

MONTHLY REVIEW

OF

BUSINESS CONDITIONS

ISAAC B. NEWTON, Chairman of the Board and Federal Reserve Agent
Federal Reserve Bank of San Francisco

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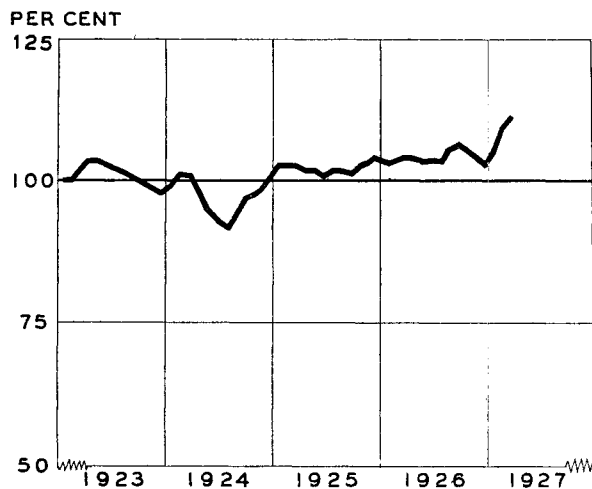
SUMMARY OF NATIONAL CONDITIONS

Prepared by the Federal Reserve Board

Industrial activity increased further during March, and was greater than in March, a year ago. Distribution of commodities at wholesale and retail was somewhat smaller than in March, 1926. The general level of prices continued to decline.

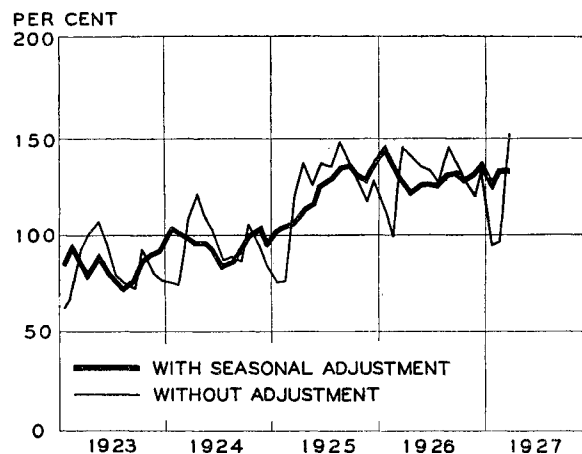
Production. Industrial production, after increasing continuously for three months, was larger in March, when allowance is made for usual seasonal changes, than in any month since last September. Output of bituminous coal, crude petroleum, and steel ingots, and mill consumption of raw cotton were larger in March than in any previous month. During April, however, steel mill operations have been

somewhat curtailed, and bituminous coal output has been reduced by about 40 per cent since the beginning of the miners' strike on April 1st. Consumption of silk and wool, sugar meltings, flour production, and output of rubber tires, increased during March. Production of automobiles has shown seasonal increases since the first of the year but has been in smaller volume than a year ago. The value of building contracts awarded during March was larger than in any previous month, and production of building materials has increased considerably in recent weeks. The largest increases in contracts, as compared with last year, were in the middle western states, while the largest decreases oc-



INDUSTRIAL PRODUCTION

Index number of production of manufactures and minerals combined, adjusted for seasonal variations (1923-1925 average = 100). Latest figure, March, 112.



BUILDING CONTRACTS AWARDED

Federal Reserve Board's indexes of value of building contracts awarded as reported by the F. W. Dodge Corporation (1923-1925 average = 100). Latest figures, March, with adjustment, 131; without adjustment, 151.

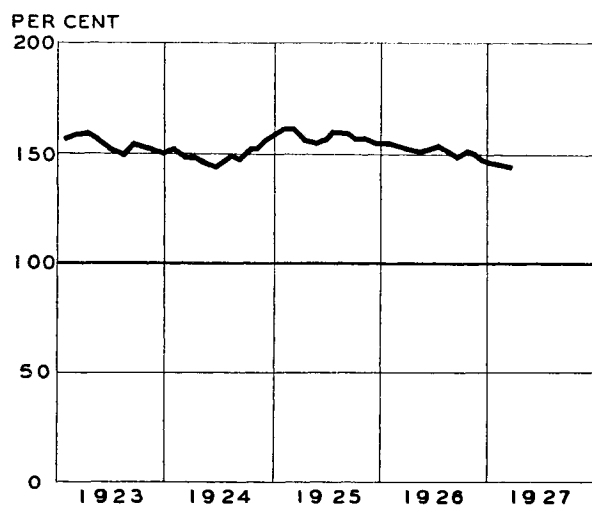
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curred in the southeastern states. In the first half of April, contracts were in slightly smaller volume than in the same period of last year.

Trade. Sales of department stores increased by less than the usual amount in March and were slightly smaller than in March, 1926. The decline was due in part to the relative lateness of Easter this year. Sales of mail order houses and chain stores, however, gained in volume over the year period. Inventories of department stores increased slightly more than is usual in March, in anticipation of an expansion in retail trade before the Easter holidays, and at the end of the month were in about the same volume as a year ago. Wholesale trade in March continued

lowest level since the war, while the average for agricultural products which had advanced slightly from November to February, remained practically unchanged in March. During the first half of April, prices of winter wheat, sugar, cotton, silk, bituminous coal, and hides advanced; while those of hogs, crude petroleum, gasoline, and non-ferrous metals declined.

