in discussing the exchange and gold standard situations. But at all events, provision has been made for marking out the path toward better conditions. Thus, although the Genoa Conference has come to an end without fulfilling the expectations of some of its advocates, it is nevertheless an advance along a road that may lead ultimately to the solution of the most pressing intornational financial problems. Accordingly, a judgment of the significance and value of the Genoa Conference must be deferred until the findings of the committee of experts who are to meet at The Hague and the proposals of the inter-
national conference of banks of issue which is probably to assemble in London have been formulated and made public. Meantime, however, the immediate results of the Genoa Conference have been the adoption of various sets of resolutions, notably those presented by its financial commission.

In order to form a sound judgment of the results to be achieved at the various meetings mentioned above, it is neces-
Financial recom- sary to view the recommendations made by the financial commission at Genoa in the light of past discussions. Such discussions were first seriously undertaken in the financial conference at Brussels which met in the autumn of 1920 and were then fully reviewed in the Federal Reserve Bulletin. The findings of the experts who constituted the financial commission of the conference first of all afford opportunity for some interesting comparisons with the resolutions adopted at Brussels. Such a comparison affords a decisive commentary upon the continued failure to reach any practical solution of the innumerable problems relating to domostic currencios, international exchange, and international credits that engaged the attention of the carlier conference. The lack of accomplishment during the interval which has elapsed since the Brusscls conference was held is evidenced by the fact that the exports at Genor felt impelled to restate various elomentary principles of finance which have continued mcanwhile to be disregarded in spite of a growing recognition of their practical as well as their theoretical validity. The recommendations agreed upon at Genoa are therefore in substantial accord with the proposals made at Brussels, and both sets of recommendations are enunciations of gencral principles rather than in any sense programs of action. The events of recent months, how-
ever, have not been without effect in bringing about modifications of expert opinion, for the Genoa resolutions have not only gained in specific content as compared with those of Brussels but they have lost some of the positiveness of the carlicr proposals. In short, it is now recognized that those general propositions to which adherence is sought can not in all cases be made immediate guides to conduct.

The greater precision of the Genoa proposals appears most decidedly in the sections relating to the restoration of the gold

## The gold standard.

standard. It is stated that "gold is the only common standard which all European countries could at present agree to adopt," and that "it is in the general interest that European governments should declare now that the establishment of a gold standard is their ultimate object, and should agree on the program by way of which they intend to achiere it." Then follows the usual insistence upon the evils of currency instability, the pressing need for balanced budgets, and for cessation from further inflation. The financial commission then proceeds to suggest the means by which reforms shall be instituted. The carlier meeting at Brussels had reached the conclusion that although it was desirable that countries which had lapsed from a gold standard should return to it, it would be useless to fix the ratio of existing fiduciary currencies to their normal gold values, and no recommendation was therefore made looking to the stabilization of gold values. The Genoa resolutio s are likewiso indeterminate to the extent that they state that the fixation of the gold value of the monetary unit should be brought abo $t$ "when the economic circumstances permit;" but at the same time certain definite indications are given of the lines along which restoration of gold payments might be made practicable. It is proposed, for example, that an international convention be entered into for the purpose of devising means of centralizing and coordinating the demand for gold and for suggesting measures designed to aid in economizing the use of gold by the maintenance of a reserve in the form of foreign trade balances-a proposal which looks to
some form of a gold exchange standard or an international clearing system. It is also urged that a meeting of the representatives of central banks of issue be called to consider the best means to give effect to the measures designed to promote currency reform and credit control. At the same time it is stated that no scheme for stabilizing the purchasing power of the monetary unit could be "fully effective" without a coordination of policy between Europe and the United States. It was therefore proposed that the United States be invited to participate in any joint action that might be undertaken. Recommendations looking to the introduction of a form of gold exchange standard were submitted by the financial commission in the hope that they would form the basis for discussion at a subsequent meeting of representatives of central banks. It was suggested to those countries willing to participate in a convention designed to facilitate the return to the gold standard, and eventually to recstablish a free market in gold, that, in addition to any gold reserves which might be maintained at home, approved assets might be kept in the form of bank balances in other participating countries, or in bills, short-term securities, or other resources. The participating countries would arrange to buy or sell exchange on one another within definitely fixed limits, receiving in payment their own currencies. But in each country discretion as to the means to be employed in maintaining the fixed value of the several currencies for purposos of international exchange would be left to the contral bank.

The desirability of effecting a "devaluation" of existing currencies was felt to be a matter

Exchange stabilization. for the individual countries to decide ---that is, internal conditions would naturally determine whether it were cither possible or desirable to return to the pre-war gold parity or whether a new parity approximating existing values should be agreed upon. At any rate, the proposal to recognize existing depreciation as in all cases definitive may be said to have been regarded unfavorably, although the experts appointed by the special subcommittces on currency and exchange indicated that in the case of some countries an attempt to return to
the pre-war gold parity could not but involve social and economic dislocation and add to the burden of the public debt. Artificial control of exchange operations was condemned, "whether by requiring a license for transactions in exchange, or by limiting the rates at which transactions may be effected, or by discriminating betwcen the different purposes for which the exchange may be required, or by preventing free dealings in forward exchange." Such control was termed "futile and mischievous," and it was urged that it be abolished at the earliest possible date.

The financial commission did not, howerer, attempt to dictate the precise means to be employed to achieve stability of currency systems, but left such decisions to the central banks of the several countries concerned. This omission is the occasion for holding an international banking conference as proposed in the resolutions. The proposals of the commission have left untouched the really difficult problem-that is, how to maintain stability once international agreement has been reached. The fact that a discussion of reparations claims was excluded from the agenda of the conference naturally absolved the commission from making any attempt to answer this question, but the difficulties of trying to stabilize the currencies of those countries which hare been suffering from inflation and which are at the same time under necessity of making heary outside payments is referred to in the section in which it is stated that in some countries external loans will be necessary because of the adverse balance of external payments. "Without such a loan that comparative stability in the currency upon which the balancing of the budget $*_{*}^{*}$ * largely depends may be unattainable." This statement is also a recognition of the fact that simple admonitions to balanco budgets and cease inflation are impossible counscls of perfection in the case of those countries whose obligations are in excess of their ability to pay.

Coincident with the discussions which have been going on at Genoa on financial questions, important conferences have
tentative agreement was reached between the Allies and Germany providing for a reduction in reparations payments of 30 to 40 per cent as compared with the demands made upon Germany in the London agreement of May a year ago. This tentative arrangement was later approved by the Reparations Commission and formally presented to Germany on March 22. The reduction in cash payments was accompanied by certain rather stringent provisos in regard to the internal fiscal situation of Germany. Many of these demands, including the cash payments thus far required, have been met by the German Gorernment, but the supervision of German Government finances by the Allies has been accopted only on the condition that it in no way affects the sovereignty of the German Government nor violates the secrecy of the private affairs of taxpayers; and the promise to keep the floating debt to the level of March 31, 1922, was made conditional upon the receipt of a foreign loan to equal the amount of reparations payments subsequent to $\Lambda$ pril, 1922.

During the past month there scems to have developed a wider recognition of the desirability of allowing Germany a period for the reorganization of her finances during which cash payments to the allied powers would be reduced to the minimum. This point of riow has come about as a result of the further depreciation in the value of German currency, which has occurred even since the reduction in the burden of reparations payments. It has been strengthened by the realization that, in riew of the lien upon German assets established by the treaty of Versailles, the flotation of any large international loan is impractical until some of these assets have been released and steps have been taken to reorganize the German fiscal situation. One of the important questions which must be decided is how large an annual cash payment is possible in the next few years if German Gorernment finances are to be recstablished upon a sound basis.

The American viewpoint with reference to the pending financial difficulties and pending financial discussion in Europe
The American viewpoint. was developed by Mr. Hoover, Secretary of Commerce, in a recent address (May 16) before the Chamber

Reparations payments.
reparations payments. It will be remombered that at the conference at Cannes in January, a been held at Paris and elsewhere on the subject of German
of Commerce of the United States at its annual convention. The following summary extract from this address sets forth the essentials of cconomic reform from the Imerican viewpoint as defined by Mr. Hoover:

First, such political relations between the States in Europe themselves as will produce an atmosphere of peace and destroy the atmosphere of war.
Second, the reduction of armament not only to lessen Government expenditure but to give confidence of peace.
Third, the intergovernmental debts, including German reparations, to be fixed upon such a definite basis of pay-ment of interest and principal as will create reasonable confidence that payments will be met.

Fourth, the balancing of budgets more through the reduction of expenditure than the increase in taxation, and a cessation of the consequent inflation in currency and short-time bills.

Fifth, the ultimate establishment of the gold standard with the assistance of cither credits or gold loans, and where necessary, the acceptance of diminished gold content to many old units of currency.
There are many less important steps but they become easy and certain when these major issues are accomplished. If these measures could be accomplished tomorrow the stream of commerce and industry would rush economic recovery at a pace which would amaze the world.

With reference to the broader questions raised at the Genoa Conference and especially the question of aid to Russia, the American position is set forth in the note of Secretary Hughes of May 15:

This Government is most desirous to aid in every practicable way the consideration of the cconomic exigencies in Russia and wishes again to extend the deep friendship felt by the people of the United States for the people of Russia and their keen interest in all proceedings looking to the recovery of their economic life and the return of the prosperity to which their capacities and resources entitle them.

The American people have given the most tangible evidence of their unselfish interest in the economic recuperation of Russia, and this Government would be most reluctant to abstain from any opportunity of helpfulness.

This Government, however, is unable to conclude that it can helpfully participate in the meeting at The Hague, as this would appear to be a continuance, under a different nomenclature, of the Genoa Conference and destined to encounter the same difficulties if the attitude disclosed in the Russian memorandum of May 11 remains unchanged.

The inescapable and ultimate question would appear to be the restoration of productivity in Russia, the essential conditions of which are still to be secured and must in the nature of things be provided within Russia herself.

While this Government has believed that these conditions are reasonably clear, it has always been ready to join
with the Governments extending the present invitation in arranging for an inquiry by experts into the economic situation in Russia and the necessary remedies. Such an inquiry would appropriately deal with the economic prerequisites of that restoration of production in Russia without which they would appear to be lacking any sound basis for credits.

It should be added that this Government is most willing to give serious attention to any proposals issuing from the Genoa Conference or any later conference, but it regards the present suggestions, in apparent response to the Russian memorandum of May 11, as lacking, in view of the terms of that memorandum, in the definiteness which would make possible the concurrence of this Government in the proposed plan.
Russia and Germany are, however, far from being the only countries which to-day present scrious international financial

## Needs of foreign countries.

 problems. While these coun-tries naturally assume a conspicuous position in current discussion because of the fact that their difficulties are entangled with political problems of a serious kind, there are various other European nations whose purcly financial questions are also of immediate significance. The solution of certain of these problems is generally held to require advances on a larger scale than would customarily be required. Most nations require only limited accommodation, and are able to arrange for it without difficulty through ordinary banking channels. In scveral cases, howerer, this is not possible, and recourse to other methods is necessary. Thus far only the Austrian credits prorided by screral nations, such as Great Britain, France, Italy, and Czechoslovakia, have actually been arranged. In order to facilitate the process by permitting the pledge of specific property or resources, formal or informal assurance has been received from most nations that they will postpone payment of debts due them by Austria. Germany is the other conspicuous case for which a large-scale international loan has been projected. The Allied Reparations Commission has, as already seen, created a subfinance commission to discuss the feasibility of raising an international loan for her. Many tochnical financial problems are necessarily involved, notably the terms of the issue, the amount which may be raised in the immediate future, the available security, and the manner in
which revenues could be controlled and administered as security. In this question the United States is naturally greatly interested, providing, as it does, the largest capital market in the world to-day. The individual investor, whether American or foreign, must be assured with respect to these matters. As has been pointed out on former occasions, the question how far the Amcrican or any other market can be expected to adopt a receptive attitude toward obligations for international accommodation necessarily involves serious considerations of a fiscal nature. There has undoubtedly been some improvement in foreign fiscal conditions during the past few months, but the budgets of most foreign countries are as yet far from being brought to that condition of stability referred to by the Secretary of Commerce and others. Great Britain continues to be, as in months past, considerably ahead of other European. countries in the strength of its position.

The present fiscal situation in Great Britain, as revealed in the budget submitted

British finance. to the House of Commons on May 1 by Sir Robert Horne, Chancellor of the Exchequer, presents some interesting aspects. During the fiscal year ended March 31, 1922, both actual receipts and expenditures fell somewhat short of original estimates, so that the actual surplus arailable for purposes of debt reduction was reduced to $£ 45,693,000$. On the basis of existing taxation, receipts for $1922-23$ were estimated at $£ 956$,600,000 , with expenditures of $£ 910,000,000$. It was deemed desirable, however, to make several reductions in rates, most important being a.decrease in the standard rate of income tax from 6 s . to 5 s . in the pound sterling. This change, together with lower postal rates and telephone cliarges, and a reduction in import duties on tea, coffee, cocoa, and chicory, will wipe out any surplus of revenue over expenditure in 1922-23, and, it is estimated, will provide for an approximate balance between governmental income and outgo. To accomplish this end, the allowance for contingencies has been reduced to $£ 25,000,000$, while miscellaneous revenues are placed at $£ 90,000,000$. Furthermore, payments to reduce the British
debt have been suspended during the coming year and no provision is made for them in the budget. At the same time, however, a new item of $£ 25,000,000$ is allowed for payment of interest on the British debt to the United States.

As a result of the adoption of this budget, the total British debt will remain at about $£ 7,700,000,000$, as compared

Amount of debt. with a maximum of $£ 8,079$,000,000 at the end of 1919 . Of this amount slightly less than $£ 1,000,000,000$ at the current rate of exchange is owed to the United States. On the other hand, there is owing to Great Britain from other countries, mostly as a result of war loans, a total of something like $£ 2,000,000,000$. Included in this sum is $£ 655,000,000$ due from Russia. Faced with the choice of two alternatives, the British Government has accordingly preferred to forego, temporarily at least, the policy of debt reduction, in spite of the burden entailed by interest charges on the debt. Instead, it has made concession to the popular demand for reduced taxes, both from those who desire to lighten the burden placed upon industry and from those who wish to cheapen the cost of living. To what extent the reductions made will achieve these results is uncertain, but in any event they are made with such an object in mind. This merely serves to postpone the entire question of the debt until a later date, for ultimately definite choice must be made betwoen a policy of debt reduction or a policy of continued maintenance of the annual charges.

Difficult as it has been in the last two or three years for Great Britain to achieve a balance between governmental Fiscal conditions income and expenditure and to on the continent. provide for a reduction in her debt, the fiscal situation in the rest of Europe is very much more serious. France has indeed been able to effect a theoretical balancing of her budget through the simple expedient of putting in the ordinary budget only such expenses as could actually be met, the remainder constituting an extraordinary budget against which have been set certain anticipated reparation payments from Germany. In Belgium the Government has been running be-
hind, with little prospect of a balanced budget for some time to come. Conditions have improved somewhat in Italy, and the deficits of the past two years are considerably reduced in the estimates for the year 1922-23, but revenues are nevertheless expected to fall below expenditures by approximately 3,000 000,000 lire. The German Government, as is well known, has been meeting deficits through new note issues, largely in consequence of which the value of the mark has fallen to a point only slightly above 1 per cent of the prewar par of exchange. The financial situation in Austria is such that during the past year the Government's deficit amounted to approximately 60 per cent of total expenditures, but the estimates for the coming year anticipate a deficit of only about 25 per cont. In Russia the Sovict Government has recently put forward its first formal budget, covering the first nine months of 1922, according to which an estimated deficit of $230,000,000$ gold rubles will have to be met, probably by new note issues. Poland's finances, although somewhat improved, are in similar condition. Of the nations comprising the so-called "Little Entente," Czechoslovakia has a budget almost evenly balanced for 1922 , with only a slight estimated deficit, but Rumania and Yugoslavia both have large deficits. In contrast to most of the countries of Europe, the Scandinavian group are in comparatively sound financial condition. Sweden has been able to balance her budget during the last two years through loans; Norway's increased budget allowances during and since the war have been met principally through higher taxes, while in Denmark the budget deficits have not been large enough to cause serious concern. Business conditions in Switzerland have been far from satisfactory the past year or two, and the Government has been running up deficits of $133,000,000$ francs in 1921 and $100,000,000$ francs (estimated) in 1922. As for Spain, although the budget for 1921-22 shows a nominal surplus, there was in reality a very considerable deficit, which was met by treasury loans.

Many of the Governments of Europe, therefore, are not in a satisfactory financial condi-
tion-a state of affairs which is fundamental and which must radically be altered before trade and industry can be on a sound and firm basis. Temporary makeshifts may alleviate the difficulties somowhat-notably, e. g., the use of Government credit for developmental purposes with direct application of the funds in such directions, instead of for the general purposes of the State-but no widespread advance is possible until the underlying situation is remedied. In almost all these cases, no attempt whatsoever has been made to grapple with the problem of the public debt. Its permanency and the annual burden of charges therefor alike remain unsettled.

Discussion of the question of placing foreign loans in the United States has received a great impetus during the past few

Foreign loans in the United States.
posal to pace a large loan in behalf of Germany in the United States in order to facilitate the reparations program, and partly the result of the fact that decided success has been obtained in the floating of foreign bond issues in this market since the first of the year. Judging from experience during the first few months of the year the United States is now lending funds to foreigners in large amounts. Indeed, for the first few months of this calendar year the movement has procceded so rapidly as to create an adverso international balance. In view of this situation, coupled with the relative decline in export trade, the question has been raised by not a few bankers and business mon whether the advances made by the United States at present and in the immediate future should be accompanied by restrictive clauses requiring that such funds be spent in the American market. Such restrictive requirements were familiar during the war not only in the United States but in forcign countries and have been frequent. features of foreign lending in time of peace This view of international lending has within the past few months been opposed by American bankers. Mr. Thomas W. Lamont, for example, of the firm of J. P. Morgan \& Co., states his view of the case as follows:

A second fallacy that I find prevalent to-day is the idea that unless a foreign borrower himself utilizes his American credits for direct Imerican purchases, then the American commercial community is deprived of benefit from the proceeds of such credits. Many business men have gone so far as to say that no American banking house should father a loan to a forcign obligor unless the borrower agreed to earmark and spend here the very dollars that he borrowed. This theory, this fallacy, entirely ignores the fact that with America the heary creditor nation that she is to-day, any credits obtained here by foreign borrowers must necessarily be utilized here, either by the borrower direct or by those to whom he assigns the credit. * * *
This process that I have just described is elementary. From the workings of it the fact must be obvious that all such foreign credits established in this country must necessarily be utilized here (i. e., the money must be spent here), unless we ship gold in lieu of giving a book credit in dollars. This process that I have described should disprove the theory that American trade is not getting the benefit of these foreign loans.

As against this attitude on the part of bankers, there has been some disposition among the manufacturing community to take the position that the proceeds of such adrances should be expended in the United States. This attitude of mind was well illustrated by discussion at the recent forcign trade convention held at Philadelphia on May 15 and the following days. The point at issue is of very considerable importance, because of the fact that a decision in the matter will greatly influence the character of the advances made by the United States to other countries. They will also inevitably alter, at least for the time being, the extent of our export trade. Adrances made in considerable amount without the so-called restrictive clauses requiring expenditure in this country may casily result in the development of a balance against us in faror of such countrics as receive cash payment in return for goods.

On April 18 the World War Foreign Debt Funding Commission held its first meeting. This commission, authorized

Debt funding commission. under the act approved February 9 , is composed of five mem-bers--the Secretary of the Treasury (chairman), the Secretaries of State and Commerce. Senator Smoot, and Representative Burton, Subject to the approval of the President, the commission is authorized to refund or convert
into other obligations the obligations of foreign Governments arising out of the World War, now held or hereafter received by the United States. The scope of its activities is indicated by the following figures, showing the amount due the United States by the several foreign Governments on May 15. Tho figures include interest accrued and unpaid up to and including the last interest period, as well as the principal amount of obligations.

| Armenia | \$13.137, 460 |
| :---: | :---: |
| Austria. | 26, 220, 723 |
| Belgium. | 428, 956, 287 |
| Cuba.. | 8, 147, 000 |
| Czechoslovakia | 103, 106, 426 |
| Esthonia. | 15, 694, 148 |
| Finland. | 9, 005, 082 |
| France. | 3. $770,906,656$ |
| Great Britain ${ }^{1}$. | 4, 685, 862,560 |
| Groece. | 15, 375,000 |
| Hungary. | 1,837,561 |
| Italy. | 1,891,514,634. |
| Latvia. | 5, 582, 206 |
| Liberia. | 28,869 |
| Tithuania. | 5, 479, 79 L |
| Nicaragua. | 170,585 |
| Poland. | 148, 094,423 |
| Rumania. | 41, 089, 387 |
| Russia. | 227, 80], 969 |
| Serbia | 57, 872, 1.96 |
| 'Total. | 11, 456,383, 059 |

In undertaking its duties, the commission requested the Secretary of State to inform the various Governments indebted to the United States that it had effected an organization and desired to receive any proposals or representations which tho Governments might wish to make in regard to the settlement or rofunding of their obligations. Active negotiations, however, have not yet commenced with any of the Governments concerned.

Meantime the active participation of the United States in gencral economic improvement from a world standpoint
Indexes of business conditions. dopends upon maintaining strong economic conditions at home. These are now farorable. Agricultural prospects in the United States are bright, the live-stock industry is in good condition, and

1 Does not include $\$ 61,000,000$ of British obligations which were
given for Pittman silver advanees and for which an agreement for paygiven for Pittman silvor advanees and for which an agreement for payment has been made.
trade has beon well maintained. Crop movements are naturally highly seasonal, and therefore the decrease is not of major significance. Coal production, it is truc, shows the effects of strike disturbances, and petroleum production is also less. On the other hand, lumber shipments show further increase, as does iron and steel output. The basic industries, therefore, are making relatirely better progress than are those producing goods for consumption.
[000 oraitled.]


On May 2-5 a conference of the governors of the Federal reserve banks
Conference of governors. was held in Washington. Dis- cussion was had of various problems relating to the operations of the individual Federal reserve banks and of the Federal reserve system.

Net gold imports for the month of $\Lambda$ pril totaled $\$ 10,665,000$, the lowest amount shown since the present inward move-

Gold and silver movement. ment began in Soptember, 1920. Imports of more than $\$ 1,000$,000 are reported for Canada, England, France, Norway, Swoden, and China, the total for these countries being $\$ 9,579,000$, or 78 per cent of the total gross imports of $\$ 12,244,000$. Gold exports for the month totaled $\$ 1,579,000$, most of which was consigned to British India, Mexico, and Hongkong.

Net imports of gold since August, 1914, totaled $\$ 1,637,975,000$, as may be seen from the following statement:

${ }^{1}$ Excess of exports.
Silver imports for the month were valued at $\$ 4,800,000$ and silver exports at $\$ 5,109,000$, the net amount exported being $\$ 309,000$. Most of the silver imported came from Mexico, Peru, and Canada, while most of the exports were consigned to Hongkong, England, British India, and China. These exports reflect the increased demand for silver in the Far East, where hoarding by the population and large purchases by speculators have been caused by political unrest and civil war.
Net exports of silver since August, 1914, totaled $\$ 440,706,000$, as shown in the statement below:
[Iu thousands of dollars.]

${ }^{1}$ Excess of imports.
Developments in the banking field during the four weeks ending May 17, as reflected in the weekly reports of about 800 The banking reporting member banks in the larger cities, showed the same essential features as during the previous month. Loan operations, except those based upon corporate securities, show a practically continuous decline, the substantial growth of the reporting banks' earning assets shown for the period reflecting in the first place investments in corporate securities, and also purchases of Liberty bonds and United States notes. A similar development is indicated for the Federal reserve banks, which report almost continuous declines in discounts and fairly steady increases in Government security holdings, the latter constituting at present about one-half of the reserve banks' earning assets.

During the four weeks between April 19 and May 17 the reporting member banks increased their investments in corporate securities by $\$ 82,000,000$ and their loans based upon such securities by $\$ 196,000,000$. They also added $\$ 125,000,000$ to their investments in United States bonds and notes, but show a net reduction of $\$ 47,000,000$ in their holdings of Treasury cortificates. Their loans secured by Government obligations declined by $\$ 30,000,000$, while otherloans and discounts, largely of a.commercial character, show a continuous decrease, aggregating $\$ 95,000,000$ for the period under review.
The chart on page 648 shows member bank and Federal reserve bank developments since the beginning of 1921.
Total borrowings of the reporting institutions from the Federal reserve banks show a further decline from $\$ 210,000,000$ to $\$ 151,000$,000 , or from 1.4 to 1 per cent of the banks' aggregate loans and investments. Of the total discounts held by the Federal reserve banks, these borrowings constituted 32 per cent on May 17, compared with about 38 per cent four weeks earlier and over 70 per cent on the corresponding date in 1921.
Principal changes in the condition of the reporting member banks during the four weeks under review are shown in the following exhibit:


[^0]Federal reserve bank figures, which cover the four-week period between April 26 and May 24, indicate further liquidation of $\$ 12,900,000$ of discounted paper, as against increases of $\$ 22,900,000$ of purchased acceptances and of $\$ 29,000,000$ of Government securities, an increase of $\$ 44,300,000$ in loan and tax certificates being offset in part by reductions in United States bonds, notes, and Pittman certificates. Total earning assets of the reserve banks at the close of the period stood at $\$ 1,188,800,000$-an increase of $\$ 38,900,000$ for the four weeks. Of this total, Government securities constituted slightly over 50 per cent as compared with 49 por cent four weeks before and 15 per cont at the beginning of the year.

Gold holdings of the reserve banks show a further gain for the period of $\$ 12,500,000$, while other cash reserves, composed of silver and legals, declined by $\$ 2,100,000$. On May 10 the gold holdings of the rescrve system for the first time were in excess of $\$ 3,000,000,000$. Since January 1 of the present year gold holdings of the system have increased by $\$ 132$,700,000 . New York and Atlanta show the largest increases of gold reserves for the present year, while Boston and San Francisco show the largest decreases for the period.

Members' reserve deposits, in keeping with the increase in member banks' deposit liabilities, show a continuous rise from $\$ 1,748$,800,000 to $\$ 1,822,700,000$. Government deposits fluctuated between a high of $\$ 72,400,000$ on May 3 and a low of $\$ 39,300,000$ on May 17, while other deposits, composed largely of cashier's checks and nonmembers' clearing accounts, show a decline from $\$ 39,300,000$ to $\$ 34,000,000$ for the four weeks. Federal reserve note circulation, after an increase of $\$ 15,800,000$ during the first week of the period, resumed its downward trend and on May 24 totaled $\$ 2,128,200,000$, a decrease of $\$ 29,300,000$ for the period under review, of $\$ 281,200,000$
since the beginning of the present year, and a low record since August 30, 1918. Owing to the increase in deposit liabilities of the reserve banks, the reserve ratio shows a decline for the period from 78.3 to 77.5 per cent.

Weekly changes in the principal assets and liabilities of the reserve banks are shown in the following exhibit:

| Federal Reserve Banks. [In millions of dollars.] |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Date. | $\begin{aligned} & \text { Cash } \\ & \text { re- } \\ & \text { sorres. } \end{aligned}$ | Bills dis- counted, total. | Govern- Jnent securi- lics. | Total de- posits. | F. R. notes in actual circula- tion. | Reservo ratio. |
| April 26 | 3, 124.8 | 500.1 | 567.1 | 1,833.2 | 2,157.6 | 78.3 |
| May 3.. | 3,118.8 | 509.4 | 609.2 ; | 1,892.3 | 2,173.4 | 76.7 |
| May 10.. | 3, 129.8 | 474.6 | 617.5 i | 1,889.2 | 2,159.2 | 77.3 |
| May 17... | 3,131. 1 | 468.7 | 595.0 : | $1,886.0$ | 2, 146. 7 | 77.6 |
| May 24... | 3,135. 3 | 487.2 | 596.2 | ],917.2 | 2,128.2 | 77.5 |



## BUSINESS, INDUSTRY, AND FINANCE, MAY, 1922.

Steady improvement in the indicated yield of the principal agricultural products has been an outstanding feature in the developments of the past month. Improvement in the prices of cotton, grains, and other products is also a noteworthy feature of the month. Business, in so far as dependent upon current agricultural prospects, shows steady improvement, notwithstanding diminished export shipments of agricultural products, particularly grains, as disclosed by the 10 months' figures since the beginning of the fiscal year, and notwithstanding further a slackening of the demand for agricultural products for domestic use. Good demand for labor has manifested itself in practically all parts of the country, with corresponding reduction of unemployment, especially in outdoor occupations.

In appraising the manufacturing situation a distinction must be drawn between basic commodities and those of a more highly finished sort. The marked improvement in the case of iron and steel noted in business surveys of previous months has continued during May, unfilled orders increasing materially and ingot production being the greatest in any one month since November, 1920. The demand for iron and steel products continues particularly strong in the case of automobiles and railway supplies. Much the same may be said with respect to copper and the other nonferrous metals. The situation in other important lines of manufacture is less easy to characterize. Due to the continuation of the textile strikes, the output of cotton goods has been materially lessened, although in the southern cotton-mill districts plants are reported as operating near to full capacity. There was a recession of activity in woolen manufacturing during April, especially in the worsted branch of the industry, while the silk industry is suffering from a cendition of continued depression and inactivity. A mixed situation confronts manufacturers of boots and shoes.

Prices have continued to show stability. The general index number of wholesale prices compiled by the Federal Reserve Board shows an advance of two points as compared with the preceding month, making it 149 (which closely approximates the index number 146 of the corresponding month a year ago). This advance is due to advances in the prices of agricultural products and in materials used in certain basic industries. On the whole, adjustment of prices among commodities and industries is approaching a more normal relationship.

Reflecting the improved condition in agriculture and the larger disbursement in wages in many basic industries, retail trade exhibits an enhancement of buying power, returns being more favorable than those of recent months. In wholesale trade, however, the situation is spotty, some lines, such as hardware, being favorably influenced by the great activity in building. In other wholesale lines the improvement of retail trade is not reflected in a corresponding advance in wholesale demand.

On the whole there appears to have been a decrease in unemployment, which has been brought about through the increased seasonal demand for outdoor labor, the enlarged opportunities for employment in the mines, and in other directions. Factory demand has not kept pace with the growth in other branches, but, in general, has receded, especially if voluntary unemployment due to strikes in certain sections of the country be considered. In the building trades the notable revival which started at about the close of winter has continued and has led to unusual demand for labor.

Financially the month of May has also been a period of comparative stability. No changes in discount rates have taken place at the Federal reserve banks and rates in the open market have continued distinctly below those prevailing at the local Federal reserve institutions. Callmoney figures have been exceptionally low during most of the month. The prospect of better adjustment of foreign economic conditions has tended to stabilize rates of exchange.

Foreign trade has shown a distinct tendency to improve. Among domestic developments the striking event of the month has been the announcement of a cut of 10 per cent in railroad rates by the Interstate Commerce Commission.

## AGRICULTURE.

The average condition of winter wheat on May 1 was 83.5 , as compared with a condition of 78.4 on April 1, 1922, and a condition of 88.8 on May 1, 1921. The estimated production amounts to $584,793,000$ bushels, or 0.4 per cent less than the 1921 crop. In district No. 7 (Chicago) the winter wheat crop promises to be considerably larger than in 1921 and has enjoyed favorable weather conditions during the early part of May, except for fields in river bottoms. District No. 10 (Kansas City) reports that weather conditions in May have been very encouraging and indicate a continuance of the remarkable improvement in the condition of wheat which commenced in April. Winter wheat is also in good condition in district No. 8 (St. Louis), although a considerable acreage in southern Indiana and Illinois was flooded and has been abandoncd. In district No. 12 (San Francisco) the wheat crop was helped by improved weather conditions in the first half of May, although the temperature has been rather too low for rapid growth, and certain fields in northern California are in need of rain. The average condition of rye throughout the United States on May 1 was 91.7, which forecasts a production of $79,152,000$ bushels, as compared with a crop of $57,918,000$ bushels in 1921.

The leading agricultural districts all report a marked reduction in the planting of oats, due to the late spring and heavy rains and floods. Reports from district No. 10 (Kansas City) indicate that the corn acreage will be substantially larger than in 1921, due to the large wheat acreage which was abandoned and the small acreage seeded to oats; but comparatively little of the corn acreage of Nebraska and Kansas has yet been planted and much replanting has been necessitated in Oklahoma on account of unfavorable soil conditions. In district No. 7 (Chicago) the planting of corn is from one to three weeks late, but soil conditions are now reported to be propitious. Corn planting has also been delayed in district No. 8 (St. Louis), but is now making rapid progress. The acreage will be larger than last year in Missouri, Arkansas, and Tennessee.

Reports in regard to the white potato crop indicate a rather general increase in acreage. The bulk of the Florida crop has already been harvested and early planted potatoes in Oklahoma and southern Missouri are growing rapidly. Louisiana sugar cane has been greatly retarded by cool weather, while the crops on many large plantations have been destroyed by floods. District No. 10 (Kansas City) reports that acreage planted to sugar beets is
about 15 per cent less than in 1921 in Nebraska, Wyoming, Colorado, and Kansas.

## cotron.

Cotton prices have risen rapidly during May in all sections of the South, due to the large domestic factory consumption, the continued heavy exports, and doubt concerning the size of the new crop on account of the delayed planting and the fear of boll weevil ravages. The price of middling upland cotton at New Orleans on May 17 was 19.9 conts, as compared with 17 cents on April 19. Cotton stored in mills and in public warehouses on April 30 amounted to $4,672,605$ bales, about 36 per cent less than on April 30, 1921.
Heary rains and floods delayed the planting of cotton in almost all sections. The cotton crop in district No. 11 (Dallas) is from two to four weeks late, but there is a considerable increase in acreage. Low temperatures and excessive rains necessitated considerable replanting of cotton in the southern parts of district No. 10 (Kansas City) and district No. 8 (St. Louis), and farmers in Arkansas, Tennessee, and Kentucky are also planting all spare acreage to cotton. Planting was practically completed during April in central and southern Georgia, whereas less than half the cotton was planted in the northern section of the State. About 20 per cent of the fields in Georgia were planted without the use of fertilizer.

## TOBACCO.

In district No. 5 (Richmond) tobacco has been transplanted in South Carolina and the plants are doing well, while Virginia beds are good and land has been prepared for resetting. North Carolina reports indicate increased acreage in tobacco and greater use of fertilizer than last year. Tobacco beds are growing fast in district No. 8 (St. Louis), but there are some complaints of damage from worms. The cooperative marketing association in district No. 5 (Richmond) appears to be making steady headway among the growers, and announces that it has leased 150 warchouses. Leaf dealers in that district report that the past month or two have witnessed distinct improvement in the leaf business. Orders from abroad have increased with the rise of foreign exchange, and there is a fair volume of domestic business. Dealers report their stocks are not heavy and believe this year's crop will be largely taken up by foreign and domestic manufacturers within the next 90 days. Domestic cigar leaf in district No. 3 (Philadelphia) has, however,
shown little activity. Prices on the whole still tend downward, and the supply is plentiful. A slight increase in cigar sales in May is reported over April, but the larger manufacturers scem to have received relatively more orders than the smaller ones.

## FRUIT.

Prospects for large deciduous fruit yields are excellent in most sections, although considerable frost damage was suffered in districts No. 3 (Philadelphia), No. 5 (Richmond), and No. 11 (Dallas). Reports from district No. 3 (Philadelphia) indicate that frost damage was severe in the valleys, but comparatively light on the hillsides. The greatest injury was done to peaches and early cherries, while the destruction of apples and plums was less general. In district No. 5 (Richmond) the apple crop was considerably damaged by frosts in the latter part of April, but the strawberry crop is of record size. The Louisiana strawberry crop this year amounted to about 1,700 carloads and was shipped to 85 different markets in 32 States, although average prices were lower than for several years. It is estimated that the commercial watermelon crop of Florida will amount to 12,744 carloads, over 50 per cent greater than the 1921 crop. The outlook for orchard fruit in district No. 8 (St. Louis) is better than in any year since 1914, and the Arkansas strawberry crop is the largest on record. Orchards have been much improved by scientific pruning and spraying. In district No. 10 (Kansas City) all fruit trees have a heavy crop, with the possible exception of apple trees. The condition of peach orchards forecasts a record crop in California, and yields of cherries and pears also promise to be unusually heavy.

Prices of citrus fruits continue favorable, although some reduction has resulted from imports of Spanish and Italian oranges. Florida suffered from a prolonged spell of dry weather during April, which caused some shedding and lowered the condition of each of the citrus fruit crops.

## GRAIN MOVEMENTS.

Grain receipts at 17 interior centers registered another marked decline during April and were 56 per cent less than the high total received in February. The volume of marketing was smaller for all kinds of grain in April, the decreases being most marked for rye and corn. The most important cause of this curtailment in marketing is a reduction in the volume of grain exports. Wheat receipts at the reporting interior centers amounted to $16,892,879$ bushels
in April, a decline of 17.2 per cent as compared with March. The decrease was most pronounced in districts No. 8 (St. Louis) and No. 9 (Minneapolis), while there was an actual increase in district No. 7 (Chicago). Receipts of corn totaled 15,356,744 bushols in April, a decline of 50 per cent from the March figures. District No. 10 (Kansas, City) reports that millers continue to buy choice white and yellow corn and that prices are strong. The volume of grain stored at interior and seaboard centers was somewhat diminished during April, but was much larger than stocks on $\Lambda$ pril 30, 1921, due to the larger accumulations at primary markets.

## FLOUR.

Flour production during April was less than during March in all districts, although greater than during April, 1921, in certain districts. In district N̂o. 9 (Minneapolis) the April, 1922, figures reported was $1,777,499$ barrels, which was 13 per cent less than in March and 7 per cent less than a year ago. The April output in district No. 10 (Kansas City) was 1,487,380 barrcls, a decrease of 17 per cent from March, but an increase of 20 per cent ovor the April, 1921, figure. Forty-six millers in district No. 7 (Chicago) produced 315,358 barrels in April, which was 27 per cent less than in March, but 33 per cent more than a year ago; while 11 leading mills in district No. 8 (St. Louis) showed April production of 252,868 barrels, as against 329,428 barrels in March. In district No. 12 (San Francisco) the output of 61 mills decreased from 707,202 barrels in March to 494,946 barrels in April. Throughout April the demand for flour was slow and unsatisfactory in district No. 8 (St. Louis), especially on high grades and patents. Purchasing was principally on a hand-to-mouth basis, but prices were relatively well sustained, due chiefly to scarcity of prime milling wheat and scarcity of clears and lowgrade flours. Old export orders in district No. 12 (San Francisco) have been delivered, and little new export business has been booked.

## LIVE STOCK.

Receipts of each of the three principal classes of live stock during April were less than during the preceding month and also a year ago. April receipts of cattle and calves were 985,243 head, a decrease of 14.9 per cont from the March figure, and 1 per cent from the April, 1921, figure. Receipts of hogs in April amounted to $2,094,354$ head, which was 12.2 per cent less than in March and 8.1 per cent less than a year ago. Receipts of sheep decreased 25.6 per cent from March to April, amounting to 741,401
head for the latter month, and were 31.2 per cent less than in April, 1921. The decrease in receipts of fat cattle and all classes of hogs and sheep is attributed by live-stock men in district No. 10 (Kansas City) to the liquidation that followed unsatisfactory markets and stringency a year ago. Satisfactory spring grazing and improved market prices for fat cattle are given as the chief incentive for holding large numbers of thin cattle on farms and ranges. Live-stock conditions in the district are generally good, although late storms and cold weather in mountain sections have resulted in considerable loss of old stock, both cattle and sheep. Abnormally heavy rains in Texas during the past 30 days have aided in producing a situation that is now reported to be almost ideal for the rapid growth and fattening of cattle, except in the vicinity of El Paso and parts of eastern New Mexico. Losses of live stock in district No. 12 (San Francisco) from exposure and lack of feed have been greater than usual during the past winter, which was unusually long and severe. The condition of feed on most pastures and ranges is reported much below the average for this period of the year, although improving with the advent of warmer weather. Lambing was accompanied by heavier losses than usual. Substantial progress is being made in building up the dairy industry in district No. 10 (Kansas City).

Thirty-one packers report April dollar sales 2.9 per cent less than in March, and 8.2 per cent less than in April, 1921. Stocks of cured meats and lard at western packing points at the close of April were greater than on March 31, but considerably below those of a year ago. Packers in district No. 10 (Kansas City) report that, while the demand for pork has not broadened, buying has been free, although purchases are for immediate needs only, The beef trade has shown considerable improvement. Five large exporters in district No. 7 (Chicago) reported April shipments larger than in March, but-two reported decreases. A nominal increase in consignment stocks abroad was indicated on May 1.

## COAL.

April production of bituminous coal was estimated at $15,780,000$ tons, compared with $50,193,000$ tons last month and $27,553,000$ tons in April last year. This month's production was well below that of any April in recent years, and $3,000,000$ tons less than the output of November, 1919, when, as now, a general strike of bituminous miners was in
progress. Production has increased, however, from $3,835,000$ tons during the first week of the strike to $4,500,000$ tons during the sixth week, and further increase is possible, depending on demand, which is beginning to pick up, accompanied by firmer prices. During the early weeks of the strike demand was very sluggish, as consumers preferred using their reserves to buying, so that probably an average of $4,000,000$ tons weekly has been drawn from the $63,000,000$ tons stocked in the country on April 1.
Production of anthracite coal for the month was practically negligible. Output was 8,757 ,000 tons in March and 7,703,000 tons in April last year. Average weekly production during the strike has been about 6,000 tons. The industry has been virtually unaffected by the bituminous strike, and demand remains very quiet. There has been little price cutting to stimulate householders' buying, and where tried it has proved ineffectual. Output of beehive coke dropped from 732,000 tons in March to 528,000 tons in April and was 328,000 tons in April, 1921, while by-product coke production increased from 2,137,000 tons last month to 2,227,000 tons in April.

## PETROLEUM.

Production of crude petroleum during April decreased considerably for the country as a whole. This was especially noticeable in district No. 11 (Dallas). In this district crude petroleum production, which reached a peak during March, declined sharply and only 13,750,590 barrels were produced, a decrease of $2,496,090$ barrels. This large reduction was due partly to the unfavorable weather conditions and partly to the low production of new wells completed. Both the Louisiana and Texas fields shared in this reduction, the April daily average yield for all Texas fields being 349,713 barrels as against a daily average flow of 389,944 barrels during March. District No. 12 (San Francisco) again reports increased production and a decrease in consumption, resulting in the largest stored stocks of crude petroleum since April, 1917. Average daily production in California during April was 341,077 barrels, as compared with 333,737 barrels in March and 338,981 barrels in April, 1921. Forty producing wells were completed during the month. Stored stocks of gasoline held in California decreased $12,693,835$ gallons during March and stood at 63,718,701 gallons on April 1, as compared with 51573,945 gallons on April 1, 1921. An estimate of the crude-oil produc-
tion in district No. 10 (Kansas City) indicates a decrease when compared with March, but an increase when compared with April last year. In that district there was an increase in the number of wells completed, while the daily new production was 7,107 barrels less than in March, but more than double the daily new production during the corresponding period a year ago.

No radical price changes have beon noted in any of these districts for crude oil. Refiners report a general improvement in the situation, and, with the increasing demand for gasoline as the season advanced, increases of from 2 conts to $2 \frac{1}{2}$ cents per gallon have been made.

## IRON AND STEEL.

Further marked improvement is reported in the iron and steel industry. Pig-iron production during April was $2,072,114$ tons, an increase of 1.8 per cent over the March figure. On May 1, 162 furnaces were in blast, as compared with 155 on April 1, and with 69 on August 1, 1921, the low figure last year. About a dozen additional furnaces have resumed during May. Steel-ingot production also increased 2.9 per cent to $2,439,246$ tons in April, and the unfilled orders of the United States Steel Corporation 13.4 per cent to $5,096,413$ tons on April 30 . Firms in district No. 3 (Philadelphia) still lag behind the general average. Demand for nearly all products has been accentuated by fear of possible restriction of output. The coal strike has seriously affected prices, increasing production costs for many manufacturers who have been compelled to purchase Kentucky and West Virginia coal since the partial shutdown in the Connellsville region. A seller's market, it is stated, can now be said to exist in nearly all products, but manufacturers hesitate to promise future deliveries and are more concerned over increasing production than in booking new business. Railroads and automobile manufacturers are buying actively, but structural steel orders, whilo still large, have decreased somewhat lately. Tin plate is in active demand, and wire products are moving in large quantities. The pig-iron market in district No. 3 (Philadelphia) has been fairly active during May, although rather less so than in $\Lambda$ pril. Improvement in export demand during the first weeks of May is reported in district No. 7 (Chicago), but the bulk of this business has been going to eastern markets.

## AUTOMOBLLES.

Both production and shipments of automobiles showed further increase during April,
although not at as rapid a rate as in March. Manufacturers who produced 152,625 passenger cars during March, built 196,788 during April, an increase of 28.9 per cent, while companies building 19,369 trucks during March, showed an April output of 21,865 trucks, an increase of 12.9 per cent. Carload shipments were about 30,200 in April, as compared with 27,380 in March. Exports have shown a considerable increase. A few popular medium and low-priced makes have been selling in larger quantitics than ever before, while many doalers are soveral weeks behind in their deliveries. Used cars are being accepted on a more equitable basis than heretofore, when concessions were made in order to stimulate business, and a larger percentage of sales now involves no trades. Nearly all customers, both for new and used cars, are stated by district No. 3 (Philadelphia), however, to require credit for longer periods of time than heretofore, and cash sales are few.

## - NONFERROUS METALS.

According to reports from the various mining districts, operations continue on an increased scalc. The average price of electrolytic copper. for carly delivery in New York was 13 cents per pound on May 15, as compared with 12.625 cents per pound a month ago, but demand is well maintained. Production of copper for the country as a whole showed a decided increase in April over March production. The April production of refined zinc throughout the country amounted to 25,506 tons, a slight increase over the previous month. In district No. 10 (Kansas City) a noticeable change occurred in the lead and zinc ore markets of the Joplin field. Prices continued to rise, the average price for all grades of zinc blende ores in April being $\$ 28.71$ per ton, as compared with $\$ 26.33$ per ton for the previous month. The month of .April registered the heaviest shipments of zinc ore for several months past. The total shipments were 45,185 tons, as against 31,601 tons during March. Stocks of zinc ore declined considerably during the month. Lead ores continued to advance in price and sold as high as $\$ 70$ per ton. The increase in shipments of lead ores for the first four months of the year amounted to 10,401 tons, with an increased value of $\$ 1,036,729$. District No. 12 (San Francisco) reports that the gold and silver mining industry is in a more favorable condition than at any time during the past 18 months.

## COTTON TEXTILES.

In New England cotton consumption is at a minimum as a result of the strike conditions still
prevailing, but elsewhere the rise in the price of raw cotton has resulted in the placement of larger orders, especially in themarketfor yarns. In district No. 3 (Philadelphia) the demand for yarns is reported to have shown a notable increase since the first of May, although the average output is only between 60 and 70 per cent of normal for the mills in that district. In the case of the cloth mills, however, there was no evidence of accelerated activity, but operations were averaging around 75 per cent of capacity. District No. 5 (Richmond) reports both jobbers and mill owners reluctant to negotiate forward orders on any considerable scale in the face of advancing prices of raw material. The mills in the district are generally running full time and receiving a substantial amount of orders for immediate shipment. Productive operations of reporting mills in district No. 6 (Atlanta) during April showed a loss in the case of cloth mills as compared with the preceding month, but both yarn and cloth mills had larger orders outstanding than at the end of March. For the 40 cloth mills, production dropped 7.6 per cent in April as compared with March, but orders were 15 por cent greater than at the end of March. As compared with April, 1921, the corresponding percentages are 46.4 and 139.5. For the 39 reporting yarn mills, production increased 0.6 per cent as compared with March and was 59.5 per cent in excess of April, 1921. Orders on hand at the end of April were 21.7 per cent greater than at the end of March and 28.3 per cent greater than in April, 1921. The consumption of raw cotton during the month of April declined decidedly, as the total fell from 518,450 bales to 446,843 bales.

## WOOLEN TEXTILES.

Decided advances have occurred in the prices of raw wool, which are not to be explained on the basis of speculative demands alone but are caused by purchases to cover mill neods. Stocks of wool in the East are low and price advances have been particularly pronounced in the case of the finer grades of wool. For example, in district No. 12 (San Francisco) approximately 35 per cent of the total 1922 clip was reported to have been "contracted for by March 1 at prices ranging from 25 to 30 cents per pound for 'average' and 'top' grades of wool, respectively. The larger Jericho wool pool in Utah sold at 40 cents per pound, establishing a new top price for the season to growers for high-grade wool." The report from district No. 12 (San Francisco) further states that "wool is now reported to be selling rapidly at prices ranging from 20 cents per
pound for the poorest grades to 40 cents per pound for the best grades, or from 25 to 35 cents per pound for medium grades. Last year these grades sold at 10 to 15 cents per pound on a reluctant market." Discrimination in favor of woolen cloths as against worsteds continues to be reflected in the greater activity of woolen spindles as compared with worsted. For example, the percentage of idle worsted spindles as reported to the Bureau of the Census advanced from 25.3 on April 1 to 38.4 on May 1, while the percentage of idle woolen spindles dropped slightly; from 17.5 on April 1 to 17.3 on May 1. This drop of 0.2 per cent for idle woolen spindles, however, was not reflected in the percentage of idle hours to total reported, which rose from 14.1 on April 1 for woolen spindles to 15.2 on May 1. The percentage of idle hours for worsted spindles advanced from 29.2 to 37.9. In the case of looms wider than 50 -inch reed space and 50 -inch reed space or less, increasing idleness was recorded both in terms of idle machinery and in terms of idle hours. The percentage of idle machinery for looms wider than 50 -inch reed space rose from 34.9 on April 1 to 39.7 on May 1, while the corresponding percentages for looms 50 -inch reed space or less were 27.8 on $A$ pril 1 and 36 on May 1. The percentage of idle hours rose in the one case from 36.9 to 41.6, and in the other case from 36.5 to 46.6 .

District No. 3 (Philadelphia) states that many mills have converted their looms from the manufacture of worsteds to woolens, and operations are averaging about 80 per cent in the woolen mills at the present time, whereas the worsted mills are running at only 50 per cent of capacity. Demand for yarns is most active for uso in the manufacture of men's wear and dress goods. Yarn prices are much firmer with the advance in raw wool prices. The consumption of raw wool during the month of April amounted to $51,888,000$ pounds, as compared with $70,424,000$ pounds in March.

## clothing.

According to reports from 17 firms located in district No. 2 (New York), sales in April were 2.1 per cent in excess of those for the preceding month and 34.6 per cent greater than a year ago. District No. 8 (St. Louis) stated that sales during April showed considerable irregularity and that there had been some losses due to unscasonable weather and flood conditions. In district No. 7 (Chicago) the returns from wholesale clothing manufacturers are not presented, because orders for fall merchandise are not yet being placed in sufficient volume to show the trend for the new season.

Reports from 12 tailors to the trade, however, showed an increase in the number of suits made of 2.7 per cent as compared with the preceding month, but orders were 5.4 per cent less than in March. On the other hand, as compared with a year ago, there is considerable improvement, as production was 26.7 per cent greater and shipments were 24 per cent larger.

## SILK.

There are no indications of improvement in the silk industry and the outlook does not appear so favorable as it seemed a month ago. The statistics reccived from North Hudson and from Paterson show further declines in manufacturing activity in the latter city and negligible advances in the former. In the case of Paterson, 2,710 looms were active on May 8 out of a total of 15,000 reporting, and the percentage of active hours to total available was 16.08 , as compared with 17.02 on April 8. In the case of North Hudson the percentage of active hours rose to 46.91 on May 8 as compared with 42.71 on April 8. The average production of the silk mills in district No 3 (Philadelphia) was about 50 per cent, and it was stated that the majority of those mills which reported a higher percentage of operations were placing their goods in ștock. In spite of the low degree of activity the raw silk market registered sharp price advances about the first of the month, but since that time there have been no particular changes.

## HOSIERY

The reports received by the Federal Reserve Bank of Philadelphia from 29 hosiery manufacturers selling to the wholesale trade showed a slight recession in output during April of 9.4 per cent, but orders booked increased 213.7 per cent. This large accession to orders probably represents seasonal bookings for next autumn. In the case of 10 firms selling to the retail trade the product manufactured during April was 19.4 per cent less than the March output, while orders booked increased 2.5 per cent. Three manufacturers of cotton hosiery located in district No. 6 (Atlanta) showed a production 4 per cent less than in the preceding month, but orders booked increased 20.7 per cent. Correspondents in that district stated that "while the current demand for hosiery had increased during April, there was no extensive buying for future delivery." In district No. 3 (Philadelphia) the market for cotton hosiery was reported to be extremely dull.

## UNDERWEAR.

In April, 1922, reports were received from 53 mills producing underwear, as compared with 54 in March and 61 in April, 1921. Actual production during the month showed a decided falling off, the amount produced by these 53 mills being only 521,885 dozens, or 82.7 per cent of normal. During the preceding month 54 mills reported production amounting to 756,248 dozens, or 92.9 per cent of normal. The production of 61 mills a year ago, however, was only 401,938 dozens, or 49.6 per cent of normal. The figures for summer underwear production were more nearly normal than those for winter underwear, the former amounting to 246,124 dozens, or 92.6 per cent of normal, while the latter stood at 275,761 dozens, or 75.4 per cent of normal.
Comparative reports received from 35 mills also show a loss in production since last month, decroasing from 602,116 dozens in March to, 483,963 dozens in April. There was a similar falling off in both unfilled orders and new orders during the month, the former declining from 1,304,203 dozens in March to 1,142,481 dozens in April, a loss of 12.4 per cent, and the latter from 373,047 dozens in March to 270,153 dozens in April, a decrease of 27.6 per cent. Shipments amounted to 350,990 dozens as compared with 497,826 dozens in March, a falling off of 29.5 per cent. Cancellations rose from 8,685 dozens in March to 15,029 dozens in April, an increase of 73 per cent.

## SHOES AND LEATIIER.

The market for packer hides broadened considerably during the first three weeks of May. Sales at Chicago were heavier than in any preceding month of 1922, and prices registered an average increase of about 10 por cent. Offerings of country hides were of poor quality and sales were small. Demand for calfskins has increased in both Philadelphia and Chicago, but demand for goatskins continues to be very light, and prices are at about the same level as in 1914. There has been a distinct slackening of activity among tanners, both in the East and in the Middle West. Sales of belting leather and harness leather were well maintained during April and the first half of May, but business in shoe leathers and glove leathers is very dull. District No. 7 (Chicago) reports that such demand as exists for shoe leathers is for patent, glazed, black, and sport kinds for women's wear, and side leather, work-shoe leather, and calfskins for men's shoes. In dis-
trict No. 3 (Philadelphia) business in sole leather has been of only moderate size, and some price cutting has developed, but an increase in exports has afforded some relief. Among the upper leathers there is still an exceptionally large demand for patent, some improvement in sales of calf, but very poor demand for kid. Leather stocks continued to increase during April.

Shoe factories in district No. 8 (St. Louis) continue to operate at close to capacity, but production was curtailed during April in districts No. 1 (Boston), No. 3 (Philadelphia), and No. 7 (Chicago). Eloven important interests in district No. 8 (St. Louis) are operating factories at from 86 to 100 per cent of capacity and have handled 32 per cent more business in the first four months of 1922 than in the corresponding period of 1921. Orders since May 1 in that district have been very satisfactory, and the proportion of forward orders has been increasing from week to week. The demand has been principally for staple goods, but sales of novelties are increasing and retail merchants are purchasing broader assortments. In district No. 7 (Chicago) production of 30 firms declined 5.4 per cent in $\Lambda$ pril as compared with March, and shipments declined 17.5 per cent, while unfilled orders increased 10.4 per cent and stocks increased 6.7 per cent. Eight large manufacturers in district No. 1 (Boston) reported a decline of 14 per cent in production during April. Shipments of five of these firms decreased 24 per cont as compared with March, and their net new orders were 6 per cent smaller. Orders of New England factories, however, showed considerable improvement in May, particularly in the case of women's shoes. Production and shipments of 45 firms in district No. 3 (Philadelphia) declined 14 per cent and 13.5 per cent, respectively, during April as compared with March, and new orders are only being obtained at reduced prices.

## LUMBER.

The lumber industry continues to show an improvement, due to the increased building operations and the regular spring demand which has been delayed this year. District No. 12 (San Francisco) reports that April production reached 95 per cent of estimated normal capacity, and therè has been a slight increase so far in May. Production of 172 mills was $389,020,000$ feet, compared with $381,572,000$ feet in March and 253,506,000 feet in April, 1921, increases of 1.9 per cent and 53.4 per cent, respectively. Orders were received for $494,687,000$ feet of lumber, an increase of 5.8 per cent over March and of 67.9
per cent over April a year ago. Shipments during April totaled 424,725,000 feet, compared with $420,108,000$ feet in March and $266,361,000$ feet in April, 1921. Unfilled orders at the close of April amounted to $426,940,000$ feet, compared with $378,346,000$ feet on March 31 and 249,529,000 feet on April 30, 1921. Logging operations are now proceeding at full capacity, and demand for logs is reported greater than at any time during the past 12 months. The shingle branch of the lumber industry has been inproving steadily, and the increased demand has advanced the price. Orders and shipments for 118 mills in district No. 6 (Atlanta) have increased from $247,852,100$ feet and 238,332,788 feet in March to 371-, 414,028 feet and $322,668,386$ feet, respectively, in April. Of 72 reporting mills, 58 were operating full time and 6 were operating 4 days a week, 1 mill 3 days, 1 mill 2 days, and 1 mill 1 day. Production decreased from 296,272,361 feet in March to 282,528,795 feet in April. Production in district No. 11 (Dallas), which had shown a marked improvement in March, declined somwhat in April. Output is still below shipments, and is only 70.4 per cent of orders, while unfilled orders increased from 59,156,346 feet on March 31 to 70,787,500 feet at the end of April. Retail lumber sales in district No. 9 (Minneapolis) were 50 per cent larger in April than in March, and showed a slight increase over April last year. The increased demand has advanced the wholesale price, and retail prices are firmer on all grades.

## BUIIDING.

Building activity continued to increase during April, and the value of contracts awarded in seven Federal reserve districts (compiled from statistics gathered by the F. W. Dodge Co.) amounted to $\$ 322,630,241$, as compared with $\$ 264,651,165$ in March. Increases were recorded in six of these seven districts, varying from 1 per cent in district No. 3 (Philadelphia) to 61 per cent in district No. 1 (Boston). There was a decline of 17 per cent in the value of contracts awarded in district No. 9 (Minneapolis). The value of residential building contracts increased in each of these seven districts and amounted to $\$ 125,873,456$ in April, as compared with \$112,577,397 in March. Statistics of number and value of building permits issued in the 12 Federal reserve districts are published on page 727.
District No. 3 (Philadelphia) reports that building of residences still predominates in Philadelphia, although a number of contracts
have been made for construction of large hotels and office buildings. The building activity in that district has resulted in a marked improvement in the brick industry. In district No. 5 (Richmond) residential building has resulted in a rather general decline of rents. Reports indicate that a considerable volume of industrial building has commenced in district No. 8 (St. Louis), and some shortage of skilled labor in the building trades has developed. In district No. 11 (Dallas) construction for both residential and business purposes is proceeding on a large scale.

## EMPLOYMENT.

In New England the textile strike aqcounts for 40,000 unemployed, while the coal strike is directly or indirectly responsible for the idleness of many thousands of workers in various parts of the country. Involuntary unemployment is, however, steadily diminishing, and that fact is emphasized in all the reports that have been received. Although the figures of the United States Bureau of Labor Statistics show a fractional percentage loss, the failure to reflect any general improvement can no doubt be explained by the fact that the statistics are based upon returns from large employers of labor located in industrial centers. Naturally, at this season of the year much of the gain is due to increased opportunities for outdoor employment. The great gain in building activity has afforded especial opportunities not only to workers in the building trades but in allied industries.
The New York State Department of Labor reports a slight loss in numbers employed in factories during the month of April as compared with March. In district No. 3 (Philadelphia) there has been a decided improvement in the employment situation, according to the Pennsylvania State Department of Labor. On May 15 there were 139,280 unemployed in the six cities of Altoona, Harrisburg, Johnstown, Philadelphia, Scranton, and Williamsport, a decrease of 10.1 per cent as compared with two weeks ago and of 23.2 per cent as compared with April 15. The reports from district No. 5 (Richmond) are particularly encouraging, and it is stated that actual shortages of labor are apparent in certain localities. The Public Employment Bureau of Richmond reported that during April more positions were open in the men's division than during any month since October, 1920. The special inquiry into employment conditions conducted by the Federal Reserve Bank of Chicago covered establishments employing 124,295 workers at the end of April, a total which was 1 per cent in
excess of the figure for the preceding month. The decreases were confined mainly to foodstuffs, knit goods, wearing apparel, and the leather industries, while metals, machinery and construction industries improved. In districts No. 9 (Minneapolis), No. 10 (Kansas City), and No. 12 (San Francisco), the resumption of mining operations in copper, zinc, and lead areas has given employment to considerable numbers of miners, while farm labor and construction work have likewise created an active demand. For example, in Arizona, Idaho, Nevada, and Utah, as stated in the report from district No. 12 (San Francisco), employment is greater than at any time during the past year. This improvement is "largely due to renewed activity in the mining sections of those States and to an increased demand for seasonal agricultural labor. Four of the largest mining companies in the Globe-Miami copper mining district of Arizona reported an increase of 44 per cent in the number of employees on their pay roll on May 1 as compared with April 1."

## WhOLESALE TRADE.

Percentage of Increase (or Decrease) in Net Sales in April, 1922, as Compared with the Preceding Month (March, 1922).
[Minus sign (-) denotes decrease.]

| District. | Groceries. |  | Dry goods. |  | Hardware. |  | Boots and shoes. |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | Per | Number of firms. | Per cont. | Number of firms. | Per cont. | Num ber of firms. | Por cent. | $\begin{aligned} & \text { Num- } \\ & \text { ber of } \\ & \text { firms. } \end{aligned}$ |
| No. 2. | -16.6 | 42 | -24. 3 | 6 | -0.1 | 11 | -26.2 | 9 |
| No. 3. | -14.2 | 48 | -20.9 | 15 | 7.3 | 26 |  |  |
| No. 4. | $-12.7$ | 24 | -14.7 | 13 | 0.9 | 12 |  |  |
| No. 5. | -10.0 | 45 | -16.1 | 15. | 6.7 | 18 | $-3.4$ | 18 |
| No. 6. | -13.8 | 31 | -13.2 | 20 | $-8.6$ | 20 | $-4.5$ | 9 |
| No. 7. | -13.2 | 39 | -17:1 | 11 | 7.8 | 20 | 5.8 | 9 |
| No. 9. | -12.1 | 51 | -20.1 | 6 | 9.0 | 16 | $-3.5$ | 5 |
| No 10. | -10.2 | 9 | $-8.8$ | 7 | $-3.6$ | 8 |  |  |
| No. 11. | $-9.3$ | 12 | -8.0 | 11 | 1.7 | 12 |  |  |
| No. 12. | -11.7 | 31 | -9.6 | 14 | 2.9 | 21 | $-9.6$ | 16 |

Percentage of Increase (or Decrease) in Net Sales in April, 1922, as Compared with April, 1921.

| District. | Groceries. |  | Dry goods. |  | Hardware. |  | Boots and shoes. |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | $\begin{gathered} \text { Per } \\ \text { cent. } \end{gathered}$ | Number of firms. | Per cent. | Number of firms. | Por cent. | Number of firms. | $\begin{gathered} \text { Per } \\ \text { cent. } \end{gathered}$ | $\begin{aligned} & \text { Num- } \\ & \text { ber of } \\ & \text { firms. } \end{aligned}$ |
| No. 2 | -5. 7 | 42 | $-29.5$ | 6 | $-6.8$ | 11 | -17.2 | 9 |
| No. 3. | -16.9 | 48 | -26.0 | 15 | $-8.8$ | 26 |  |  |
| No. 4 | -17.8 | 24 | -19.7 | 13 | $-13.0$ | 12 |  |  |
| No. 5 | -9.2 | 45 | -17.7 | 15 | $-9.2$ | 18 | -9.2 | 18 |
| No. 6 | -15.9 | 31 | $-3.3$ | 20 | -6.0 | 20 | 23.8 | 9 |
| No. 7 | -13.2 | 39 | $-13.0$ | 11 | 1.0 | 20 | -5.4 | 9 |
| No. 9 | -6.0 | 51 | -28.1 | 6 | -15.4 | 16 | -13.3 | 5 |
| No. 10 | -14.2 | 9 | -4.1 | 7 | -2.8 | 8 |  |  |
| No. 11. | -8.3 | 12 | -10.7 | 11 | -4.4 | 12 |  |  |
| No. 12.. | -6.5 | 31 | -11.2 | 14 | 1.1 | 21 | -18.5 | 16 |

With the exception of hardware, the increases in sales shown during the month of March by reporting wholesalo firms have been followed by fairly hoary decreases. In some districts the coal strike has had an unfavorable effect upon sales, but it is not possible to say how groat a factor the strike has been, since sales would naturally rocede at this season of the year. In the case of hardware linos, purchases of agricultural implemonts, foncing, and buildors' hardware probably explain those incroases that have occurred. Reports from the southern and western sections of the country indicate that impassible roads and flood conditions in certain areas have been unfavorable factors which have helped to bring about a somewhat more than seasonal recession in sales.

