

# 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. 5

### Summary of National Conditions

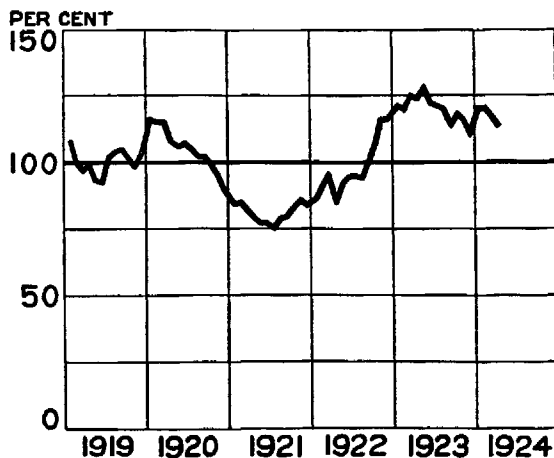
Factory employment and production of basic commodities declined in April, and there was a further recession in wholesale prices. Retail trade was larger than in March, chiefly because of Easter buying, and was at about the level of earlier months of the year. There was a decrease in the volume of borrowing for commercial purposes and further easing of money rates.

**Production.** The Federal Reserve Board's index of production in basic industries, adjusted to allow for seasonal variations, declined 2.0 per cent in April. Declines were particularly large in the iron and steel, coal, and woolen industries. Mill consumption of cotton, on the other hand, showed less than the usual seasonal reduction between March and April. Factory employment declined 2.0 per cent in

April, owing chiefly to large reduction of forces at textile and clothing establishments. Contract awards for new buildings reached a higher value than in March and were also larger than a year ago. Value of building permits granted, however, declined and was smaller than in the corresponding month of 1923. Department of Agriculture May 1st estimates of yield of winter wheat and rye are somewhat above the forecasts made in April. The acreage of winter wheat is estimated to be 7.0 per cent less than last year.

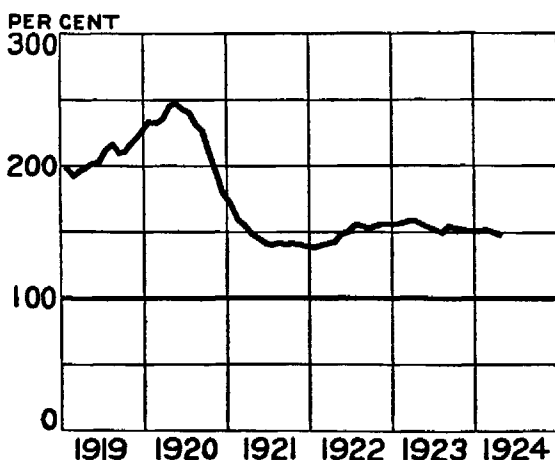
**Trade.** Railroad shipments, which since the middle of March have been smaller than last year, were 3.0 per cent less in April, 1924, than in April, 1923. Shipments of coal were much below last year, while loadings of merchandise and miscellaneous freight were higher.

Wholesale trade in April, 1924, was in about the same volume as during the preceding



Production in Basic Industries

Index of 22 basic commodities corrected for seasonal variation (1919=100).  
Latest figure, April, 114.



Wholesale Prices

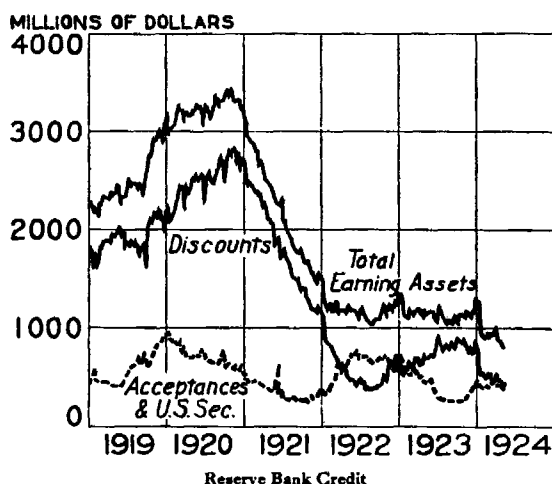
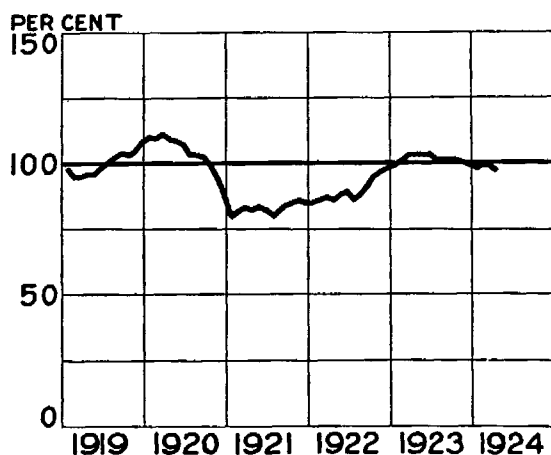
Index of U. S. Bureau of Labor Statistics (1913=100, base adopted by Bureau).  
Latest figure, April, 148.

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month and as in April, 1923. Sales of dry goods and hardware were smaller than a year ago, while sales of drugs and shoes showed some increase. Department store sales were considerably larger in April than in March, owing partly to the unusually late Easter. Total sales for the two months were 2.0 per cent greater

increased slightly. Total earning assets declined to \$795,000,000 on May 21, the lowest figure since the autumn of 1917.

Further easing of money conditions during the last week of April and the first three weeks of May was reflected in a continued rise of the prices of government securities, in a reduction



than in the corresponding period of 1923. Merchandise stocks at department stores showed less than the usual seasonal increase in April, but were at a higher level than a year ago.

**Prices.** The general wholesale price level, according to the Bureau of Labor Statistics' index, declined 1.0 per cent during April and reached the lowest point since May, 1922. Metals and foods showed substantial reductions and prices of clothing, fuel, and chemicals also declined, while prices of building materials and house furnishings remained unchanged. Farm products, however, advanced 2.0 per cent during the month. During the first half of May quotations on cotton, wheat, flour, and hogs increased, while prices of sugar, silk, wool, and metals declined.

**Bank credit.** The volume of borrowing for commercial purposes at member banks in leading cities declined somewhat from the high level reached early in April during the five-week period ending May 14th. There were increases, however, in loans on stocks and bonds and in investments in securities, so that the total of all loans and investments at the middle of May was higher than a month previous, and in larger volume than at any time in more than three years.

Volume of borrowing by member banks at Federal Reserve Banks declined further during the last week of April and in May, while holdings of securities bought in the open market

from  $4\frac{1}{2}$  to  $4\frac{1}{4}$  per cent in the rate for prime commercial paper, and in a decline in the rate for bankers' acceptances from 4 to 3 per cent. On May 1st the discount rate of the Federal Reserve Bank of New York was reduced from  $4\frac{1}{2}$  to 4 per cent.

### Summary of District Conditions

Productive activity in the district declined moderately during April, but the distribution of goods continued at the high levels of previous months. The total volume of business transacted, the resultant of these conflicting movements, was smaller during April than during March and, if correction be made for normal annual growth, was slightly below the level of April, 1923. It should be said, however, that the decline in the district figures for April, as was the case in March, was due solely to abnormal conditions prevailing in California. In the district outside of that state there has been a steady increase in business activity during the first four months of 1924.

Slight curtailment of lumber production, as compared with a year ago, was noted during the month, a movement forecasted during recent weeks by small increases in mill stocks and continued price weakness. Shipments of and orders for lumber continued in large volume. Mineral production appears to be stabilized at levels slightly below the peak of recent months. The continuous decline in flow of

petroleum from California wells which began in September, 1923, terminated, at least temporarily, during April when average daily production increased by a fraction of 1.0 per cent as compared with March. Stored stocks of petroleum had risen to another new record figure, 97,335,651 barrels, at the close of the month. The number and value of building permits issued in 20 principal cities of the district during April declined from the seasonal peak of the previous month, and were in each case approximately 2.0 per cent below the figures reported for April, 1923. Restricted production programs have resulted in a moderate decrease in employment in the district as compared with a year ago.

Comparison of April trade movements, particularly at retail, with those of a year ago are rendered difficult by the difference in Easter dates of the two years, and in some cases it has been necessary to consider the combined figures for March and April in order to ascertain the real trend. Sales of 35 reporting department stores for the two months were 6.1 per cent larger in 1924 than in 1923, and, while stocks held this year are slightly larger than those held a year ago, the rate of stock turnover has been practically the same. Conflicting tendencies have persisted in the wholesale trade, a reflection of the cautious purchasing attitude of retail buyers and no definite buying trend is distinguishable. During April five of the eleven lines of business reporting to this bank showed increases in the value of their sales as compared with one month ago, and four of the eleven lines showed increases as compared with one year ago. The record of business failures for the district gives the following comparisons:

	Percentage Increase or Decrease (—)	
	April, 1924, compared with April, 1923	March, 1924
Number .....	32.2	3.1
Liabilities .....	—15.3	—5.9

Changes in prices of individual commodities have been numerous during recent weeks, but advances and declines have been in approximate balance, and the general level of prices for the principal products of the district has been comparatively stable. For the United States the level of wholesale prices, according to the index number of the Bureau of Labor Statistics, stood at 148 in April, 1924, compared with 150 in March, 1924, and 159 in April, 1923.

