

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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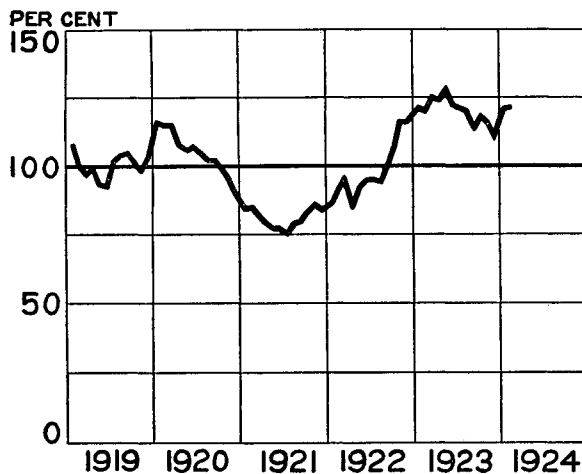
No. 3

Summary of National Conditions

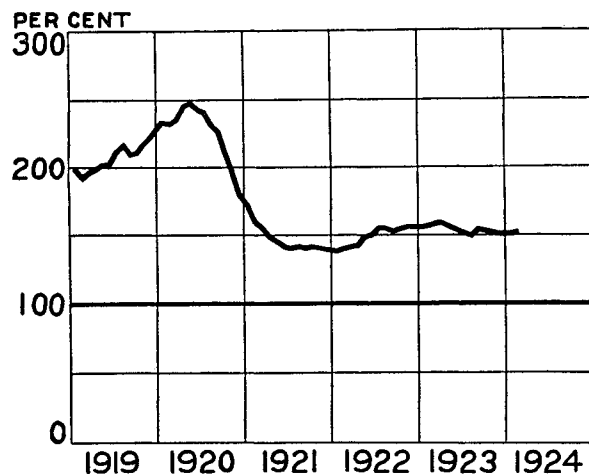
Employment at industrial establishments increased during February, and the output of basic commodities was slightly larger than in the previous month. Distribution, both at wholesale and at retail, continued large. Wholesale prices were somewhat higher than in January, and there was a further increase in the volume of borrowing for commercial purposes.

Production. The Federal Reserve Board's index of production in basic industries, adjusted to allow for the length of the month and for other seasonal variations, increased less than 1 per cent in February. Production of pig iron, steel ingots, and flour increased, while mill con-

sumption of cotton and production of cement and lumber declined. Factory employment advanced 1 per cent in February, following successive decreases during the three preceding months. Increases in working forces were reported by most industries, and were particularly large at iron and steel plants, automobile factories, and textile finishing establishments. Fuller employment, through reduction of part-time work, was also indicated by an increase of over 5 per cent in average weekly earnings of workers in reporting establishments. Building activity was slightly less than in January, though contracts awarded were 7 per cent larger than a year ago.



Production in Basic Industries
Index of 22 basic commodities corrected for seasonal variation (1919=100).
Latest figure, February, 121.

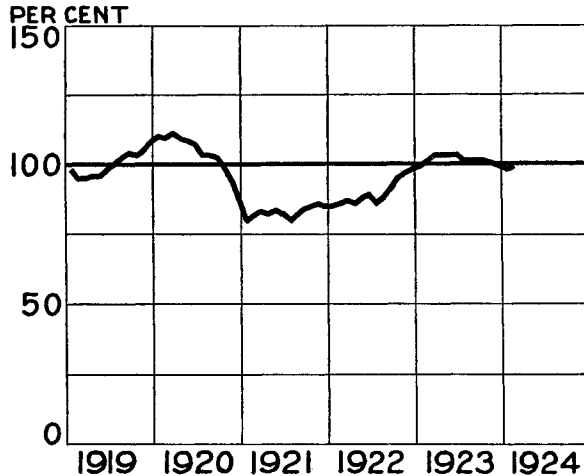


Wholesale Prices
Index of U. S. Bureau of Labor Statistics (1913=100, base adopted by Bureau).
Latest figure, February, 152.

Those desiring this review sent them regularly will receive it without charge upon application.

Trade. Railroad shipments during February were in greater daily volume than in January, and carloadings of practically all important commodities were larger than a year ago. The daily average volume of wholesale business increased about 5 per cent in February, but was slightly smaller than a year ago. Sales of meat,

Government securities, so that total earning assets were at about the same level as in February. Federal Reserve note circulation continued to decline, while the total amount of money in circulation increased. Easier money conditions were reflected in a slight decline in rates for commercial paper to $4\frac{1}{2}$ per cent, and



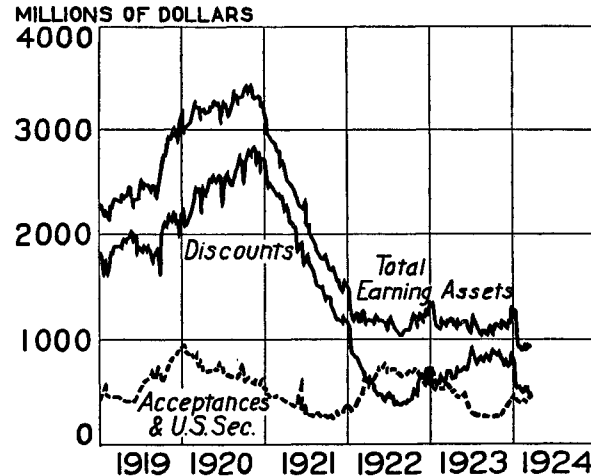
Factory Employment

Index for 33 Manufacturing Industries (1919=100). Latest figure, February, 29.

dry goods, and hardware were larger than in February, 1923, while sales of shoes were smaller. Department store sales during February averaged about the same in daily volume as in January, and were about 8 per cent larger than a year ago. Merchandise stocks at these stores at the end of the month were 6 per cent above last year's level. Business of mail order houses and chain stores also showed increased activity during February as compared with January.

Prices. Wholesale prices as measured by the index of the Bureau of Labor Statistics advanced slightly in February. Prices of fuel, metals, and building materials increased, while prices of farm products, clothing, and chemicals declined. During the first two weeks in March price declines occurred in wheat, cotton, silk, hides, and rubber, and price advances in hogs, copper, and crude petroleum were reported.

Bank credit. The volume of borrowing for commercial purposes at member banks of leading cities in the early part of March continued the increase which began in the latter part of January, and on March 12th total loans of the reporting banks were higher than at any time since the seasonal peak at the turn of the year, and about \$275,000,000 higher than a year ago. At the Federal reserve banks, during the four-week period ending March 19th, a further decline in the volume of discounts for member banks and of acceptance holdings was offset by an increase in the holdings of United States



Reserve Bank Credit

Weekly figures for 12 Federal Reserve Banks. Latest figure, March 19.

also in lower rates for bankers' acceptances and reduced yields on Treasury Certificates. The March offering of \$400,000,000 of one-year Treasury Certificates, bearing interest at 4 per cent, as compared with $4\frac{1}{4}$ per cent on a similar issue sold in December, was over-subscribed.

Summary of District Conditions

Steady expansion of business activity in this district continued during February, and by the close of that month the high levels of 1923 had been reached or surpassed. Distribution and trade, in particular, are substantially more active than a year ago. Production has been of large volume, notwithstanding recent curtailments of operations in lumbering and copper mining, the result of a temporary excess of output over current consumption. Credit for financing business has been abundant, and rates of interest relatively low.

Checks drawn against individual accounts (**bank debits**) at banks in 20 clearing house centers, the best index of general business conditions in the district, were 20.4 per cent greater during February, 1924, than during February, 1923. After making due allowance for the normal annual growth of business, this increase still indicates an unusual gain in the total volume of trade. **Building** enterprise, one of the chief factors affecting general business conditions, has been more than seasonally active, and continuance of activity at high

levels is indicated by the figures of building permits issued during February. They were 26.3 per cent greater in number and 18.5 per cent greater in value than during February, 1923, itself a record month in the industry in this district. Building materials prices, according to the index of the United States Bureau of Labor, stood at 182 (1913 prices equal 100) in February, 0.6 per cent above the figure for January, but 5.2 per cent below the February, 1923, figure.

Of principal interest among factors relating to the productive industries of the district was the reported curtailment of lumber and copper output during the latter part of February, although production of both of these commodities has continued at high levels. **Lumber** mills of the district, temporarily at least, have produced more lumber than the market will readily absorb at prevailing prices, and a reduction in output has followed. Producers of **copper** have faced a similar situation and are now reported to have adopted a similar remedy. Production of other principal **metals** has changed little, although non-statistical reports indicate some expansion in output of lead. Production of **petroleum** in California was 1.2 per cent smaller during February than during January, continuing the downward trend apparent since last September. Consumption of petroleum increased 4.2 per cent during the month, and almost equalled production, so that stored stocks increased by a smaller amount than in any month of the past year, except December, 1923. **Unemployment** during February, 1924, was reported to be slightly larger in volume than during February, 1923, as a result of declining demand for unskilled labor in agriculture and the lumbering and mining industries.

