

AGRICULTURAL AND BUSINESS CONDITIONS IN THE TWELFTH FEDERAL RESERVE DISTRICT

Monthly Report to the Federal Reserve Board

by

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No. 12

MEMBER banks of this district reduced their borrowings from the Federal Reserve Bank at an accelerated pace during the month ending December 14th, the decline in that period amounting to \$24,000,000, or 27.2 per cent, and leaving the total of such borrowings on that date, \$64,000,000, the smallest reported at any time during the last

The Month two years. Banks in the larger cities of the district continued to reduce their borrowings at approximately the same rate which has prevailed since September last, and liquidation of their borrowings by banks in the country districts became substantial during November for the first time this year. In the reports of the 64 principal reporting member banks there is apparent a tendency toward increase in deposits, accompanied by a slight increase (4.2 per cent during the month ending December 7th) in loans not secured by United States Government obligations. These reporting member banks during the same period cut their borrowings from the Federal Reserve Bank in half. In the acceptance market more bills are originating in this district and are being offered in the open discount market. Demand for bills was gradually broadening during November but has diminished during the first two weeks of December, a tendency reported to be due to conservation of cash by banks for the year-end settlements.

During November, the month between early fall buying and holiday purchases, it is customary for retail and wholesale sales generally to show seasonal declines. In the wholesale trade, however, it is significant to note that sales of automobile tires, dry goods, and furniture, during November exceeded in dollar value the sales in those lines during November, 1920. Excepting agricultural implements and stationery, the decline in net sales in the

other seven reporting lines, when compared with the declines in the selling prices of their products during the year, indicates that the physical volume of merchandise now moving at wholesale is as large or larger than it was last year at this time. A similar situation obtains in the retail trade where sales of the 34 reporting department stores were only 7.9 per cent less in November, 1921, than they were in November, 1920, with price declines for the same period reported to be from 15 to 25 per cent.

The last of the 1921 agricultural products of this district are now coming to market. The California rice crop has been harvested under exceptionally favorable climatic conditions and the quality is reported good. A favorable factor in its market prospect is the appreciable rice shortage reported in Japan where the embargo against rice imports has been lifted and where prices are reported to be rising. Latest estimates of the apple crop of the district place it at 45,000,000 bushels, approximately 50 per cent in excess of last year's short crop. With the shortage of fresh fruits in the East and Middle West, as a result of frosts last spring, the demand for apples so far this season has on the whole been good and growers are expected to experience a profitable year. The livestock of this district is in excellent condition. Hay is abundant and cheap and winter range prospects are good. There is reported from all districts a stronger demand for feeder cattle and, except in the Inter-Mountain district, there are indications that herds and flocks are being restocked. Flour mills of the district are operating at approximately 58.9 per cent of capacity as compared with 34.7 per cent of capacity a year ago. Many mills in California are doing even better than this on account of a brisk export demand from Mexico and Latin America.

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In the lumber industry diminution of October's sudden activity is noted, but a decline with the approach of the new year is customary. Production is now 9 per cent less and orders and shipments are 55 and 20 per cent greater, respectively, than they were in November, 1920. The export demand, principally from Japan, continues brisk and there is reported an increasing tendency to use ocean transportation in the lumber trade between the Pacific and Atlantic coasts. The supply of logs in the water is abnormally small and it is expected that logging operations will be more than usually extensive during the winter. Petroleum production in California, since the conclusion of the oil strike, has shown a marked increase and during the month of November was slightly more than the increased consumption reported for that month. Storage stocks were consequently increased again after the declines of October and November.

Building activity, particularly in the interior states of the district, decreased during November with the approach of winter and figures for that month were slightly below the record months of September and October of this year. They are still, however, 49.3 per cent greater in value and 46.3 per cent greater in number of permits than in November, 1920.

Unemployment throughout the district, principally among unskilled workers, increased during November. The greatest declines in employment were reported from the seasonal industries, agriculture and road building, and from the shipyards which are now operating at approximately 5 per cent of their war capacity. There continues to be a strong demand for skilled labor in the building industry.

Bank clearings during November were 9.6 per cent less than in November, 1920. This is the smallest percentage of decline from last year's figures which has been shown in any month this year and indicates a substantial increase in physical volume of business being done now as compared with a year ago.

Business failures during November were the largest reported during the year, an increase which is in part seasonal.

Light domestic and export demand in the face of accumulating stocks of flour is reported to have caused some decrease in the output of flour mills of this district during November compared with the previous month. Total production of 71 reporting mills was 58.9 per cent of capacity as compared with 61.9 per cent in the preceding month and 34.7 per cent a year ago. Millers in the Northwestern states report that both export and domestic demand for flour has been light as compared with the previous three months. California millers state that they have recently experienced a strong export demand from Mexico and Central America, and mills in that state reduced their operations only slightly during the month.

The industry is proceeding slowly and cautiously in all states and stocks are not being allowed to accumulate. Stocks of flour held by millers on December 1st, as reported by 15 large operators were 381,582 barrels compared with 425,783 barrels held on the same date last year. Stocks of wheat held by the same millers on December 1, 1921, were 1,532,603 bushels compared with 2,069,482 bushels held on December 1, 1920. Table "A" shows the November production of the 71 reporting mills by states, and the percentages of mill capacity in operation this year and last.

Harvesting of the district's apple crop is practically completed, and November production estimates show an increase of 3,752,000 bushels over early season crop forecasts. United States Department of Agriculture estimates of apple production by states for this year and last year follow:

	1921 (bushels)	1920 (bushels)
California	6,525,000	6,003,000
Idaho	3,913,000	3,631,000
Oregon	5,400,000	3,300,000
Washington	28,325,000	17,000,000
Remaining States.....	981,000	1,018,000
Twelfth District.....	45,144,000	30,952,000

Boxed apples from the Pacific Northwest continued their rapid movement to market

(A) Milling—

	No. Mills Reporting		Output		Per Cent Mill Capacity in Operation		
	November	October	November (barrels)	October (barrels)	November 1921	October 1921	November 1920
California	10	9	275,578	302,790	68.6	71.0	42.8
Idaho	5	4	5,991	15,543	23.1	50.8	32.2
Oregon	27	26	171,553	224,340	50.9	65.5	32.9
Washington	29	24	402,957	454,652	58.1	68.0	30.7
District	71	63	856,079	997,325	58.9	61.9	34.7

during November, and district shipments up to December 3rd totaled 37,425 cars compared with 22,399 cars shipped up to that date last year. A comparison of carlot shipments this year and last year from the chief apple producing states of this district is given in the following table:

	Carlot Shipments to December 3rd		Total Season 1920
	1921	1920	
California	4,205	3,797	4,503
Idaho	5,001	2,184	2,784
Oregon	4,278	2,169	3,169
Washington	23,240	13,655	21,652

The principal movement of early varieties, and Jonathans, the chief mid-season variety, has been completed, leaving only Winesaps, Newtowns, and a few hard, late-keeping varieties to be marketed.

Absence of speculative or storage demand, reduced consumer buying power, and unusually heavy shipments from the Pacific Northwest are reported to have been the distinctive factors in the apple market this season. During November boxed apples from Oregon, Washington and Idaho were shipped into markets heavily supplied with eastern barrelled apples, a considerable amount of the fruit arriving in an overripe condition and being forced into immediate consumption. Prices were depressed to a point where growers are reported to have received from 25 to 50 cents per box less than during November of 1920 when prices averaged from \$1.75 to \$2.95 per box for the leading varieties. (Jonathans averaged \$2.20 per box in November, 1920).

Upon the entire 1921 season's operations growers are reported by commercial factors to have received a profitable return, as costs of production have been considerably lower than last year.

The 1921 crop apples have proved to be good storage fruits. Jonathans have not shown the signs of decay which caused trouble and considerable loss last year. Apples now in storage will be largely marketed in the next three months. The peak of the shipping season has passed, the small eastern crop has been marketed, and storage holdings are reported to be normal for this time of the year.

The 1921-22 crop of Navel oranges in California is reported to be maturing later than usual, and to be sizing up slowly. Picking of this season's crop began about the middle of November in central California and early in December in southern California. Commercial factors estimate that the 1921-1922 Navel

orange crop will total 25,000 cars compared with an estimated crop of 26,600 cars shipped last season. Up to date (December 14th) it is reported that shipments have been light, and composed largely of small sized fruit, due to lack of early fall rains in the producing sections.