**Bank credit** for business and industrial enterprises of the district has continued abundant. Member banks were able during April and early May to increase their total loans and investments while reducing their borrowings from the Federal Reserve Bank. Earning assets of the latter, which indicate the amount of Re-

serve Bank credit in use in the district, have remained near the lowest levels of recent years. Interest rates, already low, tended downward during the month.

The outbreak of foot and mouth disease of livestock in parts of the southern half of California, which threatened serious injury to the livestock and allied industries of that state, is slowly being brought under control. Upon invitation of state authorities the Federal Government has assumed complete charge of eradication work, and has standardized eradication and quarantine measures. Modification of intra-state quarantines has been permitted wherever it has been possible to do so without reducing the effectiveness of established methods for controlling the disease. It is anticipated that embargoes of other states against California products which authorities of the Federal Government certify as safe for shipment will soon be lifted.

### Agriculture

Spring agricultural operations have proceeded under moderately favorable weather conditions over a large part of the district. Seasonal rainfall was generally less than normal during April, but, except in parts of California where a condition of semi-drought had previously existed, little injury to growing crops was reported. Killing frosts during the latter part of April and early May did considerable damage to deciduous fruit and berry crops in the Pacific Northwest, but the exact extent of the losses is as yet indeterminate.

Figures for the important winter wheat crop

### (A) Movement of Crops to Market\*

TWELFTH FEDERAL RESERVE DISTRICT			
	1923-1924 Season to Apr. 30, 1924	1922-1923 Season to Apr. 30, 1923	1921-1922 Season to Apr. 30, 1922
<b>Wheat Exports†</b>			
Portland and Puget			
Sound .....	28,202,734 (19.7)	17,767,948 (18.1)	36,932,447 (29.2)
<b>Barley Exports†</b>			
San Francisco (bu.)	9,655,825 (20.8)	15,340,483 (35.7)	16,177,402 (41.1)
<b>Apple Shipments†</b>			
Twelfth Dis. (cars)	56,487 (97.7)	40,562 (90.5)	50,287 (98.3)
<b>Orange Shipments‡</b>			
California .... (cars)	22,435 (40.7)	25,416 (51.5)	18,642 (60.4)
<b>Lemon Shipments‡</b>			
California .... (cars)	4,947 (38.8)	3,479 (35.5)	4,065 (39.0)

\*Figures in parentheses indicate percentage of crop.

†Season begins July 1st.

‡Season begins November 1st.

**CORRECTIONS:** Apple shipments reported in April Review should have been 55,271 (95.7%) instead of 5,527. Orange and lemon shipments to March 31, 1922, should have been 15,250 (49.4%) and 3,118 (28.9%), respectively, instead of 19,113 and 3,120, respectively.

showing acreage sown during the autumn of 1923, percentage of acreage abandoned since planting, and condition of the crop on May 1st are now available. They are presented below, together with comparable data for previous years.

	Condition May 1st (Per Cent of Normal)			Acreage* Sown Autumn 1923	Per Cent Abandoned by May 1st	
	1924	1923	10 Year Average		1924	1923
California .....	64	88	84	691	54.0	8.0
Idaho .....	91	92	94	381	4.0	4.0
Oregon .....	96	95	95	896	1.0	3.0
Utah .....	93	90	94	152	2.0	2.5
Washington .....	83	88	90	1,559	18.0	5.0
Twelfth District. .	..	..	..	3,679	18.9	5.0
United States ...	84.8	80.1	86.3	39,933	7.6	14.3

\*000 omitted.

The poor condition of the grain in California, due to deficient rainfall in that state, has caused many growers to pasture their fields or to plan to use their product for hay only.

Unsatisfactory moisture conditions which have limited the acreage and lowered the condition of field crops in California have also affected unfavorably the deciduous fruit crops of that state. This fact, as well as the losses due to frost injury in some fruit growing areas, is reflected in figures of the condition of the principal deciduous fruit crops of California presented below.

	Condition May 1st (Per Cent of Normal)			Final Estimated Yield 1923	
	1924	1923	1922	(tons)	(tons)
Almonds .....	61	75	70	11,000	8,500
Apples .....	90	80	96	5,196,000†	4,197,000†
Apricots .....	66	98	52	170,000	145,000
Cherries .....	65	73	90	14,500	14,000
Peaches .....	77	87	92	380,000	410,000
Pears .....	70	90	92	128,000	150,000
Plums .....	78	95	*	69,000	48,000
Prunes .....	68	60	95	80,000	110,000

\*Not available.

†Commercial crop in boxes—total crop 1923, 8,450,000 boxes; 1922, 7,850,000 boxes.

California citrus fruit yields for the 1923-1924 and 1922-1923 seasons (November 1st to October 31st) are estimated as follows:

Crop Year	Total (boxes)	Oranges Navels (boxes)	Valencias (boxes)	Lemons (boxes)
1923-1924...	22,000,000	11,000,000	11,000,000	5,100,000
1922-1923...	19,955,000	9,676,000	10,279,000	3,920,000

The estimated condition of all oranges was 95 per cent of normal and of lemons 88 per cent of normal on May 1, 1924, compared with 97 per cent and 90 per cent, respectively, on May 1, 1923. Harvesting and shipping of Navel oranges had been practically completed by May 15th.

Both canned and dried fruit markets continued seasonally active during April and early May, and further substantial reduction of unsold stocks in first hands was reported.

An approximate measure of progress made up to April 30th in marketing wheat, barley, apples, and citrus fruits grown in this district during the past crop year is given in table "A." Cold storage holdings of boxed apples in the United States, the majority of which apples are produced in the Twelfth District, were about twice as large on May 1, 1924, as on May 1, 1923, an indication that not all of the fruit shipped from the district during the past season has actually entered into consumption.

### Livestock—Animal Products

Apart from the unusual situation in California, where foot and mouth disease of livestock, although apparently under control, is still present, the livestock industry has continued in satisfactory condition. Valley grazing and pasture lands in many sections have suffered from a lack of rainfall, but as feed becomes scanty livestock are being moved to mountain feeding grounds.

Physical conditions during last winter favorable to the livestock industry are reflected in the annual May 1st report on mortality of livestock during the preceding twelve months. Losses of all classes of livestock due to disease and exposure during the year ending May 1, 1924, were generally the same as, or slightly smaller than during the year ending May 1, 1923, a year of small losses in the industry.

### MORTALITY OF LIVESTOCK\*

	Cattle		Hogs		Sheep		Lambs	
	Year Ended April 30, 1924	Year Ended April 30, 1923	Year Ended April 30, 1924	Year Ended April 30, 1923	Year Ended April 30, 1924	Year Ended April 30, 1923	Year Ended April 30, 1924	Year Ended April 30, 1923
Arizona .....	50	50	†	†	22	50	16	55
California .....	50	30	40	25	44	37	100	37
Idaho .....	20	21	20	20	26	25	35	40
Nevada .....	32	35	20	40	45	165	70	75
Oregon .....	†	22	†	14	†	27	†	40
Utah .....	41	43	16	20	43	48	60	70
Washington .....	20	33	11	20	20	41	38	50
United States ...	30.5	29.4	52.9	50.5	37.5	46.3	50.2	49.7

\*Number of deaths per 1,000 head due to disease and exposure.

†Not available.

Increased losses in California may be attributed partly to abnormal conditions accompanying the outbreak of foot and mouth disease in that state, and in the case of sheep to the shortage of feed, particularly at lambing time.

Shearing of wool has proceeded steadily during recent weeks, and nearly half of the district's 1924 clip, which commercial estimates place at 78,500,000 pounds, had been shorn by May 15th. Lambing was completed satisfactorily during April and early May in practically all sheep raising sections of the district. Losses (except in California) have generally been less than last year.

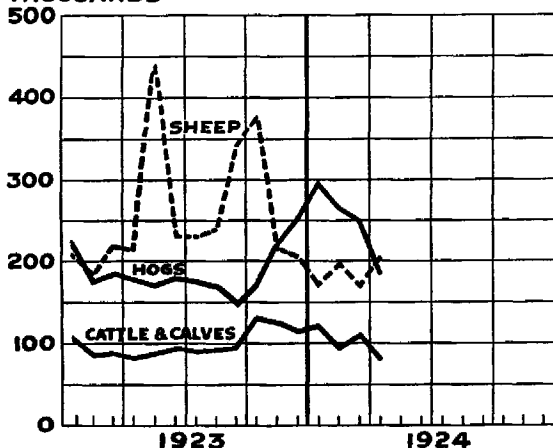
Total receipts of all classes of livestock at eight principal markets of the district during April are shown in the accompanying table and chart. Divergencies from what appear to be

normal trends reflect almost entirely conditions prevailing in California markets as a result of the presence of foot and mouth disease in that state.

