

MONTHLY REVIEW

OF

BUSINESS CONDITIONS

JOHN PERRIN, Chairman of the Board and Federal Reserve Agent
Federal Reserve Bank of San Francisco

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No. 2

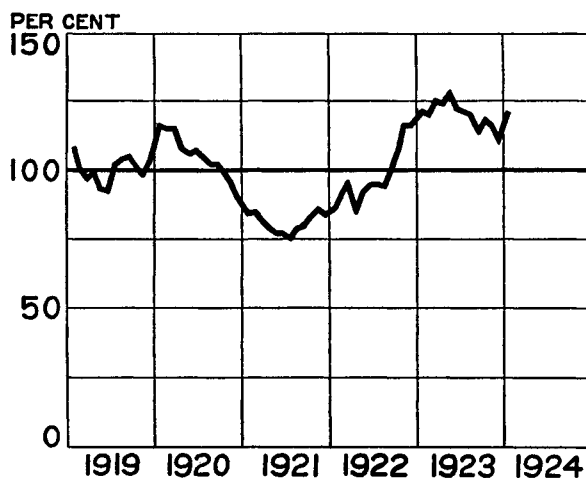
Summary of National Conditions

Production of basic commodities increased sharply in January, the volume of distribution continued larger than a year ago, and the wholesale price level remained unchanged. In February there was an increase in the demand for credit for commercial purposes.

Production. The Federal Reserve Board's index of production in basic industries increased 8 per cent in January, and was at approximately the same level as a year ago. This increase followed a downward movement which had been under way since May, 1923. The increase over December, which occurred in most of the industries, was particularly large in the

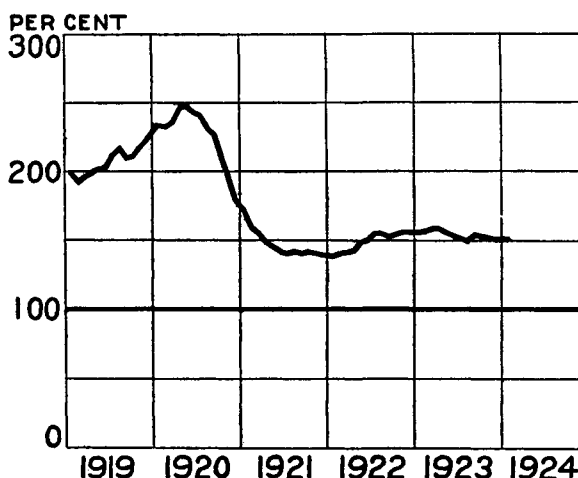
production of steel ingots, lumber, and bituminous coal, and in mill consumption of cotton. A small but general reduction of working forces at industrial establishments resulted in a slight decline in the index of factory employment. The largest decreases occurred at plants manufacturing food products and tobacco. Contract awards for new buildings in January were slightly higher in value than in December, and were 26 per cent above a year ago.

Trade. Railroad shipments, particularly of miscellaneous merchandise, increased during January and total car loadings were somewhat above the high level of January, 1923. The index of wholesale trade increased 11 per cent



Production in Basic Industries

Index of 22 basic commodities corrected for seasonal variation (1919=100).
Latest figure, January, 120.



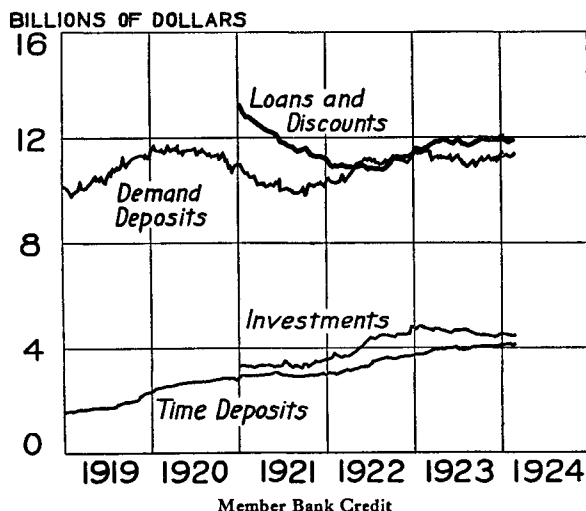
Wholesale Prices

Index of U. S. Bureau of Labor Statistics (1913=100, base adopted by Bureau).
Latest figure, January, 151.

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during January, and was slightly higher than a year ago. Sales of groceries, meat, and drugs were larger than in January, 1923, while sales of dry goods and shoes were smaller. Retail trade in January showed the usual seasonal decline. Compared with a year ago, department

characterized the early weeks of the year, did not continue after January. Since the first week in February the volume of discounts for member banks has been about \$500,000,000 and the holdings of securities purchased in the open market about \$400,000,000.



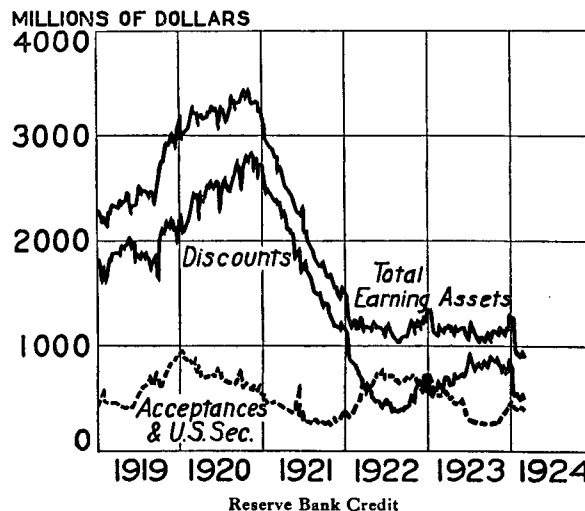
Weekly figures for member banks in 101 leading cities. Latest figure, February 13.

store sales were 7 per cent larger, and stocks of merchandise at these stores, after declining in January, were 6 per cent above last year's level. Sales of mail order houses in January exceeded those of a year ago by 11 per cent.

Prices. The wholesale price index of the Bureau of Labor Statistics remained unchanged during January, and was at a level 3 per cent lower than a year ago. Prices of fuels and building materials, which had been declining since early in 1923, increased during January, while prices of farm products, foods, and clothing declined. During the first two weeks of February prices of hogs, sugar, hides, lumber, and metals advanced, while prices of cotton, wheat, and silk declined.

Bank credit. The volume of borrowing for commercial purposes at member banks in leading cities, after an almost continuous decline for more than three months, increased considerably during the latter part of January and the first two weeks of February. This increase was accompanied by a decline in loans secured by stocks and bonds. Total loans and investments of the reporting banks are now slightly larger than a year ago; commercial loans and loans on stocks and bonds are larger, but investments are smaller.

At Federal reserve banks the total volume of earning assets fluctuated within narrow limits during February. The large return flow of currency and the repayment of discounts, which



Weekly figures for 12 Federal Reserve Banks. Latest figure, February 20.

The easier money conditions of January were followed in February by slightly firmer rates of acceptances and on short term government securities. Commercial paper rates in the New York market remained unchanged at $4\frac{3}{4}$ per cent.

Summary of District Conditions

Production and distribution of goods in the Twelfth District continued evenly at high levels during January, 1924, accompanied by further improvement in the already strong banking position. Reporting member banks in seven principal cities have increased their loans slightly in response to the credit requirements of customers, while at the same time reducing their own borrowings from the Federal reserve bank.

Reporting City Member Banks—Twelfth Federal Reserve District (000 omitted)

	Feb. 6, 1924	Jan. 9, 1924	Feb. 7, 1923
Loans and Discounts..	\$1,008,173	\$1,005,658	\$ 919,162
Investments	347,328	344,192	361,143
Borrowings from Reserve Bank.....	29,217	32,746	19,538
Total Deposits.....	1,325,162	1,344,183	1,275,439
Ratio of Deposits to Loans	131.4	133.6	138.8

All member banks, both city and country, were borrowing \$40,711,000 from the Federal Reserve Bank on February 13, 1924, compared with total borrowings of \$45,296,000 on January 16th. Since the holiday peak of December 26th

such borrowings have declined \$24,244,000 or 37 per cent. A similar decline was experienced a year ago, but it amounted to only \$2,826,000 or 7 per cent. Deposit and Federal Reserve note liabilities of the reserve bank were less by approximately \$7,000,000 on February 13th than on January 16th, total reserves increased \$12,000,000 during the four week period, and the reserve ratio of the bank rose from 77.7 to 82.7, the latter figure being the highest reached since the Armistice.