Trade at retail, as reported by 35 department stores in six principal cities of the district, was 17.7 per cent greater in value during February, 1924, than during February, 1923. Stocks held by these stores at the close of the month were 9.2 per cent larger by value than stocks held a year ago, but were moving from dealers' shelves faster than in the earlier year. **Trade at wholesale** improved during February, eight of the eleven lines of business for which this bank collects figures showing increases in value of sales over a year ago. Decreases in value of sales of two of the three remaining lines appeared to be largely the result of price declines over the year period.

The general level of **prices** changed little during February, the index number of the United States Bureau of Labor standing at 152 (1913 prices equal 100) compared with

151 a month ago and 157 a year ago. Irregularity characterized the movement of prices of the principal products of this district. Notable general changes were advances in prices of livestock and metals and declines in prices of grains and lumber.

Moderate increases in **credit** needs of the district appeared during the month, total loans of reporting member banks rising approximately \$15,000,000 during the four weeks ending March 5th. Such loans are now at the highest point reached since January, 1921, when they were first reported separately on member bank statements. Member banks have not found it necessary, thus far, to increase materially their borrowings from the Federal Reserve Bank, whose total rediscounts have fluctuated between 40 and 50 millions of dollars. At \$43,893,000 on March 12th they were \$2,000,000 larger than one month ago, and approximately equal to the total reported a year ago. **Interest rates**, in view of the abundance of funds available for financing business, have continued relatively low. San Francisco banks report that the prevailing rate charged on customers' prime commercial paper of 90 days maturity was 5½ per cent during the week ending March 15, 1924, compared with 6½ per cent during March a year ago. Banks in other cities of the district report similar ease in interest rates.

Agriculture

Although weather conditions during the late winter and early spring have been favorable to agriculture over the larger part of the district, principal interest at the present time attaches to those regions in California and the Intermountain States where the supply of rainfall has been so scant as to imperil the growth of crops. The situation has been particularly acute in sections of south central and southern California. On irrigated lands in these districts farmers have already begun to water their principal crops. The supply of water for irrigation purposes, although reported sufficient to satisfy urgent needs for some time to come, must soon be supplemented by additional rainfall if a shortage is to be avoided during later months of the year, as an abnormally light fall of snow in the mountains has reduced the future supply of water at its source. Growth of early sown crops on unirrigated lands has been retarded by lack of moisture in the soil, and the extent of further plantings on such lands will depend largely upon the amount of rain falling during the latter part of March and the first weeks of April.

An approximate measure of progress made in marketing those portions of the district's

chief crops still held within its boundaries is presented in Table "A." **Wheat** exports from Pacific Northwestern ports to March 1st of the present crop year were slightly more than 50 per cent greater in volume than during the same period of the previous season, the proportion of the crop shipped, however, being approximately the same in each year. On the same date (March 1, 1924), the United States Department of Agriculture estimated that stocks of wheat, from the record 1923 crop, held on farms in the Twelfth District were greater in volume, and represented a larger proportion of the crop, than stocks of 1922 crop wheat held on farms on March 1, 1923. Corresponding figures for the United States declined slightly as compared with a year ago. A statistical summary of the wheat situation in the Pacific Northwest (Idaho, Oregon, and Washington) as of March 1, 1924, follows:

	Bushels
1923 Crop—Pacific Northwest.....	118,665,000
Wheat Exports—	
Portland and Puget Sound..	23,874,315
Wheat Exports (as flour)—	
Portland and Puget Sound..	19,806,210
Domestic Shipments (wheat and wheat as flour)—	
Portland and Puget Sound..	7,350,254
Total Reported Movement (domestic and foreign)	
	51,030,779
Indicated balance for consumption within Pacific Northwest during entire 1923-1924 crop year, and for domestic and foreign shipments during remainder of present crop year.....	
	67,634,221
Of the indicated balance shown above, the amount held on farms was.....	
	15,511,000

The balance of 67,634,221 bushels indicated in this summary includes wheat already consumed and yet to be consumed within these three states, and no allowance is made for carry-over, either at the beginning or at the end of the crop year, nor for domestic shipments other than those made by water through Portland and Puget Sound cities.

Barley exports from San Francisco, up to March 1st of the present season, have been approximately 40.6 per cent smaller in volume than during the same period last year. The relatively large supply of barley available for domestic consumption as a result of the small export movement is, however, being marketed steadily, slightly smaller stocks of barley being reported on farms on March 1, 1924, than on March 1, 1923. Uniformly large monthly shipments of **apples** have been forwarded from this district during the present marketing season, the total exceeding by 37.2 per cent and 10.7 per cent, respectively, the reported shipments during the two previous seasons. Reports received from commercial factors indicate, how-

ever, that holdings of apples in cold storage at Eastern consuming centers are large, and that demand has been sluggish. The movement of California **citrus fruits** to market continued at normal levels during February.

Steady domestic demand and a slightly larger volume of export sales than was reported a year ago have characterized the market for **canned fruit** products during recent months. Commercial factors state that unsold stocks now held in the district are normal when considered in relation to the 1923 pack, and estimate that in actual cases the total carryover is somewhat smaller than one year ago. **Dried fruit** markets were relatively active during February and early March. The heavy foreign demand for dried fruit, noted in the February Review, continued, and packers have been able to effect a substantial reduction in their holdings of the lower grades of principal dried fruit products.

Livestock—Animal Products

Weather, range, and pasture conditions in this district, excepting the southern half of California and restricted areas in the desert sections of southwestern Utah and Arizona, have favored all branches of the **livestock** in-

(A) Movement of Crops to Market*

	TWELFTH FEDERAL RESERVE DISTRICT		
	1923-1924 Season to Feb. 29, 1924	1922-1923 Season to Feb. 28, 1923	1921-1922 Season to Feb. 28, 1922
Wheat Exports †			
Portland and Puget Sound	23,874,315 (16.7)¶	15,695,331 (15.8)	33,762,712 (27.6)
Barley Exports †			
San Francisco (bu.)	8,407,198 (18.2)	14,154,548 (31.2)	14,844,335 (37.9)
Wheat—Stocks on Farms, March 1st			
Twelfth Dist. (bu.)	18,284,000 (12.8)	10,102,000 (10.2)	12,430,000 (9.8)
United States (bu.)	133,871,000 (17.0)	153,134,000 (17.9)	134,253,000 (16.5)
Barley—Stocks on Farms, March 1st			
Twelfth Dist. (bu.)	3,517,000 (7.8)	3,653,000 (8.0)	4,452,000 (11.0)
United States (bu.)	44,844,000 (22.6)	43,592,000 (23.4)	42,294,000 (27.3)
Apple Shipments ‡			
Twelfth Dis. (cars)	53,032 (91.8)	38,667 (85.8)	47,924 (93.9)
Orange Shipments ‡			
California ... (cars)	12,793 (\$)	14,405 (29.1)	11,506 (37.3)
Lemon Shipments ‡			
California ... (cars)	2,486 (19.5)	2,113 (21.6)	2,324 (22.3)

*Figures in parentheses indicate percentage of crop.

†Season begins July 1st.

‡Season begins November 1st.

§Estimate of total crop not available.

¶Figures reported in February Review have been revised as follows: Exports 21,941,496 bushels, per cent of crop 15.0.

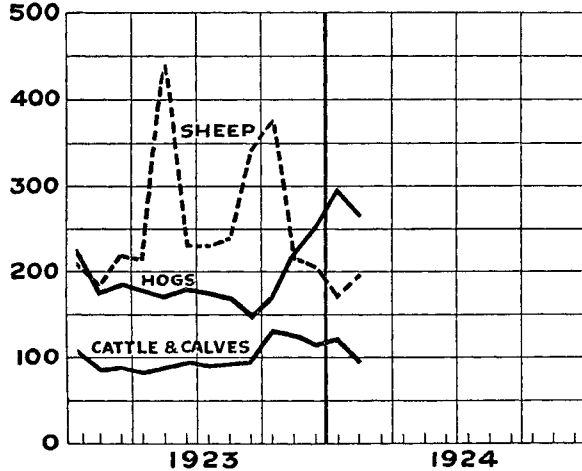
dustry during the past month. Showers falling over a large part of California early in March improved feed conditions in that state, but pastures and grazing lands, both there and in certain sections of the Intermountain States, need more moisture to insure a normal seasonal supply of green feed this spring and of dry grass during the approaching summer. Shearing of wool will soon commence in many sheep rais-

many of cold storage holdings of butter and eggs in the chief markets of the Twelfth District and the United States is presented in the following table:

	Mar. 1, 1924	Feb. 1, 1924	Mar. 1, 1923	Five-Year Average Mar. 1st
Butter (pounds)				
*Twelfth District	146,887	436,840	378,764	381,840
United States ...	9,837,000	15,246,000	8,910,000	21,071,000
Eggs (cases)				
†Twelfth District	1,537	13,827	1,352	§
United States ...	44,000	500,000	13,000	25,000

*Four markets.
†Six markets.
§Figures not available.

