

# AGRICULTURAL AND BUSINESS CONDITIONS IN THE TWELFTH FEDERAL RESERVE DISTRICT

## Monthly Report to the Federal Reserve Board

by

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**M**OVEMENT to market of the large crops produced in this district last year continues although at a slow rate. Sufficient quantities of all products are available to meet existing demand. Carload receipts of wheat at the seaboard distributing cities of the Pacific Northwest are 18.5 per cent in excess of similar receipts last year

**The Month** at this time. Quantities of good hay are available to livestock men at prices from \$10 to \$15 per ton lower than last year's levels, and the excellent condition of winter ranges is an added element favoring the carrying of flocks and herds through the winter. Approximately 90 per cent of the cotton crop of the district is baled and ready for market, but only a small portion of this amount has been sold. It is reported that 50 per cent of last year's cotton acreage will be planted this season to other crops, an important return to agricultural diversification. Deciduous orchards, while not yet free from the danger of frosts, have set buds which promise large yields. The combined citrus fruit yield, oranges and lemons, will be the largest in the history of California and movement to market has been larger than it was last year at this date. Milk condensaries in the Pacific Northwest are resuming operations.

Although lumber production is less than at any time during 1920, several mills in the Northwest are reopening, and reduced cargo rates have been accompanied by slightly increased export orders. Mining operations, particularly in gold and copper mines, remain approximately 50 per cent of capacity.

Unemployment in the district, which has

been abnormal this winter chiefly on account of curtailment in lumbering and mining, is expected to be measurably relieved in the immediate future by partial resumption of lumber mill operations and the beginning of seasonal agricultural work.

Although the value of January retail sales reported by 24 department stores in the district was 14.3 per cent less than the value of the same stores' sales in January, 1920, the lower prices prevailing now as compared with a year ago indicate that the number of actual sales transactions is approximately the same as, or slightly greater, than the number in January, 1920. Unfortunately, enough of our informants do not report on this subject to justify a statistical compilation.

Wholesale trade activity reported by 145 firms in eight different lines, ranged from 6.8 per cent to 57 per cent less in value of net sales than it was in January, 1920, and from 1.7 per cent more to 66.7 per cent less than in December, 1920. Reported reductions in general wholesale prices are not sufficient to compensate for these declines in value of sales, and it is probable that the physical volume of trade at wholesale is less than it was a year ago at this time and considerably beneath the volume in December, 1920.

Business failures in January were considerably larger in total liabilities than in December. Building operations during January, while less in value than they were in January, 1920, or last month, are 5.6 per cent greater in number than in December, 1920. January bank clearings were approximately 11 per cent less than they were a year ago, which, in view of

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lower prices now prevailing, indicates business activity equal to, or greater than, that of last year at this season.

Liquidation of member banks' borrowings from this bank has proceeded steadily during the past four weeks, a reduction of \$20,000,000, or 12.6 per cent, having occurred in this bank's holdings of bills discounted. Coincidentally Federal Reserve notes in circulation declined in amount by \$13,000,000 or 5.2 per cent.

Between December 23, 1920, when Federal Reserve notes in circulation were at their peak of \$272,548,000, and February 11, 1921, their volume has diminished by \$25,000,000. In the same period of time this bank's holdings of bills discounted declined from \$165,836,000 to \$139,581,000, a liquidation of \$26,000,000.

The first month of the new year brought little change in the grain situation in the Twelfth Federal Reserve District. The wheat growers of the Pacific Northwest and

**Grains** the barley growers of California are still inclined to hold their crops for better prices. The demand for these grains is lighter than usual however, and buyers have had no trouble in securing enough grain to satisfy their requirements.

In the wheat growing areas of Oregon and Washington it is estimated that approximately 45 per cent of the surplus beyond farm consumption, of the 1920 wheat crop (60,882,000 bushels total crop) remains in first hands compared with holdings estimated at 15 per cent at this time last year. The export demand was light throughout the month of January, although there were some comparatively large purchases for contracts entered into earlier in the season. The milling demand was heavier than it has been, but it is still below normal.

The following table shows comparative carload receipts of wheat at the chief seaboard distributing points of the Pacific Northwest up to and including February 7th of this year and last year.

	1920	1921
Portland .....	5,853 cars	11,032 cars
Tacoma .....	4,846 "	3,276 "
Seattle .....	4,390 "	3,542 "
Total .....	15,089 cars	17,850 cars

California barley growers and dealers face a situation similar to that which confronts the wheat men of Oregon and Washington. Growers are showing less inclination to sell on a declining market than they did during the latter part of 1920 and there has been no improve-

ment in either the foreign or domestic demand for barley.

It is estimated that the increasing use of automobiles, motor trucks and tractors has cut down the consumption of feed barley one-third in the last ten years. During that period local consumption has averaged approximately 325,000 tons per year. Brewing barley is more dependent on the export trade than on domestic demand. A considerable quantity of brewing barley was sold to buyers from the United Kingdom, earlier in the season, and lesser amounts were taken by Sweden and Denmark, but these countries have not been active purchasers for some time. The price of barley in European markets is lower now than in December, and under existing exchange conditions European countries are not heavy buyers.

Based on a crop of 700,000 tons, the following is an estimate of the disposition of California's 1920 crop of barley up to February 1, 1921:

Feed and Seed.....	135,375 tons
Exported .....	226,480 "
On Hand .....	338,145 "

The 1921 crop of both wheat and barley is reported to be in better than normal condition in all sections of the district, although excessive rainfall has hampered seeding and hindered growth in a few localities. In the principal grain growing areas the fall sown wheat germinated well and made a thrifty growth before being covered with snow for the winter. Abundant rainfall has insured a liberal supply of moisture to start growth in the spring and only exceptionally unfavorable conditions from this time on can seriously injure the crop.

The acreage seeded to barley in California is estimated to be slightly less than that of last year but some fields have not yet been seeded, due to the abnormal amount of moisture in the soil. The crop is at present in better condition than it has been for several years.

As a result of the market conditions which have confronted the wheat growers during the latter part of the present season, considerable interest has been aroused in

**Wheat Growers' Co-operative Associations** the establishment of wheat growers' co-operative associations to control the marketing of the crop. An association has already been formed which embraces the wheat growers of Washington and Idaho and a similar organization is now being projected for Oregon. The Washington and

Idaho Wheat Growers' Association is a non-stock, non-profit, co-operative marketing association, handling only the wheat produced by its members. Its aims include a reduction of overhead charges in bringing wheat to market, reduced profits for middlemen, and an orderly marketing of the crop over a period of months to avoid throwing the whole crop on the market at harvest time. The association claims to have 15,000,000 bushels of the 1921 wheat crop under contract at the present time. During the 1920-1921 season the association is reported to have handled 2,500,000 bushels, 70 per cent of which has been marketed.

Some slight improvement was noted in the milling industry during January although the flour output of the district is still considerably below normal. According to reports

**Milling** from 80 of the principal millers in the district, mills operated at 40.3 per cent of their capacity in January, compared with 26.7 per cent in December and 92.1 per cent in January a year ago. The total flour output of the reporting mills was 594,787 barrels, an increase of 195,095 barrels over December, 1920. The reason for this increased activity is found in reduced surplus stocks of flour and a fairly steady demand within the district. The export trade in flour continues light.