Industrial production has been maintained at high levels. **Lumber** mills of the district cut 11 per cent more lumber during January, 1924, than during January, 1923. Both shipments and orders received exceeded in amount lumber cut during the month, laying the foundation for a normal seasonal increase in output during the spring. Production of the principal **metals** of the district (gold, silver, copper, lead, and zinc) has continued large in volume, preliminary statistics for January, 1924, indicating small increases over December, 1923. Average daily production of **petroleum** in California was 4.5 per cent less in January, 1924, than in December, 1923, and 21 per cent less than in the peak month of September, 1923. Following this decline in production, which has materially reduced the rate of increase of storage stocks, prices of petroleum were advanced from \$1.01 to \$1.40 per barrel (oil of 35 degrees gravity and above) on February 5th. In October, 1923, such oil sold for 76 cents per barrel. The number and value of **building** permits issued in 20 principal cities of the district during January, 1924, was seasonally large, exceeding the number and value of permits issued during January, 1923, by 12.6 and 27.0 per cent, respectively. The **employment** situation may be characterized as normal, with considerable unemployment among workers in those industries which usually operate at a reduced rate, if at all, during the winter.

Normal growth of **business activity**, both as compared with one month ago and one year ago, is indicated by the amount of checks drawn against accounts at banks (bank debits) in 20 cities of the district during January. Gains of 1.2 per cent as compared with December, 1923, and of 6.8 per cent as compared with January, 1923, were reported. **Retail trade** has been seasonally active in most sections of the district, at levels slightly above those of a year ago. In the **wholesale trade** some lines were active and others quiet during January, but in general the volume of goods sold was greater than one year ago.

The general trend of **prices** of the principal products of the district has been upward. Advances and declines in prices of crops still being marketed and in prices of livestock have been evenly distributed. Prices of the industrial metals, copper, lead, and zinc, rose appreciably during the latter part of January and the early weeks of February. Lumber prices have remained steady at previous levels.

Agriculture

Weather conditions, which at this season determine to some extent the trend of the year's production in agriculture, have during the past month generally favored **grain** and **field crops** already in the ground, and seasonal rains have improved soil conditions for future plantings. In California, where a period of drought had persisted since early autumn entailing a few serious agricultural losses, rains late in January greatly benefited all crops. The Pacific Northwest reported seasonal temperatures and a plentiful supply of moisture during the month. A general snowfall in the Intermountain States satisfied the moisture requirements of growing crops, and afforded them necessary protection from prevailing low temperatures.

Marketing of the unsold portion of the district's chief crops has proceeded steadily during recent weeks, although demand for some agricultural products has remained sluggish. During the 1923-1924 season to February 1st the total volume of **wheat** exported from the Pacific Northwest, and of **barley** from California ports (which afford an approximate measure of the marketing of grain in this district) has been 23.6 and 42.4 per cent smaller, respectively, than during the same period of the 1922-1923 crop year, the size of the crops in the two years considered. **Rice** growers in California had sold about 55 per cent of their 1923 crop of 5,470,000 bushels by February 1, 1924, according to commercial estimates. During the corresponding period of the 1922-1923 marketing season approximately 25 per cent of the 1922 crop (8,260,000 bushels) was sold. Ginning reports from the United States Census Bureau show that 113,857 bales of **cotton** from the 1923 crop in Arizona and California (estimated at 132,000 bales) had been ginned prior to January 16, 1924, compared with total ginnings of 64,859 bales of the 1922 crop (76,000 bales) up to January 16, 1923. Cotton growers in this district are reported to have sold more than 90 per cent of the 1923 crop. Although **apple** shipments from the district up to the end of January, 1924, exceeded

in volume shipments made during the period July 1, 1922, to January 31, 1923, a relatively large proportion of the fruit sent out of the district this season is reported held in cold storage at Eastern consuming centers awaiting a stronger demand than has prevailed up to the present time. California citrus fruits have moved to market steadily during the first quarter of the 1923-1924 citrus year.

Figures for the Twelfth District showing the export movement of wheat and barley, and the shipments of apples, oranges, and lemons during the past three seasons are given in the following table:

MOVEMENT OF CROPS TO MARKET*			
Twelfth Federal Reserve District			
	1923-1924 Season to Jan. 31, 1924	1922-1923 Season to Jan. 31, 1923	1921-1922 Season to Jan. 31, 1922
Wheat Exports†			
Portland and Puget			
Sound (bu.)	16,686,656 (11.6)	15,178,840 (15.2)	32,310,488 (26.4)
Barley Exports†			
San Francisco... (bu.)	7,744,105 (16.7)	13,156,708 (29.0)	14,651,689 (37.4)
Apple Shipments‡			
Twelfth District (cars)	48,395 (83.8)	34,864 (77.4)	45,198 (88.4)
Orange Shipments‡			
California (cars)	8,329 (\$)	9,107 (18.4)	8,952 (29.5)
Lemon Shipments‡			
California (cars)	1,676 (14.1)	1,381 (13.2)	1,487 (15.1)

*Figures in parentheses indicate percentage of crop.

†Season begins July 1st.

‡Season begins November 1st.

§Estimate of total crop not available.

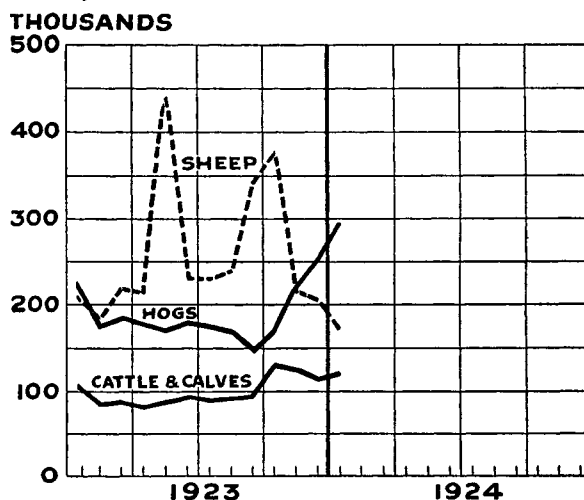
Distinct progress in marketing dried fruit crops of the district (particularly of California) during recent weeks has effected some measure of improvement in a situation which has been critical for the past year. A heavy foreign demand for lower grade dried fruits has developed and has been followed by increased activity in domestic markets. Carryover stocks, where they exist, have been definitely reduced and new crop stocks diminished by the heavy shipments of the past month.

Livestock

Preliminary estimates of recent trends in the livestock industry have been confirmed by the annual report of the United States Department of Agriculture showing the number of domestic animals on the farms and ranges of the district. The number of beef cattle decreased by approximately 1 per cent during the year, while the number of dairy cattle, sheep, and hogs increased 2.2 per cent, 3.9 per cent, and 5.5 per cent, respectively.

The decline in number of beef cattle followed a year of sluggish demand and relatively low prices for beef, seriously hampering the financial readjustments in the industry which had

been commenced in 1920. The steady growth of the dairy industry which has characterized recent years continued during 1923, the gain of 3.9 per cent in number of milk cows exceeding that of the previous year (2.1 per cent). Expansion of the sheep raising industry during the past year has proceeded from three causes: generally excellent weather and range conditions, profitable disposal of a large part of the 1923 wool clip, and a sustained market for lambs at prices generally satisfactory to sheepraisers. The reported increase of 5.5 per cent in the number of hogs in the district is contrary to the experience of the country as a whole, where a decrease of 4.3 per cent was reported during 1923. This district imports a considerable part of its supplies of pork, however, and it appears probable that the local increase in number of hogs represents a shifting in sources of supply rather than a general trend in the industry as a whole.



previous month since this bank began keeping records in January, 1921. Receipts during January, 1924, and 1923, and December, 1923, and 1922 are given in the following table:

	Cattle	Calves	Hogs	Sheep
January, 1924..	98,489	21,835	293,874	171,763
December, 1923..	93,513	22,353	251,443	204,371
January, 1923..	89,640	16,533	222,228	210,808
December, 1922..	74,217	17,733	217,124	199,526

Prices for better grades of beef cattle and lambs at the chief markets of the district tended to strengthen during January, while hog quotations generally declined slightly.

Dairy and Poultry Products

A marked decline in butter production, reaching greater than seasonal proportions by reason of the shortage of green pasture in California, necessitated heavy withdrawals during January from the large holdings of cold storage butter accumulated during the late summer and early autumn months of 1923. Reported stocks of cold storage butter held at four principal markets of the district on February 1st (436,840 pounds) were lower than in the corresponding month a year ago for the first time since May, 1923. They were 63.6 per cent smaller than holdings on January 1st (1,203,128 pounds) and 44.9 per cent less than the five year average for February 1st (793,114 pounds). Reported cold storage holdings of butter in the United States were 15,243,000 pounds on February 1, 1924, compared with a five year average of 33,558,000 pounds.

Cold storage holdings of eggs at six principal markets of the district have also been reduced greatly during recent months. The total of 13,827 cases of eggs held in cold storage on February 1st was but 18.1 per cent of 76,304 cases reported 30 days earlier. There were but 706 cases of eggs in cold storage at these markets on February 1, 1923.

A summary of cold storage holdings of butter and eggs in the chief markets of the Twelfth District is given in the following table:

	Feb. 1, 1924	Jan. 1, 1924	Feb. 1, 1923	Five Year Average Feb. 1st
Butter (pounds)	436,840	1,203,128	639,981	793,114
Eggs (cases)...	13,827	76,304	706	*

*Figures not available.