## RETAIL TRADE.

Generally throughout the country retail establishments report decided improvement in business during the month of April. This is reflected by substantial increases in many cases in the ratio of April sales to those a yoar ago, and in other cases by smallor decreases than occurrod for provious months. Most of the unfavorable reports come from coal-mining fields and cotton centers, where strikes are in progress, or from sections affocted by high water. The lateness of Easter and the bad March weather postponed a large part of the spring buying until April. After the middle of the month the volume of sales tended to diminish, but further roductions of prices and introductory sales of summer goods prevented any very marked docreaso. As comparod with this timo last year, prices in the first four months of 1922 show a much greater decrease in most districts than do sales.

Reports from 461 department stores in the United States showed a decrease of 0.6 per cent in salos for the month as compared with $\Lambda$ pril, 1921. Reference to the table on page 729 shows that the figures for district No. 3 (Philadelphia) were most favorable, increasing 5 per cent, while trade in district No. 11 (Dallas) suffered the greatest decrease, namely, 11.1 per cent. The majority of districts had larger stocks on hand at the close of April than they had either a year ago or a month ago, but in all cases the net change was small. Due to the increased sales, the rate of stock turnover naturaily shows an increase. The policy of hand-to-mouth buying apparently continues, for the percent-
age of outstanding orders at the close of the month to purchases for the yoar 1921 has been gradually decreasing since the opening of the present yoar.

## PRICES.

Not only did the price index of the Federal Reserve Board gain two points in April, roaching 148, but there appear to have been further genoral price advances in May. Corn, oats, and wheat have risen decidedly, while slight increases have occurred in the caso of cattle, hogs, and shoep. There has been a recent marked advance in the price of mutton. There were also increases in raw cotton and in cotton yarn and cloth. In the case of the two latter commoditios, decroased output due to strikes would partly explain the upward movement. Wool yarns are reportod firm, while prices of raw wool have been moving steadily upward. A sharp increase in coal prices has already occurred as the rosult of the strike, and pig iron is also much highor. As regards the nonferrous metals, lead and copper prices have risen, while zinc remains substantially unchanged.

## FOREIGN TRADE.

Exports from the United States in April declined slightly in value as compared with March, while imports showed a more decided falling off. The figures are $\$ 321,000,000$ for exports and $\$ 217,000,000$ for imports, the excess of exports over imports therefore being $\$ 104,000,000$, which is larger than the excess reported for any month since last October. The movement of specie during April was on a much reduced scale, net imports of gold being only $\$ 10,700,000$ in contrast with $\$ 32,500,000$ in March and $\$ 80,300,000$ in April, 1921. So far as quantities of commodities are concerned, the Federal Reserve Board's foreign trade index shows practically no change in the average quantities of goods exported during April compared with the previous month, but the index for imports dropped from 206.5 in March to 169.1 in April, a decline of 18 per cent.

## St. Louis Reclassified as a Reserve City.

On May 31 the Federal Reserve Board granted the application for the reclassification of St. Louis as a reserve city instead of a central reserve city, effective July $1,1922$.

## THE GOLD AND SILVER SITUATION. GOLD.

In the Federal Reserve Bulletiv for June, 1921, there appeared a survey of the world gold situation. The gold movement to the United States, which was well under way at that time, has continued uninterruptedly up to the present and has been of sufficient magnitude to change materially the distribution of gold reserves, so that a brief survey of the ycar's developments and the status at the ond of $\Lambda$ pril, 1922, seems appropriate.

## GOLD RESERVES.

Below is printed a table showing the gold reserves of the principal countries of the world before the outbreak of the war, soon after the armistice, at the beginning of the present gold movement to the United States in September, 1920, and on the latest available date-about April, 1922. The chart on page 660 shows the distribution for three dates: End of 1913, end of 1918, and at the present time.

Gold reserves held by the central institutions of the principal countries increased from $\$ 3,391,000,000$ at the end of 1913 to $\$ 6,320,-$ 000,000 at the end of 1918. This increase was due mainly to additions to the gold reserves from circulation. A further increase to $\$ 6,629,000,000$ is noted on August 31, 1920, due both to production of new gold and to further aceretions to reserves from private hoards and circulation. On the latest arail-
able date the reserves amounted to $\$ 7,851,000$,000 , the latest additions coming chiefly from the absorption of the Russian contral gold reserve, which amounted to $\$ 787,000,000$ in 1913, but is not included in the totals because it is not known how much of it remains in Russia. ${ }^{1}$ There is no question, howerer, that the major part of the Russian gold has found its way into the reserves of other countries and most of it ultimately into the Federal reserve. The gold was shipped to Sweden, France, and other continental countries and thence the same gold restamped, or equivalent amounts of other gold, were sent to the United States. Twelve million dollars were sent direct to the United States for the purchase of food, in accordance with an agreement made with the American Relief Administration.


GOLD RESERVES OF THE PRINCIPAL COUNTRIES. ${ }^{1}$

|  | Gold holdings (in thousands of dollars). |  |  |  | Percentage distribution. |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | $\begin{aligned} & \text { Doc. } 31, \\ & 1913 . \end{aligned}$ | $\begin{gathered} \text { Dec. 31, } \\ 1918 . \end{gathered}$ | $\begin{gathered} \text { Ang. 31, } \\ 1920 . \end{gathered}$ | Latest arailable date, 1922. | $\begin{aligned} & \text { Dec. } 31, \\ & 1913 . \end{aligned}$ | $\begin{gathered} \text { Dec. 31, } \\ 1918 . \end{gathered}$ | $\begin{gathered} \text { Aug. 31, } \\ 1920 . \end{gathered}$ | Latest available date, 1922. |
| United States | 691, 51.4 | 2,245,720 | 2,129,941 | 3,170,007 | 20.4 | 35.5 | 32.1 | 40.3 |
| Great Briail | 170,245 | 523, 6:32 | 737,416 | 76ä, 875 | 5.0 | 8.3 | 11.1 | 9.8 |
| France. | 678,856 | 664,017 | 697,108 | 690, 600 | 20.0 | 10.5 | 10.5 | 8.8 |
| Japan. | 64,963 | 225, 82.1 | 411,263 | 608,170 | 1.9 | 3.6 | 6.2 | 7.8 |
| Spain.. | 92,490 | 4:30,072 | 473,309 | 486, 742 | 2.7 | 6.8 | 7.1 | 6.2 |
| Argentina. | 224, 989 | 269,628 | 450, 057 | 450,057 | 6.6 | 4.3 | 6.8 | 5.7 |
| Netherlands | 60, 888 | 277, 155 | 253, 808 | 243,593 | 1.8 | 4.4 | 3.9 | 3. 1 |
| Germany. | 278, 687 | 838, 861 | 260, 035 | 238,407 | 8.2 | 8.5 | 3.9 | 3.0 |
| Ttaly. | 288, 103 | 243,566 | 203,834 | 212,604 | 8.5 | 3.9 | 3. 1 | 2.7 |
| Canada | 142,517 | 190, 688 | 172,002 | 173,971 | 4.2 | 3.0 | 2. 6 | 2.0 |
| India. | 72,780 | 63,842 | 126,905 | 118,311 | 2.2 | 1.0 | 1.9 | 1. 5. |
| Australia. | 21, 899 | 104,143 | 112,966 | 113,876 | . 0 | 1.6 | 1.7 | 1.5 |
| Switzerland. | 32,801 | 80,041 | 104,213 | 105, 149 | 1.0 | 1.3 | 1.6 | 1.3 |
| Sweden.. | 27,372 | 76,532 | 70,041 | 73,526 | . 8 | 1.2 | 1.1 | . 9 |
| Denmark | 19,666 | 52,159 | 60,991 | 61,191 | . 6 | . 8 | . 9 | . 8 |
| Java. | 10,027 | 51,600 | 60, 300 | 59,750 | . 3 | . 8 | . 9 | . 8 |
| South Africa. | 39,905 | 33,579 | 54,991 | 58,885 | 1.2 | . 5 | . 8 | . 7 |
| Belgium. | 59,131 | 51,145 | 51,433 | 51,452 | 1.7 | . 8 | . 8 | . 7 |
| Norway. | 12,846 | 32,691 | 39,488 | 39,474 | . 4 | . 5 | . 0 | . 5 |
| New \%ealand. | 25, 306 | 39,419 | 37,472 | 37,472 : | . 7 | . 6 | . 6 | . 5 |
| Brazil. | 53, 202 | 15, 57. | 19,464 | 25,628 | 1.6 | . 3 | .3 | . 3 |
| Egypt. | 10,381 | 16,312 | J6,614 | 16, 807 | . 3 | . 3 | . 3 | .2 |
| Yugoslevia. |  |  |  |  |  |  |  |  |
| Czechosloval |  |  | 369 | 12,738 |  |  |  | . 2 |
| Groece... | 5,211 | 10,422 | 11, 00 ct | 10,808 | .2 | .2 | .2 | . 1 |
| Portugal | 8,760 6,948 | 9,263 8,299 | 9,266 8,299 | -9,267 8,299 | . 3 | . 2 | .1 | . 1 |
| Bulgaria. | 10,615 | 12,352 | 7,141 | 7,334 | . 3 | .2 | . 1 | . 1 |
| Poland. |  |  | 1,657 | 6,940. |  |  |  | 1 |
| Rumania | 29,242 | 2 | 329 | 329 | . 9 |  |  |  |
| Austria-Hung | 251,421 | 53,074 | 45,113 | 9 | 7.4 | . 8 | . 6 | ............ |
| Total. | 3,390,775 | 6,319,606 | 6,629,226 | 7,850,885 | 100.0 | 100.0 | 100.0 | 100.0 |

[^1]

It is notable that of the increase in total central reserves during the period from August, 1920, to April, 1922, which amounted to about $\$ 1,222,000,000$, the addition to the reserves of the United States alone was about $\$ 1,040,000,-$ 000 . The United States, which had about one-fifth of the reported gold reserves in 1913, had over one-third at the end of the war and two-fifths on the most recent date. Other countries which show larger proportions of the total now than before the war are: Great Britain ( 5 per cent in 1913 and 9.8 per cent in 1922), Netherlands, Spain, Australia, and particularly Japan, whose reserves increased nearly tenfold, or from less than 2 per cent of the total in 1913 to over 8 per cent in 1922.

## GOLD PRODUCTION.

Gold production in 1921 is shown in the table below. It is estimated that the output for 1921 was about $\$ 321,000,000$, or $\$ 14,000,000$ less than in 1920. Smaller figures are shown for nearly all the producing countries, except South Africa. The strike in South African mines, however, which occurred early in 1922, greatly curtailed the gold output in recent months. Gold production in the United States, which reached its maximum of over $\$ 101,000,000$ in 1915, has declined continuously since that time and was only $\$ 47,500,000$ in 1921. This decrease is due in part to the rise in the price level, with the consequent increase in the cost of producing gold, while the monetary v̀alue of gold remains fixed at $\$ 20.67$ per ounce.

Gold Production of the Torld.

| Country. | 1910 | 1911 | 1912 | 1913 | 1914 | 1915 |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| United S | 96, 269] | 96, 890 | 93,451 | 88, 884 | 94, 532 |  |
| Canada | 10,206: | 9,762 | 12,649 | 16, 599 | 15,983 | 18,937 |
| Russia | 35, 580 | 32, 152 | 22, 199 | 26, 008 | 28, 586 | 28, 580 |
| South Alrica: Transvaal |  |  | [188, 293 | 181, 885 | 173, 560 |  |
| Rhodesia | 175, 190 | 191, 539 | $\{14,227$ | 14,275 | 17, 664 | 18,915 |
| Australasia: Western |  |  |  |  |  |  |
| Jia. | 65,471 | 60,184 | $\left\{\begin{array}{l}26,515 \\ 27,994\end{array}\right.$ | 27.166 | 25,488 | 25,015 24,383 |
| Other Austra |  | , 0 | \{ 27,984 | 25, 947 | 22, 081 | 24,383 11,523 |
| British India. | 10,718 <br> 61,826 | 11,054 60,359 | 11, 056 | ${ }_{66,499}^{12,178}$ | 11,378 49,806 | $\begin{aligned} & 11,523 \\ & 54,038 \\ & \hline \end{aligned}$ |
| Tota | 455, 260 | 461, 940 | 466, 136 | 453, 941 | 439, 078 | 470, 466 |
| Country. | 1916 | 1917 | 1918 | 1919 | 1920 | 19211 |
| United States. | 92,590: | 83,751 | 68,647 | 60,333 | 51,187 | 47,570 |
| Canada | 19,235 | 15,200 | 14,688 | 15, 859 | 15,853 | 14,271 |
| Russia | 22, 500 | 18,000 | 12,000 | 12, 000 | 1,447 |  |
| Transvaal. | 192, 183 | 186, 503, | 174, 0231 | 172, 231 | 168,648 | 168, 124 |
| Rhodesia | 19,232 | 17,245 | 13, 051 | 12, 267 | 11,433 | 12,110 |
| Australasia: |  |  |  |  |  |  |
| W estern Australia. |  |  |  |  |  |  |
| Other Australia. |  |  | 18,119 | 14, 967 | 12,772 | 11,452 |
| British India.. | 11, 209 | 10, 757 | 10,028 | 10, 486 | 10,87 9,028 | 7,446 |
| All oth | 56, 752 | 56, 188 | 50, 219 | 55, 878 | 53, 743 | 55,457 |
| T | 454, 177 | 423,590 | 380, 925 | 365, 166 | 334,988 | 320,639 |

${ }^{1}$ Estimates for 1921 from the Statist, Mar. 18, 1922, p. 402.
GOLD MOVEMENT.
The table presented below shows the imports and exports of gold since the end of November, 1918, in two periods: First, from that date to the end of August, 1920, when the net movement was out of the United States, and, secondly, from September, 1920, to April, 1922, when the movement was into the United States. A total for the period from November, 1918, to date is also shown:

## GOLD IMPORTS INTO AND EXPORTS FROM THE UNITED STATES.

[In thousands of dollars.]

|  | Total, Nov. 1, 1918-Apr. 30, 1922. |  |  |  | Nov. 1, 1918-Aug. 31, 1920. |  |  |  | Sept. 1, 1920-Apr. 30, 1922. |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | Imports. | Exports. | $\begin{gathered} \text { Excess } \\ \text { of } \\ \text { imports. } \end{gathered}$ | $\left\lvert\, \begin{gathered} \text { Excess } \\ \text { of } \\ \text { ofports. } \end{gathered}\right.$ | Imports. | Exports. | $\left\lvert\, \begin{gathered} \text { Excess } \\ \text { of } \\ \text { imports. } \end{gathered}\right.$ | $\begin{gathered} \text { Excess } \\ \text { of } \\ \text { exports. } \end{gathered}$ | Imports. | Exports | $\begin{gathered} \text { Excess } \\ \text { of } \\ \text { imports. } \end{gathered}$ | $\begin{gathered} \text { Excess } \\ \text { of } \\ \text { exports. } \end{gathered}$ |
| France | 232, 903 | 4,153 | 228, 840 |  | 1,744 | 4, 153 |  | 2,409 | 231, 249 |  | 231,249 |  |
| Netherland | 22,002 | 15 | 21, 987 |  | 1,162 | 15 | 1,147 |  | 20, 840 |  | 20, 840 |  |
| Spain... | 3,840 | 29, 803 |  | 25,963 |  | 29,778 |  | 29,778 | 3,840 |  | 3, 815 |  |
| Sweden. | 98, 015 | 2, 644 | 95, 371. |  |  |  |  | 1 | 98,015 | 2,643 | 9,5, 372 |  |
| Cangland. | 507,654 124,046 | 2,191 14,670 | 505, 463 109,376 |  | 84,630 76,158 | 2, 105 | 82,525 |  | 423,024 47,888 | 86 5,187 | 422,938 |  |
| Nicaragua | 3,575 | 17 | 3,558 |  | 2,260 | , 17 | 2, 243 |  | 1,315 |  | 1,315 |  |
| Salvador. | 3,382 | 3,144 | ${ }^{238}$ |  | 1,495 | 3,144 |  | 1,649 | 1,887 |  | 1, 887 |  |
| Mexico.. | 17, 539 | 38,617 |  | 21,078 | 8,328 | 28, 127 |  | 19,799 | 9, 211 | 10,490 | $\cdots$ | 1,279 |
| Argentina | 2,888 | 146,555 |  | 143,667 | 180 | 146,505 |  | 146, 375 | 2,708 |  | 2,708 |  |
| Colombia | 25,065 | 5, 969 | 19,096 |  | 3,623 | 5, 969 |  | 2, 346 | 21, 442 |  | 21,442 |  |
| Uruguay, | 7,080 2,683 | 22,055 12,350 |  | 14,975 9,667 |  | 22,053 12,350 |  | 22,055 11 | 7,080 |  | 7,080 |  |
| China. | 19,499 | 67, 396 |  | 47, 897 | 1 | 59,396 |  | 59,395 | 19,498 | 8,000 | 11, 498 |  |
| ${ }^{\text {British India. }}$ | 32,010 | 43, 833 |  | 11, 823 |  | 40, 804 |  | 40, 804 | 32,010 | 3,029 | 28,981 |  |
| Straits Setilemen |  | 10, 963 | ........ | 10,963 |  | 10, 893 |  | 10, 893 |  | 70 |  | 70 |
| Dutch East Indie | 8,803 | 19, 670 |  | $10,867$ | $6,440$ | $19,430$ |  |  |  | 240 | 2,123 |  |
| Hangkong. | 45, 2, 208 | $\begin{array}{r}\text { 81, } \\ 198 \\ \hline 98\end{array}$ |  | 35,917 193,205 | 40,210 | 67,030 132,856 |  | 26,820 132,856 | 5,661 2, 208 | 14, 758 |  | 9,097 60,349 |
| New Zealand. | 6,302 | $\cdots \cdots \cdots$ | 6, 502 | 103, | 2, 731 | 132, | 2,751 | 132, | 3, 751 |  | 3,751 |  |
| All other countri | 123,904 | 22,686 | 101,218 |  | 10, 167 | 20,780 | 2, | 10,588 | 113, 737 | 1,931 | 111, 806 |  |
| Total. | 1,289,559 | 723, 932 | 1,091,649 | 526, 022 | 239,867 | 614,916 | 155,341 | 530, 390 | 1, 049,692 | 109, 016 | 1,011, 471 | 70,795 |
| Excess import |  |  | 565,627 |  |  |  |  |  |  |  | 940,676 |  |
| Excess exports |  |  |  |  |  |  |  | 375, 049 |  |  |  |  |

UNITED STATES GOLD IMPORTS AND EXPORTS * 1918-1922


For the entire period the imports totaled $\$ 1,290,000,000$, received chiefly from England, France, Canada, and Sweden, while total exports were $\$ 724,000,000$, sent chiefly to Japan, Argentina, China, Hongkong, and British India. As mentioned before, the losses occurred mainly prior to September, 1920, the exports of gold from the United States during the period from the armistice to September, 1920, being about $\$ 615,000,000$, while from that time to the present total exports amounted to only $\$ 109,000,000$. On the other hand, the imports aggregated $\$ 240,000,000$ during the first period and $\$ 1,050,000,000$ during the second period. Immediately after the armistice the United States paid out a great deal of gold to South American and oriental countries which had accumulated balances during the war. Since that time the balance of trade and of payments has been continuously and overwhelmingly in favor of the United States and has brought an uninterrupted stream of gold to this country, as shown on the chart on page 661. It will be seen on the chart that the largest net imports ( $\$ 91,000,000$ ) were reported for October, 1920, that in 1921 a high level was maintained, but that in 1922 the amounts received were much less, the total for the four months, January to April, being $\$ 101,000,000$, or at the rate of about $\$ 300,000,000$ a year, compared with $\$ 691,000,000$ in 1921. Net imports of gold for April, •1922, were only $\$ 11,000,000$, the smallest monthly figure reported since September, 1920.

The movement of gold to the United States from existing stocks has apparently run its course, and at the present time this country receives no more than the equivalent of new gold produced, though most of the gold received from France and Sweden, amounting to. $\$ 41,100,000$ for the four months, is presumably of Russian origin. Imports from Great Britain, which consist chiefly of the output of South African mines, dwindled to nothing in March as the result of the strike in the land mines, but in April the movement was resumed, though still on a small scale, total imports for the month being $\$ 2,000,000$.

## SILVER.

As stated in the Federal Reserve Bulletin for August, 1921, the price of silver depends primarily on four factors: (1) Production, (2) European and American demand, (3) oriental demand, and (4) general price level.

## SILVER PRODUCTION.

The production of silver from 1910 to 1921 for the principal countries is shown in the
table below, the 1921 figures being only rough estimates:

## Sillver Production of the World by Principal Countries. <br> [In fine ounces.]

|  | 1910 | 1911 | 1912 | 1913 |
| :---: | :---: | :---: | :---: | :---: |
| United States. | 57,137,900 | 60, 399, 400 | 63, 766, 800 | 66, 801,500 |
| Canada. | 32,869, 264 | 32,740, 748 | 31,625,451 | 31,524,708 |
| Mexico. | 71,372, 194 | 79,032,440 | 74, 640,300 | 70,703, 828 |
| South Americ | 17,416,314 | 14,433,915 | 13,980, 888 | 13, 126,490 |
| Europe. | 14,152,061 | 15, 693, 360 | 1.5, 992,082 | 15,248,216 |
| British India | 44,772 | 104,323 | 93,649 |  |
| Australia. | 21,545,828 | 16,578,421 | 14,737,944 | 18,128,577 |
| Japan.... | 4,645, 160 | 4,459,087 | 4,932,852 | 4,649,910 |
| All other | 3,694, 869 | 2,751,223 | 4,540,688 | 3,724,614 |
| Total. | 222, 879, 362 | 226, 192,923 | 224,310,654 | 223,907, 843 |
|  | 1914 | 1915 | 1916 | 1917 |
| United States. | 72, 455, 100 | 74,961,075 | 74,414, 802 | 71,740,400 |
| Canada..... | 27,300,667 | 26, 625,960 | 25,459,74.1 | 22,221, 300 |
| Mexico. | 70, 703,828 | 39,570, 151 | 22,838,385 | 35,000,000 |
| South America | 12,938,439 | 13, 5877,464 | 11,833,822 | 15,451,300 |
| Europe | 15, 317, 155 | 10, 107,526 | 8,291,029 | 6,511,900 |
| British India | 236,440 | 284, 875 | 628,656 | 2,068,700 |
| Australia. | 3,520, 271 | 4,295, 7 ma | 3,863,418 | 10,000,000 |
| Japan | 4,649,910 | 5, 120, 293 | 5, 120, 293 | 7,111,700 |
| All ot | 3,981,564 | 4,197,371 | 3, 870,375 | 4,082,500 |
| Tot | 211, 103, 377 | 178,850,500 | 1.56, 626,521 | 174, 187,800 |
|  | 1938 | 1919 | 1920 | 1921 |
| Cnited States | 67,810,100 | 26,682,415 | 55, 361,573 | 50,000,000 |
| Canada. | 21, 284,600 | 15, 675, 134 | 12, 793,541 | 10,000,000 |
| Mexico. | 62,517,000 | 62, 681,987 | 66,662,253 | 70,000,000 |
| Sonth Amorica. | 16,561,000 | 14, 713, 165 | 13, 763, 282 |  |
| Europe... | 6,871, 700 | 4, 899,618 | 4, 989,147 |  |
| British Ind | 2,240,500 | 2, 165, 606 | 2,870,595 | $35,000,000$ |
| Australia. | $10,000,000$ | 7,430, 730 | 7,468,676 | 35, |
| Japan. | 6,600,400 | 4,800, 000 | 5, 212,366 |  |
| All othe | 4, 509,600 | 5,468,689 | 5,091,253 |  |
| Total. | 197, 394, 900 | 171, 517, 414 | 174, 212,686 | 165, 000,000 |

Silver production in 1921 was less than in 1920 by nearly $\$ 10,000,000$, most of the decline being reported for the United States and Canada, while Mexico's output shows a further increase, the 1921 output, valued at $\$ 70,000,000$, being at about the pre-war level. In the United States silver is produced chiefly as a by-product of copper, lead, and zinc mining, and it is to the poor market for these metals that the lessened production of silver in recent years is attributable. For silver produced in the United States there is an assured market at $\$ 1$ per ounce under the provisions of the Pittman Aet (see Federal Reserve Bulletix, May 1918, p. 395) so long as the total of $208,000,000$ ounces melted down during the war has not been replaced. Up to March 25 of the current year the amount of silver repurchased by the United States Government was $110,000,000$ ounces, so that at the average rate of purchases heretofore maintained Treasury purchases of silver may continue for about two more years.

## DEMAND IN EUROPE AND AMERLCA.

Nineteen hundred and twenty-one and the early part of 1922 was a period of relatively low business activity in the western world and of only moderate demand for silver in the arts. On the other hand, the low values of the currencics of many countries in terms of gold has resulted in the withdrawal of silver from circulation. The table below and the chart opposite show the price of silver at which different foreign currencies reach the melting point, i. e., the point at which the silver content of the coins becomes more valuable than their face value.

Melting Points of Silver Currencies.

| Coin. | Fine silyer content (grains). | Mclting point (price of silver per ounce). |  |  |
| :---: | :---: | :---: | :---: | :---: |
|  |  | In local currency. | In U. S. money. |  |
|  |  |  | At par of exch ange | $\begin{gathered} \text { At april, } \\ 1922, \\ \text { race of } \\ \text { exchange. } \end{gathered}$ |
| Dollar | 371.25 | 1.2929 dollars. |  |  |
| Subsidiary silver (dime). | 34. 722 | 1.3824 dollars.. |  |  |
|  |  |  |  |  |
| Shilling: |  |  |  |  |
| OId. | 80. 7263 | 5.946siallings. | \$1.447 | \$1. 312 |
| New | 43.6364 | 11 shillings.... | 2.677 | 2.427 |
| jrame piese............. | 347.22 | 6.912 franes.. | 1. 384 | . 638 |
| 1-franc piee............. | 64.4286 | 7.45 irancs.... | 1.438 | . 688 |
| Mark... | 77.16 | 6.221 marks... | 1.482 | . 0215 |
| Lira...................... | 64.4286 | 7.45lire....... | 1.438 | . 398 |

At the average price of silver in April, 1922, the silver currencies of the United States and of England were far above the melting point, but French, Italian, and German silver coins were melted and sold in large amounts as bullion. The supply of silver from this source, which reached its peak in 1920, continued in 1921. In England, at the time that silver was at its highest price and the shilling reached the melting point, the legal content of the shilling was reduced from $916 / 1000$ to $500 / 1000$. This reduction in the silver content of the shilling, if all the silver minted since the commencement of the reign of Edward VII in 1901 were to be melted, would release in England alone $57,000,000$ ounces of silver, but not all or even the greater part of it is likely to find its way to the melting pot. The effect on the price of silver of the constant offerings of coins as bullion has been lessened by an arrangement by which silver derived from the recoinage of shillings was dispatched to the Anglo-Eastern banks to be absorbed in the Far East.

## DEMAND IN THE FAR EAST.

European demand can not, therefore, account for a rise in the price of silver. Neverthelcss, silver showed an advance from 60 cents in July, 1921, to 71 cents in October of that year, followed by a recession to something under 65
cents in March, 1922, and a recent rise to about 74 cents at the end of May of the current year. This rise in the price of silver occurred at a time when the general price level romained fairly stationary at around 150. The explanation of the rise must be sought in the Far East. Even there, however, developments are not so clearly defined as in 1919 and 1920. In India, 1921 was not a prosperous year; merchandise imports exceeded exports by $530,000,000$ rupees for the calendar year, but during the early months of 1922 imports showed a material de-

cline, and in February there is shown an export balance of about $23,000,000$ rupees in favor of India. Silver was imported into India partly in exchange for gold, but partly also as a consequence of the prevailing unrest which increased the desire of the Indian masses to bury silver in the ground where it is safe from seizure. Recent imports of silver into India were occasioned also by the fact that the Government had under consideration a plan to reimpose import duties on the metal. Exports of silver from the United States to India, which amounted to $\$ 109,000,000$ in 1919, practically ceased in 1920, and totaled only about $\$ 3,000,-$ 000 in 1921. From January to April, 1922, a
total of $\$ 3,600,000$ of silver was exported to India.

The principal factor in the silver situation in 1921 and in recent months, however, has been China, where trade during the year has been on an unprecedentedly large scale, and where the civil war caused withdrawal of silver from the stocks on the coast to hoards scattered over the country. This demand for the white metal in the interior of China resulted in a large volume of forward purchases by speculators whose activities have been reflected in a rapid rise in the price of silver in recent weeks. In 1921 net silver exports from the United States to China amounted to $\$ 13,000,000$, compared with net exports of $\$ 60,000,000$ in 1920 and of $\$ 78,000,000$ in 1919. For the four months of 1922 net exports of silver to China were over $\$ 5,000,000$, and an additional $\$ 3,000,000$ was sent to Hongkong.

The course of silver prices, as compared with the general wholesale price index of the Bureau of Labor Statistics, is shown in the table below and in the chart on page 665:

Price of Silver and Wholesale Price Index.

|  | Average New York price of silver per fine ounce. | Per cent of 1913 average of $\$ 0.61241$. | Wholesale price index. |
| :---: | :---: | :---: | :---: |
| 1918. |  |  |  |
| November... | \$1.01500 | 166 | 206 |
| December.......... | 1.01587 | 166 | 206 |
| 1919. |  |  |  |
| January.. | 1.01558 | 166 | 203 |
| February. | 1.01500 | 166 | 197 |
| March... | 1. 01495 | 166 | 201 |
| April...... | 1.01500 | 166 | 203 |
| May....... | 1.08020 | 176 | 207 |
| June.... | 1.11402 1.07382 | 182 175 | 207 |
| August.... | 1.12386 | 184 | 226 |
| September. | 1.15636 | 189 | 220 |
| October. | 1. 20692 | 197 | 223 |
| November. | 1.30446 | 213 | 230 |
| December. | 1.33072 | 217 | 238 |
| 1920. |  |  |  |
| January. | 1.33899 | 219 | 248 |
| February.. | 1.32405 | 217 | 249 |
| April..... | 1.22287 | 197 | 263 |
| May....... | 1.03495 | 169 | 272 |
| June........ | . 92789 | 152 | $2 i 9$ |
| July .. | . 92935 | 152 | 262 |
| August.... | . 96948 | 158 | 250 |
| September. | . 94510 | 154 | 242 |
| October. | . 84187 | 137 | 225 |
| November. | . 78490 | 128 | 207 |
| December.. | . 65503 | 107 | 189 |
| 1921. |  |  |  |
| January. | . 663888 | 108 | 178 |
| February.. | . 598813 | ${ }_{93}^{98}$ | 167 |
| March. | . 56736 | 93 | 162 |
| April.. | . 59830 | 98 | 154 |
| May.... | . 60310 | 98 | 151 |
| June... | - 5912 T | $\stackrel{97}{99}$ | 148 |
| July.... | . 60798 | 99 101 | 148 |
| August.... | . 62070 | 101 | 152 |
| September. | . 66235 | 108 | 152 |
| October... | . 71373 | 117 | 150 |
| November. | - 68470 | 112 | 149 |
| December.. | . 66250 | 108 | 149 |
| 1922. |  |  |  |
| January.. | . 65853 | 108 | 148 |
| February. | -65690 | 107 | 151 |
| March... | . 64838 | 106 | 152 |
| April... | . 67055 | 109 | 152 |

## SILVER RESERVES.

Following is a table showing the silver reserves of selected countries reporting considerable amounts of silver held by central banks or by the Government.

The dates for which figures are shown are the end of 1913, before the war; the end of 1918, immediately after the cessation of hostilities; the end of 1920, when the peak of silver prices was reached; and the latest available date in 1922. Since the significance of the figures is primarily in relation to local currencies the amounts are expressed in the monetary units of the different countries and, consequently, no total is given.

The largest silver reserves are held in India against rupee notes. The story of these reserves has been told in connection with studies of developments in India previously published in the Bulletin. Among the European central banks, the Bank of Spain has the largest silver reserves, owing to the fact that Spain is technically on a silver basis. The decline in silver holdings of the Bank of Spain prior to 1920 may be due to the high price of silver, which encouraged its hoarding by the population, while the increase since that time apparently reflects the drop of silver prices accompanied by a general decline in the price level which caused currency to be withdrawn from circulation and to accumulate in the central bank. The increase in the silver holdings in Sweden is due to the fact that Norwegian and Danish coins, having the same face value as Swedish coins, have a greater purchasing power in Sweden than at home because of the higher exchange value of the Swedish krona, and, therefore, tend to migrate to Sweden. The increase in the silver holdings of the Swiss National Bank between 1918 and 1920 is due to a similar cause, the coins of Italy and France emigrating to Switzerland where their purchasing power was greater. The reduction in silver holdings during the last year is more apparent than real, being due to the fact that since April 1, 1921, French 5 -franc pieces held by the Swiss National Bank are figured at the value of their silver content rather than at their face value. In Germany, as the mark has become increasingly depreciated, the value of the silver content of coins has exceeded their face value, silver has been demonetized and is no longer carried as part of the metallic reserve by the Reichsbank, but is included in its "other assets." The amount of silver in the Reichsbank is not published, but a year ago it was estimated at about $30,000,000$ ounces. During 1921 and the first four months of 1922
about $\$ 6,000,000$ worth of silver was im- of silver, which presumably was taken from ported to the United States from Germany. the Reichsbank's stock and exchanged for This amount represents about $9,000,000$ ounces $/$ goods or credit in the United States.

## SILVER RESERVES OF SELECTED COUNTRIES.

[In thousands of local currency.]

|  | Unit of currency. | Par value. | $\begin{aligned} & \text { Dec. 31, } \\ & 1913 . \end{aligned}$ | $\begin{aligned} & \text { Dec. 31, } \\ & \text { 1918. } \end{aligned}$ | $\begin{gathered} \text { Dec. 31, } \\ 1920 . \end{gathered}$ | Latest available date, 1922. |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  | Cents. |  |  |  |  |
| India. | Rupee. | 48.66 19.30 | ${ }^{1} 164,527$ | 321,300 642 157 | 610,900 573,567 | 766,700 634,666 |
| United States. | Dollar.. | 100.00 | 168,589 | 642, 692 | -973, 917 | - 101,228 |
| France. | Tranc. | 19.30 | 640,063 | 318, 348 | 266, 333 | 282, 983 |
| Italy. | Lira.. | 19.30 | 115,797 | 116, 865 | 114, 676 | 115,716 |
| Switzerland | Franc. | 19.30 | 20, 836 | 58,412 | 121, 571 | 107, 520 |
| Portugal. | Escudo. | 108.05 | 9,012 | 16,873 | 17,644 | 17,596 |
| Java... | Florin. | 40.20 | 129,025 | 14,376 | 9,314 | 40,061 |
| Belgium. | Tranc. | 19.30 | 56,367 | 25,000 | 27, 920 | 40,945 |
| Sweden.. | Krona. | 26.80 | 5,203 | 365 | 2,733 | 15, 210 |
| Netherlands. | Florin. | 40.20 | 9,016 | 8 8,545 |  | 5,521 |
| Denmark........ | Krone. | 26. 80 |  | 2, ${ }^{2}, 43881$ | 2,603 |  |
| Austria-EHungary | Reichsma | 20.26 23.82 | 261,545 276,832 | 56,881 19,948 | 200 5,773 | (3) ${ }^{2} 619$ |

${ }^{1}$ Mar. 31, 1914.
${ }^{2}$ Held by Austrian Banking Offico, 20,000 kronen; by Hungarian Banking Office, 599,000 kronen.
${ }^{3}$ Silver no longer counted as reserve, but carried among "All other assets."


CHANGES IN GOLD RESERVES OF PRINCIPAL COUNTRIES, 1913-1922.
[In thousands of dollars; converted at par of exchange.]

|  | Austro-Hungarian | National Bank of Belgium. | National Bank of Bulgaria. | Czechoslovakia, Banking office of the Ministry of Finance. | National <br> Bank of Denmark. | Bank of Finland. | Bank of France. | German Reichsbank. | Great <br> Britain, <br> England <br> and cur- <br> rency note reserves. | National <br> Bank of <br> Greece. | Banks of Italy, Naples and Sicily, and National Treasury. | Bank of Netherlands. |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Dec. 31- |  |  |  |  |  |  |  |  |  |  |  |  |
| 1913. | 251, 421 | 59, 131 | 10,615 |  | 19,666 | 6,948 | 678, 850 | 278,687 | 170,245 | 5,211 | 288, 103 | 60, 898 |
| 1914 | 213, 757 | 56,619 | 10,615 |  | 24, 506 | 8,299 : | 802, 391 | 498, 508 | 428, 221 | 7,527 | 299, 759 | 83,683 |
| 1915 | 138,758 | 50,759 | 11, 773 |  | 29, 833 | 8,299 | 967,950 | 581, 954 | 389, 205 | 11, 194 | 293,453 | 172,530 |
| 1916 | 58,759 | 50, 759 | 13, 124 |  | 42, 847 | 8,299 | 652, 885 | 599, 878 | 402, 970 | 11, 580 | 255, 772 | 236, 217 |
| 1917 | 53, 717 | 50,759 | 12,159 |  | 46,611 | 8,299 | 639,682. | 572, 768 | 422, 294 | 12, 159 | 238,931 : | 280,689 |
| 1918. | 53,074 | 51, 145 | 12, 352 |  | 52,159 | 8,299 | 664, 017 | 538, 861 | 523, 632 | 10, 422 | 243, 566 | 277,155 |
| 1919. | 45, 111 | 51,417 | 7, 141 |  | 60, 807 | 8,299 | 694, 847 | 259, 519 | 583, 211 | 11,001 | 203,441 | 256, 204 |
| 1920 | ${ }^{2} 11$ | 51,438 | 7,141 | 4,053 | 60,992 | 8,299 | 685, 317 | 260,028 | 762, 912 | 11,001 | 204,362 | 255, 729 |
| 1921 | ${ }^{2} 16$ | 51, 451 | 7,334 | 12,545 | 61,192 | 8,299 | 690, 141 | 237, 102 | 763, 719 | 10, 808 | 210,739 | 243, 600 |
| 19221 | 29 | 51, 452 | 7,334 | 12,738 | 61, 191 | 8,299 | 690,600 | 3238, 407 | 765, 875 | 10,808 | 212,604 | 243, 593 |
|  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  | United |
|  |  |  |  |  |  |  |  |  |  |  |  | States |
|  |  |  |  |  |  |  |  |  | National | Yugo- | Minister | Treasury, |
|  |  | Bank of |  |  | Bank of | State | Bank of | Riks- | Bank of | slavia- | of $\mathrm{Fi} \cdot$ |  |
|  |  | Norway. | Poland. | Portugal. | Rumania. |  | Spain. |  | Switzer- | National | nance and | and ${ }^{\text {banks }}$ |
|  |  |  |  |  |  |  |  |  |  | Bank. | chartered | $F$ Federal |
|  |  |  |  |  |  |  |  |  |  |  |  | reserve |
|  |  |  |  |  |  |  |  |  |  |  |  | banks. |
|  |  |  |  |  |  |  |  |  |  |  |  |  |
| 1913. |  | 12,846 |  | 8,760 | 29,242 | 786,800 | 92,490 | 27,372 | 32,801 |  | 142, 517 | 691,514 |
| 1914. |  | 11,181 |  | 9,261 | 29,714 | 803, 400 | 110, 444 | 29,088 | 45,922 |  | 137, 872 | 827, 703 |
| 1915. |  | 18,028 |  | 9,261 | 36, 254 | 831,200 | 166,414 | 33,385 | 48,275 |  | 169, 128 | 1,312,329 |
| 1916. |  | 33,027 |  | 9,261 | 22 | 758,396 | 241,424 | 49,183 | 66,585 |  | 176, 064 | 1, 442,229 |
| 1917 |  | 31, 214 |  | 9,261 |  | 1667,041 | 379, 597 | 65,513 | 69,025 |  | 195, 172 | 1, 739, 750 |
| 1918. |  | 32,691 |  | 9,203 | 2 |  | 430,072 | 76, 332 | 80, 041 |  | 190,688 | 2, 245,720 |
| 1919. |  | 39,590 | 1,667 | 9,266 | 200 |  | 472,041 | 75, 350 | 99,779 |  | 192,265 | 2,097, 713 |
| 1920 |  | 39, 772 | 2,858 | 9,266 | 329 |  | 474, 228 ; | 75, 516 | 1.04, 780 | 12,352 | 175, 187 | 2,222,857 |
| 1921 |  | 39, 475 | 5,935 | 9,267 | 329 |  | 484, 984 | 73,631 | 106, 058 | 14,282 | 154,723 | 3, 041,512 |
| 1922 |  | 39, 474 ; | 6,940 | 9,267 | 329 |  | 486,742 | 73, 326 | 105, 149 | 13, 081 | 153,971 | 3, 171,007 |
|  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  | Domestic |  |  | South |  |
|  |  | Argentine |  |  |  |  |  | holdings |  |  | $\underset{\text { Joint }}{ }$ |  |
|  |  | vern- | Guaran- |  | Au- | New | tovorn- | of the |  |  | stock |  |
|  |  | ment- | tee of | Uiruguay. | Note | Zealand- | Rupee | Bank of | Bank of Jara. | Bank of | banks | Total. |
|  |  | version | currency |  |  |  | reserve | and of the |  | Egypt. | $\underset{\text { Federal }}{\text { and }}$ |  |
|  |  |  |  |  |  |  | India. | Govern- |  |  | Reserve |  |
|  |  |  |  |  |  |  |  | ment. |  |  | Bank. |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |
| 1914.. |  | 213,906 | $\bigcirc 26,601$ | 13,483 | 21,939 | 27,739 | -30,202 | 64,062 | 12,418 | 11,720 | 643,799 | 4, 931, 542 |
| 1915. |  | 22s, 939 | 714,698 | 22,530 | 73,484 | 33,092 | 41,361 | 68, 187 | 18,804 | 35,096 | ${ }^{6} 44,772$ | 5, 860, 855 |
| 1916. |  | 231,158 | 7 14, 598 | 33,251 | 78,351 | 36,012 | 38,636 | 113,411 | 28, 984 | 29,164 | ${ }^{6} 34,066$ | 5,766,907 |
| 1917 |  | 252,390) | ${ }^{7} 11.598$ | 42,033 | 85, 650 | 39,419 | 86,712 | 229,981 | 37,051 | 19,278 | 30, 172 | 6,332, 195 |
| 1918 |  | 269,628 | 15, 371 | 46,718 | 104, 143 | 39,419 | 63,842 | 225, 821 | 51,600 | 16,312 | 33,579 | 6,366, 324 |
| 1919 |  | 299, 119 | 15,571 | 56,756 | 116,796 | 38,932 | 96, 205 | 349, 917 | 69,817 | 16,312 | 35,525 | 6,263,849 |
| 1920 |  | 450,057 | 19,464 | 57,307 | 115, 336 | 37,472 | 116, 249 | 581, 840 | 88,214 | 16,807 | 50,612 | 6,931,686 |
| 1921. |  | 450, 057 | 25,303 | 59,494 | 113,389 | 37,472 | 118,341 | 610,663 | 58,728 | 16,807 | 57,911 | 7,751,327 |
| 1922 . |  | 450,057 | 25,628 | 59, 494 | 1.13, 876 | 37,472 | 118,341 | 608, 170 | 59,750 | 16,807 | . 58,885 | 7,911,379 |

${ }^{1}$ Latest available date.
2 Austrian account only.
April 29 . On this date $\$ 11,245,000$ of the total gold reserve was held on deposit in the Bank of England.
4 Oct. 16-29.
${ }_{5}$ Mar. 31, 1914.
6 Includes a small amount of gold held abroad.
7 Conversion fund.

## CREDIT INSURANCE.

The following study ondeavors to present the facts relating to the use of credit insurance in the United States and the methods by which it is written. It is based principally upon data kindly furnished by the three leading companies, who do practically the entire business of this kind. ${ }^{1}$

The amount of annual losses by bad debts is a heavy charge upon the financial and commercial interests of this country. These bad-debt losses are greater than the losses through fires, as will be seen from the following table:

Famure and Fire looses for 10 Years.


For the 10 years onding with the year 1921 the insolvency loss of wholesale merchants, on goods sold, was $\$ 411,671,830$ more than the fire loss during the same period of all merchants, railroads, owners of timber lands, and householders combined. Thus the losses through failures for the 10 years were, on the average, greater cach year by $\$ 4,167,183$ than the losses through fires. These figures serve to indicate the importance of the question.

## I. - GENERAL PLAN. ${ }^{2}$

Credit insurance is a guaranty that a manufacturer or jobber (policies are not issued to retailers) shall not suffer from those losses occurring because of the insolvency of debtors coming within the coverage of the policy, which are in excess of the normal loss incident to his particular business. The insuring company guarantees to pay the policyholder the net excess over this normal loss. The contract between the company and the insured is variously called a credit insurance policy, a bond of indemnity, and a contract of guarantec on insolvent debtors' accounts.

[^2]In addition to covering only abnormal or excess losses, every credit insurance policy contains soveral other fundamental features. These may be summarized as follows:
(1) The maximum amount covered on any single account which the insured sells is specified, according to the rating of the debtor.
(2) Coinsurance in general is required.
(3) Further coinsurance is required on sales by the insured to inferior rated risks, and an additional premium is charged for covering such risks.

The policy also may or may not contain either of two other features:
(1) A maximum amount to the total liability of the company under the policy, which is called a limited policy; or no limit to the amount of the liability of the company on the aggregate of accounts covered, which is called an unlimited policy.
(2) A provision for collection of past due accounts by the company.

The normal loss.-A merchant's outstanding accounts yary according to his terms of sale, but are said usually to range from 15 to 25 per cent of his annual sales, averaging about 20 per cent. With annual sales of $\$ 1,000,000$, about $\$ 200,000$ will generally be outstanding in recoivables. Of this $\$ 200,000$, from 10 to 20 per cent will usually be past due. The policy of a merchant toward his past-due accounts largely determines his loss ratio.

Instead of exacting a cash premium to cover the losses normally incident to the business insured, plus the loading for the excess, it is belicved to be more practical, more satisfactory, and to remove any speculative feature, simply to exact a smaller cash premium and to provide that the policyholder shall bear the loss normal to his business (which he may not lose during some yoars), and roceive reimbursement from the insurance company for the losses in excess of the normal. The normal loss is calculable, and may be considered in the same manner as other items of manufacturing and selling cost in order to arrive at the selling price of merchandisc. Moreover, having the policyholder bear the normal loss reduces, as stated, his cash premium by a considerable amount, so that it is much less than that charged for any other form of insurance. If the average fire loss is one-half of 1 per cent of the values insured, the policyholder must pay, in moncy, not less than one-half of 1 per cent for fire insurance, plus overhead expense and profit; whereas if the average credit loss on goods sold is one-half of 1 per cent, and the merchant loses less than one-hall of 1 per cent, he retains the difference between his actual loss and this average loss, for he does not pay the company any part of his normal loss.

Coverage.-All policies of credit insurance also definitely limit the amount which the in-
sured may recover for losses on any one account to which he sells. This amount is definitely specified in dollars in the policy itself for the capital rating which each account may have. The amount designated for any one rating applies to each and every customer of that rating whom the policyholder sells. The amounts stated are determined by the individual requirements of the policyholder. The mercantile agency whose ratings shall govern is specified in the policy, according to the arrangement made between the insured and the company when the policy is written. The policy regularly applies only to customers with preferred ratings, but for an cxtra premium charge partial protection is given on inferior ratings also. Further details with respect to coverage are given below in considering the actuarial basis.

Coinsurance--Coinsurance, or bearing part of the risk by the insured, is required on all risks. For example, on the best risks, the company is liable only to the extent of $\$ 900$ on an actual loss of $\$ 1,000$, which otherwise comes within the terms of the policy. This serves to have the company guarantee only for an amount approximating the replacement value of the goods, on the average. "It is claimed by the companies that some coinsurance is always necessary in order to reduce the moral hazard of taking unreasonable risks in the extension of credits." ${ }^{3}$

Inferior rated risks are usually covered only to two-thirds the amount involved. The ideal way, observes one company, would be to make everyone lose his profit on the transaction before paying any losses, but this is too complicated in most cases, as costs have not been standardized. A further reference to coinsurance appears later.

Period of policy.-Policies are generally written for a period of one year, although some are written for a longer period in order to expire on December 31. More policies expire on that date, observes one company, as many policyholders desire their insurance to expire with their fiscal year, which for most firms is the same as the calendar year.
The policy is renewable annually, if conditions are satisfactory to the company. Each renewal policy may be so arranged as to provide not only for losses occurring during its term on sales of goods made thereunder, but also for losses oecurring during such renewal arising from shipments made during the term of the preceding policy. The amount and condition of outstanding accounts at the date of the beginning of the renewal policy have a
${ }^{5}$ Riegel and Loman, Insurance Principles and Practice, p. 333.
material bearing upon the terms to be named for the renewal. policy.

Warranted declarations of the insured as to condition of outstandings are made in the following manner, revealing information of a vitally important nature, viz:

Conditions of outstandings is as follows (not
including claims already reported to the company):
(1) Our outstandings amount to..........
(2) Amount of outstandings past due (of which $\$ . .$. . is more than 60 days past due).
(3) Amount of outstandings under general extension
(4) Amount of outstandings on debtors seeking extension.
(5) Amount of outstandings in hands of attorneys or collection agencies...
(6) Have you any debtors whom you have reason to believe are now in a failing condition? If so, how much do they owe you?.....
(7) Ias a notification of claim been furnished the company on all losses now known to you?
(8) Amount of gross sales under expiring policy.

If an abnormal condition is indicated in respect to any outstanding accounts, a detailed list of debtors so involved is required by the insurance company, before it acts upon the renewal policy.

## II. FORM OF POLICY.

While all forms of credit insurance policy contain the three points just discussed; that is, a maximum limit to individual accounts, coinsurance of 10 per cont on the best accounts sold and $33 \frac{1}{3}$ per cent on the inferior rated accounts by the policyholder, the two features of the size of policy and the collection service cause changes in the policy form. Both limited and unlimited policies may be issucd either as a collection form, where the company handles the collection of accounts and thereby proves claims, or as a noncollection form, where the policyholder handles his own accounts and assumes the burden of proving his claims under the policy.

Limited and unlimited policies.-Under the "limited policy" the aggregate amount of losses to be proved is limited to the face of the policy, which is limited to an amount commensurate with the premium charged. It may, however, beincreased by any sum up to $\$ 200,000$ by payment of an additional rate per $\$ 1,000$ for the additions to the face amount. The limited policy thus has a face amount which represents the maximum liability of the company on the total of losses covered.

The unlimited policy has no face amount, and therefore no limit to the amount of insurance that may be so collected under the policy on the aggregate of the losses covered. As long as the individual losses come within the amounts specified in the table of ratings contained in the policy, they will be paid, regardless of their total amount. The unlimited policy is issued, however, only where the largest amount on any one individual debtor (highest single account coverage) is limited to an amount not regarded as excessive for this form of policy. In extra premium charge over and above the limited policy is made for an unlimited policy. The latter affords full protection on all outstanding accounts, and is valuable as collateral with a bank, for the obvious reason that the face of a limited policy is seldom, if ever, as much as the amount of the unpaid outstanding accounts of the policyholder at any one time. For example, a limited policy of $\$ 10,000$ or $\$ 25,000$ would not be sufficient as collateral to a bank lending a merchant $\$ 50,000$ or moro, where the unpaid outstanding accounts of the morchant are, say, $\$ 100,000$ or $\$ 200,000$ and perhaps more, for the outstandings, as heretofore stated, range from 15 to 25 per cent of the annual sales.

The unlimited policy was first introduced in 1916 and is now used by two of the three companies.

Collection and noncollection policies.-All three companies now write a collection form of policy. The noncollection form is the same as the collection form, except for the omission therefrom of those clauses appertaining to collection of accounts, and a clause in the section defining as insolvency the past due accounts placed with the company for collection.
The collection policy is in two forms, one known as the "optional collection policy" and the other as the "compulsory collection policy."
The optional collection policy permits the insured to elect whether he shall file an account due and payable, but not over 60 days past due, with the company for collection and have it admitted, for the purposes of the policy, as insolvent. Where a past-due account is not filed for collection, but the debtor becomes insolvent during the policy period, the account must then be filed with the company for collection. This optional policy is at a fixed premium, and limits the liability of the company to past-due accounts filed and accounts becoming insolvent during its term of one year. The renewal privilege, referred to herein, applies to this optional form.

The compulsory collection policy provides that no loss shall be covered on any account unless placed with the company for collection before it is 75 days past due. If an account is more than 75 days past due, it is not covered under the policy, whether or not the debtor becomes insolvent. This policy is framed particularly for those houses who are willing to pursue in their business the rule of prompt collecting.

This compulsory form protects against covered losses, whenever they occur, on all sales made during the policy period, and therefore needs no renewal privilege. The advance premium is the minimum, and if the sales during the year exceed the sales estimated at time of the issuance of the policy, an additional premium on sales in excess of the policy minimum is collected in the same proportion. This is necessary because covered losses occurring after the policy expires, on all sales made under it, are provable.
Under both forms of the collection policy the company proceeds to collect the account as soon as it is filed, and remits promptly to the policyholder the amount it collects, less, of course, the agreed collection charges. The uncollected part of the account is proved as a claim for loss under the policy and the policyholder is relieved of the burden of otherwise proving his claim.

The service is not with a view to yielding a profit to the company, and does not do so. It is a service foature, said to save policyholders numerous losses. In cases where the debtor is insolvent, the company prevents much waste where creditors themselves, either through ignorance of the law or by carelessness, do not preserve their rights.
The New York Insurance Department, in a report March 6, 1922, on an examination it made, comments on the collection service of credit insurance as follows:
Undoubtedly the activities of the service and collection department have lowered loss ratios, afforded efficient service at a minimum cost, rendered collections more certain, and assured prompt recovery to the policyholder, any such collections being immediately remitted to assured without waiting for adjustment at end of policy period. Furthermore, notices filed under the collection provision of the bond are accepted as proved claims and save the assured the necessity of substantiating his claim at maturity of bond.

The insured, when filing an account for collection, accompanios the notification of claim with an itemized statement of the account, together with any notes, guaranties, securities, or other documents. Where an account is disputed, or where the company deems it necessary to enforce collection or to enable the insured to participate in any pro-
ceeding involving the estate of the debtor, the insured shall authorize the necessary legal proceedings and pay the necessary costs and expenses. The charges are those established by the Commercial Law League.

Where the company effects collection without the services of an attorney, the fee is $7 \frac{1}{2}$ per cent of the first $\$ 300$ or less; 4 per cent of the next $\$ 700 ; 2$ per cent on the excess over $\$ 1,000$; minimum fee of $\$ 2.50$.

Where the company deems it necessary to secure the services of an attorney, these amounts are doubled, and there is also a minimum suit fee of $\$ 7.50$, in addition to the other fees, the whole not to exceed 50 per cent of the claim. In places where collection fees are established, either by law or bar rules, the law or bar rules govern, while where litigation or insolvency proceedings are authorized by the insured, a reasonable attorney's fee is further charged. The fees apply even if the insured subsequently receives payment direct or withdraws the account.

Insolvency and losses.-At this point the entire question of the definition of insolvency and the procedure followed in establishing and paying losses may be discussed. In addition to covering a case where the account is filed with the company for collection, the term "insolvency" includes certain items covering roughly (1) actual insolvency, and (2) impairmont of assots. The exact wording differs somewhat in the several policy forms, but the items are substantially as follows:

1. (a) Assets held in any judicial proceeding to be insufficient to pay debts in full.
(b) Petition in bankruptcy filed by or against a debtor. Appointment of a receiver.
(c) Debtor offers general compromise for less than amount of his indebtedness.
(d) Debtor makes assignment or deed of trust for benefit of creditors.
Debtor's business assigned to, or taken over by, committee appointed by majority in number and amount of creditors.
(e) Sole debtor dies or becomes insane. Debtor absconds.
2. (a) Recording, or taking possession under chattel mortgage given on stock in trade. Attachment or execution levied on stock in trade. Sale of stock in trade under writ of attachment or execution.
(b) Writ of execution is returned unsatisfied. Debtor makes confession of judgment.
(c) Debtor transfer or sells out his stock in trade.
3. (In collection form of policy only.)

Insured; during term of policy, files with company for collection, account due and payable at time of filing, but not over 60 days past due under original terms of sale.
In the case of a collection policy, the company requires that the insured shall file a notification of claim on an insolvent account and place it with the company for collection at the head office within 15 days after acquiring
knowledge of insolvency. In the case of a noncollection policy, notice must be filed in 20 days, and all policies require that final proof of statement of claim be filed not later than 30 days after expiration of policy. Where the collection form of policy is used, notification of claim is filed when placing the account with the company for collection. The noncollection form requires notice to be filed with the company, and the policyholder handles the accounts.

The companies regularly make adjustments of the excess loss after the expiration of the policy. All the companies make interim adjustments for a very nominal extra charge in premium. Final adjustment under all forms of policy is made within 60 days after receipt of final statement.

The usual adjustment procedure stated in the policy forms, in cases where no mutually satisfactory agreement is reached as to amounts thereafter obtainable on any loss, is that the company shall allow the unpaid part of the loss as far as covered. The policyholder assigns to the company all accounts admitted in adjustment, except those on which there is mutual agreement as to the amount thereafter obtainable. The assigned accounts are then handled by the company for the joint account of policyholder and company, as their interests may appear. It is further provided that if the indebtedness of the debtor to the policyholder at the time of insolvency is not fully covered, the deduction is made pro rata, i. e., in the ratio that the amount covered bears to the whole indebtedness. For example, take an account of $\$ 10,000$, covered for $\$ 7,500$. Assume the debtor's estate pays 10 per cent. The 10 per cent of $\$ 10,000$ is not deducted from the amount covered, but 10 per cent of $\$ 7,500$, or $\$ 750$, is deducted. It is also provided that if the amounts realized by the company on claims assigned to it exceed the sum paid to the policyholder, the company shall refund the excess.

Where interim adjustments are made, further settlement is necessary at the expiration of the policy, as the exact amount can not be accurately ascertained because the total sales and shipments can not be determined until that time. The insured therefore agrees to refund to the company any amount deductible, but which was not deducted in any prior adjustment, but this shall not excced the amount paid by the company under all adjustments. Where coinsurance is figured in a special manner, as indicated later, the company agrees to refund the insured 25 per cent of the total received by it on the covered amount of all accounts assigned to it, but this refund shall not exceed the amount of coinsurance deducted.

Adjustments are said to involve little difficulty, and litigation is very rare. Fraud is seldom encountered; confirmation of the warranties in an application for the policy is made at the time of adjustment, and extremely few false warranties are found.

Contents of the policy.--The policy in general contains the following sections or parts:
I. Insuring agreement.
II. Conditions and stipulations.

1. Coverage on single accounts; specifying agency and amounts covered on dififerent ratings.
2. Definition of insolvency (in summary form), including-
(a) Actual insolvency.
(b) Past-due accounts.
(c) Impairment of assets.
3. Notification of claim.
4. Collection of accounts and schedule of fees (in collection form only).
5. Final statement of claim.
6. Method of adjustment, including-
(a) Discounts debtor would have been entitled to had debt been paid at the date of insolvency.
(b) All amounts collected thereon and other amounts collected from other sources.
(c) Goods returned and replevined, in undisputed possession of insured.
(d) All amounts mutually agreed upon as thereafter obtainable.
(e) Percentage of coinsurance as agreed upon.
(f) Deduction of the agreed normal loss.
7. Collateral benefit, which provides that a rider may be attached calling for payment of the excess loss to a specified bank.
(a) Other riders often found, calling for interim adjustment of claims and for coverage of inferior ratings.
8. General provisions covering methods of payment, acknowledoment of receipts and claims, and lines of authority and conditions under which suit can be brought.
9. On the reverse side of the policy is the application for insurance, giving data indicated below as to certain features of the applicant's business.
(a) The mercantile agency whose ratings are used as a basis for the extension of credit.
(b) Agreement of conditions and stipulations of policy.
(c) Remittance for premium.
(d) The line and nature of business and how long in it.
(e) Territory covered.
(f) Usual and longest terms of sale, including discounts allowed.
(g) Contemplated changes in method of doing business.
( $h$ ) Credit information possessed on any doubtful accounts sold or to be sold.
(i) The gross sales and losses over the last five or six years.
The insuring agreement, or caption, is in effect an outline of what the policy does, subject to its conditions and stipulations. The agreement sets out:
(a) That the company guarantees against loss, due to insolvency of debtors "as herein
defined." Insolvency is defined in condition 2 of the policy.
(b) The loss shall occur during the term of the policy. That term is specified in the "insuring agreement" and is for one year.
(c) The loss shall result from shipments of merchandise made during the term of the policy.
(d) The loss must be covered; that is, must result from insolvency of debtors (condition 2) owing for shipments of merchandise made during the term of the policy, and be covered, under condition 1 of the policy (the "coverage" condition), or be covered under the "inferior ratings," if the policy is made by rider to include the latter class.
(e) The loss must be proved; that is, there must be sent to the company a notification of a past due account (subdivision 1, condition 2), and also of an insolvent account (subdivisions 2 to 14 of condition 2), as required by condition 3 of the policy, viz, "Notification of claim" condition.

The above conditions, viz, 1, 2, and 3 of the policy, operate during its term. For example, when the insured ships his goods, during the policy period, he knows from condition 1 the coverage (that is, the limit of insurance) on the customer by the rating. If the debtor does not pay within 60 days after the account is due, under the optional collection form, the insured may elect to have the debtor deemed "insolvent" for the purposes of the policy, by sending the account to the company for collection under subdivision 1 of condition 2 of the policy, and as set out in the fore part of the notification condition 3. If, however, any customer becomes insolvent under any of the subdivisions 2 to 14, inclusive, of condition 2 of the policy, then the insured must file notification of claim and forthwith place the account with the company for collection, as required by the second part of condition 3 of the policy.

The chief operative conditions after the expiration of a policy are 5 and 6.

Where a claim is made for payment of losses in excess of the normal loss to be borne by the insured, condition 5 provides that a final statement of such claim shall be filed by the insured with the company within 30 days after the expiration of the policy. In such casos the company sends an adjuster to the office of the insured to make the adjustment. Condition 6, "method of adjustment," prescribes definitely the procedure whereby such losses are allowed under the policy, and the amount to be paid immediately to the insured is ascertained.

If "interim adjustments," that is, loss payments to the insured during the term of the policy, are to be made, then an interim state-
ment may be filed by the insured with the company at any time during the policy period, and the company will adjust and pay such losses in the manner described in condition 6. The policy, however, remains in force until its expiration, when a final adjustment is made, including any additional losses thereunder.

Thus, therefore, there are five conditions that govern generally, viz: 1,2 , and 3 , during the currency of the policy, and 5 and 6 after its expiration.

## III. AOTUARIAL BASES.

This year the three companies completed the preparation of a manual, or mortality table, for underwriting against losses. It is the culmination of a long succession of mathematical calculations based on experience, which developed, step by step, the facts that yielded the charges necessary to furnish the protection. The records of the companies, covering a period of many years, reveal the private, precise, and full experience of thousands of wholesale merchants in cvery line of trado, including their salos to variously rated concerns and the losses thereon. From this information the Manual of Credit Insurance Rates was compiled.

There are threc basic and interdependent factors in credit insurance underwriting, viz, (1) the premium; (2) the normal loss; and (3) the coverage, or insurance afforded on specified ratings. The premium and normal loss can not be determined until there is first ascortained the coverage of the policy on each of the ratings specified in the "table of ratings" given in the "coverage" clause of the policy. When these coverages are agreed upon, the premium and the normal loss are quickly and accurately dotermined.

The premium.-The coverages and the amount of a merchant's annual sales fundamentally determine the premium. A charge is made, first, for the avcrage of the various coverages on ratings; second, for the sales volume.

As the premium is calculated primarily on coverages and sales, it is uniform for all lines of business. The reason is that a mercantile agency rating represents a definite financial worth and paying ability. The rating of " $A$ " or "G," of $\$ 1,000,000$ or over, given to a paper manufacturer, who sells on short terms, or to a clothing house that sells on long terms, nevertheless indicates a financial worth of $\$ 1,000,000$. The fact that the assets of the clothing house are subject to a greater average loss exposure than those of the paper manufacturer, while it does not alter the principle of the rating and the premium basis, does deter-
mine the normal loss to be borne by the clothing and paper houses, respectively.

Where the premium as thus calculated, in any case, is more than 50 per cent of the normal loss, which unusual coverages may sometimes compel, then the amount of the premium and the amount of the normal loss may be combined, and onc-third of such total may be paid as premium, in cash, and the remaining two-thirds become the normal loss. For example, take a case where the premium would be $\$ 1,200$ and the normal loss $\$ 1,500$. The total is $\$ 2,700$, one-t hird of which, or $\$ 900$, becomes the cash premium and the remaining two-thirds, or $\$ 1,800$, becomes the normal loss first to be borne by the insured. The relation of the premium to the combined premium and normal loss, on the whole, arerages only about 23 per cont.
inother division of the combined amount of the premium and normal loss has just been evolved. This now division is to tako, as a premium, 25 per cont of the combined total and 75 per cent of it as the normal loss, and the normal loss thus ascertained is increased 10 per cont. For examplo, tako a case where the premium would be $\$ 1,200$ and the normal loss $\$ 1,500$; the total is $\$ 2,700,25$ per cent of which is $\$ 675$, which becomes the cash promium. The remaining 75 per cent of $\$ 2,700$ is $\$ 2,025$, which, plus 10 por cent thereof, or $\$ 202.50$, makes the normal loss $\$ 2,227.50$. Thus, therefore, the cash premium becomes $\$ 675$ instead of $\$ 1,200$, a reduction of $\$ 525$, and for this consideration the normal loss of $\$ 1,500$ is increased by only $\$ 727.50$, making the normal loss $\$ 2,227.50$.