Stocks of wheat in millers' hands on February 1st, as reported by 27 of the largest mills in the district, amounted to 2,020,914 bushels compared with holdings of 3,051,589 bushels on January 1st and 4,352,290 bushels on February 1, 1920. This decrease in wheat stocks is a direct reflection of increased flour output, as millers have been more active wheat buyers during the past month than during the latter part of 1920. Flour stocks were also reduced during January, the same mills reporting 405,672 barrels on hand on February 1st compared with 587,877 barrels on January 1st and 426,776 barrels on February 1, 1920.

Table "A" shows the January production of the reporting mills by states and the percentage of mill capacity in operation this year and last year.

The movement of the hay crop of the district (13,164,000 tons) to market has been slow and limited and marked by a gradual decline in prices. The open winter and generous rains have provided plenty of pasturage for stockmen and dairymen, and this, coupled with some reduction in the quantity of stock being fed, has greatly reduced the consumption of hay. The low prices prevailing for corns, coarse grains and other feeds, have aided in reducing the demand for hay and at present a considerable carry-over into the 1921 season is in prospect. Prices vary throughout the district, hay being cheap where transportation facilities are good, and higher in price in inaccessible localities. In general, prices are \$10 to \$15 per ton lower than last year.

The growers of the state of Idaho face a special problem in connection with the disposition of their 1920 crop of hay. A record crop of 2,400,000 tons was produced last year, the surplus over intra-state requirements being approximately 1,000,000 tons. Normally, this surplus would have been marketed in the surrounding states of this district with perhaps some shipments to eastern points. But the bulk of this crop is alfalfa hay, and due to presence of the alfalfa weevil in many of the growing sections of Southern Idaho, the states of Arizona, California, Colorado, Montana, Nevada, Oregon and Washington, and the Province of British Columbia in Canada, have established a quarantine against hay grown in Idaho. As a result, little hay has been moved out of the state, and while some of the crop is being manufactured into alfalfa meal, which is not affected by the quarantine, only a small portion of the surplus can be utilized in this way.

Reports from all the cotton growing sections in the Twelfth Federal Reserve District indicate that the acreage planted to cotton in 1921 will be considerably reduced as compared with 1920, and that diversified farming will replace the specialization in cotton which has been the rule during the

**(A) Milling—**

	No. Mills Reporting		Output		Per Cent Mill Capacity in Operation		
	January	December	January	December	January 1921	December 1920	January 1920
California .....	10	8	217,209 barrels	138,984 barrels	50.5	34.1	96.0
Oregon .....	29	28	135,419 "	62,292 "	40.2	20.7	89.5
Washington .....	35	35	237,053 "	189,336 "	32.1	26.1	88.0
Idaho .....	3	5	5,106 "	9,080 "	42.0	29.4	90.5
Utah .....	3	2	—	(Included in California Figures)			
Twelfth District....	80	78	594,787 barrels	399,692 barrels	40.3	26.7	92.1

past few years of high prices. Estimates place the reduction as high as 50 per cent of the present acreage (370,200 acres) and much of the 1921 crop will be volunteer cotton, as many growers find themselves unable to carry their last year's crop and to finance the planting of the new crop at the same time. The land released from cotton cultivation will probably be planted to alfalfa, milo maize, grains, melons and fruits, or used for dairying and cattle raising.

About 90 per cent of the district cotton crop, amounting to 161,000 bales, is now in the bale and ready for market but only a small portion of this amount has been sold. The demand for both long and short staple cotton remains light, although some improvement was noted during the latter part of January. A favorable factor is found in the reports from eastern textile centers. The number of mills that have resumed operations or increased their working hours is growing and since the first of the year there has been increased demand for spring cotton goods.

Number one grade Pima (American Egyptian) cotton was quoted at 33 $\frac{3}{8}$  cents per pound f.o.b. New England points at the close of last month.

The large crop of potatoes produced in this district (39,445,000 bushels) is moving to market slowly, due to the limited demand and the prevailing low prices. The surplus **Potatoes** is held by the growers, only small stocks having accumulated in dealers' hands, whose present purchases are for immediate shipment on orders already received. Table "B" shows the carlot shipments of potatoes during the present season compared with last year, when the crop produced was only 32,222,000 bushels. This situation is not unusual however, but has prevailed in previous years of heavy production. Such years have always been marked by comparatively lighter shipments of potatoes, especially during the first half of the shipping season, when

growers are inclined to hold their crop for better prices. Large crops in all producing sections decrease the necessity of importing the surplus product of other districts and this condition is soon felt in this district because it is farthest from the large eastern centers of consumption.

Prices are about the same as those which have prevailed in previous heavy crop years and growers throughout the district are now receiving an average of less than \$1 per bushel for their product. Although the demand has increased slightly in the past few weeks, the present market can only absorb the better grades of potatoes and second grade offerings are disposed of at a discount, if at all.

The largest holdings of potatoes are reported from Southern Idaho, where approximately 1300 carloads (600 bushels to the car) are concentrated in the Idaho Falls district. Growers are selling only when forced to do so by maturing financial obligations, as present prices are far below levels which they deem profitable.

It is estimated that about 50,000 bales of the 1920 crop of hops (198,000 bales) remain in the hands of Pacific Coast growers. Dealers are holding only a negligible amount of **Hops** the crop excepting those hops which are already sold and are now awaiting shipment. The present price of hops ranges from twenty to twenty-five cents per pound and few buyers are in the market. One year ago hops were selling at sixty to seventy-five cents a pound and the trade was brisk.

The most important factor in connection with the present condition of the Pacific Coast hop market is the restriction placed on the importation of hops into the United Kingdom. Last August the British Government passed a law that no hops could be imported into that country without a license obtained from the Hop Control Board. Under this law the Board has ruled that it will license only the importation of hops purchased before last August by British brewers, and then only if the brewers

#### (B) Comparative Carlot Potato Shipments\*—

	January, 1921	Season to Jan. 29, 1921	Season to Jan. 29, 1920	Total 1919-1920 Season
California .....	698	8,468	7,646	8,589
Idaho .....	1,065	6,098	5,886	6,853
Nevada .....	94	261	569	722
Oregon .....	73	488	396	785
Washington .....	144	2,180	2,228	3,088
Totals .....	2,074	17,495	16,725	20,037

\* Carloads of 600 bushels each.

have bought the full proportion of the English crop which was allotted to them, and provided that they can prove that the hops they wish to import are absolutely necessary to meet immediate brewing requirements. It is thought that the lifting of this embargo would revive the trade in hops on this coast.

The present winter has been a favorable one for the hop plants and there has been sufficient moisture in all the growing sections to insure a good crop this year.

Weather conditions in the principal fruit growing sections of the Twelfth Federal Reserve District have been ideal both for old orchards and for newly planted trees

**1921** and as a result the bearing trees have set an unusual number of fruit buds.

**Fruit** In the Pacific Northwest the buds began swelling six weeks earlier than usual and in California the almonds and some of the earlier varieties of fruits are already in blossom. The coming spring, however, will determine the size of the 1921 crop as the danger from late frosts will be more serious this year than in years when the winter has been more rigorous and blossoming has not occurred so early in the season.