Prices

The general level of prices has changed little during recent weeks. The United States Bureau of Labor index number of wholesale prices stood at 151.0 for January, 1924, compared with 151.0 for December, 1923, and 156.0 for January, 1923.

The trend of prices for the principal agricultural products of this district has been obscured by the diverse movement of prices of particular commodities. Within the livestock group, advances in sheep and lamb quotations with slight declines in prices for beef cattle and hogs were recorded at the Chicago market. Prices there on February 1st were higher for beef cattle and sheep, and lower for lambs and hogs, than one year ago. Grain prices rose slightly during January. Contract quotations at Chicago for May wheat advanced approximately 3.0 per cent, but at the beginning of February were 5.0 per cent lower than a year ago. Cash barley prices advanced seasonally at San Francisco, and at the close of January shipping barley sold at a level only slightly lower than one year ago. Quotations for spot middling uplands cotton at New Orleans declined nearly 2½ cents per pound during January, but at 33.63 cents per pound on February 1, 1924, were 20.1 per cent higher than on February 1, 1923. The average of 98 wool quotations on the Boston market increased 2.0 per cent during the month, and at 81.24 cents per pound on February 1st was practically identical with the figure one year

(A) Livestock on Farms and Ranges—

	Milk Cows* January 1,			Other Cattle* January 1,			Sheep* January 1,			Swine* January 1,		
	1924	1923	1922	1924	1923	1922	1924	1923	1922	1924	1923	1922
Arizona	46	46	40	1,092	1,092	1,050	1,155	1,155	1,100	57	57	50
California	664	645	632	1,421	1,435	1,380	2,450	2,402	2,310	834	842	834
Idaho	172	162	153	537	526	521	2,491	2,542	2,492	378	315	196
Nevada	24	21	19	345	356	346	1,141	1,119	1,190	28	25	25
Oregon	238	220	216	577	595	620	1,916	1,860	1,860	220	214	220
Utah	92	90	87	446	455	433	2,457	2,340	2,250	121	108	90
Washington	289	283	289	253	253	261	598	520	500	239	217	197
Twelfth District.....	1,525	1,467	1,436	4,671	4,712	4,611	12,208	11,938	11,702	1,877	1,778	1,612
United States.....	24,675	24,437	24,082	42,126	42,803	41,550	38,361	37,223	36,327	65,301	68,227	57,834
Per Cent District to												
United States.....	6.1	6.0	5.9	11.1	11.0	11.0	31.8	32.0	32.2	2.8	2.6	2.7
Per Cent of Previous												
Year—Twelfth District	103.9	102.1	103.2	99.1	102.1	98.6	102.2	102.0	95.9	105.5	109.2	96.9
Per Cent of Previous												
Year—United States..	100.9	101.4	102.1	98.4	103.0	98.9	103.0	102.4	97.0	95.7	117.1	103.1

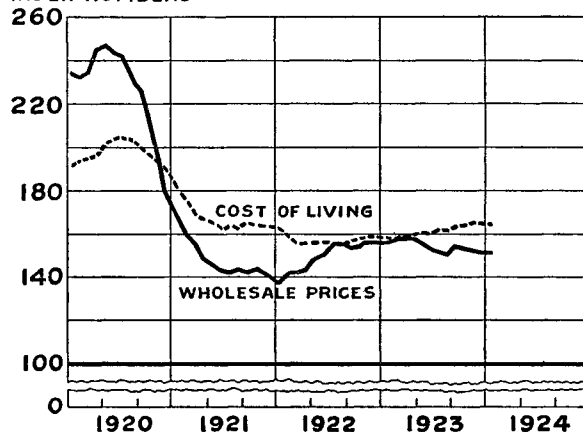
*000 omitted.

ago. Beet sugar prices, which had declined during December and early January, began to move upward about the middle of the latter month, and granulated beet sugar is now (February 20th) quoted at \$8.90 per 100 pounds, compared with \$8.50 a month ago. A year ago the quotation was \$8.45 per 100 pounds. Prices for fresh, canned, and dried fruits changed little during the month. Recent movements of prices for dairy and poultry products on the San Francisco market have advanced butter quotations and lowered prices for eggs. Present price levels of these products are approximately 7.2 per cent and 4.4 per cent, respectively, higher than one year ago.

The movement of prices in non-ferrous metal markets during January was significant. Lead and zinc quotations advanced 3.7 per cent and 4.7 per cent, respectively, and prices for copper and silver declined fractionally. The continued strengthening of lead quotations during recent months has raised the selling price of that metal to levels fractionally higher than one year ago.

Copper, zinc, and silver prices are 15.8 per cent, 0.7 per cent, and 1.2 per cent, respectively, lower than a year ago. On February 5th the

INDEX NUMBERS



Wholesale Prices and the Cost of Living, 1920-1924

United States Bureau of Labor Index of Wholesale Prices (1913=100)
National Industrial Conference Board Index of the Cost of Living (July 1914=100)

(B) Commodity Prices—

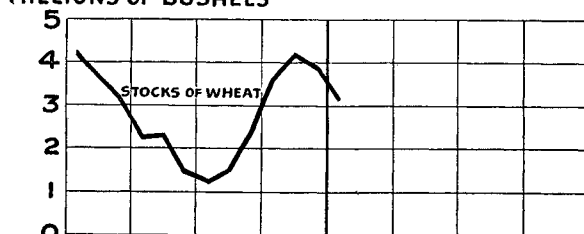
Commodity	Unit	Feb. 1, 1924	One Month Ago	One Year Ago
Twenty Basic Commodities (F. R. B. of N. Y.) 1913=100..		152.6	146.1	151.7
Wholesale Prices (U. S. Bureau of Labor) 1913=100.....		151.0	151.0	156.0
Cost of Living (National Industrial Conference Board) July, 1914=100.....		164.6	165.0	158.1
Purchasing Power of Farm Products (U. S. Department of Agriculture) 1913=100.....		73.0	73.0	68.0
Cattle (Native Beef)...Weekly Average Price at Chicago..	100 lbs.	\$9.25	\$ 9.50	\$ 8.80
Sheep .....Weekly Average Price at Chicago..	100 lbs.	7.80	7.50	7.50
Lambs .....Weekly Average Price at Chicago..	100 lbs.	13.70	13.20	13.90
Hogs .....Weekly Average Price at Chicago..	100 lbs.	7.00	7.15	8.25
Wheat .....Chicago contract price for May Wheat..	bu.	1.11¼-1.12¾	1.07¼-1.08¾	1.17¾-1.18¼
Barley .....Shipping Barley f. o. b. San Francisco...	cental	1.65-1.70	1.55-1.65	1.60-1.75
Rice .....California Fancy Japan at San Francisco..	cental	5.15	5.15	4.60
Cotton .....Middling Uplands—Weekly range of spot quotations at New Orleans.....	lb.	33.13-33.63¢	35.00-36.00¢	27.62-28.00¢
Wool .....Average of 98 quotations at Boston.....	lb.	81.24¢	79.61¢	81.28¢
Flour .....First Grade Family Patent f. o. b. Cali- fornia mills.....	bbbl.	7.18	7.14	7.81
Sugar .....Beet Granulated f. o. b. San Francisco....	lb.	8.65¢	8.70¢	6.90¢
Apples .....Extra Fancy Winesaps f. o. b. Pacific Northwest	box	1.25-1.40	1.25-1.40	1.40-1.55
Oranges .....Navels, Fancy—Wholesale at San Fran- cisco	box	3.00-4.75	3.00-5.50	2.25-4.00
Lemons .....Choice—Wholesale at San Francisco....	box	1.50-2.50	1.50-2.00	5.00-5.75
Dried Apples.....Choice in 50-lb. boxes f. o. b. California..	lb.	.13¼-.14	.12	.09
Dried Apricots...Choice in 25-lb. boxes f. o. b. California..	lb.	.11½-.12	.10¾-.11	.23½
Prunes .....Size 40/50 in 25-lb. boxes f. o. b. Calif....	lb.	.10¼-.10½	.10¾-.11	.11¾-.12
Raisins .....Loose Muscatel in 25-lb. bxs. f. o. b. Calif.	lb.	.08¾	.08¾	.10
Canned Apricots.Choice 2½s f. o. b. California.....	doz.	2.60	2.60	3.15
Canned Peaches..Cling Choice, 2½s f. o. b. California....	doz.	2.25	2.25	2.60
Canned Pears....Bartlett, Standard 2½s f. o. b. California.	doz.	2.40	2.40	2.85
Raw Milk.....Pacific Coast—January average.....	100 lbs.	2.89	2.86	2.82
Butter .....93 score at San Francisco.....	lb.	.52	.48	.48½
Eggs .....Extras—San Francisco.....	doz.	.35½	.42	.34
Copper .....Electrolytic; New York Spot.....	lb.	.12¾	.12¾	.15
Lead .....New York Spot.....	lb.	8.40¢	8.10¢	8.375¢
Silver .....New York Foreign.....	oz.	.63¾	.64¾	.64¾
Zinc .....East St. Louis Spot.....	lb.	6.55-6.60¢	6.27-6.30¢	7.05-7.10¢
Petroleum .....California 35° and above.....	bbbl.	1.01	.76	1.45
Douglas Fir.....2x4, 16 ft. No. S1S1E f. o. b. Seattle.....	M ft.	20.50	18.50	21.50
Douglas Fir.....12x12 Timbers f. o. b. Seattle.....	M ft.	25.00	25.00	24.00

largest purchaser of petroleum in California fields advanced its offering price for crude oil of 35 degrees gravity and above to \$1.40 per barrel. This quotation is 84.2 per cent higher than the recent low price of 76 cents per barrel named in October, 1923, and 3.4 per cent lower than prices paid a year ago. Lumber prices generally continued stable during the past month, although declines in prices of some grades and kinds of wood were reported.

