

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. 9

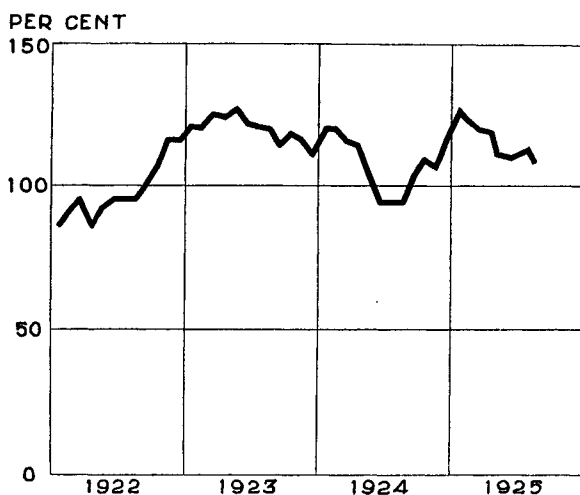
SUMMARY OF NATIONAL CONDITIONS

Production of basic commodities declined in August to the lowest level of the year, but was considerably higher than during the summer of 1924. Distribution of goods at wholesale and retail continued in greater volume than a year ago. Seasonal growth in the demand for credit, arising partly from financing of the crop movement, was reflected in an increase in the volume of commercial borrowings.

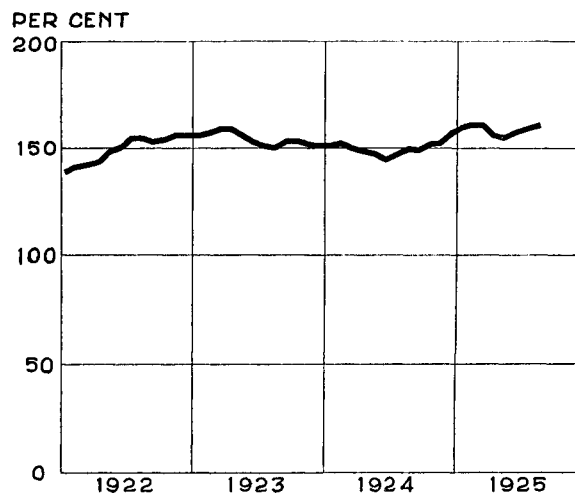
Production. The Federal Reserve Board's index of production in basic industries, which is adjusted for seasonal variations, declined 4 per cent in August, but was 15 per cent higher than a year ago. Output of steel, and of bituminous and anthracite coal, and activity in the woolen industry increased in August, while mill consumption of cotton and the production of flour and lumber decreased. Employment and earnings of factory workers were larger in August than in July, but continued smaller than in June. Building contracts awarded during August, owing chiefly to large awards in New York, exceeded all previous records. Crop

reports of the Department of Agriculture at the beginning of September, as compared with forecasts a month earlier, indicated somewhat larger yields of spring wheat, oats, barley, hay, and tobacco, and smaller yields of corn and potatoes. The mid-September cotton crop estimate was 13,931,000 bales, compared with a forecast of 13,740,000 bales on September 1st.

Trade. Wholesale trade was 5 per cent larger in value during August than during July owing to seasonal increases in the sales of dry goods and shoes, and sales of all lines except groceries were greater than those in August, 1924. Retail sales at department stores and at mail order houses showed less than the usual increases in August, but continued in greater volume than last year. Stocks of merchandise at department stores increased in August, and for the first time this year were considerably larger than in the corresponding month a year ago. Wholesale firms in all leading lines, except drugs and hardware, reported smaller stocks on August 31st than a month earlier. Total freight car



Production in Basic Industries—Index of 22 basic commodities corrected for seasonal variation (1919=100). Latest figure, August, 108.



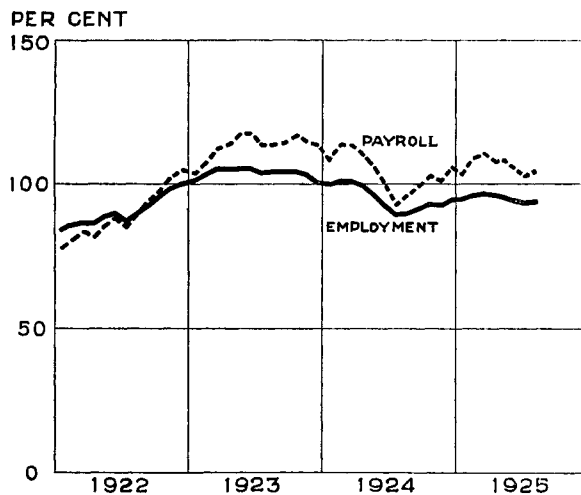
Wholesale Prices—Index of U. S. Bureau of Labor Statistics (1913=100, base adopted by Bureau). Latest figure, August, 160.

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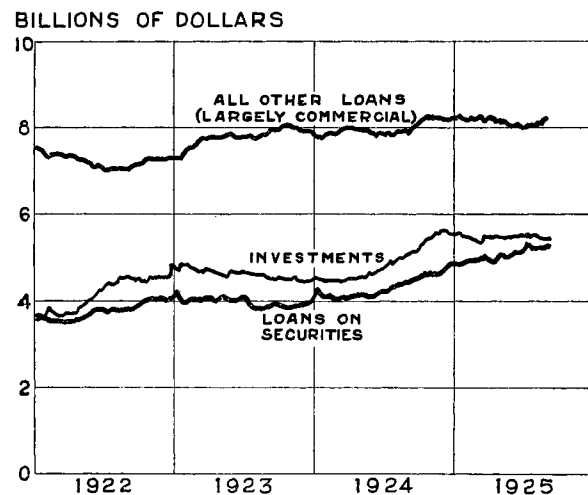
loadings were larger during August than in any month since last October. Coal shipments, preceding the anthracite strike, were especially heavy, less than carload-lot shipments continued to increase, and the movements of live-stock and grains were seasonally greater than in July, 1925, although smaller than in August, 1924.