#### LIVESTOCK RECEIPTS AT EIGHT MARKETS

	Cattle	Calves	Hogs	Sheep
April, 1924.....	64,086	15,348	184,021	204,675
March, 1924....	88,107	20,451	249,433	169,200
April, 1923.....	65,824	17,269	178,937	214,977
4-year average—				
April.....	64,144	14,353	141,766	214,808
4-year average—				
March.....	71,559	14,674	171,084	188,733

#### 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)

Supplies of fresh butter reaching markets in this district during April were heavy, a normal seasonal condition accompanying the sharp upward trend of production during the spring, and greatly exceeded current demand. Much of the surplus butter was placed in cold storage, the volume of cold storage holdings of butter being more than eight times as large on May 1st as on April 1, 1924, and three times as large as on May 1, 1923. Egg production also expanded rapidly during the month, and the seasonal increase in production was accompanied by a rapid accumulation of cold storage stocks. A summary 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:

	May 1, 1924	Apr. 1, 1924	May 1, 1923	Five-Year Average May 1st
Butter (pounds)				
*Twelfth District.....	1,859,787	224,163	532,956	817,736
United States.....	8,977,000	7,842,000	3,248,000	6,401,000
Eggs (cases)				
†Twelfth District....	295,811	109,816	314,697	†
United States .....	3,609,000	579,000	3,737,000	3,741,000

\*Four markets. †Six markets. ‡Figures not available.

Prices for meat animals at the chief markets of the district tended to decline during April. Beef cattle sold at higher, hogs at lower, and

lambs at about the same figures as were quoted one year ago. Prices offered growers for wool during April, at 33 to 43 cents per pound (quality and cost of transportation to terminal markets considered), were slightly lower than during March, and were from 4 to 7 cents per pound below prices offered a year ago. Wool buyers in the field were not active during the month, and the volume of reported sales and contracts made thus far during the present season has been smaller than was reported during the same period last year.

#### Foot and Mouth Disease

Steady progress toward effective control of the outbreak of foot and mouth disease in parts of California has been made during the past month. On April 22nd the Federal Government, upon invitation of the State of California, took full charge of eradication work, using the combined forces of the Federal Bureau of Animal Industry and of the California State Department of Agriculture in applying and enforcing control measures. Intra-state embargoes on agricultural products other than livestock and livestock derivatives have been removed, and the extent of the area under quarantine has been reduced, allowing the greatest possible freedom of trade compatible with effective quarantine of actually infected areas. Close quarantine of Tuolumne County and parts of the following counties was being maintained on May 16th:

Alameda	Mariposa	San Francisco
Contra Costa	Merced	San Joaquin
Fresno	Napa	Solano
Kern	Orange	Stanislaus
Los Angeles	San Bernardino	Tulare
Madera		

Losses of livestock up to and including May 6, 1924, have been estimated as follows:

	Total Number	Number per 1000 Head in State
Cattle .....	36,101	17.3
Sheep .....	22,362	9.1
Swine .....	18,179	22.0
Goats .....	417	..

The appraised value of animals slaughtered up to May 6th was approximately \$2,962,000.

Embargoes placed by other states upon shipments of California products into or through their territory have not been modified to any considerable degree, but the United States Department of Agriculture is authority for the statement that such modification may be expected prior to the summer season of heaviest shipment of such products. Disposal of the spring lamb crop, a problem which had caused considerable concern, has been accomplished without undue disorganization of markets. A large number of lambs, which would ordinarily

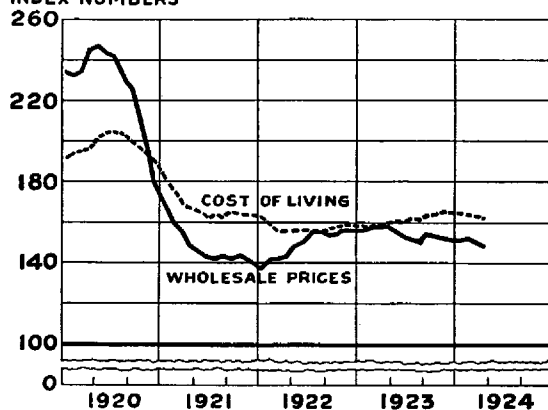
have been shipped to eastern markets alive, were slaughtered in California under Federal inspection and the dressed carcasses sent East.

### Prices

Relative stability of the average price level for the more important agricultural products of the district during April was the result of approximate balance between advances and declines in prices of individual commodities. The average level on May 1, 1924, was slightly higher than one year ago. The downward movement of quotations for all classes of meat animals at Chicago markets during April resulted in a net decline of prices for beef cattle, hogs, sheep, and lambs, but quotations at the end of the month were, except in the case of hogs and sheep, higher than one year ago. Grain prices moved upward during the month, May wheat at Chicago advancing 3 cents per bushel, spot shipping barley at San Francisco 10 cents per cental, and cleaned California rice at the same market 5 cents per 100 pounds. Quotations on May 2, 1924, were approxi-

mately 11.8 per cent lower for wheat and 13.8 per cent and 22.1 per cent higher for barley and rice, respectively, than on May 4, 1923. The price of cotton rose fractionally during April. On May 2, 1924, spot middling uplands cotton

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	May 2, 1924	One Month Ago	One Year Ago
Twenty Basic Commodities (F. R. B. of N. Y.) 1913=100.		146.3	150.9	157.4
Wholesale Prices (U. S. Bureau of Labor) 1913=100.		148.0	150.0	159.0
Cost of Living (National Industrial Conference Board) July, 1914=100.		161.8	163.2	159.1
Cattle (Native Beef)....Weekly Average Price at Chicago.	100 lbs.	\$ 9.65	\$ 9.75	\$ 9.05
Sheep.....Weekly Average Price at Chicago.	100 lbs.	7.50*	10.25	8.35
Lambs.....Weekly Average Price at Chicago.	100 lbs.	15.85	16.00	13.75
Hogs.....Weekly Average Price at Chicago.	100 lbs.	7.30	7.50	8.00
Wheat.....Chicago Contract Price for May Wheat.	bu.	1.04½-1.05½	1.01½-1.02½	1.17½-1.19½
Barley.....Shipping Barley f. o. b. San Francisco.	cental	1.80-1.90	1.75-1.80	1.60-1.65
Rice.....California Fancy Japan at San Francisco.	cental	5.25	5.20	4.30
Cotton.....Middling Uplands—Weekly range of spot quotations at New Orleans.	lb.	29.75-30.88¢	27.50-30.00¢	27.00-28.25¢
Wool.....Average of 98 quotations at Boston.	lb.	80.61¢	82.47¢	83.49¢
Flour.....First Grade Family Patent f. o. b. California mills	bbl.	7.14	7.11	7.97
Sugar.....Beet Granulated f. o. b. San Francisco.	lb.	8.20¢	8.50¢	9.90¢
Oranges.....Navels, Fancy—Wholesale at San Francisco	box	3.50-5.50	3.50-5.50	3.00-5.25
Lemons.....Choice—Wholesale at San Francisco.	box	2.50-3.50	2.00-3.00	3.75-5.00
Dried Apples.....Choice in 50-lb. boxes f. o. b. California.	lb.	.12¾	.13¾	.07¾-.07½
Dried Apricots.....Choice in 25-lb. boxes f. o. b. California.	lb.	.13-14	.13½-.14½	.14½
Prunes.....Size 40/50 in 25-lb. boxes f. o. b. Calif.	lb.	.10¾-.10¾	.10½-.11	.10¾-.11
Raisins.....Loose Muscatel in 25-lb. bxs. f. o. b. Calif.	lb.	.08¾	.08¾	.10
Canned Apricots.....Choice 2½s f. o. b. California.	doz.	2.75	2.60	3.30
Canned Peaches.....Cling, Choice, 2½s f. o. b. California.	doz.	2.30	2.30	2.75
Canned Pears.....Bartlett, Standard 2½s f. o. b. California.	doz.	2.75	2.75	2.75
Raw Milk.....Pacific Coast—April average.	100 lbs.	2.72	2.80	2.75
Butter.....93 Score at San Francisco.	lb.	.38	.40	.43½
Eggs.....Extras—San Francisco.	doz.	.26	.26	.32
Copper.....Electrolytic; New York Spot.	lb.	.13¾	.13¾	.16¾
Lead.....New York Spot.	lb.	7.875¢	8.75¢	7.75¢
Silver.....New York Foreign.	oz.	.64¾	.63¾	.67¾
Zinc.....East St. Louis Spot.	lb.	5.80-5.85¢	6.30-6.35¢	7.00-7.05¢
Petroleum.....California 35° and above.	bbl.	1.40	1.40	1.04
Douglas Fir.....2x4, 16 ft. No. S1S1E f. o. b. Seattle.	M ft.	17.50	17.50	23.50
Douglas Fir.....12x12 Timbers f. o. b. Seattle.	M ft.	21.00	21.00	26.50

\*Prices for shorn sheep.

on the New Orleans market sold at an advance of approximately 9.8 per cent over the quoted price on May 4, 1923. The trend of wool prices was downward, the average of 98 quotations at Boston declining nearly two cents during the month, and reaching a level 3.4 per cent below that of a year ago. Sugar prices on the San Francisco market declined rapidly during the first weeks of May, and granulated beet sugar is now (May 20th) selling at \$7.60 per 100 pounds, compared with \$8.50 per 100 pounds on April 4, 1924, and \$9.90 per 100 pounds on May 20, 1923. Dried fruit quotations have tended downward during the past month, while canned fruit prices have remained firm, with small advances for some varieties reported. Prices for both canned and dried fruits continued below the levels of a year ago. Prevailing quotations for dairy and poultry products were lower than in April, 1923, following seasonal declines from March levels.