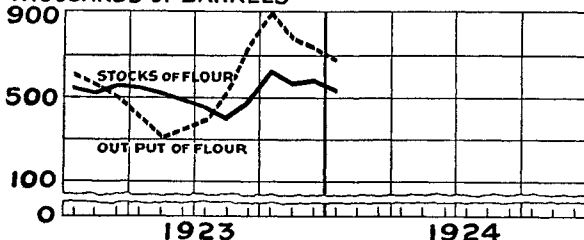
Milling

With production running well above the levels of a year ago, stocks of flour declining, and the market comparatively active the flour milling industry was in measurably better condition in January, 1924, than in January, 1923. Output of 16 large mills, which regularly report to this bank, was greater by 13.2 per cent in the first month of 1924 than in the same month of 1923. Stocks of flour and of wheat held by these mills declined 6.8 per cent and 29.0 per cent respectively during January, 1924, and despite the higher level of present production were approximately the same, or smaller, on February 1, 1924, as on February 1, 1923.

MILLIONS OF BUSHELS



THOUSANDS OF BARRELS



Monthly Flour Output, and Stocks of Wheat and Flour at End of Month of 16 Reporting Milling Companies

Figures of output and stocks for 16 milling companies for which a continuous record is kept are given in the following table:

	Jan., 1924	Dec., 1923	Jan., 1923
Output .....(bbls.)	679,463	736,300	600,205
Stocks of Flour*..(bbls.)	530,845	569,430	530,439
Stocks of Wheat*..(bu.)	3,159,731	3,901,986	4,145,927

*As of the first day of the following month.

NOTE: Output of the 16 reporting mills during December, 1923, the latest month for which complete comparative data are available, represented approximately 70 per cent of the total production of all mills in the district producing 5,000 or more barrels of flour annually (as reported to the Bureau of the Census).

Domestic demand for flour is reported to have been active during the past month. Foreign markets have been relatively quiet.

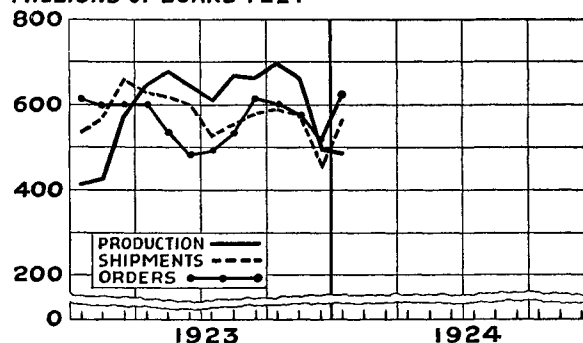
Lumber

Activity in the lumber industry of the district was maintained at high levels during January, the closing weeks of the month finding the majority of mills in operation after a brief seasonal halt in production. A decline in output, which has been in progress since the peak of October, 1923, continued during the month, but at a greatly reduced rate, and the concurrent decline in volume of orders and shipments, which had been partly responsible for the decrease in output, was reversed.

Four associations of mills, which report their figures to this bank, cut 11.4 per cent more lumber during January, 1924, than during January, 1923. As in the latter month, both shipments and orders received exceeded production during January, 1924, although by smaller amounts than during January, 1923, and unfilled orders on the books of the mills showed a substantial increase. In January, 1923, the lumber industry was entering upon a period of rapid expansion, which by June of that year had carried production to record levels. Figures showing the activity of nearly 200 mills during January, 1924, and 1923, and December, 1923, and 1922, follow (000 omitted):

	Jan., 1924 (board feet)	Dec., 1923 (board feet)	Jan., 1923 (board feet)	Dec., 1922 (board feet)
Production	484,915	491,780	435,888	388,354
Shipments	565,839	467,230	631,734	465,488
Orders	626,652	512,238	646,208	460,315
Unfilled Orders..	583,691	530,144	607,714	500,511

MILLIONS OF BOARD FEET



Lumber Production, Orders Received, and Shipments in Twelfth Federal Reserve District as Reported by Four Lumber Associations, 1923-1924

Domestic demand for lumber continued seasonally active during January, particularly at Atlantic Coast and Central Western markets. Comparative inactivity prevailed in the foreign market, however, the volume of new orders for export delivery being less than one-fourth as large as in December, 1923.

Mining

Preliminary reports indicate that production of important metals (including copper, gold, silver, lead, and zinc) in this district during January continued at about the same, or slightly higher, levels as in December, 1923. National production statistics of copper, silver, zinc, and quicksilver during December, 1923, the latest month for which figures are available, are given in the following table:

	Dec., 1923	Nov., 1923*	Dec., 1922
Copper (lbs.) (mine production)	128,193,000	127,963,000	103,845,306
Silver (oz.) (commercial bars) . . .	4,748,000	4,894,135	5,052,195
Zinc (tons) (slab)	46,485	44,280	42,841
Quicksilver (flasks—75 lbs., estimated)	800	835	580

*Revised.
Figures for lead are not available.

The copper market continued dull during the early weeks of the present year and the average monthly price of that metal at New York was fractionally lower in January, 1924, than in December, 1923, and more than 2 cents or 13 per cent below the average for January, 1923. Prevailing low prices tended to stimulate demand, however, and during the last four weeks there has been a slight but steady strengthening of the market, accompanied by an advance in price from 12½ cents per pound (the low point reached January 18th) to 13½ cents per pound on February 20th. Lead and zinc markets were active during the month, and monthly average prices of these metals were higher than in December, 1923. Lead sold for 9 cents per pound on the New York market on February 14, 1924, compared with 8¾ cents per pound on January 14, 1924, and February 14, 1923. Average prices paid for the principal non-ferrous metals during January, 1924, December, 1923, and January, 1923, follow:

	Jan., 1924 (cents)	Dec., 1923 (cents)	Jan., 1923 (cents)
Copper (lb.)			
New York Electrolytic..	12.40	12.82	14.51
Lead (lb.)			
New York.....	7.97	7.37	7.63
Silver (oz.)			
New York.....	63.45	64.71	65.67
Zinc (lb.)			
St. Louis.....	6.43	6.26	6.82
Quicksilver (dollars per flask) San Francisco....	59.66	59.75	71.01

Petroleum

Further declines in production of California petroleum were reported during January, average daily output during that month being 4.5 per cent less than in December, 1923, and 21.4 per cent below the peak of September, 1923.

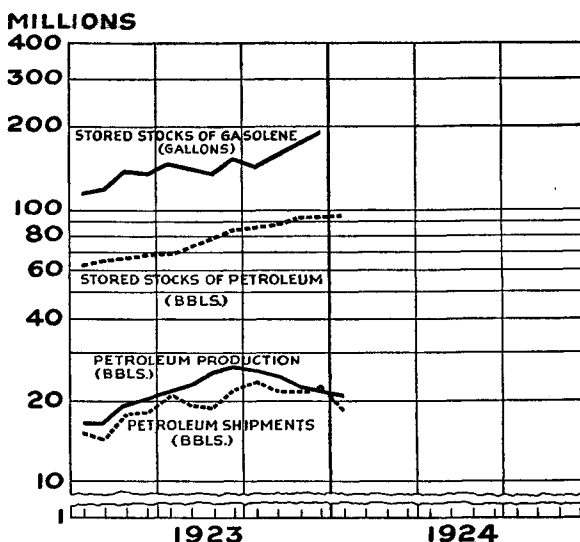
An outline of the statistical record of the past year in petroleum production follows:

Average Daily Production of Petroleum in California (in barrels)			
Jan., 1924	Dec., 1923	Sept., 1923	Jan., 1923
674,597	706,427	858,750	530,885

Stored stocks of petroleum in California increased 2.5 per cent during January, the reported decrease in production being more than offset by a decline in consumption (indicated by shipments).

Stored Stocks of Petroleum in California (in barrels)			
Jan. 31, 1924	Dec. 31, 1923	June 30, 1923	Jan. 31, 1923
94,254,833	91,925,153	72,637,147	62,635,588

Development of oil properties in California continues, but at a slower rate and with less resultant increase in oil production than during the early months of 1923. Average daily production of the 120 new wells opened during January, 1924, was 56,239 barrels compared with an initial daily production of 84,361 barrels from 134 new wells opened during Decem-



Production, Shipments, and Stored Stocks of Petroleum, and Refinery Stored Stocks of Gasoline, 1923-1924

ber, 1923, and an average daily production of 102,739 barrels from 78 new wells brought in during January, 1923. Prices for petroleum are discussed on page 23 in this Review.