Carlot shipments of California citrus fruits from November 1st (the beginning of the new crop year) to December 3rd for the years 1921 and 1920 are given below.

	Nov. 1st to Dec. 3rd	
	1921 (cars)	1920 (cars)
Oranges	2,309	2,693
Lemons	425	434
Total Citrus Fruits.....	2,734	3,127

Estimates of a record citrus fruit crop for the 1921-22 season have not been changed materially, although oranges and lemons in southern California are reported to have been damaged by recent frosts and high winds. The California Fruit Growers Exchange now estimates that the coming crop will total 52,300 cars of oranges (Navels and Valencias) and 14,750 cars of lemons, a total of 67,050 cars of citrus fruits. Last season 45,236 cars of oranges and 11,659 cars of lemons, a total of 56,895 cars of citrus fruits, were shipped from California.

The average price received by growers (who are members of the California Fruit Growers Exchange) for Navel oranges during the first month of this season was \$3.84 per box f.o.b. California. In November, 1920, the average return to the grower was \$4.32 per box. The average return to growers for lemons during November of this season was \$2.30 per box, as compared with an average return of \$1.35 per box at the same time a year ago.

(An erroneous statement appeared at the end of the paragraph on citrus fruits in the November report of this bank. The prices reported to have been received by Exchange growers during the 1920-1921 and 1919-1920 seasons,—\$2.36 per box for oranges and \$2.55 per box for lemons in 1920-1921, and \$6.20 per box for oranges and \$0.95 per box for lemons in 1919-1920—were not average prices for the season, as stated, but were prices as of November 1, 1921, and the comparison was with prices received November 1, 1920.)

Picking and ginning of the cotton crop in Arizona and California is proceeding normally and conditions have been generally favorable. The Census Bureau report on cotton ginned,

issued on December 8th, gives the following figures for Arizona and California up to December 1st:

	1921		1920	
	Estimated Crop U.S.D.A. (bales)	Cotton Ginned to Dec. 1 (bales)	Estimated Crop U.S.D.A. (bales)	Cotton Ginned to Dec. 1 (bales)
Arizona	45,000	25,715	103,000	56,967
California	34,000*	16,030	61,000*	32,079

*34,000 bales grown in Lower California (Mexico) in 1921 and 89,000 bales in 1920, not included in California figures.

Figures of cotton ginned included 22,058 bales of American Egyptian cotton in 1921 compared with 46,160 bales in 1920. In Arizona cotton is again accumulating in the gin yards and warehouses. During the latter part of October there was a flurry of demand for long staple cotton and the price of number one Pima reached a high point for the year at 43 cents per pound. During this period of active demand Arizona growers and distributors reduced their holdings of 1920 crop cotton (then amounting to about 50,000 bales) to 42,000 bales. Demand since then has been light and only 2,000 bales out of an estimated 1921 crop of 35,000 bales of long staple cotton were reported shipped out of Arizona up to December 1st. Prices at New England points in early December indicate a return to growers of approximately 35 cents per pound for Pima cotton of number one grade.

Cotton

In the Imperial Valley of California, short staple cotton is reported to be selling well on a fairly steady market. Prices to the grower, which are the same or slightly higher than last year (approximately 20 cents per pound) are estimated to return a greater profit than in 1920, allowance being made for lowered cost of production and ginning. On December 1st there were approximately 18,000 bales of new crop and a nominal carryover of 400 bales of 1920 crop in storage at Calexico (the Imperial Valley storage center for both California and Mexican grown cotton).

Harvesting of rice in California was facilitated by favorable weather during November and the close of the month found practically all of the crop under cover. Damage from rain was negligible. According to the latest available estimates of the United States Department of Agriculture (October 1st) California rice growers raised approximately 3,433,950 bags of 100 pounds each (7,631,000 bushels) of rough rice on 139,300 acres of land this season. Private estimates as of December 1st show a considerably smaller

yield than the government's October figures. There were 4,374,000 bags (9,720,000 bushels) raised on 164,700 acres in 1920, approximately 20 per cent of which was damaged or destroyed by rains during the harvesting period. This season's rice is reported to be of good quality although millers state that a large portion of it is hard to clean because poor drying weather and anxiety of the growers to move their crops before the fall rains, resulted in improper drying.

Carryover stocks of 1920 crop rice in California on December 1st were reported to be approximately 100,000 bags of 100 pounds (pockets) of cleaned rice and 30,000 bags (100 pounds each) of rough rice. An estimate of the carryover of 1920 crop rice in the United States in September, 1921, follows:

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	Paddy Rice (100 pound bags)	Cleaned Rice (100 pound bags)
Southern States.....	693,552	464,09
California	1,100,016	296,00
Total United States...	1,793,568	760,09

Based on a cleaned rice content of 50 pounds in each 100 pounds of paddy rice, the total carryover of 1920 crop rice in the United States in September was approximately 1,656,882 bags (100 pounds each) of cleaned rice of which 846,000 bags was in California.

The local market for California paddy (rough uncleaned) rice has fluctuated between \$3.00 and \$2.25 per 100 pounds, during the past two months and on December 15th quotation were around \$2.50 per 100 pounds. The market is reported to be dull. One of the important factors in the market situation for California rice is the rice shortage in Japan. Latest official reports from that country state that reserve stocks of rice are 12,000,000 bags (600,000 tons) less than consumption requirements and that imports of 9,000,000 bags (450,000 tons) are necessary. Prices of rice in Japan are reported to be rising, and the Japanese government has removed the import duty until November, 1922.

The Rice Growers Association of California which is reported to control about 50 per cent of the California rice crop, is not selling its holdings at present prices. The rice marketed through the Association will ultimately be sold at public auction, but it is stated that sales rooms will not be opened until market price more nearly approximate what the grower considers to be a fair price based on present conditions in the world rice market. At the present time they consider such a price to be \$3.00 per 100 pounds for paddy rice.

*All weights reduced to bags of 100 pounds using the following equivalents: 45 pounds of rough rice to the bushel; 2000 pounds to the ton.

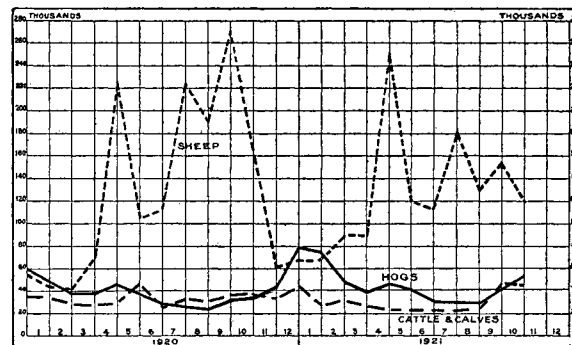
Livestock of the district is reported to be in excellent condition, winter range prospects are good and much low-priced hay is available for feeding where necessary.

Livestock Ranges and pastures in many sections of the district suffered from a lack of rain early in November, and feed conditions were slightly below normal. Recent rains have relieved the situation to a great extent. The only immediate need for moisture is in small sections of Arizona, Utah and southern California.

Receipts of livestock at six of the principal markets of this district (table "B") continued heavy during November, hog and cattle receipts showing a considerable increase over the corresponding month of last year, and a slight increase over the preceding month of this year. Receipts of sheep were well below figures for November, 1920. Rapid marketing of cattle in the Inter-Mountain section is shown by an increase in receipts of 93.3 per cent over November, 1920, at Salt Lake City and Ogden, Utah, markets. The bulk of the increased receipts at these markets was reported as going direct to packers, and included a large percentage of cows and heifers.

The range of livestock prices at six markets of this district for November (as shown in table "C") reflects the recent depression in eastern markets, when meat prices touched the lowest point in several years, and the slight recovery at the end of the month. Among the most significant market developments reported during the month are a stronger demand and

increasing prices for feeder cattle; an extreme scarcity of hogs in the Pacific Northwest, with strong local demand being supplied from the Middlewestern states; and a strengthened market for sheep, both for mutton and for stocker and feeder purposes.