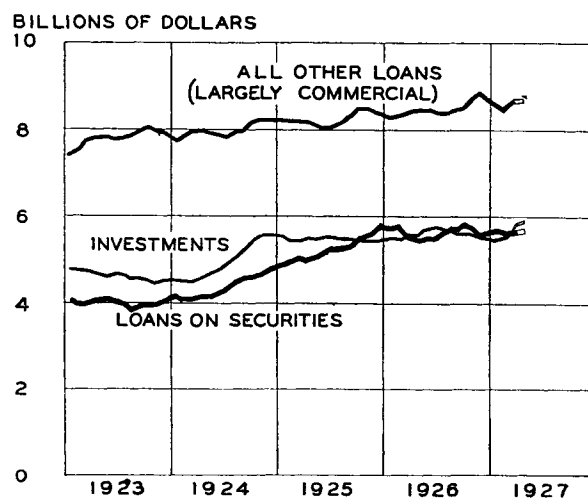
Bank Credit. There was some decline in the volume of loans for commercial purposes and in loans on securities at member banks in leading cities between the middle of March and the middle of April. Member bank holdings of United States government securities which increased considerably at the middle of March, in



Index of United States Bureau of Labor Statistics (1913 prices = 100, base adopted by Bureau). Latest figure, March, 145.3.

slightly smaller than in the corresponding period of 1926. Stocks of merchandise carried by wholesale firms were seasonally larger at the end of March than in February, but in most lines continued smaller than last year. Freight car loadings, which showed seasonal increases in March, declined during the first ten days of April, owing to smaller shipments of coal. They continued larger, however, than in the corresponding period of previous years. Loadings of miscellaneous freight and of merchandise in less than car load lots were in large volume.

Prices. The general level of wholesale commodity prices declined further in March, reflecting decreases in most of the important groups of commodities. Prices of non-agricultural commodities as a group declined to the



Monthly averages of weekly figures for banks in 101 leading cities. Latest figures are averages for first three weekly report dates in April.

connection with the operations of the Treasury, have declined by more than 100 million dollars since that time, but are still about 200 million dollars larger than in the early months of the year. At the reserve banks, total bills and securities, which have fluctuated near the one billion dollar level since the end of January, showed little change during the six weeks ending April 20th. Discounts for member banks were in about the same volume on that date as on March 9th, while acceptances showed a decrease and holdings of United States government securities a slight increase. During the first three weeks of April, quoted rates on prime commercial paper and on acceptances were the same as in the latter part of March, while call money averaged somewhat higher.

TWELFTH FEDERAL RESERVE DISTRICT CONDITIONS

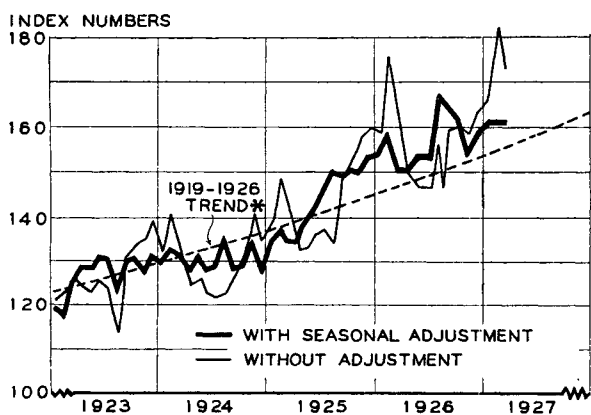
In the Twelfth Federal Reserve District seasonal increases in industrial output and in volume of trade were quite generally reported during March, 1927, and the business record for the month compared favorably with that of March, 1926. During the first quarter of 1927, the general business situation was characterized by relative stability at levels slightly above the trend of recent years. Satisfactory physical conditions have prevailed in most farming and livestock areas.

Average daily volume of check payments (bank debits) at banks in 20 principal cities of the district was considerably larger during March, 1927, than during March, 1926, but the relatively low level of the 1926 figures rather than the high level of the 1927 figures was responsible for much of the increase. This bank's index of bank debits, adjusted for seasonal variations, stood at 161 (1919 average=100) during March, 1927, the same figure as was recorded for January and February, 1927. A year ago, the index stood at 150.

BANK DEBITS*—Twelfth District

	Mar., 1927	Feb., 1927	Jan., 1927	Mar., 1926	Feb., 1926
With Seasonal Adjustment . . .	161	161	161	150	158
Without Seasonal Adjustment	173	182	166	159	175

*Daily average, 1919 average=100. ◊Revised.



BANK DEBITS—TWELFTH DISTRICT

Index for 20 principal cities, Phoenix, Arizona, not included (daily averages, 1919 average=100). Latest figures, March, with adjustment, 161; without adjustment, 173.

*Based upon average month to month increase during the years 1919 to 1926 inclusive.