Electric Energy

Sales of electric energy for industrial purposes during December, 1923, were 18.2 per cent greater in volume than during December, 1922. Throughout the year 1923 similar monthly gains as compared with the months of 1922 have been reported, the uniformity of the increases suggesting that the factor of annual growth of the hydro-electric industry has in-

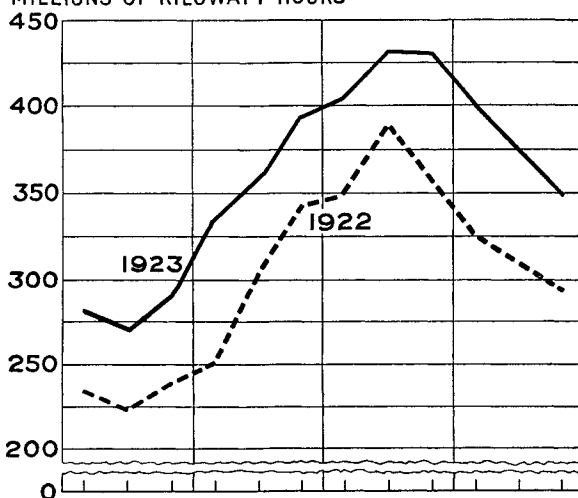
fluenced sales fully as much as have changing business conditions.

Sales of power to agricultural consumers during December were particularly large for the season of the year, comprising 4.5 per cent of total reported industrial sales, whereas in December, 1922, they were but 2.2 per cent of total industrial sales. Increased demands of farmers in California, where the lack of seasonal rainfall made pumping of water for winter irrigation a necessity, were responsible for a gain of 114.6 per cent in the district's sales for agricultural purposes as compared with December, 1922.

Demands for power in industries other than agriculture have declined during recent months, and total industrial sales were less by 6.4 per cent in December, 1923, than in November, 1923. Percentage comparisons of sales by certain industries and by sections of the district are presented in the following table:

	Percentage Increase or Decrease (—) December, 1923, compared with December, 1922			
	Agriculture	Mining	Manufacturing	Total Industrial Sales
California	125.0	13.1	20.5	24.6
Pacific Northwest.....	7.5	0.8	32.9	— 1.6
Intermountain States.....	51.8	67.3	6.2	28.7
Twelfth District.....	114.6	18.5	23.1	18.2

MILLIONS OF KILOWATT HOURS



Total Industrial Sales (K. W. H.) of 20 Power Companies in Twelfth Federal Reserve District, 1922-1923

Figures showing the number of industrial consumers and the volume of industrial sales of reporting companies during December, 1923, and 1922 follow:

	Number of Industrial Consumers		Industrial Sales K.W.H.	
	Dec., 1923	Dec., 1922	Dec., 1923	Dec., 1922
California	75,224	58,101	217,226,180	174,281,634
Pacific Northwest ...	12,631	11,029	76,934,067	78,198,678
Intermountain States	5,109*	10,014*	54,758,007	42,532,384
Twelfth District	92,964	79,144	348,918,254	295,012,696

*Due to a change in the statistical method of one reporting company these figures are not comparable.

Employment

Normal employment conditions obtained in this district during January, 1924. Pending usual spring expansion of outdoor activities such as agriculture, lumbering, building and construction, and other seasonal industries, a moderate amount of unemployment, especially of unskilled laborers, existed, but the number of unemployed workers was about the same as in previous winters. In California a growing volume of winter unemployment has been reported of recent years, the number seasonally unemployed being increased by an influx of workers from other states seeking employment during the winter months. Unemployment in the important mining industry in Arizona and Nevada is reported to have increased slightly during January, as compared with December, and in Nevada more miners have been idle than was the case during January, 1923.

Recent trends of employment in manufacturing industries are indicated in the following table showing the total number of workers on the payrolls of 32 manufacturing firms usually employing 501 men or more:

	Number of Firms	Number of Men on Payroll* Jan. 31, 1924	Dec. 31, 1923	Jan. 31, 1923
Los Angeles.....	16	34,362	34,352	30,895
San Francisco.....	10	8,656	8,114	6,868
Seattle	6	3,185	2,680	2,396
Total	32	46,203	45,146	40,159

*These figures do not represent the total number of men engaged in manufacturing activities in these cities, but only the payroll figures of a selected number of firms.

Foreign Commerce

Despite unsettled economic conditions in important areas of the world, and the high price of American dollars in terms of most foreign currencies, which generally hampered buying by foreigners in the United States, foreign commerce of the United States gained substantially during 1923 as compared with 1922. The outstanding feature of the returns was the increase of 21.8 per cent in merchandise imports as compared with 1922. While exports were only 8.8 per cent greater than during 1922, they exceeded imports by more than \$375,000,000 during the year. Deducting net gold and silver imports, the export balance for 1923 amounted to approximately \$80,000,000. The figures follow (000 omitted):

	1923	1922	1921
Exports	\$4,167,730*	\$3,831,777	\$4,445,031
Imports	3,791,938	3,112,747	2,509,148
Export Balance.....	375,792	719,030	1,935,883
Net Gold and Silver Imports	296,057	246,294	679,024
Net Export Balance..	79,735	462,736	1,256,859

*Exports for December estimated.

Approximately 50 per cent (by value) of total exports during 1923 were consigned to European countries, and of the total imports into this country in 1923, 30 per cent came from that continent. In 1922 European trade comprised 54 per cent of exports and 32 per cent of imports. Exports to Europe increased 0.5 per cent during 1923 as compared with 1922, and imports from Europe increased 16.8 per cent. Trade with all other major geographical divisions increased during the year 1923.

Of that part of the country's foreign commerce which passed through Pacific Coast ports, imports exceeded exports by \$105,000,000, and were 13 per cent larger than during 1922, all customs districts participating in the increase. The principal gains were in imports of raw silk, sugar, copra, and burlap. Increased shipments of petroleum, gasoline, lumber, canned fruits, wheat and wheat flour, barley, and leather were responsible for the increased value of exports from this coast. Figures received from four customs districts follow (coastwise traffic excluded):

	Exports	1923	1922	Percentage Increase 1923 compared with 1922
Los Angeles.....	\$	33,579,548	\$ 18,843,662	78.2
Portland		52,509,721	51,003,204	2.9
San Francisco...		160,768,714	145,100,819	10.7
Seattle		116,163,051	90,072,040	28.9
District	\$	363,021,034	\$305,019,725	19.0
	Imports			
Los Angeles.....	\$	29,027,467	\$ 17,147,327	69.2
Portland		10,140,136	7,812,946	29.8
San Francisco...		166,829,496	170,815,051	2.3*
Seattle		262,158,367	218,230,178	20.1
District	\$	468,155,466	\$414,005,502	13.0

*Decrease.

A marked increase in domestic waterborne intercoastal trade is reflected in figures showing the amount of traffic passing through the Panama Canal, of which intercoastal trade forms a principal part. There was an increase of 68.1 per cent in the number of ships passing through the canal during 1923 as compared with 1922 and cargo tonnage increased 83.5 per cent. The figures follow:

	No. of Vessels	Cargo Tonnage
1922.....	2,997	13,710,556
1923.....	5,037	25,160,545

Automobile Registrations

New passenger automobiles registered in reporting states of this district during 1923 increased 62.4 per cent in number as compared with 1922, while registrations of new trucks increased 35.3 per cent. These figures indicate, in some measure, the extent of the increase in purchasing power of the population of the dis-

trict during 1923 as compared with 1922, growing out of improving business conditions. Figures showing registrations of new automobiles in the states of this district (except Nevada, for which figures are not available) during 1923 and 1922 are presented in the following table:

	Total New Passenger Cars Registered		Total New Commercial Cars Registered	
	1923	1922	1923	1922
Arizona	9,871	5,041	873	286
California	224,253	144,562	23,955	17,970
Idaho	8,773	4,252	667	402
Oregon	33,835	16,538†	1,795	1,516†
Utah	10,840	*	1,018	*
Washington	44,676†	18,463	4,818†	*
Total (4 States)	276,732	170,393	27,290	20,174

*Not available.

†Partly estimated.