Receipts of Livestock at Six of the Principal Markets of the District 1920-1921. (Ogden, Portland, Salt Lake City, Seattle, Spokane and Tacoma included)

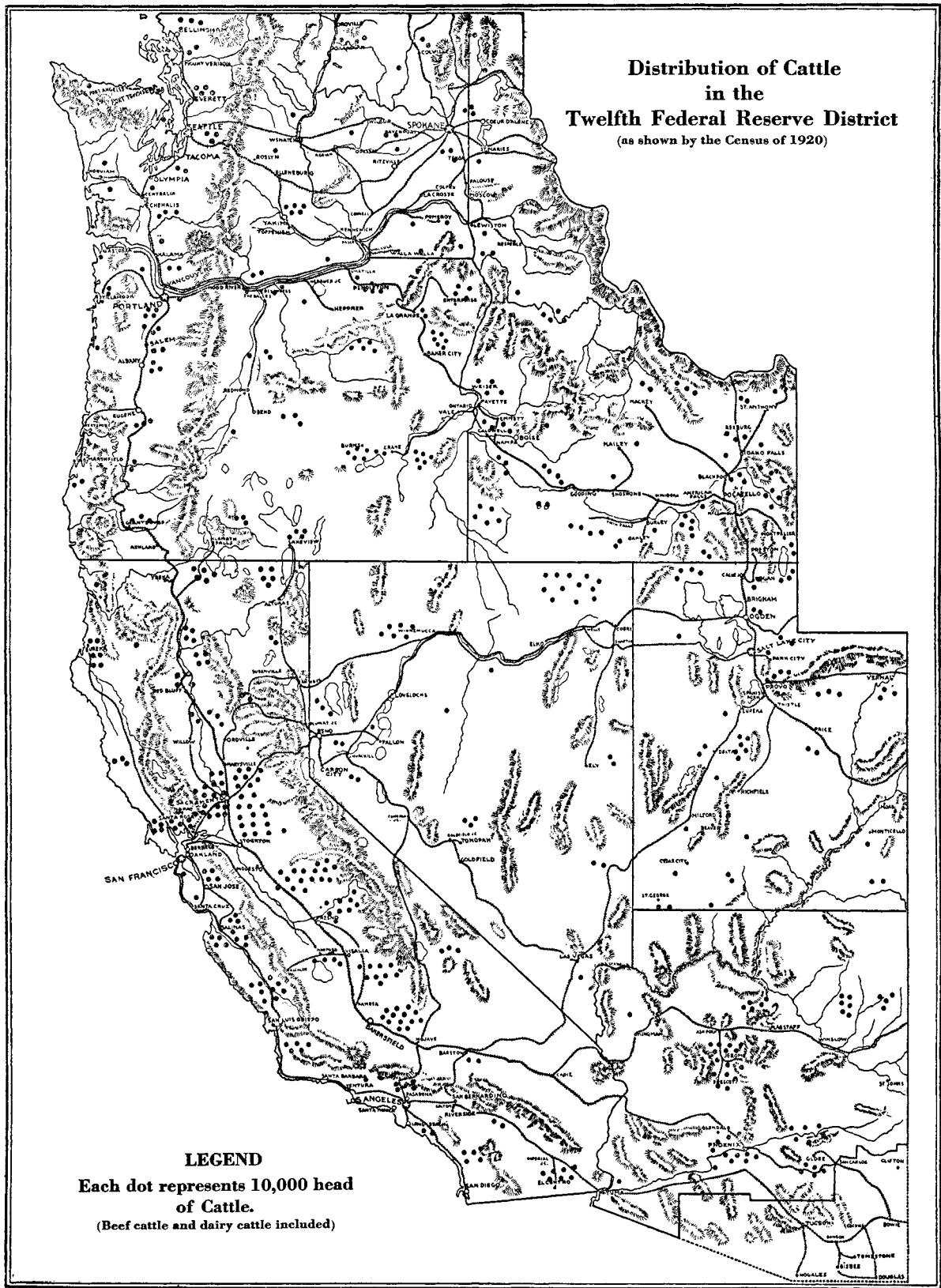
Indications of a definite movement toward restocking depleted herds and flocks are furnished by reports of a heavy late fall demand for feeder cattle throughout most of this district, accompanied by a demand for stocker cattle and sheep, varying in degree with the financial condition of stockmen in various sections. The strongest demand for feeder cattle is reported from California, and active trading has raised prices for this class of animals in Arizona, Nevada and Oregon. Prices of stock sheep are reported to have advanced from

(B) Receipts of Livestock—

	Cattle		Calves		Hogs		Sheep		Horses and Mules	
	Nov., 1921	Nov., 1920	Nov., 1921	Nov., 1920	Nov., 1921	Nov., 1920	Nov., 1921	Nov., 1920	Nov., 1921	Nov., 1920
Ogden	15,961	7,515	195	104	16,181	6,273	48,284	21,231	..	..
Portland	7,785	11,381	773	1,329	10,087	11,132	14,809	21,488	56	10
Salt Lake City...	7,832	5,242	..	..	5,668	1,611	36,294	78,468	86	164
Seattle	2,988	3,651	35	462	6,404	6,973	4,624	16,485	24	9
Spokane	5,683	6,283	841	510	2,833	4,737	3,809	8,853	45	195
Tacoma	1,995	1,588	417	236	8,043	3,049	8,203	13,152	..	..
Total	42,244	35,660	2,261	2,641	49,216	33,775	116,023	159,677	211	378

(C) Range in Livestock Prices—

Week of	Highest and Lowest Average Top Prices Per Hundredweight Received at Above Markets During November.				
	Fat Steers	Cows	Calves	Hogs	Lambs
November 7.....	\$5.00—6.25	\$4.25—5.00	\$4.50—10.00	\$7.60—10.00	\$5.75—6.50
November 14.....	5.00—6.25	4.00—5.00	4.75—10.00	7.25—9.00	6.50—7.00
November 21.....	4.75—6.25	3.50—5.00	6.00—10.00	6.60—9.00	6.00—7.25
November 28.....	5.00—6.00	4.50—5.00	6.00—10.00	6.35—8.50	6.00—7.50



\$1 to \$2 per head in Utah during November and the advancing price of wool has further improved the position of the sheepmen. A striking exception to this movement is furnished in the Inter-Mountain section, where cattlemen, reported to be financially unable to invest in stocker cattle, are selling heavily from breeding herds.

Net withdrawals of cold storage butter at the four principal markets of the district were 74,123 pounds during November, compared with 884,682 pounds during the preceding month and 504,504 pounds in November, 1920. Holdings at the same markets, as reported on December 1, 1921, were 865,909 pounds, compared with 2,117,696 pounds held in storage one year ago, a decrease of 1,251,787 pounds, or 59.1 per cent. Contrary to the general trend in the district, storage holdings of butter in Los Angeles increased 52,392 pounds during November.

Heavy arrivals of Australian butter in the latter part of the month depressed prices in the San Francisco market, 93 score fresh creamery butter falling from 48 cents to 42½ cents per pound during the four days between November 26th and December 1st. Considerable quantities of Australian butter are reported to be going into storage, and the remainder is being sold on the local markets or sent east as prevailing prices at the various markets dictate. A statement of the movement and holdings of cold storage butter is shown in table "D."

The average price paid to milk producers during November, 1921, by fluid milk distributors (presented in table "E") remained the same in the Mountain section, and increased five cents in the Pacific section compared with October, 1921, and showed a decline of \$0.96 and \$1.26 respectively, compared with November, 1920.

Heavy production in the face of declining export demand for relief purposes, and an unstable domestic demand, continues to be the significant feature of the canned milk market. A favorable factor is that stocks of canned and evaporated milk held by manufacturers on November 1, 1920, were about 50 per cent lighter than on the same date a year ago.

General conditions in the lumber industry are reported to be more satisfactory than at any time in the past 16 months. Although production declined slightly in November compared with November, 1920, orders received during the month were 55.5 per cent greater than those

of November, 1920, and unfilled orders on hand are larger than they were a year ago. The success and increasing importance of water-borne shipments to the Atlantic Coast, and a sustained export demand have been the outstanding features of the lumber market. During the past three months 38 per cent of the total lumber shipments from the Pacific Northwest have been shipped by water.