Prices. The wholesale price level showed a further slight advance in August and was near the high level reached in the spring of this year. Prices of agricultural commodities, which in re-

at the middle of the month were about \$275,000,000 higher than at the end of July. Investment holdings remained in about the same volume as during previous months, but loans on securities increased and on September 16th were near the highest level of the year. A further growth in the total of reserve bank credit in use occurred during the five-week period ending September 23rd. Member bank borrowings increased in the early part of September, and after a temporary decline during the period



Factory Employment and Payrolls—Indexes for 45 manufacturing industries (1919=100). Latest figures, August, employment, 94; payrolls 105.



Member Bank Credit—Weekly figures for member banks in 101 leading cities. Latest figures, September 16.

cent months have been above the average for all commodities, increased further, while prices of other commodities declined slightly. Between the end of August and the latter part of September prices of bituminous coal, pig iron, rubber and cotton advanced, and prices of spring wheat, corn, raw sugar and wool declined.

Bank Credit. At member banks in leading cities loans, chiefly for commercial and agricultural purposes, showed further seasonal increases during the first half of September, and

of Treasury financing, increased to a larger total than at any time since the beginning of 1924. The seasonal growth in the demand for currency during August was reflected in an increase of \$65,000,000 in total money in circulation. Money rates showed a firmer tendency during the last week of August and the first three weeks of September. The prevailing rate on prime commercial paper remained at $4\frac{1}{4}$ per cent, but there was an increased proportion of sales at $4\frac{1}{2}$ per cent.

TWELFTH FEDERAL RESERVE DISTRICT CONDITIONS

Statistical Summary—

	August, 1925	July, 1925	August, 1924	July, 1924	August, 1925# compared with August, 1924	July, 1925
Bank Debits—21 cities*	\$2,693,729	\$2,766,952	\$2,393,266	\$2,451,200	12.6	— 2.6
Bank Debits—Index Numbers†—20 cities.....	146	147	129	131	13.2	— 0.7
Building Permits—20 cities.....	\$35,482,926	\$33,155,732	\$34,351,053	\$30,843,574	3.3	7.0
Retail Sales—32 stores—Index Numbers†.....	148	150	142	142	4.2	— 1.3
Savings Deposits—70 banks*§.....	\$1,119,525	\$1,115,638	\$1,002,246°	\$1,001,030°	11.7	0.3
Lumber Production—4 associations—board feet*	717,588	681,238	628,815	537,297	14.1	5.3
Petroleum Production‡—California—barrels....	677,599	658,421	616,548	621,766	9.9	2.9
Flour Production—16 companies—barrels.....	371,882	275,634	457,579	462,327	—18.7	34.9
Reporting Member Bank Loans and Discounts||*	\$1,129,713	\$1,105,452	\$1,008,399	\$1,002,491	12.0	2.2
Reporting Member Bank Deposits||*.....	\$1,548,509	\$1,541,596	\$1,419,367	\$1,373,396	9.1	0.4
Federal Reserve Bank Discounts¶*.....	\$48,172	\$41,802	\$15,976	\$19,093	201.5	15.2
Federal Reserve Bank Ratio||.....	72.3	74.7	79.7	82.4	— 9.3	— 3.2

*In thousands. †Adjusted for seasonal variations—1919 monthly average=100. ‡Daily average production. §The consolidation of reporting banks has reduced their number, but has not affected the value of reported figures for comparative purposes. ||September 9, August 5, 1925, and September 10 and August 6, 1924. ¶September 16, August 12, 1925, and September 17 and August 13, 1924. #Percentage increase or decrease (—). °Revised.

Agricultural Activities

Harvesting of the district's crops has proceeded without unusual incident. Yields of crops already taken from the field have generally been slightly larger than was anticipated. The condition of later maturing crops, particularly rice and grapes in California, and potatoes in other states of the district, was lowered as the result of weather unfavorable to growth during August, and production estimates of September 1st were slightly below those of August 1st.

During the first weeks of September early seasonal rains did slight damage to drying fruits and to grapes in California and temporarily delayed threshing of grains in the Pacific Northwest. The rainfall was of benefit to pastures and ranges, however, and with adequate supplies of feed available, livestock generally are in satisfactory condition.

Seasonal increases in activity in marketing of agricultural products has accompanied progress of the harvest, as is indicated by figures of grain exports, carlot shipments of fruits, and

PRODUCTION—PRINCIPAL GRAIN AND FIELD CROPS
Twelfth Federal Reserve District and United States

	Forecast*		Actual†		5-Year Average* (1919-1923)		Percentage changes from Sept. 1, 1925		
	Sept. 1, 1925	Actual† 1924	Actual† 1923	5-Year Average* (1919-1923)	Aug. 1, 1925	Actual 1924	5-Year Average (1919-1923)	Aug. 1, 1925	Actual 1924
Wheat (bu.)									
12th Dist...	102,607	70,874	113,736	+3.7	+44.8	-9.8			
U. S.	699,569	872,673	852,176	+3.1	-19.8	-17.9			
Barley (bu.)									
12th Dist...	47,439	19,270	39,395	+0.7	+146.2	+20.4			
U. S.	222,000	187,875	173,576	+3.9	+18.2	+27.9			
Rice (bu.)									
12th Dist...	5,988	4,497	7,363	-5.1	+33.2	-18.7			
U. S.	35,284	33,956	40,856	-2.6	+3.9	-13.6			
Beans (bu.)									
12th Dist.†	4,727	3,630	5,147	+1.1	+30.2	-8.2			
U. S.	17,569	13,327	12,068	+0.7	+31.8	+45.6			
Cotton (bales)									
12th Dist.†	207¶	186	123	+1.0	+8.1	+63.4			
U. S.	13,931¶	13,627	10,612	+1.3	+0.8	+29.5			
Potatoes (bu.)									
12th Dist...	34,269	31,508	35,760	-1.5	+8.8	-4.2			
U. S.	344,391	454,784	388,497	-2.5	-24.3	-11.4			
Sugar Beets (tons)									
12th Dist.‡	1,790	1,620	2,144	+7.7	+10.5	-16.5			
U. S.	6,109	7,513	6,652	-0.5	-18.7	-8.2			
Hops (lbs.)									
12th Dist...	24,801	25,333	26,733	+5.0	-2.1	-7.2			

*000 omitted. †California, Arizona and Idaho. ‡Arizona and California. §California, Idaho and Utah. ¶September 6, 1925.