Price movements in the non-ferrous metals group (excepting silver) were generally downward during April. (A more detailed discussion of metals prices is given in the paragraph on "Mining.") Petroleum prices in California oil fields continued the sidewise movement noted during the past two months, and are now 34.6 per cent higher than at this time last year. The general downward tendency of lumber prices evidenced during recent months in Pacific Northwestern producing centers appears to have terminated, at least temporarily, during April at levels from 20.0 to 25.0 per cent below those of April, 1923.

### Milling

Flour production in this district during April continued at slightly higher levels than one year ago, reported output of 16 large milling companies at 411,405 barrels being 3.8 per cent larger than production during April, 1923. Output of the same mills declined 19.7 per cent during April as compared with March, but as similar declines have been reported for April in previous years, this decrease probably was largely seasonal. Although millers reduced their output during the month, the volume of production was slightly greater than sales and stocks of flour held by mills increased. On May 1, 1924, total reported stocks of flour, at 492,486 barrels, were 3.4 per cent greater than on April 1, 1924, 9.0 per cent smaller than on May 1, 1923, and 6.5 per cent smaller than the five-year (1920-1924) average of 526,831 barrels for that date. Millers' stocks of wheat were reduced by 33.1 per cent during April, and stood at 2,307,082 bushels on May 1, 1924, at which figure they were little larger than one year ago, but 10.1 per cent larger than the five-

year average for May 1st (2,094,736 bushels).

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

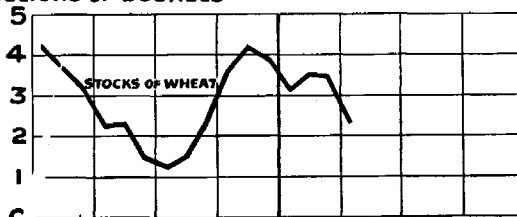
	Apr., 1924	Mar., 1924	Apr., 1923	Five-Year Average (1920-1924) April
Output ..... (bbls.)	411,405	512,639	396,348	396,037†
Stocks*				
Flour ..... (bbls.)	492,486	476,362	541,303	526,831
Wheat ..... (bu.)	2,307,082	3,448,892	2,243,886	2,094,736

\*As of the first day of the following month.

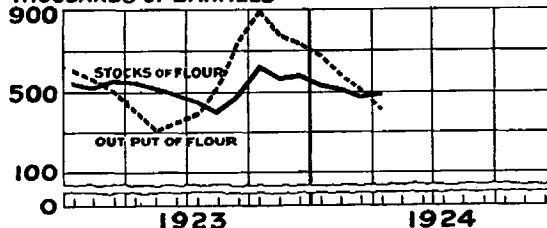
†Four-year average.

NOTE: Output of 16 reporting mills during March, 1924, the latest month for which complete comparative data are available, represented approximately 60.9 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).

### Millions of Bushels



### Thousands of Barrels



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

Moderate activity in domestic flour markets was reported during April, but foreign demand continued sluggish. Prices for flour have strengthened slightly during the past month.

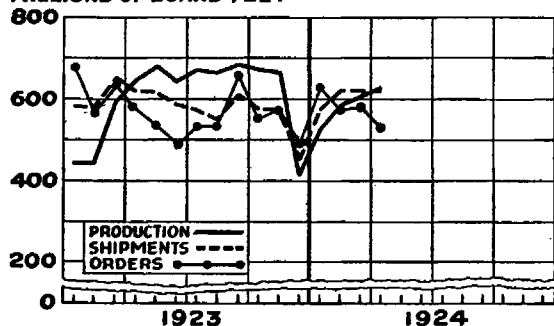
### Lumber

A seasonal increase in output, which was nevertheless at levels below those of a year ago, a small reduction in the volume of shipments and orders, and a slight accumulation of stocks at mills were outstanding developments in the lumber industry of this district during April. Since the recovery of the industry from the depression of 1920-1921 monthly production of lumber has been growing progressively larger, due allowance being made for seasonal variations, but in April, 1924, for the first time in two and one-half years, the total output of reporting mills was less than in the corresponding month of the previous year, the cut being 3.3 per cent less than the cut for April, 1923. Although declining from the March figures, both shipments and new orders received by the mills were at high levels

during April. As compared with April, 1923, a month of great activity for the lumber industry, they declined only 0.2 per cent and 8.6 per cent, respectively. Figures follow (000 omitted):

	Apr., 1924 (board feet)	Mar., 1924 (board feet)	Apr., 1923 (board feet)	Mar., 1923 (board feet)
Production .....	627,838	606,686	649,400	573,471
Shipments .....	618,267	620,201	619,512	659,718
Orders .....	530,011	580,829	580,014	601,543
Unfilled Orders...	455,846	529,699	628,419	637,694

#### MILLIONS OF BOARD FEET



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

A slight seasonal increase in domestic demand for lumber appeared during April as compared with March, but domestic markets generally were relatively sluggish. Substantial price reductions at the mills at a time when consumers' needs are increasing are reported to have stimulated buying during the first weeks of May. Activity in the export market reported in March subsided somewhat during April, the estimated volume of new orders received being approximately 30.0 per cent less than during the earlier month. The volume of new orders placed by foreign buyers was less by 60 per cent during April, 1924, than during April, 1923.

#### Mining

Production of non-ferrous metals at the mines of this district during April continued at about the same levels as in March according to preliminary reports. Figures for national production of copper, silver, zinc, and quicksilver during March, 1924, the latest month for which complete data are available, February, 1924, and March, 1923, are given in the following table:

	Mar., 1924	Feb., 1924	Mar., 1923
Copper (lbs.) (mine production) ....	128,560,000	128,260,000	122,193,969
Silver (oz.) (commercial bars)...	5,726,600	5,426,776	6,109,841
Zinc (tons) (slab) .....	47,775	43,933	40,480
Quicksilver (flasks—75 lbs., estimated)	1,165	900	*

\*Not available.

Figures for lead are not available.

The reported volume of sales of copper, lead, and zinc during April was slightly smaller than in March, reflecting a continuance of the general downward trend of activity in non-ferrous metals markets noted during the last weeks of the earlier month. Contraction of both foreign and domestic demand during the month in the face of an apparently unchanged production induced price declines for copper, lead, and zinc, and monthly average prices of these metals for April, 1924, were lower than average prices for March. Copper, quoted at 13 cents per pound on May 20th, was 16.8 per cent lower in price than on May 20, 1923. Lead prices, although declining during the past month, are now (May 20th), at 7.25 cents per pound, the same as one year ago. The present (May 20th) quotation of 5.80 cents per pound for zinc compares with 6.60 cents per pound paid on May 20, 1923. Silver has met a stronger demand and prices have moved upward during the past month. Present prices are below those of a year ago, but at that time the larger part of the domestic output was being purchased by the Government under the Pittman Act, at a fixed price well above the level of world markets. Average prices paid for the principal non-ferrous metals during April, 1924, and 1923, and March, 1924, are given in the following table:

	Apr., 1924 (cents)	Mar., 1924 (cents)	Apr., 1923 (cents)
Copper (lb.)			
New York Electrolytic..	13.21	13.52	16.66
Lead (lb.)			
New York.....	8.26	9.01	8.10
Silver (oz.)			
New York.....	64.14	63.96	66.86
Zinc (lb.)			
St. Louis.....	6.12	6.49	7.20
Quicksilver (dollars per flask) San Francisco....	72.25	63.07	70.74

#### Petroleum

Following six months of declining production, the daily average output of petroleum at California wells increased 0.2 per cent during April as compared with March. An increase of 2.9 per cent in indicated average daily consumption accompanied the increase of production, and stored stocks at the end of the month were but 0.7 per cent greater than at its beginning. Total flow of oil from new wells opened in California has been smaller during the first four months of 1924 than during the corresponding period a year ago. On the average approximately 112 new wells were opened each month during the period January to April, 1924, inclusive, the average initial daily production of all new wells opened being 50,355 barrels of crude oil. During the first four months of 1923 there was an average of only 63 new wells brought in each month, but the



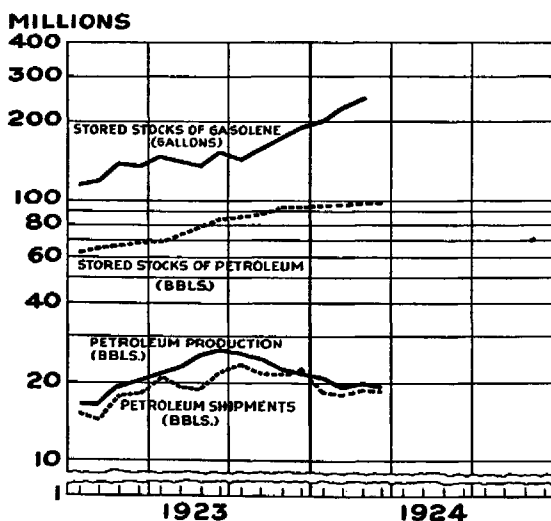
average initial daily production of new wells opened during the period was approximately 98,744 barrels. A statistical summary of recent developments in the petroleum industry in California is presented in the following table:

CALIFORNIA PETROLEUM SITUATION

	Average Daily Production (barrels)	Indicated Average Daily Consumption (Shipments) (barrels)	Stored Stocks at End of Month (barrels)	New Wells Number Opened	Wells Daily Production (barrels)
April, 1924.	643,328	621,030	97,335,651	97	37,937
Mar., 1924.	642,363	603,453	96,666,719	131	62,771
Sept., 1923*	858,750	779,657	85,496,609	93	139,960
April, 1923.	689,865	611,736	68,937,459	60	117,589

\*Peak of production.