November production of lumber (369,536,000 feet) as reported by four lumber associations was 47,661,000 feet or 11.4 per cent less than the October cut and approximately 75 per cent of normal compared with 85 per cent a month ago. In November, 1920, production was reported as 408,959,000 feet, or 9.6 per cent greater than the reported cut in November of this year. The decrease in November, 1921, was partly seasonal and partly due to the severe storms which swept the Columbia River Valley in Oregon during the last week of November, and caused the closing of some mills and curtailment of production in others. Orders received during the month also declined, totaling 351,280,000 feet, or 20.3 per cent less than the high mark (441,432,000 feet) in October. Compared with November, 1920, the November, 1921, orders represent an increase of 125,456,000 feet, or 55.5 per cent. Unfilled orders at the close of November, reported by four associations, totaled 1,165,122,000 feet compared with 1,179,712,000 feet at the close of October and 1,078,073,000 feet on

(D) Movement of Stocks of Cold Storage Butter—

City	Nov., 1921 Net Withdrawals (pounds)	Nov., 1920 Net Withdrawals (pounds)	Dec. 1, 1921 Holdings (pounds)	Dec. 1, 1920 Holdings (pounds)
Los Angeles...	52,392*	210,913	332,687	552,119
Portland	50,480	95,642	46,517	329,714
San Francisco..	9,939	37,614	414,159	671,706
Seattle	66,096	160,335	72,546	564,157
Totals	74,123	504,504	865,909	2,117,696

*Net addition.

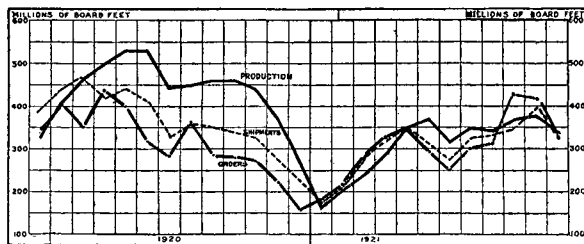
(E) Prices Received by Milk Producers*—

Section†	Nov., 1921 Range	Nov., 1921 Aver- age	Oct., 1921 Aver- age	Nov., 1920 Aver- age
Mountain (7 Mkts.)...	\$1.73-\$2.94	\$2.12	\$2.12	\$3.08
Pacific (9 Mkts.).....	2.20- 3.03	2.62	2.57	3.88
U. S. (106 Mkts.)....	1.35- 6.78	2.54	2.52	3.72

*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.

November 30, 1920. Shipments decreased from 416,651,000 feet in October to 352,731,000 feet in November but were 59,685,000 feet, or 20.3 per cent, greater than the shipments in November, 1920. Accurate and complete figures of stocks at the mills are not available, but reports received indicate that mill stocks on November 30th were less than those of October 31, 1921, and November 30, 1920, except at the pine mills of Oregon where an increase during November of this year compared with November, 1920, was reported. Wholesale and retail yards generally are reported to have reduced their stocks to a relatively low point and to be carrying only sufficient lumber to meet current needs of the trade.



Lumber Production, Orders Received, and Shipments in Twelfth Federal Reserve District as Reported by Four Lumber Associations, 1920-1921.

There was little change in the lumber market during November. Prices in the upper grades were steady while increases occurred in a few of the lower grades. Railroad buying of small lots of timbers, ties, stringers and car material continued during the month. Demand for shingles improved in spite of increased prices and shingle stocks have been reduced. A number of shingle mills are closed down at present. The demand for lumber in the export field was also sustained, and heavy shipments were made to Japan, South America and Australia. Exporters are well supplied with orders and are hesitant about taking advance orders as cargo mills have sufficient old contracts to keep them busy until January, 1922.

Logging production in the Pacific North-

west during November was less than in October, 1921, and November, 1920, largely due to severe storms which forced many camps to suspend operations. The supply of logs in the water is the smallest ever reported at this season of the year. Logging camps which operate below the usual snow line are planning to run through the winter in order to keep the saw mills supplied with logs. In the California redwood region logging operations were reported equal in volume with October and greater than in November, 1920.

Transcontinental railroads have announced the following reductions in lumber freight rates to take effect December 24th: From Pacific Coast points to Cincinnati, Detroit and common points, from 94 cents to 85 cents; to Pittsburg, Buffalo and common points, from 95 cents to 88½ cents; and to the territory east of Buffalo and Pittsburg, including New England, from \$1.02 to 90 cents.

Comparative figures of cut, orders, unfilled orders and shipments of the four lumber associations in this district during November, 1921, and October, 1921, are shown in table "F."

Mineral production at those mines in the district which are operating increased during October compared with September, 1921, and with October, 1920, according to

Mining reports covering the operations of 12 large gold, silver, copper and lead mining companies. Many mining properties, however, are still closed down, particularly in the copper mining sections of Arizona and Utah. General reports indicate activity in silver mining, and to a slightly lesser degree in lead mining, some improvement in gold mining, and continued depression in copper mining activity.

Production of two large copper mines now operating in this district (13 of the largest mines are inoperative) was 6,234,813 pounds of blister copper during October compared with 5,353,541 pounds during September and 5,358,555 pounds produced by the same mines in October, 1920. The outstanding feature

(F) Lumber—

	West Coast Lumbermen's Association		Western Pine Manufacturers' Association		California White and Sugar Pine Manufacturers' Association		California Redwood Association		TOTAL	
	Nov. 26	Oct. 29	Nov. 26	Oct. 29	Nov. 26	Oct. 29	Nov. 26	Oct. 29	Nov. 26	Oct. 29
Average No. of Mills reporting	422	411	38	41	20	27	12	12	492	491
Cut*	261,176	267,751	37,565	59,438	32,046	58,348	38,749	31,660	369,536	417,197
Shipments*	222,856	266,018	59,254	77,790	33,339	47,808	37,282	25,035	352,731	416,651
Orders*†	230,114	300,674	66,075	89,225	14,238	18,981	40,853	32,552	351,280	441,432
Unfilled Orders*‡	1,021,277	982,342	55,775	54,200	46,270	105,369	41,800	37,801	1,165,122	1,179,712

*In thousands of feet.

†Orders of the California White and Sugar Pine Manufacturers' Association based on reports of five mills.

‡Unfilled orders of the Western Pine Manufacturers' Association based on reports of 44 mills for five weeks ending December 3, 1921, and October 31, 1921.

of the copper situation in recent months has been the steady rise in the price of the metal. Electrolytic copper for immediate delivery sold on the New York market during the first week of December for 13.50 to 13.75 cents per pound. The average price during November was 13.06 cents per pound, compared with an average price of 12.923 cents in October, 11.984 cents in August and 14.507 cents in November, 1920. Increased sales for both domestic and foreign account and steadily declining surplus stocks are reported to be responsible for the advancing market.

The increased output of gold which has been reported in each month of 1921 (with the exception of March) compared with the corresponding month of 1920, is partly due to renewed activity induced by declining commodity prices and costs of production, and partly due to increased recoveries of gold in the dredging fields. Deep gold mining continues relatively inactive. It is reported by the United States Geological Survey that the cost of producing gold in the deep gold mines of California rose from \$9.51 an ounce in 1913 to \$19.15 an ounce in 1920. It is estimated that present costs are approximately 12 per cent below the high point reached last year.

Reporting gold, silver and lead mines are operating at 100 per cent of capacity and reporting copper mines at approximately 66 per cent of capacity. Comparative figures of the

output of metal of 12 reporting mines in October, 1921, September, 1921, and October, 1920, are shown in the following table:

	Oct., 1921	Sept., 1921	Oct., 1920
*Copper (lbs.)...	6,234,813	5,353,541	5,358,555
Lead (lbs.).....	9,950,041	9,853,851	9,471,192
Silver (oz.).....	457,013	412,848	394,080
Gold (oz.).....	30,905	26,905	28,189

*Blister.

Settlement of the oil workers' strike in the San Joaquin Valley oilfields caused production to rise during November after two successive monthly decreases in September and October. Average daily production during November was 293,323 barrels, a daily increase of 65,366 barrels over the petroleum raised during October. Consumption also increased in November but not to the same extent as production, and daily production exceeded daily shipments by 12,330 barrels. Stored stocks stood at 33,486,350 barrels on November 30, 1921, compared with 33,116,456 barrels held on October 31, 1921, and 22,582,304 barrels on November 30, 1920.