The evidence concerning general business conditions, furnished by figures of bank debits, is not wholly corroborated by other available data of industry and trade. These data reveal, as do the debits, seasonal expansion in volume of operations during March as compared with February, but show, in the aggregate, little change as compared with March a year ago.

This conflict of evidence is repeated in comparative statements of condition of reporting

member banks. Thus far in 1927, their loans have been considerably larger than during 1926, while their demand deposits, which ordinarily respond with a fair degree of accuracy to changes in business activity, have only approximated deposits of a year ago. Month to month changes in the condition of reporting member banks and of the Federal Reserve Bank of San Francisco during 1927 have been largely seasonal in character.

Seasonal expansion in industrial activity was reported during March and volume of employment was larger than in February. Industrial output, however, both for March, 1927, and the first quarter of 1927, is estimated to have been smaller than during the corresponding periods of 1926. The volume of trade transacted during March, 1927, was also seasonally greater than that transacted during February, 1927, and is estimated to have approximated that of a year ago. Total sales of retail stores were larger and of wholesale dealers smaller during the first quarter of 1927 than in the first quarter of 1926.

The trend of prices continued downward during March, prices of both agricultural and non-agricultural commodities participating in the movement. Contrary to the general trend, prices of livestock, except hogs, and of lumber, copper, and lead advanced. Substantial declines in gasoline prices in principal California cities were recorded during March and April.

Agriculture

Occasional rains and mild temperatures during early March benefited the district's farms, but cooler weather during the latter part of March and the forepart of April temporarily retarded crop growth and caused some damage to early vegetables and to deciduous fruit crops. April 1st condition figures of the United States Department of Agriculture confirmed earlier reports of satisfactory development of the winter wheat crop. Condition of wheat on that date was generally as good as or better than a year ago and was considerably above the average of the preceding ten years, in all states of the district.

CONDITION OF WINTER WHEAT
(Per Cent of Normal)

	April 1,			Ten-Year* Average April 1	Dec. 1,
	1927	1926	1925		
Arizona	95	95	87	91	98
California	95	82	80	85	96
Idaho	92	96	74	91	91
Nevada	99	97	92	94	93
Oregon	95	96	55	90	97
Utah	95	95	91	93	85
Washington	95	92	28	81	98
United States	84.5	84.1	68.7	79.8	81.8

*1917-1926.

The United States Department of Agriculture's current report of farmers' intentions to plant, covering the United States and the "Western States,"† indicates that there will be some important adjustments in crop acreage this year. Increased acreages are shown in the "Western States" for all grains other than spring wheat and for potatoes.

INTENDED PLANTINGS IN 1927 IN PER CENT OF ACREAGE GROWN FOR HARVEST IN 1926

	United States (Per Cent)	Western States (Per Cent)
All Spring Wheat	101.6	92.8
Corn	101.8	101.1
Oats	103.2	101.5
Barley	114.3	102.2
Rice	93.0	115.0
Grain Sorghums	96.5	108.8
Tame Hay	101.8	97.4
Potatoes	114.9	119.5

Shipments of California **oranges** and **lemons** during March, 1927, totaled 6,798 cars and 1,170 cars, respectively, compared with 5,614 cars and 1,283 cars shipped during March, 1926. The 1926-1927 Navel **orange** crop is now estimated by the California Fruit Growers Exchange at 12,154,236 boxes compared with 10,100,000 boxes produced in 1925-1926. A preliminary estimate of the 1927 Valencia orange crop is given as 13,848,588 boxes, which compares with a yield of 11,260,000 boxes during 1926.

Apple shipments from the district during the 1926-1927 season to April 9, 1927, totaled 45,869 carloads. Between July 1, 1925, and April 10, 1926, 46,196 carloads of apples were shipped from the district's apple orchards. The f. o. b. Pacific Northwest quotation for extra fancy

†Includes the states of Arizona, California, Colorado, Idaho, Montana, Nevada, New Mexico, Oregon, Utah, Washington, and Wyoming.

(A) Employment—

Industries	California		Oregon	
	No. of Firms	No. of Employees	No. of Firms	No. of Employees
All Industries	803	144,637	165	23,885
Stone, Clay and Glass Products.	48	7,579 (1.6)	5	229 (2.7)
Lumber and Wood Manufactures ..	127	23,329 (15.0)	64	16,953 (14.2)
Textiles	16	2,517 (0.2)	11	1,516 (14.7)
Clothing, Millinery and Laundering.	66	8,655 (5.9)	8*	425 (3.9)
Foods, Beverages and Tobacco...	179	22,948 (0.8)	47	1,832 (3.4)
Water, Light and Power	5	7,508 (12.0)
Other Industries†.	349	70,033 (5.6)
Miscellaneous	13	2,068 (1.7)	30	2,930 (2.2)

*Laundering only. †Includes the following industries: Metals, machinery and conveyances; leather and rubber goods; chemicals, oils and paints; printing and paper goods.

Figures in parentheses indicate percentage changes from March, 1926.

Winesap apples on April 12, 1927, was \$1.80-\$1.90 per box, compared with a price of \$1.50-\$1.65 a year ago.