The supply of nursery stock for new plantings is now beginning to overtake the demand, following several years of shortage brought on by decreased production during and immediately following the war. In California there is still a lack of some of the more important commercial varieties but due to present financial conditions, many contemplated plantings were deferred and the shortage was not so noticeable as it otherwise would have been. It is estimated that approximately 125,000 acres of deciduous fruit trees were planted in California this season compared with estimated plantings of 150,000 acres last season.

Hesitancy due to the delayed marketing of the 1920 fruit crop and continuous rains since early in the fall have combined to curtail plantings in Oregon and Washington this season. Many growers have been unable to get their land in condition for setting out trees because of rains which have been falling almost incessantly since last October. This situation has averted a possible shortage of some kinds of nursery stock and from now on supplies of trees will be more nearly normal. Apple, pear and cherry stocks are still comparatively scarce and prospective plantings will probably use all the stock produced in the next year or two. Peach, prune and plum trees will be more plentiful next year and no further difficulty in securing these stocks is expected.

The American Can Company has compiled an estimate of the pack of canned fruits and vegetables in the States of Oregon, Washington and Idaho, which shows that

**Canned** the combined 1920 production of  
**Fruits and** these states was curtailed, as it  
**Vegetables** was in California. The same

causes for the reduction were operative in both cases, including the financial and marketing conditions prevailing at the time the pack was put up, the high price of sugar in the early months of the year when the canners were purchasing supplies, the reduced buying of wholesalers and jobbers, and the overstocked condition of the foreign markets. The estimated pack in the three states of the Pacific Northwest during 1920 and 1919 was as follows:

	1920	1919
Oregon .....	1,019,391 cases	1,228,629 cases
Washington .....	1,127,373 "	1,310,281 "
Idaho .....	128,445 "	95,255 "
Total .....	2,275,209 cases	2,634,165 cases

### (C) Canned Fruits—

	Washington		Oregon	
	1920 Cases	1919 Cases	1920 Cases	1919 Cases
Apples .....	229,659	384,464	96,074	343,816
Apple Butter .....	18,774	10,604	25,160	27,356
Blackberries .....	150,119	253,992	81,896	122,804
Cherries .....	175,735	107,177	147,728	120,181
Loganberries .....	43,000	66,624	195,075	204,022
Plums .....	5,720	13,382	4,672	22,927
Pears .....	174,785	164,734	198,357	171,245
Prunes .....	39,860	43,382	65,181	79,887
Peaches .....	1,169	15,345	0	17,861
Rhubarb .....	22,642	9,402	2,873	1,536
Raspberries .....	90,699	100,385	33,910	30,045
Strawberries .....	17,358	19,484	37,242	19,944
Other Fruits .....	34,416	22,202	131,223	67,005
Totals .....	1,003,936	1,211,177	1,019,391	1,228,629

Table "C" shows the principal items of the pack of fruits and berries in Oregon and Washington for the years 1920 and 1919, including cases of all grades and sizes.

February 1st estimates of the California crop of citrus fruits tend to confirm previous forecasts of record crops of oranges and lemons, the totals being placed at 49,000

**Citrus** cars of oranges and 10,700 cars of **Fruits** lemons. An increase of 600 cars over the December 1st estimate of the navel orange crop (26,000 cars) is indicated by picking and shipments thus far in the season. The quality of the fruit has been high but it has not been sizing up as well as last year and in many cases picking has been confined to the larger sizes which bring higher prices. It is expected that with good weather and frequent rains the smaller fruit will increase in size and it is also expected that the market for small sizes will be better later in the season. The Valencia orange crop promises to be the largest ever produced in California.

A comparative statement of orange shipments and the total estimated crop this season and last season follows:

January, 1921.....	3,429 cars
January, 1920.....	2,457 "
Season to January 29, 1921.....	7,724 "
Season to January 29, 1920.....	7,030 "
Estimated total 1920-1921.....	49,000 "
Estimated total 1919-1920.....	35,547 "

Growers are delaying the picking of lemons due to the unsatisfactory condition of the market and shipments from California are being held down to a minimum. Reports from the producing districts state that more than 500 cars of lemons have been dumped on refuse piles because the growers felt that they could only be marketed at a loss. Some lemons are thrown away every year, either because of deterioration in storage or because they were originally culls, but this season abnormal quantities of fruit have been dumped.

A comparative statement of lemon shipments and the total estimated crop this season and last season follows:

January, 1921.....	627 cars
January, 1920.....	630 "
Season to January 29, 1921.....	2,435 "
Season to January 29, 1920.....	1,925 "
Estimated total 1920-1921.....	10,700 "
Estimated total 1919-1920.....	9,045 "

A test shipment of citrus fruits packed under various conditions of refrigeration and ventilation was sent to the eastern seaboard by way of the Panama Canal during January. The fruit arrived on the Atlantic Coast in satisfactory condition and the trip demonstrated that it will be practical to ship citrus fruits to the large eastern consuming centers in this manner.

#### (D) Receipts of Livestock—

	Cattle		Calves		Hogs		Sheep		Horses and Mules	
	1921	1920	1921	1920	1921	1920	1921	1920	1921	1920
Portland .....	11,217	9,432	1,043	737	16,018	17,737	14,626	17,614	76	61
Salt Lake City.....	4,759	5,318	82	..	5,528	5,681	30,355	18,070	128	166
Seattle .....	4,526	4,214	214	228	21,756	21,401	5,684	9,315	61	47
Spokane.....	2,672	6,192	93	744	4,195	3,969	1,396	1,511	115	283
Tacoma.....	2,852	1,441	353	51	5,619	3,325	3,988	1,118	..	..
Total .....	26,026	26,597	1,785	1,760	53,116	52,113	56,049	47,628	380	557

#### (E) Purchases for Local Slaughter—

	Cattle		Calves		Hogs		Sheep	
	1921	1920	1921	1920	1921	1920	1921	1920
Portland .....	4,998	4,358	571	479	11,621	8,001	5,900	6,261
Salt Lake City.....	2,683	1,472	82	..	2,531	5,387	4,329	2,164
Seattle .....	4,239	4,092	214	228	21,581	21,206	5,684	9,315
Spokane .....	1,882	2,448	84	398	3,189	3,664	1,240	214
Tacoma .....	2,852	1,441	353	51	5,619	3,325	3,988	1,118
Total .....	16,654	13,811	1,304	1,156	44,541	41,583	21,141	19,072

Final figures on the 1920 pack of Hawaiian pineapple place the year's output at 5,978,182 cases compared with earlier season estimates of 6,000,000 cases. Less than 10 per cent of the total pack remained unsold in the packers' hands on January 1st and practically all of the fruit sold had been shipped from the islands by that date.

The pack is passing into consumption fairly readily. The general decline in commodity prices during the last quarter of 1920 carried canned pineapple prices down to levels below the cost to the wholesaler, but a ready market has made this product a satisfactory commodity on which to realize needed money.

It is estimated that the 1921 pack of pineapple in the Hawaiian Islands will be 5,844,000 cases of all grades and sizes.