The premium usually ranges from one-tonth to onc-fourth of 1 per cent of the sales volume where the latter is small, and from onetwentieth to one-tenth of 1 per cent where it is large. The promium, on the whole, averages about one-tenth of 1 per cent of the annual sales.

The normal loss.-The manual prescribes the basic normal loss for all houses in each line of business on the rolume of annual sales. There are five classes or groups, and a basic normal loss for cach of the first four. The groups indicato to the companies relative credit risks. The normal loss rates for lines of business classed in group 1 are lower than for group 2 lines, group 2 lower than for group 3, etc. No rates have been compilod for group 5, which includos diamonds, furs, etc., lines for which credit insurance is usually not written. The lines of trade, showing their relation to losses therein, are shown in the last part of this article:

The classification of lines of business has no bearing upon the moral standing or business
capacity of the concerns engaged in the various lines of trade. It means that the lossos, inherent and constantly occurring in varying magnitude, differ according to the line of business. Several factors may cause variation in losses. These include, whether sales are mado in part or exclusively to manufacturers, jobbers, or retailers; whether the demand for goods dealt in is seasonal or relatively continuous; whether goods are standard or changing in style; whether terms of sale are 10 or 30 days, or 3 or 6 months, or longer; the profit loading; the territory sold, etc.

The points just mentioned are covered in the application for a policy. The blank used by all the companies for all policies calls for figures covering 5 years plus the fractional year to date, asking for data on sales, losses, and collections from credit insurance companics, and amounts of accounts owing by debtors under general extension. Sometimes the experience of the merchant for a longer period than 5 years is required. The application blank in either case also gires data as to the applicant's line, length of time in business, character of business (jobber or manufacturer), territory covered, terms of sale and proportion of sales made to manufacturers, jobbers, and retailers. The application for a renewal policy mercly indicates any difierences on these points from the previous application, and gives details concerning the outstandings, in particular those about which there may be some doubt, as stated in the forepart of this article.
The classification of lines is for the purpose of adjusting rates to the normal for each house in each line of business, so that all lines shall thereby be made equally desirable for credit underwriting at the rates required.
As economic conditions do not affect adversely all lines of business at the same time, but do at some time affect special lines, the loss ratio varies in each line underwritten. For example, during 1921 failures were heavy in some manufacturing lines, but much lighter in others. Group 1 lines may thus suffer greatly in a year when group 4 lines are less disturbed, etc. Of course, the human olement of fallibility is always present in all lines, regardless of economic conditions, as shown by the large number of failures in all ycars.
The normal loss is subject to certain refinements in underwriting. If the coverage is unusual, the rate is so adjusted that the merchant's participation in a risk shall always be fairly and scientifically correspondent therewith. The normal loss on a limit of $\$ 50,000$, e. g., is, of course, greater than on a limit of $\$ 5,000$. Again, where a house has an average loss experience for the last 10 years amounting
to not more than 50 per cent of the manual" normal loss rate, what is termed a "merit" rate is applied. The latter is, of course, regulated, as all rates are, in proportion to the limit of coverage on the various ratings. Where the loss experience of the applicant has been so great as not to permit the use of the manual normal loss rate, a special rate is applied to his business. This special individual normal rate is readily ascertained, mainly by averaging his own loss experienco.

The normal loss rates for different lines of trade ordinarily vary from one-tenth of 1 per cont to $1 \frac{1}{2}$ per cent of the anual sales, according to the volume. Tho normal loss, as a whole, is about three-tenths of 1 per cent of a year's sales. It is estimated that the average loss through insolvency for all merchants in the United States is about one-half of 1 per cent.

It is said that in no adjustment has objection been raised by the merchant to the rate of normal loss, because he realizes that it is more than covered in the "stand cost" of his goods, and that he does not pay it in cash to the company, but retains it as reserve (so to speak) that costs him nothing, and that the premium is lessened thereby.

Coverage.-The application names a mercantile agency whose capital and credit ratings exclusively govern shipments made under the policy. The insured is allowed much freedom of choice. Dun and Bradstreet are the regular agencies used, but the ratings of any well-known agency operating in a special field are acceptable, such as the Shoe and Leather Agency, Lyon Furniture Mercantile Agency, Lumbermen's Credit Association, National Lumber Manufacturers Credit Corporation (Red Book), National Jewelers Board of Trade, Iron and Steel Board of Trade, etc.

The ratings are divided by the company into two classes, namely, preferred and inferior. These ratings for Dun and Bradstreet are as follows:
R. G. DUN \& CO.



The table of ratings in the policy specifies in dollars the exact amount of insurance allowed for each designated rating. No loss is covered under a policy unless the debtor to whom the goods were shipped and delivered shall have in the latest published book of the agency selected, at the date of the shipment, a capital and credit rating as given in the table of ratings contained in the policy. If the name of the debtor does not appear in the latest published book, then the latest report of the agency shall govern, if that report has been made within a specified time of the shipment, usually three or four months.

The coverages on the ratings run from $\$ 400$ upward to $\$ 100,000$. The general run of policies have coverages averaging around $\$ 5,000$ for the higher ratings, and from there graduated down to $\$ 400$. The limits of coverage are graduated on a descending scale in accordance with the ratings. In no case must the coverage allowed a rating be higher than the limit allowed to any higher rating. That is, if the limit for the rating of A is $\$ 10,000$, the limit for $B$ can be no higher than $\$ 10,000$.

The companies also have a set of maximum limits for each rating beyond which they will not cover a risk. These are calculated at a conservative percentage of the debtor's lowest capital rating. On capital ratings of $\$ 75,000$ and under, the figure is usually 25 per cent on first grades of credit, and 20 per cent on second grades. These percentages, however, are graduated, decreasing as the capital ratings increase, so that for capital ratings of $\$ 1,000,000$ or over the figure is $\$ 50,000$ on first grade of credit and $\$ 35,000$ on second grade, for the company's loss would be greater if a purchaser of large unit sales went into bankruptcy.

Occasionally policies are written with what are called maximum abnormal limits, and in such cases the percentage of first grades of credit is increased to as much as, but never more than, 40 per cent of the capital rating.

An excess premium is charged for such increased coverage. No abnormal limits are ever issued on second grades of credit. Since the amount of coverage on the ratings is an important factor in the calculation of the premium, the applicant naturally docs not ask for coverage beyond his requirements, so that he usually restricts them to amounts much below the maximum normal limits.

The maximum limits are as follows for the Dun ratings:


Blank 1-not in excess of 70 per cent of highest first single limit used, but not over $\$ 25,000$.
Blank 2-not in excess of 70 per cent of highest second single limit used, but not over $\$ 10,000$.

Coinsurance.-The provision of coinsurance is sound in principle and practice; it is now standard in insurance. Coinsurance is universally understood by insurers as an equitable method by which each policyholder shares a small part of a loss, as an offset generally to the difference between the selling price of goods and the cost price thereof, thus bringing the insurance coverage, on the average, to practically the replacement value of the goods. Coinsurance acts also as an important and wholesome factor in inducing conservatism by the policyholder; its benefits are likewise reflected in the reduced premium charges which could not prevail without it.

All three companies provide for coinsurance of 10 per cent, as a general rule. The new forms of credit policies now being issued make the coinsurance applicable to the net loss, so that 90 per cent of the net loss on the "proferred" rating class is admitted under a policy at the time the company adjusts, thus paying what is, in fact, the actual net loss.

One of the companies has a form of policy by which it figures coinsurance in a somewhat different manner, and outlines that method to the following effect, viz, it provides for deduction of an amount determined by deducting the premium paid from one-fourth the net amount of insolvent accounts ascertained in
the adjustment. This deduction, of course, does not become effective until the net amount of such accounts exceeds the normal loss which the insured agrees to bear, for only then does the insured have a claim against the company. It applies moreover only on the actual net amount insured after dividends on the accounts are received, whether these dividends are received before or after the adjustment is made, and not on the amount insured bcfore dividends are received. This deduction is explained as aimed to protect the company in the event that abnormal insolvencies occur. Morcover, the deduction will increase or decrease as losses decrease or increase beyond an amount equal to four times the premium paid, on which amount there is no deduction for so-called coinsurance. It will tend to discourage, as does the standard coinsurance, credits to debtors to whom the seller would not extend credit if he were not insured. At the same time, it is said not to be so stringent as to provent the soller giving the buyer the benefit of a reasonable doubt when one exists. This company therefore figures coinsurance on the actual loss.

Coinsurance, usually of $33 \frac{1}{3}$ per cent, is required on sales to inferior rated risks. The figure was formerly 25 per cent.

Adjustment of loss.-The actual adjustment of losses is best understood by illustration. Assume X is a manufacturer with gross sales of $\$ 1,000,000$ a year, and ships $\$ 50,000$ worth of merchandise to $Y$ on terms of 2 per cent 30 days. The buyer, Y, is rated AAA1 by Dun, and the policy specifies a maximum single account coverage of $\$ 50,000$ for such a rating. Thrce weeks later a receiver is appointed for Y, which constitutes insolvency as defined in the policy. The 10 per cent coinsurance is figured on the net loss, the net loss payable being ascertained as follows:


The above illustration is where only one loss occurs, and the merchant has received from the debtor $\$ 5,000$ in cash, returned goods of $\$ 2,000$, and there is a value of $\$ 1,000$, the total being $\$ 8,000$, which he has not lost, but which, if he had lost, would have increased the payment to him by the insuring company by $\$ 8,000$. If the policyholder had several more losses under the same policy, he would have been paid additionally the net amounts covered, less 10 per cent coinsurance.

## IV. DEVELOPMENT OF CREDIT INSURANCE.

There are three companies writing credit insurance. The American Credit-Indemnity Co. of New York confines its business exclusively to credit insurance; it was incorporated in New York in 1893. The other two companies are the Ocean Accident \& Guarantee Corporation (Ltd.) and the London Guarantee \& Accident Co. (Ltd.), both of which write multiple linos, such as casualty insurance, etc. They first operated credit insurance departments in the United States in 1895 and 1905, respectively.

Prior to 1898 tho business was experimental, restricted insurance being written at low premium rates. In that year the national bankruptcy act was passed, and policies were broadened greatly so as to cover all forms of insolvency. From time to time they have been further liberalized, as has already been indicated. "Unlimited" policies were introduced in 1916, and a collection service, whereby accounts are placed with the company for collection, has also been inaugurated.

The most outstanding recent development has been the adoption by the throc companies of the manual referred to above. When credit insurance was first written no statistics of a serviceable nature were available. The companies necessarily had to acquire their own experience in order to perfect the insurance, which has taken many years to do. For several years policies were therefore crude and restricted. As experience broadened, statistical compilations of actual happenings began to reveal the averages necessary to afford a sound basis for broad, protective, and highly useful insurance, with premiums closely adjusted to the risk involved.

Prior to the perfection of the manual the underwriting was difficult and was largely a matter of judgment for the individual underwriter. Its adoption has rendered possible the training and development of agents on a large scale, and there has been a gradual increase in the agency force. Corresponding increase in the use of credit insurance is looked for.
The present-day policy of credit insurance plainly sets forth its provisions, so that it
may readily be understood by every merchant and erery banker. For the insured, the chief operative features are but three in number, viz, (1) The "coverage". clause, prescribing the limit of insurance in dollars on each rating; (2) notice to the company of a past due or insolvent account; (3) the method of adjustment. These indicate to the policyholder his method of procedure in all cases.

Present use.-Credit insurance policies are used by manufacturers and jobbers of all sizes, from those doing a business of $\$ 50,000$ a year to those doing upward of $\$ 75,000,000$. In number, the medium-sized houses, who do a business of from $\$ 200,000$ to $\$ 2,000,000$ yearly, constituto the majority of the policy-, holders. Those known as the "millionaire" sales houses, however, form a large and growing part of the business of the companies.

Credit insurance is used in almost all lines of trade. It is porhaps most frequent for lumber, iron and steel, coal, hardware, textiles, paper, advertising apencies, printing and stationery, shoe and clothing manufactures, etc. 1 few lines are considered extra hazardous and are not solicited. This is due to the profits, nature of the merchandise, and type of individuals sometimes found in them. These lines include diamonds and jewelry, furs, scrap iron, patent medicines, and jobbers of woolens. The retail jeweler, e. g., receives the stock of diamonds which he needs to display, on terms averaging about eight months, and if he has not sold them by that time, receives additional time, so that he may even be carried for several years. What insurance is written in such lines is confined to the best firms, and is not written on the regular basis. The amount of such business written has been so small that it affords no reliable actuarial basis upon which to write these lines.

Premiums and losses.-The general growth of crodit insurance during the past 10 years may be observed in the following figures, showing net premiums received annually. The table also gives net annual data for losses paid and expenses incurred in adjustment. Returns for the three companies are consolidated.

Combined Experience of the Three Companifs for Premiums and Losses for Ten Years.

| Year. | Premiums. | Losses. | Per cent. |
| :---: | :---: | :---: | :---: |
| 1912. | \$1,611,352 | \$1, 195, 840 | 74 |
| 1913. | 1,506,827 | 923,293 | 61 |
| 1914. | 1,487,506 | 732,139 | 49 |
| 1915. | 1,395, 713 | 939,765 | 67 |
| 1916. | 1,413,566 | 293,423 | 21 |
| 1917. | 1,665̄,915 | 97,076 | 6 |
| 1918. | 1,850, 703 | 194,182 | 10 |
| 1919. | 2,219,679 | 72,552 | 3 |
| 1920. | 3,695,954 | 637,318 | 17 |
| 1921. | 3,408,161 | 3,100,782 | 89 |

It will be noted that losses differ greatly from yoar to year. They roughly parallel the changes in general business conditions, being at a peak for some years after a crisis. During the years 1912 and 1913 and for 1915 and 1921, the losses were large, but during the years 19161920, inclusive, the reverse was true. In 1921, the year following the crisis, they reached a peak, being greater than in any previous year. The losses are expected gradually to decrease as business recives, but it is believed that it will probably be a year or two before they are back to what is regarded as normal.

Classification of Business Lines.

| Group. | Line |
| :---: | :---: |

[^3]
## Classimication of Businfess Lines-Continued.



Cotton goods (commission).
Cotton goods (jobbers and
Cotton goods (jobbers and importers).
Cotton goods (manufacturers-from raw matorial).
Cotiton warp.
Crates and boxes.
Creamery.
Crockory, glassware, and china (jobbers).
Crockery, glassware, and china (manufacturers).
Crude rubber.
Cuffis, shirts, and collars.
Curled hair, glue, and gelatine.
Cutlery, ammunition, and hardware.
Diamonds.
Doors, blinds, pa aning mills, and sash.
Draperics.
Dresses and skirts.
Drugs and medicinal oils.
Dry goods.
Dry goods (commission).
Djeing (yarns and furs).
IVgg, butter, and cheese.
Electric and gas fixtures.
Lectrical and telephone supplies.
Embroideries and lacos.
Enamel ware and tinware.
Faney groceries, canned goods, and grocors' sundries.
Fathers and flowers.
Feed, hay, grain, and flour (jobbers).
Jiertilizers.
Fish and meats.
Fishing tackle, sporting goods, guns, and hammocks.
Floor coverings and car'pets (manufacturers).
Hloor coverings and carpots (jobbers).
Ilorists and nurserymen.
Flour, feed, hay, and grain (jobbers).
FIour and grist mills.
Flowers and feathers.
Foundry, iron, stcel, heary hardware, and car wheels.
fruits, produce, commission, and provisions.
Furnaces, boilers, stoves, and heating appliances.
Furniture.
liturs.
Fuel, coal, and ice.
Gas and electric fixtures.
Gelatine, glue, and curled hair.
General merchandise.
Glass (manufacturers).
Glassware, china, and crockery (jobbers).
Glassware, china, and crockery (manufacturers).
Gloves and pocketbooks (jobbors).
Gloves and pocketbooks (manafacturers).
Glue, gelatine, and curled hair.
Grain, flour, feed, and hay (jobbers).
Grates and mantels.
Grease, soap, and candles.
Grist and Hour mills.
Groceries.
Grocers' sundries, fancy groceries, and canned goods.
Guns, harnmocks, fishing tackle, and sporting goods.
Hammocks, fishing tackle, sporting goods, and guns.
Hardware, cutlery, and ammunition.
IJardware (heary), cir wheels, foundry, iron, and steol.
Harness and saddiory.
Hats, caps, and straw goods.
Ilay, mrain, flour, and feed (jobbers).
lienting appliances, furnaces, bollers, and stoves.
Teavy hardware, car wheels, foundry, iron, and steel.
Hides and skins.
Hops.
Hosiery, knit goods, and underwear (jobbers).
IIosiery, knit goods, and underwear, manufacturers (solling to jobbers only).
Hosiery, knit goods, and underwear, manufacturers (selling to jobbers and cealers).
Icc, fuel, and coal.
Ink, manufacturers.
Iron, stecl, heavy hardware, car wheels, and foundry.
Jewelry and mounted goods.
Junk and serap iron.
Knit goods, underwear, and hosiery (joblers).
Knit goods, underwear, and hosiery, manufacturers (selling to joblers only).
Knit goods, underwear, and hosiery, manufacturers (selling to jobbers and dealers).
Laces and embroideries.
Ladies' and children's clothing.
Ladr tobacco.
Leather.
Leather belting, machinery, and machine supplies.
Leather noveltios.
Iimpe, plaster, terra cotta, building and roofing materials, sand,
brick, and cement.
Linens and linen importers.
Linoleum (manulacturers).

Ciassification of Business Lines-Continued.
Group.

Iinoleum (jobbers).
Lithographers, advertising, books, printing, and stationery.
Lumber and shingle mills.
Lumber and shingles (wholecalers).
Machine supplies, leather belting, and machinery.
Machinery, maehine supplies, and leather belting.
Malting and malsters.
Mantels and grate
Jeats and Ish.
Heats and fish.
Sedicinal oils and drura
Medicine, patent.
Jen's and boys' clothing.
Men's furnishings.
Metals, copper and brass.
Millincry.
Mineral waters and soft drinks (maninfacturers).
Sineral waters and sofi drinks (jobhers).
Nirrors.
Molasies, sugar, and rice.
Molding and picture frames.
Mounted goods and jewelry.
Musical instruments, organs, and pianos.
Neckwear.
Notions.
Novelties (leather).
Noveltios and toys.
Nurserymen and florists.
Oils (mineral and refined).
Optical goods and surgical inetruments.
Organs, pianos, and musical instruments.
Overalls.
Packing-house products.
Paints, varmish, and vegetable cils.
Pants.
I'aper.
Paper hags.
Patent mediciaes.
Peanuts.
Pianos, musieal insiruments, and organs.
Pickles.
Picture frames and moldings.
Planing mills, sash, doors, and blinds.
Plants and seeds.
Plaster, terra cotta, building and roofing materials, sand, brick, cement, and lime.
Prmbers' supplies and plumbing.
Plash roods, relrots, and silks.
Pocketbooks and gloves (jobtors).
Pocketbooks and gloves (manufacturers)
Printing, stationery, hithographers, adrertising, and books.
Produce, commission, provisions, and fruits.
Provisions, produce, commission, and fruits.
Rrovisions, produce
Rairroad supp
Reibbons.
Rice, inolasses, and sugar.
Roofing and luilding materials, sand, brick, coment, lime, plaster, and terra colta.
Rubber (crude).
Rubber (crude)
Rubber goods
Saddlery and harness.
Sand, brick, cement, lime, plaster, terra cotta, building and
sand,
Sash, doors, blinds, and planing mills.
Scrap iron and junk.
Sceds and plants
Shingle and lumber mills.
Shingles and lumber (wholesalers).
Shirts, collars, and cunfs.
Shirts, collars, and culfs.
Shoes and boots (jobbers).
Shoes and boots (manulacturers).
Shoes (raw).
Silks, velvets, and plush goods.
Silks, velvets, and
Skins and hides.
Skirts and dresses.
Soap, candles, and grease.
Soft drinks and mincral waters (manufacturers).
Solt drinks and mineral waters (jobbers).
Spices, teas, and coffec.
Spices, teas, and conec.
Sporting goods, guns, hammoeks, and ishing taekic.
Stationery, ithographers, advertising, hooks, and prin
Steel, heary h
Store fixtures.
Stoves, heating appliances, furnaces, and boilers.
Stoves, heating appliances, futs
Straw
Sugar, rice, and molasses.
Sugar, rice, and m
Suits and cloaks.
Surgical instruments and optical goods.
Suspenders and webbing.
Tailors' trimmings.
Tanners.
Teas, coffee, and spices.
Telcphone and electrical supplies.

Crassification of Business Lines-Continued.

| Group. | Line. |
| :---: | :---: |
| ]. | Tents and awnings. |
| 2 | Terra cotta, building and roofing materials, sand, brick, cement, lime, and plaster. |
| 4 | Thread. |
| 2 | Tim ware and enamel ware. |
| 4 | Tires (rubber). |
| 4 | Tobacco (leaf). |
| 3 1 | Tobacco and eigars (jobbers and manulacturers). Tool manufacturers. |
| 3 | Toys and noveltics. |
| 4 | Trunks and bags. |
| 1 | Twine and cordage. |
| 4 | Umbrcllas and canes. |
| 1 | Undertakers' sumplies and cofnns. |
| 4 | Underwear, knit goods, and hosiery (jobbers). , |
| 1 | Underwoar, knit goods, and hosiery, manufacturers (solling to jobbers only). |
| 3 | Underwear, knit goods, and hosiery, manafacturers (sclling to jobbers and dealers). |
| 2 | Upholstery and bedding. |
| 2 | Varnish, veretable oils, and paints. |
| 2 | vegetable oils, paints, and varnish. |
| 4 | Velvets, plush goods, and silks. |
| 3 | Veneer. |
| 5 | Vinegar. |
| 2 | Wagons and carriages. |
| 3 | Waists. |
| 3 | Wall paper, window shades, and bronze powder. |
| 2 | Warp (cotton). |
| 3 | Wasteand wool. |
| 4 | Webbing and saspenders. |
| 1 | Willowware and woodenware. |
| 3 | Window shades, bronze powder, and wall paper. |
|  | Wire and woren wire specialties. |
| 1 | Woodenware and willowware. |
|  | Wool and waste. |
| 4 | Woolens (commission). |
| 5 | Woolens (jobbers and importers). |
| 4 | Woolens (manufacturers). |
| 2 | Woolens, manufacturers (for men's wear exclusively). |
| 2 | Woven wire specialties and wire. |
| 2 | Yarns, cotton, or worsted (manufacturers). |
| 4 | Yarns, woolen (manufacturers). |
|  | Yarns (jobbers). |

## GENOA FINANCIAL COMMISSION REPORT.

The following is the complete text of the report of the Financial Commission of the Genoa Conference, of which Sir Robert Horne, the British Chancellor of the Exchequer, was chairman:
A. Resolution adopted by the Financial Commission on April 20, 1922:

That this commission having received the reports of the subcommissions on currency and on exchange, transmits them to the conference and recommends to the conference the following resolutions for adoption:
I. Currency.

Resolution 1. The essential requisite for the economic reconstruction of Europe is the achievement by each country of stability in the value of its currency.

Resolution 2. Banks, and especially banks of issue, should be free from political pressure, and should be conducted solely on lines of prudent finance. In countries where there is no central bank of issue one should be established.

Resolution 3. Measures of currency reform will be facilitated if the practice of continuous cooperation among central banks of issue or banks regulating credit policy in the several countries can be developed. Such cooperation of central banks, not necessarily confined to Europe, would provide opportunities of coordinating their policy without hampering the frecdom of several banks. It is suggested that an early meeting of representatives of central banks should be held with a view to considering how best to give effect to this recommendation.

Resolution 4. It is desirable that all European currencies should be based upon a common standard.
Resolution 5. Gold is the only common standard which all European countries could at present agree to adopt.
Resolution 6. It is in the gencral interest that European Governments should declare now that the establishment of a gold standard is their ultimate object, and should agree on the program by way of which they intend to achieve it.
Resolution 7. So long as there is a deficiency in the annual budget of the State which is met by the creation of fiduciary moncy or bank credits, no currency reform is possible and no approach to the establishment of the gold standard can be made. The most important reform of all must therefore be the balancing of the annual expenditure of the State without the creation of fresh credits unrepresented by new assets. The balancing of the budget requires adequate taxation, but if government expenditure is so high as to drive taxation to a point beyond what can be paid out of the income of the country, the taxation itself may still lead to inflation. The reduction of government expenditure is the true remedy. The balancing of the budget will go fer to remedy an adverse balance of external paymentby reducing internal consumption. But it is recognized that in the cases of some countries the adverse balance is such as to render the attainment of equilibrium in the budget difficult without the assistance in addition of an external loan. Without such a loan that comparative stability in the currency upon which the balancing of the budget by the means indicated above largely depends may be unattainable.
Resolution 8. The next step will be to determine and fix the gold value of the monetary unit. This step can only be taken in each country when the economic circumstances permit; for the country will then have to decide the question whether to adopt the old gold parity or a new parity approximating to the exchange value of the monetary unit at the time.
Resolution 9. These steps might by themselves suffice to establish a gold standard, but its successful maintenance would be materially promoted, not only by the proposed collaboration of central banks, but by an international convention to be adopted at a suitable time. The purpose of the convention would be to centralize and coordinate the demand for gold, and so to avoid those wide fluctuations in the purchasing power of gold which might otherwise result from the simultaneous and competitive efforts of a number of countries to secure metallic reserves. The convention should embody some means of economizing the use of gold by maintaining reserves in the form of foreign balances, such. for example, as the gold-exchange standard or an international clearing system.
Resolution 10. It is not essential that the membership of the international convention contemplated in the preceding resolution should be universal even in Europe; but the wider it is the greater will be the prospect of success.
Nevertheless, if the participating countries and the United States are to use the same monetary standard, no scheme for stabilizing the purchasing power of the monetary unit can be fully effective without coordination of policy between Europe and the United States, whose cooperation, therefore, should be invited.

Resolution 11. It is desirable that the following proposals, to form the basis of the international convention contemplated in Resolution 9, be submitted for the consideration of the meeting of central banks suggested in Resolution 3:

1. The Governments of the participating countries declare that the restoration of a gold standard is their ultimate object, and they agree to carry out, as rapidly as may be in their power, the following program:
(a) In order to gain effective control of its own currency each Government must meet its annual expenditure with out resorting to the creation of fiduciary money or bank credits for the purpose.
(b) The next step will be, as soon as the economic circumstances permit, to determine and fix the gold value of the monetary unit. This will not necessarily be at the former gold power.
(c) The gold value so fixed must then be made effective in a free exchange market.
(d) The maintenance of the currency at its gold value must be assured by the provision of an adequate reserve of approved assets, not necessarily gold.
2. When progress permits, certain of the participating countries will establish a free market in gold and thus become gold centers.
3. A participating country, in addition to any gold reserve held at home, may maintain in any other participating country reserves of approved assets in the form of bank balances, bills, short-term securities, or other suitable liquid resources.
4. The ordinary practice of a participating country will be to buy and sell exchange on other participating countries within a prescribed fraction of parity of exchange for its own currency on demand.
5. The convention will thus be based on a gold exchange standard. The condition of continuing membership will be the maintenance of the national currency unit at the prescribed value. Failure in this respect will entail suspension of the right to hold the rescrve balances of other participating countries.
6. Each country will be responsible for the necessary legislative and other measures required to maintain the international value of its currency at par, and will be left entirely free to devise and apply the means, whether through regulation of credit by central banks or othermise.
7. Credit will be regulated not only with a view to maintaining the currencies at par with one another, but also with a view to preventing undue fluctuations in the purchasing power of gold. It is not contemplated, however, that the discretion of the central banks should be fettered by any definite rules framed for this purpose, but that their collaboration will have been assured in matters outside the province of the participating countries.
Resolution 12. With a vicw to the development of the practice of continuous cooperation among central banks and banks regulating credit policy in the several countries, as recommended in Resolution 3, this conference recommends that the Bank of England be requested to call a meeting of such banks as soon as possible to consider the proposals adopted by the conference and to make recommendations to their respective Governments for the adoption of an international monetary convention.
in. thes flighe of capisal.
Resolution. We have considered what action, if any, could be taken to prevent the llight of capital in order to avoid taxation and we are of the opinion that any proposals to interfere with the freedom of the market for exchange or to violate the secrecy of bankers' relations with their customers are to be condemned. Subject to this proviso, we are of the opinion that the question of measures for international cooperation to prevent tax evasion might be usefully studied in connection with the problem of double taxation, which is now being studied by a committee of experts on behalf of the League of Nations. We therefore suggest that the league should be invited to consider it.

> III. EXCFIANGE.

Resolution 1. All artificial control of operations in exchange, whether by requiring a license for transactions in exchange, or by limiting the rates at which transactions may be effected, or by discriminating between the different purposes for which the exchange may be required, or by preventing free dealings in forward exchange, is futile and mischievous, and should be abolished at the earliest possible date.

Resolution 2. It is desirable that where no adequately organized market in forward exchange exisis such a mar-
ket should be established. It has been suggested that in any country where private enterprise is found to be unable to organize such a market the central bank without itself incurring any uncovered exchange risk should provide facilities. It might, for example, give facilities to approved banks and financial houses to convert spot transactions in foreign exchange into transactions for forward delivery by a system of "contango" or "reports" of foreign exchange, their quotations being for the double transaction of a spot deal one way and a simultaneous deal the other.
The central banks concerned would agree to provide facilities for holding foreign balances (and securities) on deposit on account of other central banks under special guarantee from each bank and from its Government as to the absolute liquidity and freedom of movement of such balances under all conditions and their absolute exemption from taxation, forced loans, and moratorium.

It is recommended that this subject should be considered by the conference of central banks referred to in a previous resolution.
B. Reports of the committee of experts appointed by the currency and exchange subcommissions of the Financial Commission.

## I. culibency.

We have carefully examined the documents referred to us by the currency subcommittee, and in doing so we have surveyed the existing currency situation throughout Europe. Our conclusions follow to a considerable extent those of the experts assembled in London. The interesting suggestions made by the various delegations have also been fully weighed, and we believe that the main points raised by them are covered by our report.
In presenting our report we desire to make the following general observations:
I. We recognize that we have to deal with two different classes of countries:
Class ]. Countries where inflation has taken place, but has already been stopped, and where a certain amount of dellation has already been effected.
Class 2. Countries where inflation is still going on.
In countries of class 2 it is essential, in order to establish a sound currency, that inflation should be stopped, and that they should thus pass orer into class 1. The program specified in resolutions 6 to 8 describes the steps by which this transition should be effected. In some cases it can not be effected without assistance from abroad, including the provision of foreign assistance in the organization of a central bank of issue in certain cases.
II. The question of devaluation is one which must be decided upon by each country according to its riew of its own special requirements. We think it important, however, to draw attention to some of the considerations which will necessarily weigh with any country in coming to a decision on this question. There is a prevalent belief that a return to pre-war gold parity is necessary or desirable for its own sake. There are undoubted adrantages to be obtained by such a return, but we desire to point out that for countries where currency has fallen very far below the pre-war parity, a return to it must involve the social and economic dislocation attendant upon continuing readjustments of money-wages and prices and a continual increase in the burden of internal debt. Regard being had to the very large debts which have been incurred since the armistice by many of the countries concerned, we are inclined to think that a return to the old gold parity involves too heary a strain upon production.

We ropeat that the decision must be left in each case to the country concerned, but we venture to suggest that a considerable service will be rendered both to its own internal economy and to the cause of Luropean recovery by that country which, after reaching comparative stability in its currency at a point so far below the old parity as to make return to it a long and painful process, first decides boldly to set the example of securing immediate stability in terms
of gold by fixing a new gold par at or near the figures at which comparative stability has been attained.
III. Finally, we can not in fairness to the currency subcommittee prosent a series of recommendations designed to secure practical results as if they were immediately attainable without referenco to certain other features of the existing economic and financial position of Europe. The industry of Europe can not hope for a permanent return to prosperity so long as it has to bear either directly in the form of taxation or indirectly in the form of inflation of currencies, the most insidious and objectionable of all forms of taxation, a burden of government expenditure which is beyond its capacity. In this connection we can not do better than refer to the memorial on international finance and currency submitted to the governments of certain countries dated January 16, 1920, which was among the documents laid before the International Financial Conference at Brussels in September, 1920.

The whole of this memorial, though now more than two years old, is as apposite to-day as when it was written, and until the subjects to which it refers, and in particular the problem of intergovernmental indebtedness, have been resolutely tackled there can be no hope of final success in restoring the currencies or the economic welfare of Europe.

Foreign obligations by one country must be balanced by a capacity in other countries to absorb the surplus production with which alone those obligations can be met. If the burden of any country's external obligations is beyond its capacity to pay, and it can not be assisted by foreign loans, the effort to meet those obligations must accordingly result, on the one hand, in dislocation of markets in other countries, and, on the other hand, in a continuous depreciation of the currency of the debtor country, which will entirely prevent it from making any start whatever in the direction of stabilization.
IV. With these proliminary observations, we present the following resolutions, which we suggest as suitable to be recommended by the currency subcommission for adoption by the Governments represented at this conference. It will be observed that the recommendations include a plan for an international monetary convention.
(The resolutions here submitted were those which, with modifications, have been adopted above by the Financial Commission.)

## II. EXCIIANGE.

We present the following resolutions as suitable to be recommended by the exchange subcommission for adoption by the Governments represented at this conierence. Our main recommendation is that there should be complete freodom for exchango dealings. We have not attempted to set out the deep-seated causes of the existing dislocation of the European exchanges. Some of these causes are referred to in the introduction of our report to the currency subcommission. Any attempt at a complete survey would carry us far beyond the proper limits of the presentreport. As with currency, so with exchange, complete restoration depends on the settlement of questions which are not now within our purview.

We considered carefully the amondment proposed by the German delegation with regard to measures for preventing the flight of capital for the purpose of evading taxation. We came to the conclusion that this question could be regarded as falling within the province of the currency subcommission. We have, therefore, reported to the currency subcommission as follows:
Any proposals to interfere with the freedom of the market for exchange or to violate the secrecy of bankers' relations with their customers are, in our opinion, absolutely to be condemnod. Subject to this proviso, we are of opinion that the question of measures for international cooporation to prevent tax evasion might be uselully studied in connection with the problems of double taxation which is now boing studied by a commission of experts on behalf of the League of Nations. We therefore suggest that the League should be invited to consider it.
(The resolutions here submitted were those which, with modifications, have been adopted above by the Financial Commission.)

## Dollar Exchange.

Under the provisions of section 13 of the Federal Reserve Act, which provides that member banks, with the approval of the Federal Reserve Board, may accept drafts for the purpose of furnishing dollar exchange, drawn upon them by banks or bankers located in foreign countries or dependencies or insular possessions of the United States in which it is determined that the usages of trade require such acceptance facilities, the board has designated as such the following countries and insular possessions: Argentina; Australia, Now Zealand, and other Australasian dependencies; Bolivia; Brazil; British Guiana; British Honduras; Chile; Colombia; Costa Rica; Cuba; Dutch East Indies; Dutch Guiana; Ecuador; French Guiana; French West Indies; Guatemala; Honduras; Nicaragua; Panama; Paraguay; Peru; Porto Rico; San Salvador; Santo Domingo; Trinidad; Uruguay; and Venezucla.

Permission granted to a member bank to accept such drafts when drawn by banks or bankers located in any of the foregoing countries entitles it to exercise similar accepting powers with respect to such drafts drawn by banks or bankers located in all countries that have been or may hereafter be designated by the board as countries whose usages of trade require the furnishing of dollar exchange.

## BUSINESS AND FINANCIAL CONDITIONS ABROAD.

The Russian reply to the noto of May 2, whose terms were briefly outlined in the last Bulletin, was delivered on May 11. That document and the report of the financial commission represent the significant contributions of the Genoa Conference and will of necessity become the basis for subsequent discussions. Matters of fundamental social and cconomic importance are brought into the field of controversy by the Russian reply and will have to be considered at the meeting to be held at The Hague during the coming month. The recommendations of the financial commission will likewise afford a basis for later consideration of the strictly financial topics which will come within the purriew of the central banks of issue whose representatives it is proposed to bring together for an international conference.

The position taken by the Russian representatives in their answer to the memorandum of May 2, may be briefly summarized as follows: It is contended that governments which have emerged from a revolution are not bound to respect the obligations of gorernments which have lapsed. To support this contention reference is made to the examples of ropudiation which are afforded by the history of the United States and of France. Consonant with this argument there follows a refusal to recognize responsibility for the annulment of public debts or for losses growing out of confiscation of private property. The statement, however, goes on to say that, excepting war debts, Russia is prepared to assume liability for the payment of public debts on the condition that the losses caused to Russia by intervention and blockade are similarly recognized by the Allies. The intervention and blockade instituted by the Allies are regarded as official acts of war and the document avers that the powers not only took a direct part in the Russian civil war but were its authors. The Russian representatives stated that their Government had been prepared to renounce its counterclaims, however, in return for certain concessions, especially "real" credits to be placed at the disposal of the Government, the precise amount to be determined in advance. However, the complaint is made that the memorandum of May 2 contained nothing defnite in this respect, since evon the credits to be granted to the citizens of the signatory nations prepared to trade with Russia were given a discretionary character. The question of war debts, whose cancellation was conditional upon Russia's resigning her counterclaims, was also left open in the memorandum of May 2,
instead of being fixed in the agreement itself. In consequence of this lack of definite promises, the Russian delegation held that they were roleased from any tentative concessions that their Government had been prepared to make. A particular objection was raised to clause 7 suggesting the appointment of a mixed tribunal to adjust disputed claims for indemnitics growing out of destruction or confiscation of proporty rights of foreigners in Russia. It was held that the establishment of this mixed tribunal would lead inevitably to the intervention of foreigners in the internal affairs of Russia and would be equivalent to suppressing in practice the inviolability of the existing system of property in Russia. Following upon this statement of objections, however, a spirit of conciliation is shown toward the end of the document. It is urged that a mixed committec of experts be appointed to make a "more profound study" of the credits available for Russia and that this committee be nominated by the conference with the date and place to be determined by common agreement.

Pursuant to this proposal contained in the Russian memorandum, and despite certain objections by the Russians to the conditions laid down, representatives of the participating powers other than Germany have agreed to meet at The Hague June 15 and to choose a committec of experts who will attempt to draft a memorandum stating what is to be the attitude taken toward Russia. If this memorandum is approved, a Russian committee of experts will then meet the committee representing the other powers and will proceed to negotiate with them on such topics as Russian credits, debts, and the property of foreigners in Russia. Meantime the powers are to pledge themselves to make no scparate treaties with Russia before October 26 and not to support their citizens in an effort to obtain property rights not belonging to them prior to the establishment of the Sovict régime. In invitation was extended to the Government of the United States to participate in the meeting to be held at The Hague on June 15, but the Government has declined this invitation on the grounds that it appears "to be a continuance, under a different nomenclature, of the Genoa Conference and destined to encounter the same difficulties if the attitude disclosed in the Russian memorandum of May 11 remains unchanged."

Elsowhere in the Bullemin the proposals of the financial commission to the Genoa Conference have been discussed in some detail and need not be repeated here in so far as they
relate to the question of the reestablishment of a gold standard and the means of bringing that about. Mention, however, may be made of the resolutions in regard to the flight of capital and the question of exchange control. In both cases it was hold that any artificial means of control would fail to accomplish their purpose and at the same time be deleterious. In regard to the disposition to transfer capital sums to other countries for the purpose of avoiding taxation, it was held that any attempts to prevent this practice which would interfere with the freedom of the market for exchange or violate the secrecy of bankers' relations with their customers were to be condemned. International cooperation to prevent taxation might better be referred to the experts of the League of Nations for later consideration. It was also strongly urged, as at. Brussels, that artificial control of exchange should be abolished and that where no adequately organized markets in forward exchange existed they should be established as soon as possible. Is at Brussels, it is again stated at Genoa that loans should be made from government to government only in exceptional cases and that in general such financing should be effected through the medium of private capital.

## ENGLAND.

THE NEW BUDGET.
Interest in British financial circles was chiefly focused last month on the details of the budget submitted May 1 to the House of Commons by the Chancellor of the Exchequer, Sir Robert Horne. The principal features of the budget bill as introduced were summarized in these columns a month ago, and need not be repeated here. It seems proper at this time, however, to appraise the financial situation in England as it appears from the Chancellor's estimate for the coming year.

Probably the feature in the new budget that has given rise to the most adverse comment is the decision to defer debt reduction during the coming year, the Government's sinking fund obligations being provided for through borrowings. The question also has been raised in some quarters as to whether all the estimated income is likely to be realized in practice. For instance, $£ 90,000,000$ is set down as the expected amount of miscellaneous revenue, but the public has no moans of knowing the sources from which this item is to be derived. A further criticism which has been heard is to the effect that the item under expenditures for contingencios has been put at a very much lower figure than for last year, namely, $£ 25,000,000$ as against the allowance
of approximately $£ 100,000,000$ which was provided for supplementary estimates in the year just closed. Many observers have felt that to present an almost exactly balanced budget with so small a figure for contingencies is a somewhat hazardous method of governmental finance, to say the least. There is without doubt need for further reduction in public expenditures, more particularly in view of the likelihood of the decline of revenue from the income tax and several other sources.
On the other hand, satisfaction is generally expressed in the reduction of the income tax and the lowering of duties on tea, coffee, and a number of other commodities. It must be remembered that there has been a very insistent popular demand in England for a reduction in taxation, which has been found to be unduly burdensome, so that the present reduction, though not large, is nevertheless welcomed as a step in the direction of relieving industry and trade of one of the obstacles to full recovery. Compared to the countries on the Continent, Great Britain is, without question, in a relatively strong condition. It should be remembered, too, that England has reduced her foreign debt by $£ 274,000,000$ in the past three years. Taking everything into account, therefore, while there may be much to criticize in the new budget, there is also ground for viewing the financial situation with some degree of cheerfulness, because it has been found possible to balance the budget and at the same time reduce taxation. The general view of the British banking community in regard to the budget has been summarized by a writer in the Financial News (London), as follows:
Comparing our finances with those of other European countries, many bankers are disposed to regard the budget statement with a moderate amount of satisfaction. They clearly recognize the necessity of further economies in public expenditure, especially in view of the possibility of declining revenues under certain heads, and though a trade improvement may ofiset this decline to some extent it will also have an adverse effect upon the cost of Government borrowing. There are undoubtedly certain taxes which bankers would be glad to see withdrawn, among which may be mentioned the corporation profits tax, but there is a tendency to share Mr. Asquith's view that the only ground for the remission of taxation-however oppressive and burdensome-is a corresponding excess of estimated revenue over estimated expenditure. Bankers are also relieved to find that the Goverument has not attempted to effect a specious reduction in taxation by capitalizing war pensions, as there is much objection to obtaining relief by relegating burdens to the fature; in fact, their chief criticism is probably directed against the suspension of the sinking funds. The temptation to postpone burdens is natural enough, in existing circumstances, but there are many who believe that in the long run the country's best interests are served by redeeming obligations as quickly as possible.
Nevertheless, on broad grounds, the budget may legitimately be regarded with equanimity. The direct relief to industry by the reduced income-tax and cheaper postal
rates, and, indirectly, by lower duties on tea, coffee, etc., should serve to encourage and give additional impetus to the slight improvements recently noticeable in trading conditions. It has long been realized that progress can only be effected by applying corrective measures at a number of points, and much has alrecidy been done in the form of reduced labor charges, cheaper materials, and lower monetary rates. The lower taxation should prove a further useful contributor, for taxation is a factor in production costs, while its remission will also increase the spending power in the hands of the commuzity, and should also help to restore confidence.

## prices and trade.

In England, as in the United States and most other countries, prices have changed but little in recent months. The comparatively small fluctuations that have been recorded of late are evidence that deflation has about run its courso and that a more stable condition has been reached between prices of the several groups of commodities, especially between raw materials on the one hand, and manufactures on the other. The Federal Reserve Board's wholesale price index for the United Kingdom registered a decline of only 0.5 point in April as compared with March. The Board of Trade figure remained practically unchanged, with a rise of 0.5 per cent in April, and Saucrbeck's index, published in the Statist, also rose slightly. The Economist index, howerer, declined 0.3 per cent. All of these different moasures of wholosale prices in England, although they disagree with one another to some extent, nerertheless serve to emphasize the narrow range within which prices have recently been fluctuating and the relative insignificance of the changes which are taking place at the present time.

Some improvement in business scems to have occurred in England in spite of the lower foreign trade returns for April, and the moro or less unchanged position revealed by recent banking figures. The Easter holidays and the engineering dispute undoubtedly account to some extent for the reduced foreign trade figures, but even after these allowances have been made, the result is somewhat disa pointing. Some ground for encouragement is afforded by the April statements of the London clearing banks, which show a slackening in the continued reduction which took place in their current, deposit, and other accounts during the first three months of the year. Mention may also be made of the statements that have been mado recently by a number of prominent bankers and British Government officials as to the better outlook for trade recovery, but it is clear that the figures so far available do not indicate on their face that a definite turning point has been reached.

FRANCE.

## FRENCH OLAIMS ON RUSSLA.

At the Genoa Conference interest centered very largely in the repudiation of foreign debts of the former Russian Gorernment by the Soviet Government. France pressed her financial claims as recognized by the Cannes agreement, and, especially toward the end of the conference, was actively supported by Belgium. Both countries had large investments in private and government undertakings in Russia before the war and they contend that no new credits can be granted the present Russian Government until obligations now outstanding are recognized. In the following section a résumé is given of the recent history of Russian foreign debts.
On December 31, 1917, the Soviet Government repudiated the foreign-held public debt of the former Russian Government, while by the nationalization of industries it attempted to cancel all other obligations toward foreigners. This position was modified by the treaty of Brest-Litovsk, in which the Sovict Government recognized the Russian public debt held in Germany and Austria as well as the duty of indemnifying Germans and Austrians for expropriated property. As a matter of fact, very few Russians bonds were held in cither of these countries-probably between $1,000,000,000$ and $1,500,000,000$ marks in Germany and a few million crowns in Austria. The greater proportion of Russian obligations was held in allied countries, especially France, Belgium, and England.

Debts of Russia in France arising out of the war consist of advances by the French Government and contractual obligations with private persons. No accurate figures seem to be available for the lattor item. In the Journal Officiel for Jannary 31, 1918, the total debt of the Russian Government to the French Government is given as $4,287,565,717$ francs. Of this sum $3,250,000,000$ francs were treasury bills (bons du Tresor) discounted by the Bank of France. These moneys had been expended for such purposes as the payment of Russian troops, of which there were considerable numbers in France, and for other objects arising from the war. A considerable part had been spent in meeting coupons and amortizements of Russian bonds held in France. Up to January 31, 1918, this item had amounted to about $1,500,000,000$ francs, while about $500,-$ 000,000 francs represented advances by the Bank of France to the Russian State Bank in France. The coupons on the Russian Government bonds were paid by the French Govern-
ment through February, 1918; they were later received in payment of subscriptions for French Government loans and treasury bills (bons), through the issue of national defense bills in October, 1919. This increases the amount due the French Government over the figures given above, so that the total claim as of March 31, 1922, against the Imperial Russian Government is $5,459,000,000$ francs and against "various" succeeding governments is $480,000,000$ francs additional.

The claims of French citizens are of many kinds. They include contractual claims arising out of the war, indemnification for property in Russia owned by individuals or by corporations with French security holders who have been expropriated by the Soviet Government, and obligations of the Russian Government (or guaranteed by it), and of secondary governmental subdivisions, such as municipalities.

It is difficult to discover the value of these claims, or even the exact amount of Russian Government bonds held in France. L'Economiste Européen of August 13, 1920, estimates that of the entire Russian public debt at the outbreak of the war, 48.3 per cent was held outside of Russia and 35.3 per cent was held in France, as against 13 per cent held elsewhere. This would make the total of the Russian Government bonds held in France $8,000,000,000$ francs. This figure is smaller, however, than some other estimates, also of high authority. The secretariat of the League of Nations estimated it at $12,000,000,000$ francs. In the course of the French Senate's session of March 26, 1920, the following figures were given as having been verified by the Ministry of Foreign Affairs:

Franes.
Loans to the Russian Government. ....... 13, 897,000,000 Loans guaranteed by the Russian Govern-
ment. ...................................... $2,037,000,000$ Lroans to Russian municipalities.......... $374,000,000$

To these were added industrial and commercial securities estimated to amount to 1,700,000,000 francs and general claims for goods, business properties, and industrial undertakings computed at 7,000,000,000 francs. Approaching the subject from another angle, Edmond Théry, editor of L'Economiste Européen, quoted above, gives the total of the 47 French issues of Russian Government bonds and railway securities guaranteed by the Russian Government (which owned about two-thirds of the Russian railways) as $15,450,000,000$ francs, with between $1,500,000,000$ and $1,600,000,000$ francs invested in the securities of banks, industries, mines, etc. However, as not all the securities listed on the Paris exchange were
actually held in France, he comes to a conclusion that $12,000,000,000$ francs would be a fair estimate of all sccurities owned by French citizens. This corresponds fairly closely with the estimate of Francois-Marsal, formerly Minister of Finance, who gave the French Senate, on February 10, 1920, an estimate of $12,500,000$,000 (gold) francs for loans either made directly to the Russian Government or guaranteed by it. These guaranteed obligations, frequently mentioned, are the sccurities of railroads acquired from other owners by the Russian Government and included in the Russian state railway system. It may be mentioned in passing that perhaps three-fourths of the entire Russian foreign debt represented expenditures by the Imperial Government in constructing, purchasing, or improving its railways.

At the outbreak of hostilities the Russian Government had considerable deposits in France, out of which it paid the coupons on its bonds until February, 1915. After this, the Russian Government concluded an agreement with the Bank of France providing for meeting its coupons to October 4, 1915. An agreement between the French and Russian Governments on this date was signed, under which the French Government undertook to advance the sums necessary for meeting coupons and amortizements for the ensuing 12 months. The agreement was not renewed or extended, but the French Government continued interest payments until February, 1918. As already stated, the Russian Government announced its repudiation of the foreign debt under the date of December 31, 1917, and made the peace of Brest-Litorsk in February, 1918. Therefore the French Government suspended payment, although the British Government continued payments on Russian coupons through March 31, 1918, one month longer.

This suspension gave rise to protests from the very numerous French holders of Russian bonds. The tense European situation which developed through the years immediately preceding the war had caused many French investors to place their money in Russian issues, in part at least, from patriotic reasons. It was doubtless recognition of this fact that caused the Fronch Government to promise that although payment on the Russian coupons had ceased, their holders were entitled to special consideration.

When, therefore, the French Liberty loan was floated in September, 1918, it carried a provision that coupons due or to become due in that year would be accepted up to 50 per cent of the individual subscription. The provision met general approval, claborate measures being taken to prevent speculation as a result
of this advantage. Coupons to the value of $263,700,000$ francs were received in subscriptions to this issue. After this the coupons were regularly accepted by the French Government on subscription, down through the issue of national defonse bonds of October, 1919.

When the 1920 loan was brought out, it contained no provision for accepting the Russian coupons--a fact that caused lively protests in the French Senate, showing that a considerable proportion of the French public had come to believe that the French Government had definite responsibilities toward these bonds. Beyond general assurances, however, the Government was not prepared to go.

The attitude of the Russian Government is, and has been, very indefinite. On December 31, 1917, the entire foreign debt was canceled; two months later it was recognized as regards German and Austrian holders. These totals, as stated above, were very small. It is true that in accepting the invitation to the Genoa Conference the Russian Government "recognized" its pre-war debts, but its definite action in regard to them is as yet unsettled. By the recently concluded treaty of Rapallo, Germany provisionally relinquished her claims. The latest Russian communications seem to draw a distinction between claims arising out of possession of bonds of the Imperial Russian Government and those arising from title or securities representing title to commercial and industrial properties in Russia, looking with somewhat more favor on the former. A recent statement from M. Tchitcherin, the Russian foreign minister, also emphasizies the fact that the Russian Government wishes especially to compensate small shareholders of the Russian debt. It is reported that at Genoa French claims for property alone amounted to about $\$ 3,000,000,000$.

The interests of Belgium in Russia seem to be largely industrial and commercial, and as France and Belgium have made a common case at Genoa, it is appropriate to make a brief mention of them. In a cable dispatch of May 9, M. Jaspar, the Belgian Foreign Minister, was quoted as saying, "Belgium "nvested 2,500,000,000 francs, gold, in Russion industry and possessed 361 factories, including blast furnaces, glass factories, electric street railways, cloth mills, waterworks, and clectric-light plants. We used to produce in Russia before the war 42 per cent of the foundry output of the entire country, 48 per cent of the steel rails, 75 per cent of the chemical products, 50 per cent of the glass tableware, and 30 per cent of the window glass."

## THE CONDITION OF THE BANK OF FRANCE.

The fiscal situation of the French Government has not improved in recent months. The floating debt was increased in March by the sale of national defense bills to the amount of $746,706,000$ francs, as compared with 305,000,000 francs sold in February, and Government borrowings from the Bank of France have increased by $1,250,000,000$ francs since March 17. Advances from the bank to the Government amounted to $21,200,000,000$ francs on that date, while on May 26 they had risen to $22,450,000,000$ francs. It is interesting to note in this connection that the item in the statement of the Bank of France which reads "Bonds of the French treasurer discounted for the purpose of advances of the State to foreign Governments" has been increasing rather more rapidly in the last few months than it had in the last months of 1921. This item first appeared in the French bank statement at the beginning of the war, when the French Government made advances to the Allies for the purposes of the war. At the end of 1918 it amounted to $3,520,000,000$ francs. By the end of 1921 it had increased to $4,142,000,000$ francs, and in the first five months of 1922 it had increased by $82,000,000$ franes, so that it now stands at $4,224,000,000$ trancs. Nong with the increase in the advances of the Bank of France to the State there has gone a similar but smaller increase in the note circulation of the bank. The low point in the rolume of bank notes outstanding was reached on March 24, when the issue stood at $35,282,000,000$ francs, while on May 26 it had risen again to $35,674,179,970$ francs.

## wholesale and remail phices.

Thore has been relatively little change in French wholosale prices in the last two months, oxcept in the case of a fow articles of food. The all-commodities index of the French General Statistical Office showed an increase of 7 points, or about 2 per cent, during April, but this rise was brought about almost entirely by higher food prices, and some prices, particularly in the mineral and metal industries, actually declined during April.
Cabled reports from Paris have indicated that considerable popular feeling has been aroused over recent advances in food prices. A dispatch to the New York Times, under date of May 20, 1922, stated that when the bakers of Paris decided to advance the price of bread, due to the adyance in wheat and flour, the prefect intervened. The bakers then threat-
ened to strike, whereupon the authorities announced that if the strike occurred they would requisition the bakeries. Feeling over the advances in certain meat prices is accentuated by the popular impression that this advance has been made possible by the exclusion of foreign meat under quarantine regulations alleged to have been arbitrarily invoked.

The accompanying table, compiled from a variety of sources, does not show extraordinary recont advances. The prices given are wholesale, except bread. However, their significance is borne out by the fact that in spite of recent fluctuations the official index figure of retail food prices for Paris is still lower than it was six months or a year ago.

Food Prices in France.


ITALY.

## LIQUIDATION OF banca di sconto.

The settlement plan which the receivers of the Banca di Sconto drafted early in March has now been approved by the Rome court in its essential parts and has become effective. The plan provides for the liquidation of the Banca di Sconto and for the creation of a new credit institution in its place, under the name of the Banca Nazionale di Credito. The latter organization is to be capitalized at $250,000,000$ lire, divided in shares of 500 lire each, all of which are to be remitted to creditors of the Banca di Sconto in partial settlement of their claims. The capital may be further increased in the course of the year 1922 by an additional
$150,000,000$ lire, if the board of directors of the new bank decides that this is desirable. In that case, option for the corresponding shares will be given to sharcholders of the Banca Nazionale di Credito (former creditors of the Banca di Sconto) and to former shareholders of the Banca di Sconto. The option will not apply to the portion of the $150,000,000$ lire which may be subscribed in foreign countries; such portion, however, is not to excced 50,000 ,000 lire. Under all circumstances a majority of three-fifths of the membership of the new bank is assured to creditors of the Banca di Sconto until the time when the liquidation of the bank is completed.

Creditors of the Banca di Sconto whose claims amount to less than 5,000 lire are to receive in cash in the course of this year 67 per cent of their credits, payable in two installments. Those having credits of 5,000 lire or more are to receive 55 por cent in cash, payable in several installments until March 31, 1924, and an additional 7 per cent in shares of the new Banca Nazionale di Credito. The balance of the debts of the bank are to be covered by special "recovery bonds," which entitle bearers to a share in the assets of the Banca di Sconto as they are realized. Howercr, in the case of creditors whose claims amount to 5,000 lire or more 2 por cent of their total claims will be deducted from the payments effected in redemption of the "recovery bonds," and this will constitute the reserve of the new bank.

These provisions do not apply to creditors of branches of the Banca di Sconto in foreign countries, whose claims are to be adjusted "in accordance with the respective forcign laws, wherever this may be required to assure a continuation of the operations of such branches."

While the document contains no explicit statement as to guaranties of cash payments to creditors by the banks of issuc or by any other institutions, and, in general, does not specify in what manner the payment of installments on the fixed dates is assured, there is mention of "institutions which will advance the required amounts," and which are to have the first claim to all assets of the Banca di Sconto. This, it is generally understood, refers to the so-called Consortium for Subventions on Industrial and Commercial Securities. This consortium was formed in 1915 by representatives of the three banks of issue and a few other credit institutions and was given the privilege of rediscounting commercial paper at the banks of issue at a rate 1.5 per cent below the official discount rate; the bank-note circulation corresponding to such rediscounts was exempted from the tax applying to general commercial circulation above the legal limit. During the first years of its existence the operations of the
consortium were confined within very narrow limits. They greatly expanded, however, in 1920 and 1921, when the business crisis brought about an increased demand for credit accommodations. The consortium has played an especially conspicuous part as the medium through which advances of the banks of issue have been made available for industries endangered by the collapse of the Banca di Sconto. In anticipation of its functioning in the same capacity in connection with the advance of funds required for cash payments to creditors of the Banca di Siconto and for the constitution of the capital stock of the new bank, a decrec was published almost simultaneously with the publication of the Banca di Sconto settlement plan providing for an extension of the activities of the consortium for two years (i. e., until the end of 1925) and for an increase in the scope of its operations.

In view of the fact that the consortium will play an important part in the settlement of the obligations of the Banca di Sconto, the banks of issue are given a large measure of control over the operations connected with the liquidation of that bank. Although the Banca Nazionale di Credito is named as the agency which is to be in charge of the liquidation and is given vast powers in that connection, it is provided at the same time that a special committee of shareholders, appointed by the directors of the three banks of issue, shall function as the representative body of all Banca di Sconto creditors, now become shareholders of the new bank, until the time when the cash payments to creditors are completed and the debts arising oa that account shall have been paid off; it is this committee that will presumably have charge of working out the by-laws of the new bank and of appointing its first board of directors.

In the final report of the receivers of the Banca di Sconto the assets of the bank are estimated at $4,929,000,000$ lire ( $1,209,000,000$ lire being allowed for losses and depreciation), and its liabilities at $5,917,000,000$ lire, with a deficit of about $1,000,000,000$ lire. Of the assets, over $3,000,000,000$ lire are industrial investments, whose eventual realization depends upon general business conditions.

## INVESTMENT SITUATION.

The downward movement of stock prices which started in the autumn of 1921 has continued in the first months of this year, as may be seen from Prof. Bachi's index numbers of monthly settlement quotations of shares of 132 joint-stock companies with an aggregate capital of $6,905,000,000$ lire at the end of 1921 . The index number for January was 96.61 , for

February 94.10, for March 88.12, and for April 88.43, quotations on December 31, 1921, being taken as a basis of 100 . The collapse of the Banca di Sconto and the restriction of stock exchange transactions to cash operations when added to the general industrial depression resulted in almost completely paralyzing speculative activities in dividend-bearing securities. On the other hand, there has been an increasing demand for Government securities of all descriptions, although the movement of quotations has been subject to considerable fluctuations as far as funded debt obligations are concerned. This has been due to the succession of contradictory reports with reference to the Government's intentions in regard to the enforcement of compulsory registration or special taxation of bearer bonds, but has not affected short-term treasury bills or treasury bonds of short maturities, since these are explicitly exempted from compulsory registration. Short-term bills, running for one year or less, have maintained their position as the most favored form of investment.
The market situation has thus been favorable for a reduction of the interest rates on these obligations. The rates, which ranged from 5 to 6 per cent in February, have been gradually reduced and ranged in April from 4.50 to 5.25 per cent. During the same time the price of issue of 3-year treasury bonds has been gradually advanced from 97.75 to 99.25 , and that of 5 -year bonds from 95.50 to 98.75 .
Measures have likewise been taken to put a check to the expansion of the circulation of short-term treasury bills, of which nearly $25,000,000,000$ lire were outstanding at the end of 1921 . The maximum amount to be issued in any one month was limited to $350,000,000$ lire, beginning with March.
By these provisions the ground has been prepared for the conversion of a portion of the floating debt into obligations of longer maturities, presumably into 7 -year bonds. A second issue of 7 -year 5 per cent treasury bonds was offered for subscription last April at the price of 95.75 , plus the accrued interest from February 15 to the date of sale. (The first issue was floated a year ago at 91.50 , plus accrued interest.) The premium feature of last year's issue has been maintained this year, a total of $2,545,000$ lire being paid annually in 1,200 premiums, ranging from 1,000 to $1,000,000$ lire, by lottery drawings which will take place twice a year. The flotation of the new bonds appears to have been effected with great success, and a third issue is now under consideration, which will be designed, in particular, for the conversion of short-term treasury bills and 3 and 5 year treasury bonds. A bill authorizing
such conversions has been introduced by the Government.

## GERMANY.

## THE REPARATIONS SITUATLON.

On May 15 Germany met the cash payment of $50,000,000$ gold marks required of her under the terms of the memorandum delivered to the German Government by the Reparations Commission on March 22, and on May 30 she yielded to the general demands of the Reparations Commission as to the reform of her finances, on the condition that she receive an international loan to the amount of cash reparations payments.

It will be remembered that the note sent by the Reparations Commission to Germany in March made the following demands: That Government subsidies should be abolished in Germany; that inflation should cease; that taxation should be increased by $60,000,000,000$ paper marks a year; that the deficit in the current budget should be met by long-term loans; that the practice of discounting treasury bills with the Reichsbank be discontinued; that the autonomy of the Reichsbank be established, and that plans should be submitted for the supervision of German Government finances by a subcommittee of the Reparations Commission. The German Chancellor replied to this note, stating that most of its conditions could be met, but that actual supervision of German finances by the Allies was impossible, and that a further increase in taxation could not be effected before May 31 (as the March 21 note required). Ho stated, however, that before that date Germany would submit to the commission a plan for covering governmental expenditures without further inflation.

On May 15 the German Finance Minister took proposals of his Government for fiscal and currency reform to Paris, where he held unofficial conlerences with the members of the Reparations Commission. The members of the commission took the position that the plan proposed was unsatisfactory in that it did not provide for sufficient increases in taxation or for the supervision of finances which the commission considered essential. The proposals were then sent back to Berlin for revision.

Meanwhile the financial subcommittee appointed by the Reparations Commission for the purpose of considering an intcrnational loan for Germany met in Paris on May 24. This committee is made up of financial experts from the United Kingdom, France, Belgium, Italy, Japan, Holland, Germany, and the United States, under the chairmanship of M. Delacroix, president of the Belgian State Bank. As the issuing of an international loan for Ger-
many would involve the release by the Reparations Commission of certain assets upon which it now holds a lien under the Versailles Treaty, is well as the stabilizing of German internal finances, the financial committee was obliged to review the whole reparations problem. On May 26 the committec came to the decision that further consideration of a loan to Germany was impossible until Germany accepted in full the demands of Reparations Commission. The necessity for the cessation of inflation in Germany was particularly emphasized. The German note of May 30 secms to meet these demands in that it promises to stabilize the Government's floating debt at its March 31, 1922, figure, provided that an international loan is floated before the next reparations payment is due. It also promises to provide facilities for the supervision of German finances by the Reparations Commission, provided that neither the sovereignty of the German State nor the private affairs of German taxpayers are interfered with. No decision has as yet been reached by the financial subcommittee as to the international loan for Germany.

## THE AOTONOMY OF TTIE REIOHSBANK.

In connection with the fulfillment of the demands presented to the German Government by the Reparations Commission on March 22, a bill was introduced in the Reichstag on April 5 inaugurating certain reforms in the regulations which govern that institution. The bill passed its third reading on May 20 and was then made law. This new statute changes certain paragraphs in the bank act of March 14, 1875, which relate to the administration of the Reichsbank and its right of note issue. Important changes were made in paragraph 27 of the act and it now reads "the president of the bank and the members of the directorium are appointed by the President of the Empire for life. * * * The president is appointed from a list of three names which is made up by a committoe consisting of nine members, three of whom are elected by the Federal Council (Reichsrat), three by the Federal Economic Ministry (Reichswirtschaftsrat), and three by the central committee of the bank." Paragraph 25 , which deals with the election of the curatorium, has been changed so as to read:

[^4]Chancellor. The Chancellor is bound to convoke the curatorium at the request of one of the vice chairmen or of three other members of the curatorium.