Generally excellent **range** feed conditions during March caused livestock producers temporarily to withhold market shipments of cattle and sheep, but shipments of lambs increased during early April. The condition of ranges is reflected in the generally satisfactory condition of flocks and herds.

Subnormal temperatures and frequent rains have interfered with lambing and with **wool** shearing in some sections. The Intermountain and Pacific Northwestern states report a 5 to 10 per cent decrease in **lamb** production in 1927 as compared with last year, while California and Arizona report a slight increase. Eastern shipments of live and dressed California spring lambs totaled 33,682 head up to April 17, 1927, compared with 27,038 head shipped up to the same date in 1926. Activity in wool contracting, which began in February, slackened in March after the bulk of the Idaho, Utah, and Nevada clips and parts of the California Oregon, Washington, and Arizona clips had been sold.

Cattle have moved from winter to spring ranges. Seasonal receipts of fed cattle at the principal markets of the district have been smaller than a year ago, 83,724 head having been received during March, 1927, as compared with 86,607 head in March, 1926. Recent price advances for certain grades of cattle have further improved the industry's position.

Industry

Seasonal increases in industrial activity and volume of **employment** were reported during March, 1927. Statistical and non-statistical evidence indicates, however, that total industrial output and volume of employment, both for March, 1927, and the first quarter of 1927,

(B) Building Permits—

	March, 1927		March, 1926	
	No.	Value	No.	Value
Berkeley	205	\$ 1,235,464	350	\$ 915,517
Boise	92	58,520	81	67,211
Fresno	115	419,341	117	216,374
Long Beach	552	1,528,185	425	1,475,724
Los Angeles	3,596	11,111,774	3,849	13,879,558
Oakland	873	1,547,613	1,062	2,315,059
Ogden	37	67,510	47	178,300
Pasadena	225	898,512	227	847,408
Phoenix	121	522,514	89	187,996
Portland	1,217	2,460,035	1,488	3,710,850
Reno	22	141,950	15	33,850
Sacramento	217	675,346	348	883,083
Salt Lake City	85	395,995	151	942,785
San Diego	842	2,048,084	870	2,050,333
San Francisco	900	4,685,162	1,010	3,944,343
San Jose	114	361,855	162	399,250
Seattle	1,066	3,492,610	1,137	2,880,390
Spokane	246	286,299	337	412,971
Stockton	93	473,789	112	268,620
Tacoma	277	653,610	322	675,890
District	10,895	\$33,064,168	12,199	\$36,285,512

have been smaller than for the corresponding periods of 1926. Curtailment in industrial activity has been relatively marked in the Pacific Northwest. In California, slight gains were reported throughout the first quarter of 1927, compared with the first three months of 1926.

Building activity has continued at levels below those of recent years. There was a marked increase in the number and value of building permits issued in 20 principal cities of the district during March, 1927, as compared with February, 1927, but the figures were smaller than in March, 1926. Both number and value of building permits issued in these cities during the first quarter of 1927 were nearly 13 per cent smaller than during the first three months of 1926. Among reporting cities, Boise, Idaho; Fresno, Sacramento, and Stockton, California; Phoenix, Arizona; Reno, Nevada; and Portland, Oregon, reported gains in cost of proposed construction during the first quarter of 1927, as compared with the corresponding period of 1926.

BUILDING PERMITS IN 20 CITIES
Per Cent Increase or Decrease (—)

	Months in 1927 compared with same Months in 1926				Month in 1927 compared with preceding Month	
	No.	Value	No.	Value	No.	Value
March	-10.7	-8.9	-12.9	-12.9	41.1	44.5
February	-13.2	-14.4	-14.4	-15.5	1.9	6.0
January	-15.5	-16.5	-15.5	-16.5	3.6	-19.2

According to the index of the United States Bureau of Labor Statistics, wholesale prices of building materials stood at 166.8 (1913 prices=100) in March, 1927, compared with an average of 168.1 for the first quarter of 1927 and of 177.0 for the first quarter of 1926. The March, 1927, index number is the smallest reported since July, 1922. The Aberthaw index of industrial building costs stood at 193 (1914 prices=100) on April 1st, the same level as one month previous, and the lowest level recorded since January, 1923.

(C) Bank Debits*—

	March, 1927		March, 1926		First Three Months 1927		First Three Months 1926	
	No.	Value	No.	Value	No.	Value	No.	Value
Berkeley	\$ 22,767	\$ 20,216	\$ 64,092	\$ 59,105				
Boise	12,877	11,923	38,773	38,595				
Fresno	44,165	36,394	120,883	107,147				
Long Beach	57,385	56,833	149,338	163,623				
Los Angeles	1,095,879	975,120	2,985,123	2,702,915				
Oakland	239,190	185,902	663,385	515,779				
Ogden	17,928	19,150	58,575	71,627				
Pasadena	46,587	42,337	130,469	120,474				
Phoenix	28,854	26,947	83,767	77,282				
Portland	159,920	181,645	470,905	507,130				
Reno	8,637	8,413	25,350	25,004				
Sacramento	29,010	36,949	83,233	103,396				
Salt Lake City	68,780	72,331	202,934	212,095				
San Diego	66,116	71,379	202,431	196,046				
San Francisco	1,342,559	1,199,017	3,617,890	3,414,140				
San Jose	25,953	25,027	78,226	74,517				
Seattle	222,168	227,651	593,006	615,659				
Spokane	56,935	54,014	163,836	158,508				
Stockton	26,849	27,188	82,601	81,328				
Tacoma	49,769	50,126	134,140	136,454				
Yakima	13,062	12,591	36,364	36,151				
District	\$3,635,390	\$3,341,153	\$9,985,341	\$9,416,975				

*000 omitted.