Thirty-eight new wells with an initial daily production of 9,755 barrels were completed during November and one well was abandoned, a net increase of 37 producing wells. Statistics on oilfield operations, as furnished by the Standard Oil Company of California are shown in table "G."

(G) Petroleum—

	November, 1921		October, 1921	November, 1920
Production (daily average).....	293,323	bbls.	227,957	bbls.
Shipments (daily average).....	280,993	bbls.	245,861	bbls.
Stored Stocks (end of month).....	33,486,350	bbls.	33,116,456	bbls.
New Wells Opened.....	38		32	47
With Daily Production.....	9,755	bbls.	14,825	bbls.
Wells Abandoned.....	1		1	9

(H) Electric Power—

Type of Plant	Plant Capacity K. V. A.			Peakload K. W.			Plant Output K. W. H.		
	Oct., 1921	Sept., 1921	Oct., 1920	Oct., 1921	Sept., 1921	Oct., 1920	Oct., 1921	Sept., 1921	Oct., 1920
(a) Hydro Power	681,020	681,020	523,225	424,688	423,240	348,269	241,803,926	248,446,497	182,275,593
(b) Steam	350,045	350,045	324,925	188,907	184,614	206,400	64,740,196	70,157,706	99,139,735
(c) Purchased .....	.....	.....	.....	50,907	53,450	49,988	33,794,825*	34,811,807*	22,493,879*
Total	1,031,065	1,031,065	848,150	709,155	661,304	648,357	306,544,122	318,604,203	281,415,328

Number of Industrial Consumers and Sales:

Number of Industrial Consumers†			Connected Industrial Load H. P.‡			Industrial Sales K. W. H.		
Oct., 1921	Sept., 1921	Oct., 1920	Oct., 1921	Sept., 1921	Oct., 1920	Oct., 1921	Sept., 1921	Oct., 1920
42,441	41,590	38,443	1,333,247	1,342,113	1,240,544	195,949,991	223,533,058	193,915,663

*Not included in total plant output.

†Eight companies reporting.

‡Seven companies reporting.

Reports from nine of the principal electric power producing companies of California show that sales of electric energy for industrial purposes during the month of October were 12.3 per cent less than during the previous month and 1.0 per cent greater than in October a year ago. Geographically, sales in northern California showed a slight increase compared with last year, and sales in southern California were practically the same as in October, 1920, but both northern and southern California sales were less in October, 1921, than in September, 1921. In the specific industries for which figures are available, decreased consumption was reported in October compared with September in agriculture and oil production, and practically no change in mining.

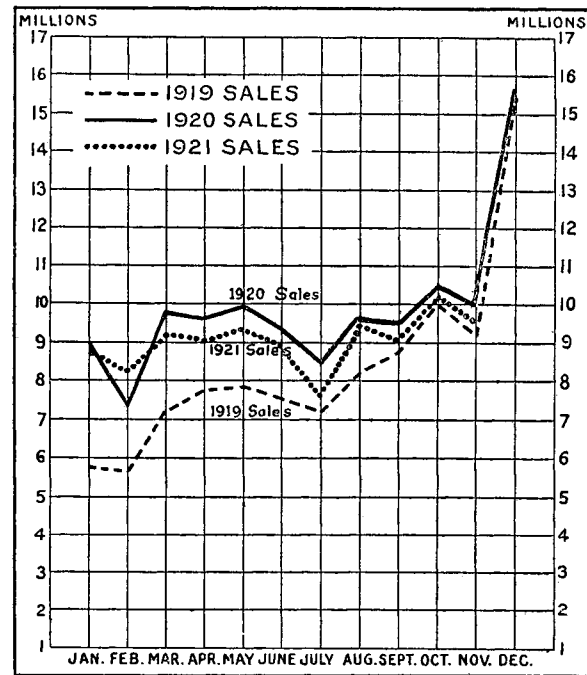
Sales of electric energy to agricultural consumers of power show a seasonal decrease of 40 per cent in the month of October compared with September, 1921. Compared with October, 1920, sales to agricultural consumers increased 19 per cent, a gain attributed to the lack of early fall rains this season and the consequent necessity of pumping for irrigation water. The decrease in sales to oil producing companies (37 per cent decline compared with the previous month) is reported to be wholly due to the recent strike in the oilfields of the San Joaquin Valley.

Statistics on the electric power industry in the state of California, as reported by nine of the principal power companies, are shown in table "H" (see preceding page).

The dollar value of November sales of 34 representative department stores and mail order houses as reported to this bank, were 7.9 per cent less than sales during November, 1920, and 5.8 per cent less than those of October, 1921. Retail prices were reported to have

declined on an average of 15 per cent during the year, indicating that the physical volume of merchandise sold during November, 1921, was greater than in November, 1920. The decline in the value of sales in November, 1921, compared with October, 1921, was seasonal as this month falls between the periods of early fall and the holiday buying. (See chart of sales of 22 stores.)

The amount of the average sale (cash, charge, C. O. D.) reported by 11 department stores was \$2.68 in November compared with \$2.83 in October and \$2.90 in November, 1920.



Net Sales of 22 Department Stores in Twelfth Federal Reserve District (in Millions of Dollars)

(I) Retail Trade Activity—

CONDITION OF RETAIL TRADE DURING NOVEMBER, 1921
In Federal Reserve District No. 12

	(34 Stores Reporting)							
	Los Angeles	Oakland	Sacramento	Salt Lake City	San Francisco	Seattle	Spokane	District
Percentage increase or decrease (—) of net sales during November, 1921, over net sales during same month last year....	.5	— 9.3	—16.8	—14.2	— 4.0	—11.7	—10.4	— 7.9
Percentage increase or decrease (—) of net sales during November, 1921, over net sales during October, 1921.....	— 1.3	— 7.1	—18.8	— .5	— 6.8	—11.8	—21.0	— 5.8
Percentage increase or decrease (—) of net sales from July 1, 1921, to November 30, 1921, inclusive, over net sales during same period last year.....	.8	— 9.5	—13.4	—17.0	— 3.5	—13.1	—14.6	— 8.3

The number of individual sales transactions of eight stores was reported to be 3.6 per cent less during November than in October, 1921, and 3.8 per cent less than in November, 1920.

Following is a statement of the average sale (cash, charge, C. O. D.) in Los Angeles, Salt Lake City, San Francisco and Seattle:

	Nov., 1921	Oct., 1921	Nov., 1920
Los Angeles.....	\$ 3.36	\$ 3.71	...
Salt Lake City....	2.15	2.13	...
San Francisco.....	2.98	3.31	...
Seattle	1.97	2.25	...
District	\$ 2.68	\$ 2.83	\$ 2.90

Stocks now held by department stores are approximately normal, a decline of 13.4 per cent in value since last November being accounted for by equal or greater declines in prices. The value (selling price) of stocks of reporting firms at the close of November, 1921, was 1.4 per cent greater than at the close of October, 1921, a normal increase at this season of the year when stocks are at their peak. The percentage of average stocks on hand to average monthly net sales on November 30, 1921, was 462.0 per cent compared with 464.9 per cent on October 31, 1921.

Collections were characterized by reporting firms as follows:

	Excellent	Good	Fair	Poor
Number of Firms	1	13	8	0

A statistical review of the condition of retail trade in the district during November,

1921, appears in table "I." (See opposite page.)

The dollar value of November sales, as reported by 190 representative wholesale firms in ten lines of business, shows that sales of automobile tires, dry goods, and furniture exceeded those of November, 1920. The seasonal decline during November as compared with October was apparent in all lines. The average net increases or decreases (—) in the value of sales of each reporting line were as follows:

	Nov., 1921, compared with Nov., 1920	Oct., 1921	Eleven months ending Nov. 30, 1921 compared with same period in 1920
Agricultural Implements ..	—46.7	—24.8	—51.2
Auto Supplies...	—12.7	—12.0	—19.9
Auto Tires.....	41.4	—27.3	—14.0
Drugs	—10.7	—25.9	—14.3
Dry Goods.....	5.2	—16.6	—28.5
Furniture	16.0	— 8.8	—22.4
Groceries	—18.4	—10.2	—24.8
Hardware	—14.3	— 8.8	—29.9
Shoes	— .8	—18.4	—22.4
Stationery	—31.8	—23.1	—24.6

Disregarding agricultural implements and stationery the decline in the value of sales is generally less than the estimated decline in wholesale prices (28.0 per cent) during the past year, indicating that the physical volume of goods sold at wholesale was greater in November, 1921, than 12 months ago. This is shown graphically in the chart on page 12.