A comparative statement of the receipts of livestock and purchases for local slaughter at the five principal markets of the districts during the month of January, is given

**Livestock** in tables "D" and "E."

The weather during the past month has been the most satisfactory that the livestock men of this district have experienced at this season in several years. Weather conditions remained favorable on the Pacific Coast and improved in Nevada, Utah and Southern Idaho, so that with the exception of the animals in one or two dry sections in Arizona, the livestock of the district are in excellent condition. Green feed has been abundant and hay continues in plentiful supply at prices which are \$10 to \$15 a ton below those of last year. Good weather and cheap feed are making it possible for many livestock men to hold their animals over the winter whereas one year ago the severe winter and high priced feed forced in the market a considerable amount of unfinished stock.

The demand for feeder animals was much stronger during the first two weeks of Febru-

ary than it has been for some time past and the supply was barely adequate to fill all requirements. Hogs were especially in demand and on February 7th, on the Portland market, feeders sold at a premium of twenty-five cents over fat pigs, which is the reverse of the usual quotations.

The winter season is usually the time of greatest consumption and smallest supply in this district and as a result livestock prices hold fairly steady. During January the price of beef cattle showed slight advances over December prices although some tendency to decline to former levels was noticeable on the Salt Lake City market. Top prices in the five principal markets of the district averaged from \$8.00 to \$9.25 a hundredweight for steers, from \$6.50 to \$7.50 a hundredweight for cows, and from \$11.00 to \$13.00 a hundredweight for calves. The hog market was strong and would have absorbed considerably larger supplies than were offered by local producers. Hogs from Kansas, Nebraska, and North Dakota are now being shipped into the district to fill local needs, although it would seem that the production and fattening of hogs within the district would be profitable at the present time, when there is an abundance of low priced grains and feed. During the month of January hog prices were higher than they were one year ago and the markets of this district maintained their advantage over middle Western points, top hogs bringing from \$10.50 to \$11.50 per hundredweight. Sheep trading during January was light, as is usual at this time of year, and the market remained steady throughout the month. The only weakness reported was on the Salt Lake City market which is more sensitive than those of the other cities of this district to the fluctuations in middle Western livestock markets. Top lambs averaged from \$9.00 to \$10.50 per hundredweight during the month, which was slightly above the prices quoted in December, 1920.

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

†Section	January Range	January Average	December Average	January, 1920 Average
Mountain (110 markets).....	\$2.27-\$3.47	\$2.88	\$3.04	\$3.16
Pacific (198 markets).....	2.32- 4.41	3.37	3.57	3.66
United States (2916 markets).....	2.03- 5.23	3.25	3.50	3.82

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

†Mountain Section includes Idaho, Utah, Nevada and Arizona.

Pacific Section includes Washington, Oregon and California.

Some of the milk condensaries in the Pacific Coast states have resumed operations on a small scale and as stocks on hand decline, their output will be increased. Other plants are still making butter from the milk brought to them. An increased domestic demand is an encouraging feature of the canned milk situation at present, but foreign orders are lacking and the depressed export market which prevailed in 1920 has thus far been an important factor in the 1921 trade. Exports of canned milk from the United States during 1920 and 1919 were as follows:

	Amount	Value
1920.....	414,250,021 cases	\$ 65,239,020
1919.....	852,865,414 "	121,893,337

The average price paid to milk producers by the condensaries of the Pacific Northwest during the month of January was \$1.71 per hundredweight. The average price paid in the whole United States during the same period was \$2.13 per hundredweight which is \$1.36 less than the price paid in January, 1920. Prices paid to producers by fluid milk distributors are shown in table "F."

Outstanding features in the movement of cold storage butter during the month of January were the large increase in the holdings at

San Francisco and the steady decrease in the holdings at Los Angeles. Approximately 230,000 pounds of New Zealand butter were placed in storage in San Francisco during the past month and as a result that city shows a net increase of 148,607 pounds in cold storage holdings. Storage and undergrade butters are in poor demand on all markets.

Supplies of butter of all kinds continue large and prices in the district were slightly lower than in December and considerably lower than in January, 1920. The weakness of eastern markets is reflected in local conditions, especially in California, which depends on New York and other eastern centers to absorb its surplus production at this season of the year.

A comparative statement of cold storage withdrawals during January, 1921 and 1920 and total holdings on February 1st at the four principal markets of the district is given in table "G."

January production of lumber by the reporting mills of the four lumbermen's associations in this district was 43.6 per cent less than in December, and is now approximately one-half of normal production. During the early part of February, however, there were indications of improvement in this industry, which was forecasted during January by the margin of over 15,000,000 feet by which

#### (G) Holdings and Withdrawals of Cold Storage Butter—

City	January, 1921 Net Withdrawals	January, 1920 Net Withdrawals	February 1, 1921 Holdings	February 1, 1920 Holdings
Los Angeles.....	218,507 pounds	40,937 pounds	188,880 pounds	23,762 pounds
Portland .....	42,552 "	67,728 "	226,146 "	289,887 "
San Francisco .....	*148,607 "	243,917 "	615,596 "	233,421 "
Seattle .....	182,924 "	130,415 "	274,243 "	413,855 "
Totals .....	295,376 pounds	482,997 pounds	1,304,865 pounds	960,925 pounds

\*Net Increase.

#### (H) Lumber Statistics—

	West Coast Lumbermen's Association		Western Pine Manufacturers' Association		California White and Sugar Pine Manufacturers' Association		California Redwood Association		TOTAL	
	4 Weeks ending Jan. 29	Pre- ceding Four Weeks	4 Weeks ending Jan. 29	Pre- ceding Four Weeks	4 Weeks ending Jan. 29	Pre- ceding Four Weeks	4 Weeks ending Jan. 29	Pre- ceding Four Weeks	4 Weeks ending Jan. 29	Pre- ceding Four Weeks
Average No. of Mills Re- porting ...	114	116	36	31	5	4	9	11	164	162
Cut* .....	130,865	187,142	18,203	40,947	740	2,350	10,308	17,693	160,116	284,132
Shipments* ..	133,645	188,669	29,942	27,707	2,263	2,415	9,197	10,542	175,892	229,243
Orders* .....	140,221	114,737	30,300	21,725	4,729	1,382	4,413	4,523	179,802	142,367

\* In thousands of board feet.



shipments and orders each exceeded production. It is estimated that 50 per cent of the mills will be in operation by the middle of February; wage scales are being revised amicably; and logging interests have voluntarily reduced log prices to substantially lower levels. Orders for lumber received during January were 26.2 per cent greater than December bookings and prices in general are tending to stiffen. Mill men believe that the resumption of railroad buying is near at hand and this is expected to consume 33 per cent of the fir mill capacity for an indefinite period.

Some improvement in the freight rate situation is noted, coast shippers anticipating adjustments in rail rates about March 1st. Cargo rates have been reduced materially, and it is reported that, within a period of eight days, there were three reductions in the ocean rate from Northwest Coast ports to the Atlantic seaboard. On February 7th it was reported to be \$17.50 per thousand feet on independent steamers. One Washington mill reports an order of 32,000,000 board feet from China and South America. The Intercoastal Rate Conference announced a new rate on shingles of \$1.35 per thousand, the previous rate having been \$1.85.