THOUSANDS



Receipts of Livestock at Eight of the Principal Markets of the District 1923-1924. (Los Angeles, Ogden, Portland, Salt Lake City, San Francisco, Seattle, Spokane, and Tacoma included)

ing sections of the district, and wool growers report that weather and range conditions during the past fall and winter have promoted the growth of excellent fleeces. Lambing is progressing satisfactorily in the early lambing areas of California and Arizona, although there have been some losses in the central valleys of California due to the prevailing shortage of green feed in that state.

The movement of livestock to market, as indicated by total receipts of all classes of meat animals at eight principal markets of the district during February and January, 1924, and February, 1923, is given in the following table. (The four-year average for February is included for comparative purposes):

LIVESTOCK RECEIPTS AT EIGHT MARKETS				
	Cattle	Calves	Hogs	Sheep
February, 1924 ...	77,677	17,082	264,792	197,064
January, 1924 ...	98,489	21,385	293,874	171,763
February, 1923 ...	69,919	15,683	176,203	185,242
4-year average—				
February	65,460	13,007	177,958	177,414

Butter production in California, where more than half of the butter manufactured in this district is produced, continued below seasonal levels during February, necessitating further heavy withdrawals from cold storage stocks. Normal seasonal supplies of eggs moved into marketing channels during the month. A sum-

In general, average prices of all classes of livestock in the district's chief markets advanced slightly during February, although cattle prices at Intermountain markets declined during the last week of the month. Wool buyers are reported to be offering growers from 38 to 45 cents per pound for wool of the 1924 clip, variations in price depending upon the quality of wool and the cost of transportation to terminal markets. Commercial factors estimate that early season sales have been smaller in volume and contracts for future sales less freely made this year than a year ago, when prices to growers ranged from 30 to 45 cents per pound.

Figures are now available showing United States Department of Agriculture estimates of wool production, by states in this district and for the United States, during 1923, and these figures, together with comparable figures for four previous years, are given in the following table:

	WOOL PRODUCTION*				
	1919 (pounds)	1920 (pounds)	1921 (pounds)	1922 (pounds)	1923 (pounds)
Arizona	5,400	4,800	5,000	6,000	5,798
California	15,217	14,300	14,070	13,455	14,181
Idaho	22,145	18,650	16,800	16,642	15,455
Nevada	7,750	7,500	7,000	7,650	7,942
Oregon	16,039	14,435	14,435	12,992	13,200
Utah	17,000	16,150	16,500	16,800	17,210
Washington .	5,779	5,201	4,421	3,802	4,409
12th District.	89,330	81,036	78,226	77,431	78,195
United States.	298,258	277,905	273,064	264,560	266,110

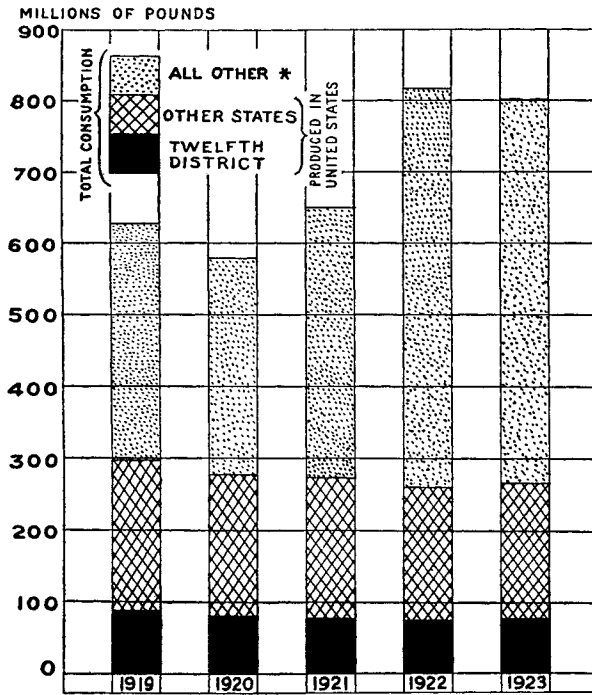
*000 omitted.

The small increase in wool production during 1923, both in this district and in the United States, checking as it did the downward trend of production apparent during recent years, reflects the improved market position of wool which has obtained during the past year and a half. Rapidly increasing demand for wool in the United States has, since 1920, when 578,800,000 pounds were consumed, carried consumption by domestic mills to the record figures of 817,651,000 pounds in 1922 and 802,003,000 pounds in 1923, grease equivalent weight. This increase in consumption, accompanied as it has been during all but the most recent year

by declining production, has necessitated a large increase in imports of foreign wools. The situation is presented graphically in the accompanying chart.

An epidemic of hoof and mouth disease appeared in four San Francisco Bay counties of California during February. Measures promptly taken by Federal and State authorities to control the outbreak included slaughter of infected

prices to lower levels than reported at this time last year. Quotations for all classes of livestock on the Chicago market advanced during February, and beef cattle, sheep, and lambs are now selling at higher prices than one year ago. Cotton prices, which during recent months had advanced to the highest levels since 1920, declined during February, cash middling uplands cotton being quoted at 29.63 cents per pound at New Orleans on March 7th, compared with 33.63 cents on February 1st. The average of 98 wool quotations at Boston advanced approximately $1\frac{1}{4}$ cents per pound during February and, at 82.47 cents per pound, stood slightly higher than one year ago. Beet sugar prices at San Francisco moved upward from \$8.65 per 100 pounds on January 31st to \$8.90 per 100 pounds on February 13th, later (March 19th) dropping to \$8.40 per 100 pounds, and advancing to \$8.60 per 100 pounds on March 21st. Moderate advances in prices of several important fresh and dried fruits of the district



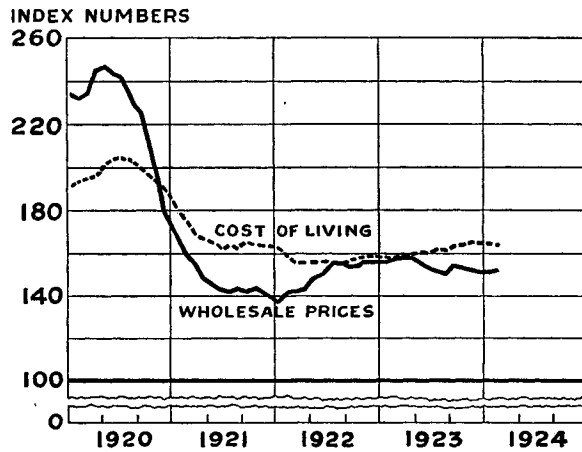
Production of Wool in the Twelfth Federal Reserve District and the United States and Total Consumption of Wool in the United States, 1919-1923

*Includes consumption of carryover stocks of foreign and domestic wool from previous year and of foreign wool imported during the year indicated.

animals, quarantine of infected counties, and temporary restrictions upon the shipment of livestock to and from California markets. The disease is reported to be under control, and restrictions upon the movement of livestock are slowly being removed.

Prices

Prices for the majority of the principal livestock and agricultural products of this district tended upward during February. Grain prices did not follow the general trend, however, losses in February partially offsetting the gains noted during January. The contract price for May wheat at Chicago dropped one-half cent per bushel during the month, and declines of 5 cents and 10 cents per bushel, respectively, were recorded in cash prices of shipping barley and cleaned California rice at San Francisco. The downward movement carried wheat and barley



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)

were reported during February, but present prices are generally lower than those of February, 1923. Prices of canned fruits have changed little recently, prevailing quotations ranging from 10 to 17 per cent below those of a year ago. Dairy and poultry products declined seasonally during the month, butter and raw milk remaining higher and eggs lower than at the close of February, 1923.

