Monthly Review

FEDERAL RESERVE BANK OF SAN FRANCISCO

JULY 1948

REVIEW OF BUSINESS CONDITIONS

EMPLOYMENT in the United States reached an all-time high in June, following an increase in May. While Twelfth District figures for June show increases over May in each state, employment is below June of last year except in California and Arizona. The third round of wage increases continued, although raises were typically more moderate than during either the first or second round. Commercial, industrial and agricultural loans continued to rise in June and early July, but at a slower rate than in May. Real estate loans expanded much more slowly in June and registered a decline in the first week of July for the first time in more than two years, but increased again in the following week.

United States employment higher in June than ever before; District employment rises in June after May decline

With the closing of schools and the great activity on farms, in canneries, in new construction, and in vacation spots, 2.6 million Americans found jobs in June, bringing total United States employment up to 62.6 million, an all-time high. But at the same time, 400,000 more people were unemployed than in May, reflecting a seasonal increase of 3 million in the labor force. In May, employment had increased by 300,000, and unemployment had fallen by 400,000 to 1¾ million.

In the Twelfth District, more people had jobs in June than in May in every state, although employment was not up to the level of June, 1947, except in California and Arizona. In May, employment had dropped considerably in Washington and Oregon, causing a decline in total District employment, although the other five states had experienced increases. The difficulties in these two states are found in the aircraft and lumber industries. In Washington 14,000 workers were idle in May in the aircraft industry because of a labor dispute. The lumber industry had an unusually bad spring. First, wet weather hampered logging operations far beyond the time when production is normally in full swing. Then in April many large sawmills were forced to close because of the shortage of logs brought about by the strike of the boommen and rafters. By the end of May and early June, just as the mills were beginning to resume operations after the settlement of the strike, swelling rivers flooded the land, and many of the same sawmills were forced to close once again. In the hardest-hit areas, all industries were forced to close and thousands of workers were idle. But as June progressed, sawmills began to resume operations, aircraft employment increased somewhat, and agricultural activities and food processing picked up seasonally. Consequently, the June estimate showed a net increase.

In California, a few more wage and salary earners were employed in manufacturing industries in May than in April, and there were more in June than at any time so far this year, or than in any other peacetime June. The exceptionally high level of construction activity brought employment to all-time highs in the lumber and timber industry, and the stone, clay, and glass industry. Employment in paper and allied products and printing and publishing also rose to new heights.

Opportunities for agricultural employment in the Pacific Coast states were favorable in June, with some shortages of workers appearing in the berry fields of Washington and Oregon. In California the anticipated shortage of pickers in the citrus belt and in the field crops of the Salinas Valley was eased by the importation of Mexican nationals. Reports from the Central Valley indicate an adequacy of field labor, with the surplus created by the near-completion of the potato harvest in Kern County moving into the fruit areas.

Third round of wage increases continues

The third round of postwar wage increases, which began in November 1947, is still under way. It was estimated in mid-July that more than 10 million labor union members in the United States had received third round wage boosts, as well as a large number of nonunion workers. Typical settlements have been somewhat smaller than the increases granted in the first two rounds, and so far have not followed as uniform a pattern. Most of the increases recently won by large unions range from 11 to 13 cents an hour, and only rarely touch the 15-cent level of round two in 1946-47. Generally they have not reached the 18-cent pattern of first round increases early in 1946. The U. S. Steel increases announced July 16 averaged 13 cents an hour and ranged from 9½ to 26 cents an hour for the company's 170,000 CIO United Steelworker employees. A number of other steel companies soon announced similar increases.

Wage raises in important Twelfth District industries have been in general similar in amount to those throughout the country. Several large employee groups, including the AFL Lumber and Sawmill Workers in the Oregon and Washington Douglas fir region, the pine wood workers in Southern Oregon and Northern California, the in-

dependent International Association of Machinists, the AFL Molders, and the AFL Northern California Boilermakers, have won 12 to 12½-cent increases in the third round. Others, including the CIO Utility Workers, ILWU Longshoremen and ILWU Warehousemen have been awarded 10-cent an hour raises. The 8,000 oil refinery workers in California have signed an agreement providing for a 5-cent an hour wage raise in November, with supplementary 2½-cent increases effective December 15th and January 15th. In addition, their cost-of-living bonus has been continued, although slightly reduced from 10.2 cents to 10 cents an hour.

The 60,000 West Coast AFL shipbuilding workers and AFL Sailors' Union of the Pacific have settled for 8 cents an hour and an 8 percent increase, respectively. Transit workers and city employees throughout the Twelfth District have received increases which are in most cases less than those granted larger bargaining groups. On the other hand, AFL Carpenters in the San Francisco Bay Area have been successful in winning a 16-cent an hour boost, which makes their wage scale slightly higher than that for the rest of Northern and Central California, and above the average rate of increase for the country as a whole. Truck drivers in California have recently received increases ranging from 8 percent to 16 percent, which, in terms of amount of increase, were relatively high for the third round.

In several cases, two wage increases have occurred within the period of the third round. AFL employees of Pacific Gas and Electric Company won $2 a week in November 1947 and got an additional 5c an hour in March 1948. The AFL Lumber and Sawmill Workers received their 12½-cent increase in two separate awards: 7½ cents an hour in January and 5 cents in April. The Pacific Gas and Electric CIO Utility Workers also gained their 10-cent increase in two awards, and the Los Angeles transit employees are now asking a 5-cent supplement to the 5-cent increase awarded them in June.