Comparative figures of cut, shipments and orders for the reporting mills of the four associations in this district are shown in table "H".

Reports received from forty-seven of the largest mining companies in the Twelfth Federal Reserve District engaged in the production of gold, silver, lead or copper, indicate a slight falling off in mining activity during December, 1920, as compared with November, 1920, and December, 1919. The outstanding feature of the mining industry during the year 1920 was the closing down of a number of the largest gold and copper mines in the district. Conditions were unfavorable for the production of gold, particularly in the mother lode region in California, where some of the mines that were once among the largest in the state have ceased operations. Without the dredging industry, gold

mining would be at a low ebb at the present time. The average capacity in operation of the deep gold mines reporting was 70 per cent, while the dredges are operating at full capacity. The mining of non-precious metals is proceeding on a small scale as compared with the quantity production of the war period. Of 14 reporting copper companies in the district, six report no operations for December, 1920, due to the low price of copper, while the remaining eight show curtailed operations for the same reason. The percentage capacity of copper mines in operation ranges from zero to the high mark of 67 per cent, the average being 28 per cent.

Following are comparative figures of the output of metal of the forty-seven reporting mines, for December, 1920; November, 1920, and December, 1919.

## OUTPUT OF METAL

	Dec. 1920	Nov. 1920	Dec. 1919
Gold (ounces).....	31,142	29,260	27,683
Silver ".....	600,326	723,477	682,894
Lead (pounds).....	16,395,090	15,332,762	12,468,282
Copper ".....	23,033,693	24,954,572	27,845,796

In January, for the fifth successive month, a new high record for the production of petroleum in California was established and for the second time since July, 1919, the **Petroleum** monthly output exceeded the consumption, and stored stocks were consequently increased. The average daily production of 331,186 barrels was 6,253 barrels per day in excess of the December output, while the average daily shipments, amounting to 319,769 barrels, were 16,198 barrels per day less than in December. Stored stocks were increased 353,919 barrels during the month.

Sixty-four new wells were completed during January, with an initial daily production of 29,852 barrels which is almost double the initial daily production of the 58 new wells completed in December. Statistics on oil field operations, as furnished by the Standard Oil Company of California, are given in table "I."

## (I) Petroleum—

	January	December	November
Production (daily average).....	331,186 barrels	324,933 barrels	312,082 barrels
Shipments (daily average).....	319,769 "	335,967 "	310,899 "
Stored Stocks (end of month).....	22,594,190 "	22,240,271 "	22,582,304 "
New Wells Opened.....	64	58	47
With Initial Daily Production.....	29,852 barrels	16,625 barrels	29,520 barrels
Wells Abandoned.....	5	9	9

Measured in terms of dollars, the volume of retail trade, as reported by 24 representative department stores and mail order houses in this district, averaged 14.3 per cent less during January, 1921, than in January, 1920. Prices from 10 to 30 per cent lower than those prevailing during January, 1920, are reported, however, and therefore a reduction in the value of sales is not necessarily an indication of a reduction in the actual number of sales transactions. Decreases in the value of net sales during January, 1921, as compared with January, 1920, were reported from all cities except Los Angeles, which showed a 17.1 per cent increase.

While retailers are maintaining a cautious buying attitude, there is some slight indication in the report of stocks on hand that they are now liquidating high priced inventories. With the exception of the stores in Los Angeles and Spokane, all firms report smaller stocks on hand on January 31, 1921, than on December 30, 1920, the decrease for the district being 4.1 per cent.

The number of stores reporting collections as "good" increased from 50 per cent in December to 66 per cent in January. Collections were reported as "excellent" by 6 per cent,

"fair" by 20 per cent, and "poor" by 6 per cent of the 24 stores and mail order houses reporting in January.

Table "J" gives detailed statistics in regard to the sales, stocks, and outstanding orders of the reporting department stores.

Reports from 145 wholesale firms in this district show a general decrease in volume of trade during January, 1921, both as compared to December, 1920, and to January 1920. The wholesale grocery trade was the one line of business in which the value of net sales during January showed an increase over sales during December. The average net increase or decrease in the value of net sales for the eight reporting lines of business was as follows:

	January, 1921, Compared to January, 1920      December, 1920	
Hardware .....	-29.5	-13.3
Dry Goods .....	-46.6	-28.7
Groceries .....	-26.6	1.7
Drugs .....	-12.7	-4.3
Shoes .....	-57.0	-7.1
Stationery .....	-6.8	-22.4
Furniture .....	-35.0	-22.9
Auto Tires .....	-32.7	-66.7

Although retail dealers' stocks are reported low, buying continues light and appears to be

### (J) Retail Trade Activity—

#### CONDITION OF RETAIL TRADE DURING JANUARY, 1921

##### In Federal Reserve District No. 12

(24 Stores Reporting)

	Los Angeles	San Francisco	Seattle	Spokane	Salt Lake City	Oakland	Sacra- mento	District
Percentage increase or decrease of net sales during January, 1921, over net sales during same month last year.....	17.1	-12.1	-23.4	-10.1	.. .59	-10.4	-16.8	-14.3
Percentage increase or decrease of net sales during January, 1921, over net sales during December, 1920 .....	-32.4	-49.3	-46.9	-54.6	-47.3	-49.2	-59.7	-43.7
Percentage increase or decrease of stocks at close of January, 1921, over stocks at close of same month last year.....	-4.9	-9.3	-21.4	-3.6	..	-21.1	..	.4
Percentage increase or decrease of stocks at close of January, 1921, over stocks at close of December, 1920 .....	3.6	-9.0	-11.3	2.1	..	-10.9	..	-4.1
Percentage of average stocks at close of January, 1921, to average net sales during same month..	354.1	424.2	463.0	620.5	..	427.2	..	502.4
Percentage outstanding orders at close of January, 1921, to purchases during year 1920.....	6.93	4.36	2.74	..	..	..	..	5.4

waiting for positive assurance that prices have reached a stable basis. Of the reporting firms, 33 per cent of wholesale grocers, 63 per cent of wholesale dry goods firms, 25 per cent of wholesale shoe firms, and 33 per cent of wholesale furniture dealers state that there is some indication that retail merchants have liquidated their high priced inventories and are now buying for stock at the new wholesale price levels.

The general trend of prices during January was downward in all lines except in the automobile tire business where prices remained practically stationary during the month. Present price quotations are from 5 to 30 per cent lower than those of a year ago except for dry goods, automobile tires and stationery. Dry goods prices are reported as from 25 to 55 per cent lower than in January, 1920, and tire prices are reported as approximately the same as they were last year at this time. No definite statement can be made concerning the trend of stationery prices compared with January of last year as some firms report substantial increases in price while others report correspondingly large decreases.

Of the 145 reporting firms, 4.2 per cent report collections as "excellent," 31 per cent as

"good," 52 per cent as "fair" and 7 per cent as "poor." Last month 48 per cent of the reporting firms termed collections as "good" and only 43 per cent as "fair."

Statements of increases and decreases in wholesale trade of 145 firms for January, 1921, as compared with January, 1920, and December, 1920, are given in table "K."