Continual shifting in both composition and number of **lumber** mills reporting to four associations in this district makes the available statistics on lumber operations unreliable for comparison over extended periods of time. Figures presented in the table below serve only to illustrate broad trends within the lumber industry. Reports for March, 1927, indicate some seasonal expansion in lumbering operations, but the level of activity probably continued below that of one year ago. Market prices for lumber have, for some time, been unsatisfactory to producers and many operators have reduced output in an effort to effect a satisfactory adjustment between supply of and active demand for their product.

LUMBER*

	Mar., 1927			First Three Months 1927		First Three Months 1926	
	(board feet)	(board feet)	(board feet)	(board feet)	(board feet)	(board feet)	(board feet)
Production	491,655	426,771	747,518	1,378,257	1,796,748		
Shipments	589,061	489,800	761,183	1,605,821	1,964,492		
Orders	620,492	525,744	792,462	1,729,803	2,042,387		
Unfilled Orders†	458,565	400,204	511,405		
No. of Mills Reporting‡	147	146	183	153	180		

*As reported by four associations, 000 omitted except in case of number of mills reporting. †Reported by three associations. The figures are not strictly comparable with other figures appearing in the table. ‡Average.

Source: National Lumber Manufacturers Association.

Average daily production of **petroleum** decreased slightly (0.4 per cent) during March, 1927, as compared with February, 1927, and was 2.5 per cent (16,317 barrels) smaller than estimated average daily consumption, which declined 5.9 per cent during the month. The consequent decline in stored stocks was the tenth such monthly decrease reported since March, 1926. On March 31, 1927, stored stocks, at 118,516,525 barrels, reached the lowest level since August, 1925, when they stood at 117,570,336 barrels.

PETROLEUM—California

	Average Daily Production (barrels)	Indicated Average Daily Consumption (Shipments) (barrels)	Stored Stocks at End of Month (barrels)	New Wells	
				Number Opened	Daily Production (barrels)
Mar., 1927	639,862	656,143	118,516,525	79	40,552
Feb., 1927	642,240	697,431	119,021,225	68	29,011
Mar., 1926	607,283	580,740	132,001,846	105	23,663

Source: American Petroleum Institute.

Figures of national **non-ferrous metal** production, together with a guide to the proportionate importance of this district in such production, follow:

	NON-FERROUS METALS National Production			Per Cent of Total Produced in 12th Dist.* in 1926
	Mar., 1927	Feb., 1927	Mar., 1926	
Copper (short tons) (mine production)	68,881	69,031	75,450	64.1
Lead (short tons) (crude)	48,251	52,873	51.6	
Zinc (short tons) (slab)	56,546	51,341	54,411	13.3
Silver (oz.) (commercial bars)	5,131,000	5,011,000	5,225,000	69.7

*Including all of Arizona, the five southeastern counties of which are in the Eleventh Federal Reserve District.

Greater than seasonal increases in flour milling activity were reported during March, 1927, and volume of flour output was 7.1 per cent larger than the five-year (1922-1926) average figure for that month. Flour output of 14 reporting milling factors in this district was 19.1 per cent larger in volume during March, 1927, than during February, 1927, compared with a five-year (1922-1926) average decrease of 1.3 per cent between these two months. Production during March, 1927, was 29.9 per cent larger than during March, 1926. Stocks of flour in millers' hands declined 4.1 per cent during March, and indicated consumption of flour was 4.2 per cent larger than production.

	FLOUR MILLING*			Five-Year Average March, 1922-1926
	Mar., 1927	Feb., 1927	Mar., 1926	
Output (bbls.)...	461,617	387,551	355,450	431,051
Stocks†				
Flour (bbls.)...	449,286	468,617	402,253	511,081
Wheat (bu.)...	2,429,973	2,857,031	2,285,652	2,655,330

*Consolidations have reduced the number of reporting companies but have not seriously affected the comparability of the figures. †At end of month.

Distribution and Trade

The volume of trade transacted in the Twelfth Federal Reserve District during March, 1927, was seasonally greater than that transacted during February, 1927, and is estimated to have approximated that of a year ago.