Production of gasoline at California refineries during March, 1924, at 112,234,823 gallons, was 5.8 per cent greater than during the preceding month, and 7.5 per cent greater than during March, 1923. The advance in indicated consumption from 83,271,000 gallons during



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

February to 90,161,148 gallons during March was insufficient to offset the greater increase in production during the later month, and stored stocks of gasoline increased 9.9 per cent to 246,170,979 gallons on March 31, 1924, a figure 80.1 per cent greater than that reported on March 31, 1923. Output and stocks of gasoline at California refineries for March and February, 1924, and 1923, are given in the following table:

	Mar., 1924 (gallons)	Feb., 1924 (gallons)	Mar., 1923 (gallons)	Feb., 1923 (gallons)
Refinery Output .	112,234,823	106,086,405	104,402,122	92,852,538
Stored Stocks* ..	246,170,979	224,097,304	136,684,477	120,680,550

\*As of the last day of the month.

## Electric Energy

Total sales of electric energy for industrial purposes in this district during March were 8.8 per cent greater than during February and 29.9 per cent greater than during March, 1923. The large percentage increase for the year period may be accepted as an indication of industrial growth in the district, although it undoubtedly reflects also a considerable expansion in the use of electricity by industries formerly using other types of power.

All industries for which segregated figures are available consumed more power during March, 1924, than during March, 1923, and substantial increases in the volume of sales to agriculture and manufacturing were reported during March as compared with February. Sales to the mining industry declined slightly during the month. Percentage comparisons of sales by certain industries and by sections of the district are presented in the following table:

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

	Agriculture	Mining	Manufacturing	Total Industrial Sales
California .....	233.6	21.3	16.0	36.0
Pacific Northwest....	60.2	8.6	39.7	18.0
Intermountain States..	65.4	—17.5	12.0	22.4
Twelfth District.....	217.7	8.7	23.4	29.9

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

	Number of Industrial Consumers		Industrial Sales K. W. H.	
	Mar., 1924	Mar., 1923	Mar., 1924	Mar., 1923
California .....	78,136	52,592	246,216,751	220,220,511
Pacific Northwest ..	12,836	11,666	75,633,408	71,721,734
Intermountain States	5,127	4,953	55,058,741	54,388,412
Twelfth District ....	96,099	69,211	376,908,900	346,330,657

## Employment

Non-statistical evidence indicates that there was a slight increase in unemployment, particularly of unskilled labor, in this district during April, 1924, as compared with April, 1923, the result of a general decrease in both industrial and agricultural demand for labor. There is some evidence, however, that the increased volume of unemployment in many lines of industry was due largely to an influx of laborers from states outside the district during recent months. Retarded development of seasonal agricultural operations in California, generally unsettled conditions accompanying the outbreak of foot and mouth disease in that state, restricted logging operations, and a tendency to curtail extra shift production programs in the lumber industry of the Pacific Northwest and California, and a reported slackening of activity in metal mining industries, all tended to curtail employment during the past month.

## Automobile Registrations

Sales of new automobiles (as indicated by registrations of new cars) in all reporting states of the district except California were larger during the first quarter of 1924 than during the first quarter of 1923. Registrations of new passenger cars and new commercial vehicles in California during the first quarter of 1924 were smaller by 8.0 per cent and 21.7 per cent, respectively, than during the first quarter of 1923. In the district as a whole, the number of new car sales during the first three months of 1924 was approximately the same as the number of new car sales during the first three months of 1923, an increase of 0.7 per cent in sales of new passenger cars being offset by a decline of 7.0 per cent in sales of new commercial vehicles. Figures follow:

	Total New Passenger Cars Registered Jan. 1 to Apr. 1, 1924 1923		Total New Commercial Cars Registered Jan. 1 to Apr. 1, 1924 1923	
Arizona ..	2,472	2,026	291	136
California ...	47,145	51,273	3,975	5,078
Idaho ..	2,369	1,321	242	116
Oregon ..	9,203	7,106	630	197†
Utah ..	2,474	1,451	131	141
Washington ...	*	8,739	*	1,092
Total (5 States)	63,663	63,177	5,269	5,668

\*Not available.

†January 1st to March 1st.

Total registrations of old and new automobiles in this district during the first four months of 1924 were 40.9 per cent greater than registrations during the first four months of 1923. Detailed figures by states of this district (figures for Nevada are not available) follow:

	January 1 to May 1, 1924 1923		Percentage Increase 1924 over 1923
Arizona ..	47,019	37,712	24.7
California ..	1,123,526	861,590	30.4
Idaho ..	84,107	42,158	99.5
Oregon ..	281,271	122,979*	128.7
Utah ..	56,637	42,029	34.7
Washington ..	206,639	169,419	21.9
Total ..	1,799,199	1,275,887	41.0

\*Revised figure.

Motor vehicle output in the United States declined approximately 2.5 per cent during April, 1924, as compared with March, 1924, and was 2.3 per cent less than during April, 1923. This decrease as compared with a year ago compares with gains of more than 30 per cent over corresponding months of 1923 reported during January and February of this year when manufacturers increased their production substantially in anticipation of spring demand, and of 7.8 per cent during March,

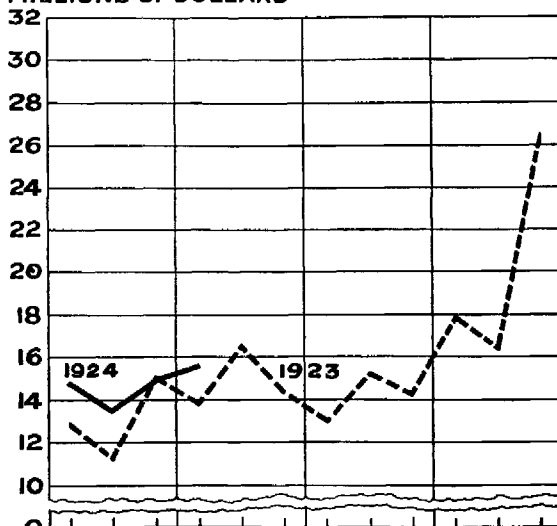
1924. Figures showing national automobile production during April, 1924, March, 1924, and April, 1923, follow:

	Apr., 1924	Mar., 1924	Apr., 1923
Passenger Cars.....	336,968	348,287	343,793
Trucks .....	34,977	33,061	36,786
Total .....	371,945	381,348	380,579

## Retail Trade

Comparisons of retail trade conditions during the individual months of March and April, 1924, and March and April, 1923, show changes at variance with normal seasonal and annual movements, and lead to the conclusion that the difference in Easter dates in the two years, rather than underlying trade conditions, was responsible for the changes noted. In order to obtain a more accurate view of the situation than can be had by comparing figures for single months, combined totals for March and April

MILLIONS OF DOLLARS



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

of the two years are here considered. The value of total sales of 35 reporting stores was 6.1 per cent larger during March and April of this year than during March and April a year ago, all cities reporting increases except Spokane and Salt Lake City, both of which reported decreases of nearly 9.0 per cent. Average stocks during March and April, 1924, as compared with average stocks during March and April, 1923, were greater by 10.6 per cent, all cities reporting increases except Salt Lake City, where a decrease of 1.8 per cent occurred.

The following table compares the value of sales and stocks of reporting department stores in the principal cities of this district during April and March of 1924 with the value of their

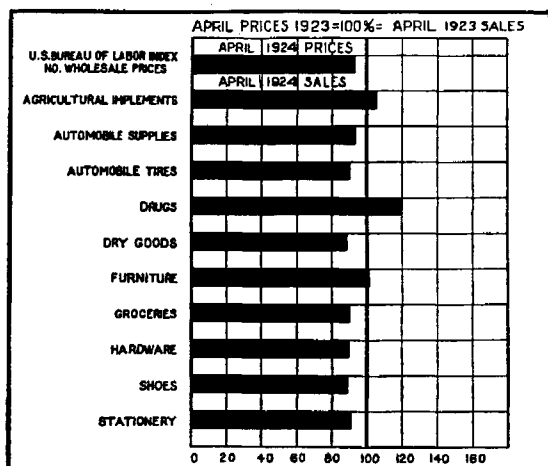
sales and stocks during the same two months of 1923, and the value of sales during the first four months of 1924 with the value of sales during the same period of 1923:

	No. of Stores	Percentage increase or decrease (—) in value of sales		Percentage increase or decrease (—) in value of stocks
		Mar.-Apr., 1924	Jan. 1-Apr. 30, 1924	Mar.-Apr., 1924
Los Angeles....	6	12.8	19.0	26.3
Oakland ...	4	6.2	3.4	5.9
San Francisco...	10	1.4	5.6	1.1
Seattle .....	5	.07	6.0	9.1
Spokane .....	5	— 8.7	— 2.7	3.1
Salt Lake City..	4	— 8.9	0.7	— 1.8
District* ...	.35	6.1	10.1	10.6

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

### Wholesale Trade

The wholesale trade situation in the district, which during March was characterized as irregular, changed little during April, according to reports received by this bank from approximately 200 firms in 11 lines of business. As



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

compared with sales of April, 1923, the figures for April, 1924, showed decreases in value in seven lines and increases in four lines, as follows:

Dry Goods.....	—11.5%	Drugs .....	+19.6%
Shoes .....	—11.2	Electrical Equip-	
Hardware .....	—10.2	ment .....	+ 8.6
Auto Tires.....	— 9.8	Agricultural Im-	
Groceries .....	— 9.8	plements .....	+ 5.9
Stationery .....	— 9.1	Furniture .....	+ 1.3
Auto Supplies..	— 6.7		

Inasmuch as general wholesale prices during April, 1924, were 7.4 per cent lower than during April, 1923, it is probable that the decline

in the physical volume of trade was not so great as indicated above by figures of value of sales.