The president and the members of the Reichsbank directorium are bound to appoar at the mectings of the curatorium if they are so requested and to report on the condition of the bank. The directorium is responsible to the curatorium for all bank operations.

Paragraph 31 provides for the election of the contral committee of the Reichsbank. This committee represents the interests of the shareholders and the Government in the administration of the bank. It consists of 20 members and an equal number of alternates. Ten members and alternates are elected from those shareholders who own at least 9,000 marks' worth of stock; the rest include at least four representatives of the employees of banks, industry, and commerce, and at least one representative of savings banks, cooperatives, and trade.

The most important change which has been made in the Reichsbank law occurs in paragraph 26 which deals with the right of note issue and which now reads: "The principles regarding the right of note issue are established by the Reichsbank directorium after consultation with the Federal Economic Ministry." This law makes the Reichsbank in large measure independent of the supervision of the Government and places the power of note issue entirely in the hands of the bank directorium. What practical consequences it will have at the present time will depend largely upon the appointments to the newly established boards.

TYFLATION AND WIOLESALE PRICES.
While this law in regard to the control of the Reichsbauk has been proceeding through its three readings in the Reichstag, the amount of treasury bills held by the bank and the rolume of its notes in circulation has greatly increased. -The greatest inflation took plece in the weeks ending April 29 and May 31,when about 8,000 ,000,000 marks worth of new notes were issued. It should be observed, however, that in the week ending April 22 both the amount of the discounted treasury bills held by the Reichsbank and the amount of the Reichsbank notes in circulation had declined. The following table sets forth the status of the Reichsbank treasury bill holdings and note circulation in April and May.


Since the boginning of 1922 various factors have operated to increase prices in Germany. The excited buying of both Germans and foreigners in the last weeks of November and early December, 1921, largely depleted stocks, and the continued issue of paper money by the Reichsbank increased prices, not only because it depreciatcd the value of the paper currency by increasing its volume, but because it stimulated the demand for goods. People in Germany have come to feel that it is much better to possess goods than paper money and their purchases. have increased accordingly. Although the percentage increase that has taken place in German prices in the first months of 1922 has been excessive, it has not been sufficient to bring the general level of German prices up to the level of prices in the United States.

The following table sets forth the group index numbers of the Frankfurter Zeitung for foods, textiles, and motals and metal products in terms of marks and as reduced to a gold basis by multiplying them by the percentage of par of mark quotations in Now York. Similar group index numbers for the United States, as compiled by the Bureau of Labor Statistics, have been included for purposes of comparison. This table shows that German metal prices are nearer the world level than those for any other group of commodities, and that textile prices, although further from the world level than the metal group, are still much nearer it than are food pricos. In the latter case there is a difference of almost 40 per cent between Germany's external or gold prices and United States prices. In general the Frankfurtor Zeitung index shows that German prices in terms of gold are still well below prices in the United States, as the April, 1922, index in torms of gold registers 95 as compared with 100 in 1913, while the American index is 152 on the same basis.

| Prices mn Germany and refe Unitep Stapes. |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |
|  | 1,038 | 8977 | 253 | 4,080 | 301 | 350 |
|  | 1,161 |  | 141 | 2,080 | 137 | 183 |
|  | 3, 159 | 52 | 142 | 6,427 | 106 | 185 |
|  | 3,551 | 77 | 134 | 6,827 | 149 | 183 |
|  | 4,712 | 95 | 138 | 7,200 | 145 | 183 |
|  | $\begin{aligned} & 5,794 \\ & 3,829 \end{aligned}$ | 87 | 138 | 9, 147 | 137 | 182 |
|  |  | 85 |  | 10,053 , 145 |  | 181 |
|  | Metals and metal products. |  |  | All commodities. |  |  |
|  | German internal prices. | Ger- <br> man prices in terms of gold. | United States internal prices. | German internal pricos. ${ }^{1}$ | Ger- <br> man prices in terms of gold. | Vnited Statos intemal prices. ${ }^{2}$ |
| January, 1920....... | 2, 245 | 193 | 175 | 1,472! 127 |  | 248 |
| April, 1921. | 1,734 | 114 | 138 | 1, 183 - 98 |  | 104 |
| November, 192 |  | 93 | 119 |  |  | 149 |
| January, 1922. | $\begin{aligned} & 5,085 \\ & 4,520 \end{aligned}$ | 99 | 117 | 3,985 | 83 | 148 |
| February, 1922. | $\begin{aligned} & 5,650 \\ & 7,028 \end{aligned}$ | 114 | 11.5 | 4, 876 | 98 | 151 |
| larch, 1922. |  | 105 | 1.14 | (i, 101 | 92 | 152 |
| April, 1922. | 7,709 | 112 | 117 | 6, 373 | 95 | 152 |

1 Index number of the Frankfurter Zeltung (77 commodities). The Index for the first of the month is here applied to the month just preeding.
2 Index number of the Burean of Labor (325 commodities).
The Frankfurter Zeitung has added a new group to its wholesale price index number, thus making the total number of commodities included 98. It still continues, however, to publish the 77 -commodity index, as the larger index is available for relatively few dates. The added group represents finished industrial products (Industrielle Endprodukte), and the May 1 index is 4,054 , as compared with 100 in 1914. In other words, it falls below the groups of the original indexes. Therefore, when this fifth index is combined with the four groups of the original index, a slightly lower allcommodities figure is reached. The 77-commodity index registers 6,572 on May 1, while the 98 -commodity index stands at 6,201 on that date. In order to show more clearly the course of the wholesale prices in Germany in the last few months, the following table has been compiled showing prices in marks of various important commodities in German markets.

German Commodity Prices.
[In marks.]

| Commodity. | Unit. Pre- | $\begin{aligned} & \text { Jan. } 2, \\ & 1920 . \end{aligned}$ | $\begin{aligned} & \text { Janl. } 2, \\ & 1921 . \end{aligned}$ | $\begin{aligned} & \text { Jan. } 2, \\ & 1922 . \end{aligned}$ | $\begin{aligned} & \text { Iay } 1, \end{aligned}$ |
| :---: | :---: | :---: | :---: | :---: | :---: |
| Pig iron. | $\text { Ton.....75. } 50 \text { (1,324. } 00 \text { 1,660. } 00\|3,326.00\|-78.70$ |  |  |  |  |
| Rolled blocks | $\ldots 20 \ldots .87 .50,1,465.00{ }^{1} 1,895.00 \mid 4,130.00$; 60.00 |  |  |  |  |
| (sucer). Copper. |  |  |  |  |  |
| Tin | .do... 3.03 ; 64.00: 60.00 136.50: 191.00 |  |  |  |  |
| Zinc |  | 8.70 | 6.35 | 21.00 | 31.25 |
| Lead |  | 8.95 | 5.75 | 20.12 | 29.25 |
| Whea | . $100 \mathrm{ki} \mathrm{TOS}^{21.50}$ | 64.00 | 1.78 .00 | 758.00 | 707.00 |
| Rye. | ..do.... 18.20 | 91.50 | 150.00 | 603.00 | 527.50 |
| Rice | 1 kilo-.. 26 | 13. 80 | 6.25 | 11.50 | 18.00 |
| Raw cotton |  | 68.75 | 29.00 | 85.40 | 127.40 |
| Cotton yarn, 36 's | ...do... 2.02 | 94.00 | 69.00 | 160.00 | $25 \overline{5.00}$ |
| Silk yarı, 20/22 | …do.... ${ }^{46.00}$ if, 500.00 :1,050.00 |  |  | $6,000.006690000$ |  |
| Rubber. | $. . d o . . .$. 5.40 <br> $\ldots . d o . .$. 2.80 | 59.8082.50 | 25.85 | 88.00 | 114.00 |
| Leather, sole |  |  | 70.00 | 120.00 | 165.00 |
| Wool, south German. | ...do.................... |  | 92,50 | 225. 00 | 350.00 |
|  | FOREIG | TRA |  |  |  |

In March German foreign trade began to show the effects of the recent increases in prices, and although the value of exports was much greater in that month than in the month previous, it fell below the value of imports by $1,600,000,000$ paper marks. This is the first time that German foreign trade has shown an import surplus since November, 1921, when the mark reached its present low level. The following table summarizes the movement of German trade since May, 1921:
[000 Omitted.]


SWEDEN.

## OPERATIONS OF THE RIKSBANK.

Throughout the greater part of 1921 the monthly balance sheet totals of the Riksbank of Sweden showed steady recessions from the high-water mark reached in the middle of 1920. At the end of the year the downward trend was reversed, and the improvement
reflected in the bank statements has been fairly well sustained during the first quarter of the present year.
By far the largest liability of the Riksbank is the note circulation, and the contraction in this item is an important element affecting the balance-sheet position. The highest point in note expansion was reached on December 21, 1918, when the volume of notes stood at 821,600,000 kronor, an increase of 244 per cent as compared with the notes outstanding in the middle of 1914. At the end of December, 1921, the note circulation had declined to $628,000,000$ kronor, or about 163 per cent of the June, 1914, figure. Nlthough 1918 witnessed the peak of note circulation, the average for that year was more than $50,000,000$ kronor lower than in the two following years.

The ratio of gold reserves to bank note circulation showed a significant increase in 1921, although, as a subsequent table will indicate, it did not attain the pre-war level. The annual increment in the metallic reserves, excluding silver, amounted before the war to about 6 per cent, but as a result of the heavy payments made by belligerents to Sweden for commodities during the war the gold holdings were very largely expanded. In 1916 the gold stocks increased no less than 47 per cent as compared with the preceding year, producing an unprecedented situation in Swedish finance which was met by parliamentary action suspending the gold-purchasing obligation of the Riksbank. It the same time, however, the extraordinary growth in the note circulation necessitated a still greater enlargement of the gold stocks to keep the resorve against notes unimpared, so that the gold holdings continued to increase, reaching $301,000,000$ kronor on August 2, 1919, the highest figure in the history of the Riksbank. At the beginning of 1920 a decline set in, bringing the the gold stocks down to the low level of $261,000,000$ kronor, a figure which was maintained throughout the spring and summer. This was followed by a moderate incroase in gold holdings in the latter part of 1920, the amount then remaining practically constant at 281,000,000 kronor during the first half of 1921. The decline in the note circulation and the comparatively high and unchanged position of gold holdings during a large part of 1921 brought the reserve ratio to its highest point since 1917. This is apparent in the table below:

| Average | Annual Gold H tion of the Rik <br> IIn thousan | OLDINGS: SBANK, ds of kronor | nd Note 913-1921. | Circula- |
| :---: | :---: | :---: | :---: | :---: |
|  |  | $\begin{aligned} & \text { Gold coin } \\ & \text { and } \\ & \text { bullion. } \end{aligned}$ | Note circulation. | Ratio of gold holdings to notes. |
| 1913 |  | 102,404 | 209,924 | 48.8 |
| 1914 |  | 104, 158 | 243, 299 | 42.8 |
| 1915. |  | 11.3, 197 | 281,787 | 40.2 |
| 1916. |  | 165, 479 | 333, 862 | 49.6 |
| 1917 |  | 205, 305 | 450,952 | 45.5 |
| 1918. |  | 259,783 | 651,220 | 39.9 |
| 1919. |  | 291, 109 | 708, 206 | 41.1 |
| 1920 |  | 268, 925 | 710,710 | 37.8 |
| 1921. | . . . . | 280, 209 | 640,615 | 43.7 |

Corresponding to the deposit accounts in the balance shoots of American ," banking institutions is the item called "giro" accounts in the statement of the Riksbank. These differ from ordinary deposit accounts in that they are not derived from the public but represent the accounts of Government departments and the balances maintained by commercial banks for the purposes of clearing. The lattor element averages annually less than 10 per cent of the total giro accounts, thus showing the preponderance of State funds in the deposit category. The relatively small volume of funds of private banking enterprise is attributable to the nonpayment of interest on such accounts. A considerable expansion has occurred in recent yoars in the giro deposits. The average yearly deposits in 1913 amounted only to $59,000,000$ kronor, as compared with an average of $226,000,000$ kronor in 1920 and 193,000,000 kronor in the past year. An interesting fact to observe in connection with the deposits of the Riksbank is the very rapid rate of turnover. In 1921, checks drawn represented $13,311,000,000$ kronor. Comparing this with the volume of demand deposits, namely, $193,000,000$ kronor, it is evident that the deposits of the Riksbank were checked out no less than sixty-nine times during the year. This rate of turnover is almost eight times more rapid than in the case of the deposits of the private banks.
Turning to the other side of the balance sheet and examining the distribution of the assets, it is seen that tho earning item of greatest importance is domestic bills of exchange. These, at the close of the year 1921, amounted to nearly 50 per cent of the total assets of the Riksbank, while less than 20 per cent of the assets of the private banks were invested in this type of paper. Lombard loans, that is to
say, loans against securities of various kinds, were only about 4 per cent of the assets of the Riksbank. On the other hand, the commercial banks held 40 per cent of their assets in this form. Advances on current account and overdrafts at the Riksbank are relatively insignificant as compared with the total assets, amounting to less than 1 per cent. This element, however, in the case of the private banks is of considerable importance and at the end of 1921 formed one-fifth of their total resources. It is thus evident that the investments of the Riksbank are of a more liquid character than those of private banking institutions and that its available funds are obtained from widely different sources.

Not only did borrowing from the central bank show increased activity in 1920 and 1921 as compared to previous years, but the relationship between the Riksbank's aggregate loans. and the outstanding note circulation alsogreatly improved. This would appear to indicate that loans are fast assuming their pre-war importance in its operations. With the exception of the years 1911 and 1912, when loans reached a vory low level, reflecting the abundance of funds in the capital market, the average annual aggregate loans of the Riksbank during the 10 -year pre-war period either exceeded or approximated very closely the note circulation. During the first years of the war, however, conditions were reversed and the shrinkage in loans, coincident with the rise in note circulation, seriously reduced the ratio between these two elements. From a reference to the table below it will be seen that the loans of the Riksbank dwindled in 1916 to the low level of $74,000,000$ kronor, an occurrence which nearly put the central bank out of touch with the money market. In the two following years loans increased considerably in absolute figures, but in relation to the rise in prices and the note circulation the level reached was still strikingly low. In 1920 and 1921, however, the wide divergence previously existing between the notes outstanding and the total volume of loans was very much lessened, as is indicated in the subjoined exhibit.

Average Annual Aggregate Loans of the Riksbank Compared with the Note Circulation, 1904-1921.

| Year. | Amount of loans. | Ratio of loans to notes ontstanding. | Year. | Amount of loans. | Ratio of loans to notes outstanding. |
| :---: | :---: | :---: | :---: | :---: | :---: |
| 1904 | Kronor. 158, 467, 800 | 104.2 | 1913. | Kronor. $139,396,400$ | 66.4 |
| 1905. | 155, 265, 800 | 98.8 i | 1914. | 138,518,400 | 56.9 |
| 1906. | 163, 452,300 | 95.5 | 1915. | 124, 352, 700 | 44.1 |
| 1907. | 188, 604,400 | 103.4 | 1916. | 74, 804, 600 | 22.4 |
| 1908. | 214, 820,900 | 120.1 : | 1917. | 188,209, 800 | 35.1 |
| 1909. | 164, 900, 700 | 92.0 | 1918. | 280, 158, 700 | 43.0 |
| 1910. | 150, 295,400 | 82.0 | 1919. | 383, 499, 200 | 54.2 |
| 1911. | 119, 136,900 | 61.9 | 1920 | 604, 350,200 | 85.0 |
| 1912. | 117, 932,900 | 88.3 | 1921 | 481, 443, 400 | 75.2 |

By far the greater part of the loans of the Riksbank are extended to the commercial banks in the form of rediscounts of inland bills of exchange and, to a smaller extent, advances against bond securities. The bank transacts loans directly with the public in a limited way, but this phase of its business has declined more than one-half within the last three years, and in 1921 averaged only about 13 per cent of the total aggregate advances.
The second important function of the Riksbank is the purchase and sale of foreign exchange, and in this field of finance its activites declined in 1921 to the lowest level since 1914, accounted for largely by the collapse of Sweden's export markets. The average annual foreign exchange holdings of the Riksbank in the pre-war period 1905-1909 were maintained at a fairly uniform level of about $40,000,000$ kronor. In 1911 and 1912, when domestic loans were at their low ebb, a decided impetus was given to the foreign exchange operations of the bank, a situation brought about by the change in the status of the balance of trade. The favorable conditions in foreign commerce for Sweden continued to increase as the war progressed, with the result that exchange holdings in 1916 reached their crest of $208,000,000$ kronor. This lively activity in foreign exchange contrasts strikingly with the extremely depressed state into which the Riksbank's domestic loan business had slumped during the same year. The table below gives the average annual holdings of foreign exchange of the Riksbank, including Government securities, bills of exchange, and balances on current account.
Forbign Excilange IIoldings of the RiksbankAverage Per Year.


The annual fluctuations in the bank's holdings of foreign bills of exchange and in balances on current account are given below.
Average Annual Volume of Foreign Bill Holdings and Balances on Current Account.
[In militions of kronor.]

| Year. | Forcign bills of change. | Balances on current account | Year. | Foreign bills of change. | Balances on current account. |
| :---: | :---: | :---: | :---: | :---: | :---: |
| 1916. | 112.7 | 36.8 | 1919. | 81.0 | 53.5 |
| 1917. | 113.7 | 22.1 | 1920. | 54.1 | 42.0 |
| 1918. | 100.0 | 32.4 | 1921. | 70.7 | 41.0 |

Foreign exchange transactions, including bills and balances on current account but excluding trading in foreign Government securities, have been as follows:
[In millions of kronor.]

| Year. | Debits. | Credits! | 'Total. | Year. | Debits | Credits.) | Total. |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| 1909. | 348.4 | 336.0 | 684.3 | 1916. | 751.1 | 726.7 | 1,477.9 |
| 1910. | 469.5 | 447.5 | 911.0 | 1917. | 666.2 | 695.6 | 1,361.8 |
| 1911. | 569.5 | 540.7 | 1,110.2 | 1918. | 735.7 | 747.2 | 1.483.0 |
| 1912. | 959.3 | 969.1 | 1,928.3 | 1919. | 829.4 | 834.6 | 1,664.0 |
| 1913. | 927.1 | 912.7 | 1.839 .8 | 1920 | 860.7 | 871.4 | 1,732.0 |
| 1914. | 897.4 | 940.6 | 1,838.0 | 1921. | 963.5 | 939.7 | 1,903.2 |
| 1915. | 822.8 | 74171 | 1,564.4 |  |  |  |  |

The foreign exchange business of the Riksbank in the past four years has resulted in losses aggregating about $76,000,000$ kronor. The largest loss in any one year occurred in 1920, when heary depreciation in exchange necessitated drastic writing down of values and brought the total experses of foreign operations to the high sum of $45,000,000$ kronor, or about 70 per cent of the total expenses for the year. A comparison of the profit and loss on foreign exchange over a period of years is given in the following tabulation:

Results of Formign Operations.
[In thousands of kronor.]


For the bank's business as a whole the year 1921 witnessed a considerable improvement as compared with 1920. Although the income of the bank, as indicated in the table below, was smaller in 1921 than in 1920, the disbursements also were much below those of the preceding year, when the prevailing abnormal conditions not only produced heary losses on foreign exchange transactions but also neces-
sitated the writing down of security values on a large scale. As a matter of fact, the operations of the Riksbank in 1920 actually resulted in a deficit of over $18,000,000$ kronor, but this was covered by applying about $25,000,000$ kronor from the fund of undivided profits. In striking contrast to the poor showing of 1920 , the business of 1921 yielded net profits to the Riksbank of over $15,000,000$ kronor, an amount almost twice as great as the annual profits in the pre-war period.

Earnings, Expexses, and Net Profit of Riksbank, 1913-1921.
| In thousands of kronor.|

| Year. | Farnings. | $\begin{gathered} \text { EX- } \\ \text { penses. } \end{gathered}$ | Tet profit |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  |  | $\underset{\text { banking }}{\text { Hirom }}$ oporations. | Ratio to capital, surplus, and reserves. | $\left\|\begin{array}{c}\text { From } \\ \text { install- } \\ \text { Jnent re- } \\ \text { demption } \\ \text { loan fund. }\end{array}\right\|$ | $\begin{gathered} \text { Total } \\ \text { net } \\ \text { profits. } \end{gathered}$ |
| 1913... | 12,553 | 4,323 | 8,230 | 13.2 | 571 | 8,801 |
| 1914. | 12,403 | 4,236 | 8, 167 | 13.1 | 595 | 8,762 |
| 1915. | 11, 825 | 4,318 | 7,507 | 12.0 | 612 | 8,119 |
| 1916. | 10,729 | 4,845 | 5,885 | 9.4 | 603 | 6,488 |
| 1917. | 14, 883 | 5,797 | 9,086 | 13.2 | 594 | 9,680 |
| 1918. | 27, 517 | 19,985 | 7,532 | 9.9 | 655 | 8,186 |
| 1919. | 30, 805 | 22,619 |  | 10.0 |  | 8,970 |
| 1920.... | 45,146 37,802 | 63,488 23,653 | 16,486 14,150 | 22.6 | 1,022 | 7,508 |
| 1921.... | 3, 802 | 23,033 | 14, 150 | 22.6 | 1,254 | ]5, 404 |

1 Deficit covered by application of $24,827,000$ kronor :rom undivided profits.

Earingqs and Expenses of the Riksbank.
[In thousands of kronor.]


Assets and Labilities of the Riksbank. $a^{a}$
[In thousands of kronor.]

|  | $\begin{aligned} & \text { Doc. } 31, \\ & 1913 . \end{aligned}$ | $\begin{aligned} & \text { Doc. 31, } \\ & 1918 . \end{aligned}$ | Dec. 31, 1919. | $\begin{aligned} & \text { June } 30, \\ & 1920 . \end{aligned}$ | $\begin{gathered} \text { Sept. 30, } \\ 1920 . \end{gathered}$ | $\begin{aligned} & \text { Dec. } 31, \\ & 1920 . \end{aligned}$ | $\begin{aligned} & \text { Mar. 31, } \\ & 1921 . \end{aligned}$ | $\begin{aligned} & \text { June } 30 . \\ & 1921 . \end{aligned}$ | Sept. 30, 1921. | $\begin{aligned} & \text { Dec. 31, } \\ & 1921 . \end{aligned}$ | $\begin{gathered} \text { Mar. 31, } \\ 1922 . \end{gathered}$ |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| assers. |  |  |  |  |  |  |  |  |  |  |  |
| Gold coin and bull | 102,133 | 285,566 | 281, 159 | 261.050 | 279,813 | 281, 787 | 281, 711 | 281, 424 | 275,948 | 274,743 | 274,355 |
| Subsidiary coin | 5,203 | 365 | 1,015 | 2,665 | 2,341 | 2, 732 | 5, 290 | 7,665 | 9,774 | 11,317 | 15,210 |
| Checks and sight drafts, including forcign. | 11,043 | 35,464 | 37.859 | 39,989 | 36,291 | 48,653 | 45,600 | 39,769 | 30,909 | 48,319 | 36,176 |
| Deposits held abroad...... | 30,458 | 45,667 । | 48,750 | 38,834 | 44,443 | 73,561 | 46,393 | 30, 764 | 38,214 | 55,351 | 37,018 |
| Government securities, Swedish and forcien. | 27,490 | 54,618 | 48,359 | 45,599 | 45,351 | 12,696 | 12,696 | 16,0 | 20,661 | 15, 4 | 63,376 |
| Securities of domestie corporations | 3,411 ! | 5,046 | 046 | 5,046 | 5,053 | 4,488 | 4,488 | , | 4,47i | 5,18 | 5,183 |
| Bills payable: |  |  |  |  |  |  |  |  |  |  |  |
| In Swoden | 157,268 | 280,306 | 453,369 | 596,632 | 610,579 | 541, 188 | 513,060 | 424,003 | 385, 239 | 525,060 | 510,481 |
| Abroad | 69, 804 | 70,494 | 66,976 | 58, 124 | 50, 142 | 31,332 | 65̈,489 | 75, 286 | 75,949 | 72,395 | 33,852 |
| Advances (Lombard) | 19,237 | 180,544 | 101,391 | 71,639 | 42,2i6 | 15,895 | 65,689 | 27,909 | 32,954 | 30,448 | 29,455 |
| Advances on current a count and overdrafts. | 3,303 |  |  | 1,409 | 1,810 | 1,125 | 1,6 | 2,432 | 3,202 | 3,394 | 3,702 |
| Sundry assets.. | 608 | 92,311 | 29,959 | 20, 545 | 12,481 | 4,070 | 10,832 | 54,069 | 4,714 | 3,573 | 3,201 |
| Total assets | 430,297 | 1,051,582 | 1,075, 259 | 1,141,591 | 1,130,579 | 1,017,519 | 1,052,902 | 983,813 | 882,041 | 1,054,280 | 1,032,009 |
| Labllities. |  |  |  |  |  |  |  |  |  |  |  |
| Capital. | 50,000 | 50,000 | 50,000 | 50,000 | 50,000 | 50, 000 | 50,000 | 50,000 | 50,000 | 50,000 | 50, 000 |
| Surplus. | 12,500 | 12,500 | 12,500 | 12,500 | 12,500 | 12,500 | 12,500 | 12,500 | 12,500 | 12,500 | 12,500 |
| Doposits (giro) | 107.900 | 134, 193 ! | 213, 725 | 280,365 | 208,299 | 171,518 | 246, 770 | 156, 593 | 113,443 | 331,359 | 311,463 |
| Sundry deposit accounts.. | 1,461 | 7,231 | 7,744 | 6,150 | 14,659 | 5, 256 | 1,432 | 54,089 | 2,008 | 4,746 | 1,394 |
| Due to foreign banks. | 5,917 | 318 | 5,016 | 5,138 | 4,756 | 4,898 | 4,167 | 4,225 | 3, 822 | 3,924 | 4,505 |
| Notes in circulation | 234,472 | 813,334 | 747, 362 | 736, 458 | 779,767 | 759,877 | 716,876 | 6:8,810 | 672,396 | 627,699 | 626, 073 |
| Bank post bills. | 1,972 | 11,473 | 10,350 | 5,980 | 6,302 | 5,361 | 4,257 | 4,154 | 3,338 | 4,469 | 2,281 |
| Dividends payable to the Government | 7,058 |  |  |  |  |  |  | 3,300 | 3,500 | 43,500 | 2,625 |
| Undivided pronts of previous ycar |  | ${ }^{1} 13,671$ | ${ }^{2} 18,857$ | 24,827 | 24,827 |  | 3,508 |  |  |  |  |
| Net profits of current year. | 8,801 | 8,186 | 8,970 | 19,620 | 28,904 | 7,508 | 12, 781 | 19,314 | 20,393 | - 15, 404 |  |
| Pension fund...............) | 214 | 472 | ${ }^{5} 934$ | 554 | 564 | 601 | 611 | 621 | 631 | 671 | 688 |
| ${ }^{\text {T }}$ Otal liabilitie | 430, 297 | 1,051, 582 | 1,055,259 | 1,141, 391 | 1,130,579 | 1,017, 519 | 1,052,902 | 983, 813 | 882,041 | 1,054,280 | 1,032,009 |

a See Federal Reserve Bulletin for January, 1920, p. 45, for statements as of Dec. 31, 1914-1917.
1 During 1918. 2,500,000 kronor allocated to installment redemption loan fund.
2 During 1919, $3,000,000$ kronor allocated to installment redemption loan fund.
3 During $1920,3,000,000 \mathrm{kronor}$ allocated to installment redemption loan fund and balance for writing down of ledger assets.
4 During $1921,4,000,010$ kronor transferred to installment redemption loan fund.

## ECONOMIC AND FINANCIAL CONDITIONS IN BRAZIL.

A survey of general economic and financial conditions in Brazil was publishod in the issue of the Federal Reserve Bulletin for August, 1920, giving a synopsis of Brazilian conditions at the close of 1919 . Since then, Brazil has shared with the rest of the world the difficult situation arising from a period of liquidation and readjustment which followed the fictitious prosperity during the war and the sudden halt of business in the middle of 1920.

The difficulties of the past two years have been perhaps more accentuated in Brazil than in any of the other South American countries, due to the instability of her currency and her imperfect monetary system. Brazil has but a very small gold reserve, and her principal staple product, coffee, has been much depreciated in value, with supply still in excess of demand.

The finances of Brazil before the outbreak of the war, as in most of the Latin American countries, were regulated more or less exten-
sively by the marketability and price of her national products. Until 10 years ago the production of coffee and rubber was about the only source of wealth of Brazil. The bulk of her exports went to England and continental Europe, where Germany, by reason of Hamburg's position prior to the outbreak of the war as the coffee distributing center of northern Europe, occupied first rank. War conditions compelled the Scandinavian countries to do their own importing. The considerable reduction in the consumption of coffee by European markets, due to the allied blockade of Central Europe and reduced demand by the other belligerent powers, marked the beginning of an era of financial difficulties for Brazil.

Government intervention in the interest of the coffee grower already occurred in 1907. In that year overproduction of coffee in Brazil was clearly manifest. The government of the State of São Paulo adopted a valorization plan, under which the government proceeded
to buy coffee and withhold it from sale in an endeavor to maintain a stable price at as high a level as possible. The government of São Paulo, however, was not able to transact this operation without foreign help, and the purchases were financed by foreign loans, the coffee being stored in the United States and Europe and released in accordance with current demands. The plan did not prove successful, and the government of São Paulo found itself in a position where it had $7,000,000$ bags of coffee unsold. The Federal Government then decided to assist that of São Paulo by financing further loans, with the result that in 1911 the price of coffee showed considerable advance, reaching the point of $9 \frac{5}{8}$ cents in 1913. The severe frost of 1918, which coincided with heavy European demands to replenish their exhausted reserves, caused Rio coffee to reach a high point in June, 1919, when it was quoted at 25 cents. This was reflected in general economic conditions in Brazil by creating a fictitious prosperity and causing consequent overtrading. By the end of 1920 the price of coffee started to decline rapidly, the situation becoming more and more acute until the beginning of 1921, when the spot price of Rio No. 7 coffee reached its lowest point in the New York market of $5 \frac{1}{2}$ cents. Valorization had to be resorted to again by the Government, which is now holding some $5,000,000$ bags of the $920-21$ crop.

The question whether the valorization scheme is of real benefit to the country has been the subject of wide discussion. It has been contended that at the present low level of Brazilian exchange the price obtained for coffee in foreign markets would be ample to offset production expenses and leave a reasonable profit. At the same time this plan is helping foreign competition to a considerable extent. On the other hand, others contend that the present valorization system has rendered great assistance in keeping Brazilian exchange on a more stable level.

At the outbreak of the war, when the coffee outlook appeared rather bad, capital was forced to seek new fields of investment, which were developed in accordance with the new demands of the world, created by the existing conditions of war. Cattle raising was given a great impetus, and cotton, sugar, and rice planting took the place of coffee growing to a large extent. The meat industry, almost unknown in Brazil in 1910, has attained great proportions, the exports of chilled and frozen meat during the war period reaching from 50,000 to 60,000 tons a year. This industry, however, is almost at a standstill now, due to reduced demand for these articles abroad.

A considerable portion of Brazilian land has been used for growing sugar cane. The sugar industry became prosperous and profitable during the war, but the world-wide drop in the price of this commodity at the beginning of 1920 made its consequences felt in Brazil as well. With the object of avoiding a panic and affording a means of proper liquidation on the part of sugar growers and traders, the Government decided to organize the Caixa Nacional de Exportação do Assucar. This institution was authorized to purchase in the market the quantitios of sugar necessary to maintain a stable price, which was fixed at first at 600 reis per kilo and afterwards changed to 400 reis. Considerable assistance has been derived from this establishment, since liquidation of losses incurred has been made in a gradual and systematic way. Sugar-cane growing in Brazil has not been discouraged and will undoubtedly be given further impetus, due to the heary local demand for alcohol to be used as fucl. Petroleum and its by-products, which are imported from the Cnited States and Mexico, are very expensive for use as fuel in Brazil. Tractors and other classes of agricultural machinery are operated by means of alcohol.
Much attention has been given to cotton growing. It has been found that Brazilian cotton is of high quality and there is great demand for it in the English markets. The area at present under cultivation exceeds $1,092,000$ acres, and the total yield for the current year is estimated at 432,000 bales of 500 pounds each, or an average of 200 pounds per acre. It has been announced that under the auspices of the Ministry of Agriculture of Brazil, the National Agricultural Association of Rio de Janeiro will undertake the organization of an international cotton conference to be held in the city of Rio de Janciro in October, 1922.
The production of rubber is continually decreasing. In pre-war years the amount of rubber exported from Brazil exceeded 20 per cent of her total exports, but the fall in the price of this commodity and the enormous increase in production by the plantations of the East Indies have contributed to eliminate it as a principal export article.

## FOREIGN FXCHANGE.

The sudden and violent fluctuations in the price of coffee during the last decade are responsible to a large extent for the fluctuations of the Brazilian milreis and its present unstable position. The paper milreis is worth 32.4 cents at the par of exchange. During the war its value varied from 23.5 cents to 25.3
cents, starting a declining trend in May, 1920, when it was quoted at 26.1 cents, and steadily decreasing in value until December, when it was quoted as low as 13.8 cents. During the first seven months of 1921, while no sudden reaction took place, a continued decline was
clearly marked, the lowest point being reached in July, when 100 paper milreis were quoted in New York at $\$ 10.03$. The following table shows the New York quotations for Brazilian milreis since January, 1916:

Monthly Range of Brazllian Exchange Rates in New York (Dollars per 100 Paper Milreis).
[ 100 milreis equal $\$ 32.444$ at par of exchange.]

| Month. | 1916 |  | 1917 |  | 1918 |  | 1919 |  | 1920 |  | 1921 |  | 1922 |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | High. | Low. | High. | Low. | High. | Low. | High. | Iow. | High. | Low. | High. | Low. | High. | Low. |
| January | 1823.500 | \$22.000 | \$23. 570 | \$ 23.210 | \$27. 137 | \$26.577 | \$26. 750 | \$25. 000 | \$27.750 | \$27. 250 | \$15. 730 | \$14.375 | \$12.875 | \$12.750 |
| February | 23.250 | 22.250 | 23.460 | 22.970 | 26.666 | 25.773 | 26. 100 | 25. 300 | 27.375 | 25. 750 | 15.560 | 14.520 | 13.750 | 12.750 |
| March. | 23.625 | 22.840 | 23.180 | 22,900 | 26.420 | 25.770 | 26.375 | 25.750 | 27.125 | 25.750 | 15. 680 | 13.720 | 14.250 | 12.625 |
| April | 23.000 | 22.750 | 24.350 | 23.000 | 25.840 | 25. 320 | 27.000 | 25.750 | 27.125 | 26.375 | 14.020 | 13.127 |  |  |
| May. | 24.500 | 23.000 | 26.750 | 24.900 | 25.640 | 25.190 | 28.230 | 27.000 | 26.375 | 26.125 | 14. 130 | 13. 100 |  |  |
| June. | 24. 500 | 23.870 | 26.900 | 25.610 | 25.640 | 24.880 | 28.250 | 27.625 | 26.125 | 23.750 | 13.45\% | 10.870 |  |  |
| July | 24.760 | 24. 400 | 26.800 | 24.680 | 24.940 | 22.990 | 28.800 | 26. 500 | 23.750 | 21.400 | 11.460 | 10.030 |  |  |
| nugust | 24.650 | 24.150 | 25.640 | 24.780 | 24.210 | 23. 530 | 27.500 | 24.875 | 21.750 | 17.600 | 12. 200 | 11.980) |  |  |
| September | 24, 290 | 23.820 | 25.220 | 24.710 | 24.000 | 23.000 | 25. 000 | 24.500 | 19.500 | 16. 400 | 13.000 | 12.375 |  |  |
| October. | 21. 100 | 23.580 | 25.640 | 25. 150 | 25.000 | 23. 500 | 25.700 | 25.000 | 18.375 | 16. 750 | 13.250 | 12.875 |  |  |
| November | 23.960 | 23.020 | 26.250 | 25. 220 | 27.000 | 24.750 | 25.250 | 25.000 | 17.500 | 15.375 | 13.000 | 12.750 |  |  |
| December | 23.630 | 23.100 | 26.900 | 25.900 | 27.200 | 26.500 | 33.000 | :27.750 | 16.750 | 13.875 | 13.250 | 12.750 |  |  |

FOREIGN TRADE OF BRAZIL.
The prosperity of Brazil still depends to a considerable extent upon the coffee crop, market, and prices. The payment of her foreign debt and practically the whole economic structure of the country are largely dependent on the coffee situation; not to the extent, however, that was the case in pre-war years, when coffee amounted to 63 per cent of the total exports from the country.

The following table shows the import and export movement of the country during the last four years, as compared with the pre-war year of 1913.

|  |  | REIGN | rade <br> 0 omitt | $B_{R A Z J}$ |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Year. | Imports. |  | Exports. |  | Excess of exports <br> $(+)$ or imports ( - ). |  |
|  | Tons. | Pounds sterling. | Tons. | Pounds sterling. | Tons. | Pounds sterling. |
| 1913.... | 5,922 |  | 1,382 |  | -4,510 | -1,715 |
| 1918... | 1,738 | 52, 817 | 1,772 | $\begin{array}{ll} 61,168 \\ 100 \end{array}$ | $+34$ | +8,351 |
| 1919.... | 2,779 3,276 | 78,177 125,005 | 1,907 2,111 | 130,085 107,521 | $\begin{array}{r} -871 \\ -1,175 \end{array}$ | $\begin{array}{r}\text { +51,903 } \\ \hline-17,484\end{array}$ |
| 1920.... | 3,276 2,578 | 125,005 60,468 | 1,111 1,919 | 107,521 58,587 | -1,175 | $-17,484$ $-1,881$ |

Brazil imports more in volume than she exports, in spite of the fact that her exports consist mostly of raw materials. The explanation lies in the fact that Brazil buys considerable amounts of coal and briquets for her home industries. Out of a total of $3,276,000$ tons imported in 1920 about 1,121,000 tons were coal and 95,000 tons were bri-
quets. Brazil's trade in 1921 suffered a severe reduction both in value and volume. Imports fell 21 per cent in quantity and 52 per cent in value, while exports fell 9 per cent in quantity and 45 per cent in value. The fall in the prices of exported commodities was greater than for those imported. The decline in value was due almost entirely to the fall in prices. In fact, in 1920 the average price per ton for merchandise exported was $£ 51$, against $£ 30.5$ in 1921, or a decroase of 40 per cent. The total reduction in the average prices of exports from 1919 to 1921 was as great as 55 per cent, as shown in the following table:

## Average Priges Per Ton of Brazilian Exports. [In pounds sterling.]

| Products. | 1913 | 1918 | 1919 | 1920 | 1921 |
| :---: | :---: | :---: | :---: | :---: | :---: |
| Animal. | 64.0 | 72.9 | 99.9 | 97.8 | 47.2 |
| Mineral. | 5.4 | 7.2 | 7.9 | 6.4 | 4.2 |
| Vegetable. | 51.1 | 38.1 | 72.4 | 60.1 | 34.9 |
| Total | 47.3 | 34.5 | 68.1 | 51.1 | 30.5 |

On the other hand, in 1920 the average price per ton imported was $£ 38.2$, against $£ 23.4$ in 1921, or a decrease of 36 per cent. In 1913 Brazil imported 5,922,000 tons, for which she paid $£ 67,166,000$, but in 1921 she imported $2,578,000$ tons, for which she had to pay $£ 60,468,000$. This shows that Brazil now has to produce and sell more goods in order to obtain the foreign manufactured articles she needs.

The adverse balance of trade for Brazil in 1920 was reduced in 1921 to such a great extent that there seem to be good grounds for believing that Brazil is working toward a gen-
eral betterment of her financial condition. She has been trying to discourage new purchases of foreign goods until the stocks still available from the overtrading of 1920 are disposed of, and to have the value of her exports exceed that of her imports. Taking the totals for the last four years, there is a balance of $£ 40,884,000$ in favor of Brazil, which would lead one to believe that Brazil still has considerable amounts available for investment. This favorable total balance, however, has only served to improve the rate of exchange. The following table represents the percentage of Brazil's imports and exports, by countries:

| Country. | Imports. |  | Exports. |  |
| :---: | :---: | :---: | :---: | :---: |
|  | 1920 | 1921 | 1920 | 1921 |
| United States. | Per cent. <br> 41.5 | Per cent. 31.7 | Per cent. 41.8 | Per cent. 37.0 |
| Argentina.. | 8.4 | 11. 4 | 6.61 | 6.6 |
| Belgium. | 1.8 | 4.1 | 2.7 i | 2.5 |
| France.. | 5.6 | 6.2 | 12.0 | 9.8 |
| Germany. | 4.7 | 8.0 | 5.8 ! | 9.5 |
| Great Britain. | 21.8 | 20.4 | 8.1 | 7.0 |
| Italy.... | 2.5 | 3.0 | 7.3 | 6.4 |
| Mexico. | 1.0 | 2.7 |  |  |
| Netherland | . 5 | . 8 | 2.8 ; | 6.9 |
| Portugal. | 2.1 | 1.8 | 1.9 | 2.2 |
| Oruguay. | 1.3 | 1.4 | 4.4 | 5.7 |
| Other countrics | 8.8 | 8.5 | 6.6 | 6.4 |
| Total | 100.0 | 100.1) | 100.0 | 100.0 |

Following are the official figures of the Government of Brazil, representing the values of American goods imported into Brazil from the United States during the last 12 years:
[Values in pounds sterling.]

|  | Imports from United States. |  | Imports from United States. |
| :---: | :---: | :---: | :---: |
| 1910. | 6,127, 582 | 1916. | 15,840, 085 |
| 1911 | 7,045, 277 | 1917. | 21, 065,302 |
| 1912. | 9,899, 036 | 1918. | 18, 984, 113 |
| 1913. | 10, 553,453 | 1919. | 37, 422, 752 |
| 1914 | 6,222,948 | 1920. | 51, 939,003 |
| 1915. | 9, 651,305 | 1921. | 19, 148,045 |

The figure for 1920 appears to be exceptionally large. This was due to the high prices prevailing in that year and also to the increased volume of goods imported, which was a factor in the severe depression of 1921. The figures setting forth Brazil's exports to the United States are as follows:


The United States, being the largest coffeebuying nation, is the best customer of Brazil. In 1920, out of $515,384,000$ tons of vegetable products exported to the United States, $374,880,000$ tons were coffee.

## BANKING SITUATION.

The local Brazilian banking houses have been conducting their business in a conservative manner, enabling them to confront successfully the vicissitudes of the past crisis. This commendable practice has also been followed by most of the foreign banks, but certain European banks did not succeed in escaping the temptation to speculate in exchange and had to suffer in consequence. The two most important failures registered were those of La Banque Francaise pour le Brésil and the Banca Italiana di Sconto. The latter is particularly unfortunate, since this institution kept large amounts of savings of Italian emigrants in Brazil. The Government denied a moratorium to this bank, but the necessary steps have been taken toward the liquidation of the affairs of both institutions in the best manner.

The banking business of Brazil is almost equally divided between native and foreign banks. In 1920, out of the 24 most important banks established in Rio de Janeiro, nine were

Brazilian, four British, three German, two Portuguese, two American, one Spanish, one Dutch, one Scandinavian, and one Japanese. Statement of their assets and liabilities for 1919 and 1920 follows:

Consoldated Statement of 24 Banks in Rio de Janeiro.
[In thousands of paper milreis.]

|  | 1919 |  | 1920 |  |
| :---: | :---: | :---: | :---: | :---: |
|  | National banks. | Foreign banks. | National banks. | Foreign banks. |
| Assers. |  |  |  |  |
| Uncalled capital. | 102, 066 | 47,222 | 109,508 | 44,238 |
| Bills discounted.. | 527, 060 | 181, 232 | 564,925 | 262, 6 J$]$. |
| Advances on current ac- count. | 621, 499 | 469, 743 | 654, 876 | 619,952 |
| Bills receivable............ | 351, 144 | 490, 804 | 470,548 | 840,475 |
| Sundry guarantees | 680, 478 | 443, 710 | 816,954 | 525,342 |
| Values deposited. | 576, 882 | 945, 123 | 590, 147 | 1, 114, 590 |
| Head office and branches. | 635, 790 | 595, 748 | 673, 005 | 642, 423 |
| Stocks and funds owned by the bank. | 115, 076 | 1,619 | 102,884 | 8, 364 |
| Mortgages..... | 118, 364 |  | 185, 435 |  |
| Cash in hand | 291, $1 \overline{5} 1$ | 279, 521 , | 313, 932 | 524, 820 |
| Sundries. | 246, 229 | 389,080 | 280,028 | 445, 479 |
| Tolal. | 4, 265, 736 | 3, 843, 822 | 4,762,742 | 5, 028, 794 |
| LIABMITTES. |  |  |  |  |
| Capital. | 331,414 | 156,380 | 346,956 | 163,630 |
| Reserve funds. | 71, 160 | 3,015 | 102, 445 | 3,711 |
| Demand deposits......... | 587,626 | 608, 296 | 644,504 | 797,901 |
| Jime deposils. | 464,312 | 248,620 | 555, 429 | 321,864 |
| Values deposited account third partics. | 1,394,026 | 1, 643,223 | 1,476,419 |  |
| Head office and branches.. | 515,479 | 545, 550 | 528, 293 | 859, 550 |
| Mortgage bonds............. | 3, 012 |  | 12, 442 |  |
| Sundries. | 898,707 | 628, 732 | 1,196, 254 | 738,663 |
| Total. | 4,265,736 | 3, 843,822 | 4,762,742 | 5,028,794 |

The semiofficial banking institution of Brazil, the Banco do Brasil, made remarkable progress during the year 1921. According to the annual report submitted on March 20, 1922, by Mr. José Maria Whitaker, president of the bank, this institution opened 1,508 new accounts in 1921, increasing its deposits from 288,698,429 milreis in December 31, 1920, to 859,584,144 milreis in December 31, 1921. The following table shows the general condition of the bank during the year 1921:

> [In paper milreis.]

|  | Dec. 31, 1920. | Junc 30, 1921. | Dee.31,1921. |
| :---: | :---: | :---: | :---: |
| Deposits. | ${ }_{277}^{288,6882,429}$ | ${ }_{\text {- }}^{656,686,588}$ |  |
| Total assets or ilibilitics. | 1,461, 801, 268 | $\left\lvert\, \begin{aligned} & 1,820,600,922\end{aligned}\right.$ | 2,286, 2005,369 |

The Banco do Brasil is not only continuously expanding its activities in the different States of Brazil, but also in forcign nations. Arrangements have been commenced looking toward the opening of branches in Buenos Aires and Montevideo. This policy points toward a
much larger increase in the bank's affairs and should develop better commercial relations between Brazil and her neighboring countries.

The following comparative table shows the condition of the Banco do Brasil at the close of the years 1919, 1920, and 1921:

Statement of the Bank of Bragie.
[In thousands of paper milreis.]

|  | 1919 | 1920 | 1921 |
| :---: | :---: | :---: | :---: |
| ASSETS. |  |  |  |
| Uncalled capital. | 25,000 | 25,000 | 11,852 |
| Bills discounted. | 113,779 | 139,158 | 437,568 |
| Adyances on current account | 123, 146 | 138.374 | 291,122 |
| Bills receivable. | 96,550 | 172,637 | 207,619 |
| Sundry guaranties | 196,721 | 216,770 | 225,293 |
| Values deposited. | 97, 433 | 138,560 | 181,719 |
| Head office and branches | 212,147 | 263.342 | 135.646 |
| Stocks and funds owned by the bank. | 23,768 | 34,800 | 77,119 |
| Rediscounts |  |  | 356,838 |
| Cash in hand | 69,152 | 106,526 | 131,653 |
| Other assets. | 187,988 | 225, 634 | 230.485 |
| Total | 1, 145, 686 | 1,461,801 | 2,286,905 |
| LIABBLITIES. |  |  |  |
| Capital. | 70,000 | 70,000 | 100,000 |
| Reserve funds | 8,864 | 10,632 | 25,000 |
| Demand deposits. | 144,529 | 248,699 | 617,514 |
| Time deposits. | 36,037 | 36,156 | 242,071 |
| Values deposited account third parties. | 304,557 | 368,063 | 407,033 |
| Head office and branches. . . . . . . . | 38,420 | 21,114 | 209, 191 |
| Rediscounts... |  |  | 356,838 |
| Other liabilities | 543, 279 | 707,137 | 329,288 |
| Total. | 1,145, 686 | 1,461,801 | 2,286,905 |

The Camara de Compensação de Cheques, or clearing house, was established in Rio de Janeiro on June 13, 1921, and institutions of the same nature were also created in São Paulo, Santos, Porto Alegre, Recife, and Bahia. The clearing house of Rio de Janeiro is operated by the Banco do Brasil, and the results so far attained in facilitating the general banking operations in Brazil havo been highly satisfactory. For the period of June 13, 1921, to December 31, 1921, the checks cleared through this establishment amounted to $2,060,555,965$ milreis.

## BRAZILIAN RAILWAYS.

The railroad situation in Brazil has shown remarkable activity during the past year. The necessary steps have been taken in the construction of the Petrolina and Therezina Railway, and the Government has approved a budget of $11,285,264$ milrcis for the construction of 164 kilometers. Another line is about to be initiated between the points of Ourinhos and Cambara, in the State of Parana, which will be called the Northwest of Parana Railroad Co. Great attention is being paid to the electrification of the Central of Brazil Railway. The recent financial crisis of Brazil has not
apparently affected the railroad enterprises. They all seem to be operated successfully. The revenues of the São Paulo Railway for the year 1921 amounted to $43,375,000$ milreis, against expenditures of $31,303,000$ milreis. The gross receipts of the São Paulo Railway for the period January 1 to April 2, 1922, are placed at $£ 348,706$ and those of the Leopoldina Railway during the first three months of 1922 amounted to $£ 362,176$.

Much international competition has developed lately in Brazilian markets in the sale of rolling stock and railway material. In 1913 the rolling stock purchased from the Lnited States represented 66 por cent of the locomotives and 29 per cent of the cars in use in Brazil. In 1920 the figures became 95 per cent and 98 per cent, respectively, and about the same situation prevailed in 1921. Erglish, French, German, and Belgian enterprises are strongly competing with American firms. The prices offered by the last three countries named are much lower than those quoted by American firms, but the material offered is of inferior quality, due to the fact that it has been manufactured from war scrap.

## BRAZILIAN CENTENNLAL EXIIBITION.

The international exhibition in Rio de Janeiro will be a most interesting feature of the centennial colebration of Brazil's independence. It will be opened on September 7 and will be closed on March 31, 1923. The cooperation of foreign representatives in an event of such
importance will naturally be of great value to exporters and manufacturers. It must be kept in mind that the regulations prescribe that exhibition goods arriving after June 1, 1922, may not be accepted for entrance, free of duty, and that only 15 days are allowed to remove from the country goods imported for exhibition purposes. This rule will not apply to goods held for the following local exhibitions in other cities of Brazil.

A final table is presented showing Brazil's foreign trade by countries during the years 1920 and 1921 , values being stated in $£ 1,000$.

Formign Trade of Brazil.
[Values in thousands of pounds sterling.]


## State Banks and Trust Companies.

## ADMISSIONS.

The following list shows the State banks and trust companies which were admitted to membership in the Federal reserve system during the month ending May 31, 1922, on which date 1,648 State institucions were members of the system.

|  | Capital. | Surplus. | Total resources. |
| :---: | :---: | :---: | :---: |
| District No. 5. |  |  |  |
| Lank of Victoria (Inc.), Vicloria, Va | \$30,000 | \$9,000 | \$360, 928 |
| District No. 6. |  |  |  |
| Farmers \& Merchants Mank, Hurtsboro, |  |  |  |
| Ala................................... | 31,400 | 10,000 50 | 121, 708 |
| Middle Georgia Bank, Eatonton, Ga...... | 30,000 25,000 | 50,00 2,500 | 532, 500 |
| Bank of Hattiesburg \& Trust Co., Hattiesburg, Miss | 100,000 | 33,000 | 1,046,003 |
| District No. 7. |  |  |  |
| Iowa Loan \& Trust Co., Fairdeld, Inwa... | 50,000 | 12,500 | 93,626 |
| Farmers state Savings Bank, Minford, Mich.......................................... | -0,000 | 7,500 | 280, 116 |
| District No. 8. |  |  |  |
| Savings Trust Co., St. Lous, Mo.......... | 200,000 | 50,000 | 1,812,203 |
| District No. 10. |  |  |  |
|  | 25,000 | 25,000 | 319,844 |
| District No. 11. |  |  |  |
| Blooming Grove State Bank, Blooming Grove, Tex. | 50,000 | 5,000 | 175, 360 |
| Farmers State Bank, Olney, Tex. | 30,000 | 6,000 | 100, 631 |
| District No. 12. |  |  |  |
| Columbia Valley Bank, Wenatchee, Wash | 100,000 | 25,000 | 1, 853,229 |
| Commercial Bank \& Trust Co., Wenatchee | 100,000 | 50,000 | 1,592,704 |

Converted into national banks.-Guaranty Bank \& Trust Co., Beaumont, Tex.; Passajc Trust \& Safo Deposit Co., Passaic, N. J.
Yoluntary liquidations.-Farmers Wank Co., Pandora, Ohio; Farmers
\& Merchants Savings Bank, Logan, Utah; Farmers \& Merchants Bank,
daho Falls, Idaho; Union State Bank, Nezperce, Idaho.
Withdiau'al.-Clay County State Jank, Louisville, Ill.

## New National Bank Charters.

The Comptroller of the Currency reports the following increases and reductions in the number and capital of national banks during the period from April 22 to May 26, 1922, inclusive:

|  | Number of banks. | $\begin{aligned} & \text { Amount } \\ & \text { of } \\ & \text { capital. } \end{aligned}$ |
| :---: | :---: | :---: |
| Now chartersissued. | 29 | \$2,990,000 |
| Restored to solvency. | 3 | 325,000 |
| Increasos of capital approved..................... | 18 | 1,760,0¢0 |
| Aggregate of new charters, banks restored to solvency, and banks inoreasing capital. | 50 | 5,075, 000 |
| Liquidations. | 13 | 1,415,000 |
| Reducing capital | 3 | 365,000 |
| Total liquidations and reductions of capital.. | 16 | 1,780,000 |
| Consolidations of national banks under act of Nov. 7, 1918. | 3 | 3,150,000 |
| Aggregate increased capital for period. |  | 5,075,000 |
| Reduction of capital owing to liquidations, etc...... |  | 1,780,000 |
| Net increase. |  | 3,295, 000 |

${ }^{1}$ Includes 2 reductions in capital aggregating $\$ 350,000$ incident to consolidations under act of Nov. 7, 1918.

## Fiduciary Powers Granted to National Banks.

During the month of May the Federal Reserve Board approved applications of the national banks listed below for permission to exercise one or more of the fiduciary powers named in section $11(\mathrm{k})$ of the Federal reserve act as amended, as follows:

1. Trustee.
2. Executor.
3. Administrator.
4. Registrar of stocks and bonds.
5. Guardian of estates.
6. Assignee.
7. Receiver.
8. Committee of estates of lunatics.
9. In any other fiduciary capacity in which State banks, trust companies, or other corporations which come into competition with national banks are permitted to act under the laws of the State in which the national bank is located.

The numerals opposite the name of each bankindicate the powor or powers it is authorized to exercise, as given below:

| Place. | District No. | Name of bank. | lowers granted. |
| :---: | :---: | :---: | :---: |
| Providence, R | 1 | National Eank of Com | to 9. |
| Bellevile, | 2 | Peoples National Bank. | 1 to 9. |
| Passaic, N | 2 | l'assaic National Bank \& Trust Co. | $1 \text { to } 9 .$ |
| Patorson, N | 2 | Totowa National Bank | 1 to5, 7 to |
| Leyndhurst, N. | 2 | ITirst National Bank. | 1 to 9. |
| Newburgh, N. Y | 2 | National ${ }^{\text {a ank or Newburgh. }}$ | 1 to 9. |
| Port Henry, N. Y | 2 | Citizens National Bank. | 1 to 9. |
| Totsdam, N. Y | 2 | Citizens National Bank. | 1 to 9. |
| Mount Elolly, | 3 | Mount Holly National Bank. | 1 to 8 |
| Iehighton, ${ }^{\prime} \mathrm{a}$. | 3 | Citizons' National Bank.... | 1 to 9. |
| Mahanoy City, | 3 | First National Bank | 1 to 9. |
| Frederick, Md. | 5 | Frederick County National Bank. | 1 to 9. |
| Bluefield, | 5 | Flat Top National Bank.... | 1 to 3, 5 to 9 |
| 'terre Haute, Ind | 7 | Terre Haute National Bank. | 1 to 9. |
| Waterloo, Iowa. | 7 | First National Bank. | 1 to 7. |
| Conleyville, Kan | 10 | Condon Nalional Ban | 1 to 3, 5 to 9. |
| Wichita, Joans. | 10 | Fourth National Bank. | 1 to 9. |
| Sheridan, Wyo | 10 | Sheridan National Bank. | 1 to 3, 5 to 9 |
| Silver City, N. | 11 | American National Bank | 2 and 3. |
| Clarksville, Tex. | 11 | First National Bank. | 1 to 3, 5 to 8. |
| Mouston, Tex. | 11 | State National Bank. | 1 to 9. |
| San Trancisco, Calif. . | 12 | Amorican National Bank.... | $1 .$ |

## Commercial Failures Reported.

A further narrowing of the inargin of increase in number of failures over those of last year has recently been witnessed, although the 1,358 defaults reported to $R$. G. Dun \& Co. during three weeks in May considerably exceed the 960 insolvencies of the same period of 1921 . The returns for. April, the latest month for which complete statistics are arailable, disclose 2.167 commercial failures in the United States, with aggregate liabilities of about $\$ 73,000,000$.

Farlures During April.

| District. | Number. |  | Liabilities. |  |
| :---: | :---: | :---: | :---: | :---: |
|  | 1922 | 1921 | 1922 | 1921 |
| First. | 165 | 145 | \$2,403, 840 | \$1,746,699 |
| Second | 420 | 268 | 33,677, 526 | 11,123,088 |
| Third | 78. | 65 | 1,468,343 | 1,575,775 |
| Fourth | 156 | 118 | 2,810,844 | 4,366,788 |
| Fifth. | 148 | 154 | 3,277,906 | 3,334, 391 |
| Sixth. | 264 | 136 | 6,557,398 | 1,997,350 |
| Seventh | 281 | 178 | 10, 909, 837 | 3,949,115 |
| Ejghth. | 120 | 115 | 2, 241, 444 | 2,427, 872 |
| Ninth. | 110 | 39 | 2,268, 658 | 593,718 |
| Tenth. | 66 | 50 | 1,937,395 | 1,966,778 |
| Eleventh | 167 | 98 | 3,865,301 | 2,905,847 |
| Twelfth. | 183 | 121 | 1,607,145 | 2,580,148 |
| Tota | 2,167 | 1,487 | 73,058, 637 | 38, 567,769 |

## LAW DEPARTMENT.

North Carolina act authorizing State banks to charge exchange, and to make payment by exchange drafts, when checks are presented to them by or through Federal reserve banks held unconstitutional.
The following is the opinion of Chief Justice Clarke in the decision rendered by the Supreme Court of North Carolina in the suit brought by a number of nonmember banks in North Carolina to enjoin the Federal Reserve Bank of Richmond from returning as dishonored any check, payment for which in an exchange draft has been tendered by any of the plaintiff banks under the provisions of the act of the Legislaturé of North Carolina, ratified February 5,1921 . The decision reverses the holding of the lower court upon the ground that the North Carolina act in question is unconstitutional, and directs that the injunction previously granted be dismissed.

North Carolina Supreme Court-Sphing Term 1922-No. 419 Union.

Farmers and Merchants Bank et al. v. Federal Reserve Bank of Richmond, Va.
Appeal by defendants from Webb, $J$. February term, 1922, of Union.
This action was brought by 13 banks and trust companies organized under the laws of this State which are not members of the Federal Reserve System, against the Federal Reserve Bank of Richmond, Va., to obtain an injunction to prevent the Federal reserve bank from refusing to accept exchange drafts drawn by the plaintiffs on their reserve deposits for less than the face amount of checks presented, and from returning as dishonored checks drawn by various depositories upon the plaintiff banks which had been presented at their counters by the Foderal Reserve Bank of Richmond but for which the plaintiffs had tendered drafts for less amounts drawn by them upon their respective reserve depositories. A temporary restraining order was awarded in accordance with the prayer of the complaint. The action having been brought by said banks for the benefit of themselves and such other like institutions who might join in the suit and the restraining order providing that all such institutions might become plaintiffs in the action and hare the benefit of said restraining order, some 265 State banks and trust companies have become parties plaintiff as appears from the record.
By agreement between counsel, trial by jury was waived, and by consent the judge found the facts and upon the said finding of the facts adjudged:
(1) That the defendant, Federal Reserve Bank of Richmond, is hereby enjoined from refusing to accept exchange drafts when tendered by the plaintiff banks in payment of checks drawn on them under the option given said banks under provisions of chapter 20, laws North Carolina, ratified February 5, 1921;
(2) The said defendant is hereby enjoined from returning as dishonored any check, payment for which in exchange drafts by plaintiff banks, or either of them, has been tendered under the provisions of said act and the defendant refuses to accept the same;
(3) The said defendant is likewise enjoined from protesting for nonpayment any check, payment for which in exchange drafts by plaintifi banks, or either of them, has been tendered under the provisions of said act and defendant refuses to accept the same:
(4). The said defendant is likewise enjoined from publication or authorizing the publication of the name of any of the plaintiff banks, literally or by inclusion, in any list or other publication designed for circulation among banking institutions generally, regardless of the name employed to designate such list or publication unless and until the bank thus published or included shall have previously given its consent to such publication.

Appeal by the defendant.
Alex W. Smith and Stack, Parker \& Craig for plaintiffs. Connor \& Itill, Henry W. Anderson, M. G. Wallace, and O. W. Tillett, jr., for defendant.

Clark, C. J.: The defendant, Federal Reserve Bank of Richmond, is a banking corporation duly organized under the act of Congress and especially under a certain act known as the Federal Reserve 1 ct . It is one of the 12 Federal reserve banks which were organized under the terms of that act and does business in accordance therewith, especially with the national banks and State member banks in the Fifth Federal Reserve District, which consists of a portion of the State of West Virginia, the whole of Maryland, the District of Columbia, Virginia, North Carolina, and South Carolina. Under the terms of this act, the member banks, which are the national banks in the above, mentioned district and also certain State banks thercinwhich have qualified for and been admitted to membership in the Federal Reserve System, are required to keop and maintain with the Federal Reserve Bank of Richmond certain balances as reserves. The member banks create these balances by sending to the Federal reserve bank for collection checks or other instruments which they have received on deposit or for collection.
Since the business of all banking institutions consists largely in the handling of checks, it is clear that if the Federal reserve bank is to discharge efficiently its function as a reserve depository of its member banks, it must be able to collect their checks and other instruments which are the ordinary means of making sett]ement of accounts and transmitting funds. When the Federal reserve banks were first organized they were not expressly empowered to accept for collection any check unless it was drawn upon a member bank or other Federal reserve bank. Since member banks receive checks not only upon other member banks but also upon nonmember banks, and since the member banks, which include most of the larger'banks of the country, acted as agencies through which the nonmember banks collected checks which they had received, it soon became evident that if the Fedecal reserve banks undertook to collect checks upon their member banks but could not collect for member banks checks upon nonmember banks, a vast majority of checks upon member banks would pass through the Federal reserve banks while checks on nonmember banks would be collected through other agencies.
As the amount of the checks which any bank receives upon others and the amount of checks upon itself which it is compelled to pay will usually be about the same if a Federal reserve bank could handie all checks upon member banks but could receive from member banks only a portion of the checks which they themselves receive, in the course of time the flow of checks would be unequal and the member banks would be placed at a great disadvantage in their efforts to maintain proper reserves. As a
consequence, Congress by the act of September 7, 1916, and of June 21, 1917, amended section 13 of the Federal Reserve Act and authorized any Federal reserve bank to receive for collection from its member banks "checks and drafts payable upon presentation in its district," thus removing any limitation upon the power of the Federal reserve bank to receive checks. From the very nature of a check no person is obliged to consider the drawee or person upon whom it is drawn before receiving it either as a holder or as an agent for collection.

Under the law before the last-mentioned amendment to the Federal Reserve Act, Federal reserve banks were required to receive checks upon member banks for collection at par, and were therefore compelled to require member banks to pay them the full face amount of all checks received. It is obvious that if member banks were compelled to pay the full face amount for all checks handled through the Federal reserve banks, but such banks could not require nonmember banks to pay the full face amount on checks drawn upon them, a great inequality would result because nonmember banks would, through the agency of their member bank correspondents, collect all checks upon any member bank at par, but would not pay to member banks checks drawn upon themselves at par. With this in Yiew, Congress expressly provided by the amendment of June 21, 1917, that "no charge for the payment of the checks and drafts and the remission therefor by exchange or otherwise shall be made against the Federal reserve bank."