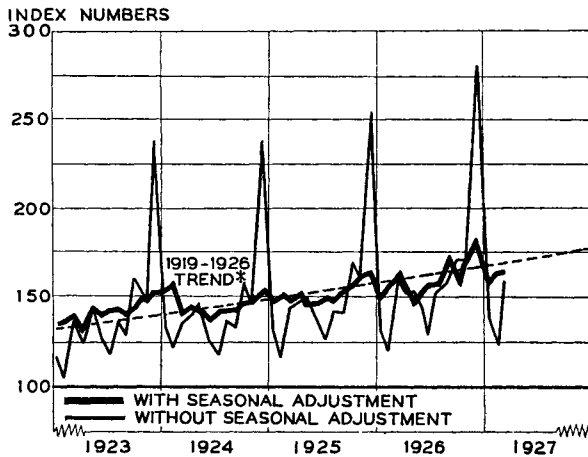
Dollar value of sales reported by 117 retail stores, operating in seven lines of trade in this

March increase in sales approximated the average seasonal movement recorded during the seven years, 1919-1925 inclusive. It is probable that the late date of Easter this year was, in part, responsible for the slight decline in retailers' sales as compared with March, 1926. Retail prices are estimated to have been lower than a year ago, a factor which no doubt also contributed to the decline in dollar amount of sales over the year period. Stocks of 68 stores in seven lines of trade were 3.3 per cent larger at the end of March this year than last, and were 7.3 per cent larger than at the close of February. Declining sales and increasing stocks are reflected in the rate of stock turnover which was less during March, 1927, than during March, 1926, in all lines of trade at retail for which data are available.

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

	Los Angeles (6)*	Oakland (5)*	San Francisco (8)*	Salt Lake City (4)*	Seattle (5)*	Spokane (3)*	District (32)*
Without Seasonal Adjustment							
Mar., 1927...	254	147	139	97	99	89	159
Feb., 1927...	196	117	108	79	79	73	124
Jan., 1927...	230	130	115	87	81	69	138
Dec., 1926...	411	286	247	198	193	165	281
Nov., 1926...	253	151	155	118	112	102	169
Mar., 1926...	247	148	146	105	95	93	160
With Seasonal Adjustment							
Mar., 1927...	254	157	140	106	107	106	164
Feb., 1927...	242	155	141	110	122	107	162
Jan., 1927...	243	152	130	105	107	96	157
Dec., 1926...	272	171	154	127	122	109	180
Nov., 1926...	253	149	150	111	114	97	171
Mar., 1926...	247	158	147	115	102	110	164

*Figures in parentheses indicate number of stores. One store included in district figures not included in cities shown above. †Revised.



DEPARTMENT STORE SALES—TWELFTH DISTRICT
Index of 32 Stores in 7 cities (1919 monthly average=100). Latest figures, March, with adjustment, 164; without adjustment, 159.

*Based upon average month to month increase during the years 1919 to 1925 inclusive.

district, was 1.8 per cent smaller during March, 1927, than during March, 1926, and was 27.9 per cent larger than in February, 1927. Sales of 41 department stores reporting to this bank during March averaged 1.6 per cent less than a year ago, and increased 24.1 per cent as compared with a month ago. The February to

Value of sales at wholesale during March, as indicated by reports of 208 firms in eleven lines of trade was substantially greater than in February of this year, but averaged 2.8 per cent less than in March, 1926. The decline in value of sales over the year period was less than the decline (4.1 per cent) in the general level of wholesale prices, as indicated by the United States Bureau of Labor Statistics' index, and it is estimated that the volume of goods distributed through wholesale channels was at least as large during March, 1927, as during March, 1926.

WHOLESALE TRADE

	No. of Firms	Percentage increase or decrease (—) in Value of Sales		
		Mar., 1927 compared with Mar., 1926	Mar., 1927 compared with Feb., 1927	Feb., 1927 compared with Feb., 1926
Agricultural Implements...	15	-13.2	67.7	-22.4
Automobile Supplies...	24	-0.5	18.9	6.0
Automobile Tires...	19	-1.8	35.1	15.2
Drugs...	7	-2.8	19.1	-0.4
Dry Goods...	30	-9.6	21.2	6.9
Electrical Supplies...	11	4.4	10.1	-2.3
Furniture...	17	-2.5	8.6	-5.1
Groceries...	27	-0.3	11.5	0.9
Hardware...	22	-4.8	21.0	-5.5
Shoes...	13	-4.9	29.5	-9.5
Paper and Stationery...	23	2.7	15.3	0.2
All Lines...	208	-2.8	18.7	-1.4

Prices

The general level of wholesale prices declined during March, 1927, for the sixth consecutive month, continuing the trend of the past two years. The United States Bureau of Labor Statistics' index of prices of 404 commodities at wholesale declined from 146.4 for February, 1927, (1913 prices=100) to 145.3 for March, 1927. All of the group indexes included in the main index revealed slight declines with the exception of the metals, chemicals and drugs, and miscellaneous groups, which advanced fractionally. A year ago this index stood at 151.5.

Prices of both agricultural and non-agricultural commodities declined during March, 1927, and the ratio between the two groups of prices, an indication of the purchasing power of farm products, changed little. For March, 1927, this ratio was 82.4 (pre-war purchasing power=100) compared with 81.9 for February, 1927, and 87.0 for March, 1926. The United States Department of Agriculture's index of prices paid for products at farms declined from 127 in February (August, 1909-July, 1914 prices=100) to 126 in March. The Bureau of Labor Statistics' index of prices of non-agricultural commodities declined from 155.0 in February (1909-1914 prices=100) to 152.9 in March.