Bank loans continue to expand

The significant upturn in May in total loans of Twelfth District member banks continued in June, though at a somewhat slower pace. The percentage increase in commercial, industrial, and agricultural loans of weekly reporting banks exceeded that for any other month this year. The relative growth in real estate loans, on the other hand, was the smallest for any month this year. In the first week of July real estate loans turned downward for the first time in more than two years. During the following week, however, such loans again increased, obscuring the significance of the previous week's decline. The rate of growth of real estate loans in June also declined for weekly reporting member banks in the country as a whole, though not so much as in the District. Commercial, industrial, and agricultural loans of these banks continued the slow rise which started in May.

Factors affecting reserves

District member bank reserves experienced little net change either in June or in the entire second quarter of this year. The two principal factors affecting District bank reserves behaved quite differently, however, in the second quarter than in the first. A seasonal excess of Treasury receipts over disbursements within the District operated to reduce bank reserves in the first quarter, while in the second quarter an excess of disbursements over receipts supplied reserves. On the other hand, an excess of interdistrict receipts over payments, other than on Treasury account, served to increase reserves in the first quarter, while a reversal of this flow of funds served to reduce reserves in the second quarter. Income tax collections and the debt retirement program accounted for the excess of Treasury receipts in the first quarter. To meet the resulting drain on reserves, banks obtained funds by selling securities outside the District, which helped to produce the inflow of funds arising from non-Treasury transactions. The reversal of these movements in the second quarter returned them to the pattern of flow in the District that has long been characteristic of the year as a whole.

Reserve Bank credit extended locally expanded somewhat in the second quarter despite some decrease in June. Bank reserves were also augmented by a return of currency from circulation both in June and for the second quarter as a whole.

NEW AGRICULTURAL PRICE SUPPORT LEGISLATION

THE AGRICULTURAL ACT OF 1948, signed by the President on July 3, is a last-minute compromise. It extends, with some changes, the present price support program until the end of 1949, and provides a long-range flexible price support program beginning January 1, 1950. The bill does not include any longer-range plan of soil and water conservation, but extends the existing program of soil conservation payments until the end of 1950.

There has been little fundamental change in price support legislation for seven years. The old legislation, which expires at the end of this year, divides all agricultural commodities entitled to support into three groups: (a) the basic commodities—wheat, corn, cotton, tobacco, rice, and peanuts for nuts; (b) the Steagall commodities, namely, commodities the increased production of which was asked by the Government by special public proclamation—hogs, eggs, certain types of chickens, turkeys, milk and butterfat, dry peas and dry beans of certain varieties, soybeans for oil, peanuts for oil, flaxseed for oil, American Egyptian cotton, potatoes, and cured sweet potatoes; and (c) other commodities, either supported on the basis of special legislation, such as wool and sugar beets, or supported in carrying out the expressed policy of bringing the prices of such commodities into fair parity relationship with other commodities. Among the commodities supported on this basis have been barley,

grain sorghums, rye, certain vegetables for processing, certain fruits for processing, and naval stores. Prices have been supported at not less than 90 percent of parity by a variety of means, including loans to producers, outright purchases, and agreements with processors.

The price support program for 1949

Title I of the Agricultural Act of 1948 authorizes and directs the Secretary of Agriculture to support the prices received by producers of cotton, wheat, corn, tobacco, rice, and peanuts through the end of 1949. The producers with approved marketing quotas of these commodities are guaranteed a support price of 90 percent of parity for such commodities at the beginning of the marketing year. Thus, in respect to basic commodities, the support system now in operation is extended with the following changes: cotton is to be supported at 90 percent instead of 92½ percent of parity; the present parity base period for Maryland tobacco, August 1919 to July 1929, is changed to August 1936 to July 1941. The Secretary of Agriculture is authorized to establish support prices for Steagall commodities, between a minimum of 60 percent of the parity or comparable price and the level at which such commodity was supported in 1948. The exceptions to this rule are potatoes harvested before January 1, 1949, milk and its products, and hogs, chickens, and eggs, which shall be supported at 90 percent of the parity or comparable price. Prices of other agricultural commodities also may be supported to bring them into a fair parity relationship with prices of basic and Steagall commodities to the extent of funds available after other support price actions are fulfilled. In regard to all nonbasic commodities the Secretary of Agriculture has the authority to require that producers comply with production goals and marketing regulations regarding such commodities to be eligible for price support.

Long-range price support

Title II of the Agricultural Act of 1948 comes into operation on January 1, 1950, and will supersede the support program described above. This title provides for a sliding scale of price support of basic commodities according to the level of supply of specific commodities. If the "supply percentage" of a basic commodity is not more than 70, the support rate is 90 percent of parity. The supply percentage is the relationship of total supply to "normal" supply, as determined by the Department of Agriculture on the basis of available data on production, consumption, exports, carry-over, etc., at the beginning of each marketing year. As the supply percentage rises, the rate of support decreases, and when the supply percentage exceeds 130, the support price reaches its minimum, 60 percent of the parity price.[1] Tobacco prices are to be supported, however, at 90 percent of parity.