As compared with March, 1924, six of the eleven lines reported decreases in the value of their sales during April, 1924.

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

	Number of Firms	Apr., 1924, compared with Apr., 1923	Mar., 1924
Agricultural Implements..	22	5.9	— 7.9
Automobile Supplies..	17	— 6.7	— 1.2
Automobile Tires.....	20	— 9.8	2.6
Drugs .....	9	19.6	1.0
Dry Goods .....	15	—11.5	—10.4
Electrical Supplies..	7	8.6	4.9
Furniture .....	17	1.3	.09
Groceries .....	27	— 9.8	2.8
Hardware .....	21	—10.2	— 6.5
Shoes .....	15	—11.2	— 9.9
Stationery .....	27	— 9.1	—11.6

### Building Activity

A decline in the volume of building in this district is forecast by figures on building permits issued in 20 principal cities during April, 1924. As compared with the previous month there was a decline of 8.7 per cent in the number of permits issued, and the declared value of such permits was less by 12.2 per cent. The number of permits issued during April, 1924, was 2.2 per cent less than the number issued during April, 1923, and the value of permits

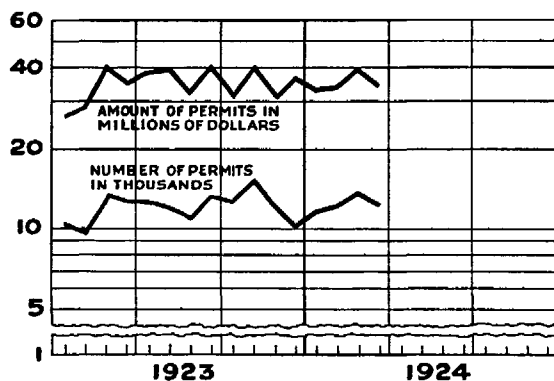
### (C) Building Permits—

	April, 1924		April, 1923	
	No.	Value	No.	Value
Berkeley ....	225	\$ 702,535	173	\$ 525,925
Boise .....	77	34,328	132	40,052
Fresno .....	123	172,386	152	492,543
Long Beach..	422	865,470	504	2,260,272
Los Angeles..	4,544	13,224,568	5,094	15,352,944
Oakland .....	1,136	2,457,592	859	2,135,488
Ogden .....	31	372,500	62	185,800
Pasadena .....	310	1,290,159	285	968,526
Phoenix .....	77	161,897	64	135,200
Portland .....	1,432	2,519,275	1,357	2,523,330
Reno .....	18	25,850	20	32,720
Sacramento ..	336	849,290	301	699,047
Salt Lake City	210	566,355	200	570,028
San Diego.....	482	1,567,734	409	846,480
San Francisco.	1,045	5,719,856	954	5,173,801
San Jose.....	87	152,195	107	332,810
Seattle .....	1,005	2,329,805	1,105	2,141,385
Spokane .....	261	688,396	346	318,685
Stockton .....	113	309,950	129	407,600
Tacoma .....	448	546,225	408	280,703
District .....	12,382	\$34,556,366	12,661	\$35,423,339

issued was less by 2.4 per cent. Inasmuch as building materials prices have declined by more than 2.4 per cent since April, 1923, however, it is probable that the physical volume of building proposed during April, 1924, was greater than during April, 1923.

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

	Apr., 1924, compared with	
	Apr., 1923	Mar., 1924
Number of Permits Issued.....	-2.2	- 8.7
Value of Permits Issued.....	-2.4	-12.2



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

The United States Department of Labor index number of building materials prices stood at 182 in April, 1924 (1913 prices=100). The figure was unchanged as compared with the past two months, and 10.8 per cent less than a year ago (1923 peak). The Aberthaw index number of the total cost of constructing a reinforced concrete factory building stood at 200 on May 1, 1924 (100 in 1915), compared with 202 on April 1, 1924, and 204 on May 1, 1923. The latest figure is 3.4 per cent below the recent peak (207) reached June 1, 1923.

### Business Failures

The number of business failures in the district during April, 1924, was 32.2 per cent greater than during April, 1923, but liabilities involved were less by 15.3 per cent than in the earlier month. Compared with March, 1924, there was a slight increase in the number of business failures, but a decrease in the liabilities of failing concerns.

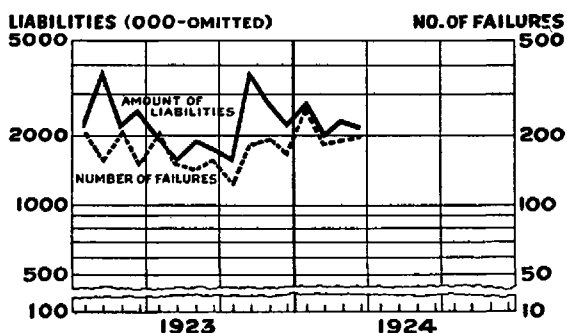
**Percentage Increase or Decrease (—) in the Number and Liabilities of Business Failures in the Twelfth Federal Reserve District**

	Apr., 1924, compared with	
	Apr., 1923	Mar., 1924
Number of Business Failures...	32.2	3.1
Liabilities of Business Failures..	-15.3	-5.9

R. G. Dun & Company's preliminary figures of the number and liabilities of business fail-

ures in the states of this district during April, 1924, and March, 1924, follow:

	April, 1924		March, 1924	
	No.	Liabilities	No.	Liabilities
Arizona .....	1	\$ 114,570	1	\$ 4,329
California .....	96	710,780	103	985,091
Idaho .....	24	148,814	6	71,572
Nevada .....	0	0	0	0
Oregon .....	33	249,320	27	199,443
Utah .....	12	369,626	14	275,300
Washington ...	31	556,803	40	750,024
District .....	197	\$2,149,913	191	\$2,285,759



Business Failures, Twelfth Federal Reserve District, 1923-1924

### Bank Debits

The volume of business transacted in this district during April, 1924, as indicated by checks drawn against accounts of individuals at banks (bank debits), declined as compared with March, 1924, but increased slightly as compared with April, 1923. Reviewing the first four months of the year, business activity in the district appears to have reached a peak during February, and to have declined in each of the two following months. The figures for each month, however, were larger than those for the corresponding month a year ago.

The presence of special factors affecting business in California (lack of normal seasonal rainfall and outbreaks of foot and mouth disease of livestock) makes it desirable to consider figures for that state apart from those of the rest of the district. If this be done it is found that in the district outside of California there has been a steady increase in business activity during the first four months of the year, the declines in the district figures for March and April being due solely to declines in California, where a large proportion of the business of the district is transacted.

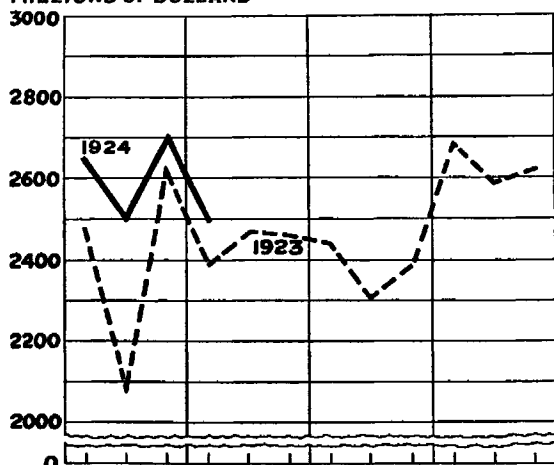
The following table shows bank debits reported for 20 cities in the Twelfth District, 9 cities in the Twelfth District outside of California, and 11 cities in California, during the first four months of 1924 and 1923. Allowance

has been made for seasonal variations in the figures reported, and also for the extra business day in February, 1924.

	Twelfth District* 20 Centers	Outside California* 9 Centers	California* 11 Centers
1924			
April .....	\$2,532,000	\$560,300	\$1,971,700
March .....	2,605,000	557,500	2,047,500
February .....	2,785,600	545,100	2,240,500
January .....	2,510,400	528,800	1,981,600
1923			
April .....	2,421,200	540,500	1,880,700
March .....	2,526,800	525,400	2,001,400
February .....	2,401,300	515,000	1,895,300
January .....	2,359,300	514,600	1,844,700

\*000 omitted.