(A) Agricultural Marketing Activity—

Monthly	Exports		Carlot Shipments			Livestock Receipts at Eight Markets in 12th District			Cold Storage Holdings || 12th District		
	Wheat* (1000 bu.)	Barley* (1000 bu.)	Apples* (cars)	Total 12th Deciduous Fruits‡ (cars)	Oranges† (cars)	Lemons† (cars)	Cattle and Calves	Hogs	Sheep	Butter (1000 lbs.)	Eggs (1000 cases)
August, 1925.....	121	2,833	417	8,628	1,766	653	94,575	127,691	304,556	4,941	558
July, 1925.....	332	1,630	517	7,452	2,672	1,700	91,562	143,353	278,095	4,802	572
August—5-year average..... (1920-1924)	2,461	2,187	833‡	8,147	2,499	827	90,713	116,625	275,136	5,249	547¶
Cumulative			Crop Year			Calendar Year					
To August 31, 1925.....	453 (0.4)	4,463 (9.5)	934 (1.6)	18,887 (4.0)	34,654 (83.7)	10,337 (89.9)	804,132	1,524,474	1,963,938		
To August 31, 1924.....	1,424 (2.0)	2,798 (14.5)	1,819 (4.0)	17,851 (4.0)	42,458 (81.4)	11,927 (85.7)	785,881	1,759,991	1,987,822		
Five-year average to Aug. 31. (1920-1924)	4,027 (3.5)	3,458 (8.3)	1,722‡ (3.2)	17,028 (3.2)	38,150 (86.5)	9,341 (85.6)	701,692*	1,315,640*	1,944,217*		

Figures in parentheses indicate percentage of new crop only. *Season begins July 1st. †Season begins November 1st. ‡Four-year average (1922-23 to 1925-26). §California, excluding apples. Season begins May 1st. ¶At end of month. ¶¶Four-year average. °1921-1925.

receipts of livestock given in Table "A." Figures showing the trend of carlot shipments of deciduous and citrus fruits by varieties from California during the past five years follow:

DECIDUOUS FRUIT SHIPMENTS FROM CALIFORNIA

To Sept. 1st	1925	1924	1923	1922	1921	5-Year Average*
Apricots	399	505	682	193	285	413
Cherries	506	710	612	502	665	599
Grapes	5,043	7,013	4,697	3,300	2,703	4,551
Peaches	2,743	1,762	3,468	2,231	3,334	2,708
Pears	6,425	4,856	6,045	4,194	3,437	4,991
Plums	3,693	2,874	5,238	3,452	3,099	3,671
Mixed	78	131	135	55	74	95
Total	18,887	17,851	20,877	13,927	13,597	17,028

*1921-1925.

Production figures of orchard crops in California and of apples in the Twelfth District and United States follow:

PRODUCTION—ORCHARD CROPS
California

Forecast Sept. 1, 1925 (tons)	Actual		Sept. 1, 1925 Percentage changes from 5-Year Average			
	1924 (tons)	5-Year Average (1919-1923) (tons)	Aug. 1, 1925	Actual 1924	5-Year Average (1919-1923)	
Almonds	6,000*	9,200	7,650	..	-34.8	-21.6
Apricots	150,000	137,000	148,000	+2.0	+9.5	+1.4
Figs (dried) . . . . .	...	8,500†	10,900	..	..	..
Grapes	1,989,000	1,550,000	...	-2.9	+28.3	..
Wine	366,000	350,000	392,600	-5.2	+4.6	-6.8
Table	427,000	300,000	270,000	-2.3	+42.3	+58.1
Raisin	1,196,000	900,000	...	-2.4	+32.9	..
Raisins	254,000¶	180,000	206,170	-2.7	+41.1	+23.2
Olives	13,800	5,500||	10,400	..	+150.9	+32.7
Peaches	397,000	320,000	378,000	+2.6	+24.1	+5.0
Pears	152,000	133,000	117,200	+2.7	+14.3	+29.7
Plums	52,000	39,000	47,200	-8.8	+33.3	+10.2
Prunes	147,000	139,000	114,500	+1.4	+5.8	+28.4
Walnuts	31,500°	21,500	24,120	+1.6	+46.5	+30.6
Oranges‡	19,200,000	24,100,000	19,025,000	..	-20.3	+0.9
Lemons‡ . . . . .	...	6,732,000	4,527,000	..	..	..
Apples§						
12th Dist.	37,104	32,184	35,481	-4.9	+15.3	+4.6
U. S.	91,182	85,761	89,700	+0.1	+6.3	+1.7

*Commercial estimate. †970 tons of fresh figs were canned and shipped. ‡Boxes. §Production figures are for commercial crop in units of one box. ||28 per cent of normal production. ¶Commercial estimates of marketable crop range from 200,000 to 240,000. °Commercial estimates—27,000 tons.

Industrial Activity

Further seasonal expansion of industrial activity is indicated by available data of production and employment for August. In that month, as in the previous three months, industrial output was larger in volume than during the same month a year ago.

Increases in volume of **employment**, both as compared with one month ago and one year ago, were reported in all states of the district during August. Detailed data of reporting industrial plants in California and Oregon showed increases of 1.5 per cent and 6.5 per cent, respectively, in number of wage earners employed during August as compared with July. Seasonal increases in activity in the food products industries were principally responsible for these gains.

A normal seasonal increase (7.0 per cent) in value of **building permits** issued by 20 cities in this district was reported during August. The figures were 3.3 per cent above those reported for August, 1924, small declines in the majority of the larger reporting cities being more than offset by an increase of approximately \$5,000,000 in Long Beach, California. Of the total amount (\$6,026,029) of building permits issued in Long Beach during August, 1925, approximately \$4,000,000 was to permit construction of a new harbor breakwater. During the first eight months of 1925 the value of permits issued in 20 principal cities was 9.7 per cent larger than during the first eight months of 1924. Percentage comparisons for the district follow and detailed figures by cities are presented in Table "C."