[1] If acreage allotments for a basic commodity are in effect at the beginning of the planting season, or if marketing quotas are in effect at the beginning of the marketing year, the commodity is to be supported at 120 percent of the minimum level of support indicated in the sliding scale, although not at a higher rate than 90 percent of parity. Marketing quotas must be established for the marketing year beginning in the next calendar year whenever it is determined that the total supply for the current marketing year will exceed the "normal" supply by more than 20 percent, or 8 percent in the case of cotton.

The support for agricultural commodities other than the six basic commodities can range between 0 and 90 percent of parity at the discretion of the Secretary of Agriculture. The price of wool, however, is to be supported at a level between 60 and 90 percent of parity until domestic production reaches 360 million pounds annually (1936-45 annual average production was 360 million pounds, but wool production has been declining, and 1948 production is estimated at 240 million pounds). Potatoes harvested after December 31, 1949 are to be supported at 60 to 90 percent of parity. Furthermore, the law provides that the support price for any commodity can be increased above maximum levels otherwise prescribed, upon the decision of the Secretary of Agriculture on the basis of proper study and public hearings showing that "price support at such increased levels is necessary in order to increase or maintain the production of any agricultural commodity in the interest of national security."

Change in parity price computation

Besides this flexible price support scheme, Title II of the Agricultural Act of 1948 provides for a somewhat different calculation of parity prices. Under present legislation the parity price of a commodity is obtained by multiplying the average price of the commodity in the base period, namely the period August 1909 to July 1914 (or as otherwise determined), by the current index (1910-14 = 100) of prices of products farmers buy both for their direct consumption needs and for production needs, including also taxes and interest rates on loans secured by farm real estate.

The new formula, which becomes effective in 1950, substitutes a moving or adjusted base price for the 1910-14 price of the commodity. This adjusted base price is the average price of the commodity during the last ten years divided by the average index (August 1909-July 1914 = 100) of prices received by farmers during the same 10 years. If the increase from the 1909-14 average to the average of the last ten years in the index of prices received by farmers is less than the increase in the price of a particular commodity over the same period, the new parity price of that commodity will be higher than its parity price as now computed on a 1909-14 base. If the commodity has increased less in price over that period than the index of prices received by farmers, its new parity price will be lower. (The method of computing any parity price which gets seriously out of line with other parity prices may be revised by the Secretary of Agriculture.)

Any reduction in parity price because of the change in computation would be limited, however, to 5 percent per year. This transitional parity price is to be the parity price as now computed less 5 percent for each full year elapsed beginning with 1949, and is to be used for a commodity until the first time it is equaled or exceeded by the parity price as computed on the new basis.

Price supports of specific products

Assuming that the legislation is not revised before 1950, price supports for specific products at that time will

PARITY PRICES OF SELECTED COMMODITIES UNDER PRESENT AND PROPOSED FORMULAS

Commodity	Unit	Average price received by farmers June 15, 1948	Parity price, June 15, 1948 — Present formula	Proposed formula	Transitional (for first year)
Wheat	bu.	$2.11	$2.22	$1.88	$2.11
Rice	bu.	3.11	2.04	2.32	—
Cotton	lb.	0.3522	0.3112	0.2858	0.2956
Potatoes	bu.	1.87	1.86[1]	1.62	1.77
Barley	bu.	1.68	1.55	1.26	1.47
Wool	lb.	0.495	0.459	0.533	—

[1] Based on comparable price of $1.12 per bu. during 10-season average, 1919-28. On 1909-14 base, parity price would be $1.75.

be affected by their parity prices under the new method of computation and by the percent of parity at which prices will be supported, neither of which can be determined now. Some general indication of shifts in parity prices, however, may be given. Under the proposed formula, parity prices will be higher for some products and lower for others than as now computed. A commodity will have a higher parity price if its latest ten-year average price is higher, in relation to its average price in 1909-14, than the latest ten-year average of the index of all prices received by farmers. This means, for example, that parity would tend to be lower under the proposed formula for cotton and most grains, and higher for livestock and dairy products.

Parity prices as of June 15, 1948 for six important District crops, as determined by present and proposed parity formulas, are listed below. Where reductions of more than 5 percent are indicated, the transitional parity price, discussed above, is to be used. The percent of parity at which any particular price would be supported will not exceed 90, but how far below that level it might be set is not known. In the case of basic commodities, a "normal" supply is supposed to mean price support at 75 percent of parity, but whether supplies will be "normal" in 1950, and whether such a scale will be applied to non-basic commodities remains to be seen.

Conclusions

The new legislation reflects the desire of Congress both to have price supports in effect in 1949 and to meet some of the criticism of the existing price support program. The short-range portion of the law, pertaining to 1949, is primarily a stop-gap measure, since Congress was not ready to allow price supports to lapse or to adopt an immediately effective program involving any fundamental changes.

Two changes are significant in the longer-range program. First, the new parity formula allows parity prices of individual commodities to be affected by relative shifts among prices of agricultural commodities since 1910-14. Parity price, as now computed, allows a unit of a specific commodity the same purchasing power, in terms of the things farmers buy, as it had in 1910-14. Under the new formula, the price per unit of a specific commodity may reflect more or less purchasing power than it had in 1910-14. For agricultural commodities generally, however, the basic concept that parity prices should provide the same purchasing power in terms of the things farmers buy as in 1910-14 is maintained.