Revised figures of total registrations of automobiles (both old and new) in this district during 1923 show an increase of 2.2 per cent over the number of cars registered during 1922. The greatest increase (36.8 per cent) was reported in Idaho, with California (where more than 56 per cent of the cars in this district are found) second. The figures follow:

	Total Automobile Registrations		Percentage Increase 1923 over 1922
	1923	1922	
Arizona	48,741	37,776	29.0
California	1,092,410	845,082	29.2
Idaho	67,370	53,751	25.3
Oregon	166,408	134,566	23.7
Utah	67,271	49,164	36.8
Washington	263,573	220,957	19.3
Total	1,705,773	1,341,296	27.2

National production of automobiles during January, 1924, was 30 per cent greater than during January, 1923, according to figures compiled by the Federal Reserve Bank of Chicago, and was 4.3 per cent greater than production during December, 1923, the latter increase being largely seasonal. The figures follow:

	Jan., 1924	Dec., 1923	Jan., 1923
Passenger Cars.....	287,211	275,287	223,653
Trucks	28,247	27,068	18,913
Total	315,458	302,355	242,566

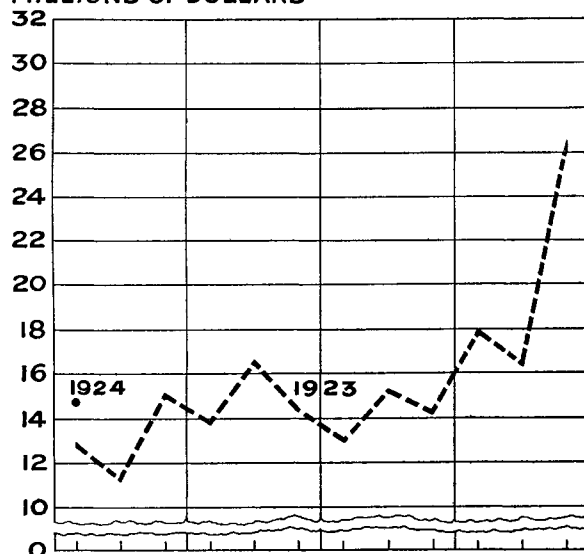
Retail Trade

Normal growth of trade at retail continues. Sales of 35 department stores of the district were 13.6 per cent greater in value during January, 1924, than during January, 1923, due chiefly to increased business at the Los Angeles stores. Stocks held by these stores on February 1, 1924, were slightly larger than on January 1, 1924, despite efforts of merchants to clear their shelves through the medium of special sales, and were generally larger than

stocks held on February 1, 1923. The larger stocks are being moved slightly more rapidly than were the smaller stocks of a year ago however, the rate of stock turnover for January, 1924, being 2.90 times per year as compared with a rate of 2.85 times per year in January, 1923.

The seasonal decline in trade, which normally follows the activity of the Christmas period, was experienced by reporting department stores of the district during January, 1924, the value of their sales during the month being 43.6 per cent less than during December, 1923.

MILLIONS OF DOLLARS



Net Sales of 31 Department Stores in Twelfth Federal Reserve District
(In Millions of Dollars)

A detailed statement of the percentage changes in the value of sales and stocks of reporting department stores in this district follows:

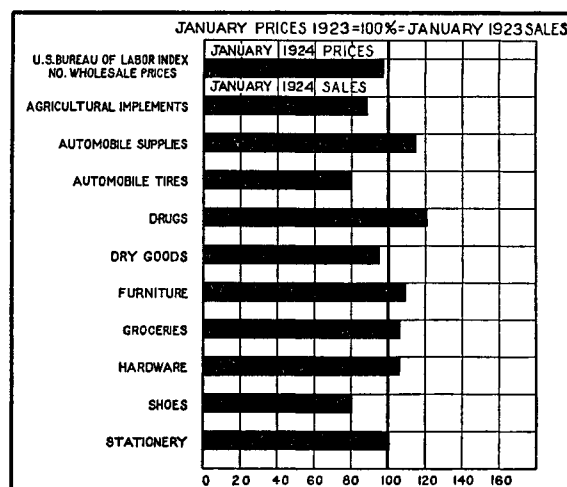
	No. of Stores	Percentage increase or decrease (—) in value of sales Jan., 1924, compared with		Percentage increase or decrease (—) in value of stocks Jan., 1924, compared with	
		Jan., 1923	Dec., 1923	Jan., 1923	Dec., 1923
Los Angeles.....	6	29.5	—36.3	25.5	9.4
Oakland	4	2.2	—53.4	5.8	— 5.0
Salt Lake City...	4	— 1.0	—50.9	12.7	— 1.9
San Francisco....	10	4.3	—44.1	7.9	.1
Seattle	5	1.4	—54.3	— 2.8	—11.7
Spokane	5	— 1.7	—52.8	1.6	— .2
District*	35	13.6	—43.6	11.5	.9

*Figures for one store included in district figures, but not included in figures for cities shown above.

Wholesale Trade

Extreme irregularity characterized trade at wholesale in this district during January. Reports received from approximately 200 firms in

eleven lines of business showed decreases in four lines and increases in seven lines, as compared with January, 1923. In December, 1923, as compared with the same month a year ago increases outnumbered decreases by one. Spring buying of merchandise had already commenced in several lines of business during January, and sales in these lines increased seasonally as compared with December.



Dollar Value of Sales of Representative Wholesale Firms and General Wholesale Prices in January, 1924, compared with January, 1923

Percentage increases or decreases (—) in the value of January sales of all reporting firms in each line of business are presented in the following table:

	Number of Firms	Jan., 1924, compared with Jan., 1923	Dec., 1923
Agricultural Implements....	23	—11.4	9.0
Automobile Supplies.....	17	15.0	—10.5
Automobile Tires.....	19	—20.5	— 7.1
Drugs	9	20.8	16.7
Dry Goods.....	14	— 5.1	24.4
Electrical Equipment.....	5	16.0	—20.7
Furniture	16	9.2	—22.7
Groceries	28	6.7	21.9
Hardware	21	5.7	8.0
Shoes	13	—19.6	—13.1
Stationery	27	.6	— 6.2

Building Activity

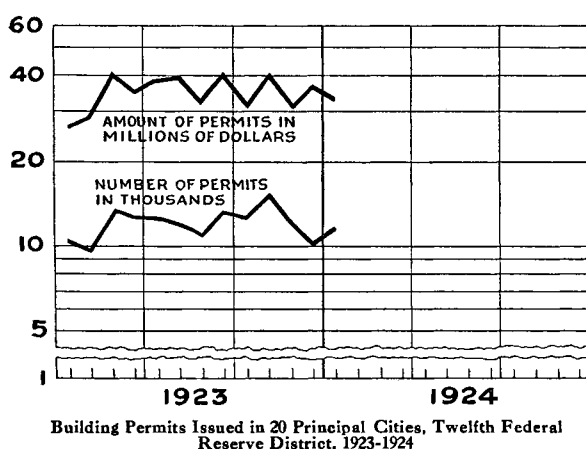
The value of building permits issued in 20 principal cities of this district during January, 1924, was less than in December, 1923, but exceeded the November, 1923, figures by 10 per cent, and was well in excess of the value of permits issued in January a year ago. The number of such permits was greater than in either January, 1923, or December, 1923, and carried this figure back toward the record levels

of the past year, following a seasonal decline in the preceding two months.

Percentage Increase or Decrease (—) in the Number and Value of Building Permits issued in 20 Cities

	Jan., 1924, compared with	
	Jan., 1923	Dec., 1923
Number of Permits Issued.....	12.6	14.9
Value of Permits Issued.....	27.0	— 9.3

The United States Department of Labor index number of building materials prices stood at 181 in January (1913 prices=100). This is 1.7 per cent higher than a month ago, 15.2 per cent higher than a year ago, and 11.3 per cent below the peak of April, 1923. The Aberthaw index number of the total cost of constructing a reinforced concrete factory building stood at 200 on February 1, 1924 (100 in 1915), com-



(C) Building Permits—

	January, 1924		January, 1923	
	No.	Value	No.	Value
Berkeley	237	\$ 686,790	174	\$ 494,437
Boise	27	9,033	60	34,975
Fresno	135	216,919	189	1,192,187
Long Beach...	476	3,198,048	416	1,383,026
Los Angeles..	5,400	13,158,526	4,646	11,258,517
Oakland	983	2,019,166	806	1,852,438
Ogden	9	21,300	19	82,275
Pasadena	349	924,462	379	763,380
Phoenix	78	120,878	69	85,625
Portland	964	1,778,275	865	1,537,450
Reno	12	12,835	12	9,500
Sacramento ..	287	653,256	214	451,554
Salt Lake City	44	102,193	47	202,325
San Diego....	485	738,431	427	532,150
San Francisco.	773	3,178,413	718	3,205,811
San Jose.....	93	444,125	96	225,195
Seattle	777	3,341,435	693	1,045,968
Spokane	74	55,245	126	122,570
Stockton	109	219,455	102	183,620
Tacoma	308	2,350,628	255	1,499,404
District	11,620	\$33,229,413	10,313	\$26,162,407

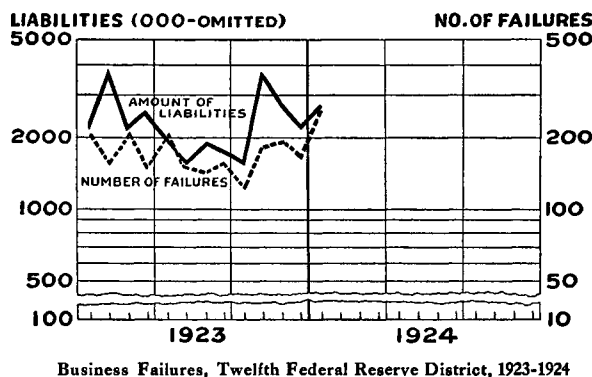
pared with 199 on January 1, 1924, and 170 on February 1, 1923. The latest figure is 3.4 per cent below the recent peak (207) reached June 1, 1923.