BUILDING PERMITS IN 20 CITIES

	Per Cent Increase or Decrease (—)				Month in 1925 compared with preceding Month	
	Months in 1925 compared with same Months in 1924					
	Monthly		Year-to-date		No.	Value
	No.	Value	No.	Value	No.	Value
August ..	1.0	3.3	2.7	9.7	8.1	7.0
July	2.6	7.5	3.0	10.6	2.0	15.1
June	8.4	38.6	3.8	11.2	2.2	0.6
May	0.9	21.7	5.8	6.7	8.6	6.6
April	2.3	20.4	7.3	3.3	8.6	3.4
March ..	2.5	2.2	9.0	2.3	32.0	23.2
February.	18.0	4.5	12.7	4.9	7.2	3.8
January .	7.1	5.3	7.1	5.3	21.2	0.05

(B) Employment—

Industries	California		Oregon	
	No. of Firms	Employees	No. of Firms	Employees
All Industries	653	157,713 (1.5)	96	18,646 (6.5)
Stone, Clay and Glass Products.	45	7,437 (1.7)	5	260 (—6.5)
Lumber and Wood Manufactures ..	106	25,536 (—3.6)	42	14,674 (5.8)
Textiles	13	2,243 (—0.8)	4	869 (0.6)
Clothing, Millinery and Laundering.	59	5,629 (1.6)	7	473 (—3.1)
Food, Beverages and Tobacco...	148	45,474 (7.9)	30	1,915 (23.9)
Water, Light and Power	5	10,190 (—4.8)	..	..
Other Industries*.	265	59,172 (0.5)	..	..
Miscellaneous	12	2,032 (—3.7)	8	455 (0.7)

*Includes the following industries: metals, machinery and conveyances; leather and rubber goods; chemicals, oils and paints; printing and paper goods.
Figures in parentheses represent percentage changes from July.

According to the index of the United States Bureau of Labor Statistics, wholesale prices of building materials stood at 172 in August, 1925, compared with 170 in July, 1925, and 169 in August, 1924 (1913 prices=100). The Aberthaw index of total building costs, including labor and materials, stood at 194 on September 1, 1925. This figure has been unchanged since June 1, 1925. On September 1, 1924, it was 196.

Lumber production of approximately 175 mills reporting to four associations in this district exceeded shipments and new orders received by 5.8 per cent and 4.2 per cent, respectively, during August, and was 5.3 per cent larger than during July. The volume of new orders received during August exceeded shipments, and unfilled orders at the close of the month were larger than at its beginning. Shipments were 1.9 per cent, and orders received 1.0 per cent smaller during August than during July, 1925. Activity in the industry continued at higher levels than a year ago.

LUMBER ACTIVITY*

	August, 1925 (board feet)	July, 1925 (board feet)	August, 1924 (board feet)	—First Eight Months— 1925 (board feet)	1924 (board feet)
Production	717,588	681,238	628,815	5,227,174	4,972,292
Shipments	678,035	690,824	597,255	5,268,521	4,923,410
Orders	688,786	695,672	664,179	5,248,204	4,796,237
Unfilled Orders	456,638	449,825	412,864	...	...
No. of Mills Reporting ..	173	177	181	179†	193†

*As reported by four associations, 000 omitted except in case of number of mills reporting. †Average of first eight months.

Figures of national production of non-ferrous metals follow:

NON-FERROUS METALS—National Production

	August, 1925	July, 1925	August, 1924
Copper (lbs.) (mine production)	137,148,000	135,296,000	133,140,000
Silver (oz.) (commercial bars)	4,907,000	5,831,000	5,491,372
Zinc (tons) (slab)	47,849	47,583	41,775

Reported daily average production of petroleum in California during August was 2.9 per cent greater than during July, 1925, and 9.9 per cent greater than during August, 1924. Indicated consumption of petroleum increased 1.6

(C) Building Permits—

	August, 1925		August, 1924	
	No.	Value	No.	Value
Berkeley	458	\$ 929,956	416	\$ 901,908
Boise	65	42,675	68	103,207
Fresno	96	137,330	110	148,916
Long Beach	341	6,026,029	345	1,045,041
Los Angeles	3,493	10,221,257	3,835	13,893,095
Oakland	1,238	3,246,419	1,113	3,026,716
Ogden	22	101,550	34	113,200
Pasadena	230	676,426	334	1,306,328
Phoenix	119	178,792	84	210,529
Portland	1,377	3,544,110	1,543	3,152,125
Reno	18	133,889	16	59,200
Sacramento	266	655,454	289	497,976
Salt Lake City	143	539,190	131	507,263
San Diego	704	1,254,099	582	1,632,051
San Francisco	939	3,840,076	894	4,040,980
San Jose	109	221,615	82	298,440
Seattle	1,111	2,083,895	1,003	2,116,960
Spokane	245	533,944	241	185,167
Stockton	94	220,360	94	369,319
Tacoma	398	895,860	362	742,632
Total	11,466	\$35,482,926	11,576	\$34,351,053

per cent during August, 1925, but was less than production, and stored stocks continued to increase, reaching a new high point of 117,570,-336 barrels at the end of the month, a figure 3.0 per cent greater than that for July 31, 1925, and 25.3 per cent greater than that for August 31, 1924.

PETROLEUM—California

	Average Daily Production (barrels)	Indicated Average Daily Consumption (Shipments)	Stored Stocks at End of Month (barrels)	New Wells Number Opened	New Wells Daily Production (barrels)
Aug., 1925..	677,599	566,086	117,570,336	98	68,202
July, 1925..	658,421	556,918	114,113,419	102	88,491
Sept., 1923*.	858,750	†	†	93	139,960
Aug., 1924..	616,548	†	93,804,301	100	33,954

*Peak of production. †Comparable figures not available.

Flour production in the district increased by more than the usual seasonal amount during August, but was still approximately 20 per cent below both a year ago and the five-year average of production for August. Reporting mills in this district produced 34.9 per cent more flour during August, 1925, than during July, 1925, which compares with a five-year average increase of 26.4 per cent between these two months. Millers' stocks of flour increased 4.0 per cent during August, but at 334,213 barrels on September 1st were 20.5 per cent less than one year ago and, with the exception of July, 1925, less than in any month since August, 1921. At 1,441,377 bushels on September 1st, stocks of wheat were 14.1 per cent below the five-year average for that date, but 90.6 per cent greater than one month ago.