Second, greater flexibility is introduced into the price support structure. Instead of the more or less general requirement that support prices shall be at least 90 percent of parity, a sliding scale for basic commodities, whereby the support level will vary inversely with the supply expressed as a percent of "normal," is established. With certain exceptions, no minimum level of price support is required for other commodities. However, the principle that support prices should be lower, the larger the supply, is rather extensively qualified. In potatoes, wool, and tobacco, troublesome surpluses, at present prices, already exist and are likely to continue. Each of these commodities is given preferential treatment with reference to support prices. For basic commodities generally, the existence of acreage allotments at the beginning of a planting season, or the existence of marketing quotas at the beginning of a marketing year, both of which would indicate excessive supply, require that such commodities be supported at a level 20 percent higher than that indicated by the scale, although not above 90 percent of parity.

This legislation has modified somewhat the present price support program, but it has not resolved a good many fundamental questions. Discussion over the economic and political aspects of alternative schemes of aid to agriculture undoubtedly will continue.

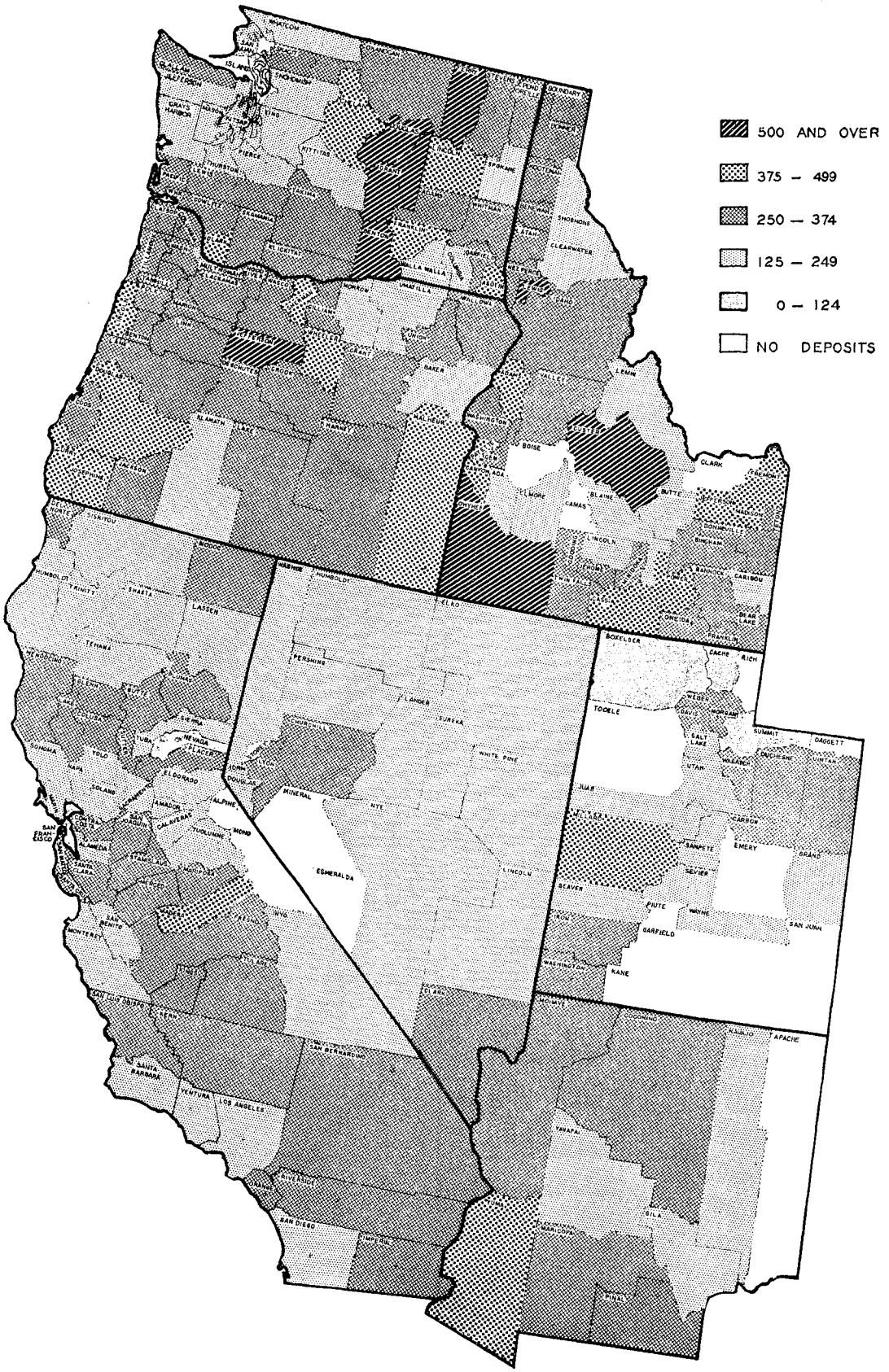
GEOGRAPHIC DISTRIBUTION OF BANK DEPOSITS—TWELFTH DISTRICT

AT THE end of 1947, deposits of individuals, partnerships, and corporations were substantially higher than at the end of 1941 in all parts of the Twelfth District. A recent tabulation of deposits by counties[1] has shown that out of 215 counties in the District with banking facilities, deposits increased less than 125 percent in only six and more than 375 percent in 31. The deposit increase is remarkably pervasive, but increases in metropolitan areas are considerably smaller, percentagewise, than gains in other counties. High farm prices and incomes are an important factor in the greater relative gains in agricultural counties. In making comparisons among counties or groups of counties, however, the variation in the dollar bases from which increases are measured must be kept in mind. Deposits in Owyhee County, Idaho, for instance, increased by 1200 percent but the increase in volume was only $1 million. On the other

[1] Deposits by counties are not regularly available because of the lack of data by banking office for branch banks, many of which have offices in more than one county. Special tabulations of deposits of individuals, partnerships, and corporations in all banks by county were published by the Treasury Department for 1941 through 1944, as of the year end, and a similar tabulation as of the end of 1947 has been made by the Board of Governors of the Federal Reserve System. Copies of the report showing demand and time deposits as of December 31, 1947, for individual counties, are available from this bank upon request.