In exercise of the power thus conferred, the Federal Reserve Bank of Richmond undertook to make arrangements with all nonmember banks in its district under which they would agree to remit at par for all checks which the Federal reserve bank received upon them. Prior to this time it had been the custom of many small banks, especially those located in remote sections and thus free from competition, to refuse to remit the full face amount for checks drawn upon them which were sent through the mails, but they insisted that inasmuch as the check called for payment in money at their counters and not for a remission by draft or otherwise, they could refuse to pay any check until it was presented at their counters, and that therefore if they undertook to remit for checks sent them by means of an exchange draft they could in consideration of their waiver of direct presentation demand a discount and remit not the full face amount of checks, but some lesser sum. This is called an exchange charge for remitting for checks. The amount of this charge or discount exacted in consideration of payment by draft rather than in cash varied, but usually ran from one-tenth to one-fourth of 1 per cent upon the amount of all checks so paid.
Many nonmember banks refused to make any agreement to pay the Federal reserve bank at par for checks sent them for collection through the mails. The Federal Reserve Bank of Richmond was prohibited by the Federal Reserve Act from permitting any discount to be deducted from the face amount of checks which it held for collection. It sent representatives to the nonmember banks in North Carolina urging them to agree to remit at par, explaining that it believed that such practice would be for the mutual convenience of both parties and that an insistence by the nonmember banks on their strict legal right to have a check presented for payment at their counters and to pay the same only in legal money would be an inconvenient and expensive method of dealing, not only to the Federal Reserve Bank of Richmond but also to the nonmember banks. The nonmember banks were at the same time also notified that if they should insist upon their legal right to require a presentation at their counters of all checks drawn upon them when handled by a Federal reserve bank, the Federal reserve bank would be compelled to present the checks at their counters by means of duly authorized agents, but if compelled to take this course the Federal reserve bank would, after such presentation,
refuse to waive its right to insist upon payment in legal tender money.
The Federal reserve bank made arrangements with certain residents of the towns in which various nonmember banks were situated to collect checks as its agents by means of personal presentation or it sent an employee to such town to act as its agent.

On November 15, 1921, the Federal Reserve Bank of Richmond gave notice that it would collect checks upon all nonmember banks in North Carolina by sending them through the mail if the bank would agree to pay the full amount due upon the checks, or by personal presentation by the agent if the nonmember bank refused to pay the full face amount of the check unless presented personally at its counter.
The Legislature of North Carolina, Laws 1921, chapter 20, authorized State banks in North Carolina to charge a fee not in excess of one-eighth of 1 per cent on remittances covering checks, or a minimum fee of 10 cents, and provided that in the event a Federal reserve bank, post office, or express company should present checks at the counters of the drawee bank and demand payment in cash, such drawee bank should be permitted to pay by means of a draft drawn upon its exchange deposit, excepting, however, checks payable to the State or to the Federal Government and checks upon which the drawer had expressly designated to the contrary. The defendant bank, being advised that this statute was unconstitutional, presented the checks at the counter of the drawee bank, demanding the full amount due and returned the checks as dishonored when payment in full was refused. In returning checks which had been so presented, the Federal Reserve Bank of Richmond was careful to state that the check had been duly presented and that payment in money at its face amount had been demanded but had been refused, as the drawee bank claimed the right to discharge its obligation by its own draft.
The plaintiffs in this proceeding sought to restrain the Federal Reserve Bank of Richmond from returning any check presented under these circumstances and to require it to accept an exchange draft from the plaintiffs when any check had been thus presented to them regardless where such exchange draft was payable or whether or not the payment of it could be indefinitely postponed, as suggested in the argument, by a succession of such exchange drafts.

The plaintiffs, however, in addition to the economic effect of the Federal statute which forbids the payment by the reserve bank of a charge for collection of checks, thus forcing, as they claim, all collection to be made through the Federal reserve banks, who can thus collect without charge, made the further allegation that the defendant was undertaking to coerce the nonmember banks to abandon their right to charge for remitting for collections of checks upon them by saving up checks over a considerable period of time until they reached a large amount and then demanding them at the counter, with the probable effect of driving the bank into liquidation.

We need not consider this allegation, which was not only fdenied by the defendant but which the court has found as a act to be untrue. and the plaintiffs have taken no exception to such finding. It would be unnecessary to notice this proposition but that such conduct was condemned by Mr. Justice Holmes in the case of the American Bank \& Trust Co. $v$. Federal Reserve Bank of Atlanta, opinion filed May 16, 1921. That decision was rendered upon a demurrer on which, of course, the court assumed that all the allegations of the bill and all reasonable inferences from them were true. The finding of fact on the trial in the present case eliminated this question entirely from our consideration.

The record and briefs in this case are voluminous and the argument has been very elaborate and able as the importance of the case demanded.
The Federal reserve bank under the provisions of the Federal statute has the right to receive for collection a
check drawn upon a nonmember bank or upon any other person within its district under the clear unmistakable terms of the act.

The amendment made June 21, 1917, to section 13 of the Federal Reserve Act provides: "No charge for the payment of the checks and drafts and the remission therefor for exchange or otherwise shall be made against the Federal reserve banks."

The real question, therefore, presentec for us is whether the Legislature of North Carolina can by the act above mentioned, chapter 20, Laws 1921, interfere with this provision or regulation of the Federal corporation by a valid act of Congress by providing that a State bank need not pay its obligations in lawful money when checks, which upon their face are unconditional orders for the payment of money, are presented by Federal reserve banks.

The question may be presented concretely by this homely illustration: Suppose a farmer or merchant or other citizen of this State should send his check for $\$ 1,000$, drawn on a bank in this State, in payment of a purchase of goods or other article, to New York. The person receiving it would place this check, in the ordinary course of business, to his credit in some bank in that city, which bank in ordinary usage would sometimes charge for collection a small sum based upon the interest for the time usually occupied in sending the check to the bank here and the return of the collection to the benk in New York. As to this charge, which is a matter between the depositor and his bank, there is no controversy here. When such check is sent to this State it has been nct unusual heretofore for the bank here to make its remittance by exchange on New York and to charge a fee for the service, but since the amendment to section 13 of the Federal Reserve Bank Act of June 21, 1917, if such check from New York is remitted through the Federal reserve bank no charge can be made for exchange in remitting the proceeds and if the bank here should remit anything less than the face of the check, $\$ 1,000$, to the Federal reserve bank, the Federal reserve bank in observance of the provisions of the above amendment to section 13 will refuse to accept it as payment and notify its correspondent in New York why the check has been protested for nonpayment. The plaintiffs complain that the result is that ail checks will be sent for collection through the Federal reserve banks' system, but that is an economic result with which this court has nothing to do. This may or may not have been the intention of Congress in making the amendment, but the Federal Reserve Bank Act has been held valid and the amendment of 1917 was a valid regulation over the corporation created by it which Congress had the power to make. Conceding that Congress can not require the bank here to remit without charge for its trouble, Congress by forbidding the charge prevents the reserve bank from allowing such charge (and the total of such charges if made throughout the country would amount to $\$ 135,(100,000$ annually) and the reserve bank has no alternative except to demand payment of the face amount over the counter in legal tender from which no State can release the payee bank
without violation of the United States Constitution, and of its obligation to the drawer and the destruction of its business by the protests of the checks of its customers.

The statute of North Carolina, chapter 20, 1921, was intended for the benefit of the State banks in this State, by authorizing them to continue to charge exchange for remitting collection of checks presented to them for payment, by sending their own checks for less than the face amount of the check sent here for collection, but however desirable that policy may be, it is clearly in conflict with the valid eonstitutional provision of the Federal statute. No act of this State can authorize the drawee bank to pay less than the face amount of the check drawn upon it by its depositor or to remit its check in payment or pay it otherwise than in legal-tender money. Nor can it require that the Federal reserve bank shall pay a fee or that the bank here may remit less than the face value of the check when the Federal statute forbids such charge. It is true that the Federal reserve bank as holder of the check has no contract rights with the drawee bank until the check is presented, but as holder it can require paymont of the face amount on the check in legal tender and under the act of Congress it can not pay a deduction from that face value by accepting a remittance to the reserve bank of a lesser amount. The reserve bank always incloses with the check sent to the payee bank a stamped and addressed envelope for the check to be remitted in payment, which must be for the face amount of the check sent.

The Federal statute, being a regulation of the Federal Corporation by Congress, the act of this State authorizing the payee bank here to exact exchange is in direct confict with the duty imposed upon the Federal reserve bank by the act of Congress and the rescrve bank acts within its duty to observe the provision of the Federal act by refusing to receive a check for less than the face amount of the check sent by it for collection. It is true it can not enforce payment of the face amount except by personal presentation of the check at the counter of the payee bank, but it has a right to refuse a check sent to it by the payee bank for less than the full face amount and to protest the check it has sent here for collection for nonpayment. The matter then becomes one between the drawer of the check and the payee bank who refuses to pay it.

The United States Constitution, Article VI (Sec. 2,) provides that the Constitution of the United States and the laws made in pursuance thereof "shall be the supreme law of the land; and the judges in every State shall be bound thereby, anything in the Constitution or laws of any State to the contrary notwithstanding." In the matter before us the act of Congress which provides that no exchange shall be allowed by the reserve bank for remitting for the collection of any check by any bank is in direct conflict with the statute of this State authorizing the payee bank to remit a lesser amount than the face amount of any check paid by it if presented by the Federal reserve bank. In this conflict of authority the Federal law is supreme. The injunction, therefore, was improvidently granted and the judgment must be rerersed.

## PRICE MOVEMENT AND VOLUME OF TRADE.

## INTERNATIONAL WHOLESALE PRICE INDEXES-UNITED STATES AND ENGLAND.

Prices in the United States advanced 2 points during April, according to our index number, while prices in England remained practically unchanged (our index registering a decline of 1 point for the month). The movement of the group index numbers in the two cases was also somewhat divergent, as raw materials rose in the United States and fell in England. Manufactured goods, on the other hand, showed considerable strength in both countries. If exchange rates are taken into considcration, the levels of prices in the two countries seem to be within about 2 points of one ancther.

In the United States price advances occurred in the leading cereals, in cotton and silk, pig iron and other metals, as well as coal and coke. In England, on the other hand, the advance in raw materials prices was confined to the nonferrous motals and live stock, while the leading cercals, cotton, coal, and lumber declined. Among producers' or scmifinishod goods there was greater similarity of trend in the two countrics. Stecl products, woolen yarns, cotton yarns, and certain important chomicals, such as nitrate of soda and sulphate of ammonia, advanced in price in both countries, while leather declined.

In the group of finished consumers' goods advances occurred in both countries in pork, mutton, sugar, rice, and coffee, while reductions were made in cheese, lard, shoes, and cotton cloth. Otherwise the trend of commodity prices in the two countries was in the main dissimilar.


INDEX NUMBER OF WHOLESALE PRICES IN THE UNITED STATES.-CONSTRUCTED BY THE FEDERAL RESERVE BOARD FOR THE PURPOSE OF INTERNATIONAL COMPARISONS. 1
[Revised figures. $\Lambda$ verage prices in $1913=100$.]

${ }^{1}$ The index number of the Federal Reserve Eoard has been constructed primarily with a view to international comparisons of wholesale prices, The number has been published monthly since May, 1920 , but is computed for the years 1913,1919 , and the first of 1920 as well.

For detailed information regarding the make-up of the number, reference may be made to the Federal. Reserve Bulletin for May, 1920 pages 499-503. The commodities included in tho different groups are listed there with exact specifications and markets indicated. The "weights" assigned to the different commodities in constructing the index numbers are also given in detail. Revisions in prices or weights appear in Bulletins for June, 1920, June, 1921, and Mar, 1922.

The index of "goods produced" consists or \& 5 'quotations ( 30 raw materials, 24 producers' and 31 consumers' goods). These include agricultural products (such as grains, live stock, and textilos), minerals, and lumber, among the raw materials; yärns, leather, semifinished steel products, refined oils, chemicals, building materials, etc., among the producers' goods; and potatoes, meats, flour, rice, eggs, dairy products, fruits, cotton and woolen cloths, underwear and hosicry, boots and shoes, and kerosene among the consumers' goods.

The index of "goods imported" consists of 19 quotations ( 10 raw materials, 7 producers' and 2 consumers' goods). It includes. Egyptian cotton, Australian and South American raw wool, Japanese and Chinese silk, South American hides, Straits tin, and Canadian lumber among the raw, materials; plantation and Para rubber, Chilean nitrate, cane sugar, burlap, sisal, etc., among producers' goods; and tea and cofoe for consumers' goods.

Leading American exports are included in the index of prices of "goods exported," which is made up of 39 quotations ( 17 raw materials, 11 producers' and 11 consumers' goods). Grains, obacco, cotton, copper, coal, pig iron, petroleum, and lumber make up the list of raw materials; vegetable oils, leather, semitinished metal produets, refined oils, and chemicals the producers' goods; and wheat flour, refined sugar, pork products, colfee, cotton cloth, boots and shoes, and kerosene the consumers' goods.

The index numbers of "raw materials," "producers'goods," and "consumers' goods," consist of the commodities mentioned above which fall into these classes, whether they are of domestic or foreign origin. The raw materials group include 40 quotations, the producers' goods 31 , and the consumers' goods 33 .

The quotations are obtained from representative trade journals and private firms. About half of them are the same that are used by the Bureau of Labor Statistics in its larger compilation of prices and are furnished to the Board by that bureau.


INDEX NUMBERS OF WHOLESALE PRICES IN GREAT BRITAIN-CONSTRUCTED BY THE FEDERAL RESERVE BOARD FOR THE PURPOSE OF INTERNATIONAL COMPARISONS. ${ }^{1}$

${ }^{1}$ The British index number is the second of the series of wholesale price indexes to be completed by the Federal Reserve Board for the purpose of international comparisons. It was published for the first time in the Federal Reserve Bulletin for February, 1922, but is also computed for the years 1913, 1919, 1920, and 1921.

Detailed information regarding the make-up of the number may be found in the Federal Reserve Buletm for February, 1922, pages 147-153, The entire list of commodities included in the different groups is furnished there with exact specifications and markets indicated. The "weights" assigned to the different commodities in constructing the index numbers are also given in detail.

The commodities which form the basis for the index number are for the most part the same as those used in the Federal Reserve Board index of American prices.

The index of "goods produced" consists of 55 quotations ( 16 raw materials, 25 producers' and 13 consumers' goods). These include agricultural products (grains, live stock, wool, and hides), pig iron, coal and coke among the raw materials; cotton yarns, woolen yarns and wool tops, zemifinished iron and steel products, building materials, chemicals, leather, etc, among the producers' goods; cotton cloth, boots and shoes, food products, and tobacco among the consumers' goods.

The index of "goods imported" consists of 43 quotations ( 23 raw materials, 9 producers' and 11 consumers' goods). These include American and Australian wheat, American tobacco, American and Egyptian cotton, Australian wool, Straits tin, American copper, Swedish lumber, etc., among raw materials; West Indian sugar, India jute, Para and plantation rubber, American petroleum products, etc., among the producers' goods; and Argentine beef, American pork products, coffee, tea, kerosene, etc., among the consumers' goods.

The index of "goods exported or reexported" includes cotton, wool, coal, pig iron, etc., among raw materials; cotton and woolen yarns, iron and steel products, rubber, etc., among the producers' goods; and cotton cloth, boots and shoes, coffee, tea, and tobacco arnong the consumers' goods. to these classes, whether they are of domestic or foreigu origin. The raw materials group includes 39 quotations, the producers' goods 35 , and the consumers' goods 24 .

The 'fall commed'ties" index is obtained by combining the group indexes of domestic and foreign goods. It consists of 98 different quotations.


INDEX NUMBERS OF WHOLESALE PRICIAS IN THE UNITED STATES FOR PRINCIPAL CLASSES OF COMMODITIES-BUREAU OF LABOR STATISTICS-REGROUPED BY FEDERAL RESERVE BOARD. ${ }^{2}$
[Average prices in $1913=100$. ]


[^5]In order to give a more concrete illustration of actual price movements in the United States, there are also presented in the following table monthly actual and relative figures for certain commodities of a basic character. The prices
shown in the table have been obtained from the records of the United States Bureau of Labor Statistics, except in the case of bituminous coal, prices for which have been obtained from the Coal Age.

AVERAGE MONTHLY WHOLESALE PRICES OF COMMODITIES.

| Year and month. | [Average price for 1913=100.] |  |  |  |  |  |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | Corn, No. 3, Chicago. <br> Average Relaprice per tive bushel. price. |  |  |  |  |  | Wheat, No. 2, red winter. Chicago. |  | Cattle, stcers, : Hides, packers, good to choice, hoary native Chicago. , steers, Chicago. |  |  |  |
|  |  |  | Average price per pourd. | Relative price. | Average price per bushel. | Relative price. | Average price per bushel. | Relative price. | Average price per 100 pounds. | Relative price. | Arerage price pes pound. | Relative price. |
| 1913. | \$0.6155 | 190 | \$0.1270 | 100 | \$0. 8735 | 100 | \$0. 9863 | 100 | \$8. 5072 | 100 | \$0.1839 | 100 |
| 1919. | 1. 5800 | 237 | . 3185 | 251 | 2.5660 | 294 | 2.5370 | 239 | 17.4957 | 206 | . 3931 | 210 |
| 1920 | 1.3968 | 227 | . 3301 | 260 | 2. 5581 | 293 | 2.5225 | 256 | 14.4856 | 170 . | . 3122 | 174 |
| 1921. | . 5648 ! | 92 | . 1414 | 111 | 1. 4660 | 168 | 1.4353 | 146 | 8.7803 | 103 | . 1390 | 76 |
| 1921. |  |  |  |  |  |  |  |  |  |  |  |  |
| April. | . 5547 ! | ${ }_{9} 9$ | . 1116 | 88 | 1. 4059 | 161 | 1. 3869 | 141 | 8.7188 | 102 | . 1013 | 55 |
| July.. | . 6019 \% | 98 | .1147 | 90 | 1. 4384 | 166 | 1. 22291 | 125 | 8.4063 | 99 | . 1388 | 75 |
| August... | . 5574 | 91 | . 1290 | 102 | 1.3953 | 160 : | 1. 2373 | 125 | 8. $77500^{\circ}$ | 103 | . 1405 | 76 |
| September | . 5344 ! | 87 | . 1963 | 155 | 1. 4825 | 170 | 1. 2769 | 129 | 8.3750 | 98 | . 1406 | 76 |
| October. | ${ }^{-4647}$ ! | 36 | . 1913 | 151 | 1.3191 | 151 | 1. 1938 | 121 | 8.8750 | 104 | . 1481 | 81 |
| Necember | . 47669 | 76 76 | .1750 .1713 | 1138 | 1.2535 | 144 | 1.1758 1.1767 | 119 119 | 8. 5625 8.2188 | 101 | .1580 .1650 | 86 90 |
| 1922. |  |  |  |  |  |  |  |  |  |  |  |  |
| 1 nuary. | . 4738 | 77 | . 1650 | 130 | 1.2995 | 149 | 1. 1960 | 121 | 8.1500 | 96 | . 1650 | 90 |
| February | . 5.52 | 91 | .1656 | 130 | 1.5219 | 174 | 1.3816 | 140 | 8. 6375 | 102 | . 1600 | 87 |
| March.. | . 5606 | c1 | . 1669 | 131 | 1.5003 | 172 | 1.3567 | 138 | 8.7313 | 103 | . 1388 | 75 |
| April.. | . 5769 | 4 | . 1681 | 132 | 1. 2628 | 179 | 1. 3914 | 141 | 8. 4063 | 99 | . 1338 | 73 |

AVERAGE MONTHLY WHOLESALE PRICES OF COMMODITIES-Continued.

| Year and month. | Hogs, light,Chicago. |  | Wool, Ohio, $\frac{1-\frac{3}{1}}{8}$ grades, scoured, castern markets. |  | Hemlock, NewYork. |  | Yellow pine, flooring, New York. |  | Coal, bituminous, rum of mine, f.o.b. spot at mines, Pittsburgh. |  | Coal, bituminous, Pocahontas, i.o.b. spot at mines, Columbus. |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | Average price per 100 pounds. | Relative price | Average price por pound. | Relative price. | A yerago price per : M feet. | Relalive price. | Average price per M feet manulactured. | Relalive price. | Average price per shortton. | Relative price. | Average price per short ton. | Relative price. |
| 1913. | \$8. 4541 | 100 | \$0. 4710 | 100 | \$24. 2273 | 100 | \$44. 5909 | 100 | \$1.3200 | 100 | 1 \$1. 5710 | 100 |
| 1919 | 18.3260 | 217 | 1. 1894 | 248 | 39.7500 | 164 | 78.8333 | 177 |  |  |  |  |
| 1920 | 14.7106 | 174 | . 9712 | 203 | 56.6667 | 234 | 145.4167 | 326 | 6.0433 | 458 | 5.8891 | 375 |
| 1921. | 8. 8913 | 105 | . 5076 | 108 | 40.8960 | 169 | 93.7083 | 210 | 2.2030 | 167 | 3.1804 | 202 |
| April.............. |  |  |  |  |  |  |  |  |  |  |  |  |
| July. | 10.2000 | 121 | . 52 | 104 | 47.5000 | 169 | 91.0000 | 204 | 2.2000 | 170 | 3.3025 | 214 |
| August | 10.3950 | 123 | . 4727 | 100 | 37.2500 | 154 | 92.0000 | 206 | 2.1300 | 161 | 3.0600 | 195 |
| September | 8. 5000 | 101 | . 4727 | 100 | 37.2500 | 154 | 92.0000 | 206 | 2.2310 | 169 | 2.9190 | 186 |
| October. | 8.1800 | 97 | . 4727 | 100 | 37.2500 | 154 | 90.0000 | 202 | 2.1800 | 165 | 2.6800 | 171 |
| November | 6. 8688 | 81 | . 5091 | 108 ' | 37.2500 | 154 | 91.0000 | 204 | 2.1500 | 163 | 2.4500 | 156 |
| December | 7.0250 | 83 | . 5273 | 112 | 37.2500 | 154 | 95.5000 | 214 | 2.1500 | 163 | 2.1950 | 140 |
| 1922. |  |  |  |  |  |  |  |  |  |  |  |  |
| January | 8.1600 | 97 | . 5818 | 124 | 37.2500 | 154 | 95. 5000 | 214 | 2.1500 | 163 | 2.1500 | 137 |
| Februar | 10. 2685 | 121 | . 6727 | 143 | 37.2500 | 154 | 95. 5000 | 214 | 2. 1500 | 163 | 2.0750 | 132 |
| March. | 10.5875 | 125 | . 7273 | 154 | 37.2500 ; | 154 | 95.5000 | 214 | 2.0380 | 154 | 1.8250 | 116 |
| April. | 10.5000 | 124 | . 7273 | 1.54 | 37.2500 | 194 | 9 j .5000 | 214 | 2.0000 | 152 | 1.9750 | 126 |
| Year and month. | Coal, anthracite, stove, New York, tidewater. |  | Coke, Connellsville, at furnace. |  | Copper, ingot, electrolytic, New York. |  | Lead, pig, desilverized, New York. |  | Petroleum, crude, Pennsylvania, at wells. |  | Pig iron, basic, Mahoning and Shenango Valley, at furnace. |  |
|  | A verage price per long ton. | Relative price | A verage price per short ton. | Relative price. | A verage price per pound. | Relative price. | Average price per pound. | Relative price. | A verage price per barrel. | Relative price. | Average price per long ton. | Relative price |
| 1913. | \$5.0613 | 100 | \$2. 4396 | 100 | \$0.1573 | 100 | \$0. 0440 | 100 | \$2.4500 | 100 | \$14. 7058 | 100 |
| 1919 | 8.1639 | 161 | 4.7375 | 194 | . 1911 | 122 | . 0578 | 131 | 4. 1346 | 169 | 27.6971 | 188 |
| 1920. | 9. 4265 | 186 | 10.8163 | 443 | . 1797 | 114 | . 0808 | 18.4 | 5. 9750 | 244 | 42.2692 | 287 |
| 1921. | 10. 5544 | 209 | 3.6361 | 149 | . 1262 | 80 | . 0457 | 104 | 3.3144 | 135 | 21.6683 | 147 |
|  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |
| July.. | 10. 5048 | 208 | 2.9063 | 119 | . 1253 | 80 | . 0440 | 100 | 2.2500 | 92 | 19.3750 | 132 |
| August | 10.6036 | 210 | 2. 8000 | 115 | . 1173 | 75 | . 0440 | 100 | 2. 2500 | 92 | 18.2000 | 124 |
| Septembe | 10.7075 | 212 | 3. 1875 | 131 | . 1200 | 76 | . 0461 | 105 | 2.3125 | 94 | 19. 1250 | 130 |
| October. | 10.7125 | 212 | 3. 2750 | 134. | . 1268 | 81 | . 0470 | 107 | 3.1250 | 128 | 19.1875 | 130 |
| November | 10.6859 | 211 | 2. 9700 | 122. | . 1303 | 83 | . 0470 | 107 | 3.9000 | 159 | 19.0000 | 129 |
| December | 10.7063 | 212 | 2.7500 | 113 | . 1356 | 86 | . 0470 | 107 | 4.0000 | 163 | 18.6250 | 127 |
| 1922. |  |  |  |  |  |  |  |  |  |  |  |  |
| January. | 10.6935 | 211 | 2.7500 | 113 | . 1355 | 86 | . 0470 | 107 | 3.3000 | 135 | 18.1500 | 123 |
| February | 10.6944 | 211 | 3. 0375 | 125 | . 1288 | 82 | . 0470 | 107 | 3. 2500 | 133 | 17.7500 | 121 |
| March. | 10.6939 | 211 | 3.2500 | 133 | . 1272 | 81 | . 0470 | 107 | 3.2300 | 133 | 17.9375 | 122 |
| April | 10.6943 | 211 | 4. 4750 | 183 | . 1263 | 80 | . 0.511 | 116 | 3.2500 | 133 | 20.0000 | 136 |
| Year and month. | Cotton yarns, northern cones, 10/1 Boston. |  | Leather, sole, hemlock, No. 1, Chicago. |  | Steel billets, Bessomer, Pittsburgh. |  | Steel plates, tank, Pittsburgh. |  | Steel rails, open-hearth, Pittsburgh. |  | Worsted yarns, 2-32's crossbred, Philadelphia. |  |
|  | A verage | Rela- | Average |  |  |  |  |  |  |  |  |  |
|  | price per | tive | price per | tive | price per | tive | price por | tive | Average | tive | Average price per | tive |
|  | pound. | price. | pound. | price. | long ton. | price. | pound. | price. | long ton. | price. | pound. | price. |
| 1913. | \$0.2213 | 100 | \$0. 2821 | 100 | \$25. 7892 | 100 | \$0.0148 | 100 | \$30.0000 | 100 | \$0.7767 | 100 |
| 1919. | . 5340 | 241 | . 5283 | 187 | 40.5385 | 157 | . 0271 | 183 | 49.2642 | 164 | 1.6274 | 210 |
| 1920. | . 6245 | 282 | . 5342 | 189 | 56.2596 | 218 | . 0328 | 222 | 53.8269 | 179 | 1.8250 | 235 |
| 1921. | . 2904 | 131 | . 3583 | 127 | 34.3846 | 133 | . 0193 | 130 | 45.6538 | 152 | 1.1792 | 152 |
| 1921. |  |  |  |  |  |  |  |  |  |  |  |  |
| April | . 2388 | 108 | .3700 | 131 | 37.5000 | 145 | . 0210 | 142 | 47.0000 | 157 | 1.2000 | 155 |
| July... | . 2411 | 109 | .3500 | 124 | 32.2500 | 125 | . 0185 | 125 | 47.0000 | 157 | 1.1500 | 148 |
| August. | . 22586 | 117 | . 3400 | 121 | 29.6000 | 115 | . 0178 | 120 | 47.0000. | 157 | 1.1500 | 148 |
| September | . 3446 | 153 | . 3400 | 121 | 29.0000 | 112 | . 0164 | 111 | 47.0000 | 157 | 1. 1500 | 148 |
| October. | . 3832 | 173 | . 3400 | 121 | 29.0000 | 112 | . 0160 | 108 | 45. 2500 | 151 | 1. 1500 | 148 |
| November | . 36595 | 165 | .3400 .3400 | 121 | 29.0000 29.0000 | 112 | . 0152 | 103 | 40.0000 | 133 | 1. 1500 | 148 |
|  |  |  |  |  |  |  |  |  |  |  |  |  |
| January.......... | . 3259 | 147 | . 3400 | 121 | 28.0000 | 109 | . 0150 | 101 | 40.0000 | 133 | 1. 2774 | 164 |
| February | . 3127 | 141 | . 3500 | 124 | 28.0000 | 109 | . 0139 | 94 | 40.0000 | 133 | 1.3000 | 167 |
| March. | . 3136 | 142 | . 3500 | 124 | 28.0000 | 109 | . 0139 | 94 | 40.000 | 133 | 1.2506 | 161 |
| April | . 3136 | 142 | . 3500 | 124 | 29.5000 | 114 | . 0148 | 100 | 40.0000 | 133 | 1. 3000 | 167 |

1 On Toledo market, average for last 6 months of 1913.

AVERAGE MONTHLY WHOLESALE PRICES OF COMMODITIES-Continued.
[Average price for $1913=100$.]

| Year and month. | Beef, carcass, good native steers, Chicago |  | Coffee, Rio, No. 7 , New York. |  | Flour, wheat, standard patents (1918, standard war), Minneapolis. |  | $\begin{gathered} \text { Hams, smoked, } \\ \text { Chicago. } \end{gathered}$ |  | Illuminating oil, $150^{\circ}$ fire test, New York. |  | Sugar, granulated, New York. |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | A verage price per pound. | Relalive price. | A verage price per pound. | Relative price. | A verage price per barrel. | Relative price. | Average price per pound. | Relative price. | Average price per gallon. | Relative price. | A verage price per pound. | Relative price. |
| 1913. | \$0.1295 | 100 | \$0.1113 | 100 | \$4. 5837 | 100 | \$0. 1662 | 100 | \$0.1233 | 100 | \$0.0427 | 100 |
| 1919 | . 2333 | 180 | .1785 | 160 | 11.9982 | 262 | . 3433 | 207 | . 2004 | 163 | . 0894 | 209 |
| 1920 | . 2304 | 178 | . 1198 | 108 | 12. 6750 | 277 | . 3340 | 201 | . 2629 | ${ }_{213}$ | . 1267 | 297 |
| 1921 | . 1627 | 1.26 | . 0719 | 65 | 8. 3264 | 182 | . 2678 | 161 | . 2432 | 197 | . 0616 | 144 |
| April.............. | . 1620 | 127 | . 0600 | 2 | 7.9500 | 173 | . 2763 | 166 | . 2510 | 206 | . 0725 | 170 |
| July. | . 1490 | 115 | . 0647 | 58 | 8. 9000 | 194 | .3200 | 193 | . 2200 | 178 | .0546 | 128 |
| August | . 1600 | 124 : | . 0703 | 63 | 8. 1200 | 177 | . 3248 | 195 | . 2200 | 178 | . 0583 | 137 |
| Septembe | . 1595 | 123 | . 0789 | 71 | 8.3188 | 181 | . 2756 | 166 | . 2200 | 178 | . 0559 | 131 |
| October | . 1644 | 127 | . 0813 | 73 | 7. 4250 | 162 | . 2372 | 143 | . 2320 | 188 | . 0519 | 122 |
| November | . 1725 | 133 | . 0883 | 79 | 7.1700 | 156 | . 2238 | 135 | . 2400 | 195 | . 0517 | 121 |
| December | .1640 | 127 | . 0931 | 84 | 6. 8813 | 150 | . 2150 | 129 | . 2400 | 195 | . 0500 | 117 |
| 1922. |  |  |  |  |  |  |  |  |  |  |  |  |
| January. | . 1538 | 119 | . 0963 | 87 | 7.0000 | 153 | . 2210 | 133 | . 2175 | 176 | . 0480 | 112 |
| February | . 1450 | 112 | . 0902 | 81 | 7.9750 | 174 | . 2672 | 161 | . 2100 | 170 | . 0492 | 115 |
| March. | . 1450 | 112 i | . 0959 | 86 | 7.8125 | 170 | . 3063 | 184 | . 2100 | 170 | . 0516 | 121 |
| April. | . 1450 | 112 | . 1083 | 97 | 7.7500 | 169 | . 3088 | 186 | . 2050 | 166 | . 0519 | 122 |

## COMPARATIVE WHOLESALE PRICE LEVELS IN PRINCIPAL COUNTRIES.

The foreign index numbers published herewith are constructed by various foreign statistical offices, and are sent to the Federal Reserve Board by cable. ${ }^{1}$

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

INDEX NUMBERS OF WHOLESALE PRICES (ALL COMMODITIES).

|  | United <br> States; <br> Federal <br> Reserve <br> Board (104 <br> quota- <br> tions). ${ }^{2}$ | United States; <br> Bureau <br> Labor <br> Statistics (315 $\underset{\text { tions). }}{ }{ }^{2}$ | Canada; <br> Department of Labor (272 quotations). ${ }^{5}$ | United Kingdom; <br> Board <br> Trade <br> (150 <br> com- <br> modi- <br> ties). | United Kingdom; Federal Teserve Board (98quotations). ${ }^{2}$ | France; Bulletin de la Statistique Générale ( $45 \mathrm{com}-$ modities). ${ }^{3}$ | Italy; <br> Prof. <br> Bachi <br> (38 com- <br> modities <br> until1920, <br> 76 during <br> 1921 and <br> 100 there- <br> after). | Ger- many; Frank- furter Zeitung (77 com- modi- ties).4 | Ger- many; Statis- tisches Reichs- amt (38 com- modi- ties). | Sweden; Svensk Handelstidning (47 quota. tions). ${ }^{5}$ | Christi- ania, Norway; Orwono- misk Revue (93 com- modi- ties). | Denmark; Finanstidende ( 33 com-modities. ${ }^{7}$ | Belgium; <br> Department of statistics ( 130 com. modities). ${ }^{21}$ |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| 1913. | 100 | 100 | 100 | 100 | 100 | 100 | 100 |  | 100 | ${ }^{2} 100$ |  |  |  |
| 1914. |  | 100 | 101 |  |  | 101 | 95 | 9100 | ......... | 116 | 10115 | ${ }^{11} 100$ | 22100 |
| 1921.... | 148 | 153 | 182 | 202 | 201 | ${ }_{345}$ | 578 | 1,862 | 1,911 | 211 | 269 | 350 |  |
| 1921, | 146 | 154 | 187 | 209 | 206 | 347 | 584 | 1,461 | 1,326 | 229 | 297 | 270 |  |
| May .... | 145 | 154 | 183 | 203 | 201 | 329 | 547 | 1,483 | 1,308 | 218 | 294 | 257 |  |
| July... | 145 | 148 | 176 | 198 | 186 | 330 | 520 | 1,317 | 1,428 | 211 | 300 | 253 |  |
| August.... | 146 | 152 | 174 | 194 | 195 | 331 | 542 | 1,798 | 1,917. | 198 | 297 | 256 | 347 |
| Soptember | 146 | 152 | 172 | 191 | 194 | 344 | 580 | 1,843 | 2,067 | 182 | 287 | 224 | 364 |
| October... | 145 | 150 | 169 | 185 | 187 | 331 | 599 | 2,067 | 2,460 | 175 | 285 | 202 | 368 |
| Novermber. | 145 | 149 | 168 | 176 | 177 | 332 | 595 | 2,798 | 3,416 | 174 | 276 | 186 | 368 |
| December. | 142 | 149 | 170 | 171 | 172 | 326 | 595 | 3,348 | 3,487 | 172 | 269 | 188 | 368 |
| January... | 142 | 148 | 168 | 168 | 170 | 314 | 577 | 3,562 | 3,665 | 170 | 260 | 178 | 361 |
| February..! | 146 | 151 | 169 | 165 | 167 | 306 | \%62 | 3,955 | 4,103 | 166 | 253 | 177 | 350 |
| March.... | 147 | 152 | 166 | 163 | 168 | 307 | 533 | 4,876 | 5,433 | 164 | 240 | 182 | 347 |
| April. | 149 |  | 166 | 164 | 167 | 314 | 527 | 6, 101 | 6,355 | 165 | 236 | 178 | 340 |
| May |  |  | 1.67 |  | 171 | 317 |  | 6,573 |  | 164 | 231 | 177 |  |
| June |  |  |  |  |  |  |  | 6,809 |  |  |  | 179 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |
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|  |  | Switzer- | $\underset{\text { Central }}{\text { Holland; }}$ | Bulgaria; | Cairo; <br> Depart- | Africa; Office of | $\begin{aligned} & \text { Com- } \\ & \text { mon- } \end{aligned}$ |  |  | cutta, <br> India | Japan; <br> Bank of | hai; <br> Bureau of | Peru; Depart- |
|  |  | land; | Bureau |  | ment of | Census | wealth; | Zealand; | East | Depart- | Japan | Markets, | Depart- |
|  |  | Lorenz | or Statis | tion | Statis- | and Sta- | Bureau | Depart- | Indies; | ment of |  | Ministry | Statis- |
|  |  | Lorenz <br> ( 71 com - | tics (53 | Générale | ties (23 | tistics | of Cen- | ment of | Statis- | Statis- | Tokyo | of | tics |
|  |  | modi- | com- | de la | com- | (187 | sus and | Statis- | tical | tics (75 | ( 56 com - | Finance | (58 com- |
|  |  | ties). ${ }^{\text {. }}$ | ${ }_{\text {modi- }}^{\text {mod }}$. ${ }^{\text {d }}$ | Sta- tistique. | modi- | com- | Statistics |  | Bureau. ${ }^{\text {b }}$ |  | modi- | (147 com- | modi- |
|  |  |  |  | tistique. | ties). | modities). | (92 com-modi- |  |  | mod- <br> ties). ${ }^{2}$ | ties). ${ }^{2}$ | modi- <br> ties). ${ }^{3}$ |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 1913. |  |  | 100 | 100 | (17) |  |  | 18100 |  |  | 100 | 19100 | 100 |
|  |  | 100 | 105 | 103 | 100 |  | 12100 | 104 | 14100 | 18100 | 96 |  | 104 |
| 1919. |  |  | 297 | ${ }^{24} 1,166$ | 225 | 181 | 180 | 178 | 281 | 198 | 236 | 24129 | 220 |
| 1920 |  |  | 282 | 1,940 | 299 | 245 | 218 | 212 | 226 | 204 | 259 | 140 | 238 |
| 1921. |  | 195 | 181 | 2,006 | 180 | 192 | 167 | 201 | 166 | 181 | 200 | 145 | 205 |
| 1921 |  |  |  |  |  |  |  |  |  |  |  |  |  |
| April |  | 208 | 176 | 2,006 | 181 | 184 | 171 | 204 | 188 | 183 | 190 | 144 | 205 |
| July... |  | 179 | 176 | 1,721 | 164 | 169 | 159 | 200 | 183 | - 183 | 196 | 145 | 201 |
| August.... |  | 177 | 180 | 1,730 | 166 |  | 160 | 197 | 184 | 184 | 199 | 149 | 205 |
| September. | ..... | 181 | 180 169 | 1,758 | 176 |  | 180 | 197 | 188 | 187 | 207 | 148 | 205 |
| October... |  | 184 | 169 | 2,052 | 186 | 155 | 156 | 195 | 175 | 184 | 219 | 146 | 203 |
| November. | ............. | 182 | 165 165 | $\mathbf{2 , 0 6 1}$ $\mathbf{2 , 1 5 5}$ | 181 170 |  | 151 | 191 | 170 | 180 | 214 | 144 | 195 |
| December.. | ......... |  | 165 | 2,155 | 170 |  | 148 | 189 | 166 | 180 | 209 | 146 | 190 |
| 1922 |  |  |  |  |  |  |  |  |  |  |  |  |  |
| January.. |  | 176 | 161 | 2,172 | 168 |  | 147 | 186 | 164 | 178 | 206 | 149 | 190 |
| February | ... | 171 | 162 | 2,272 | 169 |  | 147 | 181 | 163 | 179 | 204 | 150 | 191 |
| March.. |  | 171 | 162 | 2,287 | 153 |  | 146 | 180 | 164 | 182 | 201 | 152 | 190 |
| April..... |  | 163 | 159 | 2,514 | 148 |  | 148 |  |  | 182 | 197 | 150 | 187 |
| May ..... | ...... | 161 |  |  |  |  |  |  |  |  |  |  | 186 |
| 1 See following page for issues of Bulletin cont the methods used in constructing these indexes. <br> ${ }^{2}$ Average for the month. <br> ${ }^{3}$ End of month. <br> ${ }^{4}$ Beginning of month, but not always the first. <br> - Middle of month. <br> - End of year and end of month. <br> ${ }^{T}$ First of month. <br> - July 1, 1913, to June 30, 1914=100. <br> - Middie of $1914=100$. <br> ${ }^{10}$ Dec. 31, 1913-June 30, 1914 $=100$. <br> 4 July 1, 1912-June 30, 1914=100. <br> 4 July, 1014-100. |  |  |  |  | ning descri | iptions of | is End of July, 1914=100. <br> 14 As of Jan. 1. <br> ${ }^{15}$ Prices as of first of the month. $1914=100$. <br> ${ }_{10}^{10}$ Based upon prices of 52 commodities during 1920; 53 during 1921. <br> 17 Jan. 1, 1913-July 31, $1914=100$. <br> ${ }_{19}^{18}$ A verage annual expenditure, $1913=100$. <br> ${ }_{19} \mathrm{Feb}$., $1913=100$. <br> ${ }^{20}$ A verage for month until September, 1921; thereafter prices as of 15th of month. <br> ${ }_{21}$ Average of last half of month: <br> ${ }^{23}$ April, $1914=100$. <br> ${ }^{23}$ As of last Wednesday in month. <br> 34 December figure. |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |
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The Bulletin for January; 1920, contains a description of the French, Australian, Japanese, and Canadian indexes. A description of the method used in the construction of the Swedish index number appeared in the Bullemin for February, 1921, the new Italian index number was discussed in the April, 1921, issue of the Bulletin, and the method used by the Frankfurter Zeitung in the case of the German index number was described in the Bulletins of February and March, 1921. Complete information regarding the computation of the index of the United States Bureau of Labor Statistics appears in the publications of that bureau, and a description of the index number of the Federal Reserve Board for the United States may be found in the Bulletin for May, 1920. The Danish index has been constructed only recently, is based upon the prices of 33 commodities, and is roughly weighted according to consumption. The new British index number, compiled by the Board of Trace, was described in the March, 1921, Bulletin. The December, 1921, issue contains a description of the
index published by the Federal Statistical Bureau for Germany, and the indexes for Switzerland, Holland, Norway, Bulgaria, Cairo, the Union of South Africa, the Dominion of Now Zealand, and Peru. The index numbers for the Dutch East Indies and Belgium were described in the Bulletin for March, 1922. Lack of space prevents the publication of group index numbers for these countries, but they can be obtained at any time upon request. In the case of the two American index numbers, 1913 is used as the basis in the original computations. In most other cases in which 1913 appears as the basis for the computation, the index numbers have been shifted from their original bases. The computations in these cases are, therefore, only approximately correct. In certain cases July, 1914, or the year immediately preceding that, is used as the base. Since the figures are for the most part received by cable, the latest are subject to revision. In certain cases the index numbers for the war years were published in various issues of the Bulletin in 1920.

GROUP INDEX NUMBERS-UNITED STATES-BUREAU OF LABOR STATISTICS.
$[1.913=100$.]

| Date. | Farm products. | Food, etc. | Cloths and clothing. | Fucl and 3ighting. | $\left\lvert\, \begin{gathered} \text { Metals and } \\ \text { metal } \\ \text { products. } \end{gathered}\right.$ | Lumber and building material | Chemicals and drugs. | Housefurnishing goods. | Miscellaneous. | $\underset{\substack{\text { All } \\ \text { commodi } \\ \text { ties. }}}{ }$ |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| 1913. | 100 | 100 | 100 | 100 | 100 ! | 100 | 100 | 100 | 100 | 100 |
| 1919. | 234 | 210 | 261 | 173 | 161 | 192 | 179 | 236 | 217 | 212 |
| 1920. | 218 | 239 | 302 : | 238 | 186 | 308 | 210 | 366 | 236 | 243 |
| 1921. | 120 | 143 | 183 | 190 | 131 | 196 | 168 | 238 | 158 | 153 |
| 1921. |  |  |  |  |  |  |  | 1 |  |  |
| April.. | 115 | 137 | 186 , | 199 | 138 | 1203 | 168. | 274 | 154 | 154 |
| July... | 115 | 134 | 179 | 184 | 125 | 200 | 363 | 235 | 149 | 148 |
| August..... | 118 | 152 | 179 : | 182 | 120 | 198 | 161 | 230 | 147 | 152 |
| September.. | 122 | 146 | 187 ; | 178 | 120 | 193 | 162 | ${ }_{2}^{223}$ | 146 | 152 |
| October.... | 119 | 142 | 190 | 182 | 121 | 192 | 162 | 218 | 145 | 150 |
| November.. | 114 | 142 | 186 ! | 186 | 119 | 197 | 162 | 218 | 145 | 149 |
| December. | 113 | 139 | 185. | 187 | 119 | 203 | 161 | 218 | 148 | 149 |
| 1922. |  |  |  |  |  |  |  |  |  |  |
| January...... | 116 | 134 | 183. | 183 | 117 | 202 | 159 | 214 | 146 | 148 |
| February.... | 128 | 138 | 183 | 183 | 115 | 202 | 159 | 213 | 150 | 151 |
| March......... | 128 | 138 | 182 181 | 188 | 114 | 1 <br> 1 <br> 1202 | 159 160 | $\stackrel{213}{211}$ | 153 152 | 152 152 |

group index numbers-united kingdom-board of trade. [1913=100.]

| Date. | Cereals. | Neat and fish. | Other foods. | Total food. | Iron and steel. | Other metals and minerals. | Cotton. | Other textiles. | Other articles. | Total not food. | All commodities. |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| 1913 averago. | '100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 |
| 1920 average. | 273 | 263 | 278 | 272 | 406 | 252 | 480 | . 362 | 274 | 340 | 314 |
| 1921 average. | 195 | 222 | 214 | 210 | 243 | 180 | 193 | 174 | 197 | 198 | 202 |
| 1921. |  |  |  |  |  |  |  |  |  |  |  |
| April....... | 202 | 245 | 224 | 223 | 259 | 192 | 181 | 170 | 196 | 202 | 209 |
| July.. | 202 | 213 | 215 | 210 | 228 . | 185 | 180. | 161 | 194 | 192 | 198 |
| August... | 205 | 216 | 210 | 210 | 222 ' | 172 | 176 | 159 | 189 | 186 | 194 |
| September. | 195 | 200 | 201 | 199 | 207 ! | 161 | 213 | 163 | 190 | 187 | 191 |
| October.... | 170 | 184 | 193 | 183 | 194 | 158 | 225 | 170 | 190 | 186 | 185 |
| November. | 157 | 178 | 195 | 177 | 181 ! | 153 | 199 | 169 | 183 | 176 | 176 |
| December... | 153 | 181 | 186 | 173 | 172 ! | 152 | 188 | 167 | 178 | 171 | 171 |
| 1922. |  |  |  |  |  |  |  |  |  |  |  |
| January........... | 149 | 176 | 182 | 169 | $166{ }^{\text {i }}$ | 149 | 180 | 169 | 174 | 167 |  |
| February.. | 155 | 178 | 187 | 174 | 162 ! | 145 | 168 | 164 | 169 | 161 | 165 |
| March.... | 159 | 166 | 187 | 171 | 159 | 143 | 172 | 159 | 167 | 159 | 163 |
| April......... | 1.56 | 171 | 194 | 17. | 158 ! | 143 | 173 | 160 | 164 | 159 | 164 |

[^6]GROUP INDEX NUMBERS-FRANCE-GENERAL STATISTICAL BUREAU.
[1913=100.]

| Date. | Animal foods. | Vegetable foods. | Sugar, coffee, and cocoa. | Foods (20). | Mincrals. | Textiles. | Sundrics. | Raw materials (25). | All commodities. |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| 1913 average.. | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 |
| 1920 average.. | 503 | 427 | 422 | 459 | 449 | 737 | 524 | 550 | 510 |
| 1921 average.. | 380 | 330 | 343 | 355 | 275 | 355 | 374 | 338 | 345 |
| May .............. | 379 | 346 | 317 | 356 | 266 | 282 | 355 | 309 | 329 |
| July.. | 353 | 364 | 393 | 366 | 253 | 290 | 343 | 301 | 330 |
| August.... | 371 | 337 | 352 | 355 | 245 | 321 | 356 | 312 | 331 |
| September. | 373 | 311 | 389 | 352 | 253 | 388 | 370 | 338 | 344 |
| October... | 345 | 305 | 305 | 323 | 262 | 391 | 365 | 338 | 331 |
| Norember.. | 33.1 | 306 | 324 | 321 | 277 | 388 | 362 | 341 | 332 |
| December... | 324 | 303 | 300 | 313 | 269 | 375 | 364 | 337 | 326 |
| 1922. |  |  |  |  |  |  |  |  |  |
| January..... | 309 | 289 | 306 | 302 | 258 | 363 | 350 | 324 | 314 |
| February... | 303 | 288 | 318 | 301 | 242 | 345 | 341 | 311 | 306 |
| March.... | 3.41 | 285 | 326 | 317 | 242 | 326 | 328 | 300 | 307 |
| April.. | 362 | 31.0 | 320 | 335 | 245 | 319 | 324 | 297 | 314 |
| May................. | 362 | 310 | 319 | 334 | 249 | 338 | 323 | 303 | 317 |

GROUP INDEX NUMBERS-ITALY-RICCARDO BACHI.
[1921=100.]


GROUP INDEX NUMBERS-GERMANY-FRANKFURTER ZEITUNG.
[Middle of $1914=100$.]

| Date. | $\begin{gathered} \text { Agricul- } \\ \text { tural } \\ \text { prod- } \\ \text { ucts. } \end{gathered}$ | $\begin{gathered} \text { Tex- } \\ \text { liles, } \\ \text { leather. } \end{gathered}$ | Minerals. | Miscellaneous. |  | Date. | Agriculural praducts. | Textiles, leather. | Minerals. | Miscellaneous. | All com$\underset{\text { ties. }}{\text { modi- }}$ |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| July, 1914. | 100 | 100 | 100 | 100 | 100 | - 1921. |  |  |  |  |  |
| 1920 average | 1,223 | 3,107 | 1,925 | 1,417 | 1,580 | Beginning of- |  |  |  |  |  |
| 1921 average. | 1,678 | 2,880 | 2,268 | 1,672 | 1,862 | December. | 3,159 | 6,427 | 5,635 | 2,418 | 3,348 |
| $\begin{gathered} 1921 . \\ \text { Beginning of } \end{gathered}$ |  |  |  |  |  | $\text { Beginning of } \begin{gathered} 1922 \end{gathered}$ |  |  |  |  |  |
| June...... | 1,108 | 1,867 | 1,687 | 1,607 | 1,438 | January... | 3,351 | 6,427 | 4,025 | 2,984 |  |
| July. | 1,265 | 2,107 | 1,780 | 1,566 | 1,517 | February | 3,551 | 6,827 | 4,520 | 3,393 | 3,955 |
| August | 1,867 | 2,240 | 1,811 | 1,525 | 1,798 | March... | 4,712 | 7,200 | 5,650 | 4,016 | 4, 876 |
| September | 1, 841 | 2,560 | 1,935 | 1,582 | 1, 813 | April. | 5,794 | 9,147 | 7,028 | 4,983 | 6,101 |
| October.... | 1,981 2,766 | 3,200 4.613 | 2,337 | 1,705 2,057 | 2,067 | May. | 5,829 6,073 | 10,053 10,347 | 7,709 7,771 | 5,934 6,221 | 6,573 6,809 |
|  | 2,76 |  |  |  |  |  | 6,0ı3 | 10,347 | 7,771 | 6,221 | 6,809 |

GROUP INDEX NUMBERS-GERMANY-FEDERAL STATISTICAL BUREAU. ${ }^{1}$
[1913 prices $=100$.

| Date. | Goods produced (16 commodities). | Goods imported ( 22 commodities). | All commodities ( $38 \mathrm{com}-$ modities). | Date. | Goods produced (16 commodities). | Goods imported (22 commodities). | All commodities ( 38 com modities.) |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| 1913 average. | 100 | 100 | 100 | November.. | 2,967 | 5,662 | 3,416 |
| 1920 average.. | 1,253 | 2,652 | 1,486 | December. | 3,170 | - 5,071 | 3,487 |
| 1921 average.. | 1,786 | 2,533 | 1,911 | 1922. |  |  |  |
| 1921. |  |  |  | January... | 3,383 | 5,075 | 3, 665 |
| May... | 1,266 | 1,523 | 1,308 | Mebruary | 3,763 <br> 5,027 <br> , 085 | 5,800 7,463 | 4,103 |
| August. | 1,913 | 1,935 | - 1,917 | April. | 5,985 | 8,203 | 6,355 |
| September. | 1,952 | 2, 643 | 2,067 | May.. |  |  |  |
| October.. | 2,235 | 3,585 | 2,460 |  |  |  |  |

${ }^{1}$ Latest figures subject to revision.

GROUP INDEX NUMBERS-SWEDEN-SVENSK HANDELSTIDNING.
[July 1, 1913-June 30, 1914=100.]

| Date. | Vegetable foods. | Animal foods. | Raw materials for agriculture. | Coal. | Metals. | Building male rials. | Wood pulp. | Hides and leather. | Textiles. | Oils. | All com- |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| 1913-14. | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 |
| 1920. | ${ }_{210}^{262} \mid$ | 296 | 312 | 1,007 | 278 | 371 | 675 | 215 | 324 | 294 | 347 |
|  | 210 | 220 | 227 | 285 | 159 | 243 | 310 | 107 | 144 | 228 | 211 |
| 1921. |  |  |  |  |  |  |  |  |  |  |  |
| May. | ${ }^{221}$ - | ${ }_{927}^{217}$ | 245 | 369 | 153 | 237 | ${ }_{197}^{286}$ | 106 | 132 | 238 | 218 |
| August. | 217 i | 230 | 214 | 250 | 130 | 198 | 183 | 107 | 132 | 191 | 198 |
| September | 183 i | 208 | 207 | 223 | 130 | 191 | 178 | 108 | 166 | 191 | 182 |
| October. | 167 | 198 | 200 | 202 | 130 | 211 | 169 | 119 | 161 | 187 | 175 |
| Novernber. | 161 | 196 | 197 | 194 | 133 | 239 | 181 | 108 | 149 | 179 | 174 |
| December. | 150 | 186 | 202 ; | 197 | 134 | 243 | 189 | 110 | 146 | 179 | 172 |
| 1922 |  |  |  |  | $\therefore$ |  |  |  |  |  |  |
| January | 168 | 173 | 202 | 179 | 131 | 228 | 189 | 104 | 144 | 179 | 170 |
| F'obruary | 170 ! | 159 | 170 | 186 | 130 | 226 | 178 | 97 | 138 | 179 | 166 |
| March.... | 173 | 153 | 168 | 170 | 129 | 225 | 167 | 91 | 140 | 179 | 164 |
| April. | 1741 | 156 | 169 | 177 | 128 | 229 | 159 | 90 | 140 | 162 | 165 |
| May..... | 176 | 154 | 170 | 179 | 124 | 212 | 147 | 86 | 156 | 154 | 164 |

GROUP INDEX NUMBERS-CERISTIANIA, NORWAY-OKONOMISK REVUE.
[Dec. 31, 1913-June 30, 1914=100.]


GROUP INDEX NUMBERS-AUSTRALIAN COMMONWEALTH-BUREAU OF CENSUS AND STATISTICS.
[July, 1914=100.]

| Date. | Metals and coal. | 'Textiles, jute, etc. | Agricultural products. | $\underset{\text { products. }}{\underset{\text { Dairy }}{ }}$ | Groceries and tobacco. | Meat. | Building materials. | Chemicals. | All commoditios. |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| July, 1914... | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 |
|  | 209 | 243 | 229 | 184 | 186 | 201 | 295 | 277 | 218 |
| 1921... | 198 | 125 | 160 | 166 | 192 | 133 | 249 | 225 | 167 |
| 1921. |  |  |  |  |  |  |  |  |  |
| April................ | 202 | 11.4 | 164 | 178 | 196 | 144 | 284 | 231 | 171 |
| July.... | 195 | 111 | 158 | 166 | 188 | 119 | 238 | 220 | 159 |
| August. | 194 | 116 | 160 | 164 | 190 | 120 | 231 | 224 | 160 |
| September. | 193 | 143 | 159 | 140 | 187 | 110 | 226 | 220 | 160 |
| October | 193 | 147 | 157 | 129 | 189 | 98 | 210 | 220 | 156 |
| November. | 190 | 138 | 155 | 123 | 188 | 87 | 198 | 208 | 151 |
| December.. | 183 | 134 | 149 | 122 | 187 | 93 | 192 | 205 | 148 |
| 1922. |  |  |  |  |  |  |  |  |  |
| January.......... | 185 | 139 | 140 | 118 | 189 | 92 | 196 | 200 | 147 |
| February. | 184 | 136 | 143 | 119 | 187 | 93 | 195 | 194 | 147 |
| March... | 182 | 137 | 144 | 121 | 186 | 91 | 187 | 190 | 146 |
| April....... | 181 | 140 | 144 | 134 | 185 | 92 | 190 | 192 | 148 |

GROUP INDEX NUMBERS-CANADA-DEPARTMENT OF LABOR. ${ }^{1}$
[1913=100.]

| Date. | Grains and fodder. | Animals and meats | Dairy products. | Fruits and rege- | Other foods. | Textiles. | Hides, leather, etc. | Metals. | Implements. | Building materials, lumber. | Fuel and lighting. |  | All com-modities. |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| 1913. | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 |
| 1920. | 263 | 198 | 204 | 261 | 258 | 303 | 192 | 203 | 245 | 268 | 255 | 204 | 246 |
| 1921.. | 150 | 149 | 157 | 172 | 181 | 189 | 110 | 150 | 240 | 211 | 218 | 177 | 182 |
| May 1921. |  |  | 120 |  |  |  |  |  |  |  |  |  |  |
| July.. | 146 | 143 | 133 | 157 | 174 | 179 | 108 | 147 | 236 | 217 | 207 | 175 | 176 |
| Aupust | 152 | 143 | 142 | 182 | 173 | 181 | 101 | 145 | 237 | 192 | 206 | 176 | 174 |
| September | 144 | 133 | 141 | 170 | 170 | 183 | 100 | 143 | 235 | 189 | 206 | 171 | 172 |
| October. | 127 | 134 | 149 | 171 | 162 | 185 | 100 | 143 | 234 | 190 | 210 | 169 | 169 |
| November | 125 | 113 | 158 | 176 | 158 | 179 | 100 | 140 | 232 | 180 | 211 | 165 | 168 |
| December. | 131 | 122 | 170 | 188 | 159 | 176 | 100 | 141 | 232 | 180 | 211 | 166 | 170 |
| 1922. |  |  |  |  |  |  |  |  |  |  |  |  |  |
| January... | 133 | 129 | 149 | 186 | 155 | 176 | 99 | 142 | 231 | 180 | 206 | 163 | 168 |
| February. | 145 | 140 | 142 | 204 | 155 | 174 | 97 | 141 | 216 | 179 | 204 | 164 | 169 |
| March. | 149 | 138 | 122 | 204 | 158 | 174 | 96 | 137 | 213 | 174 | 206 | 166 | 166 |
| April. | 152 | 143 | 127 | 203 | 157 | 174 | 95 | 135 | 213 | 174 | 206 | 165 | 166 |
| мay.. | 153 | 144 | 116 | 202 | 154 | 175 | 95 | 136 | 213 | 173 | 221 | 168 | 167 |

1 Unimportant groups omitted.
GROUP INDEX NUMBERS-CALCUTTA, INDIA-DEPARTMENT OF STATISTICS.
[End of July, 1914=100.]

| Date. | Build- <br> ing <br> mate <br> rials. <br> . | other raw and manu- fac- tured articles | Metals | Fides and \| skins. | Cotton manu-factures. | Raw cotton. | Jute manu-factures. | Other textiles. | Oils, mustard. | Raw jute. | $\begin{gathered} \text { Oil } \\ \text { seeds. } \end{gathered}$ | Tea. | Sugar. | Pulses. | Cereals | Other foods. | All com: modities. |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| End of July, 1914.. | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 |
| 1920 average. | 138 | 231 | 238 | 147 | 354 | 153 | 149 | 162 : | 128 | 104 | 173 | 78 | 407 | 166 | 154 | 184 | 204 |
| 1921 average.. | 146 | 242 | 237 | 108 | 306 | 143 | 105 | 142 | 108 | 83 | 135 | 100 | 270 | 160 | 145 | 157 | 181 |
| 1921. |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| April. | 147 | 242 | 255 | 97 | 311. | 119 | 97 | 123 | 110 | 85 | 131 | 76 | 3591 | 147 | 141 | 130 | 183 |
| July.. | 149 | 237 | 245 | 116 | 316 | 135 | 102 | 147 | 115 | 80 | 157 | 92 | 247 | 173 | 151 | 162 | 183 |
| August.... | 143 | 242 | 241 | 121 | 301 | 150 | 107 \| | 135 | 116 | 85 | 150 | 107 | 236 | 182 | 153 | 170 | 184 |
| September | 143 | 247 | 214 \| | 120 | 302 i | 217 | 127 | 147 | 115 | 102 | 145 | 116 | 219 | 182 | 157 | 172 | 187 |
| Ostober | 141 | 251 | 214 | 122 | 310 | 193 | 112 | 148 | 106 | 88 | 122 | 124 | 205 | 184 | 154 | 166 | 184 |
| November. | 141 | ${ }^{9} 46$ | 213 | 116 | ${ }_{298} 298$ | 168 ! | 108 | 150 ¢ | 104 | 77 | 123 | 151 | 203 | 178 | 143 | 164. | 180 |
| December. | 13 ? | 135 | 219 | 128 | 289 | 176 | 111 | 150 | 103 | 86 | 124 | 152 | 194 | 180 | 147 | 169 | 180 |
| 1922. |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| January... | 132 | 236 | 220 | 126 | 275 | 165 | 110 | 156 | 105 | 85 | 132 | 161 | 225 | 177 | 139 | 150 | 178 |
| February | 130 | 241 | 193 | 131 | 266 | 172 | 107 | 162 | 109 | 82 | 143 | 146 | 218 | 174 | 137 | 175 | 179 |
| March... | 132 | 260 | 187 | 126 | 271 | 189 | 120 | 150 | 130 | 90 | 148 | 146 | 222 | 173 | 153 | 167 | 182 |
| April.............. | 132 | 259 | 183 | 11.4 | 271 | 189 | 133 | 147 | 125 | 107 | 143 | 146 | 223 | 166 | 145 | 172 | 182 |

## COMPARATIVE RETAIL PRICES IN PRINCIPAL COUNTRIES.

In the following table are presented statistics showing the trend of retail prices and the cost of living in the United States and important European countries: ${ }^{1}$

[^7]Retail Prices in the United States, Paris, Sweden, and Italy; Cost of Living in United Kingdom and Frankfurt-am-Main.
[July, 1914=100.]

|  | United States, retail prices. ${ }^{1}$ | United Kingdom, cost of living. ${ }^{2}$ | Paris, retail prices. ${ }^{1}$ | Sweden, retail prices. | Frank-furt-amMain cost of living. ${ }^{8}$ | Italy, retail prices. ${ }^{4}$ |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| 1920... | 199 | 249 | 371 | 298 | 963 | 454 |
| 1921....... | 150 | 226 | 337 | 237 | 1,184 | 548 |
| 1921. | 149 | 233 | 328 | 248 |  | 564 |
| May...... | 142 | 228 | 317 | 237 | 1,057 |  |
| July........ | 145 | 219 | 306 | 232 | 1,106 | 501 |
| August.... | 152 | 222 | 317 | 234 |  | 534 |
| Soptember- | 150 | 220 | 329 | 228 | 1,204 | 542 |
| October. .- | 150 | 210 | 331 | 218 |  | 581 |
| November. | 149 | 203 | 326 | 211 | 1,442 | 583 |
| 1)ecember. | 147 | 199 | 323 | 202 |  | 585 |
| 1922. |  |  |  |  |  |  |
| January... | 139 | 192 | 319 | 190 | 1,657 | 576 |
| Fobruary.. | 139 | 188 | 307 | 189 |  | 659 |
| March....- | 136 | 186 | 294 | 185 | 2,336 |  |
| April..... | 136 | 182 | 304 | 182 |  |  |
| May....... |  | 181 | 317 |  |  |  |

## 1 Average for the month.

2 Jeginning of month
$+1913=100$.

Ministry of Labor, consists of retail prices of 21 commodities. Twenty

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

In the following table are presented figures showing the monthly value of the foreign trade of a group of important European countries and Japan. ${ }^{1}$

1 Currencies have not been converted to a common unit, nor are mothods of valuation the same in all countries.' In England imports are given current c. i. f. values in Jngland; exports and reoxports,
current f. o. b. values. The same method is followed in Japan and Sweden. In France and Italy the value of foreign trade is estimated not in terms of current prices but in terms of those of some earlier, dated usually the preceding year.
None of the figures presented below include the import or export of gold and silver. In the case of England and France, group figures are given as woll as total values, while in the case of the other countries total values only are presented. This does not mean that group figures are not obtainable, merely that they are either delayed in publication or appear not to be of such general interest as the French and English or appear
material.