Unemployment in the Twelfth Federal Reserve District during January, diminished slightly as compared with December, and no increase in the number of unemployed **Labor** is expected. In the Pacific Northwest where considerable numbers of mill hands and agricultural workers are normally and voluntarily out of work at this season, unemployment will be greatly alleviated with the beginning of agricultural activity in the spring and the reopening of the lumber mills. In Seattle, conditions remain about the same as last month, with approximately 7000 out of work. Wages are being reduced from 10 to 25 per cent, and it is estimated that 1500 men are receiving temporary help from welfare organizations. Present unemployment in Oregon probably totals 10,000 of whom many are reported to be from other states. Outside the lumber industry the principal unemployment is in road

### (K) Wholesale Trade—

(1a) Percentage of increase or decrease (—) in net sales for January, 1921, over January, 1920

	Hard-ware	Dry Goods	Groceries	Drugs	Shoes	Stationery	Furniture	Auto Tires
No. of reporting firms.....	23	11	28	6	14	12	13	10
Los Angeles.....	-27.7	..	-17.4	13.8	-51.4	-7.4	-66.5	-58.5
San Francisco.....	-30.4	-45.9	-38.8	-13.9	-58.7	-7.0	-57.8	..
Seattle .....	24.7	-59.5	-37.4	..	-50.8	-33.7	-25.3	-72.4
Portland .....	-23.2	-52.3	-36.8	-33.5	-71.7	1.4	-38.2	..
Tacoma .....	-20.6	..	-39.3	..	..	..	-58.3	..
Spokane .....	-32.9	-32.5	-48.7	..	..	-8.9	..	-64.8
Salt Lake City.....	-46.3	-40.9	-40.7	..	..	..	..	-90.0
Sacramento .....	-32.9	..	-28.2	..	..	..	..	..
District .....	-29.5	-46.6	-26.6	-12.7	-57.0	-6.8	-35.0	-32.7

(1b) Percentage of increase or decrease (—) in net sales for January, 1921 over December, 1920

	Hard-ware	Dry Goods	Groceries	Drugs	Shoes	Stationery	Furniture	Auto Tires
No. of reporting firms.....	23	11	24	4	12	11	12	10
Los Angeles.....	-7.2	..	3.1	..	..	-30.6	3.6	-66.8
San Francisco.....	-13.1	34.9	11.6	-10.7	-21.3	-7.5	-6.5	..
Seattle .....	12.7	.02	..	..	55.2	-5.5	-54.9	-77.1
Portland .....	-23.4	-38.3	11.8	..08	-10.2	-24.3	-43.2	..
Tacoma .....	-34.2	..	3.3	..	..	..	-27.0	..
Spokane .....	-32.0	-45.7	5.1	..	..	-31.5	..	-58.2
Salt Lake City.....	-39.0	36.7	8.0	..	..	..	..	-50.0
Sacramento .....	-3.0	..	1.0	..	..	..	..	..
District .....	-13.3	-28.7	1.7	-4.3	-7.1	-22.4	-22.9	-66.7

and irrigation work, farm work and furniture and wood-working factories. Employment conditions in Spokane are considered worse than for several years past. One employment office lists 759 married men with families seeking employment. It is reported that there are approximately 7500 unemployed in Los Angeles; 40 per cent of whom are said to be laborers from mines and ranches of other states; 60 per cent of the total representing a reduction in employment in Los Angeles and vicinity. In San Francisco there is an estimated total of 13,000

unemployed. The situation in Salt Lake City remains unchanged with 2500 unemployed, but it is expected that the number of unemployed will be greatly reduced within the next thirty days. Conditions of employment in the state of Nevada may be said to be about normal, although laborers have experienced reductions in wages. A decrease of unemployment is noticeable in Idaho, although substantial change is not expected until April.

The data shown in tables "L" and "M" is based on figures published by the United States Employment Service. Table "L" shows the population in 1920 and the estimated unemployed in the principal cities in Washington, Oregon and California. Table "M" shows the number of persons employed on January 1, 1921, and the percentage employed compared with January 1, 1920.

Exports from the Twelfth Federal Reserve District during December, 1920, amounted to \$27,374,000, a decrease of 39.7 per cent as compared with December, 1919. Imports for the month of December 1920, totaled \$12,492,000 as compared with \$32,328,000 for December, 1919, or a decrease of 61.9 per cent. For the twelve months ending December 31, 1920, exports from the district were valued at \$493,602,000 as compared with \$583,372,000 in the year 1919, or a decrease of 15.4 per cent for the year 1920. The imports for the year 1920 were valued at \$365,021,000 as compared with \$490,945,000, the value of 1919 imports, or a decrease of 17 per cent in 1920.

Current exports indicate a revival of shipping at the port of Seattle. Cargo offerings are plentiful, especially shipments of lumber and

### (L) Labor—

	Population 1920	Estimated Unemployed
<b>WASHINGTON</b>		
Seattle .....	315,652	7,000
Tacoma .....	96,965	3,000
Spokane .....	104,437	3,000
Everett .....	27,644	4,500
Bellingham .....	25,570	2,500
<b>OREGON</b>		
Portland .....	258,288	10,000
Salem .....	17,679	800
Astoria .....	14,027	100
<b>CALIFORNIA</b>		
San Francisco.....	508,410	13,000
Los Angeles.....	576,673	7,000
Oakland .....	216,361	1,000
Fresno .....	44,616	1,000
Sacramento .....	65,857	5,000
Stockton .....	40,296	1,000
San Jose.....	39,604	1,300
San Diego .....	74,683	3,000
Berkeley .....	55,886	500
<b>TOTAL *</b> .....	<b>2,482,648</b>	<b>63,700</b>

\* The population of these three states is 81.2% of the total population of the Twelfth Federal Reserve District.

### (M) Labor—

	<i>Metals, Metal Products, Machinery, Foundry Products, Electrical Goods</i>		<i>Building Trades</i>		<i>Packing and Food Products</i>		<i>Lumber, House Furniture, Boxes and Wood Products</i>		<i>All Other Groups*</i>		<i>Total Groups</i>	
	No. of Persons employed on Jan. 1 1921	% Compared with Jan. 1 1920	No. of Persons employed on Jan. 1 1921	% Compared with Jan. 1 1920	No. of Persons employed on Jan. 1 1921	% Compared with Jan. 1 1920	No. of Persons employed on Jan. 1 1921	% Compared with Jan. 1 1920	No. of Persons employed on Jan. 1 1921	% Compared with Jan. 1 1920	No. of Persons employed on Jan. 1 1921	% Compared with Jan. 1 1920
Washington ...	9,800	30.6	6,500	40.6	8,750	68.8	8,820	39.1	13,880	69.5	47,750	46.2
Oregon .....	9,840	167.7	4,900	71.1	7,050	94.0	10,623	39.9	13,515	93.1	45,928	74.8
California .....	39,006	96.2	48,474	107.4	44,185	88.3	15,703	115.0	32,170	103.5	179,538	99.5
<b>Total .....</b>	<b>58,646</b>	<b>74.6</b>	<b>59,874</b>	<b>88.0</b>	<b>59,985</b>	<b>85.4</b>	<b>35,146</b>	<b>56.1</b>	<b>59,565</b>	<b>90.9</b>	<b>273,216</b>	<b>79.1</b>
<b>Total U. S. ...</b>	<b>1,997,862</b>	<b>69.5</b>	<b>508,322</b>	<b>47.6</b>	<b>900,941</b>	<b>81.0</b>	<b>538,766</b>	<b>67.8</b>	<b>2,124,757</b>	<b>59.8</b>	<b>6,070,648</b>	<b>64.5</b>

\* Includes (a) textiles and their products, (b) leather and its products, (c) automobiles and accessories, and (d) clay, glass, cement and stone products.

canned salmon, and one newly established line of steamers between Seattle and the Atlantic Coast has nine large steel vessels in service. Shipments of copper from the mines of Montana and lead from the mines of Idaho are now being moved to Seattle for transshipment to New York by way of the Panama Canal, in order to avoid the prevailing high railroad freight rates. Comparative figures of exports and imports through the ports of this district are given in tables "N" and "O."