PERCENT INCREASES, 1941-47, IN BANK DEPOSITS BY COUNTIES—TWELFTH DISTRICT

Deposits of Individuals, Partnerships, and Corporations as of year-end



hand, the 93 percent increase in deposits in San Francisco County reflected an absolute increase of $1.2 billion.

Over the six years from the end of 1941 through 1947, total deposits of individuals, partnerships, and corporations in the District increased 183 percent, but this figure reflects, in large measure, the smaller percentage increases in the major metropolitan counties. The average (median) increase in the District counties is 273 percent; that is to say that half the District's counties had deposit increases in excess of 273 percent, and half had increases of less than that figure. Similar averages by states are shown in the accompanying table.

	Percent increase in total deposits	Average county percent increase
Arizona[1]	318	291
California	171	252
Idaho	281	313
Nevada	219	203
Oregon	239	315
Utah	205	245
Washington	192	285
Twelfth District	183	273

[1] Twelfth District counties only.

That predominantly agricultural counties tend to have above-average deposit increases may be seen on the accompanying map by reference to eastern Washington, the interior counties of central and southern California, and counties throughout Oregon and Idaho. Below average increases are found not only in the particular counties in which the largest cities of the District are located, but also in all the western Washington counties surrounding Puget Sound, in most of the coastal and mountain counties of California, and in all but three Nevada counties.

During the war, bank deposits in the Twelfth District increased considerably more than in the country as a whole. From the end of 1941 to the end of 1947, deposits of individuals, partnerships, and corporations increased 115 percent in the nation, compared with the District increase of 183 percent. Some feared a sharp drop in District deposits soon after the end of the war as Federal expenditures for war purposes declined and consumer spending increased for automobiles and other goods produced in other parts of the country. District deposits of individuals, partnerships, and corporations have leveled off considerably since the end of 1945, but no significant decline occurred in either 1946 or 1947 in any state total. (Figures by counties are not available as of the end of 1945 or 1946.) New deposits created by the expansion in District bank loans have offset any net shift of existing deposits of individuals, partnerships, and corporations outside the District or to the Treasury.

The widespread character of the deposit gains since 1941 indicates that the District increase is not the result of unusual circumstances in a few areas, but is supported by much more general influences, which indicate that the District will continue to claim a larger share of the nation's bank deposits than before the war. Among the more important of these influences are: a larger population, increased industrial and agricultural production and income, and more activity in the trades and services in the District, in addition to the higher price structure associated with an increased money supply throughout the nation.

DEPOSITS OF INDIVIDUALS, PARTNERSHIPS, AND CORPORATIONS IN ALL BANKS, BY SELECTED COUNTIES,[1] DECEMBER 31, 1941 AND 1947—TWELFTH DISTRICT

Amount (millions of dollars)

District	Total		Demand		Time		Percentage change 1941-1947		
	1947	1941	1947	1941	1947	1941	Total	Demand	Time
Arizona	245.5	58.8	206.2	41.5	39.4	17.3	+318	+396	+128
Maricopa	186.5	41.5	176.3	29.2	10.2	12.3	+350	+503	— 18
California	11,530.5	4,256.7	6,177.4	2,053.2	5,353.1	2,203.5	+171	+201	+143
Northern California	6,144.9	2,412.9	3,000.9	1,022.7	3,144.0	1,390.3	+155	+193	+126
San Francisco	2,543.0	1,320.0	1,322.0	603.0	1,221.1	717.0	+ 93	+119	+ 70
Alameda	818.8	301.3	317.9	96.1	500.8	205.1	+172	+231	+144
Fresno	253.0	63.0	135.7	33.1	117.3	30.0	+302	+311	+292
Sacramento	298.5	98.0	140.5	36.5	158.1	61.7	+204	+284	+156
San Joaquin	205.2	57.7	100.4	25.5	104.8	32.2	+255	+293	+226
Santa Clara	276.4	77.3	131.5	31.8	144.9	45.5	+258	+313	+219
Southern California	5,385.7	1,843.8	3,176.6	1,030.5	2,209.1	813.3	+192	+208	+172
Los Angeles	4,385.4	1,550.5	2,589.9	871.6	1,795.6	678.8	+183	+197	+165
San Diego	354.4	115.7	190.3	60.4	164.1	55.3	+206	+215	+196
Idaho	384.2	100.8	289.6	67.6	94.6	33.2	+281	+328	+185
Northern Idaho	98.5	29.3	71.5	19.0	27.0	10.3	+236	+276	+161
Nez Perce	24.3	6.8	17.6	4.2	6.6	2.6	+257	+325	+151
Southern Idaho	285.7	71.5	218.0	48.6	67.7	22.8	+300	+348	+196
Ada	60.2	18.2	43.3	11.3	16.9	6.9	+230	+283	+144
Nevada	141.0	44.2	86.6	26.4	54.4	17.9	+219	+228	+206
Washoe	67.3	21.3	41.5	12.7	25.8	8.8	+215	+228	+198
Oregon	1,284.9	378.9	866.1	238.7	418.8	140.2	+239	+263	+199
Western Oregon	1,105.4	330.7	722.9	202.6	382.6	128.1	+234	+257	+199
Multnomah	639.2	220.8	396.3	132.1	243.0	88.7	+189	+200	+174
Eastern Oregon	179.4	48.2	143.2	36.1	36.2	12.1	+272	+296	+199
Klamath	32.1	9.6	23.9	6.8	8.2	2.7	+236	+251	+199
Utah	460.8	150.8	296.9	85.0	163.9	65.7	+206	+249	+149
Salt Lake	273.8	92.4	188.4	52.8	85.4	39.5	+196	+257	+116
Washington	1,997.9	684.6	1,230.7	413.3	767.2	271.2	+192	+198	+183
Western Washington	1,460.7	539.1	835.0	316.9	625.7	222.3	+171	+164	+181
King	907.5	364.9	504.3	211.7	153.1	403.2	+149	+138	+163
Pierce	175.9	60.2	99.3	35.7	24.5	76.5	+192	+178	+213
Eastern Washington	537.2	145.4	395.8	96.5	141.5	48.9	+269	+310	+189
Spokane	179.0	64.2	118.5	42.1	60.5	22.1	+179	+182	+174
Twelfth District	16,045.0	5,674.9	9,153.5	2,925.8	6,891.5	2,749.0	+184	+214	+151
United States	137,108.9	63,688.5	84,997.7	37,707.6	52,111.2	25,980.8	+115	+125	+101