(J) Wholesale Trade—

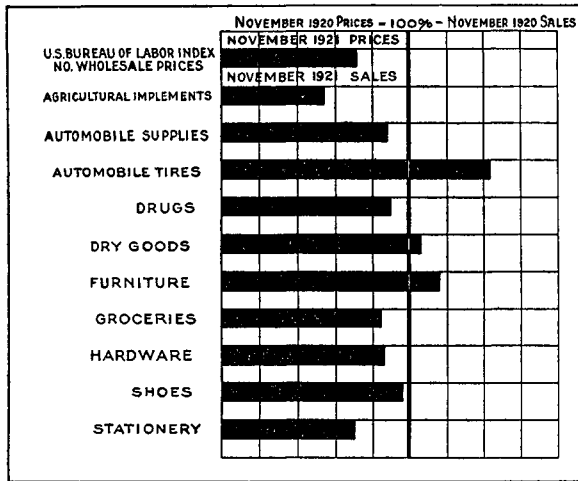
(1a) Percentage increase or decrease (—) in net sales during November, 1921, compared with November, 1920

Number of re- porting firms..	Agricultural Implements	Auto Supplies	Auto Tires	Drugs	Dry Goods	Furniture	Groceries	Hardware	Shoes	Stationery
20	22	15	8	12	16	30	23	16	28	
Los Angeles....	—37.2	— 8.4	80.0	..	..	15.2	— 5.5	6.0	..	— 7.0
Portland	—57.1	—20.9	..	..	..	34.0	—14.5	—29.0	—13.7	—34.8
Sacramento .....	..	—16.6	..	..	..	..	—21.1	— 1.9	..	..
Salt Lake City..	—41.8	—31.1	92.9	—14.8	..	..	—29.0	—25.0	..	—31.1
San Francisco...	—47.8	—19.7	15.8	—42.8	..	45.5	—24.1	—18.7	..	—49.2
Seattle .....	..	4.1	53.1	..	14.6	..	..	—12.0	44.4	—17.5
Spokane	—50.0	1.7	1.9	..	..	..	—29.8	—23.3	..	—26.3
Tacoma .....	..	..	..	..	..	— 4.6	—14.8	— 2.2	..	— 4.9
District	—46.7	—12.7	41.4	—10.7	5.2	16.0	—18.4	—14.3	— .8	—31.8

(1b) Percentage increase or decrease (—) in net sales for January 1 to November 30, 1921, compared with the same period last year

Number of re- porting firms..	Agricultural Implements	Auto Supplies	Auto Tires	Drugs	Dry Goods	Furniture	Groceries	Hardware	Shoes	Stationery
20	22	15	8	12	16	30	23	16	28	
Los Angeles....	—45.0	— 6.8	— 8.1	..	..	—15.6	—11.3	—22.1	..	—17.2
Portland	—58.7	—26.9	..	..	..	—19.2	—30.3	—31.8	—33.6	—26.9
Sacramento .....	..	—20.4	..	..	..	..	—20.7	—20.2	..	..
Salt Lake City..	—44.0	—28.2	—26.9	—24.7	..	..	—32.2	—37.0	..	—29.8
San Francisco...	—62.1	—23.8	—29.0	— 8.6	—27.7	—29.2	—25.2	—29.6	—16.7	—30.5
Seattle .....	..	—34.1	—12.6	..	—36.8	..	..	—36.5	—30.5	—20.0
Spokane	—55.8	—19.6	—22.9	..	..	..	—30.5	—28.3	..	—19.8
Tacoma .....	..	..	..	..	..	—30.6	—26.8	—14.4	..	—21.1
District	—51.2	—19.9	—14.0	—14.3	—28.5	—22.4	—24.8	—29.9	—22.4	—24.6

Prices continued on the same levels as last month according to reporting firms.



Dollar Value of Sales of Representative Wholesale Houses and General Wholesale Prices in November, 1921, Compared with November, 1920

Collections were reported excellent by 12 firms, good by 42, fair by 86 and poor by 22. One hundred and six wholesale firms gave the percentage of their collections during November, 1921, to the total amount due from customers (outstanding) on November 1, 1921, and 1920, as follows:

	Number of Firms	Nov., 1921	Oct., 1921	Nov., 1920
Agricultural Implements	11	27.1	24.2	38.0
Auto Supplies	10	55.0	58.2	58.4
Auto Tires	11	62.7	62.2	61.1
Drugs	4	84.0	65.0	69.1
Dry Goods	8	41.2	47.0	43.5
Furniture	8	54.5	52.9	51.3
Groceries	17	64.1	68.1	73.6
Hardware	14	45.5	42.7	47.6
Shoes	9	42.0	41.8	45.8
Stationery	14	62.3	57.6	59.7

Statements of increases or decreases (—) in net sales of reporting wholesale firms during November, 1921, compared with November, 1920, and the first 11 months of 1921, compared with the first 11 months of 1920, are shown in table "J" (see preceding page).

Unemployment increased in all sections of the district during November due to seasonal declines in agricultural and industrial activity, but there is a divergence of opinion as

Labor to whether present unemployment is greater than it was one year ago. Increases in unemployment were reported principally in agriculture, lumbering, fishing, and shipbuilding. The latter industry is now operating at approximately 5 per cent of its war capacity. The unprecedented demand for skilled labor in the building trades continues a favorable factor in the labor situation. It is to be noted, however, that skilled laborers as a whole are fairly well employed and that unemployment is most noticeable among unskilled workers, due to cessation of seasonal farm, highway, and reclamation work.

The monthly report of the United States Employment Service, Department of Labor, shows the following employment changes in manufacturing industries in November compared with October for the cities included:

	Numerical increase or decrease (—) in employment during November compared with October	Percentage increase or decrease (—) in employment during November compared with October
Los Angeles	—2,594	—10.5
Portland	65	.82
San Francisco	186	2.9
Seattle	— 103	— 4.3

The increase in the number of unemployed in California is reported to be due to the usual

(K) Building Permits—

	November, 1921		October, 1921		November, 1920		Per Cent Increase or Decrease (—) in Value Nov., 1921 compared with Nov., 1920
	No.	Value	No.	Value	No.	Value	
Berkeley	208	\$ 438,942	180	\$ 371,326	85	\$ 119,351	26.8
Boise	56	57,676	121	91,457	64	181,495	— 67.9
Fresno	253	405,988	242	345,468	242	321,925	26.0
Long Beach	390	1,254,500	434	2,127,360	324	828,110	51.4
Los Angeles	4,242	8,685,775	4,489	9,781,394	2,640	6,267,660	38.5
Oakland	646	1,235,174	673	1,245,220	400	563,676	118.9
Ogden	36	65,222	53	111,565	30	209,950	— 69.0
Pasadena	362	701,998	371	1,123,131	227	309,304	127.1
Phoenix	50	86,903	56	75,914	137	172,027	— 49.4
Portland	1,082	1,374,615	1,441	1,942,510	751	590,480	133.0
Reno	7	3,600	26	42,375	11	10,810	— 66.6
Sacramento	288	496,235	318	489,226	107	278,635	77.7
Salt Lake City	157	385,876	119	284,610	58	72,717	428.7
San Diego	409	846,995	417	1,016,873	278	918,717	— 7.8
San Francisco	613	2,244,606	672	2,498,523	384	1,469,940	52.7
San Jose	89	238,100	76	116,890	48	56,815	317.5
Seattle	735	593,800	960	750,115	750	463,470	28.2
Spokane	183	118,205	271	442,205	98	40,885	189.1
Stockton	93	165,130	129	225,770	74	77,685	111.5
Tacoma	263	180,652	394	251,809	238	155,039	16.7
Total	10,162	\$19,579,992	11,442	\$23,333,741	6,946	\$13,108,691	49.3

winter influx of migratory laborers from other parts of the country and to the cessation of seasonal activities. The California State Highway Commission reports that 6,000 men will soon be employed on construction projects costing approximately \$1,800,000.