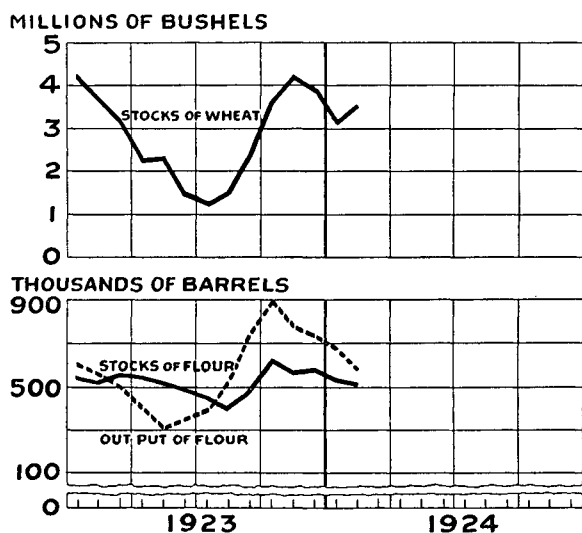
A sharp advance in copper and lead prices, and a general strengthening of non-ferrous metals quotations were noteworthy features of the metal markets during February. Copper advanced from the recent low price of $12\frac{1}{2}$ cents per pound (January 18th) to $13\frac{3}{8}$ cents per pound on March 7th, but at that price sold for 3 cents per pound, or 17.8 per cent, less than on March 2, 1923. Lead prices rose 20.7 per

cent during the month, and at 10.75 cents per pound on March 7th were 20.6 per cent higher than on March 2, 1923. Silver and zinc prices advanced slightly, but quotations on March 7, 1924, were 2.8 per cent and 15.2 per cent, respectively, lower than one year ago. Crude petroleum prices, which advanced sharply to \$1.40 per barrel for oil of 35 degrees gravity and above on February 5th, as noted in the February Review, have been unchanged since that date. The general trend of lumber prices was downward during February. Quotations for lumber now prevailing are from 8.0 to 15.0 per cent lower than during February, 1923.

Milling

Flour production in this district declined during February, 1924, as it has during each February of the past four years, but continued in excess of production a year ago. Diminished output was accompanied by a moderate in-

crease in stocks of wheat and a decline in stocks of flour held by the mills. Millers' stocks of



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

(B) Commodity Prices—

Commodity	Unit	Mar. 7, 1924	One Month Ago	One Year Ago	
Twenty Basic Commodities (F. R. B. of N. Y.) 1913=100..		151.3	152.6	159.6	
Wholesale Prices (U. S. Bureau of Labor) 1913=100.....		152.0	151.0	157.0	
Cost of Living (National Industrial Conference Board) July, 1914=100		163.9	164.6	157.5	
Purchasing Power of Farm Products (U. S. Department of Agriculture) 1913=100.....		74.0	73.0	69.0	
Cattle (Native Beef)... Weekly Average Price at Chicago..	100 lbs.	\$ 9.60	\$ 9.25	\$ 8.85	
Sheep	100 lbs.	9.25	7.80	7.50	
Lambs	100 lbs.	15.50	13.70	13.95	
Hogs	100 lbs.	7.35	7.00	8.00	
Wheat	Chicago Contract Price for May Wheat.. bu.	1.10¼-1.11½	1.11¼-1.12½	1.18½-1.19¼	
Barley	Shipping Barley f. o. b. San Francisco... cental	1.60-1.65	1.65-1.70	1.65-1.75	
Rice	California Fancy Japan at San Francisco. cental	5.05	5.15	4.40	
Cotton	Middling Uplands—Weekly range of spot quotations at New Orleans.....	lb.	28.88-29.63¢	33.13-33.63¢	29.75-30.13¢
Wool	Average of 98 quotations at Boston.....	lb.	82.47¢	81.24¢	82.36¢
Flour	First Grade Family Patent f. o. b. Cali- fornia mills	bbbl.		7.18	7.79
Sugar	Beet Granulated f. o. b. San Francisco... lb.		8.90¢	8.65¢	9.10¢
Apples	Extra Fancy Winesaps f. o. b. Pacific Northwest	box	1.30-1.45	1.25-1.40	1.40-1.50
Oranges	Navels, Fancy—Wholesale at San Fran- cisco	box	2.50-4.50	3.00-4.75	2.50-4.00
Lemons	Choice—Wholesale at San Francisco... box		1.50-2.50	1.50-2.50	4.00-4.50
Dried Apples...	Choice in 50-lb. boxes f. o. b. California.. lb.		.13½	.13¼-14	.08½-.08¾
Dried Apricots...	Choice in 25-lb. boxes f. o. b. California.. lb.		.12-.13	.11½-12	.22-.23
Prunes	Size 40/50 in 25-lb. boxes f. o. b. Calif... lb.		.10½	.10¼-10½	.11½-11¾
Raisins	Loose Muscatel in 25-lb. boxes f. o. b. California	lb.	.08¼	.08¼	.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—February average..... 100 lbs.		2.89	2.92	2.80
Butter	93 score at San Francisco.....	lb.	.46½	.52	.45
Eggs	Extras—San Francisco.....	doz.	.25	.35½	.27½
Copper	Electrolytic; New York Spot.....	lb.	.13¾	.12½	.16¾
Lead	New York Spot.....	lb.	10.75¢	8.40¢	8.50¢
Silver	New York Foreign.....	oz.	.64¾	.63¾	.66
Zinc	East St. Louis Spot.....	lb.	6.65¢	6.55-6.60¢	7.80-7.85¢
Petroleum	California 35° and above.....	bbbl.	1.40	1.01	1.45
Douglas Fir.....	2x4, 16 ft. No. S1S1E f. o. b. Seattle.....	M ft.	19.50	20.50	22.50
Douglas Fir.....	12x12 Timbers f. o. b. Seattle.....	M ft.	22.00	25.00	24.00

wheat and of flour were reported smaller by 0.4 per cent and 3.2 per cent, respectively, on March 1, 1924, than on March 1, 1923.

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

	Feb., 1924	Jan., 1924	Feb., 1923
Output	(bbls.) 578,314	679,463	556,594
Stocks of Flour*..	(bbls.) 508,699	530,845	510,642
Stocks of Wheat*..	(bu.) 3,520,908	3,159,731	3,635,889

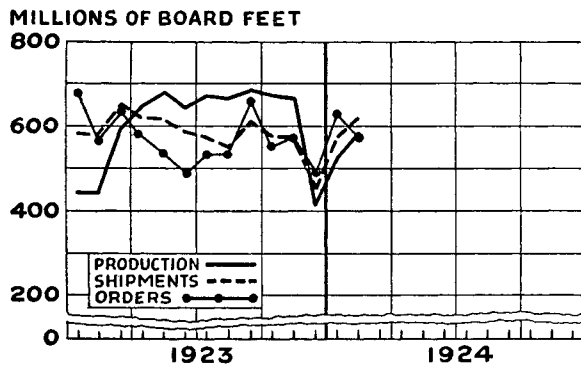
*As of the first day of the following month.

NOTE: Output of the 16 reporting mills during January, 1924, the latest month for which complete comparative data are available, represented approximately 64 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).

Millers report that the domestic market for flour generally was less active during February, 1924, than during January, 1924, but that the volume of sales was greater than in February, 1923. Foreign markets, which have been relatively inactive during recent months, continued sluggish.

Lumber

Sharply increased production of lumber and a decline in orders received, which carried that item below production figures, characterized activity in the lumber industry of the district during February, and resulted in some curtail-



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

ment of operations during the latter part of that month and the early weeks of March. Such curtailment took the form of eliminating extra shifts or modifying plans for expansion, however, and production has continued at levels higher than a year ago. Shipments during February, 1924, were approximately 7 per cent greater in volume than during February, 1923, and exceeded the amount of both production and new orders received. Figures showing the activity of nearly 200 mills reporting through

four lumber associations during February and January of the past two years are given in the following table (000 omitted):

	Feb., 1924 (board feet)	Jan., 1924 (board feet)	Feb., 1923 (board feet)	Jan., 1923 (board feet)
Production	586,050	528,175	442,466	443,534
Shipments	620,421	576,534	577,945	582,747
Orders	573,624	629,300	564,721	678,163
Unfilled Orders..	559,399	583,691	673,696	607,714

A marked decline in demand for Pacific Coast lumber at Atlantic Coast markets, which had hitherto been abnormally active for the season of the year, was reported during February. The decline accompanied a general advance in prices of lumber, delivered there, which followed recent increases in intercoastal water freight rates. Other domestic markets continued relatively inactive during the month. Little or no improvement in the foreign market was noted, the volume of new orders placed for export being approximately half as large as in January, itself a month of small sales.

Mining

Aside from an increase in lead production, preliminary returns indicate that output of the principal metal products of the district was little changed during February as compared with January, although final figures may show some declines in production of copper. Figures for national production of copper, silver, zinc, and quicksilver during January, 1924, the latest month for which statistics are available, are given in the following table:

	Jan., 1924	Dec., 1923	Jan., 1923
Copper (lbs.) (mine production)	132,816,730	128,193,000	110,589,000
Silver (oz.) (commercial bars)...	5,220,751	4,748,000	5,190,000
Zinc (tons) (slab)	49,709	46,485	46,317
Quicksilver (flasks—75 lbs., estimated)	800	800	500

Figures for lead are not available.