[1] Counties with the largest deposits as of December 31, 1947 in all states or areas shown, and all other counties with total deposits over $200 million.

BUSINESS INDEXES—TWELFTH DISTRICT

(1935-39 average=100[1])

Year and month	Industrial production (physical volume)[2]									Total manufacturing employment[5]		Factory payrolls[5]	
	Lumber[3]		Petroleum[4]		Cement		Wheat flour	Electric power				California	
			Crude	Refined									
	Adjusted	Unadjusted	Unadjusted	Unadjusted	Adjusted	Unadjusted	Unadjusted	Adjusted	Unadjusted	Adjusted	Unadjusted	Adjusted	Unadjusted
1929	.....	148	121	193	.....	110	106	.....	83	.....	.....	.....	111
1930	.....	112	95	168	.....	96	100	.....	84	.....	.....	.....	93
1931	.....	77	78	140	.....	74	101	.....	82	.....	.....	.....	73
1932	.....	46	74	134	.....	48	89	.....	73	.....	.....	.....	54
1933	.....	62	72	127	.....	54	88	.....	73	.....	.....	.....	53
1934	.....	67	73	123	.....	70	95	.....	79	.....	.....	.....	64
1935	.....	83	86	140	.....	68	94	.....	85	.....	88	.....	78
1936	.....	106	89	154	.....	117	96	.....	96	.....	100	.....	96
1937	.....	113	99	163	.....	112	99	.....	105	.....	112	.....	115
1938	.....	88	104	159	.....	92	96	.....	102	.....	96	.....	101
1939	.....	110	93	160	.....	114	107	.....	112	.....	104	.....	110
1940	.....	120	93	158	.....	124	103	.....	122	.....	118	.....	134
1941	.....	142	96	172	.....	164	103	.....	136	.....	155	.....	224
1942	.....	141	103	175	.....	194	104	.....	167	.....	230	.....	460
1943	.....	137	118	194	.....	160	115	.....	214	.....	306	.....	705
1944	.....	136	129	226	.....	128	119	.....	231	.....	295	.....	694
1945	.....	109	135	243	.....	131	132	.....	219	.....	229	.....	497
1946	.....	130	131	219	.....	165	128	.....	219	.....	175	.....	344r
1947	.....	141	138	239	.....	193	133	.....	256	.....	184	.....	401
1947													
May	139	154	138	243	193	195	129	251	253	183	183	392	394
June	134	153	139	240	186	202	138	251	257	182	182	394	396
July	140	140	139	236	184	195	126	252	262	181	181	397	392
August	142	159	139	254	185	201	125	252	263	183	183	407	410
September	143	154	139	254	193	207	123	259	259	184	185	413	412
October	148	152	140	247	187	203	133	260	253	187	187	419	423
November	154	151	141	246	205	199	133	263	258	188	188	421	420
December	162	133	140	241	215	200	116	275	271	188	188	423	423
1948													
January	144	120	141	248	218	188	114	278	275	187	186	418	413
February	152	137	141	251	207	188	104	283	278	187	186	417	415
March	149	141	142	243	216	199	101	274	271	187	186	406	408
April	127r	130r	143	252	216	220	116	274	272	184	184	396	398
May	127	141	143	257	202	204	108	266	268	176p	176p	406	408