No announcements of new contracts have been made by shipbuilding yards on the Pacific Coast during the month of January.

**Shipbuilding** Steel merchant vessels under construction in American shipbuilding yards on the Pacific Coast on January 1st, totaled 57, of an aggregate deadweight tonnage of 598,500 tons, according to returns compiled by the Pacific Marine Review. Two of the largest yards, however, are kept busy on naval construction, each having only one merchant vessel under way.

During December there were delivered five freighters, totaling 44,150 deadweight tons for the United States Shipping Board and four tankers of 30,390 deadweight tons for private account.

Table "P" gives comparative figures of vessels under construction on the 1st of January, 1921, December, 1920, and November, 1920, as furnished by the Pacific Marine Review:

Business failures during the month of January equalled the record month of December, 1920, in number, and exceeded it in amount of liabilities. This development is not unexpected, in view of the continued readjustments in all lines of business. Compared with the returns of last year, allowance must be made for the fact that the failures, both in number and total liabilities were abnormally small at that time.

The average failure in Arizona had liabilities of \$5,700; in California, \$14,686; in Idaho, \$7,506; in Oregon, \$92,898; in Washington, \$233,817, and in Utah, \$46,917. Only three fail-

#### (N) Exports\*

	Month Ending		% Increase or Decrease	Twelve Months Ending		% Increase or Decrease
	Dec. 31 1920	Dec. 31 1919		Dec. 31 1920	Dec. 31 1919	
San Francisco.....	10,942	24,310	—55.1	220,257	235,665	— 6.3
Los Angeles.....	2,055	987	108.1	18,606	10,496	80.0
Oregon .....	5,678	2,661	113.3	61,428	44,472	38.6
Washington .....	8,645	17,319	—50.0	192,784	292,332	—34.2
San Diego.....	54	35	54.2	527	407	29.4
Total .....	27,374	45,312	—39.7	493,602	583,372	—15.4

\* 000 omitted.

#### (O) Imports\*

	Month Ending		% Increase or Decrease	Twelve Months Ending		% Increase or Decrease
	Dec. 31 1920	Dec. 31 1919		Dec. 31 1920	Dec. 31 1919	
San Francisco.....	6,556	19,968	—68.4	211,928	238,074	—11.3
Los Angeles.....	1,387	346	300.8	9,897	3,218	206.2
Oregon .....	345	269	82.5	8,218	3,151	164.5
Washington .....	4,140	11,712	—64.7	134,068	195,963	—31.2
San Diego.....	64	33	93.9	910	539	68.8
Total .....	12,492	32,328	—61.9	365,021	440,945	—17.0

\* 000 omitted.

#### (P) Shipbuilding—

	January 1, 1921		December 1, 1920		November 1, 1920	
	Vessels	Total D. W. Tonnage	Vessels	Total D. W. Tonnage	Vessels	Total D. W. Tonnage
For U. S. S. B.....	18	173,950	23	218,100	26	248,700
For Private Account.....	30	342,270	34	382,660	38	415,060
Foreign.....	9	82,280	9	82,280	9	82,280
Total.....	57	598,500	66	683,040	73	746,040

ures have been reported in the state of Nevada during the past three months.

Following are R. G. Dun & Company's comparative figures for the states of this district (table "Q"):

Building permits issued in the 20 principal cities of the district during January, 1921, averaged 35.5 per cent less by value and 5.6 per cent greater by number than those issued during December, 1920. January, 1921, permits show a 44.2 per cent decrease in value compared to January, 1920 permits, and a 10.3 per cent decrease in the number of permits issued.

The average value of the permits issued in the district as a whole during January, was \$1,577, as compared with \$2,587 in December, 1920. However, in the tabulation of the values of building permits, the increase in the purchasing power of the dollar is not taken into consideration, and the reduction in the volume of building operations is not so great as these figures would seem to indicate.

Following are comparative figures for the district as a whole, and for those cities the value of whose permits exceeded \$300,000 in January, 1921 (table "R"):

January bank clearings declined in all the reporting cities of the district. The total clearings for the district were \$1,542,802,000 or 11.6 per cent less than the clearings for December, 1920, and 11.6 per cent less than the clearings for January a year ago.

#### Bank Clearings and Debits to Individual Accounts

January debits to individual accounts as reported by 113 banks in the 20 reporting cities of the district were \$2,141,293,000 as compared with \$2,155,680,000 in January 1920, or a decrease of .64 per cent for the year. Increases were reported by Los Angeles, Salt Lake City and San Francisco, the former city showing an increase of 11.4 per cent in January 1921, as compared with January, 1920. The unsettlement of one of the basic industries of the section and aggravated unemployment conditions are reflected in the reports of three of the principal cities of the Pacific Northwest, which show decreases ranging from 5.6 per cent to 18.8 per cent.

Comparative figures for the six Federal Reserve Bank and Branch cities and comparative totals for 20 reporting cities in the district are given in tables "S" and "T."

#### (Q) Business Failures—

	January, 1921		December, 1920		January, 1920	
	No.	Amount	No.	Amount	No.	Amount
Arizona .....	10	\$ 57,000	4	\$ 23,200	3	\$ 9,000
California .....	58	851,793	61	609,339	41	373,103
Idaho .....	12	80,075	12	148,566	2	14,000
Nevada .....	1	20,000	2	22,000	—0—	—0—
Oregon .....	20	1,857,962	16	2,686,435	7	45,059
Utah .....	11	516,096	6	150,670	13	165,470
Washington .....	30	7,014,530	41	690,133	14	1,262,600
District .....	142	\$10,397,456	*142	\$4,249,343	80	\$1,869,238

\* This figure is in correction of the figure (196) which appeared in the January report.