FOREIGN TRADE OF THE UNITED KINGDOM.


I Includes reexports.
FOREIGN TRADE OF FRANCE.

|  | Imports. Exports. |  |  |  |  |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | In thousands of francs. |  |  |  | In thousands of metric tons. |  | In thousauds of francs. |  |  |  | In <br> thousands of metric tons. |
|  | Food. | Raw ruate rials. | Manufactured articles. | Total. |  | Food. | Raw mate rials. | Manufactured articles. | Parcel post. | 'Jotal. |  |
| Monthly average: |  |  |  |  |  |  |  |  |  |  |  |
| $1920{ }^{4}$ | 989,576 | 2,096, 479 | 1,072,787 | 4,158,741 | 4,685 | 217,733 | -109, 5048 | 1,413, 448 | 47,182 100,479 | 2, 241,245 | 1,840 |
| 19218 | 517,158 | 1,033,170. | 412,045 | 1,962,373 | 3,165 | 161,031 | 463,219 | $\cdot 1,067,413$ | 104,430 | 1,796,092 | 1,333 |
| April. ${ }^{6}$............ | 373,000 | 845, 000 | 512,000 | 1,730,000 | 3,400 | 185, 000 | 486,000 | 1,195,000 | 107,709 | 1,974,000 |  |
| Jjily ${ }^{3}$ | 484, 001 | 704, 069 | 331,047 | $1,469,117$ | 2, 164 | 123, 303 | 439, 334 | 1,925, 668 | 74,350 | 1, 563, 055 | 1,194 |
| August ${ }^{3}$. | 535, 545 | 855,697 | 320,052 | 1, 731, 294 | 2,593 | 112,654 | 445, 312 | 1,044, 193 | 82,933 | 1,725, 092 | 1,035 |
| September ${ }^{3}$ | 691,972 | 1,204, 213 | 329,494 | 2, 225, 679 | 3, 993 | 146, 467 | 444, 891 | 1,087, 443 | 95, 852 | 1,774,653 | 1,172 |
| October ${ }^{3}$. | 717,091 | 1, 191, 860 | 318,000 | 2,226, 951 | 2, 309 | 132,424 | 482, 376 | 1,041, 594 | 103, 078 | 1,759, 472 | 1,252 |
| November ${ }^{3}$. | 564, 012 | 1, 446, 125 | 323, 293 | 2,333, 730 | 5, 161 | 157, 180 | 478,875 | 1992,250 | 120,343 | 1,748,654 | 1,515 |
| December ${ }^{3}$. | 754,671 | 1, 856, 148 | 543, 445 | 3, 154, 264 | 5,197 | 259, 605 | 549,495 | 1,193,161 | 180,039 | 2, 182, 320 | 2,507 |
| January........... | 352,572 | 887,253 | 247, 827 | 1,487,652 | 3,396 | 121, 526 | 458,460 | 994, 852 | 63,903 | 1,638,741 | 1,554 |
| February | 385, 021 | 1,137,855 | 324, 159 | 1,847,026 | 4, 126 | 153, 892 | 448, $45 \overline{5}$ | 1, 106, 507 | 144,458 | 1,853, 312 | 1,520 |
| March. | 460,765 | 1, 005,463 | 465, 737 | 1,981, 965 | 4, 438 | 130,595 | 456,930 | 1,189,712 | 99,431 | 1,876,668 | 1,570 |
| April. | 438,000 | 883,000. | 323, 000 | 1,744,000 | 3,787 | 136, 000 | 461, 000 | 1, 231, 000 | 134, 000 | 1,962,000 | 1,794 |

[^8]107927-22-6

## FOREIGN TRADE OF ITALY, SWEDEN, NORWAY, AND JAPAN. ${ }^{1}$



## FOREIGN TRADE OF GERMANY. 1


${ }^{1}$ Latest figures subject to revision.
${ }^{2}$ Not including philanthropic gifts.
${ }^{8}$ Not including deliveries on reparations account.
4 Average for 8 months. Figures covering first 4 months of 1921 are not available.

FOREIGN TRADE OF ARGENTINA.
[000's omitted.]

${ }_{1}$ Figures for 1921 are official estimates and therefore subiect to revision. Matest official published statistics apply to 1920.
2 Figures taken from United States Department of Commerce reports.
${ }^{3}$ Second four months of year.
4 Third four months of year.
5 First two months of year.

## INDEXES OF INDUSTRIAL ACTIVITY.

ENGLAND.

${ }^{1}$ Average of 4 quarterly estimates.
${ }_{6} 6$ Work suspended on all but $1,918,319$ tons.
${ }^{2}$ rive reeks.
${ }^{4}$ En I of month.
7 Work suspended on all but $1,619,000$ tons.

FRANCE. ${ }^{5}$


## 1 End of month.

2 Does not include Lorraine.
${ }^{\mathbf{3}}$ Railways included are: State railways, Paris-Lyon-Mediterrané, Nord, Orleans,.Est, Midi, Alsace-Lorraine and Guillaume-Luxembourg Railways.

- Excludes the Alsace-Lorraine and Guillaume-Luxembourg Railways.
- Latest figures subject to revision.


## GERMANY. ${ }^{1}$

|  | Produc me | ion (in 0 tric tons) | ). | Impor | ts (in me tons). ${ }^{2}$ | tric | Export | ts (in m tons). ${ }^{2}$ | etric | Ship arriv Hamb | vals in urg. | mployent. |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | Coal. | Coke. | Lignite. | Wheat. | Iron ore. ${ }^{8}$ | Cotton. 4 | Iron and iron manu- fure- tures. | Dyes and dyestuffs. | Coal. | Number of ships. | Ton(net registeredtons; <br> 000 s omitted). | Per cent of tradeunion unemment. | Number of ployed persons receiving aid (000's omitted). |
| 1913, average. | 14,425 | 2,721 | 7,269 | 212, 1631 | 1,224,951 | 43, 424 | 541, 439 | 21, 8122 | , 881,126 | 1,256 | 1,182' | 2.9 |  |
| 1920, average | 10,945 | 2,098 | 9,323. | 49,290 | 637, 535 | 12, 490 | 145, 883 : | 8, 462 | 608,749 | 401 | , 374 | 3. 8 | 366 |
| 1921, averake. | 11,351 | 2,32 | 10, 251: | 200,264 | 619,194 | 30,894 | 203,681 | 8,530, | 518,937 | 700 | 794: | 2.8 | 310 |
| $1921 .$ | 11.460 |  | $9.876$ |  |  |  |  |  |  | :366 | 657 | 3.7 |  |
| July. | 10,731 | 2,218 | 10,065. | 155,200 | 493, 434 | $\cdots \overline{5}, 170$ | 177, 773 | 7,353, | 4, 173 | 809 | 88 | 2.6 | 314 |
| August. | 11,727 | 2,247: | 10,606: | 278,661 | 356,397 | 52,433. | 240,071 | 9,618 | 613,739 | 942 | 955 | 2.2 | 26. |
| September | 11, 607 | 2,278 | 10,309 | 262,915. | 564, 827 | 28,766 | 225, 331 | 10, 156 | 649, 158 | 957 | 1,018 | 1.4 | 232 |
| October... | 11,977 | 2,396 | 10, 167 | 273,496 | 919,822 | 29,739 | 246, 115 | 10.255 | 576,048: | 91.5 | 1,047! | 1.2 | 186 |
| November | 11, 708 | 2,344! | 10,479 | 191.932 | ${ }^{937} .268$ | 27, 242 | 238,204 | 9,053 | ${ }^{569,65}$ | 838 | 881 | 1.4 | 150 |
| December. | 11, 923 | 2,420 ${ }_{i}$ | 11,029 | 97, 499 | 790,811 | 28,313 | 214,812 | 9,212 | 640,877 | 503 | 873 | 1.6 | 149 |
| January ......... | 12,168 ${ }^{\text {' }}$ | 2,472 | 10,978: | 83,382 | 941,972 | 23,426 | 221,743 | 9,552 | 752,340 | 745 | 875 | 3.3 | 165 |
| F'ebruary | 11,456' | 2,199. | 10,091, | 19, 119 | 492, 705 | 17,915 | 172,709 | -9,332 | 669,433 | 461 | 716 | 2.7 | 200 |
| March.. | 13, 418' | 2,513 | 12, 260 | 10,791 | 809, 722 | 26, 130 | 211,979 | 12,299 | 795, 200 | 894 |  | ......... | 209 |

${ }^{1}$ Latest figures subject to revision.
Import and export figures for the first four months of 1921 are not available. 1921 averages are based on eight months.
: Includes manganese ore.
4 Includes linters.

- Not including machinery.

SWEDEN.


## FOREIGN TRADE INDEX.

Volume of exports in April declined slightly, due to slight decreases in exports of producors' and consumers' goods. Exports of raw materials, howerer, showed a rery small increase, due mainly to an increaso of 30 per cent in exports of cotton, by far the most important commodity in the group. There were also slight gains in exports of barley, leaf tobacco, and crude oil, but all the other items showed declines ranging from 19 per cent in corn and 37 . per cent in wheat to 63 per cent in anthracite coal. The wheat exports were the lowost since February, 1920, and exports of anthracite coal the lowest on record. The slight loss in exports of producers' goods is the result of small losses in exports of each.of the items with the exception of copper wire and gasoline. Exports of gasoline, the most important commodity in the group, showed an increase of 10 per cent over last month, and were greater than any month since April, 1921. Exports of cottonseed oil were less than in any month since August. 1920. The decline in volume of exports of consumers' goods is due to a substantial dccrease in exports of lard, the losses in exports of wheat flour and hams and shoulders being practically offset by gains in total cotton cloths, illuminating oil and refined sugar exports. In this group exports of lard were less than in any month since August. 1920, and illuminating oil exports greater than in any month since December, 1920.
INDEX OF VALUE OF FOREIGN TRADE IN SELECTED COMMODETIES AT 1913 PRICES.

| [Monthly average values, 1913--100.] |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| $\cdots \cdots \cdots$ |  |  |  |  |  |  |
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|  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |
| 1913, year.. 100.0 | 100.0 | 100.0 | 100.0 | 100.0 100.0 | 100.0 | 100.0 |
| 1919, year.. 88.9 | 155. 1 | 183.6 | 115.3 | 157.5 192.9 | 147.5 | 168. 1 |
| 1920, year.. 92.2 | 158.7 | 133.6 | 107.5 | $13 \overline{5} .8: 227.5$ | 138.8 | 168.8 |
| 1921, ycar .-: 103.1 | 116.9 | 124.1 | 108.9 | 113.6 162.8 | 141.4 | 135.6 |
| 1921. |  |  |  |  |  |  |
| January..... 105. 2. | 208.6 | 126.2 | 120.2 | 74.3130 .9 | 123.9 | 102.6 |
| February - i 91.0 | 162.4 | 119.4 | 104.1 | 118.2, 143.7 | 135.4 | 130.1 |
| March..... 78.0 | 135.1 | 120.2 | 92.7 | 160.6177 .2 | 178.9 | 169.5 |
| April.-...-- 76.5 | 132. 5 | 116.4 | 90.5 | 153.3 177.6 | 18.5 .1 | 167.1 |
| May........ 97.6 | 96.1 | 110.8 | 100.3 | 98.7150 .0 | 162.1 | 127.2 |
| June....... 107.9 | 94.2 | 132.2 | 111.5 | 94.5152 .3 | 130.4 | 120.8 |
| July........ : 111.6 | 78.6 | 133.8 | 112.9 | 99.3 . 126.6 | 121.4 | 112.6 |
| August...--: 142.7 | 99.6 | 160.7 | 142.1 | 116.8 165.1 | 129.8 | 136.0 |
| September - 115.7 | 89.7 | 142.3 | 118.6 | 102.8 1 137.7 | 99.3 | 114.6 |
| October.... 121.7 | 107.0 | 113.2 | 118.4 | 96.1 173.5 | 116.5 | 126,9 |
| November . 95.1 | 100.2 | 106.2 | 98.1 | 115. 11919 | 119.2 | 150.6 |
| December.. 93.8 | 96.0 | 107.8 | 96.9 | 133.0219 .1 | 164.8 | 168.7 |
| 1922. |  |  |  | ! |  |  |
| January--.. 82.6 | 104.3 | 129.7 | 94.5 | 118.4228 .7 | 135.2 | 160.1 |
| February.: 68.5 | 86.0 | 127.6 | 82.6 | $123.3 \quad 281.3$ | 133.5 | 183.4 |
| March...... 89.8 | 121.7 | 156.5 | 106.9 | 148.1 <br> 1806.8 | 161.1 | 206.5 |
| April.......! 90.5 | 120.9 | 150.5 | 106.0 | 125.5 236.1 | 152.0 | 169.1 |

Volume of imports, which showed a marked increase last month showed an even greater decline this month, due to substantial declines in each of the three groups, particularly that of producers' goods. This decline was due to very substantial losses in imports of the two most important items in the groupindia rubber and cano sugar---which docreased by 30 per cont and 17.3 per cent, respectively. All the other commoditics in the group showed decreases with the exception of nitrate of soda and sulphate of ammonia. Imports of hides and skins and lumber showed the only substantial increases in the group. Decreases in the volume of imports of consumers' goods were due to decreases in imports of each item with the exception of coffee, which showed an increase of 4.5 per cent.

## PHYSICAL VOLUME OF TRADE.

The indexes of business activity showed a rather general decline during April, but this was partly due to the fact that there were two less working days than in March. The decline was most precipitate in the case of mineral production, due to the effect of the coal strike. The volume of agricultural movements and of mineral extraction was less than in April, 1921, while manufacturing activity was considerably greater.
The receipts of grain and flour at 17 interior centers experienced the usual seasonal falling off during April, the sharpest decline being shown in the case of corn and rye. April wheat flour production showed a considerable decrease when compared with both last month and April, 1921. The morement of live stock to markets closely paralleled those of grain, and April receipts at 59 markets decreased somewhat as compared with March. Shipments of stockers and feeders from 34 markets showed a marked seasonal decrease. Although little change occurred in receipts of dairy products at fire principal markets as compared with March, the April figures are considerably in excess of those for April, 1921.

Cottonseed reccived at mills continued to decrease and amounted to 21,371 tons, the lowest for any month since July, 1920. Tobacco sales at looseleaf warehouses for $A$ pril were extremely small, as is usual at this time of the year. Shipments of citrus fruits from California again registered an increase. Lumber cut of reporting associations and morements of lumber at Chicago and St. Louis decreased slightly, but still oxceeded the figures for the corresponding month a year ago.

On account of the coal strike the figure for anthracite production for April amounted to
only approximately $2 \check{0}, 000$ tons, as compared with $8,757,000$ tons in the previous month. Bituminous coal production for April was $1.5,780,000$ tons, or less than one-third of the amount produced during March. By-product coke production increased during April and was considerably greater than in April, 1921. Crude petroleum production decreased, while stocks showed a considerable increaso orer the last month. During April 1,442 new producing oil wells were completed, a gain of 119 over the number completed during March.

The iron and steel industry showed greater activity during April, and the unfilled orders of the United States Steel Corporation amounted to $5,096,917$ tons, the largest amount on order within the last 10 months. Zinc production showed a slight decline, while the production of copper continued to increase. Both production and shipments of automobiles showed large increases.
Textile production was well maintained during April, although there was some increase in the percentege of idle wool machinery. Cotton consumption showed a moderate decrease. April production of cement increased 32 per
cent over March. Car loadings declined somewhat from the high level reached in March, but were almost as large as in April, 1921.

Indexes of Domestric Business.
[Monthly average of $1919=100$.]
AGRICUlturat movements.


1 Combination of 14 independent sories.


Indexes of Domestic Business---Continued.
minkral products.

| Date. | Total mineral prodnets. ${ }^{1}$ |  | An-thracite coal. | Crude petroleum. | Tron. | Copper. | Zinc. | Lead. |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| 1921. |  |  |  |  |  |  |  |  |
| January... | 102.8 | 105.5 | 100.8 | 120.3 | 94.8 | 80.0 | 65.9 | 122.9 |
| February.. | 87.5 | 80.8 | 104.8 | 111.2 | 76.0 | 71.2 | 45.2 | 106.2 |
| March...... | 86.8 | 79.6 | 100.8 | 130.2 | 62.6 | 83.0 | 40.0 | 9.1 |
| April....... | 78.7 | 72.2 | 104.8 | 127.3 | 46.8 | 47.6 | 42.1 | 87.7 |
| Nay. | 84.7 | 87.3 | 102.0 | 133.6 | 47.9 | 22.6 | 45.9 | 87.9 |
| June. | 83.9 | 88.7 | 105.9 | 123.4 | 41.8 | 18.1 | 49.5 | 84.0 |
| July | 76.7 | 79.6 | 05.9 | 128.1 | 33.9 | 16.6 | 39.4 | 81.6 |
| August | 82.8 | 90.5 | 97.9 | 130.2 | 37.4 | 19.9 | 37.2 | 96.1 |
| September | 81.6 | 91.9 | 96.9 | 116.3 | 38.7 | 19.5 | 36.6 | 89.9 |
| October....' | 93.9 | 114.6 | 103.1 | 113.2 | 48.9 | 22.9 | 37.0 | 123.1 |
| Norember. | 86.0 | 94.2 | 93.3 | 120.0 | 35.5 | 20.8 | 53.8 | 116.4 |
| beaember.. ${ }^{\text {l }}$ | - 82.0 | 81.1 | 81.4 | 133.3 | 64.7 : | 17.3 | 56.0 | 116.3 |
| 1922. |  |  |  |  |  |  |  |  |
| January.... | 90.0 | 98.5 | 85.1 | 137.1 | 64.3 | 24.1 | 60.3 | 1.24 .8 |
| Fobruary.. | 91.9 | 107.3 | 92.0 | 129.7 | 63.9 . | 34.8 | 57.3 | 1.19 .7 |
| March...... | 117.1 | 131.5 | 119.1 | 149.1 | 79.9 | 57.6 | 67.5 | 118.6 |
| April.. | 58.6 | 41.3 | . 3 | 141.9 | 81.3 | 71.3 | 65.6 | 103.5 |

${ }^{1}$ Combination of 7 independent seriss.
PRODUCTION OF MANUFACTURED GOODS.


1 Combination of 34 independent series.

## Commodity Movements.



Commodity Movements--Continued.


Commodity Movements-Continued.


Commonty Movements-Continued.

|  | $\begin{aligned} & \text { Anril, } \\ & 1922 . \end{aligned}$ | March, 1922. | $\begin{aligned} & \text { April, } \\ & \text { 1921. } \end{aligned}$ |  | $\begin{aligned} & \text { cunt of } \\ & \text { anc-192 } \\ & \begin{array}{c} \text { Mar. } \\ 1929 . \end{array} \end{aligned}$ | orcr- <br> 1. <br> Apr. 1921. |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| otiler igriculturat. products. |  |  |  |  |  |  |
| Cotton seed (tons): |  |  |  |  |  |  |
| Rereired at mills | 21,371 | 60̈, 107 | 133,832 | 1.4 | 28.6 | 109.2 |
| Crushed........... | 82,455 | 214,911 | 242, 282 | 34.6 | 44.2 | 101.6 |
| On hand at mills at close of month.... | 45,970 | 10\%,058 | 191,526 |  | 39.1 | 122.3 |
| Cottonsced oil (bas., 000 omitited): |  |  |  |  |  |  |
| Production. |  | 72,237 | 79,573 | .... | 37.6 | 107. 1 |
| Stocks. |  | 60, 089 | 115,831 |  | 38.0 | 92.2 |
| Oleomargarine consumption (lbs., 000 omitted) | 13,686 | 15,263 | 20,8.4 | 47.3 | 53.0 | 72.0 |
| Tobaco sales at looseleaf warebouses (llos., |  |  |  |  |  |  |
| 000 omittedi): | 50 | 869 |  | 2.2 | 14.0 | 233.3 |
| Bright belt- |  |  |  |  |  | 83.3 |
| Virginia. |  | 2,712 | 104 |  | 55.2 | 28.4 |
| North Carolina. |  | 4,302 |  |  | 36.3 |  |
| South Carolina. |  |  |  |  |  |  |
| Total |  | 7,015 | 104 |  | 25. 8 |  |
| Burley.. | 2,139 | 4,580 | 7,493 | 55.6 | 12.5 | 194.8 |
| Western d | 2,393 | 7,189 | 8,577 | 32.1 | 45.5 | 114.9 |
| Grand total. | 4,582 | 19,646 | 21, 577 | 36.6 | 27.6 | 172.5 |
| Sale of revenue stamps |  |  |  |  |  |  |
| for mamufactures of |  |  |  |  |  |  |
| tobaceo, oxcluding |  |  |  |  |  |  |
| forto Rico and Phil- |  |  |  |  |  |  |
| ippine Islands (lbs., |  |  |  |  |  |  |
| Cigars (arce |  |  |  |  |  |  |
| Cigars (smali)....... | 49, 420 | -29, 162 |  | 88.1 | 88.1 | ${ }_{90.9}^{95}$ |
| Cigarettes (sroall).- | ,453,061 | 3,636,032 | 3,801,672 | 101.5 | 86.0 | 111.7 |
| Manulatured tobacco. | 28, 565 | 31,396 | 28, 100 | 92.5 | 103.3 | 92.0 |
| Frut shipments from |  |  |  |  |  |  |
| California (carloads): |  |  |  |  |  |  |
| Oranges. | 3,469 | 4,633 | 6,335 | 67.1 | 94. 4 | 122.6 |
| Lemons............ | 947 | 940 | 1,171 | 104.5 | 113.5 | 129.2 |
| 1)eciduous.......... | 65 | 10. | 82 | 136.8 | 100.0 | 174.5 |
| Apples, shipments (carloads). | 1,780 | 2,987 | 2,816 | 88.3 | 73.8 | 139.6 |
| Apples, cold - storage | 952 | 1, 930 | 1,119 |  |  |  |
| White potatoes, ship- |  |  |  |  |  |  |
| ments (carloads).... | 19,203 | 22,104 | 16,087 | 155.4 | 158.3 | 115.2 |
| Sugar, 7 ports (long |  |  |  |  |  |  |
| toas): |  |  |  |  |  |  |
| Receipts. | 507,186 | 657,700 | 484,017 |  |  |  |
| Meltings..........- | 531,962 | 535, 357 | 347,499 |  |  |  |
| Raw stoeks at closo of month | 316,973 | 273,811 | 245, 904 |  |  |  |
| FOREST Prodects. |  |  |  |  |  |  |
| Lumber (M feet): |  |  |  |  |  |  |
| Number of mills-- |  |  |  |  |  |  |
| Southern pine.. | 171 | 69 | 194 |  |  |  |
| Western pine... | 54 | 54 | 3 |  |  |  |
| Douglas ir ..... | 125 | 129 | 1.14 |  |  |  |
| Eastern white pine. | 18 | 19 | 19 |  |  |  |
| North Carolina pine. $\qquad$ |  | 10 9 | 20 |  |  |  |
| Production- |  |  |  |  |  |  |
| Southern pine.. | 369,008 | 394,992 | 370, 321 | 91.8 | 98.4 | 92.2 |
| Western pino... | 107,892 | 66,509 | 93, 665 | 84.0 | 83.9 | 73.0 |
| bouglas ir | 308,318 | 306, 618 | 204,698 | \|111.6 | 116.5 | 74.1 |
| Eastern white pine. | 44,842 | 34,783 | 25,748 | 163.0 | 135.0 | 92.6 |
| North Carolina pine. |  | 14,994 | 14,871 |  | 60.3 | 87.7 |
| Shipments- |  |  |  |  |  |  |
| Southern pine.. | 422, 424 | 398,599 | 405, 317 | 109.0 | 101.7 | 104.6 |
| Western pine... | 131,108 | 116,551 | 75, 433 | 128.4 | 116.3 | 73.9 |
| Douglas fir...-- | 320,609 | 280, 203 | 232,351 | 124.4 | 105.7 | 90.1 |
| Eastern white pine........... | 43,040 | 30,353 | 21,099 | 133.3 | 96.4 | 65.3 |
| North Carolina |  | 14,825 | 12,953 |  | 72.3 | 85.5 |


${ }^{1}$ Figures for March, 1922, February, 1922, and March, 1921.
${ }_{2}$ Figures for May, 1922, April, 1922, and May, 1921.
3 Figures for May 1, 1922, April 1, 1922, and IIay 1, 1921.

Commoity Movenexis-Continued.


Commodity Movements-Continued.


Commodity Movements-Continued.


Commodity Movements-Continued.


2 Figures for May, 1922, April, 1922, and May, 1921.

## BUILDING STATISTICS.

## BUILDING PERMITS IN 166 SELECTED CITIES.

[Collected by the 12 Federal Reserve Banks.]
NUMBER OF PERMITS ISSUED.

|  | District (14 cities). | District No. 2 cities) | District No. 3 cities) | District No. 4 (12 | District No. 5 (15 cities). | District No. 6 cities). | District No. 7 cities). | District No. 8 cities). | District No. 9 cities). | District No. 10 (14 cities). | District No. 11 cities). | District <br> No. 12 <br> (20 <br> cities). | $\begin{aligned} & \text { Total } \\ & \text { (166 } \\ & \text { cities). } \end{aligned}$ |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| $\begin{array}{r} 1921 . \end{array}$ | 2,547 | 8,304 | 3, 426 | (0, 716 | 4,445 | 3,030 | 7,160 | 1,962 | 2, 862 | 2,559 | 2,588 | 9,412 | 55,017 |
| January..... 1922 | 878 | 4, 176 | 1,623 | 1,724 | 2,188 | 2,155 | 3,498 | 1,141 | 523 | 1,336 |  | 8,298 |  |
| February | 1,024 | 4,210 | 2,081 | 2,619 | 2, 305 | 2, 566 | 4,815 | 1,434 | 517 | 1,758 | 2, 114 | 7,600 | 33, 043 |
| March. | 2,367 | 13, 284 | 3,557 | 4,986 | 4, 101 | 3,211 | 8,806 | 2, 218 | 1,493 | 2,711 | 2,623 | 11, 196 | 60,453 |
| April. | 3,011 | 9, 056 | 4,386 | 6,149 | 4,397 | 3,215 | 11,346 | 2,650 | 3,342 | 3,103 | 2,586 | 10,966 | 64, 407 |

VALUE OF PERMITS ISSUED.


VALUE OH BUILDING CONTRACIS AWARDED, BY FEDERAL RESEIRVE DISTRICTS.
[F. W. Dodge Co.]
VALUE OF CON'SRACIS HOR ALL CLASSES OF BUILDINGS.

| 1921. | District <br> No. 1. | District No. 2. | District <br> No. 3. | District <br> No. 4. | $\begin{aligned} & \text { District } \\ & \text { No. } 5.1 \end{aligned}$ | District <br> No. 7. | $\begin{aligned} & \text { District } \\ & \text { No. } 9.2 \end{aligned}$ |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | 16, 711, 473 | 52, 143, 027 | 15, 050, 700 | 34, 790, 291 | 16, 097, 390 | 53, 705, 476 | 9, 080, 672 |
| January................... | 15, 302, 453 | 54, 962, 847 | 12, 128,900 |  | 14,002, 399 | 29, 182, 324 |  |
| February | 14, 799, 476 | 60, 152, 424 | 11, 828,700 | 20, 602,823 | 16,518,079 | 32, 344,424 | 5, 3 , 192,824 |
| March.... | 26, 212, 330 | 90, 088, 870 | 24, 558,100 | 29,661, 058 | 24, 116, 011 | 58, 381,526 | 11, 933,270 |
| April.. | 42, 196, 915 | 117, 814, 585 | 24,795, 800 | 38,089, 754 | 25,618, 120 | 64, 236, 566 | 9,878, 501 |

VALUE OF CONTRACTS FOR RESIDENTIAL BUILDINGS.

| April..................... | 6, 528, 929 | 28, 558, 371 | 6,297,900 | 9, 090, 372 | 8,092,766 | 12,989, 833 | $2,026,223$ |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| 1922. |  |  |  |  |  |  |  |
| January.. | $4,767,597$ $4,179,944$ 4, | $35,652,203$ $38,6 a 77156$ | $6,280,200$ $5,647,700$ | $6,279,459$ <br> $5,515,073$ | $6,597,861$ $7,299,608$ | $10,601,761$ $9,388,615$ | 1,049,594 |
| Mebruary | 11; 897,086 | 51, 116,514 | 9,552, 500 | 10,641, 177 | 9,796, 405 | 17, 225, 204 | 2,348, 511 |
| April. | 13, 524, 827 | 53, 677, 473 | 10,408,700 | 16, 127, 627 | 10, 297, 280 | 17,661, 586 | 4,175,963 |

1 North and South Carolina not included prior to May, 1921.
2 Montana not included.

## INDEX OF OCEAN FREIGHT RATES.

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

Relative Ocean Freight Rates in United States and Europe Trade.

| Month. | United States Atlantic ports to- |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | United Kingdom. | French Atlantic | $\begin{gathered} \text { Nether- } \\ \text { lands } \\ \text { and } \\ \text { Belgium. } \end{gathered}$ | Scandinavia. | Medi-terranean. | $\begin{aligned} & \text { All } \\ & \text { Europe. } \end{aligned}$ |
| 1921. |  |  |  |  |  |  |
| January.. | 60.7 | 30.2 | 34. 1 | 42.9 | 43.2 | 43.3 |
| February | 54.7 | 27.7 | 29.2 | 30.9 | 43.8 | 38.5 |
| March. | 49.3 | 24.6 | 28.3 | 30.8 | 42.2 | 35.9 |
| April... | 50.1 | 32.6 | 36.6 | 29.4 | 35.7 | 39.0 |
| мay... | 50.6 | 35.0 | 38.2 | 31.3 | 34.6 | 40.1 |
| June... | 42.7 | 34.7 | 38.3 | 31.3 | 34.0 | 37.6 |
| July..... | 42.5 | 33.2 | 37.0 | 29.0 | 34.7 | 30.8 |
| August. | 42.9 | 33.4 | 36.7 | 28.4 | 34.3 | 33.7 |
| September | 41.8 | 32.7 | 35.8 | 28.2 | 33.6 | 36.0 |
| October... | 37.0 | 28.5 | 30.7 | 26.7 | 33.3 | 32.3 |
| November. | 33.5 | 25.0 | $2 \mathrm{2a} .2$ | 24.0 | 32.9 | 28.8 |
| December. | 32.4 | 22.7 | 22.9 | 23.3 | 32.3 | 27.2 |
| $1922 .$ | 31.7 | 22.7 | 23.3 | 23.4 | 32.2 | 27.1 |
| February. | 34.7 | 25.7 | 25.2 | 23.3 | 31.8 | 29.1 |
| March. | 33.1 | 26.5 | 24.9 | 23.4 | 30.1 | 28.3 |
| April. | 27.3 | 24.8 | 22.7 | 24.0 | 27.1 | 25.4 |
| May.... | 27.9 | 25.5 | 22.8 | 23.4 | 27.4 | 25.8 |

During May ocean freight rates held firm, and even increased slightly above the low level recorded in April. As the accompanying table indicates, there were small increases in most of the European trades, but the average level of rates as reflected in the all-Europe index number was not much higher than in April. The charter market was quiet throughout May, and fundamental conditions remained about the same as a month ago. The grain market was more active than the other departments of trade, and at times owners were able to fix their steamers at higher rates than prevailed the previous month. In general, however, the present level of rates remains unremunerative for most voyages, the number of vessels available for charter being most of the time in excess of the demand. Taking into consideration also the large number of vessels still tied up, the
situation would seem to preclude the possi-bility of widesproad improvement in rates until trade throughout the world assumes more normal proportions.

## REPORT OF KNIT-GOODS MANUFACTURERS OF AMERICA.

The total production of winter and summer underwear for the six months ended April 30 was as follows:


Order and production report for month ended April 30, 1922, follows. The number of mills producing was 39.


Thirty-five representative mills which reported for March and April, 1922, furnish the data for the following table:
[In dozens.]


## RETAIL TRADE.

The following tables are a summary of the data obtained from 461 representative department stores in the 12 Federal reserve districts. In districts Nos. 1, 2, 5, 6, 7, 9, 11, and 12 the data were received in (and averages computed from) actual dollar amounts. In districts Nos. $3,4,8$, and 10 most of the material was received in the form of percentages, and the averages for the cities and districts computed from such percentages were weighted according to volume of business done during the calendar year 1920. The changes in retail trade for the United States as a whole are obtained by combining the district percentages, after multiplying them by a system of weights based partly on population and partly on banking resources. The tables for the month of April are based on reports from 26 stores in district No. 1 (Boston), 64 stores in district No. 2 (New York), 95 stores in district No. 3 (Philadelphia), 33 stores in district No. 4 (Cleveland), 25 stores in district No. 5 (Richmond), 34 stores in district No. 6 (Atlanta), 74 stores in district No. 7 (Chicago),

21 stores in district No. 8 (St. Louis), 16 stores in district No. 9 (Minneapolis), 19 stores in district No. 10 (Kansas City), 22 stores in district No. 11 (Dallas), and 32 stores in district No. 12 (San Francisco). Figures for Harrisburg in district No. 3 (Philadelphia) and for Des Moines in district No. 7. (Chicago) are shown separately for the first time this month.

A comparison of monthly changes in activity of different types of retail business since January, 1919, is shown in the second of the following tables. The 159 department stores are located in districts Nos. 1, 2, 5, 6, 9, 11, and 12, while the mail-order houses do business in all parts of the United States. Chain-store figures are based upon the total sales of the same reporting chains for each month, but the actual number of stores in these chains varies slightly. It is worthy of note that department store business and trade of five and ten cent stores increased during April, while mail-order business decreased. There was little change in the value of business handled by grocery stores, cigar stores, and drug stores.

CONDITION OF RETAIL TRADE.


## CONDITION OF RETAIL TRADE-Continued.

[Minus sign ( - ) denotes decrease.]

| District and cily. | Percentage of increase in net sales as compared with corresponding period previous year. |  |  |  | Porcentage of increase in stocks at close of month compared with- |  |  |  | Percentage of average stocks at close of each month to average monthly sales same period. |  | Percentage of outstanding orders at close of month to total purchases during previous calendar year. |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | $\begin{gathered} \text { March, } \\ \text { } 922 . \end{gathered}$ | $\begin{gathered} \text { April, } \\ \text { 1922. } \end{gathered}$ | $\begin{gathered} \text { Jau. } 1,1 \\ \text { close } \end{gathered}$ | f22, to | Same month previous year. |  | Previous month. |  | Jan. 1, 1922, to close of |  | $\begin{aligned} & \text { March, } \\ & 1922 . \end{aligned}$ | $\begin{aligned} & \text { April, } \end{aligned}$ |
|  |  |  | $\begin{gathered} \text { March, ! } \\ 1922 . \end{gathered}$ | $\begin{aligned} & \text { April, } \end{aligned}$ | March, 1922. | $\begin{aligned} & \text { April, } \\ & \hline 1922 . \end{aligned}$ | $\begin{gathered} \text { March, } \\ 1922 . \end{gathered}$ | $\begin{aligned} & \text { April, } \\ & \text { 19222. } \end{aligned}$ | $\begin{gathered} \text { March, } \\ 1922 . \end{gathered}$ | $\begin{aligned} & \text { April, } \\ & 1922 . \end{aligned}$ |  |  |
| District No. 5 : |  |  |  |  |  |  |  |  |  |  |  |  |
| Baltimore. | -20.5 | 2.9 -1.7 | -18.1 | -12.6 -9.7 | 7.6 6.4 | 0.7 1.8 | 9.6 4.7 | $-2.1$ | 433.5 431.3 | 405.0 412.6 | 5.9 | 4.5 4.8 |
| Washington | -16.0 | -4.2 | $-13.2$ | -10.8 | 11.3 | 8.8 | 8.7 | -0.8 | 438.9 | 427.5 | 3.2 | 2.9 |
| Outside. | -25.7 | -8.0 | $-21.5$ | $-18.6$ | 9.2 | 2.9 | 7.3 | -0.1 | 616.0 | $\stackrel{5}{56} .0$ | 3.8 | 4.0 |
| District. | -18.8 | -1.3 | -16.5 | -12.6 | 8.9 | 3.6 | 8.6 | -1.2 | 456.0 | 433.1 | 4.8 | 4.2 |
| District No. 6: |  |  |  |  | 13.2 | 16.2 |  | ) 3 |  | 6045 |  |  |
| Birmingha | -33.2 | -0.9 | -34.2 | -28.2 | -6.8 | -2. 1 | 3.9 | 5.8 | 657.9 ! | 599.6 | 5.4 | 5.8 |
| Nashville. | -17.4 | -8.6। | -12.2 | -1.1.1 | 2.4 | -4.3 | 3.8 |  | 550.9 | 523.8 | 3.5 | 4.1 |
| New Orlean | $-24.7$ | 3.6 | -17.6 | -12.3 | 4.5 | 1.6 | 5.4 | -1.0 | 315.3 | 500.4 | 6.5 | 4.0 |
| Savannah. | $-27.5$ | -7.7 | -29.3 | -23. 7 | -7.3 | -11.4 | 5.3 | -0.9 | 687.9 | 566.5 | 5.1 | 5.8 |
| Outside. | -21.1 | -0.6 | $-16.5$ | -12.1 | 4.1 | -1.7 | 1.7 | -3.9 | 695.4 | 653.0 | 3.9 | 2.4 |
| District | -24.4 | -1.6 | -20.2 | -15.6 | 2.8 | 0.6 | 3.9 | 0.0 | 581.7 | 549.1 | 5.2 | 4.3 |
|  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Detroit. | -9.9 | 10.0 | -8.0 | $-2.8$ | -4.8 | $-3.2$ | 7.7 | -0.1 | 376.3 | 342.0 | 8.4 | 8.8 |
| silwauke | $-20.7$ | -5.2 | $-15.9$ | $-13.0$ | $-4.5$ | -7.2 | 5.8 | 0.7 | 664.6 | 632.8 | 6.5 | 4.6 |
| Indianapoli | -9.9 | 1.2 | -8.3 | -5.8 | 12.4 | 10.8 | 6.3 | $-0.1$ | 340.1 | 337.1 | 4.9 |  |
| Des Stoines |  | $-7.7$ |  | -13.8 |  | 10.0 |  | -0.6 |  | 319.4 |  | 5.3 |
| Outside. | -24.4 | -7.9 | -19.5 | -16.6 | 0.5 | -2.7 | 6.5 | -1.5 | 653. 1 | 608.9 | 4.8 | 5.2 |
| District. | -15.7 | -0.7 | -12.2 | $-9.3$ | -0.7 | -1.2 | 7.3 | -0.6 | 476.4 | 444.5 | 6.6 | 6.5 |
|  |  |  |  |  |  |  |  |  |  |  |  |  |
| St. Louisville. | -18.3 | -4.2 | -15.6 -11.1 | -12.9 -1.2 | -0.9 -3.6 | -0.5 -8.0 | 10.2 | - 0.6 | 361.7 591.6 | 356.9 602.4 | 5.7 2.7 | 5.4 2.6 |
| Memphis. | -21.0 | -2.2 ; | -16.8 | -13.1 | 9.5 | 1.3 | 10.8 | 0.2 | 591.6 | 574.2 | 7.0 | 6.5 |
| Lititle Rock | -33.6 | 2.7 | $-26.3$ | -19.6 | 20.9 | 10.8 | 7.5 | 2.6 | 524.3 | 470.4 | 5.4 | 4.1 |
| Ontside. | -21.4 | -8.41 | $-15.2$ | $-14.5$ | $-1.5$ | -2.5 | 8.9 | -2.7 | 676.8 | 597.0 | 4.1 | 3.8 |
| District | -19.8 | -3.7 | $-16.1$ | -13.3 | 2.0 | -0.4 | 9.4 | -0.9 | 445.7 | 437.1 | 5.5 | 5.1 |
| District No. $9 .$. | -16.9 | -6.8i | -13.7 | -14.4 | 5.7 | -1.1 | 8.1 | -3.4 | 622.0 | 567.0 | 5.0 | 5.9 |
| 1)istrict No. 10: |  |  |  |  |  |  |  |  |  |  |  |  |
| Denver...... | $-9.5$ | -6.5 | -9.9 | $-9.8$ | 12.2 | 7.7 | 7.2 | 1.8 | 682.5 | 646.0 | 9.2 | 7.6 |
| Outside | -12.7 | $-0.8{ }^{\prime}$ | $-12.8$ | -9.0 | 11.2 | 4.0 | 9.4 | -0.7 | 636.9 | 610.8 | 6.8 | 6.7 |
| District. | -12.9 | -5.3 | -12.9 | $-10.9$ | 10.2 | 5.6 | 7.3 | 0.3 | 611.7 | 605.3 | 7.9 | 5.3 |
|  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Fort Wort | $-22.2$ | -12.9 | $-25.5$ | $-22.0$ | -4.0 | $-2.4$ | 6.4 | 0.7 | 589.3 | 553.2 | 4.6 | 3.2 |
| Houston. | -16.4 | 0.4 | -12.7 | -9.5 | 0.2 | -1.3 | 3.9 | $-0.8$ | 492.9 | 483.6 | 6.6 | 7.5 |
| Outside. | -28.1 | $-13.5$ | $-22.7$ | -20.2 | 1.4 | -6.4 | 14. 7 | -5. 3 | 483.8 | 468.6 | 3.4 | 3.6 |
| District | -19.5 | -11. 1 | -19.3 | -17.2 | -1.7 | -3.1 | 8.5 | $-1.5$ | 487.9 | 484.0 | 5.1 | 5.0 |
|  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| San Francisco | -3.9 | -2.7 | -6.2 | -5.3 | 10.4 | 10.5 | 5.7 | 3.7 -3.1 | 489.3 | 493.2 | 10.1 | 7.9 |
| Oakland. | -16.6 | $-11.5$ | $-18.0$ | $-16.3$ | 15.3 | 10.1 | 2.6 | $-3.1$ |  | 623.9 |  |  |
| Seattle.. | $-4.7$ | -2.2 | $-9.5$ | $-7.5$ | $-6.9$ | $-10.2$ | 17.5 | -0.8 | 461.9 | 454.2 | 6.3 | 6.3 |
| Spokane. | $-15.4$ | $-3.6$ | $-15.7$ | -13.0 | 2.6 | 2.8 | 18.3 | 1.0 | 751.0 | 721.1 | 6.3 | 4.8 |
| Salt Lake city. | -20.7 | -9.0 | -20.9 | $-17.4$ | 4.2 | 2.4 | 11.7 | 1.9 | 575.4 | 566.6 |  | 5.0 |
| District. <br> United States.. | -6.2 | -1.3 | -7.4 | -5.6 | -2.4 | -4.3 | 7.1 | 1.9 | 499.0 | 491.9 | 9.5 | 7.2 |
|  | -14.5 | -0.6 | $-12.8$ | -9.7 | 3.2 | 0.9 |  | 0.1 | 461.8 | 446.9 | 6.3 | 5.6 |

average monthly value of retail trade.
[Average month, 1919=100.]

|  | Department stores (159 stores.) | Mailorder houses (4 houses). | Chain stores. |  |  |  |  | $\begin{gathered} \text { Depart- } \\ \text { ment } \\ \text { stores } \\ \text { (159 } \\ \text { stores). } \end{gathered}$ | Mail order houses (4 houses). | Chain stores. |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  |  | Grocery (16 chains). | Five and ten chains). | $\begin{gathered} \text { Drug } \\ \text { chains }) . \end{gathered}$ | $\begin{gathered} \text { Cigar } \\ \text { chains). } \end{gathered}$ |  |  |  | $\begin{aligned} & \text { Grocery } \\ & \text { chains). } \end{aligned}$ | Five and ten an chains). | Drug chains). | $\begin{gathered} \text { Cigar } \\ \text { chains) } \end{gathered}$ |
| 1919. |  |  |  |  |  |  | 1920. |  |  |  |  |  |  |
| January. |  | 86.1 | 89.4 | 70.2 | 82.7 | 74.8 | October... <br> November | ${ }_{136.6}^{131.8}$ | 103.7 | 142.6 | 129.9 | 123.4 |  |
| February |  | 73.1 82.6 | 86.0 95.7 | 72.3 90.8 | 83.7 96.6 | 77.0 93.7 | November. | 136.6 183.3 | 125.5 97.9 | 140.0 137.8 | 125.7 214.6 | 114.2 | 133.9 |
| April. |  | 91.5 | 92.9 | 93.9 | 95.3 | 91.7 |  |  |  |  |  |  |  |
| May. |  | 81.3 | 94.3 | 96.4 | 94.4 | 102.1 | 1921. |  |  |  |  |  |  |
| June |  | 74.5 | 90.3 | 86 | 93.1 100.8 | 92.2 | January.. | 103.7 88 | 69.1 | 124.6 | 86.1 | 117.3 | 119.9 |
| July... | 76.3 | ${ }_{8}^{76.1}$ | 101.2 98.6 | 87.9 94.6 | 100.8 101.5 | 98.2 99.9 | February | 88.4 116.9 | 64.8 95.1 | 118.4 | 92.9 121.1 | 110.7 123.6 | 116.5 |
| September | 96.8 | 102. 1 | 100.2 | 92.5 | 98.5 | 96.2 | April.. | 112.5 | 77.5 | 121.7 | 111.9 | 121.8 | 134.7 |
| October.. | 124.7 | 155.9 | 119.8 | 107.9 | 104.6 | 110.2 | May.. | 112.5 | 60.2 | 118.8 | 112.2 | 119.2 | 129.5 |
| November. | 122.2 | 148.2 | 111.5 | 112.1 | 103.8 | 114.9 | June. | 110.9 | 62.1 | 116.0 | 109.7 | 120.6 | 127.8 |
| December. | 181.6 | 146.4 | 1.20 .2 | 195.1 | 135.0 | 149.0 | July. | 79.2 | 49.3 | 115.1 | 108.0 | 122.1 | 128.5 |
|  |  |  |  |  |  |  | August | 82.0 | 56.4 | 121.4 | 116.0 | 119.8 | 127.6 |
| January. ${ }^{\text {d }}$ |  |  |  |  |  |  | Oeptomer | 94.5 | 88.7 | 118.3 | 113.4 | 119. |  |
| January. | 107.5 85.9 | 122.2 | 128.1 | 88.6 | 107.5 | 106.1 | November | 125.0 | 83.3 | 133.5 | 134.1 | 115.2 | 138.0 124.8 |
| March. | 120.6 | 130.7 | 147.9 | 111.1 | 117.2 | 120.3 | December. | 182.4 | 80.3 | 144.5 | 241.6 | 146.1 | 172.7 |
| April. | 117.4 | 107.5 | 153.8 | 110.6 | 110.0 | 123.2 |  |  |  |  |  |  |  |
| May. | 124.7 | 90.4 | 152.4 | 112.9 | 115.8 | 135.6 | 1922. |  |  |  |  |  |  |
| June. | 119.8 | 87.3 | 149.8 | 108.9 | 117.0 | 129.6 | January . | 93.9 | 65.3 | 135.8 | 94.6 | 117.0 | 111.0 |
| July. | 90.9 | 80.7 | 159.3 | 112.0 | 123.8 | 137.3 | February | 81.8 | 59.4 | 127.6 | 100.8 | 114.5 | 109.3 |
| August. | 88.1 | 80.2 | 143.3 | 111.1 | 119.8 | 129.2 | March.. | 105.1 | 83.5 | 149.0 | 118.4 | 123.2 | 124.3 |
| September. | 106.3 | 90.5 | 142.6 | 111.7 | 119.4 | 136.6 | April. | 113.6 | 77.0 | ${ }^{1} 142.4$ | 134.9 | 120.3 | 124.5 |

${ }^{1}$ Partly estimated.

## WHOLESALE TRADE.

PERCENTAGE OF INCREASE (OR DECREASE) IN NET SALES IN APRIL, 1922, AS COMPARED WITH THE PRECEDING MONTH (MARCH, 1922).

| District. | Groceries. |  | Dry goods. |  | Hardware. ; |  | Boots and shoes. |  | Furniture. |  | Drugs. |  | Auto supplies. |  | Stationery. ${ }^{\text {I }}$ ( Farm im- ${ }_{\text {plements. }}$ |  |  |  | Auto tires. |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | Per cent. | Num- ber of firms | $\begin{gathered} \text { Per } \\ \text { cent. } \end{gathered}$ | Numfirms. | $\begin{array}{\|l\|l\|} \text { Pent } \\ \text { cent } \end{array}$ | Numarms. | Per cent. | Numfirms. | Per cent. | Numfirms. | $\begin{aligned} & \text { Per } \\ & \text { cent. } \end{aligned}$ | Num- ber of firms. | Per | Num- ber of firms. | Per cent. | Number of firms. | Per cent. | Numfirms. | Per cent. | Num ber of firms. |
| No. 2. | -16.6 | 42 | -24.3 |  | $-0.1$ |  | -26.2 |  |  |  | -13.8 | 6 |  |  | -13.9 |  |  |  |  |  |
| No. 3 | .-14.2 | 48 | -20.9 | 15 | $+7.3$ | 26 |  |  |  |  | -13.5 | 15 |  |  |  |  |  |  |  |  |
| No. 4 | -1-12.7 |  | $-14.7$ | 13 | +0.9 | 12 |  |  |  |  | -17.1 | 13 |  |  |  |  |  |  |  |  |
| No. 5 | -10.0 | 45 | $\rightarrow 16.1$ | 15 | $+6.7$ |  | -3.4 | 18 | +1.0 |  |  |  |  |  |  |  |  |  |  |  |
| No. 6 | -13.8 |  | -13.2 | 20 | -8.6 | 20 | -4. ${ }^{5}$ | 9 | -8.2 |  | -7.8 | 15 |  |  |  |  | +49.6 |  |  |  |
| No. 9 | -12.1 | 51 | -20.1 |  | +9.0 | 16 | +3.81 | 5 |  |  |  | ...... | 8 |  |  |  | 2. |  |  |  |
| No. 10 | -10.2 | 9 | -8.8 |  | -3.6 | 8 |  |  | $\rightarrow 3.0$ |  | -13.6 | 5 |  |  |  |  | $+18.3$ | 7 |  |  |
| No. 11 | -9.3 | 12 | $-8.0$ | 11 | +1.7 | 12 |  |  | +14.2 |  | -15.3 | 8 |  |  |  |  | +71.5 |  |  |  |
| No. 12 | -11.7 | 31 | $-9.6$ | 14 | +2.9 | 21 | $-9.6$ |  | -2.0 |  | -19.5 |  | +16.3 |  | -0.9 |  | +19.6 |  | +4.5 | 15 |

PERCENTAGE OF INCREASE (OR DECREASE) IN NET SALES IN APRIL, 1922, AS COMPARED WITH APRIL, 1921.


## SAVINGS DEPOSITS.

Comparison of savings deposits on May 1, 1922, with deposits on April 1, 1922, and May 1, 1921, are shown for 851 banks distributed throughout all sections of the United States. The figures for districts No. 1 and No. 2 are those of large mutual savings banks, but in all other districts reports of other banks are included to make the figures thoroughly representative. In all districts where reporting commercial banks subdivide their time deposits, statistics of savings deposits subject to notice (excluding time certificates of deposit) are used. This is in accordance with the definition given in the board's Regulation D, series of 1920 .

During April the volume of savings deposits increased in all Federal reserve districts except No. 2 (New York), No. 7 (Chicago) and No. 12 (San Francisco). Savings increased during
the year ending May 1 in 10 Federal reserve districts, declines being registered in districts No. 4 (Cleveland) and No. 7 (Chicago). The most important increase was one of 8.8 per cent in district No. 11 (Dallas), while the most pronounced decline occurred in district No. 4 (Cleveland) and amounted to 3.5 per cent.


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

Following is a set of tables showing the volume of bills discounted and of acceptances and Government securities purchased by the Federal reserve banks during April, 1922:

VOLUME OF OPERATIONS DURING APRIL, 1922.

| Federal reserve bank. | Bills discounted for member bauks. | Bills bought in open market. | United States securities purchased. |  | Municipal warrants purchased. | Total. |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  |  | Bonds and notes. | Certificates of indebtedness. |  | April, 1922. | April, 1921. |
| Boston. | \$133,787,014 | \$15,627, 811 | \$10,000 | \$17,744,500 |  | \$167, 169, 325 | \$384, 035 , 806 |
| Now York | 453,641, 385 | 41,388, 360 | 46, 364, 200 | 96, 650,000 |  | 641,049,945 | 2,568,237,429 |
| Philadelphia................... | $180,663,492$ <br> 106 | 7,738, 583 | 7, 163,000 | 2, 147, 000 |  | 197,712,075 | 379, 880,041 |
| Cleveland....................... | $106,732,604$ $88,169,894$ | $1,691,896$ 448,908 | 5,511,000 | 9,544, 500 |  | 123,480, 880 | 261, 153,899 |
| Atlanta. | 40,327, 9618 | 1,905,331 | 285,050 |  |  | 12, $51.8,349$ | 152,514,349 |
| Chicago. | 107, 929,973 | 18,045, 127 | 18,739,600 | 22,125, 300 |  | 166,840,200 | 387,788, 875 |
| St. Louis. | 56, 597,306 | 150, 743 | 3,781, 500 | 1,131, 500 |  | 61,661,049 | 137, 867,553 |
| Minneapolis. | 14, 729, 211 |  | 3,980, 150 | 1,768, 500 |  | $20,477,861$ | 65, 359,493 |
| Kansas City | 22, 257, 128 | 39,000 | 9,150 | 5,056,000 |  | 27, 361,278 | 91, 177,721 |
| Dan Francise |  | 5, 5,639,092 | 20,750, 800 | 69,500 |  | $19,179,733$ $110,549,162$ | $\begin{array}{r} 64,554,999 \\ 296,719,831 \end{array}$ |
|  | 1,308,055, 478 | 95, 724, 851 | 106, 594,450 | 156,243,000 |  | 1,666,617,779 |  |
| April, 1921 4 months ending | 4, 912,651, 847 | 123,510,771 | 520,000 | 47, 965,500 |  |  | 5,084,648, 118 |
| Apr. 30, 1922.... | 7,486,890,333 | 483,007,489 | 495,701,050 | 994, 517, 500 | \$111,029 | 9,460, 227, 401 |  |
| 4 months ending | 28,659, 931,635 | 564,089,718 | 531,800 | 790,424,057 |  |  | 30,014, 977,210 |

VOLUME OF BILLS DISCOUNTED DURING APRIL, 1922, BY CLASSES OF PAPER; ALSO NUMBER OF MEMBER BANES ACCOMMODATED

${ }^{1}$ Total discounts multiplied by ratio of average maturity of bills discounted by each bank to average maturity (15.86) for system.
VOLUME OF BILLS DISCOUNTED DURING APRIL, 1922, BY RATES OF DISCOUNT CHARGED; ALSO AVERAGE RATES AND MATURITIES.

| Federal reserve bank. | $4 \frac{4}{2}$ per cent. | 5 per cent. | Total. | Average rate (365day basis). | Average maturity. |
| :---: | :---: | :---: | :---: | :---: | :---: |
| Boston. | \$133, 787, 014 |  |  | Per cent. | Days. ${ }^{\text {d }}$ |
| New York. | 453, 641,385 |  | 453, 641,385 | 4.50 | 8.36 5.31. |
| Philadelphia | 180, 663, 492 |  | 180, 663, 492 | 4.50 | 9.44 |
| Cleveland. | 106,732, 604 |  | 106, 732, 604 | 4.50 | 19.20 |
| Richmond | 48, 636, 953 | \$39, 532, 941 | 88, 169, 894 | 4.72 | 19.85 |
| Atlanta. | 40,327,968 |  | 40, 327, 968 | 4. 50 : | 43.00 |
| Chicago. | 107, 929, 973 |  | 107, 929, 973 | 4. 50 | 30.93 |
| St. Louis.. | 50, 965, 186 | 5, 632, 120 | 56, 597,306 | 4.55 | 27.99 |
| Minneapolis |  | 14, 729, 211 | 14, 729, 211 | 5.00 | 67.26 |
| Kansas City. |  | 22,257, 128 | 22, 257,128 | 5.00 | 49.31 |
| Dallas....... |  | 19, 129, 733 | 19, 129, 733 | 5.00 : | 64.46 |
| San Francisco. | 84, 089, 770 |  | 84, 089,770 | 4.50 | 20.73 |
| Total: April, 1922 | 1, 206, 774, 345 | 101, 281, 133 | 1,308, 055, 478 |  | 15.86 |
| March, 1922. | 1,372, 259, 198 | 380, 837, 422 | 1,753, 096, 620 | 4.70 | 15.39 |

VOLUME OF BANKERS' AND TRADE ACCEPTANCES PURCHASED DURING APRIL, 1922, BY CLASSES.

| Federal reserve bank. | Bankers' acceptances. |  |  |  | Trade acceptances. |  |  | Total bills purchased. | Total reduced to a common maturity basis. 1 |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | Foreign. | Domestic. | Dollar exchange. | Total. | Foreign. | Domestic. | Total. |  | Amount. | Per cent of total. |
| Boston. | \$12, 252, 849 | \$3, 231, 772 | \$143, 190 | \$15, 627, 811 |  |  |  | \$15, $627,{ }^{\text {2 }} 11$ | \$7, 522, 372 | 7.86 |
| New York.: | 35, 018,089 | 6, 725,045 | 2, 467, 953 |  | \$177, 273 |  | \$177,273 |  | 25,774, 754 | 26. 98 |
| Philadelphia | $5,181,465$ $1,159,761$ | 2, 101, 519 | $\begin{array}{r}\text { - } 455,599 \\ \hline 75,000\end{array}$ | $7,738,583$ $1,691,896$ |  |  |  | $7,738,583$ $1,691,896$ | $12,881,606$ $1,066,887$ | 13.46 1.11 |
| Cleveland... | 1, 159,761 | 457,135 <br> 341,850 <br> 8 | 75,000 | 1,691, 896 |  |  |  | $1,691,896$ 448,908 | $\begin{array}{r}1,066,887 \\ 850,159 \\ \hline\end{array}$ | 1.11 .89 |
| Atlanta.... | 1,572, 661 | 332, 870 |  | 1,905, 331 |  |  |  | 1,905,331 | 2,485, 578 | 2.60 |
| Chicago. | 9,051, 847 | 8, 862, 780 | 130, 500 | 18,045, 127 |  |  |  | 18, 045,127 | 40, 638, 860 | 42. 45 |
| St. Louis. | 110, 743 | 40,000 |  | 150, 743 |  |  |  | 150,743 | 305,397 | . 32 |
| Minneapolis. |  |  |  |  |  |  |  |  |  |  |
| Kansas City. |  |  |  | $\begin{aligned} & 39,000 \\ & 50,000 \end{aligned}$ |  |  |  | $\begin{aligned} & 39,00 \\ & 50 \\ & \hline 000 \end{aligned}$ |  | . 03 |
| Dallas. <br> San Francisco | 3, 893, 278 | $\begin{array}{r} 50,000 \\ 1,693,844 \end{array}$ | 25,000 | 50,000 $5,612,122$ | 26, 970 |  | 26,970 | 50,000 $5,639,092$ | 42,603 $4,122,757$ | .04 4.31 |
| Total: April, 1922. | 68,347, 551 | 23, 875, 815 | 3,297, 242 | 95,520,608 | 204, 243 |  | 204, 243 | 95,724, 851 | 95, 724, 851 | 100.00 |
| March, 1922.. | 99, 634,330 | 36,070, 874 | 8,229, 500 | 143, 934, 704 | 416, 940 | ....... | 416,940 | 144, 351, 644 |  |  |
| April, 1921 | 75,605, 125 | 28,290, 089 | 17,516, 381 | 121, 411,595 | 2,099,176 |  | 2,099,176 | 123, 510, 771 |  |  |
| March, 1921. | 100, 587, 340 | 31, 372, 941 | 16, 738, 187 | 148, 698,468 | 556, 855 |  | 556,855 | 149, 255, 323 |  |  |

${ }^{1}$ Total purchases multiplied by ratio of average maturity of bills purchased by each bank to average maturity (85.28) for systam.
VOLUME OF ACCEP'TANCES PURCHASED DURING APRIL, 1922, BY RATES OF DISCOUNT CHARGED; ALSO AVERAGE RATES and Maturities.

| Federal reserve l ank. | 33 per cent. $3^{\text {a }}$ | per cent. | 3 y per cent. | 3. per cent. $\mathrm{B}_{1}$ | per cent. 3 | 35 per cent. | $33 \mathrm{per} \mathrm{cent}$. | per cent. | 4 per cent. |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Boston. |  | 3,738,325 | \$9,339, 748 | \$1, 893,510 |  | \$342,351 | \$131,449 | \$144,098 |  |
| New York |  | 1,656,574. | 6,256, 443 | 35, 847,976 |  | 393,844 | 56,250 |  |  |
| Philadelphi |  | 708,249 | 4, 896,978 | 2, 133,356 |  |  |  |  |  |
| Cleveland. |  | 517,531 | 123,170 | 473,543 |  |  | 65,000 |  | \$147, 271 |
| Atlanta. | \$361,245 | -31,262 |  | 426.412 |  |  | 394,773 |  |  |
| Chicago. | 2,634,698 | 4,559,676 | 4,556,555 | 5,726,751 |  | 462,357 | ........\| | 21,606 | 83,484 |
| St. Louis.... |  |  |  | 40,000 ! | \$49,173 | 50,570 | 11,000 |  |  |
|  |  |  |  |  |  |  |  |  |  |
| Dallas.... |  |  |  |  |  |  |  |  | 50,000 |
|  |  | 545,222 | 1,108,731 | 1,224,283 |  | 634,016 | 209,729 | 784,771 | 82,993 |
| Total, April, 1922. <br> March, 1922. | 2,995, 943 1 | 1,759,839 | 26,281,625 | $\begin{aligned} & 47,765,861 \\ & 48,337,202 \end{aligned}$ | $\begin{array}{r} 49,173 \\ 326,672 \end{array}$ | $\begin{array}{r} 1,883,138 \\ 12,404,369 \end{array}$ | $\begin{array}{r} 928,201 \\ 13,281,664 \end{array}$ | $\begin{array}{r} 950,475 \\ 2,532,445 \end{array}$ | $\begin{array}{r} 363,748 \\ 39,460,907 \end{array}$ |
| Federal reserve bank. | 48 per cent. | 4 per cent | t. 483 per cent. | $4{ }^{2}$ per cent. | 43 per cent. | 5 per cent. | ta |  | $\left\lvert\, \begin{aligned} & \text { Average } \\ & \text { maturity. } \end{aligned}\right.$ |
| Boston. | \$38,300 |  |  |  |  |  |  | Per cent. | Days. |
|  |  |  |  |  |  |  | \$15,627, 811 | 3.41 | 16.98 |
| New York. <br> Philadelphi |  |  |  | \$177,273 |  | ............. | [1 $\begin{array}{r}44,388,360 \\ \hline\end{array}$ | 3.51 <br> 3.45 | 20.49 58.73 |
| Cleveland. | 200,000 | \$160,381 |  |  | \$5,000 |  | 1,691,896 | - $\begin{array}{r}3.58 \\ 3.59\end{array}$ | 22. 25 |
| Richmond |  |  |  | 190,000 |  | \$258,908 | 448,908 | - 4.88 | 66.81 |
| Atlanta. |  |  |  | 691,639 |  |  | 1,905,331 | 3. 90 | 46.02 |
| Chicago- |  |  |  |  |  |  | 18,045, 127 | - 3.41 | 79.45 |
| St. Louis. |  |  |  |  |  |  | 150,743 | - 3.63 | 71. 47 |
| Kansas City |  |  |  |  |  | 39,000 | 39,000 | 5. 07 | 30.65 |
| Dallas. |  |  |  |  |  |  | 50,000 | 4.06 | 30.06 |
| San Francisco | 281,764 | 583,683 | 3 \$50,000 | 70,900 |  |  | 5,639,092 | 3.68 | 25.79 |
| Total, April, 1922.. March, 1922. | 520,064$12,675,582$ | 744,064$1,597,927$ | 4 50,000 <br> 188,910  |  | 5,000 417,450 | 297,908 $1,912,201$ | ( $\begin{array}{r}95,724,851 \\ 144,351,644\end{array}$ | 3.48 3.92 | 35.28 33.91 |
|  |  |  |  |  |  | 1,912,201 | $i^{1} 144,351,644$ |  | 33.91 |

1 Includes $\$ 625,000$ and $\$ 8,000$ of acceptances purchased at $3 \frac{28}{\frac{8}{6}}$ and $4 \frac{5}{8}$ per cent, respectively.
Note.-All Federal reserve banks use 360 days to the year in calculating interest on bills bought in open market.