Excepting hogs, quotations for **livestock** at Chicago were higher during March, 1927, than during February, 1927, or March, 1926. Monthly average quotations are shown in the following table:

	Cattle	Hogs	Lambs	Sheep
March, 1927.....	\$10.63	\$11.47	\$14.94	\$8.09
February, 1927.....	10.50	11.81	13.01	7.66
March, 1926.....	9.66	12.11	13.25	8.04

*Average of weekly prices.

Wheat prices declined steadily throughout March and the early weeks of April. Contract prices for May wheat at Chicago on April 1, 1927, ranged from \$1.33½ to \$1.34¼ per bushel compared with a range of from \$1.41 to \$1.42½ on March 4, 1927, and \$1.55¼ to \$1.58½ on

April 1, 1926. On April 12, 1927, quotations for this contract ranged from \$1.30¾ to \$1.32⅞ per bushel.

Cotton prices, during March, maintained the advances recorded during February, and the general tone of the market was steadier than at any time since the drastic price declines of six months ago. Quotations for spot middling uplands cotton at New Orleans during the week ending April 1, 1927, ranged from 14.12 to 14.31 cents per pound, compared with a range from 14.06 to 14.55 cents per pound a month ago, and 17.96 to 18.55 cents per pound a year ago. The average of the daily quotations for the month of March, 1927, was approximately 2 per cent above the average for February, 1927. An average of 98 **wool** quotations on the Boston market stood at 65.44 cents per pound on April 1, 1927, compared with 65.71 cents a month ago, and 69.93 cents per pound a year ago.

Sugar prices declined steadily during the first quarter of 1927, but recovered slightly in mid-April. The quotation for refined beet sugar, f. o. b. San Francisco, on April 5, 1927, \$5.75 per 100 pounds, was ten cents below that of March 25th. By April 15th, however, the price had advanced to \$5.90 per 100 pounds.

Gasoline prices in California were reduced sharply during March and April, 1927. Price changes, made by the larger companies during the past six weeks, are shown in the following table:

	Los Angeles (Cents per gallon)	San Francisco (Cents per gallon)	Sacramento (Cents per gallon)
1927			
March 1	15½	16	17
March 17	14½	15	16
March 19	12½	13	14
March 31	10½	13	14
April 15	8½	13	14
April 16	8½	11	12

Monthly average prices of **copper** and **lead** advanced during the month, while the average price for **silver** declined. Prices of all of these metals were lower than a year ago.

An index of softwood **lumber** prices for the United States, published by "The Lumber

(D) Commodity Prices—

Commodity	Unit	April 1, 1927	One Month Ago	One Year Ago
Wholesale Prices (U. S. Bureau of Labor) 1913=100.....		145.3	146.4	151.7
Purchasing Power of Farm Products (U. S. Dept. of Agriculture)*.....		82.4	81.90	87.0
Cattle (Native Beef). Weekly average price at Chicago.....	100 lbs.	\$10.90	\$10.60	\$9.50
Lambs..... Weekly average price at Chicago.....	100 lbs.	15.75	14.90	12.50
Hogs..... Weekly average price at Chicago.....	100 lbs.	10.90	11.70	11.70
Wheat..... Chicago contract price for May wheat.....	bu.	1.33½-1.34¼	1.41-1.42½	1.55½-1.58½
Wool..... Average of 98 quotations at Boston.....	lb.	65.44¢	65.71¢	69.93¢
Apples..... Extra Fancy Winesaps, f. o. b. Pacific Northwest.	box	\$1.80-2.00	\$1.85-2.00	\$1.55-1.60
Oranges..... Navels, Fancy, wholesale at San Francisco.....	box	4.25-4.50	4.00-5.00	4.00-4.25
Prunes..... Size 40/50 in 25-lb. boxes, f. o. b. California.....	lb.	.07-.07½	.07-.07½	.08½-.09
Raisins..... Thompson Seedless, bulk, in 25-lb. boxes, f. o. b. California.....	lb.	.07½	.07½	.07¾
Canned Peaches..... Choice Cling, sliced, 2½s, f. o. b. California.....	doz.	1.85-2.10	1.85-2.10	2.20-2.35
Butter..... 92 score at San Francisco.....	lb.	.42	.46	.42
Copper..... Electrolytic, monthly average at New York.....	lb.	13.079¢	12.682¢	13.859¢
Lead..... Monthly average at New York.....	lb.	7.577¢	7.420¢	8.386¢
Silver..... Monthly average at New York.....	oz.	55.306¢	57.898¢	65.880¢
Lumber (Softwood)... Weekly Index, United States†.....		30.52	29.82	31.40

*Ratio of Farm Prices (August, 1909-July, 1914=100) to wholesale prices of non-agricultural commodities (1910-1914=100).