Business Failures

Both number and liabilities of business failures in this district increased by more than seasonal amounts during January, 1924, and were 24.7 per cent and 23.9 per cent, respectively, greater than in January, 1923. The number of failures during January, 1924, was 52 per cent greater than in December, 1923, and total liabilities involved increased 22 per cent. The average liabilities of business failures in the district during January, 1924, amounted to \$10,486 compared with \$13,053 in December, 1923, and \$10,554 in January, 1923.

R. G. Dun & Company's preliminary figures of the number and liabilities of business failures in the states of the district during January, 1924, and December, 1923, follow:

	January, 1924		December, 1923	
	No.	Liabilities	No.	Liabilities
Arizona	7	\$ 118,728	4	\$ 26,877
California	136	1,034,884	81	743,851
Idaho	8	45,975	10	157,265
Nevada	0	0	1	6,618
Oregon	40	400,168	30	347,003
Utah	7	26,667	9	298,458
Washington	59	1,068,362	34	625,896
District	257	\$2,694,784	169	\$2,205,968



Bank Debits

Checks drawn against individual accounts at banks in 20 clearing house centers in this district (bank debits) amounted to approximately \$2,646,762,000 for the month of January, 1924, an increase of 1.2 per cent over reported debits during December, 1923 (\$2,614,713,000), and of 6.8 per cent over the figures for January, 1923 (\$2,477,255,000). These comparisons indicate

that the volume of business transacted in the district has increased by normal amounts, both during the past month and the past year, due consideration being given the fact that the general level of wholesale prices has declined slightly during the year period, and retail prices have been relatively stable. (Changes in the price level exercise a direct influence on the amount of debits to individual accounts, which are expressed in dollars, even though the physi-

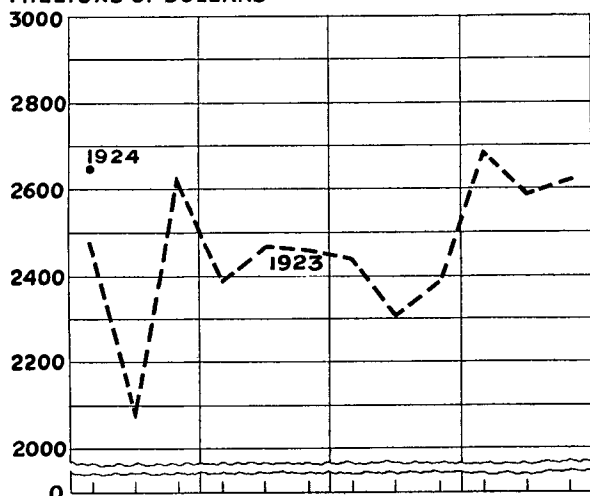
cal volume of business represented remains unchanged.)

Detailed figures by cities for the four weeks ended January 30, 1924, and January 29, 1923, are presented in table "D."

Savings Accounts

Savings deposits in 74 banks in seven principal cities of the district declined .02 per cent during January, 1924, as compared with December, 1923, new deposits during the month being slightly smaller in amount than withdrawals for year end expenditures, including withdrawals for outside investments of interest credited in the closing month of 1923. Changes by cities were generally slight, fractional declines in San Francisco, Oakland, and Spokane offsetting corresponding increases in Los Angeles, Portland, Salt Lake City, and Seattle. Compared with January, 1923, the district figures for January, 1924, showed an increase of 13.4 per cent, only part of which may be ascribed to the deposit of new funds, the remainder representing the accrual of interest on funds already deposited. Detailed changes in the amount of savings deposits since one month ago and one year ago as reported by 74 banks in seven cities are presented in the following table:

MILLIONS OF DOLLARS



Debits to Individual Accounts in 20 Principal Cities, Twelfth Federal Reserve District, 1923-1924

(D) Bank Debits*—

	Four weeks ending Jan. 30, 1924	Four weeks ending Jan. 29, 1923
Berkeley	\$ 18,349	\$ 19,900
Boise	10,681	13,226
Fresno	32,378	49,014
Long Beach.....	62,424	50,102
Los Angeles.....	733,065	600,928
Oakland	124,400	104,117
Ogden	27,132	29,225
Pasadena	37,845	30,207
Phoenix	20,719	18,669
Portland	144,213	124,717
Reno	9,168	10,037
Sacramento	55,820	71,572
Salt Lake City.....	62,925	60,385
San Diego.....	50,266	46,368
San Francisco.....	743,294	703,509
San Jose.....	22,927	22,569
Seattle	165,249	149,358
Spokane	43,515	46,742
Stockton	24,946	21,518
Tacoma	36,752	33,763
Yakima	9,148	8,654
Total	\$2,435,216	\$2,214,580

*000 omitted.

	Number of Banks	*Jan., 1924	*Dec., 1923	*Jan., 1923	Per Cent Increase or Decrease (—) Jan., 1924, compared with Jan., 1923	
Los Angeles...	13	\$329,048	\$328,681	\$271,882	21.0	.1
Oakland†	7	91,456	92,376	84,051	8.8	.9
Portland	9	50,086	49,829	44,172	13.3	.5
Salt Lake City ..	8	27,276	26,781	24,711	10.3	1.8
San Francisco. 15‡		400,161	400,442	368,477	8.5	.07
Seattle	16	64,813	64,521	55,260	17.2	.4
Spokane	6	17,098	17,575	15,524	10.1	—2.7
Total	74	\$979,938	\$980,205	\$864,077	13.4	— .02

*000 omitted.

†Includes one bank in Berkeley which was formerly a branch of an Oakland bank.

‡The consolidation of two reporting banks has reduced their number by one, but has not affected the value of reported figures for comparative purposes.

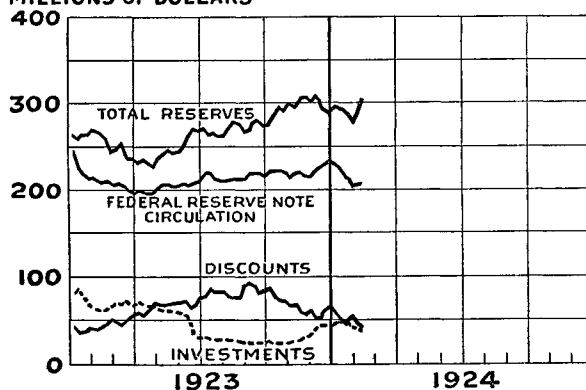
Banking and Credit Situation

Few changes in the volume of credit outstanding or in its distribution have occurred during recent weeks. The position of banks of the district has continued strong, funds for financing business and industry, adequate, and interest rates low.

Total loans of reporting member banks in seven principal cities of the district declined steadily throughout January, but during the week ending February 6th rose to \$1,008,173,000, a figure \$2,515,000 in excess of the \$1,005,658,000 reported on January 9th. Total deposits, as a result of a decline in net demand de-

posits, were \$19,021,000 less at the close of the first week of February than the record figure of \$1,344,183,000 reached on January 9th. The net result of these two movements was a decline in the ratio of total deposits to total loans at these banks from 133.6 to 131.4 during the four weeks ending February 6th. Despite this decline, reporting banks reduced their borrowings at the reserve bank from \$32,746,000 on January 9th to \$29,217,000 one month later.

MILLIONS OF DOLLARS



Total Reserves, Federal Reserve Note Circulation, Bills Discounted, and Investments, Federal Reserve Bank of San Francisco

Reports of condition of the reserve bank during the past month have been noteworthy because of the banking strength displayed, rather than for evidences of credit aid extended to member banks of the district. Total deposits were practically unchanged from January 16th to February 13th, Federal Reserve Note circulation declined by \$7,000,000, and total reserves advanced from \$291,000,000 to \$303,000,000, so that the reserve ratio of the bank rose from 76.9 at the middle of January to 82.7 at the end of the second week of February. The latter figure is the highest reached since the Armistice. Both total discounts and total investments declined during the four weeks ending February 13th, and total earning assets at \$78,545,000 on the latter date were lower than at any time since February, 1922.