Year and month	Carloadings (number)						Department store sales (value)[2]					Dept. store stocks (value)[7]		Retail food prices[8]
	Total		Merchandise and miscellaneous		Farm, forest, and mineral products[6]		District		California	Pacific Northwest	Utah & So. Idaho	District		
	Adjusted	Unadjusted	Adjusted	Unadjusted	Adjusted	Unadjusted	Adjusted	Unadjusted	Adjusted	Adjusted	Adjusted	Adjusted	Unadjusted	Unadjusted
1929	.....	135	.....	120	.....	162	.....	112	104	140	97	.....	134	132.0
1930	.....	116	.....	112	.....	124	.....	104	99	123	89	.....	127	124.8
1931	.....	91	.....	95	.....	85	.....	92	91	101	83	.....	110	104.0
1932	.....	70	.....	78	.....	55	.....	69	70	72	61	.....	86	89.8
1933	.....	70	.....	75	.....	63	.....	66	67	68	64	.....	78	86.8
1934	.....	81	.....	86	.....	71	.....	74	73	77	77	.....	83	93.2
1935	.....	88	.....	91	.....	84	.....	86	86	86	89	.....	88	99.6
1936	.....	103	.....	103	.....	105	.....	99	98	100	100	.....	96	100.3
1937	.....	109	.....	108	.....	111	.....	106	105	105	106	.....	108	104.5
1938	.....	96	.....	96	.....	96	.....	101	101	100	99	.....	101	99.0
1939	.....	104	.....	102	.....	107	.....	109	110	109	106	.....	107	96.9
1940	.....	110	.....	105	.....	118	.....	119	120	118	115	.....	114	97.6
1941	.....	127	.....	123	.....	136	.....	139	138	147	135	.....	137	107.9
1942	.....	137	.....	128	.....	153	.....	171	164	189	177	.....	190	130.9
1943	.....	133	.....	126	.....	145	.....	203	196	219	232	.....	174	143.4
1944	.....	140	.....	138	.....	146	.....	223	221	232	250	.....	178	142.1
1945	.....	134	.....	140	.....	124	.....	247	225	252	280	.....	182	146.3
1946	.....	135	.....	140	.....	129	.....	305	307	312	348	.....	235	167.4
1947	.....	142	.....	140	.....	147	.....	330	329	336	351	.....	295	200.3
1947														
May	138	136	139	130	137	147	325	302	325	332	340	285	296	197.3
June	141	150	142	150	141	151	330	299	332	333	343	282	287	194.8
July	141	151	139	150	145	153	327	278	328	332	350	270	286	196.5
August	141	151	142	153	140	150	348	308	355	345	361	248	273	197.9
September	139	151	138	151	142	152	336	336	338	340	341	257	290	206.6
October	141	155	138	156	148	155	333	343	331	348	343	287	318	204.8
November	143	139	137	137	153	143	339	410	339	344	360	319	338	209.4
December	144	129	137	126	156	134	352	554	357	353	358	342	280	213.0
1948														
January	141	130	142	132	141	126	339	274	336	349	380	352	310	215.4
February	130	124	137	128	127	119	319	288	329	303	321	366	321	213.0
March	131	121	130	117	134	128	331	319	334	332	331	380	353	211.6
April	130	125	132	124	126	128	353	325	357	347	386	377	372	216.0
May	123	121	130	122	112	121	356	331	364	343	365	337	350	217.6

[1] The terms "adjusted" and "unadjusted" refer to adjustment of monthly figures for seasonal variation. Excepting department store statistics, all indexes are based upon data from outside sources, as follows: Lumber, various lumber trade associations; Petroleum and Cement, U.S. Bureau of Mines; Wheat flour, U.S. Bureau of the Census; Electric power, Federal Power Commission; Manufacturing employment, U.S. Bureau of Labor Statistics and cooperating state agencies; Factory payrolls, California State Division of Labor Statistics and Research; Retail food prices, U.S. Bureau of Labor Statistics; and Carloadings, various railroads and railroad associations.

[2] Daily average. [3] Revised Series. Data for earlier periods, by months, available on request.

[4] 1923-25 daily average=100. [5] Excludes fish, fruit and vegetable canning. Factory payrolls index covers wage earners only.

[6] Grain and grain products, livestock, forest products, coal and coke, and ore.

[7] At retail, end of month or end of year. [8] Los Angeles, San Francisco, and Seattle indexes combined. p—preliminary. r—revised.

BANKING AND CREDIT STATISTICS—TWELFTH DISTRICT

(amounts in millions of dollars)