Demand for copper and lead has strengthened appreciably during the past month. Although domestic copper markets have shown but little activity, more active foreign demand for the metal has been reported, and recent small price advances have been generally maintained. Copper sold for 14 cents per pound on March 20, 1924, compared with 12½ cents per pound on January 18th, 13½ cents per pound on February 20th, and 17 cents per pound on March 20, 1923. Rapidly increasing demand for lead and a comparatively stable volume of production during February and the first two weeks of March have combined to carry lead

prices to the highest levels recorded since 1920. Lead was quoted at 9 cents per pound on the New York market on February 14th and 10 cents per pound on February 29th, prices later declining to 9 cents per pound, the present (March 20th) quotation. On March 20, 1923, lead sold for 8.75 cents per pound at New York. Zinc markets were more active during February than during immediately preceding months, and the average price of that metal advanced slightly, although remaining lower than a year ago. Average prices paid for the principal non-ferrous metals during February and January, 1924, and February, 1923, follow:

	Feb., 1924 (cents)	Jan., 1924 (cents)	Feb., 1923 (cents)
Copper (lb.)			
New York Electrolytic..	12.71	12.40	15.36
Lead (lb.)			
New York	8.55	7.97	8.05
Silver (oz.)			
New York	64.36	63.45	64.31
Zinc (lb.)			
St. Louis	6.76	6.43	7.15
Quicksilver (dollars per flask) San Francisco....	59.67	59.66	68.49

Petroleum

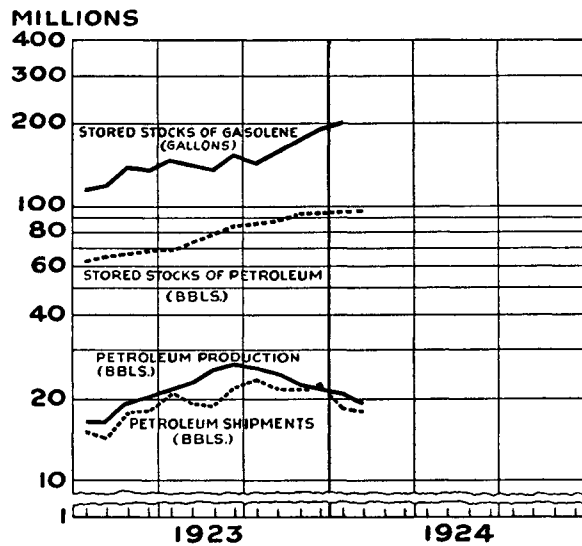
Production and consumption of petroleum in California are now more nearly balanced than was the case during the greater part of 1923, terminating, at least temporarily, the rapid rise in stored stocks which was a feature of the petroleum situation during that year. Production during February, at 666,939 barrels per day, was 1.2 per cent less than during January, while consumption (indicated by shipments), at 625,364 barrels per day, was 4.2 per cent greater than during the previous month. Stored stocks increased but 0.2 per cent during February, and stood at 95,460,505 barrels on March 1st.

Completion of 102 new wells with an initial daily production of 44,471 barrels of oil was reported during February, 1924, compared with 120 new wells with an initial daily production of 56,239 barrels opened in January, and 43 new wells producing 77,221 barrels per day opened in February, 1923. Wells abandoned numbered 57 during February, 48 during January, and 14 during February, 1923. A statistical summary of the petroleum industry in California is presented in the following table:

CALIFORNIA PETROLEUM SITUATION

	Average Daily Production (barrels)	Indicated Average Daily Consumption (Shipments) (barrels)	Stored Stocks at End of Month (barrels)	No.	New Wells Opened Daily Production (barrels)
Feb., 1924	666,939	625,364	94,460,505	102	44,471
Jan., 1924	674,597	599,446	94,254,833	120	56,239
Sept., 1923	858,750	779,657	85,496,609	93	139,960
Feb., 1923	586,670	508,926	64,812,395	43	77,221

During January 42 petroleum refineries in California produced 109,307,994 gallons of gasoline, 5.2 per cent more than reported production of 41 refineries during December, 1923, and 17.9 per cent more than production of 33 refineries reporting during January, 1923. Indicated consumption of gasoline decreased during the first month of this year, and was less by 9,501,512 gallons than production, so that



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

refinery stocks at 201,281,887 gallons on January 31st were 4.9 per cent greater than on December 31, 1923, and more than twice as large as one year ago. Output and stocks of gasoline at California refineries for January, 1924, and 1923, and December, 1923, and 1922, are presented in the following table:

	GASOLENE (California Refineries)			
	Jan., 1924 (gallons)	Dec., 1923 (gallons)	Jan., 1923 (gallons)	Dec., 1922 (gallons)
Refinery Output..	109,307,994	103,872,185	92,686,090	69,856,800
Stored Stocks*...	201,281,887	191,780,375	116,433,560	99,366,400

*As of the last day of the month.

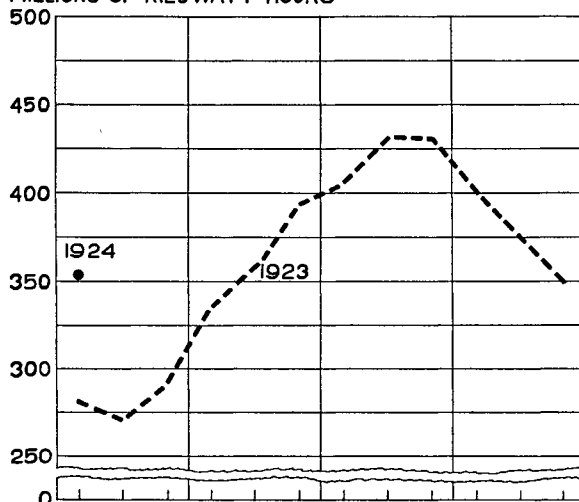
Electric Energy

Sales of electric energy to industrial consumers during January, 1924, were 25.8 per cent greater in volume than during January, 1923, according to reports received from 20 of the largest power companies of the district. Data are not available for a sufficient period of time to enable accurate correction for normal annual growth in these figures, but on the basis of the past two years' experience it appears probable that a substantial element of industrial expan-

sion is represented in an increase of 25.8 per cent over a twelve month period.

All of the industries for which separate figures are available showed increases during January, 1924, compared with January, 1923. A particularly large increase in purchases of agricultural consumers was noted in California where drought conditions have stimulated the use of power for pumping purposes. District sales to farmers were but 3.8 per cent of all

MILLIONS OF KILOWATT HOURS



Total Industrial Sales (K. W. H.) of 20 Power Companies in Twelfth Federal Reserve District, 1923-1924

sales, however, so that the chief part of the increase in total sales was the result of increased buying by mining, manufacturing, and general industrial interests. Percentage comparisons of sales by certain industries and by sections of the district are presented in the following table:

Percentage Increase or Decrease (—) January, 1924, compared with January, 1923

	Agriculture	Mining	Manufacturing	Total Industrial Sales
California	98.3	22.5	30.6	27.3
Pacific Northwest	-50.3	1.6	41.1	19.3
Intermountain States	-48.7	-4.7	6.7	29.6
Twelfth District	81.8	11.8	33.8	25.8

Figures showing the number of industrial consumers and the volume of industrial sales of reporting companies during January, 1924, and 1923, follow:

	Number of Industrial Consumers		Industrial Sales K. W. H.	
	Jan., 1924	Jan., 1923	Jan., 1924	Jan., 1923
California	81,961	57,262	218,560,667	171,639,680
Pacific Northwest ..	12,705	11,115	78,128,997	65,468,861
Intermountain States	5,142*	9,877*	56,733,947	43,775,681
Twelfth District	99,808	78,254	353,423,611	280,884,222

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

Employment

Although the general level of business and industrial activity in the Twelfth Federal Reserve District, as indicated by figures of bank debits in 20 principal cities, is somewhat above that of a year ago, certain special factors have operated to bring about a slight increase in unemployment as compared with 1923. Restricted agricultural operations in California, some curtailment of mineral production in the Intermountain States, and less hasty expansion of the lumber industry of the Pacific Northwest, all have contributed to a surplus of workers during February, 1924, slightly greater than was reported during February, 1923. Seasonal increases in employment during February as compared with January have been reported.

Recent trends of employment in manufacturing industries are indicated in the following table showing the total number of workers on the payrolls of 40 large manufacturing firms:

	Number of Firms	Number of Men on Payroll*		
		Feb. 29, 1924	Jan. 31, 1924	Feb. 28, 1923
Los Angeles	16	35,067	34,362	31,890
Portland	8	8,329	†	8,302
San Francisco	10	8,171	8,656	7,254
Seattle	6	3,100	3,185	2,349
Total	40	54,667	46,203	49,795

*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 usually employing 501 men or more.
†No report available.