FLOUR MILLING*

	Aug., 1925	July, 1925	Aug., 1924	Five-Year Average August, 1920-1924
Output (bbls.)...	371,882	275,634	457,579	470,109
Stocks†				
Flour (bbls.)...	334,213	321,221	420,180	413,508
Wheat (bu.)...	1,441,377	756,254	1,932,525	1,678,121

*As reported by 16 companies. †As of the first day of the following month.

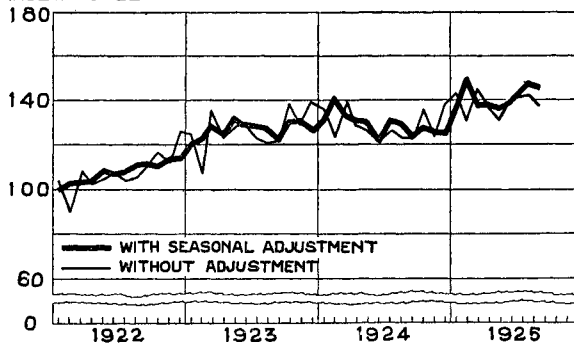
The peak of the fruit canning season has passed. Commercial factors estimate that the 1925 canned fruit pack in California will be as large as, or slightly larger than, the 1924 pack in that state (10,362,998 cases). In the Pacific Northwest it is estimated that a comparatively heavy late season pack of pears, apples, and prunes will offset a short early season pack of berries and cherries, the total 1925 pack being approximately as large as that of 1924 (4,268,-941 cases). Both domestic and foreign markets for canned fruit have continued active, and packers' stocks are reported to be smaller in volume than one year ago. Drying of fruit is nearing completion in California and Oregon. The dried fruit industry is entering the new marketing season with relatively smaller carry-over stocks than have been held during recent years, and demand is reported to be seasonally active.

General Business and Trade

Total volume of business and trade in the district decreased seasonally during August as compared with July, but was still above estimated normal in the later month.

This bank's index of bank debits, based upon figures reported by banks in 20 principal cities of the district, declined from 147 (1919 monthly average=100) in July, 1925, to 146 in August, 1925, due allowance being made for normal seasonal variation. The volume of debits re-

INDEX NUMBERS



Bank Debits—Twelfth District
Index for 20 principal cities, figures for Phoenix, Arizona, not included, (1919 monthly average=100). Latest figures, August, with adjustment, 146; without adjustment, 138.

ported for August, 1925, is, however, estimated to have been approximately 6 per cent above normal for the month and year. In August, 1924, the index, adjusted for seasonal variations, stood at 129.

Trade at retail, according to this bank's indexes of sales of 32 department stores in seven principal cities, was 14.6 per cent greater in value during August, 1925, than during July, 1925. The normal seasonal increase from July to August is estimated to be about 16.3 per cent, however, and an index, adjusted for seasonal variations, stood at 148 (1919 monthly average=100) in August, 1925, compared with 150 in July, 1925, and 142 in August, 1924.

DEPARTMENT STORE SALES—Index Numbers
(1919 Monthly Average=100)

		Los Angeles	Oakland	San Francisco	Salt Lake City	Seattle	Spokane	District
Without Seasonal Adjustment								
Aug., 1919..	104	97	97	80	97	92	97	
Aug., 1920..	154	120	114	86	89	104	119	
Aug., 1921..	155	104	111	76	78	95	113	
Aug., 1922..	168	106	116	77	88	90	120	
Aug., 1923..	203	115	125	87	95	93	136	
Aug., 1924..	201	121	127	87	95	87	136	
April, 1925..	218	133	135	110	98	92	147	
May, 1925..	203	143	148	124	102	85	149	
June, 1925..	194	143	120	106	98	85	136	
July, 1925..	188	117	104	85	91	77	124	
Aug., 1925..	210	138	129	90	97	88	142	
With Seasonal Adjustment								
Aug., 1919..	96	107	102	103	102	106	101	
Aug., 1920..	143	133	119	111	94	119	124	
Aug., 1921..	144	116	116	98	82	109	119	
Aug., 1922..	156	117	121	99	93	103	126	
Aug., 1923..	188	127	131	112	100	106	142	
Aug., 1924..	187	134	133	112	100	99	142	
April, 1925..	232	137	141	117	104	95	152	
May, 1925..	221	154	135	108	104	86	145	
June, 1925..	209	143	143	103	98	84	147	
July, 1925..	219	146	134	106	100	99	150	
Aug., 1925..	195	153	135	115	102	101	148	

Value of sales of 192 wholesale firms in eleven lines of business was 6.9 per cent larger in August, 1925, than in August, 1924. In July, 1925, sales were 15.9 per cent larger in value than in July, 1924, and in each month since February, 1925, similar though smaller increases have been noted. During August, seven of the eleven reporting lines showed increases, and four showed slight decreases, as compared with a year ago.

WHOLESALE TRADE

	No. of Firms	Percentage increase or decrease (—) in Value of Sales		
		Aug., 1925	Aug., 1925	July, 1925
		compared with Aug., 1924	compared with July, 1925	compared with July, 1924
Agricultural Implements.	20	67.2	—32.7	99.0
Automobile Supplies	18	—1.0	—6.0	8.8
Automobile Tires	22	25.6	—25.6	76.3
Drugs	6	—1.1	—1.8	—3.1
Dry Goods	16	—0.4	27.1	3.4
Electrical Supplies	10	9.1	10.1	8.0
Furniture	18	2.0	13.1	8.9
Groceries	26	—2.5	—1.5	—0.6
Hardware	20	9.1	2.5	9.5
Shoes	11	10.3	32.4	7.2
Stationery	25	8.6	25.7	1.3

On August 31, 1925, savings deposits at 70 banks in seven principal cities were 0.3 per cent

larger than on July 31, 1925, and 11.7 per cent larger than on August 31, 1924.