## HOLDINGS OF EARNING ASSETS, BY CLASSES.

Following is a set of tables giving a detailed analysis of the different classes of earning assets held by the Federal reserve banks during $\Lambda$ pril, 1922:
average daily holdings of rach class of earning assets, marnings thereon, and annual rates of EARNINGS DURING APRIL, 1922.

| Federal reserve bank. | Average daily holdings of- |  |  |  | Earnings on- |  |  |  | Annual rate of earnings on- |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | All classes of earning assets. | Discounted bills. | $\begin{aligned} & \text { Purchased } \\ & \text { bills. } \end{aligned}$ | United States securities. | $\left\lvert\, \begin{gathered} \text { Allclasses } \\ \text { of earn" } \\ \text { ing } \\ \text { assets. } \end{gathered}\right.$ | $\begin{aligned} & \text { Dis- } \\ & \text { counted } \\ & \text { bills. } \end{aligned}$ | Purchased bills. | Unnited securities. | $\begin{aligned} & \text { All } \\ & \text { classes } \\ & \text { of } \\ & \text { earn- } \\ & \text { ing } \\ & \text { assets. } \end{aligned}$ | $\begin{gathered} \text { Dis- } \\ \text { counted } \\ \text { bills. } \end{gathered}$ | $\begin{aligned} & \text { Pur- } \\ & \text { chased } \\ & \text { bills. } \end{aligned}$ | United States securities. |
| Boston | \$81, 906, 327 | \$32, 909, 804 | \$10, 765, 556 | 838, 230, 967 | \$273, 450 | \$121, 794 | \$34, 100 | \$117, 556 | Per ct. | Per ct. | Perct. 3.85 | Perct. |
| New York | 267,325, 605 | 69, 802,225 | 34, 131, 337 | 163, 392, 043 | 869,968 | 263, 062 | 106,093 | 500, 813 | 3.96 | 4. 50 | 3.78 | 3.73 |
| Philadelphi | 102, 241, 138 | 55, 089,840 | 21, 646, 131 | 25,415, 067 | 349, 495 | 203, 602 | 67, 790 | 77, 723 | 4. 16 | 4. 50 | 3. 81 | 3.72 |
| Clevelaind. | 109, 956, 085 | 56, 535, 280 | 2, 616,055 | 50, 804, 750 | 384, 437 | 210, 425 | 8,095 | 165,917\| | 4. 25 | 4. 53 | 3.76 | 3.97 |
| Atlanta.. | 51, 355,870 | 44, 426,181 | 1, $1,814,156 \mid$ | 4, $4,369,533$ | 176, 424 | 159, 795 | 4,684 | 11,940̀ | 4.32 | 4.98 4.71 | 5.02 4.49 | 2.04 |
| Chicago. | 192, 074, 804 | 86, 523,681 | 13, 627, 286 | 91,923, 837 | 681, 789 | 340, 953 | 41, 494 | 299,342 | 4.32 | 4.79 | 3.70 | 3.96 |
| St. Louis. | 50,497, 151 | 25, 754, 258 | 935, 783 | 23, 807, 110 | 176, 96.1 | 100, 013 | 3, 036 | 73, 912 | 4. 26 | 4.72 | 3.95 | 3.78 |
| Minneapolis | 39,232, 700 | 26, 782, 700 |  | 12,450, 000 | 148,157 | 114, 695 |  | 33,462 | 4.60 | 5.21 |  | 3.27 |
| Kansas City | 74, 861, 693 | 32,449, 675 | 34, 000 | 42, 378, 018 | 261, 147 | 133, 944 | 143 | 127,060 | 4.24 | 5.02 | 5.14 | 3.65 |
| Dallas..... | 39, 548, 576 | 34, 539, 743] | 43, 333 | 4, 965, 500 | 157, 584 | 147, 369 | 146 | 10,069 | 4.85 | 5.19 | 4.10 | 2.47 |
| San Francisc | 110, 164, 704 | 49, 425, 037 | 6,072,757 | 54, 666, 910 | 391, 444 | 185, 758 | 19, 106 | 186, 580 | 4.32 | 4.57 | 3.83 | 4.15 |
| Total: April, 1922. March, 1922. | 1,190, 003, 581 | 576,630,605 | 93,085, 741 | 520, 197, 135 | 4,149, 528 | 2, 244, 220 | 292, 534 | 1, 612,399: | 4. 25 | 4.75 | 3.88 | 3.77 |
|  | 1, 191, 013, 324. | 640, 302, 001 | 92, 966,969 | 457, 642, 354 | 4, 394, 575 | 2, 626, 282 | 320, 829 | 1, 446,971 | 4.34 | 4.83 | 4.06 | 3.72 |
| ApriI, 1921. March, 1921. | 2, 527, 253, 40612 | , 139, 981, 742 | 110, 372, 481 | 276, 899, 183 | 12, 154, 787 | 11, 124, 586 | 541, 685 | 488, 516 | 5.85 | 6.32 | 5.97 | 2.15 |
|  | 2, 735, 784, 111 | , 301, 628, 559 | 138, 397, 250 | 295, 758, 302 | 13, 697, 626 | 12, 428, 782 | 706, 155 | 562, 689 | 5.90 | 6.36 | 6.01 | 2.24 |

Note:-The figures for Philadelphia in the first, fifth, and ninth columns include average daily holdings of municipal warrants, 890,100 ; earnings, $\$ 375$; and rate of earnings, 5.07 per cent.

HOLDINGS OF DISCOUNTED BILLS, BY CLASSES.
[Fnd of April figures. In thousands of dollars.]


HOLDINGS OF BANKERS' AND TRADE ACCEPTANCES PURCHASED OR DISCOUUNTED, BY CLASSES OF ACCEPTANCES.
[End of April figures. In thousands of dollars.]

| Federal reserve bank. | All classes. |  |  | Bankers' acceptances. |  |  |  | Trade acceptances. |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | Total. | Purchased in open market. | $\begin{aligned} & \text { Dis- } \\ & \text { counted } \\ & \text { for } \\ & \text { member } \\ & \text { banks. } \end{aligned}$ | Total. | Foreign. | Domestic. | Dollar change. | Total. | Foreign. | Domestic. |
| Boston. | 10,212 | 10, 119 | 93 | 10,119 | 7,829 | 1,940 | 350 | 93 |  | 93 |
| New York. | 32, 624 | 32, 010 | 614 | 31, 974 | 26,560 | - 3,735 | 1,679 | 650 | 51 | 599 |
| Philadelphi | 20,438 | 20, 344 | 94 | 20,344 | 15, 288 | 4, 412 | 644 | 94 |  | 94 |
| Cleveland. | 3,799 | 2,266 | 1,533 | 2,266 | 1,729 | 402 | 135 | 1,533 |  | 1,533 |
| Richmond. | 2,786 | 1, 859 | 927 | 1,859 | 772 | 1,087 |  | 927 |  | 927 |
| Atlanta. | 1,703 | 1,244 | 459 | 1,244 | 923 | 321 |  | 459 |  | 459 |
| Chicago. | 15, 774 | 15,453 | 321 | 15, 453 | 9, 897 | 5,396 | 160 | 321 |  | 321 |
| St. Louis... | 1,158 | 830 | 328 | 943 | 585 | 308 | 50 | 215 |  | 215 |
| Minneapolis. | 211 |  | 211 |  |  |  |  | 211 |  | 211 |
| Kansas City | 39 676 | 39 |  | 39 |  | 39 |  |  |  |  |
| Dallas...... | 676 6820 | 15 6,498 | ${ }_{322}^{661}$ | ${ }^{20}$ |  | $\stackrel{20}{634}$ |  | 656 |  | ${ }^{656}$ |
| San Francisc | 6,820 | 6, 498 | 322 | 6,427 | 4,723 | 1,634 | 70 | 393 | 71 | 322 |
| Total: Apr. 29, 1922. | 96,240 111,635 |  |  | 90,688 105,287 | 68,306 77,015 | 19,294 | 3,088 <br> a, <br> 131 | 5,552 6,348 | 122 160 | 5,430 |
| Apr. 30, 1921. | 136, 402 |  |  | 119,330 | 84,378 | 21,710 | 13,242 | 17,072 | 738 | 16, 334 |
| Purchased in open market: |  |  |  |  |  |  |  |  |  |  |
| Apr. 29, 1922.. |  | 90,677 |  | 90, 570 | 68,306 | 19, 176 | 3, 088 | 107 | 107 |  |
| Mar. 31, 1922. |  | 105, 270 |  | 105, 110 | 77, 015 | 22,664 | 5,431 | 160 | 160 |  |
| Apr. 30, 1921.............. |  | 109,763 |  | 109, 142 | 76,712 | 19,238 | 13,192 | 621 | 621 |  |
| Discounted for member banks: <br> Apr. 29, 1922. |  |  |  | 118 |  | 118 |  | 5,445 | 15 |  |
| Mar. 31, 1922. |  |  | 6,365 |  |  | 177 |  | 6,188 |  | 6, 188 |
| Apr. 30, 1921. |  |  | 26,639 | 10,188 | 7,666 | 2, 472 | 50 | 16,451 | 117 | 16,334 |

HOLDINGS OF BANKERS' ACCEPTANCES PURCHASED OR DISCOUNTED, BY CLASSES OF ACCEPTING INSTITUTIONS.
[End of April figures. In thousands of dollars.]

| Federal reserve bank. | Total. | Member banks. |  | Nonmember banks and banking corporations. | Private banks. | Branches and agencies of foreign banks. |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  | National. | Nonnational. |  |  |  |
| Boston. | 10,119 | 6,033 | 3,080 | 848 | 158 |  |
| New York. | 31, 974 | 7,615 | 9,830 | 6,045 | 6,051 | 2, 433 |
| Philadelphia. | 20,344 | 7,887 | 5,567 | 2,920 | 2,032 | 1,938 |
| Cleveland. | 2,266 | $\begin{array}{r}508 \\ \hline 859\end{array}$ | 895 | 388 | 215 | 260 |
| Atlanta.. | 1,244 | 1.,809 | 846 |  |  |  |
| Chicago. | 15,453 | 7,474 | 6,853 | 968 | 70 | 88 |
| St. Louis. | 943 | 312 | 420 | 4 | 203 | 4 |
| Minneapolis. | 39 | 39 |  |  |  |  |
| Dallas.. | 20 | 15 |  | 9 |  |  |
| San Francisco. | 6,427 | 3, 194 | 1, 102 | 930 | 472 | 729 |
| Total: Apr. 29, 1922. | $\begin{array}{r}90,688 \\ 105,287 \\ \hline\end{array}$ | 35,334 42 48 | 28,593 <br> 33 <br> 31 | 12, 128 | 9,201 <br> 9 <br> 881 | 5,452 |
| Mar. 31, 1922. | 105,287 | 42,148 | 33, 931 | 12,671 | 9,781 | 6,756 |
| Apr.30, 1921... | 119,330 | 37,635 | 31,060 | 21, 162 | 14,101 | 1.5, 372 |
| Purchased in open market: <br> Apr. 29, 1922. | 90,570 | 35,332 | 28,482 |  | 9,201. |  |
| Mar. 31, 1922... | 105,110 | 42,094 | 33, 808 | 12,671 | 9,781 | 6,756 |
| Apr. 30, 1921.. | 109, 142 | 33,981 | 28,371 | . 18,31.6 | 13,915 | 14,559 |
| Discounted for member banks: $\text { Apr. 29, } 1922 .$ | 118 | 2 | 111 | 5 |  |  |
| Mar. 31, 1922.. | 177 | 54 | 123 | ........... |  |  |
| Apr. 30, 1921. | 10, 1.88 | 3,654 | 2,689 | 2,846 | 186 | 813 |

## BANKING CONDITIONS DURING APRIL AND MAY.

Developments in Federal reserve and member bank conditions for the country as a whole are discussed in the paragraphs on the banking situation in the Review of the Month, page 646. Changes in the condition of individual Federal reserve banks and of reporting member banks in each Federal reserve district are shown in the text tables here presented and in the general tables on the following pages. The chart on page 648 shows member bank and Federal reserve bank developments since the beginning of 1921.

For the system as a whole a decrease of $\$ 12,900,000$ in the holdings of discounted paper is shown for the four weeks ending May 24. The New York bank, however, shows an increase of $\$ 16,700,000$ and smaller increases are shown for the Boston, Philadelphia, and Cleveland banks, a nominal increase being reported also for Minneapolis. For all the banks in the South, in the Middle West, except Minneapolis, and in the far West reductions in discounted paper held are shown. This moderate liquidation of discounts is more than offset, however, by an increase of $\$ 29,100,000$ in holdings of Government securities. By far the largest increase under this head, amounting to $\$ 20$,200,000 , was shown for the Cleveland bank, and smaller increases, aggregating $\$ 13,100,000$, are shown for the Philadelphia, Chicago, St. Louis, Minneapolis, and San Francisco banks. Small decreases in Government security holdings are reported by the Boston, New York, Atlanta, and Kansas City banks, while the Richmond and Dallas banks show no change in this respect.

In keeping with the general increases in demand deposits of member banks, the Federal reserve banks show an aggregate increase of $\$ 83,900,000$ in their total deposits, $\$ 74,000,000$ of which represents the increase in members' reserve deposits. By far the largest increase in deposits, amounting to $\$ 49,100,000$; is shown for the New York bank, all of the other banks, except Atlanta, Minneapolis, Dallas, and San Francisco, showing moderate in-
creases. The decrease in Federal reserve note circulation, amounting to $\$ 29,300,000$ for the system, was distributed among all the districts, except Atlanta, for which an increase of $\$ 6,700,000$ is shown. The New York bank, however, shows only a nominal decline of $\$ 600,000$. A statement is given below showing in round millions of dollars the Federal reserve note circulation of each Federal reserve bank at the peak of circulation on December 23, 1920 and on May 24, 1922 :


Federal reserve note circulation has declined by 38 per cent from the peak, the largest percentage of decline, 68 per cent, being shown for Dallas and the smallest, 21 per cent, for San Francisco. More than avcrage reductions are shown for the Boston, Cleveland, Richmond, St. Louis, and Kansas City banks, while the New York, Philadelphia, Atlanta and Chicago banks show less than average percentages of reduction in note circulation.
For the four weeks under review the reserve percentage of the Federal reserve banks. shows a small decline, from 78.3 to 77.5 per cent. Among the banks showing material increases in reserve percentage are the three southern banks, while the largest decline in percentage, due chiefly to a decrease in reserves, is shown for the Cleveland bank.

Changes in Principal Resources and Liabilities of Each Federal Reserve Bank Between April 26 and May 24, 1922.


Loans and discounts of all reporting member banks show an increase of $\$ 70,000,000$ for the four weeks ending May 17. Larger increases are shown for the New York, Chicago, and St. Louis districts, and chiefly for the three Federal reserve bank cities in these districts, while all the other districts report moderate declines
under this head. This development is indicative of the fact that the growth in bank credit during the four weeks under review is due mainly to the activities of the stock and bond markets in the financial centers, while outside of these centers a moderate amount of loan liquidation is shown.

Changes in Principal Resources and Liabinities of Reporting Member Banks in Each Federal Reserve District between April 19 and May 17, 1922.
[In thousands of dollars.]

| Federal reserve district. | Increase or decrease in- |  |  |  |  |  |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | Loans and discounts. |  | United States Government securities. |  | Other bonds, stocks, and securities. |  | Demand doposits. |  | Time deposits. |  | Accommodation at Federal reserve bank. |  |
| , | Increase. | Decrease. | Increase. | Decrease. | Increase. | Decrease. | Increase. | Decrease. | Increase. | Decrease. | Increase. | Decrease. |
| Boston. |  | 13 | 12 |  | 4 |  | 11 |  | 4 |  |  | 3 |
| New York. | 52 |  | 40 |  | 53 | *......... | 163 |  | 28 |  |  | 15 |
| New York City. | 48 |  | 41 |  | 50 |  | 154 |  | 25 |  |  | 12 |
| Philadelphia.... |  | ${ }^{3}$ | 2 |  | 7 |  | 13 |  | 1 |  |  |  |
| Cleveland... | . | 10 | 2 |  | 5 |  | 16 | - | 2 |  |  | 12 |
| Richmond.. |  | 3 1 1 |  | $\stackrel{2}{2}$ | 1 |  | 8 |  | 3 |  |  | 4 |
| Atlanta... | 51 | 1 | 19 | 2 | $\frac{1}{7}$ |  | 91 |  | 6 |  |  | 4 13 |
| City of Chicago | 49 |  | 20 |  | 4 |  | 81 | .......... | 2 |  |  | 4 |
| St. Louis..... | 3 |  | 5 |  | 3 |  | 10 |  | 2 |  |  | 1 |
| Minneapolis. . |  |  | 1 |  |  |  | 2 |  |  |  | 2 |  |
| Kansas City . | - | 1 |  | 1 | 4 |  | 11 |  | 2 |  |  | 5 |
| Dallss......... |  | 3 |  |  |  |  | 4 |  | 1 |  |  | 2 |
| San Francisco. |  | 2 | 2 |  |  | 3 | 8 |  |  | 10 | 2 |  |
| Total. | 70 |  | 78 |  | 82 |  | 339 |  | 40 |  |  | 59 |

Government security holdings of the reporting member banks increased by $\$ 78,000,000$, of which $\$ 61,000,000$ represents the increases in New York City and Chicago alone. Increases in holdings of corporate securities are shown for all the Federal reserve districts, except the San Francisco district, which shows a small decrease, and the Minneapolis and Dallas dis-
tricts, which show practically no change under this head. Of the total increase of $\$ 82,000,000$ in other security holdings, reporting member banks in New York City account for $\$ 50,000,000$. Increases in demand deposits are reported for all the 12 districts, increases in the financial centers being relatively no larger than those in other cities. Time de-
posits also show advances in all the districts, except the San Francisco district, for which a decline of $\$ 10,000,000$ is reported, and the Minneapolis district, in which the total remained practically unchanged.

Accommodation of the reporting banks at Federal reserve banks was smaller on May 17 than four weeks earlier in all the Federal reserve districts, except in those of Minneapolis and San Francisco.

CASH RESERVES, TOTAL DEPOSITS, FEDERAL RESERVE NOTE CIRCULATION, AND RESERVE PERCENTAGES FOR MAX AND APRIL, 1922
[Daily averages. Amounts in thousands of dollars.]

| Federal reserve bank. | Total cash reserves. |  | Total deposits. |  | Federal Reserve notes in circulation. |  | Reserve percentages. |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | May. | April. | May. | April. | May. | April. | May. | April. |
| Boston. | 207, 005 | 208, 826 | 121,231 | 118,075 | 150,500 | 1555,397 | 76.2 | 76.4 |
| New York | 1,162,062 | 1, 153,923 | 745,995. | 718,358 | 621, 592 | 627,318 | 85.0 | 85.8 |
| Philadelphia | 225,673 | ${ }^{230}, 898$ | 108, 681 | 106, 601 | 184, 110 | 193, 442 | 77.1 | 77.0 |
| Cleveland. | 248,566 | 260,721 | 140,541 | 138, 393 | 198,100 | 201, 564 | 73.4 | 76. 7 |
| Richmond. | 99, 039 | 88,294 | 59,795 | 56,488 | 87,763 | 91,962 | 67.1 | 59.5 |
| Stlanta. | 138, 329 | 125,005 | 50,033 | 50, 494 | 117,431 | 111,016 | 82.6 | 77.4 |
| Chicago. | 474,277 | 468, 591 | 262,917. | 250,362 | 364,432 | 373,975 | 75.6 | 75.1 |
| St. Louis | 103,296 | 110,526 | 71,412 | 70, 294 | 72, 335 | 77,416 | 71.8 | 74.8 |
| Minneapolis. | 68,574 | 71, 161 | 46,881 | 45, 840 | 50,463 | 51, 862 | 70.5 | 72.8 |
| Kansas City | 85,320 | 80,684 | 79,023 | 76, 441 | 59,021 | 61,605 | 61.8 | 58.5 |
| Dallas.. | 48,448 | 46,591 | 47, 814 | 47,702 | 26,539 | 27,269 | 65.2 | 62.2 |
| San Franc | 266, 184 | 269, 708 | 142,946. | 143, 540 | 220,567 | 217,621 | 73.2 | 74.7 |
| Total: 1922. | 3,126,773 | 3,114, 928 | 1,877, 269 | 1,822,788 | 2,153, 033 | 2,190, 4.77 | 77.6 | 77.6 |
| 1921. | 2,541,640 | 2, 485,079 | 1,717, 423 | 1,749,568 | 2,787, 379 | 2,870,645 | 56.4 | 53.8 |
| 1920. | $2,078,822$ $2,246,087$ | $2,084,077$ $2,224,948$ | 1,987, 323 | 1,998,732 | 3, 3 , 394,737 | 3, 371,754 | 1 <br> 1 <br> 151.4 | ${ }^{1} 43.0$ |
|  | 2,26, 08 | 2, 224, 948 | 1,944, 047 | 1,878, 87 | 2,335, 12 | 2,34, 030 |  |  |

[^9]
## CONDITION OF FEDERAL RESERVE BANKS.

RESOURCES AND IIABILITIES OF EACH FEDERAL RESERVE BANK ON WEDNESDAYS, MAY 3 TO MAY 24, 1922.
RESOURCES.
[In thousands of dollars.]

|  | Total. | Boston. | New York. | Phila-delphia. | Cleveland. | Richmond. | Atlanta. | Chicago. | St. <br> Louis. | $\begin{gathered} \text { Min- } \\ \text { neapo- } \\ \text { lis. } \end{gathered}$ | $\begin{aligned} & \text { Kan- } \\ & \text { sas } \\ & \text { City. } \end{aligned}$ | Dallas. | San <br> Fran- <br> cisco. |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Gold and gold certificates: |  |  |  |  |  |  |  |  |  |  |  |  |  |
| May 3. | 326,381 | 13,554 | 218,213 | 3, 501 | 12,837 | 2,983 | 5,406 | 23, 281 | 8,192 | 8,048 | 2,324 | 8,188 | 19,854 |
| May 10 | 327,387 | 13, 631 | 218,556 | 3,500 | 12,889 | 3,026 | 5,374 | 23, 389 | 8,092 | 8,203 | 2,340 | 8,280 | 20,107 |
| May 17 | 325, 816 | 14, 446 | 216,930 | 3,227 | 13,016 | 3,061 | 5,451 | 23, 564 | 7,071 | 8,173 | 2,399 | 8, 348 | 20,130 |
| May 24 <br> Gold settlement fund-................... | 326,412 | 14,307 | 216,068 | 3,244 | 13,116 | 3,004 | 5,479 | 23,690 | 8,141 | 8,231 | 2,456 | 8,463 | 20,213 |
| Gold settlement fundF. R. Board: |  |  |  |  |  |  |  |  |  |  |  |  |  |
| May 3. | 441,261 | 20,488 | 82,021 | 57,940 | 41,020 | 35,358 | 25, 755 | 65, 595 | 12,760 | 27,685 | 29, 761 | 9,884 | 32,994 |
| May 10 | 444, 752 | 19,458 | 102, 173 | 51,590 | 39,380 | 36,046 | 28,902 | 64, 271 | 9,536 | 25,647 | 24, 106 | 9,617 | 34, 026 |
| May 17 | 473,506 | 19,474 | 138,282 | 48, 181 | 37,606 | 35, 126 | -28,513 | 65,126 | 7,078: | 23,770 | 28, 549 | 11, 951 | 29, 850 |
| Yay $24 . \ldots \ldots$....... | 482,937 | 25, 009 | 138,018 | 57,326 | 38, ar 1 | 32,976 | 25,909 | 69,863 | 7,798 | 20,478 | 25, 582 | 10,411 | 30, 996 |
| Gold with F. R. agents: |  |  |  |  |  |  |  |  |  |  |  |  |  |
| May 10 | 2,172,052 | 139, 338 | 799, 306 | 160, 464 | 192,947 | 42,090 | 98, 324 | 353, 612 | 71,544 | 31, 914 | 47, 295 | 20, 222 | 214,996 |
| May 17 | 2,140,192 | 142, 120 | 799, 111 | 157, 494 | 179, 758 | 44,390 | 98, 022 | 347, 658 | 69,119 | 31,349 | 47,562 | 19,713 | 203, 896 |
| May 24 | 2,141, 120 | 139,617 | 798, 903 | 154, 830 | 175, 700 | 55,727 | 97,366 | 351, 297 | 68, 262 | 30,760 | 49,552 | 19, 184 | 199, 322 |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| May 10 | 61, 103 | 11, 714 | 10,000 | 5, 390 | 3,342 | 7,337 | 1,651 | 11, 6.52 | 797 | 1,917 | 1,499 | 1,728 | 4,076 |
| May 17 | 65, 629 | 8,902 | 10,000 | 7,598 | 6, 193 | 4,764 | 1,919 | 17,311 | 730 | 2,276 | 1,225 | 2,173 | 2,538 |
| May $24 . .$. | 57, 220 | 11, 378 | 10,000 | 3,137 | 2,066 | 3,152 | 2,548 | 13,065 | 1,183 | 2,858 | 1,222 | 2,629 | 3,982 |
| Total gold reserves: |  | 185, 126 | 1,109,765 | 228, 007 | 250, 376 | 88,077 | 131,301 | 454, 504 | 93,399 | 69,683 | 78, 890 | 39,616 | 266,032 |
| May 10 | 3,005,294 | 184, 141 | 1,130,035 | 220, 944 | 248,558 | 88, 499 | 134,251 | 452, 924 | 89,969 | 67,681 | 75, 240 | 39, 847 | 273, 205 |
| May 17 | 3,005,143 | 184,942 | 1,164,323 | 216, 500 | 236,573 | 87,341 | 133,905 | 453, 659 | 83,998 | 65, 568 | 79,735 | 42, 185 | 256, 414 |
| May 24 | 3,007,689 | 190,311 | 1,162,989 | 218, 537 | 229,453 | 94,859 | 131,302 | 458,215 | 85,684 | 62,327 | 78,812 | 40,687 | 254, 513 |
| Legal tender notes, silver, etc.: |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  | 121,041 | 20,885 | 26,723 | 6,049 | 6,735 | 7,528 | 4,742 | 14,915 | 16,920 | 832 | 6,313 | 6,070 | 6,329 |
| May 10 | 124,523 | 21,269 | 26,520 | 6,080 | 6,446 | 7,229 | 4,687 | 15, 882 | 17,160 | 670 | 6,287 | 6,072 | 6,221 |
| May 17 | 125, 982 | 20,645 | 25,452 | 7,377 | 6,762 | 8,027 | 4,740 | 15,863 | 17,679 | 729 | 6,556 | 6,076 | 6,076 |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| May 10 | 3,129,817 | 205, 410 | 1,156,550 | 227,024 | 255, 004 | 95, 728 | 138,938 | 468,806 | 107, 129 | 68,35.1 | 81, 527 | 45,919 | 279,426 |
| May 17 | 3,131, 125 | 205, 587 | 1,189,775 | 223, 877 | 243,335 | 95,368 | 138,645 | 469, 522 | 101,677 | 66,297 | 86, 29$]$ | 48,261 | 262,490 |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| May 3. | 190, 474 | 9,843 | 48,055 | 36,595 | 17,558 | 19,216 | 7,058 | 25, 76i | 7,855 | 2,743 | 5,755 | 2,183 | 7,847 |
| May 10 | 166,322 | 9,925 | 30,057 | 36, 792 | 24,368 | 18,704 | 6,616 | 19, 160 | 7,016 | 2,086 | 3,487 | 1,793 | 6,316 |
| May 17. | 169, 714 | 9,923 | 26,101 | 39,568 | 25,456 | 18,795 | 5,640 | 17,819 | 7,540 | 3,693 | 3,387 | 1,655 | 10,137 |
|  | 181,071 | 10, 582 | 37, 559 | 38,973 | 28,527 | 17, 892 | 5,329 | 19,712 | 7,216 | 2,409 | 3,758 | 1,541 | 7,573 |
| Ah other-............ |  |  |  |  |  |  |  |  |  |  |  |  |  |
| May 10 | 308, 264 | 13, 053 | 17,995 | 11, 167 | 25,731 | 35, 805 | 28,951 | 49,035 | 14,689 | 23, 668 | 21, 707 | 29, 500 | 36,963 |
| May 17 | 298,982 | 10,203 | 18,834 | 9,315 | 22,469 | 35,744 | 28,216 | 48,524 | 14,762 | 24,267 | 21,612 | 29,187 | 35, 849 |
| Mar 24. | 306, 169 | 13,834 | 26,21.0 | 11, 155 | 21, 583 | 34, 410 | 27,908 | 47,681 | 13, 833 | 24,628 | 19,996 | 29,867 | 35,064 |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| May ${ }^{\text {May }} 10$. | 107, 278 | 10,505 8,599 | 45,671 41,904 | 18,275 17,961 | 3,324 <br> 3,144 <br>  | 1,741 1,471 | 2,268 | 17,431 23,872 | 1, 171 |  | 39 29 | 15 15 | 6,838 6,091 |
| May 17 | 97, 123 | 8,510 | 24,186 | 19,633 | 8,262 | 1,172 | 875 | 21,990 | 2,190 |  | 5 | 15 | 10,285 |
| May 24 | 105, 364 | 9,145 | 31,259 | 18,733 | 9,74\% | 1,229 | 903 | 18,78i | 5,249 |  | 5 | 15 | 10,294 |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| May 10 | 261,042 | 4,476 | 64, 881 | 23, 553 | 27, 119 | 1,233 | 137 | 34,929 | 11, 581 | 7,018 | 28, 899 | 2,816 | 54,400 |
| May 17. | 241,115 | 4,476 | 44,398 | 23, 533 | 27,124 | 1,233 | 327 | 35,573 | 11,656 | 7,260 | 28,299 | 2,816 | 54,400 |
| May 24. | 240,990 | 4,477 | 45,394 | 23, 553 | 27, 124 | 1,233 | 191 | 34,626 | 11,655 | 7,222 | 28,299 | 2,816 | 54,400 |
| U. S. certificates of indebtedness: |  |  |  |  |  |  |  |  |  |  |  |  |  |
| One year certificales <br> (Pitiman Act)- |  |  |  |  |  |  |  |  |  |  |  |  |  |
| MLay 3............. | - 83,000 | 6.950 | 23, 500 | 8,000 | 6,000 | 3,560 | 7,199 | 8,667 | 3,571 | 4,000 | 4,321 | 1,900 | 5,332 |
| May 10 | 81,500 | 6,950 | 22, 300 | 8,000 | 6,000 | 3,560 | 6,699 | 8,667 | 3,571 | 4,000 | 4,321 | 1,900 | 5,332 |
| May 17............. | - 80,000 | 5,950 | 22,000 | 8,000 | 6,000 | 3,560 | 6,699 | 8,667 | 3,571 | 4,000 | 4,321 | 1,900 | 5,332 |
| May 24. | 78,500 | B,950 | 21, 500 | 7,000 | 6,000 | 3,560 | 6,699 | 8,667 | 3,571 | 4,000 | 4,321 | 1,900 | 5,332 |
| All other- |  |  |  |  |  |  |  |  |  |  |  |  |  |
| May 10 | 274,963 | 39, 346 | 125, 174 | 783 | 30,279 |  | 31 | 53,815 | 12,499 | 3,466 | 8,843 | 250 | 277 |
| May 17 | 273,860 | 38,103 | 121, 855 | 783 | 32,334 |  | 31 | 54,971 | 12,989 | 3,412 | 8885 | 250 | 277 |
| May 24. | 276, 721 | 38, 177 | 118, 832 | 783 | 38,836 |  | 31 | 53,266 | 13,999 | 3,415 | 8,856 | 250 | 276 |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| May 10 | 1, 1, 197,608 | 82,654 82,549 | 302, 511 | 98, ${ }^{95186}$ | 116,641 | 60,773 | 47, 4356 | 190,140 | 48, 698 | 41, 4258 | 73,084 | 37,954 | 112,626 109,379 |
| May 17. | 1, 160,794 | 77,165 | 257, 374 | 100,852 | 121,645 | 60,504 | 41,788 | 187, 544 | 52, 708 | 42,632 | 66,479 | 35,823 | 116,280 |
| May 24. | 1,188,815 | 82,165 | 280,754 | 100, 197 | 131,81.7 | 58,324 | 41,061 | 182,737 | 55, 523 | 41, 674 | 65, 235 | 36,389 | 112, 939 |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| May 10 | 39,903 | 5,203 | 8,135 | 600 | 4, 9 a'7 | 2,571 | 1,264 | 7,324 | 908 | 914 | 4,951 | 2,091 | 98. |
| May 17. | 40,326 | 5,216 | 8,355 | 600 | 4,984 | 2,571 | 1,266 | 7,467 | 908 | 914 | 4,964 | 2,092 | 989 |
| May 24 | 40,650 | 5,215 | 8,451 | 600 | 5,131 | 2, 77 | 1,308 | 7,468 | 917 | 914 | 4,965 | 2,092 | 1,018 |

RESOURCES AND LIABILITIES OF EACH FEDERAL RESERVE BANK ON WEDNESDAYS, MAY 3 TO MAY 24, 1922-Conlinued.
RESOURCES-Continued.
[In thousands of dollars.]

|  | Total. | Boston. | $\begin{aligned} & \text { New } \\ & \text { York. } \end{aligned}$ | Phila-delphia. | Cleveland. | Richmond. | $\begin{aligned} & \text { At- } \\ & \text { lanta. } \end{aligned}$ | Chicago. | st. Lonis. | $\begin{array}{\|c} \text { Min- } \\ \text { neapo- } \\ \text { lis. } \end{array}$ | $\begin{aligned} & \text { Kan- } \\ & \text { sas } \\ & \text { City. } \end{aligned}$ | Dallas. | Ean <br> Francisco. |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| 5 per cent redemption fund |  |  |  |  |  |  |  |  |  |  |  |  |  |
| gainst F. R. bank notes: | 7,60 | 422 | 986 | 700 | 539 | 188 | 468 | 733 | 2,023 | 204 | 916 | 1.46 | 79 |
| May 10 | 7,602 | 422 | 936 | 700 | 539 | 188 | 468 | 721 | 2,023 | 264 | 916 | 146 | 279 |
| May 17. | 7,678 | 422 | 911 | 700 | 539 | 188 | 468 | 714 | 2,023 | 372 | 916 | 146 | 279 |
| May 24. | 7,603 | 422 | 886 | 700 | 539 | 188 | 468 | 721 | 2,023 | 317 | 916 | 146 | 279 |
| Uncollected items: May 3 | 516, 588 |  |  |  |  |  |  |  |  | 12,085 | 32,097 | 20,844 | 4,065 |
| May 10. | 499, 923 | 46,564 | 99,753 | 46, 019 | 45,210 | 43,539 | 22, 245 | 62, 669 | 30, 866 | 13, 106 | 33,463 | 22,637 | 33, 852 |
| May 17 | 587,772 | 55,643 | 124,626 | 50, 694 | 59,500 | 47,001 | 21,903 | 75,066 | 35,556 | 13,778 | 38,563 | 22,400 | 43, 042 |
| May 24. | 50.1, 733 | 48,700 | 102,326 | 43, 714 | 49,095 | 42,049 | 21, 709 | 64, 124 | 28, 170 | 13,362 | 34,864 | 20, 837 | 32,783 |
| All other resources: |  |  |  |  |  |  |  |  |  |  |  |  |  |
| May 3. | 19,978 19,961 | 772 | 5,025 4,759 | 602 <br> 627 <br> 6 | 1,250 1,305 | 346 259 | $\begin{aligned} & 183 \\ & 135 \end{aligned}$ | 1,480 | $\begin{aligned} & 531 \\ & 618 \end{aligned}$ | 1,247 | 1,039 | 2,018 <br> 2,020 | 3,485 |
| May 17. | 20,035 | 829 | 4,404 | 637 | 1,387 | 315 | 149 | 1,695 | 671 | 1,388 | 1,041 | 2,032 | 5,457 |
| May 24 | 20,303 | 857 | 4, 519 | 653 | 1.,513 | 243 | 141 | 1,767 | 701 | 1,127 | 1,049 | 2,022 | 5,411 |
| otal resources May 3 | 4,928, 667 | 347, 29] | 1,586,277 | 378, 771 | 420,570 | 204, 444 | 204,928 | 736,185 |  | 126,821 | 197,289 | 108, 740 | 425,782 |
| May 10 | 4, 894,814 | 340,971 | 1,572,649 | 373, 226 | 423,656 | 203,058 | 206, 573 | 730, 588 | 192, 242 | 124,238 | 189, 137 | 109, 089 | 429,387 |
| May 17 | 4,947, 730 | 344,862 | 1,585,445 | 377, 360 | 431, 390 | [205,977 | 204, 219 | 742, 008 | 193, 543 | 125, 381 | 198,254 | 110,754 | 428,537 |
| May 24 | 4, 894, 359 | 348,608 | [1,584,932 | 371,633 | 425, 136 | :205, 777 | 200,826 | 731, 413 | 191,893 | 17.20,792 | 192,030 | 108,002 | +13,315 |

LIABILITIES.

| Capital paid in: May 3 | 104, 531 |  |  | 8, 912 | 11, 497 | 5,533 |  |  | 4,661 | 3,577 | 4,6064,607 | 4,185 |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  | 7,976 | 27,386 |  |  |  |  |  |  |  |  |  |  |
| May 10 | 104, 608 | 7,982 | 27,395 |  |  | 5,539 |  | 14, 565 |  |  |  |  |  |
| May 17 | 104,656 | 7,981 | 27,402 | 8,914 | 11,543 | 5,540 | 4,268 | 14,5.99 | 4,691 | 3; 568 | 4,617 | 4,191 | 7,382 |
| May 24 | 104,695 | 7,981 | 27,392 | 8,942 | 11,546 | 5,545 | 4,269 | 14, 559 | 4,694 | 3,568 | 4,618 | 4,192 | 7,389 |
| Surplus: |  |  |  |  |  |  |  |  |  |  |  |  |  |
| May 10 | 215,398 | 16,483 | 60,197 | 17,945 | 22,509 | 11,030 | 9,114 | 29,025 | 9,388 | 7,468 | 9,646 | 7,394 | 15,199 |
| May 17 | 215,398 | 16,483 | 60,197 | 17,945 | 22,509 | 11,030 | 9,114 | 29,025 | 9,388 | 7,468 | 9,646 | 7,394 | 15, 1.99 |
| May 24. | 215,398 | 16,483 | 60,197 | 17,945 | 22,509 | 11,030 | 9,114 | 29,025 | 9,388 | 7,468 | 3,646 | 7,39.4 | 15,199 |
| Reserved for Government franchise tax: |  |  |  |  |  |  |  |  |  |  |  |  |  |
| May 3... | 1,839 | 205 | 107 | 229 |  | 381 | 402 |  | 44 | 272 | 199 |  |  |
| May 10 | 2,071 | 228 | 142 | 248 |  | 394 | 414 |  | 42 | 301 | 267 |  | 35 |
| May 17 | 2,124 | 213 | 247 | 277 |  | 393 | 397 |  | 8 | 30.5 | 239 |  | 45 |
| May 24 | 2,290 | 251 | 291 | 250 |  | 409 | 413 |  | 2 | 332 | 272 |  | 70 |
| Deposits: ${ }_{\text {Government- }}$ |  |  |  |  |  |  |  |  |  |  |  |  |  |
| May 3 | 72,4 | 2,1 | 39,8 | 2,7 | 1,911 | 708 | 2,946 | 5,168 | 2,678 | 3,936 | 4,711 | 1,784 | 3,817 |
| May 10 | 44,366 | 3,715 | 17,758 | 2,126 | 1,891 | 1,461 | 2,123 | 2, 420 | 2,144 | 2,740 | 2,253 | 1, 862 | 3, 873 |
| May 17 | 39,278 | 1,033 | 15,737 | 888 | 2,136 | 1,614 | 1,386 | 3,235 | 2,000 | 2,222 | 4,163 | 1,733 | 3,131 |
| May 24. | 60,406 | 3,524 | 16,395 | 6,301 | 5,017 | 6,735 | 2,182 | 7,406 | 3,924 | 2,740 | 2,131 | 1,638 | 2,393 |
| Member bank-reserve account- |  |  |  |  |  |  |  |  |  |  |  |  |  |
| May 3. | 1,774, 802 | 119,165 | 704,127 | 108, 527 | 135,041 | 55, 368 | 48,430 | 253, 542 | 67, 830 | 43,185 | 76,047 | 44,467 | 119,073 |
| May 10 | 1, 806, 464 | 116,719 | 734,316 | 105, 736 | 140,003 | 54, 282 | 49,625 | 256, 730 | 69, 038 | 42,428 | 70, 999 | 45,502 | 121,488 |
| May 17 | 1,810, 810 | 117,145 | 734, 777 | 107,688 | 141, 419 | 54,487 | 47, 974 | 256, 557 | 65,885 | 43,593 | 74, 721 | 43,496 | 123,068 |
| May 24 | 1, 822, 742 | 123,595 | 750,841 | 105, 881 | 138,061 | 54,791 | 46,500 | 252, 284 | 69, 747 | 39, 899 | 74, 806 | 41,902 | 121,435 |
| All other- | 45,108 | 531 | 19,950 | 1,124 | 965 | 280 | 226 | 1,4 | 669 | 332 | 494 | 161 | 18,030 |
| May 10 | 38,382 | 815 | 12,988 | 870 | 1,012 | 295 | 297 | 1, 858 | 642 | 346 | 461 | 148 | 18,650 |
| May 17 | 35,957 | 738 | 11,546 | 1, 189 | 912 | 320 | 310 | 2,149 | 669 | 361 | 454 | 138 | 17,172 |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| May 10 | 1,889, 212 | 121,249 | 765, 062 | 108, 732 | 142,906 | 56,038 | 52, 045 | 261,008 | 71,822 | 45,514 | 73,313 | 47, 512 | 144, 011 |
| May 17 | 1, 886, 045 | 118,916 | 762, 060 | 109, 765 | 144,467 | i6, 421 | 49,670 | 261, 941 | 68,534 | 46,175 | 79,338 | 45,367 | 143, 371. |
| F. R. notes in actual circu- |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| May 3. | 2,173,436 | 152,691 | 623,900 | 185, 560 | 199,048 | 89, 723 | 118,037 | 366,599 | 74,350 | 51,381 | 60,357 | 27,045 | 224,715 |
| May 10 | $2,150,186$ | 150,361 | 619,314 | 183, 860 | 199,346 | 88, 122 | 117,744 | 363, 783 | 72,640 | 50, 937 | 59, 589 | 26, 816 | 226,674 |
| May 17 | 2, 146, 655 | 149,685 | 617,404 | 183, 122 | 195,595 | 87, 189 | 117,303 | 362, 801 | 72,405 | 50,557. | 59,012 | 26, 506 | 224, 987 |
| May 24. | 2,128, 230 | 150,284 | 614, 887 | 180,899 | 196,869 | 85, 804 | 116,519 | 362, 61.4 | 70,905 | 49,836 | 58, 1.82 | 25, 650 | 21.5, 781 |
| F.R.bank notesin circula- |  |  |  |  |  |  |  |  |  |  |  |  |  |
| May 3........... | 77,411 | 6,393 | 18,490 | 7,761 | 5,536 | 3,045 | 5,703 | 8,205 | 3,307 | 3,6+4 | 7,881 | 2,852 | +,371 |
| May 10 | 74,214 | 6,653 | 16, 866 | 7,560 | 5,470 | 3,080 | 5, 236 | 8,122 | 3,216 | 3,600 | 7,44. | 2,823 | 4,143 |
| May 17 | 72,474 | 5,713 | 16,978 | 7, 33 | 5,259 | 3,010 | 5,192 | 8,049 | 3,330 | 3,54 | 7,073 | 2,830 | 3,036 |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| May 10 | 430,601 | 36,992 | 79,501 | 45, 023 | 40,455 | 37,963 | 16,950 | 49, 731 | 29, 732 | 11, 850 | 33, 374 | 18, 2121 | 30,409 |
| May 17. | 501, 283 | 44, 811 | 97, 140 | 48,852 | 50, 501 | 41,493 | 17,463 | 61,708 | 34, 301 | 12, 747 | 37, 191 | 22,646 | 32, 050 |
| May 24 | 435,114 | 39,258 | 82,505 | 42,995 | 42,955 | 37, 253 | 15,497 | 51, 463 | 28, 492 | 12,106 | 33,627 | 19, 113 | 29, 520 |
| All other liabilities: |  |  |  |  |  |  |  |  |  |  |  |  |  |
| May 10 | 19,524 | 1,023 | 4,172 | 944 | 1,429 | 892 | 806 | 4,354 | 735 | 1,000 | 796 | 1,836 | 1, 533 |
| May 17 | 19,094 | 1,030 | 4,017 | 950 | 1,466 | 901 | 812 | 3,925 | 771 | 1,017 | 838 | 1,820 | 1,547 |
| May 24. | 19,754 i | 1,058 | 4, 208 | 1,040 | 1,561 | 918 | 816 | 3,881 | 844 | 1,037 | 839 | 1,802 | 1,600 |

RESOURCES AND LIABILITIES OF EACH FEDERAL RESERVE BANK ON WEDNESDAYS, MAY 3 TO MAY 24, 1922--Continued.
LIABILITIES Continued.
[In thousands of dollars.]


MATURITY DISTRIBUTION OF BILLS AND CERTIFICATES OF INDEBTEDNESS, HELD BY THE 12 FEDERAL RESERVE BANKS COMBINED.
[In thousands of dollars.] -

|  | Total. | Within 15 days. | 16 to 30 days. | 31 to 60 days. | 61 to 90 days. | Over 90 days. |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Bills discounted: |  |  |  |  |  |  |
| May 3... | 509, 376 | 272, 745 | 54, 123 | 88, 522 | 50,851 | 43,135 |
| May 10. | 474,586 468,696 | 240,500 238,154 | 57,010 | 86,443 83,288 | 45,667 46,260 | 44,966 47,235 |
| May 24. | 487, 240 | 262,472 | 49,036 | 79, 159 | 46,654 | 49,919 |
|  |  |  |  |  |  |  |
| May 3. | 107,278 | 45,926 | 20,478 | 22,865 | 17,053 | 956 |
| May 10. | 105,517 | 45,049 | 19,106 | 22, 060 | 18,570. | 732 |
| May 17. | 97,123 | 32,925 | 20,098 | 22, 204 | 18, 350 | 3,546 |
|  |  |  |  |  |  |  |
| May 3.. | 343, 736 | 5,155 |  | 54, 660 | 29,642 | 254, 279 |
| May 10. | 356, 463 | 503 | 500 | 73, 385 | 30, 321 | 251,754 |
| May 17. |  |  | 74,132 68,382 | 3,500 2,500 | 34,217 35 | 242, 011 |
| May 24. | 355, 221 | 1,463 | 68,382 | 2,500 | 35,959 | 246,917 |

## FEDERAL RESERVE NOTES.

FEDERAL RESERVE AGENTS' ACCOUNTS ON WEDNESDAYS, MAY 3 TO MAY 24, 1922.
[In thousands of dollars.]

|  | Total. | Boston. | New York. | $\left\lvert\, \begin{gathered} \text { Phila- } \\ \text { delphia. } \end{gathered}\right.$ | Cleveland. | Richmond. | $\begin{aligned} & \text { At- } \\ & \text { lanta. } \end{aligned}$ | Chicago. | St. <br> Louis. | Minneapolis. | Kansas City. | Dallas. | San <br> Francisco. |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Net amount of F. R. notes received from Comptroller of the Currency: |  |  |  |  |  |  |  |  |  |  |  |  |  |
| May 3.. | 3, 326,493 | 278, 988 | 1,112,524 | 255, 128 | 248, 278 | 127,788 | 187,465 | 498,761 | 112,895 | 65, 431 | 90,503 | 48, 814 | 299,918 |
| May 10 | 3, 328, 808 | 276, 425 | 1,112,638 | 252, 131 | 247, 565 | 125, 848 | 187, 244 | 497,027 | 111,389 | 64, 645 | 90,031 | 49, 125 | 314, 740 |
| May 17 | 3, 320, 430 | 274, 207 | 1,115,045 | 250, 161 | 247, 616 | 124, 149 | 187, 941 | 495, 293 | 108, 864 | 65, 160 | 90, 298 | 49,616 | 313,080 |
| May 24 | 3, 309,981 | 271, 704 | 1,115,598 | 252, 498 | 246, 237 | 122, 486 | 186, 286 | 492, 732 | 108, 307 | 64, 571 | 89, 889 | 49,087 | 310,586 |
| R, noy 3. | 789, 231 | 111,750 | 291,770 | 43, 220 | 32, 300 | 31,705 | 64,026 | 94, 880 ! | 26,250 | 11,235 | 20,700 | 19,015 | 42,380 |
| May 10 | 787, 305 | 110, 530 | 282, 210 | 40, 220 | 30, 880 | 30, 104 | 64, 201 | 99,660 | 26, 250 | 11, 235 | 20,700 | 19,215 | 51, 780 |
| May 17 | 799, 349 | 109, 150 | 284, 210 | 46, 220 | 31, 640 | 30, 405 | $6{ }^{\text {c }}$, 189 | 101, 120 | 26, 250 | 11,830 | 19,900 | 19,915 | 53, 520 |
| May 24..... | 800, 329 | 111,830 | 284, 210 | 46, 220 | 32,820 | 30, 105 | 64, 434 | 91, 600 | 26, 250 | 12, 095 | 19,900 | 19,915 | 60,930 |
| F. R. notes outstanding: |  |  |  |  |  |  |  |  |  |  |  |  |  |
| May 10 | 2, 541, 503 | 165, 875 | 830, 428 | 211, 911 | 216, 685 | 95, 444 | 123,043 : | 397, 367 | 85, 139 | 53,410 | 69,331 | 29,910 | 202,960 |
| May 17 | 2, 227,081 | 165, 057 | 830, 835 | 208,941 | 215, 976 | 93,744 | [22, 752 | 394, 173 | 82,614 | 53, 330 | 70,398 | 29,701 | 259, 560 |
| May $24 . \ldots \ldots \ldots \ldots \ldots$ | 2, 509, 652 | 159, 854 | 831, 388 | 206, 278 | 213, 417 | 92, 381 | 121, 852 | 401, 132 | 82,057 | 52, 476 | 69,989 | 29, 172 | 249, 656 |
| Collateral security for F. R. notes outstanding: Gold and gold certifi-cates- |  |  |  |  |  |  |  |  |  |  |  |  |  |
| May 3. | 404, 714 | 5,300 | 356,925 |  | 13,375 |  | 2, 400 |  | 5,960 | 13,052 |  | 7,702 |  |
| May 10 | 404, 714 | 5,300 | 356, 925 |  | 13,375 |  | 2, 400 |  | 5,960 | 13, 052 |  | 7,702 |  |
| May 17 | 406, 214 | 5,300 | 356, 925 |  | 13,275 |  | 2, 400 |  | 7, 360 | 13,052 |  | 7,702 |  |
| May $24 . . . . . . . . .1$ | 406, 213 | 5,300 | 356,924 |  | 13,275 |  | 2, 400 |  | 7,560 | 13,052 |  | 7,702 |  |
| Gold redemptio May 3. | 132, 924 | 13,601 | 41, 606 | 14,072 | 12,366 | 4, 23.4 | 4,646 | 15,702 | 4,790 | 1,648 | 2,606 | 2,209 | 15,444 |
| May 10 | 125, 141 | 11,038 | 41,38.1 | 11,075 | 14,572 | 2, 295 | 3,424 | 14,968 | 3, 284 | 2,862 |  | 2,520 | 13,787 |
| May 17. | 136, 736 | 18, 820 | 41, 186 | 13, 105 | 11, 483 | 3,595 | 4,622 | 15,0].4 | 2,759 | 2,297 | 3,202 | 2,011 | 18,642 |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| May 3............. | 1, 632, 098 | 120,000 | 401,000 | 149, 389 | 165,000 | 39,795 | 91,000 | 342,644 | 60, 800 | 16,000 | 42,360 | 10,000 | 194, 1.10 |
| May 10 | 1, 642, 197 | 123,000 | 401, 000 | 1149, 389 | 165, 000 | 39,795 | 92,500 | 338, 644 | 62, 300 | 16,000 | 43, 360 | 10,000 | 201, 209 |
| May 17. | [1, 597, 242 | 118,000 | 401, 000 | -144, 389 | 155,000 | 40,795 | 91,000 | 332,644 | 58, 800 | 16,000 | ${ }_{4}^{44,360}$ | 10,000 | 185, 254 |
| May 24. | 1, 601, 231 | 118,000 | 401, 000 | [144, 389 | 150,000 | 53,795 | 90,000 | 335, 644 | 56,800 | 16,000 | 45,360 | 10,000 | 183, 243 |
| Uligible paper- |  |  |  |  |  |  |  |  |  |  |  |  |  |
| May 3. | 367, 526 | 23,337 | 21,223 | 48,447 | 25, 237 | 52,05t | 25, 393 | 45, 535 | 15, 095 | 23,496 | 24, 837 | 9, 888 | 47,984 |
| May 10. | 369, 451 | 26,537 | 31, 122 | 51, 447 | 23,738 | 53, 354 | 24,719 | 43,755 | 13, 995 | 21, 496 | 22, 036 | 9,688 | 47,964 |
| May 17. | 386, 889 | 22,937 | 31, 724 | 51, 447 | 36,218 | 49,354 | 24,730 | 46,515 | 13, 495 | 21, 981 | 22, 836 | 9, 988 | 55, 664 |
| May 24........ | 368, 532 | 20,237 | 32,485 | 51, 448 | 37,717 | 36,654 | 24, 486 | 49, 535 | 13, 495 | 21, 716 | 20,437 | 9,988 | 50,334 |
| xcess amount held- May 3.......... | 230,360 | 4,543 | 84,615 | 8,406 | 18,936 | 5.973 | 14,311 | 50, 136 | 8,530 | 3, 163 | 4,435 | 23, 100 | 4,182 |
| May 10 | 191, 887 | 5,040 | 50,372 | 5,698 | 29,361 | 2, 024 | 11,778 | 48,312 | 9,452 | 3,861 | 3,187 | 21, 622 | 1,180 |
| May 17......... | 159, 011 | 5,699 | 29,493 | 6,382 | 19,919 | 5, 734 | 9,840 | 41, 803 | 10,997 | 5,593 | 2, 103 | 20, 869 | 519 |
| May 24.......... | 207,455 | 13, 324 | 54, 269 | 12, 413 | 20,086 | 16, 183 | 9,498 | 36, 639 | 12, 803 | 4,966 | 3,322 | 21, 435 | 2,517 |

## CONDITION OF MEMBER BANKS IN LEADING CITIES.

PRINCIPAL RESOURCES AND LIABILITIES OF MEMBER BANKS IN LEADING CITIES ON WEDNESDAYS, FROM APRIL 26 TO MAY 17, 1922.
ALL REPORTING MEMBER BANKS IN EACH FEDERAL RESERVE DISTRICT.
[Amounts in thousands of dollars.]

|  | Total. | , Boston. | New York. | Philadelphia. | Cleveland. | Richmond. | Atlanta. | Chicago. | St. Louis. | Minneapolis. | $\begin{gathered} \text { Kansas } \\ \text { City. } \end{gathered}$ | Dallas. | San <br> Francisco. |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Number of reporting banks: |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  | 801 | 49 | 107 | 57 | 85 | 81 | 42 | 109 | 37 | 35 | 79 | 52 | 68 |
| May 10. | 799 | 49 | 106 | 57 | 84 | 81 | 42 | 109 | 37 | 35 | 79 | 52 | 68 |
| May 17. | 799 | 49 | 106 | 57 | 84 | 81 | 42 | 109 | 37 | 35 | 79 | 52 | 68 |
| Loans and discounts, including bills rediscounted with F. R. banks: |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Sceured by U. S. Government obligations- |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Apr. $26 . . . . . . . . . . .$. | 353, 830 | 20, 714 | 127, 965 | 32, 399 | 35,640 | 13,919 | 9,955 | 58,718 | 12, 806 | 8,303 | 11, 795 | 4,884 | 16,732 |
| May 3 | 345, 767 | 20, 426 | 120, 966 | 32, 031 | 34, 307 | 13, 726 | 10,006 | 59,321 | 13,322 | 8,263 | 11, 607 | 4,931 | 16,861 |
| May 10 | 331, 987 | 18,7\%2 | 113,600 | 30, 011 | 34, 071 | 13,452 | 9,686 | 58, 228 | 13,418 | 8,355 | 10,927 | 4, 845 | 16, 642 |
| May 17. | 329, 182 | 17,939 | 113, 61.7 | 28,551 | 33,793 | 13,649 | 9,863 | 56,978 | 13,733 | 8,373 | 11, 442 | 4,625 | 16,610 |
| secured by stocks and bonds (other than U. S. Government |  |  |  |  |  |  |  |  |  |  |  |  |  |
| obligations)- | 3,249,810 | 211, 7011 | 98 | 210, 889 | 326, 903 | 112,367 | 55, 846 | 14 | 209 |  |  |  |  |
| May 3 | 3, 290, 546 | 209, 011 | $1,522,198$ | 214, 379 | 326, 252 | 111, 746 |  |  | 124, 311 | 29,979 |  |  |  |
| May 10 | 3, 311, 351 | 202, 1111 | 1, 541, 602 | 212, 547 | 328, 915 | 110,282 | 55, 750 | 449, 099 | 126, 635 | 30,809 | 65, 557 | 44, 731 | 143, 313 |
| All May 17. | 3, 411, 304 | 208,041 1 | 1, 631, 280 | 208, 257 | 326, 919 | 106, 613 | 54, 393 | 405, 141 | 127,076 | 30, 856 | 65, 277 | 43, 511 | 143, 940 |
| All other- ${ }^{\text {Apr. }} 26$ | 7,242,469 | 553,020 2 |  | 316,813 | 632,402 | 311, 249 | 285, 450 | 1,049, 422 | 279, 747 | 196, 053 | 346, 741 | 188, 146 | 704, 047 |
| May 3. | 7,230, 890 | 558,5302 | 2, 350,388 | 318,038 | 630, 290 | 306, 641 | 285, 908 | 1, 066,199 | 276, 347 | 196, 684 | 348, 233 | 189,875 | 703, 757 |
| May 10 | 7, 232,583 | 509, 49612 | 2, 347, 338 | 321, 950 | 628, 243 | 310, 123 | 285, 925 , | 1, 076,661 | 278, 356 | 195, 515 | 343, 508 | 187, 321 | 698, 147 |
| May 17. | 7, 175, 499 | 308, 296 ${ }^{2}$ | 2, 297, 019 | 315,620 | 629, 885 | 309, 609 | 285, 553 | 1, 069, 807. | 279, 554 | 196,155 | 348, 786 | 188, 165 | 697,050 |
| Total loans and discounts, including bills redis- |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Apr. $26 . . .1$............ | 10, 846, 109 | 785, 435.4 | 4,006, 942 | 560,101 | 994,945 | 437, 535 | 351, 251 | 1,534,654 | 416, 762 | 235, 950 | 423, 895 | 236, 133 | 862,506 |
| May 3 | 10, 867, 203 | 787, 96713 | 3, 993, 552 | 564, 448 | 990, 849 | 432, 113 | 350, 883 | 1, 570, 380 | 413,980 | 234, 926 | 425, 219 | 238, 587 . | 864, 299 |
| May 10 | 10,875,921 | 780,359 4 | 4, 002, 540 | 564,508 | 991, 229 | 433, 857 | 351, 361 | 1, 583, 988 | 418, 409 | 234, 679 | 419, 992 | 236, 897 | 858, 102 |
| May 17. | 10,915, 980) | 784, 2764 | 4, 041, 916 | 552, 428 | 990, 597 | 429, 871 | 349, 809 | 1, 5911,926 | 420, 363 | 235, 384 | 425, $50 \overline{5}$ | 236, 301 | 857,609 |
| U. S. bonds: | 1,100, 465 | 65, 270 | 449, 927 | 47,593 | 130, 413 | 56, 212 | 24,830 | 97, 705 | 26,823 | 21,691 | 44,971 | 32, $132{ }^{\prime}$ | 102, 898 |
| May 3 | 1, 130, 136 | 69,621 | 461, 544 | 48, 319 | 132, 120 | 55,177 | 24,577 | 108, 849 | 27,219 | 21, 397 | 44, 462 | 32,093: | 104, 758 |
| May 10 | 1, 157,991 | 73,447 | 471, 358 | 50, 110 | 134, 439 | 55, 715 | 25, 252 | 119, 381 | 27,011 | 21,357 | 43, 324 | 32, 119 | 104,478 |
| May 17. | 1, 157,367 | 73,891 | 466, 222 | 51, 243 | 136, 018 | 55, 706 | 25, 093 | 115, 607 | 28, 781 | 21,677 | 44, 372 | 32, 664 | 106, 093 |
| ipr. 26. | 82,097 | 2, 804 | 41, 818 | 8,855 | 6,455 | 1,061 | 547 | 5,564 | 3,221 | 327 | 1,635 | 933 | 8,877 |
| May 3 | 88,754: | 2,745 | 45, 636 | 9,370 | 7,316 | 1,083 | 598 | 6,022 | 3,701 | 414 | 1,654 | 935 | 9, 260 |
| May 10 | 94, 289 | 2,808 | 51, 400 | 8,880. | 7,332 | 1, 166 | 414 | 6,517 | 3,403 | 388 | 1,892 | 941 | 9, 148 |
| May 17. | 94, 504 | 3,287 | 48, 534 | 9,425 | 7,580 | 744 | 704 | 8,279 | 3,494 | 322 | 2,003 | 906 | 9,226 |
| C. S. Treasury notes: Apr. 26 | 385, 779 | 10, 824 | 246,388 | 15,643 | 25, 221 | 3,649 | 1,626 | 42, 286 | 5, 477 | 7,363 | 6,123 | 3,629 | 17,550 |
| May 3. | 396, $809{ }^{\prime}$ | 10, 696 | 250, 029 | 15, 306 | 22,680 | 4,618 | 1,694 | 49, 100 | 6, 267 | 8, 163 | 5, 359 | 3, 651 | 19,246 |
| May 10 | 406,007. | 13,122 | 253, 105 | 15, 412 | 25, 678 | 4,468 | 1,718 | 49,496 | 6,212 | 8, 433 | 5,393 | 3,156 | 19, 814 |
| May 17................ | 413, 021 | 14, 682 | 259, 491 | 15, 468 | 24,775 | 4,212 | 1,626 | 47,774 | 7,978 | 8,433 | 6,180 | 3,073 | 19,329 |
| U. S. cortificates of indebtedness: |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Apr. 26. | 158, 925 | 7,710 | 55,001 | 6,977 | 9,778 | 4,423 | 5,126 | 22,414 | 6, 726 | 6, 764 | 6,153 | 6,232 | 21,621 |
| May 3. | 146, 584 | 6,912 | -33, 277 | 6,397 | 10, 354 | 2,458 | 4,655 | 17,890 | 5, 817 | 6,500 |  | 5, 920 | 20, 436 |
| May 10 | 136, 131 | 3,475 | 52,602 | 7,077 | 6,182 | 2,831 | 3, 779 | 17,629 | 5,090 | 7,372 | 5,655 | 5,328 | 19, 111 |
| Hay 17................ | 132, 062 | 2,188 | 53, 818 | 6,911 | 5,173 | 2,793 | 3,766 | 15, 104 | 5, 043 | 6,893 | 5,497 | 5,738 | 19,138 |
| Other bonds, stocks, and securities: |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Apr. 26 | 2,137, 294 | 147,228 | 755, 343 | 173, 494 | 269, 626 | 49, 859 | 32, 213 | 391, 155 | 74, 011 | 21,959 | 50,791 | 7,325 | 164,290 |
| May 3 | 2, 165. 142 | 148, 070 | 784,938 | 174, 929 | 270, 378 | 49, 737 | 32, 744 | 387, 694 | 74, 373 | 21, 801 | 51, 448 | 7,563 | 161,467 |
| May 10 | 2,191, 283 | 149, 474 | 789, 628 | 178, 874 | 272,839 | 49,896 | 32,902 | 396,896 | 75, 828 | 22, 251 | 52, 670 | 7,581 | 162,44. |
| May 17.................. | 2, 220, 964 | 150, 752 | 811, 801 | 180,688 | 274,996 | 50,265 | 33,017 | 396,984 | 76,617 | 21, 835 | 53,564 | 7,746 | 162,699 |
| Total loans and discounts and investments, including bills rediscounted with F. R. banks: |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Apr. 26 | 14,710,669 | 1,019,271 | 5, 555,419 | 812,663 | 1,436, 438 | 552, 739 | 415, 593 | 2, 093,778 | 533, 020 | 294,054 | 583, 568 | 286,384 | ,177,742 |
| May 3 | 14, 794, 628 | 1, 026, 011. | 5, 588,976 | 818, 769 | $1,433,697$ | 545, 186 | 415, 151 | 2, 139, 935 | 531,357 | 293, 201 | 534, 110 | 288, 769 | , 179,466 |
| May 10 | 14, 861, 622 | 1,022, 685 | 5, 620, 633 | 824, 861 | $1,437,699$ | 547, 933 | 415, 426 | 2, 173, 907 | 535, 953 | 294, 480 | 528,926 | 286,022 | , 173,097 |
| May 17........... | 14, 933, 903, | 1, 029, 076 | $5,681,782$ | 816,163 | 1,439, 139 | 543, 591 | 414,015 | 2, 175, 674 | 542, 276 | 294, 544 | 537, 121 | 286, 428 | , 174, 094 |
| Reserve with F. R. banks: <br> Apr. 26 | 1,325, $340^{\prime}$ | 79, 261 | 639,354 | 65, 753 | 90,789 | 32, 885 | 29, 114 | 178, 394 | 43,668 | 17,699 | 41,76ă | 24, 431 | 82,233 |
| May 3 | 1,353, 418 | 83, 209 | 644, 187 | 68,799 | 92,582 | 33,433 | 30,851 | 188, 777 | 43, 769 | 19, 783 | 46, 751 | 22, 484 | 78, 793 |
| May 10 | 1,390, 211 | 81,761 | 675, 535 | 66,446 | 101, 333 | 32,650 | 31,546 | 192, 718 | 44, 837 | 18, 742 | 41, 427 | 23, 269 | 79,947 |
| May 17. | 1,393, 541 | 80,788 | 677, 870 | 69, 208 | 98, 257 | 33,490 | 29, 937 | 191, 678 | 42, 395' | 19,920 | 45, 494 | 21, 293 | 83, 211 |
| Cash in vault: Apr. $26 . .$. | 277, 638 | 17,766 | 89, 708 | 15, 353 | 26,317, | 13,779 | 9,247 | 50,624 | 6,894 | 6,183 | 12, 195 | 9,308 | 20,264 |
| May 3 | 277, 202 | 16,373 | 88,523 | 14, 388 | 28, 532 | 13, 882 | 8,961 | 52, 732 | 6,837 | 5, 804 | 11, 874 | 9,202 | 20, 094 |
| May 10. | 280, 639. | 17, 589 | 89,613 | 15, 122 | 27, 393 | 14, 191 | 9,454 | 52, 624 | 7,039; | 6, 148 | 12, 198 | 9,474 | 19,794 |
|  | 271, 170 | 15, 333 | 86, 604 | 14,877 | 26, 401 | 14,119 | 8,771 | 51,671 | 6,720 | 6, 102 | 11,715 | 8,762 | 20,095 |
| Apr. 26. | 10, 676, 347' | 763, 155 | 4, 881,158 | 649, 894 | 801, 881 | 311,896 | 237,040 | 1,336, 576 | 314,652 | 179, 432 | 400, 618 | 203, 908 | 596,137 |
| May 3 | 10, 767, 846 | 772,043 | 4,900, 093 | 659,725 | 806, 264 | 311, 247 | 239, 080 | 1, 381,752 | 315,093 | 180, 908 | 400, 412 | 205, 332 | ${ }^{595}, 891$ |
| May 10 | 10, 829, 264 | 762, 322 | 4, 924,060 | 660, 186 | 804, 718 | 312, 735 | 241, 028 | 11, 408, 440 | 320,080 | 182, 466 | 407, 141 | 206,067 | 600,021 |
| May 17 | 10, 968, 435 ] | 774, 453 | 5, 021, 554] | 657, 235 | 810,057 | 313,140 | 239, 783 | 1, 420, 955 | 322,048 | 182, 121 | 412, 137 | 207,925 | 607,027 |