Automobile Registrations

The annual registration of all automobiles in the district has been in progress for the past two months, but final figures of total registrations of old cars and of monthly registrations of new cars during January and February are not yet available. Preliminary returns, however, indicate a substantial increase in the number both of new and old cars registered during the current year as compared with the same period a year ago.

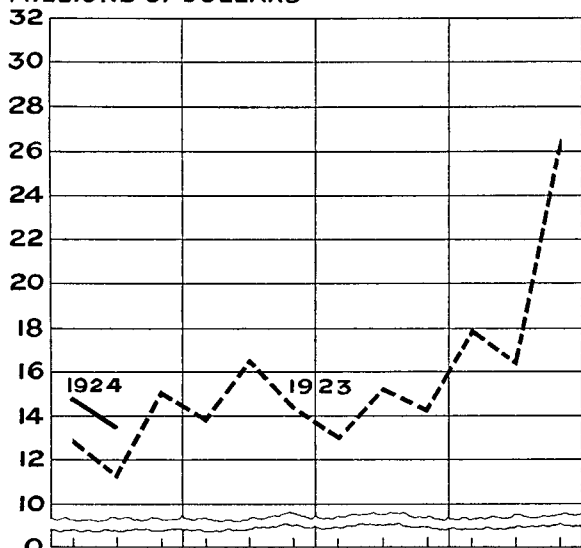
National production of automobiles during February, 1924, was 30.5 per cent greater than during February, 1923, according to preliminary figures compiled by the Federal Reserve Bank of Chicago. Production during the year 1923 was at record levels for the industry, total output exceeding that of the previous record year, 1922, by approximately 50 per cent. An increase of 15.8 per cent in production during February, 1924, as compared with January, 1924, was largely seasonal. Figures follow:

	Feb., 1924	Jan., 1924	Feb., 1923
Passenger Cars	334,844	286,896	259,383
Trucks	29,265	27,430	21,411
Total	364,109	314,326	280,794

Retail Trade

Sales of 35 department stores in six cities of the district were 17.7 per cent greater during February, 1924, than during February, 1923, all cities reporting increases. Stocks of these same stores, largely as a result of an increase of 25.2 per cent in value of stocks reported by stores in Los Angeles, were 9.2 per cent greater on March 1, 1924, than on March 1, 1923. The larger stocks held this year were being sold at a more rapid rate than stocks held in 1923, however, the annual rate of turnover for the first two months of 1924 being 2.66 compared with an annual rate of turnover of 2.58 for the same period a year ago.

MILLIONS OF DOLLARS



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

Seasonal declines in trade at retail during February as compared with January were noted in all reporting cities except Spokane.

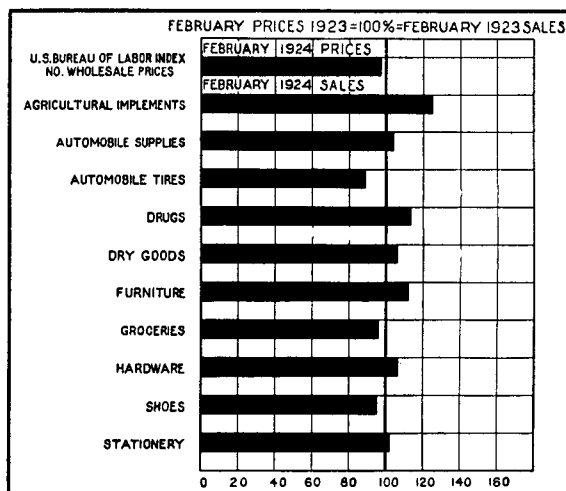
A detailed statement of the percentage changes in the value of sales and stocks of reporting department stores in this district follows:

	No. of Stores	Percentage increase or decrease (—) in value of sales Feb., 1924, compared with		Percentage increase or decrease (—) in value of stocks Feb., 1924, compared with	
		Feb., 1923	Jan., 1924	Feb., 1923	Jan., 1924
Los Angeles.....	6	24.2	—13.9	25.2	4.4
Oakland	4	10.2	— 8.4	7.2	10.9
Salt Lake City... 4	4	11.8	— 7.9	11.9	8.1
San Francisco.... 10	10	13.8	— 5.0	4.7	2.5
Seattle	5	14.4	— 2.2	1.1	17.5
Spokane	5	12.8	9.8	0.2	8.1
District*	35	17.7	— 8.8	9.2	6.5

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

Wholesale Trade

Although dullness in a few lines still confuses the wholesale trade situation, there was a distinct improvement in trade conditions during February. Eight of the eleven lines of business which report to this bank showed increases in the value of their sales as compared with February, 1923, and of the three lines showing decreases only one, automobile tires, reported a decline in value of sales materially greater than the decline in general wholesale prices (3.8 per cent) over the year period.



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

Percentage increases or decreases (—) in the value of February sales of all reporting firms in each line of business, compared with the value of sales during February, 1923, and January, 1924, are presented in the following table:

	Number of Firms	Feb., 1924, compared with	
		Feb., 1923	Jan., 1924
Agricultural Implements....	22	25.0	47.1
Automobile Supplies.....	15	4.3	— 1.5
Automobile Tires.....	19	—11.2	—15.5
Drugs	9	13.8	— 5.6
Dry Goods.....	15	6.5	5.0
Electrical Supplies.....	4	21.4	— 1.8
Furniture	16	12.3	10.3
Groceries	28	— 3.5	— 9.9
Hardware	21	6.7	— 0.6
Shoes	13	— 4.3	23.6
Stationery	27	2.2	—10.6

Collections during the past three months have been reported as follows:

	Number of Firms Reporting Collections as			
	Excellent	Good	Fair	Poor
December, 1923.....	8	39	65	7
January, 1924.....	4	33	85	12
February, 1924.....	1	35	84	16

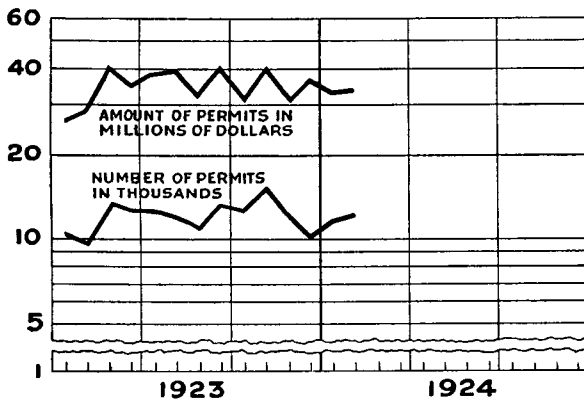
Building Activity

Continuance of building activity at high levels is indicated by the figures of building permits issued in this district during the first months of the year. Building authorized in 20 principal cities during February, 1924, had a value 18.5 per cent greater than that authorized during February, 1923, and the number of permits included was 26.3 per cent greater than during February a year ago. The figures for the past month were larger than in any previous February of which the bank has record.

Percentage Increase in the Number and Value of Building Permits Issued in 20 Cities

	Feb., 1924, compared with Feb., 1923	Jan., 1924
Number of Permits Issued.....	26.3	5.1
Value of Permits Issued.....	18.5	2.8

The United States Department of Labor index number of building materials prices stood at 182 in February (1913 prices=100). This is

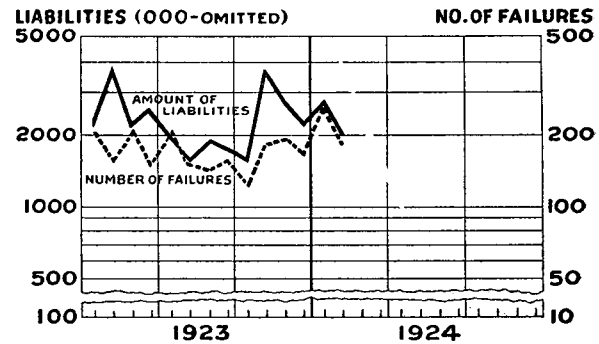


Building Permits Issued in 20 Principal Cities, Twelfth Federal Reserve District, 1923-1924

0.6 per cent higher than a month ago, 5.2 per cent lower than a year ago, and 10.8 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 202 on March 1, 1924 (100 in 1915), compared with 200 on January 1, 1924, and 198 on February 1, 1923. The latest figure is 2.4 per cent below the recent peak (207) reached June 1, 1923.

Business Failures

Although the number and liabilities of business failures in the district were seasonally less during February than during January, 1924, the liquidation of firms which had been in difficulties during 1921 and 1922 and which were unable to materially improve their position during 1923, continued. The number of failures was 17.3 per cent greater than in February, 1923, and, if the failure of one large concern in



Business Failures, Twelfth Federal Reserve District, 1923-1924

Utah be eliminated from the 1923 figures, liabilities increased by 9 per cent as compared with a year ago.