SAVINGS DEPOSITS

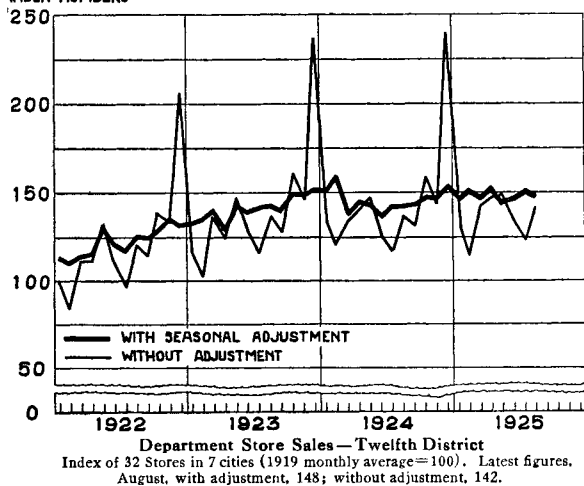
	Number of Banks	Aug. 31, 1925*			Aug. 31, 1925† compared with	
		Aug. 31, 1925*	July 31, 1925*	Aug. 31, 1924*	Aug. 31, 1924	July 31, 1925
Los Angeles	13	\$380,705	\$375,534	\$328,972§	15.7	1.4
Oakland†	7	97,869	98,338	90,379§	8.3	—0.5
Portland	8	52,867	53,167	51,579	2.5	—0.6
Salt Lake City	8	30,243	30,281	28,988	4.3	—0.1
San Francisco	14	463,511	464,807	415,536	11.5	—0.3
Seattle	14	74,971	74,294	67,257	11.5	0.9
Spokane	6	19,359	19,217	19,535§	—0.9	0.7
Total	70	\$1,119,525	\$1,115,638	\$1,002,246§	11.7	0.3

*000 omitted. †Includes one bank in Berkeley which was formerly a branch of an Oakland bank. §Revised. ‡Percentage increase or decrease (—).

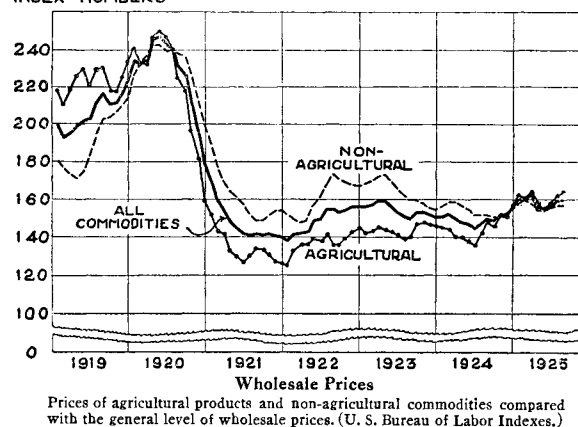
Prices

The moderate advance in the general price level, which had been in progress since May, was checked, at least temporarily, during August. The price index of the United States Bureau of Labor Statistics, based on prices of 404 commodities at wholesale, was unchanged during the month, standing at 160 (1913=100), the same figure as was reported for July. In August, 1924, the index figure was 150 and in May, 1925, the low point of the present year, it stood at 155. Slight increases during August in certain of the groups comprising the index, namely, farm products, foods, cloths and clothing, metals, building materials, and chemicals and drugs, were offset by decreases in the remaining two groups, namely, fuel and lighting, and miscellaneous.

INDEX NUMBERS



INDEX NUMBERS



(D) Bank Debits*

	August, 1925	August, 1924	Eight Months 1925	Eight Months 1924
Berkeley	\$ 17,574	\$ 16,538	\$ 144,919	\$ 141,080
Boise	12,660	11,063	93,116	89,656
Fresno	44,149	33,988	247,593	244,150
Long Beach	44,629	43,746	377,437	428,564
Los Angeles	734,485	667,017	6,232,627	6,012,889
Oakland	140,839	130,582	1,091,999	999,821
Ogden	24,063	23,417	182,419	181,778
Pasadena	30,343	27,298	283,811	266,947
Phoenix	18,197	16,893	180,117	162,275
Portland	168,461	153,729	1,272,911	1,258,945
Reno	9,220	7,564	67,408	64,057
Sacramento	32,299	47,619	291,842	359,632
Salt Lake City	66,703	60,631	535,312	496,569
San Diego	53,027	46,080	429,390	391,333
San Francisco	932,358	786,034	7,416,340	6,436,714
San Jose	26,444	24,527	192,653	171,938
Seattle	204,054	178,603	1,560,675	1,431,765
Spokane	50,927	45,715	401,181	374,138
Stockton	27,117	23,764	199,270	184,079
Tacoma	43,555	39,068	347,693	324,321
Yakima	12,625	9,390	92,713	75,170
Total	\$2,693,729	\$2,393,266	\$21,641,426	\$20,095,821

*000 omitted.

The ratio of the farm price index of 30 farm products compiled by the United States Department of Agriculture (1909-1913 average=100) to the wholesale price index of non-agricultural commodities, an indication of the purchasing power of farm products, advanced from 91 (revised figure) in July to 93 in August. The latter figure was 6.9 per cent above the August, 1924, level and the highest reached by the ratio since June, 1920. The accompanying chart compares the trend of wholesale prices of farm products since 1919 with the trends of

wholesale prices of non-agricultural commodities and the general wholesale price level during the same period.

During the week ending August 8, 1925, average weekly prices of beef cattle at Chicago reached the highest point (\$12.50 per hundred-weight) recorded since October, 1920. During the following four weeks, the average declined 9.2 per cent to \$11.35 per hundred-weight. One year ago it stood at \$10.00 per hundred-weight. Prices of hogs on the Chicago market averaged \$12.00 per hundred-weight and of lambs \$15.00 per hundred-weight during the week ending September 5th, these figures being higher than those of the same week a year ago by 25 per cent and 11.9 per cent, respectively. Hog prices declined 10.5 per cent and lamb prices advanced 0.7 per cent during August, 1925.