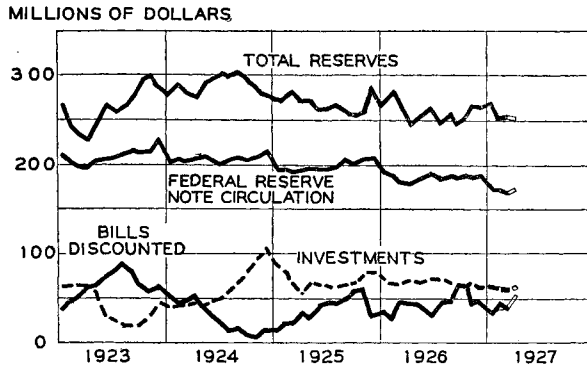
†As published by "The Lumber Manufacturer and Dealer." ◊Revised.

Manufacturer and Dealer," advanced from 29.82 in February to 30.52 for March, 1927. A year ago it stood at 31.40.

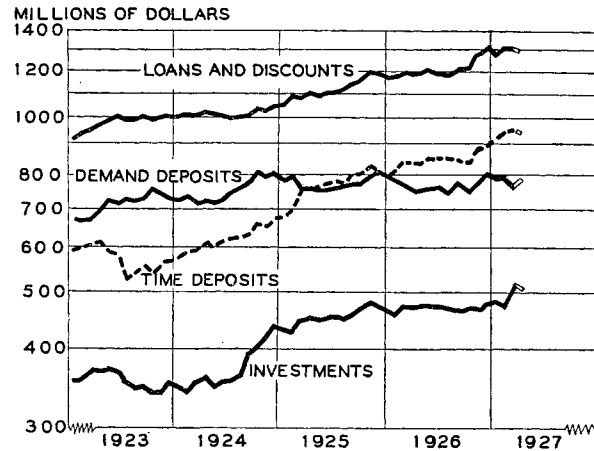
Banking and Credit

The banking and credit situation in the Twelfth Federal Reserve District has changed little during recent weeks. Outstanding credits at reporting city member banks, although still

Total earning assets of the Federal Reserve Bank of San Francisco fluctuated between \$96,000,000 and \$122,000,000 during the first quarter of 1927 but the general condition of the Bank showed little change over the three-month period. From March 2nd to March 16th there was a marked decrease in volume of bills



RESERVE BANK CREDIT—TWELFTH DISTRICT
 Figures for Federal Reserve Bank of San Francisco, as of last Wednesday of each month. Latest figures, April 20.



MEMBER BANK CREDIT—TWELFTH DISTRICT
 Figures for about 65 member banks in leading cities, as of last Wednesday of each month. Latest figures, April 20.

large in amount, have declined slightly from the peak reached early in March. Borrowings from the Federal Reserve Bank of San Francisco at mid-April were also slightly lower than at the beginning of the previous month. Credit ease has been reflected in lowered interest rates in the principal banking centers of the district.

discounted by the bank, and a similar movement in its holdings of acceptances and United States Government securities. Increases in all of these items during the succeeding five weeks brought total earning assets on April 20th to approximately the level of March 2nd. At 117 million dollars on the later date, total earning assets were \$8,000,000 or 6.1 per cent smaller than one year ago.

REPORTING MEMBER BANKS*—Twelfth District
 (In millions of dollars, percentage changes in parentheses)

	Condition April 13, 1927	Changes from	
		One Month Ago	One Year Ago
		(+ = increase, - = decrease.)	
Total Loans	1,300	-14 (1.0)	+103 (8.6)
Commercial Loans	968	-13 (1.3)	+ 60 (6.6)
Loans on Securities	332	- 1 (0.3)	+ 43 (14.9)
Investments	504	- 6 (1.3)	+ 36 (7.7)
Total Loans and Investments	1,805	-20 (1.1)	+139 (8.3)
Net Demand Deposits	781	-11 (1.4)	+ 7 (0.9)
Time Deposits	948	- 5 (0.5)	+118 (14.4)
Borrowings from Federal Reserve Bank	42	+ 7 (21.0)	+ 5 (14.4)

*Total resources of reporting banks are approximately 50 per cent of total resources of all banks, and 70 per cent of total resources of all member banks in the Twelfth Federal Reserve District. Reporting banks embrace member banks in San Francisco, Los Angeles, Oakland, Portland, Seattle, Tacoma, Spokane, Salt Lake City, and Ogden.

FEDERAL RESERVE BANK OF SAN FRANCISCO
 (In millions of dollars, percentage changes in parentheses)

	Condition April 20, 1927	Changes from	
		One Month Ago	One Year Ago
		(+ = increase, - = decrease.)	
Total Bills and Securities....	117	+19 (18.8)	- 8 (6.1)
Bills Discounted	55	+15 (36.6)	+ 4 (6.9)
United States Securities....	39	+ 4 (10.3)	-11 (21.5)
Bills Bought	23	0	0
Total Reserves	254	-16 (6.0)	+11 (4.7)
Total Deposits	184	+ 2 (1.1)	+17 (9.9)
Federal Reserve Note Circulation	172	+ 1 (0.8)	-12 (6.5)

A substantial, black, cloth-covered, three-ring binder, large enough to contain one year's (12) issues of this review, will be mailed prepaid to any address on our mailing list upon receipt of one dollar to cover actual costs.