In Oregon and Washington the completion of the harvest season and the closing of a number of logging camps and sawmills has resulted in increased unemployment, principally among unskilled laborers. The woolen and paper mills of Oregon, which a few months ago were greatly curtailing their production and operating only part-time, are now reported to have reached normal production and are operating on a full-time schedule. The situation in Arizona, Nevada and Utah remains unchanged and there can be little improvement in these states until there is a general resumption of work in the mining and smelting industries.

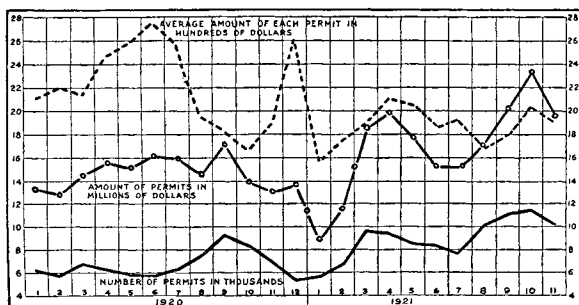
Although there has been some slackening in the building boom, due to the lateness of the season, construction activity continues greatly in excess of last year. During November there were 10,162 building permits with an estimated valuation of \$19,579,992 issued in 20 principal cities, an increase of 3,216, or 46.3 per cent in number, and of \$6,471,301, or 49.3 per cent in value compared with November,

1920. November, 1921, figures were slightly below the record months of September and October of this year.

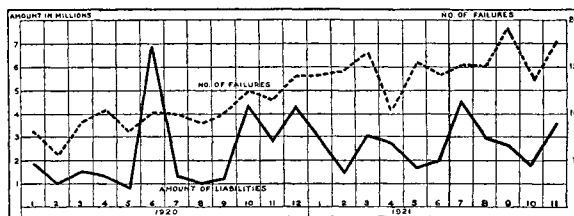
Of the 20 reporting cities, 16 show an increase in the number of permits issued during November, 1921, compared with November, 1920, and 15 show an increase in the value of permits issued comparing the same two months. The majority of the declines reported occurred in the cities of the interior states. Increases were shown in all reporting cities in the coastal states except San Diego, where a decrease of 7.8 per cent occurred.

The accompanying chart shows the number, total valuation and the average value of building permits issued in this district by months since January, 1920. Comparative figures of the number and value of building permits issued in 20 reporting cities, during November, 1921, October, 1921, and November, 1920, are shown in table "K" (see opposite page).

There were 178 commercial failures reported in November with total liabilities of \$3,623,247, compared with 136 failures having liabilities of \$1,919,919 in October, an increase of 42, or 30.8 per cent in number, and of \$1,503,328, or 78.3 per cent in the amount of liabilities involved. In comparison with November a year ago when 118 failures with liabilities of \$2,777,457 were reported, there was an increase in number of 60, or 50.8 per cent, and of \$845,790, or 30.4 per cent in amount of liabilities.



Building Permits Issued in 20 Principal Cities, Twelfth Federal Reserve District, 1920-1921



Business Failures, Twelfth Federal Reserve District, 1920-1921

NOTE—The great increase in liabilities in June, 1920, was due to the failure of one concern in Seattle, Washington.

(L) Business Failures—

	November, 1921		October, 1921		November, 1920	
	No.	Liabilities	No.	Liabilities	No.	Liabilities
Arizona	6	\$ 109,700	5	\$ 54,000	..	\$
California	69	1,202,954	58	755,456	47	668,061
Idaho	12	719,509	4	79,057	18	397,681
Nevada	1	600	..	..	11	92,806
Oregon	34	1,026,859	25	228,426	11	92,806
Utah	9	53,259	5	38,255	7	76,846
Washington	47	510,366	39	764,725	35	1,542,063
District	178	\$3,623,247	136	\$1,919,919	118	\$2,777,457

The average failure in the district had liabilities of \$20,355 compared with \$14,117 in October, 1921, and \$23,537 in November, 1920. Recent reports of business failures reflect the cumulative effects of previous slow business at a time of the year when the number of failures is normally large.

R. G. Dun and Company's comparative figures of the number and liabilities of business failures in the states of this district are shown in table "L" (see preceding page).

Bank clearings during November totaled \$1,541,402,000, or 9.6 per cent less than in November, 1920, and 1.1 per cent less than in

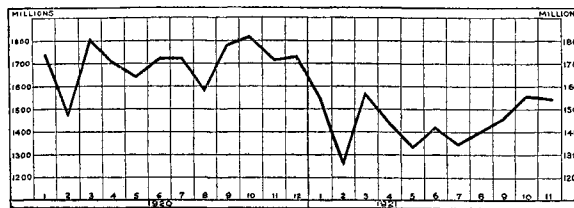
Bank Clearings

October. Clearings for November, however, exhibit a smaller percentage of decline from last year's figures than have clearings during any other month of 1921 compared with the same month in 1920. This, in conjunction with the fact that prices at both wholesale and retail have declined considerably more than 9.6 per cent during the year, indicates a substantial increase in the physical volume of business during the present year. The decline in November clearings compared with the figures for October is doubtless due to the smaller number of business days in November.

Considered geographically, decreases in clearings occurred in November, 1921, compared with November, 1920, in all reporting cities except Berkeley, Long Beach, Los Angeles and Oakland. The greatest comparative increase, 12.8 per cent, was reported from Ber-

keley, and the greatest decrease, 36.5 per cent, from Boise.

Comparative figures of clearings for the 20 reporting cities of the district during November, 1921, October, 1921, and November, 1920, are shown in table "M."



Bank Clearings in 20 Principal Cities, Twelfth Federal Reserve District, 1920-1921. (In Millions of Dollars)

Bills originating on the Pacific Coast are appearing in larger quantities on the open discount market and are no longer confined to one or two cities. This supply, however, is still insufficient to meet the investment demands of Coast buyers, and prime Eastern bills continue in good demand.

Easier money conditions and a scarcity of prime bills combined during the period November 15th to December 15th to effect a further reduction in rates, and prime bills of all maturities are now (December 15th) selling on a $4\frac{1}{8}$ per cent basis compared with a $4\frac{3}{8}$ per cent basis on November 15th. During the latter part of November the demand for acceptances was steady with a heavy call for bills which would fall due before the end of the year. At the same time a gradual broadening of the market was noticeable, chiefly among country banks, but to a lesser extent among corporations and private individuals. By the middle of December this firmness had begun to disappear, due to the semi-annual conservation of cash holdings by the banks, and this tendency became more marked after the announcement of the new Government offering of Certificates of Indebtedness on December 15th.

The principal dealer on the Coast reports that 90-day bills continue to be in greatest favor, although a larger supply of 60-day bills resulted in a greater proportion of bills of that maturity being marketed during the past month than in the previous period. A rough classification of bills marketed follows:

30 day....	6.5%	120 day....	3.6%
60 day....	33.0%	150 day....	0.6%
90 day....	56.3%		

The 36 principal accepting banks of the district reported total November purchases of

(M) Bank Clearings*—

	Nov., 1921	Oct., 1921	Nov., 1920
Bakersfield	\$ 4,361	\$ 4,760	\$ 5,582
Berkeley	14,218	14,803	12,601
Boise	4,604	4,790	7,254
Fresno	28,828	27,856	32,484
Long Beach	16,249	14,886	16,120
Los Angeles	376,010	365,770	351,735
Oakland	50,671	46,581	44,895
Ogden	9,355	7,892	12,355
Pasadena	13,876	13,473	13,946
Portland	128,828	153,775	152,476
Reno	2,855	2,926	3,798
Sacramento	29,901	29,462	31,287
Salt Lake City...	62,568	58,441	81,295
San Diego.....	11,195	11,573	12,768
San Francisco....	573,700	577,100	671,900
San Jose.....	9,585	10,143	10,736
Seattle	128,739	131,096	150,374
Spokane	45,026	48,454	53,556
Stockton	17,727	22,406	21,783
Tacoma	13,106	13,242	19,591
Total	\$1,541,402	\$1,559,429	\$1,706,536

*000 Omitted.

acceptances of \$9,103,681 compared with \$7,392,415 in October, the increase being almost entirely in purchases of bills originating in this district. These bills were based primarily on grains, sugar, canned goods, and cotton, with a scattering of silk, rice and coffee bills. Purchases and holdings of acceptances of reporting banks appear in table "O."