PRINCIPAL RESOURCES AND LIABILITIES OF MEMBER BANKS IN LEADING CITIES ON WEDNESDAYS, FROM APRIL 26 TO MAY 17, 1922-Continued

ALL REPORTING MEMBER BANKS IN EACII FEDERAL RESERVE DISTRICT-Continued.
[In thousands of dollars.]

|  | Total. | Boston. | $\begin{aligned} & \text { New } \\ & \text { York } \end{aligned}$ | Philadelphia. | Cleveland. | Richmond. | $\begin{aligned} & \text { At- } \\ & \text { lanta. } \end{aligned}$ | Chicago. | Lt. St. | Minneapolis. | Kansas City. | Datlas. | San <br> Frall- <br> cisco. |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Time deposits: |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Apr. 26. | 3, 183, 745 | 200, 442 | 573, 154 | 49,283 | 470,468 | 135, 674 | 144, 172 | $659,0 \pm 1$ | 160, 195 | 76,769 | 109, 005 | 64, 021 | 541, 521 |
| May 3. | 3,197, 954 | 200, 526 | 576,462 | 50,339. | 473,682 | 134, 120 | 145,337 | 662, 026 | 161,068 | 77,318 | 109, 962 | 64, 272 | 542,842 |
| May 10 | 3, 242, 545 | 201, 185i | 621,297 | 50, 270 | 473, 569 | 136, 313 | 145, 642 | 663,851 | 161,493 | 77, 350 | 109, 382 | 64,729 | 537,464 |
| May 17............ | 3, 213, 169 | 202, 335 | 596, 453 | 30, 407! | 472, 425 | 139, 103 | 146,158 | 663, 597 | 162, 056 | 76,602 | 109,968 | 65, 028 | 529, 037 |
| Apr. $26 . . . . . . . .$. | 207, 665 | 17,346 | 79,176 | $1+, 492$ | 19,757 | 6,316 | :, 077 | 26,963 | 7,366 | 7,366 | 4,153 | 4,183 | 15,470 |
| May 3. | 189, 027 | 16,044 | 71, 707 | 13,254 | 18, 197 | 5, 807 | 4, 70.1 | 24, 04, | 6,769 | 6,778: | 3,774 | 3,879 | 14, 074 |
| May 10 | 180, 434 | 15, 239 | 67,969 | 12,630 | 17, 171 | 5,561 | 4, $\overline{512}$ | 23, 724 | 6,45t | 6,383 | 3,589 | 3,726 | 13,476 |
| May 17................. | 145,095 | 12,08. | 53,248 | 10,204; | 13,975 | 4,530 | 3,747 | 19,532 | 5,445 | 5,27] | 2,817 | 3,128 | 11,114 |
| Bills payable with F. R. banks: |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Secured by U. S. Gorernment obligations- |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Apr. $26 . . .$. | 57, 197 | 1,510 | 13,969 | 9, 778 | 5, 046 | 9,073 | 997 | 8,767 | 1,563 | 376 | 1,238 | 350 | 4,420 |
| May 3. | 76, 887 | 2,081 | 33,435 | 9, 436 | 3,813 | 7,256 | 862 | 10, 118 | 2,759 | 851 | 2,316 | 295 | 3,365 |
| May 10. | 55,077 | 1,636. | 15,375] | 9,683 | 10,666 | 6,709 | 745 | 3,938 | 3, 353 | 326 | 423 | 195 | 1,978 |
|  | 61,030 | 3,321 | 11,320 | 11,885 | 11,627 | 7,490 | 299 | 3,599 | 2,795 | 1,926 | 488 | 195 | 6,085 |
| An Apr. $26 \ldots \ldots \ldots .$. | 1,002 |  |  |  | 26 |  |  |  |  | 134 |  | 100 | 242 |
| May 3................ | 906 |  |  |  | 26 | 5001 |  |  |  | 141 |  |  | 239 |
| May 10.............. | 736 |  |  |  |  | 400 |  |  |  | 99 |  |  | 237 |
| May 17.............. | 490 |  |  |  |  | 200 |  |  |  | 54 |  |  | 236 |
| Bills rediscounted with F. |  |  |  |  |  |  |  |  |  |  |  |  |  |
| R. banks: |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Secured by U. S. Gov- |  |  |  |  |  |  |  |  |  |  |  |  |  |
| ernment obligations- | 3,005 | 26. |  | 250 | 164 | 388 | 116 | 372 | 62 |  | 229 | 10 | 274 |
| May 3 | 2,818 | 94 | 1,043 | 250 | 117 | 340 | 116 | 365 | 101 |  | 169 | 10 | 213 |
| May 10 | 2,480 | 123 | 878 | 250 | 109 | 353. | 20 | 347 | 72 |  | 105 | 10 | 213 |
| May 17. | 2,555 | 114 | 1,029 | 300 | 93 | 336 | 11 | 328 | 72 |  | 100 | 10 | 162 |
| All other- ${ }_{\text {Apr. }} \mathbf{2 6}$. |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Арг. 26. | -98,2491 | 4,934 8, | 8,392 11,953 | 3,8671 5,038 | 21,773 16,218 | 15,093: | 5,384 | -8,852 | 5,747 | 1,797 $\mathbf{2 , 1 1 8}$ | 6,675 | 3. 625 | 11, 110 |
| May 10 | 91,948 | 9,317 | 10,594 | 6,081 | 17, 896 | 13, 648 | 3,379 | 9, 336 | 4,244i | 1,447 | 3,571 | 2, 466 | 9,949 |
| May 17............... | 86,916 | 7,022; | 11, 329 | 4,353 | 15, 181 | 13, 672 | 2,940 | 9,618 | 4,583 | 2,304 | 4,796 | 2,141 | 8,977 |

MEMBER BANKS IN FEDERAL RESERVE BANK CITTES.
[Amounts in thousands of dollars.]

| Number of reporting banks: |  |  |  |  |  |  |  |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | 273 | 20 | ${ }^{6}$ | 43 | 8 | 10 | 8 | 0 | 13 | 10 | 16 | 8 | 15 |
| May |  | 2 | 65 | 43 | 8 | 10 | 8 | ! | 13 | 10 | 16 | 8 | 15 |
| May | ${ }_{272}$ | 26 | 65 | 43 | 8 | 10 | 8 | , | 13 | 10 | 16 | 8 | 15 |
| Loans and discounts, including bills rediscounted |  |  |  |  |  |  |  |  |  |  |  |  |  |
| with F.R.banks: |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Secured by U. S. Government obligations- |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Apr. $26 . . . . . . . . . . .$. | 250,086 | 16,726 | 115,510 | 29,966 | 10,589 | 2,703 | 1,575 | 47,811 | 9,617 | 5,349 | 2,951 | 1,352. | 5,937 |
| May 3. | 242,919 | 16,783 | 108, 967 | 29,642 | 9,612 | 2,648 | 1,556 | 48, 192 | 10,113 | 5,348 | 2,860 | 1, 1,381 | 5,817 |
| May 10 | 230,986 | 15,034 | 101,732 | 27, 768 | 9,417 | 2,601 | 1,523 | 47,653, | 10, 151 | 5,454 | 2, 506 | 1,395 | 5,702 |
| May 17........ | 228, 200 | 14, 325 | 101,766 | 26,343 | 9,217 | 2,473 | 1,522 | 46,358 | 10,425 | 5, 492 | 3,089 | 1,387 | 5,803 |
| Secured by stocks and bonds (other than U. S . Government obli- |  |  |  |  |  |  |  |  |  |  |  |  |  |
| gations)- |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Apr. 26 | ${ }^{2}, 346,315$ | 165,8891 | 1,316,687 | 190, 804 | 135,697 | 15, 285 | 11,173 | 310,389 | 94, 413 | 13,875 | 18,909 | 10,340 | 62, 804 |
| May ${ }^{\text {May }}$ | 2, 2 289,786 | 163,352 1 | 1,343,495 | 193, 800 | 135,099 137,420 | 15 | 11,205 | 328,282 331,856 | 94,948 | 13,859 | 18,907 <br> 19,033 | 10,104 10,467 | 61,457 |
| May 17. | 2, 209,986 | 161, 137 | 1,452,118 | 187, 4505 | 137,284 | 15, 031 | 10,200 | 346,794 | 97,476 | 13,633 | 18,654 | 10,223 | 59,981 |
| All other- |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Apr. 26 | 4, 570,249 | 417, 84412 | 2,098,783 | 284,909 | 282,7871 | 62, 185 |  | $\mathbf{6 6 8}, 433$ | 169,429 | 90, 443 | 124, 379 | 46,319. | 275,478 |
| May 3. | $4,561,747$ $4,562,407$ | 423, $3533^{2} 2$ | 2,068,210 | 285, 804 290,119 | 282,675 280,987 | 60,912 61,413 | 49, 0061 50,038 | 688,971 694,578 | 166,466 169,086 | 91,456 | 12, 12,394 | 47,628 46 | 276,372 |
| May 10 | 4,506,958 | 423,649!2 | 2,012,673 | 283,909 | 279, 840 | 61,352 | 50,901 | 686,422 | 171,503 | 92, 431 | 124, 527 | 46, 585 | 273, 146 |
| Total loans and diseounts, including bills rediscounted with F. R. banks: |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Apr. $26 . . . . . . . . . . . . . . . .$. | 7,166,650 | 600, 459.3 | 3,530,950 | 505,729 | 429,073 | 80,173 | 62,038: | ,026,633 | 273,459 | 109,667 | 146,239 | 58,011 | 344,219 |
| May 3. | 7,194, 452 | 603, 488:3 | 3, 520,672 | 509, 246 | 427,386 | 78, 838 | 62,2671 | ,060, 445 | 271,527 | 110,663 | 147, 161 | 59,113 | 343,646 |
| May 10. | 7,204, 410 | 594, 75813 | 3, 530, 8 ab1 | 509,714 | 427, 824 | 79,077 | 62, 510:1 | ,074,087 | 276,190 | 109,907 | 143,356 | 58, 134 | 338,002 |
| May 17. | 7,240, 144 | 599,1113 | 3,566,557 | 497,707 | 426,341 | 78,856 | $62,623,1$ | ,079,594 | 279, 404 | 111, 556 | 146,270 | 58,195 | 338,930 |
| U. S. bonds: | 623,604 | 24,136 | 403, 150 | 34,433 | 13,859 | 5,227 |  | 38,892 | 11,491 | 7,345 |  |  |  |
| May 3. | 648, 588. | 28,050 | 414, 149 | 34,987 | 13, 190. | 5,120 | 4,167 | 49,641 | 11,961 | 6,957 | 17,638 | 8,327 | 54,389 |
| May 10 | 670,861 | -31,047 | -423,076 | 36,716. | -13,510 | -5, 132 | 4,767. | 58,928 | 12,507 | 7,349 | 15,927 | 8,347 | 53,555 |
| May 17. | 666,699: | 31,647 | 417, 800 | 37,797 | 13,474. | 5,117 | 4;752 | 54, 421 | 13,091 | 7,579 | 17,520 | 8,864 | 54,640 |

PRINCIPAL RESOURCES AND LIABILITIES OF MEMBER BANKS IN LEADING CITIES ON WEDNESDAYS, FROM APRIL 26 TO MAY 17, 1922-Continued.

MEMBER BANKS IN FEDERAL RESERVE BANK CITIES-Continued.
[In thousands of dollars.]


## BANK DEBITS.

Volume of business for the four weeks ending May 24 was on an average about 6 per cent above the level maintained for the preceding five weoks. The largest figures were recorded for the week ending May 3, when the total noarly reached $\$ 10,000,000,000$ ( $\$ 9,995$,000,000 ) and set a new record since the turn of of the year 1920-21. For New York City alone the volume of business for the period under review was on a level about 7 per cent above that for the preceding weeks, while for the other centers it was about 3 per cent highor.

As compared with the corresponding period last year, the average volume of business for the four weeks under discussion was larger by $\$ 1,194,000,000$, or about 15 per cent. For New York City alone the weelly average was larger by $\$ 1,069,000,000$, or about 26 per cent, while the aggregate for the other centers was only 3 per cent larger than a year ago. Thus, while it appears to be still true that the larger part of the increase in the volume of business is due mainly to the increase in the activity of the security market, the difference between porcentages of increase for New York and for other centers is less pronounced than for the preceding five weeks, when it. was 33 and 2 por cont, respectively.

The volume of business is measured by debits to individual accounts as reported to the Federal Reserve Board for banks in leading
centers. Figures are shown for a total of 245 centers, of which 165 are included in the summary by Federal reservo districts, because for these centers comparable figures for the four weeks and for the corresponding period in 1921 are available.


DEBITS TO INDIVIDUAL ACCOUNTS BY BANKS IN REPORTING CENTERS.
SUMMARY BY FEDERAN RESTRVE DISTRICTS.
[Tn thousands of doliars.]


## DEBITS TO INDIVIDUAL ACCOUNTS BY BANKS IN REPORTING CENTERS-Continued.

DATA FOR EACH REPORTING CENTER.
[In thousands of dollars.]


DEBITS TO INDIVIDUAL ACCOUNTS BY BANKS IN REPORTING CENTERS-Continued.
DATA FOR EACH REPORTLNG CENTER--Continued.
[In thousands of dollars.]


DATA FOR EACE REPORTING CENTER-Continued.
[In thousands of doilars.]


[^10]
## GOLD-SETTLEMENT FUND.

INTER-BANK TRANSACTIONS FROM APLIL 28 TO MAY 25, 1922, INCLUSIVE.
[In thousands of dollars.]


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

| Countries. | Gold. |  |  |  | Silver. |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | April. |  | Ten months ending April- |  | April. |  | Ten months ending |  |
|  | 1921 | 1922 | 1921 | 1922 | 1921 | 1922 | 1921 | 1922 |
| 1sports. |  |  |  |  |  |  |  |  |
| Denmark. | \$1, 182, 261 |  | \$1, 472, 434 | 812, 779,266 |  |  |  | \$844 |
| France. | 10,895, 170 | \$1,161, 039 | 86, 623, 921 | 128, 439,700 | \$2, 537 | \$8,467 | \$129,347 | 207, 248 |
| Germany |  |  | 1,139,296 | 19, 924, 80.09. | 41,485 | 4,117 | 84, 292 | 5,733,615 |
| Grecce. | 11,052,094 |  | 13, $1,174,061$ | 4, 186,976 |  |  | 252,039 24,846 | 66 |
| Spain... | 2,552, 880 | 8,978 | 3,357, 15 | , 325, 367 |  | 18,709 | 109,797 | 68, 364 |
| Sweden | 24, 800, 664 | 1, 887,799 | 30,512,983 | 53, 3588,594 |  | ${ }^{610}$ | 31,395 | 1,964 |
| United Kingdom-Engian | 13,770, 896 | 1, 801, 797 | 285, 388,301 | 120, 404, 485 | 2,283 | 3,400 | 165,626 | 1.62,987 |
| Canada. | 158, 353 | 1,954, 644 | 27,485, 215 | 19, 017, 137 | 261, 562 | 507, 825 | 3, 286, 024 | 3,383, 250 |
| Central Ammican state | 520,930 | 646, 641 | $4,885,513$ | 5, 461, 7.16 | 270, 776 | 79, 79.4 | 2,230,962 | 1,335,335 |
| Mexico. | 354, 932 | 318, 018 | 4,402, 211 | 4,600, 048 | 2,023,747 | 3,033, 177 | 29, 454,154 | 30, 401, 866 |
| West Indie | 721, 59 | 252, 64 | 3, 9.11, 212 | 3, 104, 798 | 2, 232 | 81, 435 | 81,071 | 512,406 |
| Argentina. | 387,050 | 3,932 | 2,277,656 | 265, 181. | 935 | 236 | 25,000 | 12,638 |
| Ohile. | 14,731 | 30, 883 | 176,790 | 423,354 | 145, 252 | 53,781 | 2,657,577 | 1,325, 172 |
| Culombia | 750, 813 | 609,776 | 12, 624, 296 | 8,432,258 | 9, 742 | 11,384 | 682, 433 | 201, 835 |
| Peru. | 128,611 | 108,594 | 1, 263, 935 | 1,469, 806 | 451, 301 | 736, 338 | 6, 293,019 | 5, 239, 358 |
| Eruguay | 1, 205, 845 |  | 2,745, 009 | 4, 112, 636 |  |  |  | 25,347 |
| Venczuela | 17,068 | 53, 043 | 640,795 | 828,668 | 56 | 59 | 1,249 | 1,572 |
| China. | 2, 330,941 | 1,075, 138 | 12,041, 6660 | 5,312, 137 | 720 | 545 | 1,287,752 | 2, 247 |
| British India. | 3, 214,415 |  | 11, 2941,548 | 14, 863, 760 | ${ }_{68} 8$ |  | ${ }^{40}$ | 11, 718 |
| Dutch East 11 | 46,758 | 280,399 | 771, 797 | 1,622, 670 | 68,836 | 150,696 | 1,001,09.1 | 484, 17a |
| Jlongkong. | 1,600, 851 |  | 11, 022, 483 | 534, 429 |  | ......... | , 192 | ${ }^{204}$ |
| Philippino lisland | ${ }_{237}^{132,791}$ | 64, 161 | -972, 5886 | 1, ${ }^{1261,377}$ | 3,378 | 1,336 | 17,508 | 15, 726 |
| Mritish Oceania. Mil other...... | 237,900 $4,225,209$ | 2, 232, 433 | $7,855,639$ $10,289,639$ | 12, ${ }_{23,}^{183,382}$ | 12,933 | 99,964 | 17,03 $1,030,029$ | 1,550 679,911 |
| Total. | 80, 662, 202 | 12, 243, 555 | 536, 81.1, 943 | 446,347,680 | 3,297, 971 | 4,799, 873 | 48, 848, 501 | 58, 827,001 |
| EXPOR'S. |  |  |  |  |  |  |  |  |
| United Kingdom-England |  |  | 85, 565 |  | 1,008,788 | 1,029, 569 | 7, 583,043 | 10,461,556 |
| Canada....... | 177, 595 | 132, 169 | 3,627, 385 | 2, 176, 996 | 266, 193 | 131, 298 | 2, 466,931 | 4, 121, 72.5 |
| Central Americ |  |  |  | 12, 127 |  |  | 370, 005 | 6, 543 |
| Mexico. | 87,852 | 321,260 | 6, 198, 190 | 4, 535, 330 | 361,880 | 327,322 | 2,010, 940 | 1,843, 5.56 |
| West Indies | 50,000 |  | 793,000 | 350 | 10, 224 | 6,369 | 890, 523 | 34,469 |
| Colomb |  |  |  |  |  | 123, 600 | 239, 300 | 450, 703 |
| Peru.. |  |  | 3,653, 376 |  |  |  |  |  |
| China.......... |  |  | 12,000, $1,414,461$ |  | 63,376 100,000 | 642,753 993,463 | $14,912,635$ $2,035,182$ | $14,946,609$ $5,309,646$ |
| Dutch East Indie |  | 129,000 | $\begin{aligned} & 41,401,400 \\ & 60,000 \end{aligned}$ | $\begin{array}{r} , 779,805 \\ \quad 160,000 \end{array}$ | 100,00 | 930,463 | 2,035,182 |  |
| French 10ast Indies. |  |  | 2,290, 000 |  |  |  |  | 3,168,000 |
| Hongkong. | 68, 3410 | 143,690 | 8,323, 250 | 9,008,175 | 424,253 | 1,803, 668 | 11,910,527 | 8, 409,094 |
| Japan... |  |  | 92, 3 173, 289 |  | 83,909 200 | 47, ${ }^{453}$ | $\begin{array}{r} 6,309,248 \\ 31,018 \end{array}$ | 1,610, 60204 |
| All other |  | 85,000 | 174, 062 | 3,664,687 | 200 | 353 | 31,018 | 6 $\mathbf{6} 1,396$ |
| Total | 383, 787 | 1,578, 867 | 131, 701, 778 | 22,337, 870 | 2,318,823 | 5, 108, 732 | 48,759, 552 | -11,013,501. |

# FEDERAL RESERVE CLEARING SYSTEM. 

[Number and amount of items handled shown in thousands of dollars.]

| Federal reservo bank or branch. | Items drawn on banks located in own district. |  |  |  | Items drawn on Treasurer of C.S. |  | Total items handled, exclusive of duplications. |  | Items forwarded to other F. R. banks and their branches |  | Items forwarded to parent bank or to branch in same district. |  | Total items handled, including duplications. |  |  |  | Number of member banks. |  | Number of nonmember banks. |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | In F. R bank  <br> or branch city. Outside $F$, R. <br> brank or <br> branch city. |  |  |  |  |  | Nu | mber. |  |  |  | unt. | On pa | r list. | Not lis | $\operatorname{mn~par~}_{t \cdot 1}$ |  |  |
|  | $\begin{aligned} & \text { Num- } \\ & \text { Ner. } \end{aligned}$ |  | $\begin{gathered} \text { Num } \\ \text { ber. } \end{gathered}$ | nt. | Num- ber. | Amount. |  |  | $\begin{aligned} & \text { Numir- } \\ & \text { ber. } \end{aligned}$ | Amonit. |  |  | Num- | Amount. | Num- | Amount. | 1922 | 1921. ${ }^{2}$ | 1922 | $1921{ }^{2}$ | $\begin{gathered} \mathrm{Apr} \\ 330 \\ 1922 . \end{gathered}$ | $\begin{aligned} & \text { Apr. } \\ & 165, \\ & 1921 . \end{aligned}$ | $\begin{gathered} 1 \mathrm{Apr} . \\ 30, \\ 1922 . \end{gathered}$ | $\begin{gathered} \text { Apr. } \\ 15, \\ 1021 . \end{gathered}$ | $\begin{gathered} \text { Apr. } \\ 30, \\ 192 \% \end{gathered}$ | Apr. <br> 15, <br> 1921. |
|  |  |  | 3, 429 | 365, 017 | 151 | 19, 879 | 4,156 | 441, 061 | 186 | 43,0:1 |  |  | 4,342 | 4,356 | $8 \times 7,112$ | 1,002,119 | 434 | 436 | 259 | 256 |  |  |
| New York |  |  | 4, 514 | ${ }^{589} 9,802$ | 1,085 | 99,035 | 7,623 | 4, 3603,238 | 1,048 | 120,374 | ${ }^{171}$ | 3,928 | 8,688 | 8,390 | 4,788, 140 | 3,074, 797 | 717 | 70.3 | 257 | 251 |  |  |
| Philadelphi. | $\begin{aligned} & 1,984 \\ & i, 209 \mid \\ & i, 694 \end{aligned}$ | $\begin{array}{r} 3,975,001 \\ \times 2,99 \end{array}$ | 2, 142 | 270, 2474 | 161 | 28, ${ }^{2,29}$ | 3,936 3,997 | ${ }_{9353,827}$ | 670 | 18,332 116,389 | 43 | 17,428 | 4,667 | 4,938 | - 1 168, 6166 | 1, ${ }^{1941,043}$ | 710 | 78 | $\begin{array}{r}77 \\ 473 \\ \hline\end{array}$ | 76 44 |  |  |
| Cleveland. | $\begin{gathered} i, 994 \\ \hline, 662 \end{gathered}$ |  | 1,305 | 141, 883 ? | ${ }^{66}$ | 6,006 | 1,9:33 | 361,071 | 4.3 | 5,130 | 29 | $5,34 \overline{7}$ | 2,005 | 1, 819 | 371, 548 | 430, 120 | 319 | 315 | 510 | 526 |  |  |
| Cincinnat | $\begin{aligned} & 202 \\ & 456 \\ & 456 \end{aligned}$ | $\begin{aligned} & 213,183 \\ & 112,072 \\ & 12, \end{aligned}$ | 808 | 71,746: | 70 | 5, 550 | ${ }^{31,088}$ | ${ }^{3} 190,712$ | 14 | 6,459 | 12 | 3,854 | 1,114 | 1, 11.0 | 201, 025 | 254, 727 | 222 | 22. | 319 | 323 |  |  |
| Pittsburgh |  | 212,043110,120 | 856 | 87,385 | ${ }^{64}$ | 5,745 | 1,376 | 305, 173 | 76 | 37, 163 | 2 F | 6,044 | 1,477 | 1,560 | 348, 380 | 452, 273 | 343 | 34 | 250 | 233 |  |  |
| Richmond | $\begin{aligned} & 456 \\ & 5111 \\ & 255 \end{aligned}$ |  | 1,828 | 233, ${ }^{636}$ | 56 | 8,546 | 1,995 | 352,302 | 161 | 55, 776 | 40 | 7,692 | 2,196 | 2,301 | ${ }^{415} 570$ | 458,013 | 459 | 456 | 718 | 782 | 577 | 542 |
| Baltim |  | 129, 328 | 697 | 62,230 | 60 | 6,001 | 1,012 | 197,619 | 114 | 36, 057 | 75 | 6,778 | 1,201 | 1,139 | 240, 434 | 290, 233 | 163 | 159 | 263 | 275 |  |  |
| Atlanta. | $\begin{aligned} & 205 \\ & 676 \\ & 237 \end{aligned}$ | $\begin{gathered} 131,708 \\ 3,08,08 \end{gathered}$ | 350 | 37, 118 | 39 | , ,188 | 1,063 | 174,012 | 28 | R, 81 | 27 | 4,699 | 1, 120 | ${ }_{348}$ | 187, 442 | 128, 672 | 228 | 211 | 93. | 108 | 119 | 529 |
| Jacksont | $\begin{array}{r} 237 \\ 59 \\ 79 \\ 63 \end{array}$ | $\begin{aligned} & 33,085 \\ & 19,679 \\ & 2 \times, 790 \end{aligned}$ | 168 | 11, 762 | $\stackrel{13}{9}$ | 1,078 | 43 | -3, 31313 | 37 | - 7,572 | 7 | 1,732 | 475 | ${ }_{271}$ | 47,617 | 56, 51 | 76 | 6R | ${ }_{63}$ | 72 | 144 | 139 |
| Nashville. |  |  | 210 | 18,361 | 14. | 1,094 | $2 \times 3$ | 48, 245 | 16 | 4,248 | \% | 732 | 304 | 322 | 53, 225 | 63, 690 | 87 | 85 | 145 | 147 | 161 | 156 |
| New Orl |  | $\begin{aligned} & 2 \times, 790 \\ & 36,10 \end{aligned}$ | 110 | 12,444 | 36 | 7,103 | 209 | 55,662 | 34 | 8,769 | \% | 497 | 248 | 270 | 64,928 | \$2,071 | 55 | 5 | 51 | 50 | 22.5 | 221 |
| Chicago. | ${ }^{992}$ |  | 3, 1338 | 291, 136 | 487 | 59, 965 | 5,717 | 897, 039 | 292 | 27, 87.3 | 8 | 1,958 | 5, 417 | $5,601$. | 926, 868 | 1,097,024 | 1,317 | 1,310 | 3,970 | 4,002 |  |  |
| Detroit |  | $\begin{aligned} & 145,54,5 \\ & 207,141 \\ & 20, \end{aligned}$ | 489 | 49,324 | 39 | 2, $3 \times 1$ | 795 | 197, $744^{\text {a }}$ | 13 | 2,999 | 4 | 992 | 812 | 758 | 201,739 | 207, 339 | 124 | 120 | 264 | 259 |  |  |
| St. Louis. | 306 |  | 1,267 | 73, 254 | 166 | 9, 270 | 1,739 | 299, 665 | 35 | 4, 522 | 8 | 730 | 1,782 | 1,809 | 294, 917 | 338,641 | 370 | 363 | 1,718 | 1,752 |  |  |
| Litile Rousisvill |  | 207, 1411 | 294 | 15,351 |  | 651 | 341 | 35, 142 | 6 | 949 | 22 | 2,099 | 369 | 376 | 38, 190 | 46, 971 | 70 | 6 * | 230 | 233 |  |  |
| Lounpris | $\begin{gathered} 42 \\ 95 \\ 95 \end{gathered}$ | 33, 204 | ${ }^{429}$ | 23, 8.924 | 37 11 | 3, 8222 | 261 | 80,102 36,112 | 8 | 397 206 | 2 | 138 | ${ }_{251}^{571}$ | ${ }_{252}^{578}$ |  | 91, 112 | ${ }^{93}$ | ${ }_{50} 96$ | 342 185 | 342 | 162 | 170 |
| Mimeapolis. | $\begin{array}{r} 723 \\ 223 \\ \hline 14 \end{array}$ | 96, 2886 | 1,401 | 69, 237 | 40 | 8,820 | ${ }^{3} 1,666$ | ${ }^{3} 177,495$ | 77 | 15,306 | 5 | 228 | 1,748 | 1,842 | 193, 229 | 239, 246 | 827 | 811 | 2,421 | 2,578 | 173 | 53 |
| Helona. |  |  | 203 | 11,024 |  | 1,278 | 223: | 19, 296 | , | 2,439 | 1 | 872 | 230 | 241 | 22,607 | 25, 495 | 198 | 201 | 209 | 219 | 2 |  |
| Kansas City | $\begin{gathered} 14 \\ 310 \\ 120 \end{gathered}$ | 6, 694 | 1,285 | 70, 379 | 110 | 10, 344 | 1,705 | 279, 316 | 223 | 27,357 | 71 | 9,374 | 1,999 | 3, 198 | 315, 047 | 448,218 | 331 | 333 | 1,441 | 1, 450 |  |  |
| Denver. |  | 188, 391 | 319 | 19,398 | 25 | 2,963 | 443 | 62, 115 | 65 | 15,751 | 39 | 9,873 | 567 | 563 | 87,741 | 99, 453 | 161 | 160 | 270 | 286 |  |  |
| Oklahom | $\begin{array}{r} 126 \\ 71 \\ 95 \end{array}$ | 41,12147,646 | 46 | 55, 416 | 9 | 913 | 926 | 97, 450 | 43 | 7,184 | 14. | 5, 228 | 983 | 1,081 | 109, 860 | 150, 693 | 398 | 339 | 444 | 549 | 9 |  |
| Dallas. |  |  | 532 | 33, 110 | 48 | 2,965 | ${ }^{3676}$ | ${ }^{3} 84,015$ | 37 | 5,630 | 18. | 4, 777 | 731 | ${ }^{2} 23$ | 94, 422 | 115, 119 | 251. | 261 | 901 | 1, $10 \times$ | $1 \times 3$ |  |
| E1 Paso | ${ }^{\text {¢ }}$ | \% 8,430 | ${ }^{129}$ | 9,319 | 16 | 1, $639^{\prime}$ | , $1 \times 2$ | 19,388 | 12 | 1,61.2 | \% | ${ }^{3} 567$ | ${ }^{202}$ | 1,216 | 21, 56.6 | 30, 93s | $6{ }^{\circ}$ | 72 | 6.3 | 75 |  |  |
| Houston | $\begin{gathered} 133 \\ 403 \\ 4 ; 3 \\ \hline 43 \end{gathered}$ | 35, 364 | 303 | 25, 373 | 51 | 2,556 | 417 | 63, 473 | 15 | 2,163 | 5 | 1,018 | 437 | 4\$2 | 66, 674 | \%2,994 | 135 | 132 | 2:8 | 276 |  |  |
| San Francise | $\begin{array}{r} 63 \\ 232 \\ 294 \end{array}$ | $\begin{aligned} & 102,772 \\ & 112,981 \end{aligned}$ | 45 | 36, 169 | 63 | 51,054 | 722 | 189,995 | 26 | 2,921 | 33 | 4, 8583 | $811{ }^{\text { }}$ | 870 | 197,769 | 231, 424 | 210 | 212 | 275 | 278 |  |  |
| Los Ange | $\begin{array}{r} 324 \\ 56 \\ 47 \\ 106 \\ 39 \end{array}$ |  | 1,247 | 87, 202 | 44 | 10,773 | 1,64 | 210.936 | 111 | 15,791 | 57 | 7,382 | 1,783 | 1,457 | 234, 129 | 237,730 | 167 | 177 | 172 | 163 |  |  |
| Portland |  | 112,981$\mathbf{2 6}, 839$ 20,814 16, 180 | -212 | 11,573, | 18 | 3,495 | $2 \times 6$ | 41,907 | 4 | 1,432 | 40. | 4,013 | 330 | 335 | 47,352 | 59,966 | 132 | 122 | 155 | 175 |  |  |
| Salt Lake |  |  |  | 21,918 | 13 | 2,995 | 414 | 45.727 | 13 | 2,437 | 9 | 2,414 | ${ }_{4} 436$ | 448 | 50, $57 \times$ | 73, 114 | 172 | 182 | 105 | 118 |  |  |
| Scattle |  |  | 219 | 15, 36.5 | 38 | 6,738 | 3193 | 55,066 | 20 | 4,892 | 38 | 4,344 | 421 | 397 | 64,302 | 74,922 | $6{ }^{6}$ | 633 | 93 | 101 |  |  |
| Spok |  |  | 181 | 10, 029 | 10 | 1,115 | 230 | 27,394 | 12 | 3,010 | 14 | 2,627 | 2596 | 249 | 33,031 | 36, 750 | 106 | 100 | 158 | 164 |  |  |
| Total: April | 10,7998, 061, 074, 32,206 |  |  |  | $\begin{aligned} & 3,110 \\ & 2,929 \end{aligned}$ | $\begin{aligned} & 387,3199^{3} \\ & 539,079 \end{aligned}$ | 46, 126 | 11, 481, 374 | 3,649 | 632,607 | 738 | 145, 156 | 50, 513 | 51,743:1 | 12, 259, 137 | 1, 887,622 | 9,904 | 9,726 | 17,943 | 8,792 | 2,293 | 1,932 |
| March |  |  |  |  | 48, 917 |  | 12,346, 733 | 3,946 | 670, 082 | 867 | 179, 145 | 53, 730 | 43, 838 | 13, 195, 960 | 10,414,658 | 9,873 | 9, 696 | 17,976 | 8, 804 | 2,301 | 1,936 |

${ }_{2}^{1}$ Incorporated banks other than matual savings banks.
${ }_{3}^{2}$ Mar. 16 to Apr. 15. Omaha, 1,000 items, $\$ 294,000$; total, 11,010 items, $\$ 2,790,000$.
Note.-Number of business days in poriod for Birmingham and Jacksonville was 23; for Boston, Philadelphia, Pittsburgh, Baltimore, Atlanta, Nashville, New Orleans, Detrcit, Memphis, Tinneapolis, Oklahoma City, Omaha, Dallas, El Paso, and Houston, 24; and for other Federal reserve bank and branch cities, 25 days.

MONEY HELD OUTSIDE THE UNITED STATES TREASURY AND THE FEDERAL RESERVE SYSTEM, MAY 1, 1922.

|  | General stock. | Held in the U. S. Treasury as assets of the Government. 1 | Feld by or for F. R. banks and agents. ${ }^{2}$ | $\begin{aligned} & \text { Held outside } \\ & \text { U.S. Treasury } \\ & \text { and F. R. } \\ & \text { System. } \end{aligned}$ | Amount per cap ita outside U. S. Treasury and |
| :---: | :---: | :---: | :---: | :---: | :---: |
| Gold coin and bullion | 83,766,765,584 | \$358,676, 102 | \$2,283,517,699 | \$427, 131,359 |  |
| Gold certificates. |  |  | 526,968, 213 | 170,472,211 |  |
| Standard silver dollars | 372,256,851 | 7,874,095 | 9,523,722 | 58,788,477 |  |
| Silver certificates. | 272,017,534 |  | 41,713,247 | 252, $227,252,748$ |  |
| Treasury notes of 1890. | 272, 17,334 | 17, 34,198 | 26,81,209 | 1,588, 354 |  |
| United States notes. | 346,681,016 | 4,099,669 | 54, 141, 283 | 288, 440,064 |  |
| Federal Reserve notes. | 2,543,299,460 | 2,155, 891 | 354,165,651 | 2,186,977,918 |  |
| Federal Reserve Bank no | 91,363,400 | 987,795 | 7,966,538 | 82,409,067 |  |
| National-bank notes. | 754,622.549 | 19, 139,460 | 12,842,034 | 722, 641,055 |  |
| Total, May 1, 1922. | 8,147,006,394 | 410, 867,210 | 3,317,670,252 | 4,418,468,932 | \$40.36 |
| Apr. 1, 1922. | 8,108,976,196 | 433,301, 664 | 3,227, 103,307 | $\stackrel{4}{4}, 448,371,22 E$ | 40.69 |
| May 1, 1921. | 8, 128,219,183 | 508,349, 193 | 2,512,465, 834 | 5. 107,404,156 | 47.38 |
| Apr. 1, 1921. | 8,181, 529,274 | 496,945.969 | 2,534,743,843 | 5, 149, 839,462 | 47.83 |

${ }^{1}$ Inchdes reserve funds held against issues of United States notes and Treasury notes of 1890 and redemption funds held against issues of national-kank notes, Federal Reserve notes, and Federal Beserve Bank notes, but excludes gold and silver coin and bullion held in trust for the redemption of outstanding gold and silver certiticates and Treasury notes of i8se.
${ }^{3}$ Exclusive of amounts held with United States Treasurer in gold redemption fund against Federal Reserve notes.
DISCOUNT RATES OF FEDERAL RESERVE BANKS IN EFFECT JUNE 1, 1922.

| Federal reserve bank. | Paper maturing within 90 days. |  |  |  | Bankers' acceptances maturing within 3 months. | Agricultural and live-stock paper maturing after 90 days, but within 6 months. |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | Secured by- |  |  | Commercial, agricultural, and live-stock paper, n. e. s. |  |  |
|  | Treasury notes and certificates of indebtedness. | Liberty bonds and Victory notes. | Trade acceptances. |  |  |  |
| Boston. | $4 \frac{1}{2}$ | $4 \frac{3}{2}$ | $4 \frac{1}{2}$ | 42 |  | 43 |
| New York. | $4 \frac{1}{2}$ | 42 | 412 | $4 \frac{1}{2}$ | $4 \frac{1}{2}$ | $4 \frac{1}{2}$ |
| Philadelphia | $4 \frac{1}{2}$ | $4 \frac{1}{2}$ | 42 | $4 \frac{1}{2}$ | 42 | $4 \frac{1}{2}$ |
| Cleveland. | $4 \frac{1}{3}$ | $4 \frac{1}{2}$ | $4 \frac{1}{2}$ | $4 \frac{1}{2}$ | $4 \frac{1}{2}$ | 43 |
| Richmond. | $4 \frac{1}{3}$ | $4 \frac{3}{2}$ | $4 \frac{1}{2}$ | $4 \frac{1}{2}$ | 42 | $4 \frac{1}{2}$ |
| Atlanta. | $4 \frac{1}{2}$ | 42 | 42 | $4 \frac{1}{2}$ | $4 \frac{1}{2}$ | $4 \frac{1}{2}$ |
| Chicago. | $4 \frac{1}{2}$ | 42 | $4 \frac{1}{2}$ | $4 \frac{1}{2}$ | $4 \frac{1}{2}$ | $4 \frac{1}{1}$ |
| St. Louis. | $4 \frac{1}{2}$ | $4 \frac{1}{2}$ | $4 \frac{1}{2}$ | $4 \frac{1}{2}$ | $4 \frac{1}{2}$ | $4 \frac{1}{2}$ |
| Minneapolis. | 5 | 5 | 5 | 5 | 5 | 5 |
| Kansas City. | 5 | 5 | 5 |  | 5 | 5 |
| Dallas... | 5 | 5 | 5 | 5 | 5 | 5 |
| San Francisco. | $4 \frac{1}{2}$ | $4 \frac{1}{2}$ | 42 | 412 | 42 | $4 \frac{1}{2}$ |

## DISCOUNT AND INTEREST RATES.

In the following table are presented actual discount and interest rates prevailing during the 30 -day period ending May 15, 1922, in the various cities in which the several Federal reserve banks and their branches are located. A complete description of the several typos of paper for which quotations are given will be found in the September, 1918 , and October, 1.918, Teneral Reserve Bulletins

A comparison between rates prevailing during the 30 -day period ending May 15 and the 30 -day period ending March 15 continues to show a very marked tendency to stabilization. The only important declines are in in. dorsed bankers' acceptances and prime commercial paper in the open market Compared with the corresponding period last year all the rates are lower.
discount and interest rates prevailing in various centers during 30-day period ending may $15,1922$.


## FOREIGN EXCHANGE.

No material changes in foreign exchange rates are reported for May, the index for the month remaining unchanged at 53, the April figure, as compared with 65 in May, 1921. A
improvement. The most decided adrance, however, is reported for the Shanghai tael, which rose from an arerage of 73.9 cents in April to 78.9 cents in May, commensurately with the adrance in the price of silrer. The Indian rupec also adranced, but not to the

further advance in sterling from an average of $\$ 4.413$ to $\$ 4.446$ brought it up to over 91 per cent of parity. Slight advances are also shown for Danish and Dutch exchange rates, all the other European countries showing small recessions. Canadian exchange rose to 98.8 cents and South Amcrican exchanges also show
same extent. The Japanese yen remained steady at about 47.4 cents, or 95 per cent of its parity.

The rates used in the compilation of the table are noon buying rates for cable transfers in New York, as published daily by the Treasury in accordance with the act of May 27, 1921.

FOREIGN EXCHANGE RATES.
[Gencral index for May, 1922, 53; for April, 1922, 53; for May, 1921, 65. Rates in cents per unit of foreign curreney.]
COUNTRIES INCLUDEI IN COMPUTATION OF LNDEX.

|  | Monetary unit. | Par of exchange. | Low. |  | High. |  | Average. |  | $\begin{aligned} & \text { Index (per cent } \\ & \text { of par). } \end{aligned}$ |  | Weight. |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  |  | May. | April. | May. | April. | May. | April. | May. | April. | May. | April. |
| Belgium | Franc. | 19.30 | 8.2700 | 8. 4000 | 8.4600 | 8.6200 | 8.3580 | 8.5192 | 43.32 | 44. 14 | 27 | 29 |
| Denmar | Krone | 26.80 | 21. 1900 | 21.0700 | 21.9200 | 21.3000 | 21.3969 | 21.2204 | 79.85 | 79.18 | 7 | 19 |
| France. | Pranc. | 19.30 | 8.9700 | 9.0200 | 9.2200 | 9.3500 | 9.1196 | 9.2288 | 47.25 | 47.82 | 85 | 87 |
| Germany | Roichsmark | 23.82 | . 3165 | . 3110 | . 3639 | . 4163 | . 3410 | . 3469 | 1.44 | 1.45 | 99 | 101 |
| Italy | Lira. | 19.30 | 5.0800 | 5.1700 | 5. 3600 | 5. 4900 | 5.2558 | 5.3668 | 27.25 | 27.81 | 37 | 27 |
| Netherlan | Florin. | 40.20 | 38.2200 | 37.7300 | 39.0400 | 38.1600 | 38.6500 | 37.9332 | 96.14 | 94.36 | 29 | 39 |
| Norway | Krone. | 26.80 | 17.9900 | 17.7400 | 18.7800 | 19.0900 | 18.4738 | 19.6116 | 68.93 | 69.45 | 11 | 7 |
| Spain | Peseta | 19.30 | 15.5300 | 15, 2700 | 16.0000 | 15. 5800 | 15.6819 | 15. 5128 | 81.25 | 80.38 | 24 | 17 |
| Sweden | Krona | 24.80 | 25.6000 | 25.9400 | 25.9500 | 25. 1800 | 25.7746 | 26.0480 | 96.17 | 97.19 | 16 | 40 |
| Switzerland | Frane | 19.30 | 19.0800 | 19.4200 | 19.3900 | 19.4600 | 19.2062 | 19.4480 | 99.51 | 100.77 | 9 | 11 |
| United Kingd | 1'ound | 486.65 | 442.9100 | 437.0500 | 445. 1000 | 443.0000 | 444.6119 | 441.3368 | 91.36 | 90.69 | 244 | 240 |
| Canada | Dollar | 100.00 | 98.3299 | 96.8917 | 99.1181 | 98.6688 | 98.7880 | 97.7580 | 98.79 | 97.76 | 169 | 161 |
| Argentina. | Peso (gold). | 96.48 | 81. 3300 | 78.3400 | 83.8800 | 81.5000 | 82.4088 | 80.7480 | 85.42 | 83.69 | 32 | 26 |
| Brazil | Milreis. | 232.44 | 13.5500 | 13.4700 | 13.9400 | 13.6900 | 13.7365 | 13. 5696 | 42.34 | 41.83 | 32 | 25 |
| Chile | Pess (paper). | 19.53 | 11.3125 | 11.0625 | 12.6250 | 11.6250 | 11.8667 | 11.2775 | 60.76 | 57.74 | 12 | 10 |
| China. | Shanghai tael. | 266.85 | 76.1400 | 72.4200 | 81.9600 | 75.6000 | 78.9400 | 73.9396 | 118.09 | 110.61 | 54 |  |
| India. | Rupec. | 48. 66 | 27.8900 | 27.6800 | 29.1600 | 27.9600 | 28.7508 | 27.8096 | 59.09 | 57.15 | 30 | 26 |
| Japan. | Yen.. | 49.85 | 47.2500 | 47.3100 | 47.5300 | 47.4500 | 47.3554 | 47.3628 | 95.00 | 95.01 | 83 | 94 |

OTHER COUNTRIES.


Average prico of silver per fine ounco: In London (converted at avorage rate of exchange), $\$ 0.72144$; in New York, $\$ 0.71623$.

## EARNINGS AND DIVIDENDS OF STATE BANK AND TRUST COMPANY MEMBERS.

ABSTRACT OF EARNINGS AND DIVIDENDS REPORTS OF STATE BANK AND TRUST COMPANY MEMBERS OF THE FEDERAL RESERVE SYSTEM FOR THE LAS'T SIX MONTHS OF 1921, ARRANGED BY FEDERAL RESERVE DISTRICTS.
[In thousands of dollars.]

${ }^{1}$ Deficit.

## CENTRAL RESERVES AND CENTRAL BANK LIABILITIES OF SELECTED COUNTRIES.

There is presented hercwith a table showing for all the countries for which information is arailable the total metallic reserves, gold reserves, note and deposit liabilities, and the percentage of reserves to these liabilities combined prior to the war, about the time of the armistice, and for the latest available date in 1922. The conversion into dollars has been uniformly made at par. This is the only fair method for the calculation of the reserve percentage, but it should be borne in mind that, except for gold reserves, the amounts
themselves as represented by the dollar equivalents for post-war years are misleading, especially for countries having very low rates of exchange. For example, Poland had in 1922, $256,000,000,000$ marks in circulation. This amounts at par of exchange to $\$ 61,000,000,000$, but at the average rate of exchange of the Polish mark for April it amounts to only $\$ 67,000,000$. The equivalents of any amounts in local currencies can be easily obtained by dividing the figures in the table by the par value of each currency.

METALLIC RESERVES, TOTAL NOTE CIRCULATLON, AND CENTRAL BANK DEPOSITS BEFORE THE WAR, ABOUT THE TIME OF THE ARMISTICE, AND AT LATES'T AVAILABLE DATE.
[In thousands of dollars; converted at par.]

${ }^{1}$ Date of first statement of Federal Reserve Banks, Nov, 20, 1914.

METALLIC RESERVES, TOTAL NOTE CIRGULATION, AND CENTRAL BANK DEPOSITS BEFORE THE WAR, ABOUT THE TIME OF THE ARMISTICE, AND AT LATEST AVAILABLE DATE-Continued.
[In thousands of dollats; conrerted at par.]


METALLIC RESERVES, TOTAL NOTE CIRCULATION, AND CENTRAL BANK DEPOSITS BEFORE THE WAR, ABOUT THE TIME OF THE ARMISTICE, AND AT LATEST AVAILABLE DATE-Continued.
[In thousands of dollars; converted at par.]


## FINANCIAL STATISTICS FOR ENGLAND, FRANCE, ITALY, GERMANY, SWEDEN, NORWAY, JAPAN, AND ARGENTINA.

A summary of banking and financial conditions abroad is presented statistically in the accompanying tables.
bRITISH FINANCIAL SITUATION.
[Amounts in millions of pounds sterling.]


1 Less notes in currency notes account.
${ }^{2}$ Held by the Bank of England and by the Treasury as note reserve.
A verape weekly figures.
4 Compilation of London Joint City and Midiand Bank, British Government loans for national purposes excluded.
Compilation of London Economist. Ratio of net profits to ordinary and preferred capital of industrial companies, exclusive of railways. mines, insurance companies, and banks. Applies to earnings disclosed duriug the quarter and has therefore a probable lag of six months.

FRENCH FINANCIAL SITUATION.
[Amounts in millions of francs.]


ITALIAN FINANCIAL SITUATION. ${ }^{a}$
[In millions of lire.]

$a$ Latest figures subject to revision.
1 Banca Commerciale Italiania, Banca Italiana di Sconto, Credito Italiano, Banco di Roma.
${ }^{2}$ Revenues from state railways; from post, telegraph, and telephones; from state domain; from import duties on grain; and from Government sales of sugar are not included.
${ }^{2}$ Excluding Banca Italiana di Sconto.
4 Figures for 1921 are based on quotations of Dec. $31,1920=100$. Thase for 1922 ara based on quotations of Dec., $1921=100$.
GERMAN FINANCIAL SITUATION.a
[Amounts in millions of marks.]

a Latest figuros subject to revision.
12 End of month.
${ }_{2}$ Calculated by the Frankfurter Zeitung with prices of 25 stocks, 10 domestic and 5 foreign bonds (prices as of Jan. 1, 1921m100). These
Agures, recently revised, now include subscription privileges which were herctofore omitted. Figures are as of beginning of month.
8 End of March, 1913 .
As of Nov. 10, 1921.
${ }^{5}$ As of Dec. 30, 1921.

SWEDISH FINANCIAL SITUATION.
[Values in millions of kronor.]

${ }^{1}$ Source: Kommersiella Meddelanden.
NORWEGIAN FINANCIAL SITUATION.
[In millions of kroner.]

|  |  |  | Norges Bank |  |  | Private co | nmercial ba | kks (103). |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | Gold holdings. | Note circulation. | Deposits. | Loans and discounts. | Clearings at Christiania. | $\begin{gathered} \text { Loans } \\ \text { and } \\ \text { discounts. } \end{gathered}$ | Deposits. | Total aggregate resources. | Bankrupt- cies. |
| 1914, end of July. | 184 | 123 | 14 | 88 |  |  |  |  | Tumber. |
| 1920, average.... | 147 | 451 | 102 | 419 | 652 | 3,921 | 3,382 |  | 32 |
| 1921, average.. | 147 | 417 | 111 | 443 | 537 | 3,840 | 3,338 | ... | 86 |
| 1921, end of- | 147 | 425 | 87 | 414 | 520 | 3,888 | 3,384 | 5,143: | 74 |
| July.... | 147 | 428 | 100 | 452 | 541 | 3,958 | 3,343 | 5,249 | 96 |
| August.. | 147 | 421 | 110 | $45 \%$ | 580 | 3,954 | 3,340 | 5,256 | 101 |
| September. | 147 | 416 | $8{ }^{8}$ | 426 | 637 | 3, 844 | 3,319 | 5,221 | 102 |
| October.... | 147 147 | 411 | 113 | 453 | 589 | 3,742 | 3,275 | 5, 196 | 78 |
| December. | 147 | 410 | 141 | 476 | 551 | 3,508 | 3,305 | 4,944i | 89 81 |
| 1922, end of- |  |  |  |  |  |  |  |  |  |
| January... | 147 | 378 | 131 | 433 | 524 | 3,412 | 3,201 | 4,805 | 88 |
| February. | 147 | 376 | 141 | 428 | 494 | 3,346 | 3,172 | 4,754 | 76 |
| March.. | 147 | 385 386 | 151 | $\stackrel{449}{447}$ | ${ }_{5}^{628}$ | 3,280 | 3,124 | 4,690 | 108 |
| April...... | 147 | 386 | 143 | 447 | 516 |  |  |  |  |

1 Includes balances abroad.

JAPANESE FINANCIAL SITUATION. ${ }^{1}$
[Amounts in millions of yen.]

|  | Bank of Japan. |  |  |  |  |  | Tokyo banks. |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | $\begin{gathered} \text { Note } \\ \text { circulation. } \end{gathered}$ | $\begin{gathered} \text { Specie } \\ \text { reserve } \\ \text { for notes. }{ }^{2} \end{gathered}$ | Ordinary loans and. | Advances on foreign bills. | Current Government deJapan. | Trivate in Japan. |  | $\begin{gathered} \text { Tokyo } \\ \text { bank } \\ \text { clearing, } \\ \text { totalign } \\ \text { themonth. } \end{gathered}$ | Average rate (Tokyo |
| 1913, average 1921, average. | $\begin{array}{r} 363 \\ 1,226 \end{array}$ | $\begin{array}{r} 216 \\ 1,200 \end{array}$ | 47 107 | $\begin{aligned} & 33 \\ & 39 \end{aligned}$ | ${ }^{(3)} 297$ | 78 | 333 $\mathbf{1 , 9 3 2}$ | $\begin{array}{r} 364 \\ 2,572 \end{array}$ | 8.38 9.00 |
| End of <br> 1921. |  |  |  |  |  |  |  |  |  |
| May... | 1,118 | 1,118 | 61 | ${ }^{43}$ | 375 | 32 | 1,873 | 2,506 | 9. 05 |
| July................................... | ${ }_{1}^{1,172}$ | ${ }_{1}^{1,172}$ | 43 107 | ${ }_{31}^{23}$ | 330 <br> 345 | 76 <br> 35 | 1,987 | 2,841 | 8.36 |
| September...................... | ${ }_{1}^{1}, 232$ | 1,232 | 101 | 32 | - 293 | 30 | ${ }^{1} 1,955$ | 2,627 | 8.28 |
| October............................ | 1,255 | ${ }_{\substack{1,255 \\ 1,264}}^{1}$ | ${ }_{197}{ }^{157}$ | 30 30 | 309 325 | 34 37 37 | 1,993 | 2,679 <br> 2 <br> 2 <br> 883 | 8.50 8.79 |
| December................... | 1,546 | 1,246 | 298 | ${ }_{26}$ | ${ }_{203}^{325}$ | ${ }_{35}^{37}$ | 2,000 | 3,340 | 9.20 |
| 1922. |  |  |  |  |  |  |  |  |  |
| End of- |  |  |  |  |  |  |  |  |  |
| February......................... | ${ }_{1}^{1,246}$ ! | ${ }_{1}^{1,223}$ | ${ }_{172}^{224}$ | ${ }_{26}^{56}$ | 328 | $\stackrel{3}{37}$ | 1,984 | $\underset{8,438}{2,246}$ | 9.02 9.02 |
| March.......................... | 1,289 | 1,289 | 248 | 58 | 422 | 29 | 1,963 | 3 3,099 | 9.09 |
| April.............................. | ${ }_{1}^{1,203}$ | ${ }_{1}^{1,263}$ | ${ }_{178}^{267}$ | 61 50 | 320 469 | ${ }_{33}^{30}$ | 1,580 | 2,869 | 9.34 |

${ }^{1}$ Figures apply to last day of month in case of Bank of Japan, to last Saturday of the month in the case of the other items.
${ }_{3}$ This includes the specie segregated against notes only. It includes gold credits abroad as well as bullion and coin at home. February, April, October, November, and Jecember, 1913, Government deposits averaged 4,193,000 yen. During the remainder of the year there was an average monthly overdraft of $8,942,000$ yen.

ARGENTINE FINANCIAL SITUATION.
[ $\Lambda$ mounts expressed in millions.]


[^11]



[^0]:    1 Including rediscounts with Federal reserve banks.

[^1]:    ${ }^{1}$ Not including Russia.

[^2]:    ${ }^{1}$ Acknowledgment is due Mr. C. M. Berger, London Guarantee and Accident Co. (Ltd.); Mr. John E. Grogory, Ocean Accident \& Guarantee Corp. (Litd.); Mr. I. M. Lionberger, American Credit-Indemnity Co. of New York; and Mr. E. M. Treat, American Credit-Indemnity Co of New York; for their cooperation in this study.
    ${ }_{2}$ The underwriting formulec; the relation of face of insurance to premium charged, and premium to normal loss; and the individual limits controlling the limited and unlimited policiesare the bases showing principles followed and governing present underwriting practicos. They are, therofore, only illustrative of present proportions. As business conditions change, the proportions may be changed and made more liberal if warchange, the proportions may be channed and more restricted if deemed necessary.

[^3]:    Advertising, books, pristing, stationery, and lithographers.
    Agricultural implements.
    Ammunition, hardware, and cutlery.
    Automobiles, automobile accessories, bicycles, and bicycle parts.
    Awnings and tents.
    Bagging and bays.
    Bags and trunks.
    Bakers, confectionery, and candy.
    Barrels and cooperage stock.
    Bedding and upholstery.
    Belting (leather), machinery, and machine supplies.
    Bicycies, bicycle parts; aatomobile accessories, and automobias.
    Blinds, planing mills, sash, and doors.
    Boilers, stoves, heating appriances, and furnaces.
    Books, printing, stationery, lithographers, a ad advertising.
    Boots and shoes (jobbers)
    Boots and shoes (manulacturers).
    Bottles.
    Boxcs and crates.
    Boys' and mere's clothing.
    Brass, copper, and metals
    Brick, cemont, lime, plaster, terra cotia, building and roofing materials, and sand
    Bronze powder, wall paper, and window shades.
    Brushes, celluloid goods, and combs.
    Building and rooling materials, sand, brick, cement, lime, plaster, and terra cotta.
    Butier, eggs, and cheese.
    Buttons.
    Candles, grease, and soap.
    Candy, confectionery, and bakers.
    Canes and umbrellas.
    Canned goods, grocers' sundries, and fancy groceries.
    Caps, straw goods, and hats.
    Carpets and floor coverings (manufacturers).
    Carpets and floor coverings (jobbers).
    Carriages and wagons.
    Car wheels, foundry, iron, steel, and heavy hardware.
    Celluloid goods, combs, and brushes.
    Cement, lime, plaster, terra cotta, building roofing materials, sand, and brick.
    Chains (iron), manufacturers.
    Cheese, butter, and eggs.
    Chemicals.
    Children's and ladies' clothing.
    China, crockery, and glassware (jobbers).
    China, crockery, and glassware (manufacturers).
    Cigars and tobacco (jobbers and manufacturing).
    cloaks and suits.
    Clothing (ladies' and children's).
    Clothing (men's and boys').
    Coal, fuel, and ice.
    Coffee, spices, and teas.
    Coffins and undertakers' supplies.
    Collars, shirts, and culfs.
    Combs, brushes, and celluloid goods.
    commission dry goods,
    Commission dry goods,
    Commission, provisions, fruits, and produce.
    Confectionery, candy, and bakers.
    Convertors (cotton), selling jobbers and retailers exclusively.
    Converters (cotton), selling in whole or part to manufacturers.
    Cooperage stock and barrels.
    Copper, metals, and brass.
    Cordage and twine.
    Corsets.
    Cotton converters, selling jobbers and retailers exclusively.
    Cotton converters, selling in whole or part to manufacturers.

[^4]:    The right to supervise the Reichsbank, formerly exercised by the Government, is now exercised by the curatorium which consists of the Chancellor as chairman, the Minister of Finance and the Minister of Economics (Reichswirtschafts Minister) as vice chairmen, and of six other members. Threc of these members are appointed by the President of the Empire after consulting with the Federal Economic Ministry, and the rest are appointed by the Federal Council. The curatorium shall meet at least four times a year and may be convoked at any time by the

[^5]:    ${ }^{2}$ As the index number of the Bureau of Labor Statistics (which is based upon 315 quotations) has been reclassified by the Federal Reserve Board, the raw materials group consists of approximately 76 guotations, the producers' goods of about 80, and the consumers' goods of 158 . Raw materials have been subclassified into agricultural products (mainly grains, cotton, and tobacco), based upon 19 quotations, animal products based upon the same number, forest products based upon 11 quotations, and mineral products based upon 27 quotations. The Tederal Reserve BulLetin for October, 1918, contains a list of the commodilies in each group. The weights are the same as those used by the Bureau of Labor Statistics.

    These reclassificd averages, with the exception of those for the "all commodities," are based on the 12 monthly, not the weekly, figures for the year, as are the original averages compiled by the Bureau of Labor Statistics.

[^6]:    ${ }^{1}$ A revised set of figures for this group has beon made to include steel and other important building materials as follows: April, 1021, 167; March, 1922, 155; April, 1922, 156.

[^7]:    ${ }^{1}$ Three of these index numbers-ihose for the United Kingdom, Paris, and Sweden-are constructed on the basis of prices in July, $1914=$ 100. In the case of the United States, the original base, that of the year 1913, has been shifted to the July, 1914, base. The German index uses
    January, 1914, as a base. January, 1914, as a base.

    The American index number, constructed by the Bureau of Labor Statistics, was based upon the retail prices of 22 articles of food, weighted according to family consumption, until January, 1921, when it was increased to 43 articles reported by dealers in 51 important cities. The method of weighting continues the same, although the actual "weight" applied has been changed.
    The British index number of the cost of living constructed by the Ministry of Labor consists of the retail prices not only of foodstuffs but of other articles as well. Retail clothing prices, rents, and the cost of fuel, lighting, and miscellaneous household items are also taken into consideration. The index number is weighted according to the importance of the items in the budgets of working-class families.

    The retail price index for Paris, compiled by the French General Statistical Office, consists of retail prices of 13 different commoditios, weighted according to the average annual consumption of a workingman's family of four persons. Eleven of the commodities included in this index are foods, and the other two are kerosene and alcohol.
    The SWedish index number consists of the retail prices of foodstuffs,
    fuel, and lighting and is based upon the prices of 51 articles in 44 towns (in 1920, 50 articles in 49 towns), weighted according to the budget of a workingman's family which before the war had a yearly income of 2,000 kronor.

    The German retail price index compiled by Dr. Moritz Elsas has been substituted for Dr. Kuczynski's index which was formerly published in the Federal Reserve Bulletin. Dr. Elsas bases his calculations upon the cost of living for a family of four in Frankfurt. The Italian retail price index for the most important cilies, computed by the Italian

[^8]:    1 Not including gold, silver, or the reexport trade. Latest figures subject to revision.
    a Calculated in 1913 value units.
    8 Calculated in 1919 value units. French foreign trade figures are originally recorded in quantity units, and the value of the trade is calculated by applying official value units to the quantilies imported and exported. Normally the monthly stalements of trade appear computed at lated by applying official value units to the quantiles imported and exported. Normally the monthly stalements of trade appear computed at the rates of the year previous, and only at the end of the ycar is the trade evaiuated at the prices prevailing during
    ${ }_{4}^{4}$ Calculated in 1920 valne units.

    - Exports calculated in 1919 value units. Imports calculated on basis of actual declared values.

[^9]:    ${ }^{1}$ Calculated on basis of net deposits and Federal reserve notes in circulation.

[^10]:    ${ }^{1}$ Debits of banks which submitted reports in 1921.

[^11]:    ${ }^{t}$ Includes figures of Banco de la Nación.
    2 1913-1919 figures are monthly everages.
    Includes amount held in conversion fund of Banco de la Nacion. Prior to outbreak of war the Banco de la Nacion held $\$ 30,000,000$ as its portion of the gold guaranty. In August, $1914, \$ 20,000,000$ of this amount was mobilized, leaving $\$ 10,000,000$ in the bank's conversion fund since that date.