#### (R) Building Permits—

	January, 1921		December, 1920		% Increase or Decrease (—) in Value During Month	January, 1920		% Increase or Decrease (—) in Value of 1921 Over 1920
	No.	Value*	No.	Value*		No.	Value*	
Los Angeles.....	1,871	3,301	1,913	3,804	—13.2	1,928	4,186	—21.1
San Francisco.....	368	1,246	376	1,749	—28.7	490	1,636	—23.8
San Diego.....	256	499	249	1,220	—59.0	155	277	80.1
Portland .....	656	646	594	633	2.0	694	924	—30.0
Oakland .....	352	546	324	630	—13.3	354	548	—36
Fresno .....	182	341	200	2,234	—84.7	224	875	—61.0
Seattle .....	734	683	577	1,676	—59.2	771	1,291	—47.0
Long Beach.....	216	472	219	442	6.7	581	1,271	—62.8
Total .....	4,635	7,734	4,452	12,388	—37.5	5,197	11,008	—29.7
Total District†....	5,668	8,942	5,364	13,877	—35.5	6,343	16,033	—44.2

\* 000 omitted.

† 20 cities reporting.

A statement of interest and discount rates customarily charged by banks in Federal Reserve Bank and Branch cities of this district, tabulated for the thirty-day periods ending February 15, 1921, and January 15, 1921, respectively, is given

in table "U."

During the four weeks ending February 11th, member banks reduced their borrowings from this bank from \$159,000,000 to \$139,000,000, a liquidation of \$20,000,000 or 12.6 per cent. At the same time the circulation of Federal Reserve notes declined from \$260,000,000 to \$247,000,000, a shrinkage of \$13,000,000, or about 5.2 per cent. Total cash reserves re-

mained practically unchanged at \$195,000,000, but the secondary reserve of the bank, consisting of bills (bankers' acceptances) purchased in the open market, was increased 33 per cent from \$33,000,000 to \$44,000,000. Member banks' reserve account remained stationary at \$113,000,000.

On January 24th the discount rate charged by this bank upon member banks' and customers' notes secured by United States Certificates of Indebtedness, which had previously been the same as the rate borne by the certificates securing such notes—with a minimum of  $5\frac{1}{2}$  per cent was raised to 6 per cent. This change makes the discount rate of the bank uniform at 6 per cent for all kinds and maturities of paper offered for rediscount.

### (S) Bank Clearings—January, 1921\*—

	January, 1921	December, 1920	January, 1920
San Francisco.....	\$ 606,000	\$ 664,100	\$ 721,476
Los Angeles.....	365,468	380,189	316,283
Portland .....	122,493	150,605	144,839
Seattle .....	123,787	145,711	175,300
Salt Lake City.....	71,360	88,117	84,812
Spokane .....	45,142	50,757	59,480
Total .....	\$1,334,250	\$1,479,479	\$1,502,190
Total District †.....	\$1,542,802	\$1,733,678	\$1,745,119

\* 000 omitted.

† 20 cities reporting.

### (T) Debits to Individual Accounts\*—

	January, 1921	January, 1920	% Increase or Decrease (—) January, 1921 over January, 1920
Spokane .....	\$ 50,372	\$ 53,705	— 5.6
Seattle .....	159,098	196,115	—18.8
Portland .....	152,923	179,871	—14.9
Salt Lake City.....	84,937	77,848	9.0
Los Angeles.....	438,335	393,599	11.4
San Francisco.....	843,242	833,179	1.2
Other Cities.....	412,346	421,363	2.1
Total District †.....	\$2,141,293	\$2,155,680	— .64

\* 000 omitted.

† 20 cities reporting.

### (U) Interest and Discount Rates—

	Prime Commercial Paper				Interbank Loans		Collateral Demand Loans		Secured by L. L. Bonds or U. S. Certificates of Indebtedness	
	Customers		Open Market		Feb.	Jan.	Feb.	Jan.	Feb.	Jan.
San Francisco.....	6½	6½	8	8	6½	6½	6½	6½	6½	6½
Los Angeles.....	7	7	8	8	6	6	7	7	7	7
Seattle .....	7	7	8	8	7	7	7	8	8	8
Portland .....	7	7	8	8	7	7	7	7	7	7
Salt Lake City.....	8	8	8	8	7	8	8	8	8	8
Spokane .....	7½	7	none	none	7	7	8	none	8	8

**COMPARATIVE STATEMENT OF  
CONDITION OF FEDERAL RESERVE BANK OF SAN FRANCISCO  
AT CLOSE OF BUSINESS FEBRUARY 11, 1921**

**RESOURCES—**

	Feb. 11, 1921	Jan. 14, 1921	Feb. 13, 1920
Gold and Gold Certificates.....	\$ 18,024,000	\$ 18,129,000	\$ 15,530,000
Gold Settlement Fund—F. R. Board.....	31,729,000	32,267,000	33,568,000
Total Gold Held by Bank.....	\$ 49,753,000	\$ 50,396,000	\$ 49,098,000
Gold With Federal Reserve Agent.....	132,618,000	131,137,000	80,911,000
Gold Redemption Fund.....	10,892,000	11,704,000	9,873,000
Total Gold Reserves.....	\$193,263,000	\$193,237,000	\$139,882,000
Legal Tender Notes, Silver, etc.....	1,962,000	1,388,000	194,000
Total Reserves.....	\$195,225,000	\$194,625,000	\$140,076,000
Bills Discounted:			
Secured By Government War Obligations.....	38,209,000	47,782,000	52,424,000
All Other.....	101,372,000	111,283,000	46,177,000
Bills Bought in Open Market.....	44,980,000	33,509,000	102,323,000
Total Bills on Hand.....	\$184,561,000	\$192,574,000	\$200,924,000
U. S. Government Bonds.....	1,822,000	1,872,000	2,632,000
U. S. Victory Notes.....	—0—	—0—	—0—
U. S. Certificates of Indebtedness.....	11,010,000	12,202,000	13,356,000
All Other Earning Assets.....	—0—	—0—	—0—
Total Earning Assets.....	\$197,393,000	\$206,648,000	\$216,912,000
Bank Premises.....	393,000	389,000	231,000
Uncollected Items and Other Deductions from			
Gross Deposits.....	36,857,000	44,903,000	54,136,000
5% Redemption Fund Against F. R. Bank Notes...	665,000	665,000	665,000
Gold Abroad, in Custody, or in Transit.....	152,000	152,000	5,190,000
All Other Resources.....	421,000	493,000	324,000
TOTAL RESOURCES.....	\$431,106,000	\$447,875,000	\$417,534,000

**LIABILITIES—**

Capital Paid In.....	7,006,000	6,949,000	5,968,000
Surplus .....	14,194,000	14,194,000	7,539,000
Government Deposits.....	2,422,000	1,340,000	3,100,000
Due to Members—Reserve Account.....	113,346,000	113,991,000	118,138,000
Deferred Availability Items.....	29,732,000	33,980,000	37,199,000
Other Deposits, including Foreign			
Government Credits.....	5,978,000	7,315,000	6,956,000
Total Gross Deposits.....	\$151,478,000	\$156,626,000	\$165,393,000
F. R. Notes in Actual Circulation.....	247,303,000	260,068,000	224,973,000
F. R. Bank Notes in Circulation—Net Liability...	8,848,000	8,402,000	11,592,000
All Other Liabilities.....	2,277,000	1,636,000	2,069,000
TOTAL LIABILITIES.....	\$431,106,000	\$447,875,000	\$417,53 ,000
MEMO: Contingent Liability on Bills Purchased			
for Foreign Correspondents.....	736,000	736,000	—0—