MILLIONS OF DOLLARS



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

#### (D) Bank Debits\*—

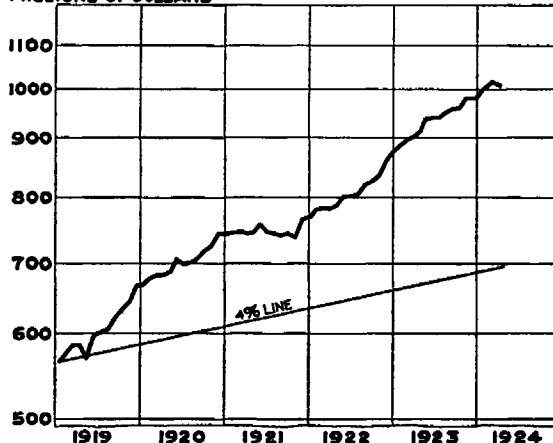
	Five weeks ending Apr. 30, 1924	Five weeks ending May 2, 1923
Berkeley .....	\$ 15,728	\$ 16,180
Boise .....	10,014	11,330
Fresno .....	27,213	43,745
Long Beach .....	47,819	54,932
Los Angeles .....	692,573	652,127
Oakland .....	116,937	119,680
Ogden .....	19,272	30,116
Pasadena .....	31,311	30,845
Phoenix .....	18,486	16,600
Portland .....	153,655	152,417
Reno .....	6,550	9,010
Sacramento .....	36,989	34,640
Salt Lake City .....	58,529	59,219
San Diego .....	43,161	40,718
San Francisco .....	735,534	764,428
San Jose .....	18,842	22,782
Seattle .....	168,116	159,296
Spokane .....	44,673	45,838
Stockton .....	21,301	22,233
Tacoma .....	37,136	37,186
Yakima .....	9,201	9,668
<b>Total .....</b>	<b>\$2,313,040</b>	<b>\$2,332,990</b>

\*000 omitted.

#### Savings Accounts

Savings deposits in 72 banks in seven principal cities of the district amounted to \$1,005,-839,000 on April 30th, a figure 0.4 per cent less than the record total of \$1,010,941,000 reported on March 31st. This decrease interrupts a steady upward movement of savings deposits which has been in progress since the early months of 1922. Declines were shown for all reporting cities except Portland, but most of the loss occurred in Los Angeles and San Francisco. During the year period, April, 1923, to April, 1924, reported savings deposits increased 11.3 per cent, an amount considerably in excess of the increase which could be attributed to interest accruals alone. Detailed

MILLIONS OF DOLLARS



Savings Deposits of 73 Banks in Seven Cities of Twelfth District (Base year 1919.)

NOTE: Four per cent line represents Savings Deposits as of January 31, 1919, with interest accruals at a rate of 4 per cent compounded semi-annually, assuming no new deposits.

changes in the amount of savings deposits during the month and year, as reported by the 72 banks, are presented in the following table:

					Per Cent Increase or Decrease (—) Apr., 1924, compared with
	Number of Banks	*Apr., 1924	*Mar., 1924	*Apr., 1923	Apr., 1923
Los Angeles ...	13	\$ 341,228	\$ 342,459	\$302,892	12.6 — .3
Oakland† ...	7	93,260	93,588	84,773	10.0 — .3
Portland .....	9	49,841	49,805	44,318	12.4 .07
Salt Lake City ..	8	28,068	28,669	26,111	7.4 —2.0 *
San Francisco‡	14	411,418	414,387	373,369	10.1 — .7
Seattle .....	15	65,114	65,113	56,409	15.4 —.001
Spokane .....	6	16,910	16,920	15,625	8.2 —.05
<b>Total .....</b>	<b>72</b>	<b>\$1,005,839</b>	<b>\$1,010,941</b>	<b>\$903,497</b>	<b>11.3 — .4</b>

\*000 omitted.

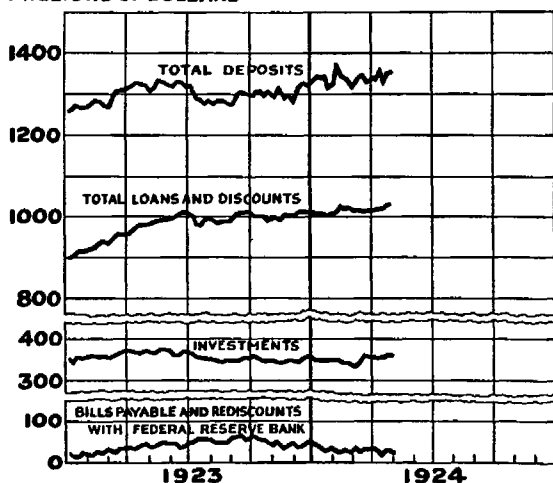
†Includes one bank in Berkeley which was formerly a branch of an Oakland bank.

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

## Banking and Credit Situation

Reporting member banks of this district were able during April to increase their accommodations to customers, add to their investment holdings, and at the same time reduce their borrowings from the Reserve Bank, indicating that the credit supply of these banks is a large one. Total loans and investments of reporting member banks continued the seasonal upward movement noted since the first of the year, and on May 7, 1924, amounted to \$1,392,000,000, an increase of \$28,000,000 for the month and of \$33,000,000 during the year. This increase was due to gains in total loans (chiefly commercial) amounting to \$12,000,000 (1.0 per cent), and in investments amounting to \$6,000,000 (1.7 per cent). Total deposits of reporting member banks, principally as a result of increases in time deposits, increased

MILLIONS OF DOLLARS



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

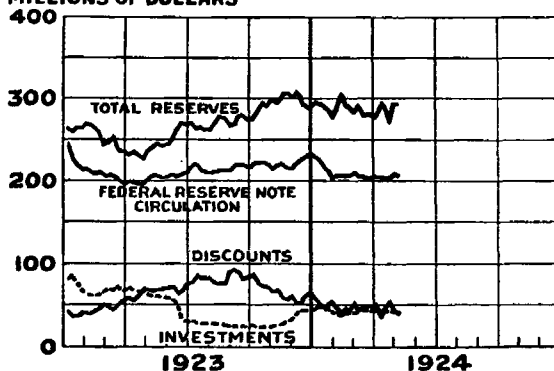
\$17,000,000 (1.3 per cent) during the four weeks ending May 7th, and on that date amounted to \$1,354,000,000. The latter figure is \$40,000,000 larger than the figure reported a year ago. Demand deposits, except for a temporary increase during the week ending April 16th, remained unchanged throughout the month of April, but increased during the first week of May and at \$725,226,000 on May 7, 1924, were \$4,000,000 (0.6 per cent) greater than on April 9, 1924, and \$13,000,000 (1.8 per cent) in excess of demand deposits held a year ago.

Total earning assets of the Federal Reserve Bank of San Francisco fluctuated widely during April and the first two weeks of May. At \$82,000,000 on May 14, 1924, they were \$4,000,000 (5.1 per cent) greater than on April 16,

1924, an increase due chiefly to advances in total discounts. Investments changed little during the month, increases in holdings of United States securities being more than offset by decreases in holdings of acceptances. Total discounts amounted to \$41,000,000 on May 14, 1924, an increase of \$5,000,000 (13.9 per cent) over the figure reported on April 16, 1924, and a decrease of \$25,000,000 (37.9 per cent) from the figure reported a year ago. The trend of total discounts (and of total earning assets), however, has been downward during the month, the increases noted above being occasioned by the fact that total earning assets and total discounts on April 16, 1924, had declined, temporarily, to the lowest levels reached since July, 1918, and November, 1917, respectively. Federal reserve note circulation increased \$3,000,000 (0.1 per cent) during the month, and at \$207,000,000 on May 14, 1924, was \$2,000,000 greater than a year ago.

The volume of Federal reserve bank credit used by member banks (bills discounted) has shown a definite downward trend during the present year. This decline has been due entirely to a decline in borrowings of city banks (reporting member banks). Borrowings of country

MILLIONS OF DOLLARS



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

banks (banks outside San Francisco, Oakland, Berkeley, Los Angeles, Portland, Seattle, Spokane, and Salt Lake City) have shown a slight upward trend. The largest increases in borrowings of country member banks have occurred in California.

An increased demand for acceptances from banks, corporations, and private individuals was noted during April, a result of the generous supply of credit available and of the decline in money rates which began in March. The abnormal demand was in excess of the available supply of prime acceptances, and rates on this type of paper declined during the month from 4 per cent to 3½ per cent. The relative shortage of prime paper has increased

the demand for bills marked at higher rates, and acceptances of non-member banks, as well as trade acceptances, have been sought by bill purchasers. 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 April, 1924, compared with March, 1924, and April, 1923:

	Apr. 1924, compared with	
	Apr., 1923	Mar., 1924
Amount of bills accepted ..	-26.4	-2.7
Amount of bills bought .....	-41.8	-28.7
Amount of bills held at close of month ..	-26.2	-25.7

Interest rates declined during the five weeks ending May 17th according to the following table which shows weekly average interest rates on various classes of paper in the New York market as reported by the Federal Reserve Bank of New York.