Interest rates continued easy during late January and early February, and some seasonal declines were reported. Weekly average interest rates on various classes of paper in the New

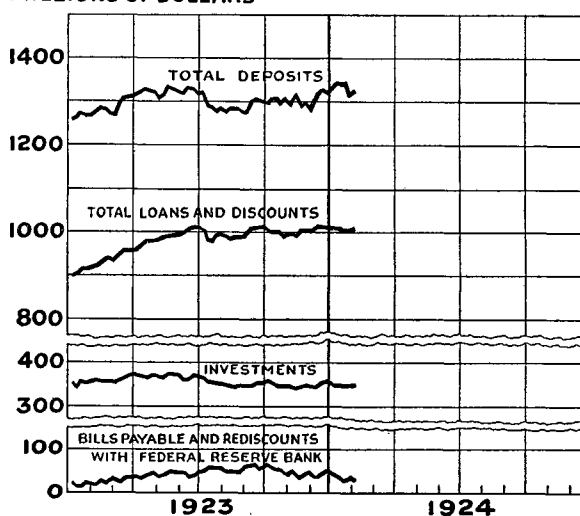
York market are shown in the following table (figures are for week ending on date shown):

	Feb. 9, 1924	Jan. 12, 1924	Autumn Peak 1923	Feb. 10, 1923
Time Money.....	4½-4¾%	4¾-5%	5½%	5%
Commercial Paper (4 to 6 months)....	4¾	4¾	5¼	4½
Bankers' Acceptances	4	4½	4½	4

The demand for acceptances in Pacific Coast markets was active during the four weeks ending in mid-February, city banks being the principal purchasers, and bills of the shorter maturities being in greatest demand.

Reports received by this bank from 35 of the principal accepting banks of this district show

MILLIONS OF DOLLARS



Total Deposits, Loans and Discounts, Investments, and Bills Payable and Rediscounts of Reporting Member Banks

the following percentage changes in the amount of bills purchased and accepted during January, 1924, compared with December, 1923, and January, 1923:

	January, 1924, compared with Dec., 1923	Jan., 1923
Amount of bills accepted	+17.7	-31.2
Amount of bills bought	+72.2	-52.2
Amount of bills held at close of month	+76.8	-64.7

The principal commodities upon which these acceptances were based were coffee, canned and dried fruits, grain (wheat, rice, and barley), merchandise, cement, and lumber.

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

	February 6, 1924	January 9, 1924	February 7, 1923
<i>Number of Reporting Banks</i>	68*	68*	66*
Loans and Discounts (including rediscounts).....	\$1,008,173,000	\$1,005,658,000	\$ 919,162,000
Investments	347,328,000	344,192,000	361,143,000
Cash in Vault and with Federal Reserve Bank.....	129,557,000	127,085,000	119,289,000
Total Deposits.....	1,325,162,000	1,344,183,000	1,275,439,000
Bills Payable and Rediscounts with Federal Reserve Bank.....	29,217,000	32,746,000	19,538,000

*Due to changes in the composition of the list of reporting banks, current figures are not exactly comparable with those of a year ago.

**COMPARATIVE STATEMENT OF CONDITION OF FEDERAL RESERVE BANK OF SAN FRANCISCO
AT CLOSE OF BUSINESS FEBRUARY 13, 1924.**

RESOURCES

	February 13, 1924	January 16, 1924	February 14, 1923
Total Reserves.....	\$303,477,000	\$290,732,000	\$263,599,000
Bills Discounted.....	40,711,000	45,296,000	42,951,000
Bills Bought in Open Market.....	23,957,000	34,134,000	24,689,000
United States Government Securities.....	13,877,000	12,542,000	34,742,000
Total Earning Assets.....	\$ 78,545,000	\$ 91,972,000	\$102,377,000
All Other Resources*.....	49,769,000	57,366,000	54,182,000
Total Resources.....	\$431,791,000	\$440,070,000	\$420,158,000

LIABILITIES

Federal Reserve Notes in Actual Circulation.....	\$205,993,000	\$212,616,000	\$207,230,000
Total Deposits.....	161,046,000	161,410,000	150,561,000
Capital and Surplus.....	23,191,000	23,182,000	23,034,000
All Other Liabilities†.....	41,561,000	42,862,000	49,333,000
Total Liabilities.....	\$431,791,000	\$440,070,000	\$420,158,000
*Includes "Uncollected Items".....	39,290,000	44,938,000	42,572,000
†Includes "Deferred Availability Items".....	39,941,000	41,267,000	38,337,000

CHANGES IN THE COST OF LIVING

The cost of living, both in the United States and in five principal cities of this district, increased slightly from September, 1923, to December, 1923, according to reports of the United States Department of Labor, continuing the upward trend characteristic of the whole year. Itemized figures showing percentage increases and decreases (—) from September, 1923, to December, 1923, follow:

Item of Expenditure	Los Angeles	Portland	San Francisco and Oakland	Seattle	United States
	Last Quarter 1923	Last Quarter 1923	Last Quarter 1923	Last Quarter 1923	Last Quarter 1923
Food	1.1	.7	1.3	— .2	.6
Clothing .....	.3	0.0	.3	0.0	— .1
Housing .....	.8	— .07	1.4	.1	1.3
Fuel and Light .....	.2	3.1	1.7	.5	1.5
Furniture .....	.1	— .2	— .09	— .1	0.0
Miscellaneous	1.5	1.8	1.1	0.0	.3
Total	1.0	.9	1.1	.1	.6

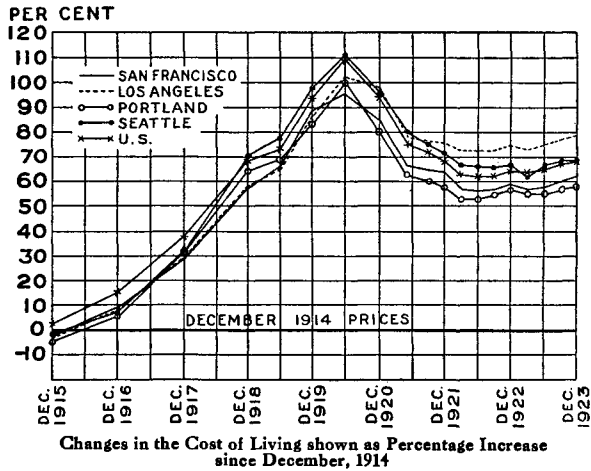
Increases or decreases in commodity prices at wholesale, generally (although not always) precede increases or decreases in the cost of living, the index of which includes principally retail prices. This normal relationship appears to have prevailed during the year 1923, as is indicated by a comparison of the monthly index numbers of the United States Bureau of Labor Statistics for prices of wholesale commodities in the United States and the quarterly cost of

living index numbers for five cities on the Pacific Coast and the United States.

Cost of Living Index Numbers—December, 1914=100

	Wholesale Prices 1913=100	Los Angeles	Portland	San Francisco and Oakland	Seattle	*United States
1923						
March	159	172.9	154.6	156.5	161.9	168.8
June	153	175.1	154.6	157.6	166.4	169.7
September	154	177.1	156.4	160.4	168.4	172.1
December	151	178.8	157.8	162.1	168.5	173.2

*Base year 1913.



Changes in the cost of living in the United States and in the five cities of this district from December, 1914, to December, 1923, are summarized in detail in the accompanying table (during June, 1920, the cost of living reached its highest point):

COST OF LIVING IN THE TWELFTH FEDERAL RESERVE DISTRICT

Percentage Increase or Decrease (—)

City	Food			Clothing			Housing			Fuel and Light		
	Dec., 1914 to Dec., 1923	June, 1920 to Dec., 1923	Dec., 1922 to Dec., 1923	Dec., 1914 to Dec., 1923	June, 1920 to Dec., 1923	Dec., 1922 to Dec., 1923	Dec., 1914 to Dec., 1923	June, 1920 to Dec., 1923	Dec., 1922 to Dec., 1923	Dec., 1914 to Dec., 1923	June, 1920 to Dec., 1923	Dec., 1922 to Dec., 1923
Los Angeles....	42.1	—25.5	1.9	83.0	—35.7	2.8	100.9	40.8	3.1	34.1	—12.6	— 1.1
Portland	35.1	—34.7	.6	61.8	—37.4	4.4	42.7	7.1	.6	67.1	13.7	.8
San Francisco and Oakland.	42.3	—26.6	2.5	94.4	—33.2	4.8	36.0	24.3	4.6	48.8	1.0	— 2.4
Seattle	35.8	—32.8	1.4	77.6	—35.1	1.9	62.9	— 6.8	.1	59.1	— 4.6	— .3
United States*..	50.3	—31.3	2.5	76.3	—38.6	2.8	66.5	23.4	2.8	84.0	7.0	— 1.3

City	Furniture and Furnishings			Miscellaneous			Total		
	Dec., 1914 to Dec., 1923	June, 1920 to Dec., 1923	Dec., 1922 to Dec., 1923	Dec., 1914 to Dec., 1923	June, 1920 to Dec., 1923	Dec., 1922 to Dec., 1923	Dec., 1914 to Dec., 1923	June, 1920 to Dec., 1923	Dec., 1922 to Dec., 1923
Los Angeles.....	152.0	—16.6	5.8	104.2	9.4	1.4	78.8	—11.4	2.5
Portland	109.0	—26.3	3.0	79.6	— .05	.1	57.8	—21.3	1.1
San Francisco and Oakland.....	116.9	—22.5	5.6	81.2	.8	— 1.6	62.1	—17.3	2.1
Seattle	144.2	—23.9	3.4	96.6	3.2	.1	68.5	—20.0	1.1
United States*.....	122.4	—24.0	6.8	101.7	.1	.6	73.2	—20.0	2.2

*Base year 1913.