On September 15th, September contract wheat sold at Chicago for \$1.49¼-\$1.51½ per bushel, a decline of 14¾ to 15¼ cents from the price of \$1.64-\$1.66¾ per bushel paid on August 13, 1925. One year ago September contract wheat was quoted at \$1.27½-\$1.28¾ per bushel. The accompanying table shows the trend of cash grain prices at San Francisco and Portland during 1925 and gives the figures for September, 1924, for comparative purposes.

Dates (Approximate)	San Francisco Price per Cental*		Portland† Price per Bushel Wheat			
	Wheat (milling)	Barley (shipping)	Hard White	Soft White	Nor- thern Spring	Big Bend Blue Stem
Sept. 5, 1925	\$2.75-2.80	\$1.75-1.90	\$1.51	\$1.48	\$1.46	\$1.53
Aug. 5, 1925	2.70-2.75	1.75-1.90	1.58	1.57	1.54	1.60
July 6, 1925	2.65-2.75	1.75-1.85	1.40	1.38	1.37	1.40
June 5, 1925	2.90-3.00	1.75-1.80	1.60	1.58	1.58	1.60
May 5, 1925	2.80-2.85	1.70-1.75	1.70	1.61	1.60	1.85
April 6, 1925	2.85-3.00	1.55-1.60	1.60	1.50	1.50	1.80
March 5, 1925	3.65-3.75	...	1.96	1.88	1.88	2.20
Feb. 5, 1925	3.75-3.85	...	2.10	1.89	1.89	2.20
Jan. 5, 1925	3.00-3.10	2.70-2.80	1.86	1.75	1.75	2.00
Sept. 5, 1924	2.45-2.50	2.35-2.45	1.40	1.36	1.25	...

*A cental equals approximately 1.67 bushels of wheat and 2.08 bushels of barley. †Bid prices on Portland exchange.

An average of 98 wool quotations on the Boston market, which has been declining steadily since the 1925 high point of 103.08 cents per pound was reached at the end of January, stood at 78.08 cents per pound on September 11th. The decline during the past month

amounted to 2.0 per cent and during the year since January to 24.3 per cent. The spot price of middling uplands cotton on the New Orleans market (21.28 to 22.00 cents per pound on September 4th) declined approximately 9.7 per cent both during the month of August and during the year period ending September 4, 1924.

Prices quoted for 1925 crop grapes at shipping points in California during mid-September were approximately equal to prices paid last year, but a smaller proportion of the crop appeared to be of shipping quality. A summary of prices paid during the past three years follows:

Mid- September	TABLE GRAPES - Per Crate		
	Thompsons	Malagas	Tokays
1925	\$0.70-\$0.75	\$0.85-\$1.00	\$1.10-\$1.15
1924	.65-.75	.75-.90	.90-1.35
1923	.75-.85	.90-1.10	1.50

	JUICE GRAPES - Per Ton		
	Alicantes	Zinfandels	Muscats
1925	\$105-\$110	\$77.50-\$82.50	\$37.50-\$42.50
1924	100-120	80.00-85.00	30.00-37.50
1923	90-100	65.00-85.00	35.00-40.00

The relation of monthly average prices of non-ferrous metals for August, 1925, to monthly averages for July, 1925, and August, 1924, and to annual averages for the five-year periods 1920-1924 and 1909-1913 is shown in the following table:

	NON-FERROUS METALS PRICES			
	COPPER New York (cents per lb.)	LEAD New York (cents per lb.)	SILVER New York (cents per oz.)	ZINC St. Louis (cents per lb.)
Monthly Average				
August, 1925	14.490	9.192	70.240	7.576
July, 1925	13.946	8.151	69.442	7.206
August, 1924	13.221	7.827	68.519	6.175
Five-Year Average				
1920-1924	14.157	6.720	72.546	6.198
1909-1913	13.941	4.396	55.791	5.727
1913-1925 Range				
High	33.500	12.000	135.000	27.000
Low	(12-16-1916)	(6-16-1917)	(1-31-1920)	(6-12-1915)
	11.375	3.75	46.25	4.125
	(8-25-1921)	(3-2-1921)	(9-4-1915)	(8-30-1921)
Percentage increase or decrease (-) August, 1925 compared with				
July, 1925	3.9%	12.8%	1.1%	5.1%
August, 1924	9.6%	17.4%	2.5%	22.7%
Five-Year Average				
1920-1924	2.4%	36.8%	— 3.2%	22.2%
Five-Year Average				
1909-1913	3.9%	109.1%	25.9%	32.3%
1913-1925 Range				
High	—56.8%	—23.4%	—48.0%	—72.0%
Low	27.4%	145.1%	51.9%	83.7%

(E) Commodity Prices—

Commodity	Unit	September 4, 1925	One Month Ago	One Year Ago
Wholesale Prices (U. S. Bureau of Labor) 1913=100		160.4	159.9	149.7
Purchasing Power of Farm Products (U. S. Department of Agriculture)*		93	91	87
Cattle (Native Beef). Weekly average price at Chicago	100 lbs.	\$11.35	\$12.50	\$10.00
Hogs. Weekly average price at Chicago	100 lbs.	12.00	13.40	9.60
Lambs. Weekly average price at Chicago	100 lbs.	15.00	14.90	13.40
Wheat. Chicago contract price for September wheat	bu.	1.51¾-1.54½	1.59¾-1.66½	1.22¾-1.24¾
Barley. Shipping barley f. o. b. San Francisco	cental	1.75-1.90	1.75-1.90	2.35-2.45
Cotton. Middling Uplands—Weekly range of spot quotations at New Orleans	lb.	21.28-22.00¢	23.65-24.25¢	23.65-24.82¢
Wool. Average of 98 quotations at Boston	lb.	78.08¢	79.65¢	82.55¢
Sugar. Beet granulated f. o. b. San Francisco	lb.	5.65¢¶	5.60¢	7.40¢
Apples. Jonathans medium and large sizes, Extra Fancy f. o. b. Pacific Northwest	box	1.35	...	1.65-1.75
Prunes. Size 40/50 in 25-lb. boxes, f. o. b. California	lb.	.09-.09½†	.09-.09½†	.10¾-.11
Petroleum. California, 26°-26.9°	bbbl.	1.01-1.30§	1.48	1.13
Lumber (Softwood). Weekly Index, U. S.‡		30.37	29.95	30.27

*Ratio of farm prices (August, 1909-July, 1914=100) to wholesale prices of non-agricultural commodities (1910-1914=100). †1925 crop prices. ‡As published by the "Lumber Manufacturer and Dealer." §September 22, 1925. ¶Quoted at 5.35 cents per pound on September 24th, the lowest price quoted since March, 1922.