Percentage Increase or Decrease (—) in the Number and Liabilities of Business Failures in the Twelfth Federal Reserve District

	Feb., 1924, compared with Feb., 1923	Jan., 1924
Number of Business Failures.	17.3	—28.7
Liability of Business Failures.	—47.7	—25.9

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

	February, 1924		January, 1924	
	No.	Liabilities	No.	Liabilities
Arizona	0	\$ 0	7	\$ 118,728
California	91	776,406	136	1,034,884
Idaho	12	224,245	8	45,975
Nevada	2	9,548	0	0
Oregon	26	245,622	40	400,168
Utah	12	314,935	7	26,667
Washington	40	425,154	59	1,068,362
District	183	\$1,995,910	257	\$2,694,784

(C) Building Permits—

	February, 1924		February, 1923	
	No.	Value	No.	Value
Berkeley	210	\$ 668,880	156	\$ 503,642
Boise	54	30,798	68	28,671
Fresno	135	144,040	197	428,210
Long Beach..	525	2,156,132	408	3,045,285
Los Angeles..	5,344	16,083,412	4,104	12,080,310
Oakland	1,025	2,250,570	932	2,041,521
Ogden	23	74,700	15	42,080
Pasadena	314	654,294	279	759,817
Phoenix	99	308,250	43	63,225
Portland	1,312	2,607,965	817	1,674,150
Reno	10	13,100	9	147,760
Sacramento ..	267	694,538	251	595,178
Salt Lake City	94	251,980	30	204,980
San Diego	443	763,430	403	673,350
San Francisco	794	3,912,166	782	3,278,676
San Jose	101	219,380	100	204,980
Seattle	866	2,217,330	661	2,091,380
Spokane	183	273,108	64	139,165
Stockton	111	447,425	106	371,560
Tacoma	307	404,615	241	456,495
District	12,217	\$34,176,113	9,666	\$28,830,435

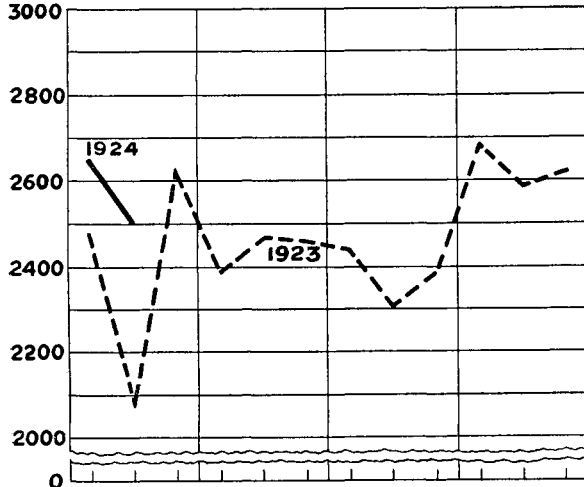
Bank Debits

Checks drawn against accounts of individuals at banks (bank debits) during February reflect an increasing volume of business at levels appreciably higher than a year ago. The February total was but 5 per cent less than that reported for January, whereas a year ago the decline from January to February amounted to 16 per cent. Compared with February, 1923, this year's figure shows an increase of 20.4 per cent, the largest monthly increase, when com-

pared with a year ago, reported since June, 1923. If bank debits of reporting centers had increased by estimated normal amounts as compared with February a year ago the gain would have been but 15.0 per cent.

The following table shows total debits by months for the past six months, as computed by this bank from weekly figures reported by 20 clearing house associations (000 omitted):

MILLIONS OF DOLLARS



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

1924	Amount	Percentage Increase or Decrease (—) as compared with	
		One Year Ago	One Month Ago
February	\$2,501,242	20.4	— 5.5
January	2,646,762	6.9	1.2
1923			
December	2,614,713	7.4	1.2
November	2,582,887	18.9	— 3.6
October	2,679,253	18.4	12.3
September	2,385,895	10.4	3.9

Changes in the general price level during this period have been negligible so that no allowance need be made for this factor in interpreting the dollar figures presented. Detailed data showing debits by individual cities for the four weeks ended February 27, 1924, and for the corresponding period a year ago are presented in table "D."

Savings Accounts

Savings deposits in 73 banks in seven principal cities of the district increased 2.7 per cent during February, 1924, and for the first time passed the billion dollar level. This advance to record figures was principally due to large increases in the volume of savings accounts at Los Angeles and San Francisco, the former city showing a gain of 4.2 per cent in one month.

During the year period February, 1923, to February, 1924, reported savings deposits increased 13.1 per cent. Detailed changes in the amount of savings deposits since one month ago and one year ago as reported by 73 banks in seven cities are presented in the following table:

(D) Bank Debits*—

	Four weeks ending Feb. 27, 1924	Four weeks ending Feb. 28, 1923
Berkeley	\$ 17,871	\$ 14,882
Boise	9,695	10,444
Fresno	30,464	41,982
Long Beach.....	54,071	49,853
Los Angeles.....	740,050	586,622
Oakland	117,189	110,542
Ogden	20,726	26,272
Pasadena	33,766	27,533
Phoenix	19,734	16,442
Portland	146,068	124,494
Reno	7,756	7,869
Sacramento	49,622	41,237
Salt Lake City.....	51,181	54,478
San Diego.....	47,616	42,227
San Francisco.....	760,540	680,420
San Jose.....	18,722	19,654
Seattle	148,306	140,288
Spokane	42,890	40,215
Stockton	20,625	18,856
Tacoma	33,236	31,456
Yakima	8,694	8,385
Total	\$2,378,822	\$2,094,151

*000 omitted.

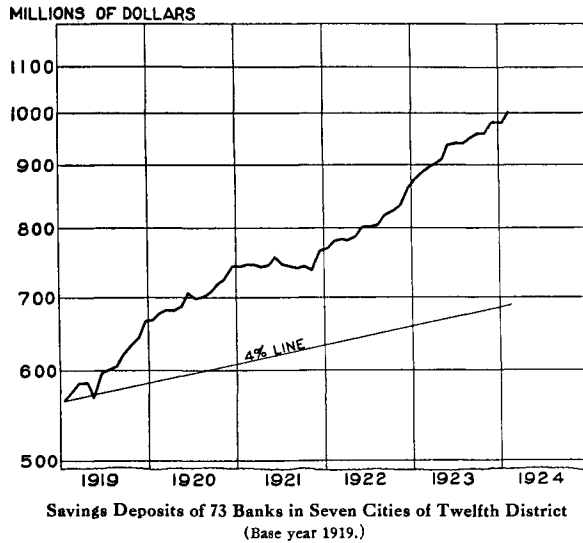
	Number of Banks	Per Cent Increase or Decrease (—) Feb., 1924, compared with			
		*Feb., 1924	*Jan., 1924	*Feb., 1923	Feb., 1923, Jan., 1924
Los Angeles..	13	\$343,125	\$329,048	\$293,098	17.0 4.2
Oakland†	7	92,854	91,456	85,206	8.9 1.5
Portland	9	50,079	50,086	44,165	13.3 — .01
Salt Lake City	8	27,385	27,276	25,436	7.6 .4
San Francisco 14‡		411,380	400,161	370,581	11.0 2.8
Seattle	16	64,705	64,813	55,883	15.7 — .1
Spokane	6	16,952	17,098	15,555	8.9 — .8
Total	73	\$1,006,480	\$979,938	\$889,924	13.1 2.7

*000 omitted.

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

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

The accompanying chart compares the actual increase in savings deposits since January 31, 1919, with that which would have occurred if no additions had been made to funds on deposit at that time, except the crediting of interest at 4 per cent, compounded semi-annually.



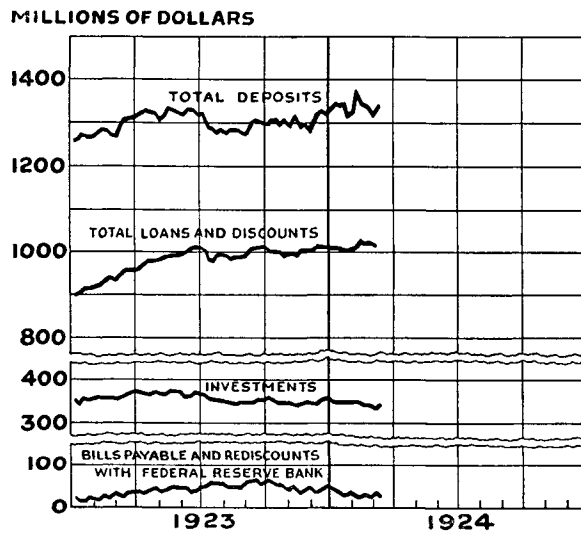
The distance between the two lines at any given point represents what might be called "new savings" accumulated from January 31, 1919, to the date designated by that point. The increase in such "new savings" has been fairly steady during the past five years, excepting the year 1921. During that year the distance between the two lines (amount of "new savings") actually decreased, a reflection, no doubt, of the severe business depression which characterized the period.