The current tendency toward easier interest rates was reflected in declines of ¼ per cent in the open market rate for prime commercial paper at Los Angeles, Portland and San Francisco, and in Salt Lake City the rate on inter-bank loans was lowered from 8 to 7 per cent. On other classes of paper rates were generally unchanged. A statement of interest rates charged on prime commercial paper by banks in Federal Reserve Bank and Branch cities for the 30-day period ending December 5, 1921, and November 5, 1921, follows:

Interest Rates

	Prime Commercial Paper			
	Customers'		Open Market	
	Dec. 5	Nov. 5	Dec. 5	Nov. 5
Los Angeles...	7	7	5½	5¾
Portland	7	7	5½	5¾
Salt Lake City	8	8	..	..
San Francisco	6-6½	6-6½	5¼-5½	5½-5¾
Seattle	7	7	6	6
Spokane	7	7	..	..

The total amount in all savings accounts against which pass books are issued, (exclud-

ing time certificates of deposit) as reported by 78 banks in seven principal cities, decreased during the month ending November 15th, sixteen-hundredths of 1 per cent, being on that date \$735,669,000, compared with \$736,824,000 on October 15th. During the year ending November 15th there was an increase of 4.4 per cent in savings deposits thus defined.

The changes in the savings deposits in each of the seven principal cities are shown in the accompanying table "N."

On December 12, 1921, the Secretary of the Treasury announced an offering of two series of Treasury Certificates of Indebtedness, both dated and bearing interest from December 15, 1921; the certificates of series TJ-2 1922 maturing June 15, 1922, bearing interest at 4¼ per cent per annum; and the certificates of series TD 1922 maturing December 15, 1922, bearing interest at the rate of 4½ per cent per annum.

The total amount offered was approximately \$250,000,000. All of the Federal Reserve Districts over-subscribed their quota and subscriptions totaling \$1,183,102,000 were received, for which the Treasury Department allotted \$308,447,000. In the Twelfth Federal Reserve District, subscriptions totaling \$32,700,000 were received, of which \$18,555,000 were allotted.

(N) Savings Deposits*—

	Number of Banks	Amount			Per Cent Increase or Decrease (—) Nov. 15, 1921 over Nov. 15, 1920
		Nov. 15, 1921	Oct. 15, 1921	Nov. 15, 1920	
Los Angeles.....	14	\$235,874	\$234,086	\$217,160	8.6
Oakland	7	74,271	74,099	69,291	7.2
Portland	10	38,393	37,383	38,436	— .1
Salt Lake City.....	10	21,871	22,109	21,563	1.4
San Francisco.....	17	324,945	329,224	308,708	5.3
Seattle	14	28,348	28,066	36,127	—21.5
Spokane	6	11,967	11,857	13,344	—10.3
Total	78	\$735,669	\$736,824	\$704,629	4.4

*In thousands of dollars.

(O) Acceptances†—

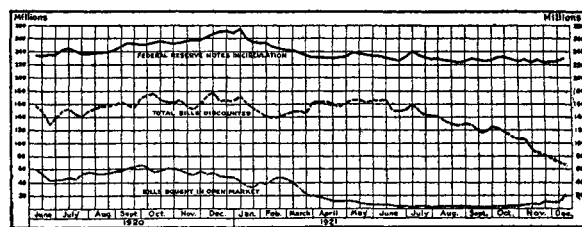
	Amount Accepted		Amount Bought				Amount held at close of month			
	Nov.	Oct.	Created in Twelfth District		All Other		Total		Nov.	Oct.
			Nov.	Oct.	Nov.	Oct.	Nov.	Oct.		
Pacific Northwest	\$1,451,433	\$1,140,199	\$ 225,982	\$ 270,081	\$1,957,511	\$2,601,886	\$2,183,493	\$2,871,967	\$ 6,679,742	\$ 7,752,824
Northern California ...	3,461,612	3,580,105	2,291,734	2,078,213	2,571,826	937,664	4,863,560	3,015,875	2,916,197	3,109,149
Southern California ..	651,006	539,005	235,961	172,041	1,820,667	1,332,532	2,056,628	1,504,573	2,903,347	2,057,149
Other Districts	—0—	—0—	—0—	—0—	—0—	—0—	—0—	—0—	—0—	—0—
Total	\$5,564,051	\$5,259,309	\$2,753,677	\$2,520,333	\$6,350,004	\$4,872,082	\$9,103,681	\$7,392,415	\$12,499,286	\$12,919,122

†36 banks reporting.

A slight increase in loans and discounts and in deposits, and a marked reduction in indebtedness to the Federal Reserve Bank, were the significant changes in the condition of member banks during the past month as shown by reports received from 64 member banks in nine principal cities. Loans and discounts of these banks increased \$37,337,000 or 4.2 per cent in the five weeks ending December 7th. Increases in both time and net demand deposits more than counterbalanced a small decline in Government deposits and the reported increase of \$41,381,000 in total deposits made this loan expansion possible without recourse to the Federal Reserve Bank. Indebtedness of reporting member banks at the Federal Reserve Bank was reduced \$29,058,000, or 52.2 per cent, during the five-week period and is now at the lowest point in the past two years.

Statement of the condition of the Federal Reserve Bank as of the close of business December 14, 1921, shows a slight increase in total reserves and Federal Reserve note cir-

ulation, practically no change in total deposits, and a notable decrease in the amount of bills discounted, when compared with the statement of November 9, 1921. Total reserves of the bank at \$284,116,000 show an increase of \$14,673,000 over the previous record holdings of November 9, 1921. Federal Reserve notes in actual circulation responded to the seasonal demand for currency at the year's end, and rose \$6,911,000, or 3.08 per cent, during the five-week period. Bills discounted for member banks declined \$23,979,000, or 27.2 per cent and at \$64,050,000 on December 14th stood at the lowest point in the past two years.



Federal Reserve Note Circulation, Bills Discounted and Bills Bought in the Open Market, Federal Reserve Bank of San Francisco
(In Millions of Dollars)

PRINCIPAL RESOURCE AND LIABILITY ITEMS OF REPORTING MEMBER BANKS IN RESERVE CITIES IN TWELFTH FEDERAL RESERVE DISTRICT

	Dec. 7, 1921	Nov. 2, 1921	Dec. 10, 1920
Number of Reporting Banks	64	65	66
Loans and Discounts.....	\$ 914,375,000	\$ 877,038,000	\$1,177,703,000
Investments	311,626,000	313,053,000	137,049,000
Cash in Vault and with Federal Reserve Bank.....	103,175,000	97,059,000	105,313,000
Total Deposits.....	1,181,393,000	1,140,012,000	1,143,134,000
Pills Payable and Rediscounts with Federal Reserve Bank.....	28,512,000	57,570,000	121,633,000

COMPARATIVE STATEMENT OF CONDITION OF FEDERAL RESERVE BANK OF SAN FRANCISCO AT CLOSE OF BUSINESS DECEMBER 14, 1921

	Dec. 14, 1921	Nov. 9, 1921	Dec. 17, 1920
RESOURCES			
Total Reserves.....	\$284,116,000	\$269,443,000	\$199,958,000
Bills Discounted and Bought.....	86,273,000	94,657,000	212,396,000
Secured by United States Government Obligations.....	19,184,000	30,201,000	53,692,000
All Other	44,866,000	57,828,000	110,474,000
Bought in Open Market.....	22,223,000	6,628,000	48,230,000
United States Government Securities.....	8,089,000	8,173,000	13,512,000
Total Earning Assets.....	\$ 94,362,000	\$102,830,000	\$225,908,000
All Other Resources*.....	50,423,000	43,209,000	53,629,000
Total Resources	\$428,901,000	\$415,482,000	\$479,495,000
LIABILITIES			
Capital and Surplus.....	\$ 22,578,000	\$ 22,617,000	\$ 18,585,000
Total Deposits.....	127,050,000	126,704,000	136,759,000
Federal Reserve Notes in Actual Circulation.....	231,268,000	224,357,000	271,852,000
All Other Liabilities†.....	48,005,000	41,804,000	52,299,000
Total Liabilities	\$428,901,000	\$415,482,000	\$479,495,000
*Includes "Uncollected Items".....	42,831,000	36,810,000	52,087,000
†Includes "Deferred Availability Items".....	38,785,000	33,541,000	34,830,000