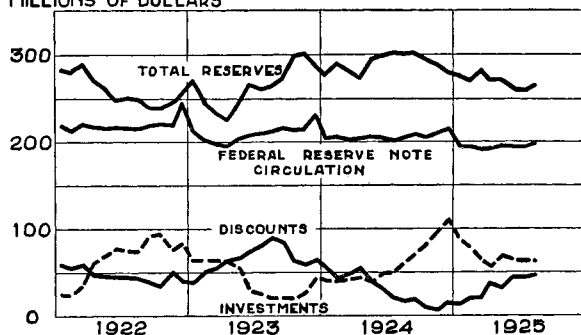
Quoted prices of important grades of Douglas Fir lumber at Seattle changed little during August. At the beginning of September, they were slightly higher than one year ago. The softwood price index, a national figure published by the "Lumber Manufacturer and Dealer," increased 1.4 per cent during August and on September 4th was 0.3 per cent higher than one year ago.

On September 22nd the chief purchaser of petroleum in California oil fields announced reductions in base offered prices ranging from 10 to 25 cents per barrel in Southern California oil fields to as much as 35 cents per barrel for lower grade crude oils in south San Joaquin Valley oil fields. The new schedule of base offered prices varies in accordance with transportation costs and the value for refining purposes of identical gravity test crude oils produced in different fields, as well as according to gravity test, which was formerly the only factor determining relative prices within the schedule. Comparative prices of a typical gravity test and grade of crude oil are given in Table "E."

Banking and Credit Situation

During August and early September there was a seasonal increase in demand for credit in this district, both at reporting member banks and at the Reserve Bank.

MILLIONS OF DOLLARS



Reserve Bank Credit—Twelfth District

Figures for Federal Reserve Bank of San Francisco, as of last Wednesday of each month. Latest figures, August 26.

Total loans of 67 reporting member banks in 9 principal cities of the district increased 2.2 per cent or \$25,000,000 during the five weeks ending September 9, 1925, and, at \$1,130,000,000 on the latter date, were at the highest point

REPORTING MEMBER BANKS—Twelfth District

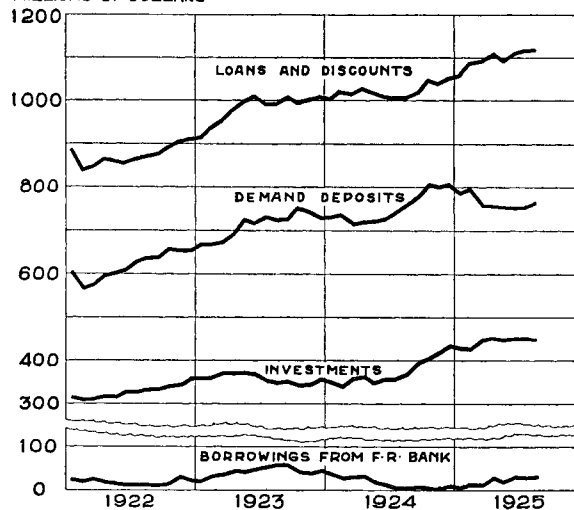
(Figures are in millions of dollars, numbers in parentheses indicating percentage changes.)

	Condition Sept. 9, 1925	Change from One Month Ago	Change from One Year Ago
Total Loans	1,130	+25 (2.2%)	+122 (12.0%)
Commercial Loans .	877	+23 (2.7%)	+73 (9.0%)
Investments	452	+3 (0.8%)	+89 (24.6%)
Demand Deposits .	771	+17 (2.3%)	-10 (1.3%)
Total Deposits	1,549	+7 (0.4%)	+130 (9.1%)
Borrowings from Federal Reserve Bank	42	+10 (31.1%)	+40 (2,087.4%)

ever recorded. Investment holdings of these banks also increased during this period and on September 2nd total loans and investments reached record levels.

During the five weeks ending September 16, 1925, increases at the Federal Reserve Bank of San Francisco of 15.2 per cent (\$6,000,000) in discounts, 9.7 per cent (\$2,000,000) in holdings of acceptances purchased in the open market,

MILLIONS OF DOLLARS



Member Bank Credit—Twelfth District

Figures for 67 member banks in leading cities, as of last Wednesday of each month. Latest figures, August 26.

and 4.7 per cent (\$10,000,000) in the volume of Federal reserve note circulation, reflected seasonal increases in demand for reserve bank accommodation. Total earning assets of the Reserve Bank, at \$113,000,000 on September 16th, were \$8,000,000 or 7.1 per cent larger than on August 12, 1925.

FEDERAL RESERVE BANK OF SAN FRANCISCO

(Figures are in millions of dollars, numbers in parentheses indicating percentage changes.)

	Con- dition Sept. 16, 1925	Change from One Month Ago	Change from One Year Ago
Total Earning Assets....	113	+8 (7.1%)	+26 (29.3%)
Discounts	48	+6 (15.2%)	+32 (201.5%)
United States Securities..	43	-1 (1.3%)	-18 (29.7%)
Purchased Acceptances .	21	+2 (9.7%)	+11 (113.3%)
Total Reserves	268	-2 (0.7%)	-26 (8.9%)
Total Deposits	163	-1 (0.2%)	+3 (2.3%)
Federal Reserve Note Circulation	208	+10 (4.7%)	-1 (0.9%)

On September 8, 1925, the Secretary of the Treasury announced an offering, through the Federal reserve banks, of United States Treasury Certificates of Indebtedness, series TJ2-1926, dated and bearing interest from September 15, 1925, maturing June 15, 1926, with interest at the rate of 3¼ per cent per annum, payable on a semi-annual basis. Subscription books were closed on Thursday, September 10, 1925, the issue being heavily over-subscribed. Subscriptions in this district amounted to \$59,344,500, of which \$25,492,000 were allotted.