Banking and Credit Situation

Substantial seasonal increases in demand for credit occurred during the four weeks ending March 5th, and were largely met by the banks of the district without recourse to the rediscounting facilities of the Federal Reserve Bank. Total loans and discounts of 68 reporting member banks in nine principal cities rose from \$1,008,000,000 on February 6th to \$1,027,000,000 on February 20th and then declined to \$1,023,000,000 on March 5th, the net gain for the month being \$15,000,000 or 1.4 per cent. Exactly the same dollar increase in this item, and a percentage increase but slightly larger, was reported during February a year ago. The figure for total discounts (\$1,027,000,000) reported on February 20, 1924, was the highest recorded since this item of member bank statements was

first shown separately in January, 1921. The total volume of bank credit extended, including investments as well as loans, during recent weeks (approximately \$1,360,000,000) was exceeded for a considerable period in May and June of 1923, since when investments of the banks have declined steadily. Total deposits of reporting banks fell from \$1,325,000,000 on February 6th to \$1,316,000,000 on March 5th, but inasmuch as similar declines have occurred in each of the past four years this may be characterized as a seasonal movement.

Changes in principal items of the statement of the Federal Reserve Bank have been of minor importance during recent weeks. Total discounts have fluctuated between 40 and 50 millions of dollars, changes in city bank bor-



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

rowings being almost wholly responsible for what little movement there has been. At \$42,893,000 on March 12th discounts were \$2,000,000 larger than one month ago and approximately equal to the total reported a year ago. Federal Reserve note circulation continued around \$206,000,000, a figure approximately \$4,000,000 greater than circulation a year ago.

Interest rates continued easy during February and early March. Weekly average interest rates on various classes of paper in the New York market are given in the following table (figures are for week ending on date shown):

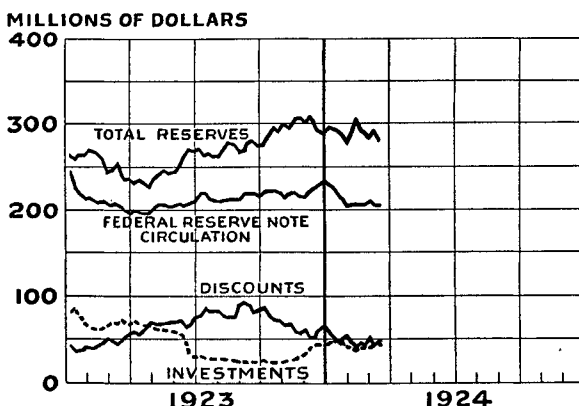
	Mar. 17, 1924	Feb. 9, 1924	Autumn Peak 1923	Mar. 13, 1923
Time Money.....	4½-4¾%	4½-4¾%	5½%	5¼%
Commercial Paper...	4¾	4¾	5¼	5
Bankers' Acceptances	4½	4	4½	4

Reports received by this bank from 35 of the principal accepting banks of this district show the following percentage changes in the amount of bills purchased and accepted during February, 1924, compared with January, 1924, and February, 1923:

	February, 1924, compared with	
	Jan., 1924	Feb., 1923
Amount of bills accepted	-14.8	+19.5
Amount of bills bought	+ 3.8	- 9.5
Amount of bills held at close of month	+65.3	-49.6

On March 10, 1924, the Treasury Department announced an offering of United States Certificates of Indebtedness designated as Series T.M.-1925, dated March 15, 1924, maturing March 15, 1925, and bearing interest at the rate of 4 per cent per annum payable semi-annually. The total amount of subscriptions received was \$662,760,500, and the total of subscriptions allotted was \$400,299,000. In the Twelfth Fed-

eral Reserve District total subscriptions received amounted to \$54,015,000, and the total allotment of subscriptions was \$27,511,000.



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

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

	March 5, 1924	February 6, 1924	March 7, 1923
Number of Reporting Banks.....	68*	68*	66*
Loans and Discounts (including rediscounts).....	\$1,022,874,000	\$1,008,173,000	\$ 934,714,000
Investments	334,882,000	347,328,000	354,213,000
Cash in Vault and with Federal Reserve Bank.....	117,214,000	129,557,000	117,415,000
Total Deposits	1,316,230,000	1,325,162,000	1,271,271,000
Bills Payable and Rediscounts with Federal Reserve Bank.....	34,215,000	29,217,000	27,849,000

*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 MARCH 12, 1924

RESOURCES			
	March 12, 1924	February 13, 1924	March 14, 1923
Total Reserves	\$291,006,000	\$303,477,000	\$252,534,000
Bills Discounted	42,893,000	40,711,000	42,926,000
Bills Bought in Open Market.....	21,021,000	23,957,000	31,663,000
United States Government Securities.....	22,304,000	13,877,000	34,742,000
Total Earning Assets.....	86,218,000	78,545,000	109,331,000
All Other Resources*.....	56,900,000	49,769,000	58,719,000
Total Resources	\$434,124,000	\$431,791,000	\$420,584,000
LIABILITIES			
Federal Reserve Notes in Actual Circulation.....	\$206,479,000	\$205,993,000	\$202,383,000
Total Deposits	158,461,000	161,046,000	153,817,000
Capital and Surplus.....	23,201,000	23,191,000	23,030,000
All Other Liabilities†.....	45,983,000	41,561,000	41,354,000
Total Liabilities	\$434,124,000	\$431,791,000	\$420,584,000
*Includes "Uncollected Items".....	45,691,000	39,290,000	42,577,000
†Includes "Deferred Availability Items".....	44,396,000	39,941,000	40,176,000

**TREND OF CONSTRUCTION COSTS, PRICES OF BUILDING MATERIALS, BUILDING WAGE RATES
AND COST OF LIVING, 1913-1923**

Comparison of changes in prices of building materials, building construction costs, wage rates in the building trades, and the general cost of living is made in the accompanying table of index numbers. During the past 11 years the trend of wages in the building trades has been steadily upward. Building materials prices and building costs reached their peak in 1920 and are now well below the level of that year, although the present year to year trend is upward. The cost of living, as reflected by the index prepared by the United States Bureau of Labor Statistics, reached its peak in June, 1920, declining thereafter until June, 1922, since when a slight upward tendency has been apparent.

Three facts illustrated by the figures are worthy of special comment:

1. The index of wages has ordinarily been lower during boom periods or periods of rapid expansion than the indexes for building materials prices and the cost of living, and higher during periods of recovery or slight recession, a fact also noted in other fields. In June, 1920, the index of the cost of living was 117 per cent higher than in 1913, and building materials prices had almost trebled as compared with the pre-war year. Wages of building trades workers, however, were but 97 per cent higher in May, 1920, than in May, 1913. The "Engineering News-Record" index of construction costs, which includes both building materials prices and wages, reached a peak (274) in June, 1920 (1913 average=100). The average of this index for 1920 was 251.

2. Since the various peak points of 1920 the indexes of the cost of living, cost of building construction, and building materials prices have shown a net decline, and the index of wages has advanced. The cost of living index stood at 217 in June, 1920, declined to a subsequent low of 166 in September, 1922, and then advanced to 173 in December, 1923. Building materials prices

averaged 189.5 (average of monthly indexes) in 1923, as compared with an average of 264 for 1920. Although this index has shown a downward tendency since April, 1923 (the peak of the period since 1920), the average for 1923 indicates a continuance of the upward trend apparent since the low point of 156 in September, 1921. The index of wages increased 5 per cent from May, 1920, to May, 1923, the year 1922 being the only year in either this short period, or in the past 10 years, during which this index has not advanced.

3. There is an upward trend apparent in the movement of all indexes at the present time.

Index numbers of construction costs, building materials prices, union wage rates per hour in the building trades, and the cost of living follow:

Year	Construction Costs*	Building Materials Prices*	Wage Rates†	Cost of Living‡
1913	100	100	100	100
1914	89	92	102	103
1915	93	94	103	105
1916	147	120	106	118
1917	181	157	113	142
1918	189	172	126	174
1919	198	201	145	199
1920	251	264	197	200
1921	202	165	200	174
1922	174	168	187	170
1923	214	189.5§	207	173
March	205	198	..	168.8
April	214	204
June	221	194	..	170
September	222	182	..	172
December	217	178	..	173.2
1924				
January	218	181
February	220	182

*1913 average=100.

†May of each year (May, 1913=100).

‡December of each year (1913 average=100).

§Arithmetic average of the monthly indexes.

NOTE: Index of construction costs constructed by "Engineering News-Record." Other indexes constructed by U. S. Bureau of Labor Statistics.