	May 17, 1924	Apr. 12, 1924	Autumn Peak 1923	May 12, 1923
Time Money.....	3¼-4%	4¼-4½%	5½%	5¼%
Commercial Paper...	4¼-4½	4½	5¼	5
Bankers' Acceptances	3¾	4	4½	4½

The amount of long time credit extended to agriculture by Federal Land Banks and Joint

Stock Land Banks has increased in all states of the district during the past four months, and is now well above the levels of a year ago.

#### LOANS OUTSTANDING AT CLOSE OF APRIL

	Federal Land Banks		Joint Stock Land Banks	
	1924	1923	1924	1923
Arizona .....	\$ 4,639,900	\$ 3,679,600	\$ 1,301,000	\$ 930,900
California .....	19,584,200	16,851,800	12,609,750	10,104,100
Idaho .....	23,577,620	20,925,945	1,706,100	628,200
Nevada .....	681,500	592,600	340,700	101,100
Oregon .....	20,140,730	18,598,180	8,109,900	5,823,450
Utah .....	14,006,100	12,901,300	656,300	398,200
Washington .....	28,475,495	25,228,745	1,795,700	1,340,750

Twelfth District. \$111,105,545 \$98,778,170 \$26,519,450 \$19,326,700

Federal Intermediate Credit Banks, which first made loans in July, 1923, and which extend credit to agriculture for periods (six months to three years) intermediate between short and long time credit, were at the close of April loaning \$6,587,461 in four states of the district, distributed as follows:

	Loans Outstanding Apr. 30, 1924
Arizona .....	\$ 198,478
California .....	6,041,666
Oregon .....	101,387
Washington .....	245,930
Total .....	\$6,587,461

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

	May 7, 1924 67*	April 9, 1924 67*	May 9, 1923 66*
Number of Reporting Banks.....			
Loans and Discounts (including rediscounts).....	\$1,032,079,000	\$1,019,848,000	\$ 991,029,000
Investments .....	359,778,000	353,966,000	367,538,000
Cash in Vault and with Federal Reserve Bank.....	123,015,000	116,975,000	116,426,000
Total Deposits.....	1,353,690,000	1,336,403,000	1,312,789,000
Bills Payable and Rediscounts with Federal Reserve Bank.....	22,903,000	27,534,000	43,428,000

\*Due to change 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 MAY 14, 1924

##### RESOURCES

	May 14, 1924	April 16, 1924	May 16, 1923
Total Reserves.....	\$293,240,000	\$293,080,000	\$246,869,000
Bills Discounted .....	40,945,000	35,738,000	66,246,000
Bills Bought in Open Market.....	7,929,000	14,471,000	31,062,000
United States Government Securities.....	33,262,000	27,377,000	27,596,000
Total Earning Assets.....	82,136,000	77,586,000	124,904,000
All Other Resources*.....	51,615,000	55,578,000	55,408,000
Total Resources.....	\$426,991,000	\$426,244,000	\$427,181,000

##### LIABILITIES

Federal Reserve Notes in Actual Circulation.....	\$206,657,000	\$203,727,000	\$205,266,000
Total Deposits.....	155,394,000	156,553,000	157,493,000
Capital and Surplus.....	23,302,000	23,156,000	23,066,000
All Other Liabilities†.....	41,638,000	42,808,000	41,356,000
Total Liabilities.....	\$426,991,000	\$426,244,000	\$427,181,000

\*Includes "Uncollected Items"..... 41,247,000 45,221,000 43,124,000

†Includes "Deferred Availability Items"..... 40,150,000 41,356,000 39,724,000

## CHANGES IN THE COST OF LIVING

Living costs, both in the United States and in five principal cities of this district, decreased slightly from December, 1923, to March, 1924, following the general downward trend characteristic of commodity prices during this period.

Itemized figures showing percentage increases or decreases (—) from December, 1923, to March, 1924, follow:

### CHANGES IN THE COST OF LIVING

Items of Expenditure	San Francisco and					United States
	Los Angeles 1st Quarter ending March, 1924	Portland 1st Quarter ending March, 1924	Oakland 1st Quarter ending March, 1924	Seattle 1st Quarter ending March, 1924	San Francisco 1st Quarter ending March, 1924	
Food .....	-3.3	-4.9	-5.0	-2.3	-4.4	
Clothing .....	.1	.1	0.0	-.2	-.3	
Housing .....	1.3	.5	.7	.1	.3	
Fuel and Light .....	-1.0	1.1	3.2	-.9	-.9	
Furniture and Furnishings .....	-2.0	-1.3	-.6	1.3	-.5	
Miscellaneous .....	.3	-.6	-4.7	-2.1	-.3	
Total .....	-.8	-1.6	-2.6	-1.3	-1.6	

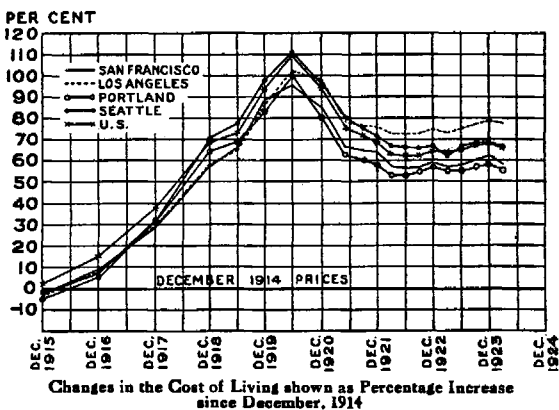
Swings upward and downward which mark the movement of commodity prices at wholesale ordinarily precede similar changes in the cost of living, which reflect changes in retail prices principally. This normal relationship appears to have prevailed during the year period March, 1923, to March, 1924, as is indicated by a comparison of the monthly index numbers of general wholesale prices compiled by the United States Bureau of Labor Statistics and the quarterly cost of living index numbers for

five cities on the Pacific Coast and for the United States as a whole.

### Cost of Living Index Numbers—December, 1914=100

	Wholesale Prices U. S. Bureau of Labor Statistics		San Francisco and					United States
	1913 =100	Dec. 1914 =100*	Los Angeles	Portland	Oakland	Seattle	San Francisco	
1923								
March ...	159	162	172.9	154.6	156.5	161.9	163.9	163.9
June ...	153	156	175.1	154.6	157.6	166.4	164.8	164.8
September ...	154	157	177.1	156.4	160.4	168.4	167.1	167.1
December ...	151	154	178.8	157.8	162.1	168.5	168.2	168.2
1924								
March ...	150	153	177.4	155.3	158.0	166.3	165.4	165.4

\*United States Bureau of Labor index of wholesale commodity prices is computed with the 1913 monthly average taken as the base period, and the index number for December, 1914, is 98. In order to make this column comparable with the Cost of Living index numbers they were shifted to this December, 1914, base.



Changes in the cost of living in the United States and in the five cities of this district from December, 1914, to March, 1924, 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 Mar., 1924	June, 1920 to Mar., 1924	Mar., 1923 to Mar., 1924	Dec., 1914 to Mar., 1924	June, 1920 to Mar., 1924	Mar., 1923 to Mar., 1924	Dec., 1914 to Mar., 1924	June, 1920 to Mar., 1924	Mar., 1923 to Mar., 1924	Dec., 1914 to Mar., 1924	June, 1920 to Mar., 1924	Mar., 1923 to Mar., 1924
Los Angeles....	37.5	-28.0	5.9	83.2	-35.7	0.0	103.7	42.8	3.3	34.0	-12.8	-.4
Portland .....	28.6	-37.9	1.6	62.1	-37.4	.8	43.4	7.6	-.1	65.3	12.5	-2.9
San Francisco and Oakland.	35.3	-30.3	4.8	94.4	-31.2	2.3	37.0	25.2	4.0	53.6	4.3	3.5
Seattle .....	32.7	-34.5	3.5	77.4	-35.3	.9	63.2	-6.7	.2	57.7	-4.9	-2.0
United States...	36.8	-34.4	1.1	74.1	-38.9	.8	67.0	23.7	2.8	80.4	6.0	-2.1

City	Furniture and Furnishings			Miscellaneous			Total		
	Dec., 1914 to Mar., 1924	June, 1920 to Mar., 1924	Mar., 1923 to Mar., 1924	Dec., 1914 to Mar., 1924	June, 1920 to Mar., 1924	Mar., 1923 to Mar., 1924	Dec., 1914 to Mar., 1924	June, 1920 to Mar., 1924	Mar., 1923 to Mar., 1924
Los Angeles.....	147.0	-18.3	-.7	105.0	9.8	1.7	77.4	-12.1	2.6
Portland .....	106.3	-27.4	-1.5	78.7	-.6	.3	55.3	-22.6	.4
San Francisco and Oakland.....	115.8	-23.0	-.4	72.7	-3.9	-6.4	58.0	-19.4	.9
Seattle .....	147.6	-23.0	3.0	92.5	1.1	5.4	66.3	-21.0	2.7
United States.....	112.7	-24.4	1.7	95.2	-.2	.4	65.4	-21.3	.9

COST OF LIVING, Continued