Year and month	Condition items of all member banks[1]									
	Loans and discounts					Investments		Demand deposits adjusted[2,3]	Time deposits (except U.S. Gov't)[3]	U.S. Gov't deposits[3]
	Total	Coml., ind. & agric.	For purch., carry'g secs.	Real estate	All other	U.S. Gov't securities	All other securities			
1929	2,239	.....	.....	647	.....	495	458	1,234	1,776	36
1930	2,218	.....	.....	721	.....	467	561	1,158	1,915	49
1931	1,898	.....	.....	711	.....	547	560	984	1,667	99
1932	1,570	.....	.....	635	.....	601	528	840	1,515	148
1933	1,486	.....	.....	668	.....	720	510	951	1,453	233
1934	1,469	.....	.....	670	.....	1,064	575	1,201	1,759	228
1935	1,537	.....	.....	662	.....	1,275	587	1,389	2,006	167
1936	1,682	.....	.....	686	.....	1,334	614	1,791	2,078	96
1937	1,871	.....	.....	730	.....	1,270	498	1,740	2,164	90
1938	1,869	663	82	798	327	1,323	486	1,781	2,212	127
1939	1,967	664	76	864	362	1,450	524	1,983	2,263	118
1940	2,130	735	65	931	399	1,482	590	2,390	2,351	68
1941	2,451	933	59	1,000	460	1,738	541	2,893	2,417	144
1942	2,170	870	51	974	275	3,630	538	4,356	2,603	307
1943	2,106	934	62	899	211	6,235	557	5,998	3,197	842
1944	2,254	956	184	885	228	8,263	698	6,950	4,127	1,442
1945	2,663	1,103	343	908	309	10,450	795	8,203	5,194	2,050
1946	4,068	1,882	195	1,431	560	8,426	908	8,821	5,781	303
1947	5,363	2,338	121	2,153	750	7,243	872	8,928	5,988	148
1947										
June	4,658	2,047	134	1,828	649	7,370	871	8,297	5,908	103
July	4,755	.....	.....	.....	.....	7,375	874	8,366	5,888	148
August	4,879	.....	.....	.....	.....	7,353	871	8,462	5,887	208
September	4,997	.....	.....	.....	.....	7,364	889	8,600	5,909	216
October	5,158	.....	.....	.....	.....	7,361	896	8,722	5,949	192
November	5,240	.....	.....	.....	.....	7,361	884	8,797	5,907	205
December	5,363	2,338	121	2,153	750	7,243	872	8,928*r*	5,988	127
1948										
January	5,413	.....	.....	.....	.....	7,264	848	8,854	6,006	139
February	5,467	.....	.....	.....	.....	7,021	833	8,495	6,048	190
March	5,510	.....	.....	.....	.....	6,945	846	8,452	6,029	246
April	5,509	.....	.....	.....	.....	6,943	854	8,461	6,004	250
May	5,569	.....	.....	.....	.....	6,883	863	8,445	5,993	240
June	5,598	.....	.....	.....	.....	6,859	871	8,464	6,042	224

Year and month	Member bank reserves and related items[4]								Bank debits index 31 cities[7]
	Reserve bank credit[5]	Commercial operations[5]	Treasury operations[5]	Coin and currency in circulation		Reserves[6]			
				Total[5]	F.R. notes of F.R.B. of S.F.	Total	Required	Excess	Unadjusted
1929	− 34	0	+ 23	− 6	189	175	171	4	146
1930	− 16	− 53	+ 89	+ 16	186	183	180	5	126
1931	+ 21	− 154	+ 154	+ 48	231	147	154	− 4	97
1932	− 42	− 175	+ 234	+ 30	227	142	135	8	68
1933	− 2	− 110	+ 150	− 18	213	185	142	37	63
1934	− 7	− 198	+ 257	+ 4	211	242	172	84	72
1935	+ 2	− 163	+ 219	+ 14	280	287	201	100	87
1936	+ 6	− 227	+ 454	+ 38	335	479	351	119	102
1937	− 1	− 90	+ 157	− 3	343	549	470	70	111
1938	− 3	− 240	+ 276	+ 20	361	565	418	142	98
1939	+ 2	− 192	+ 245	+ 31	388	584	459	138	102
1940	+ 2	− 148	+ 420	+ 96	493	754	515	257	110
1941	+ 4	− 596	+1,000	+ 227	700	930	720	245	134
1942	+ 107	−1,980	+2,826	+ 643	1,279	1,232	1,025	262	165
1943	+ 214	−3,751	+4,486	+ 708	1,937	1,462	1,343	103	211
1944	+ 98	−3,534	+4,483	+ 789	2,699	1,706	1,598	104	237
1945	− 76	−3,743	+4,682	+ 545	3,219	2,033	1,878	136	260
1946	+ 9	−1,607	+1,329	− 326	2,871	2,094	2,051	59	298
1947	− 302	− 443	+ 630	− 206	2,639	2,202	2,085	70	326
1947									
June	− 21	− 41	− 7	− 13	2,695	1,992	1,944	51	322
July	− 234	− 213	+ 381	− 23	2,669	1,963	1,956	60	305
August	− 48	+ 78	+ 124	− 23	2,685	2,078	1,985	62	322
September	− 87	− 85	+ 172	− 10	2,675	2,095	2,028	80	325
October	+ 23	− 39	+ 35	− 16	2,656	2,137	2,046	77	346
November	— 4	0	+ 33	+ 3	2,653	2,130	2,059	65	344
December	− 25	− 5	+ 49	− 18	2,639	2,202	2,085	70	365
1948									
January	+ 14	+ 48	− 253	− 113	2,541	2,113	2,086	83	352
February	+ 20	+ 153	− 244	− 2	2,532	2,045	2,037	57	354
March	− 49	+ 29	− 19	− 37	2,497	2,066	2,001	64	347
April	+ 9	− 75	+ 29	− 17	2,477	2,048	1,998	61	353
May	+ 30	− 14	+ 45	+ 26	2,489	2,068	2,008	48	342*r*
June	− 14	− 49	+ 28	− 13	2,475	2,061	2,021	61	348

[1] Annual figures are as of end of year; monthly figures are as of last Wednesday in month or, where applicable, as of call report date.
[2] Demand deposits, excluding interbank and U.S. Gov't deposits, less cash items in process of collection.
[3] Monthly data partly estimated. [4] End of year and end of month figures. [5] Changes only.
[6] Total reserves are as of end of year or month. Required and excess: monthly figures are daily averages, annual figures are December daily averages.
[7] Debits to total deposit accounts, excluding interbank deposits. 1935-39 daily average =100.
p—preliminary. *r*—revised.