

# FEDERAL RESERVE BANK OF ST. LOUIS

## MONTHLY REPORT ON GENERAL BUSINESS CONDITIONS

### IN FEDERAL RESERVE DISTRICT No. 8

Released for Publication On and After the Morning of August 29, 1921

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GENERAL business in this district during the past thirty days has been somewhat uneven.

Wholesalers have shown some improvement but retailers report an unsatisfactory volume of business. Goods for common consumption have sold and moved in larger volume than during any previous month this year, and in several important lines, notably shoes, groceries and clothing, the volume was in excess of the corresponding period in 1920. Buying, according to almost unanimous comment, continues on a necessity basis, but the number of orders being placed is large, though their average size is considerably smaller than in past seasons. The number of merchants visiting St. Louis, Louisville, Memphis and other large jobbing centers in late July and early August was well up to normal, as shown by reports of trade associations, but their purchases were mainly for prompt shipment, and it was evident that they plan to make several trips to the supply centers where formerly they covered their needs with one visit.

As has been the case for a number of months past, the general demand has centered chiefly in necessities and low priced goods, the more expensive articles and goods in the luxury category being relatively neglected. This is true especially of the rural communities where the most rigid economy is being practiced. Unemployment in the larger centers of population is reflected in manifestations similar to those caused by the effort to economize in the country. Stocks of commodities in the hands of retailers and ultimate consumers, however, have reached a point where they must be replaced, and this routine replacement is furnishing impetus to manufacturing and distribution. The accelerated movement of merchandise has been accompanied by a decided improvement in sentiment. While no immediate return of normal business activity is anticipated, merchants and manufacturers view matters with more optim-

ism, and show greater disposition to prepare for the future. There are other signs upon which they base their hopefulness, among which are fair collections, good crops and prospects, steadily strengthening banking position and the important fact that the community has gotten accustomed to the metamorphosis in economic affairs and is proceeding more confidently on the new basis.

Reports relative to crops vary widely, but on the whole the period under review has proved favorable for agricultural development in this particular district. The prolonged spell of extreme high temperatures wrought damage to some

crops, notably potatoes, ground fruits, vegetables and pasturage, but there were sufficient showers during the period to stave off anything like failure even in the productions most affected. The plentiful rains in early August performed wonders in reviving corn hay, cotton, late vegetables and fruits. Advices from Arkansas, Tennessee, Northern Mississippi and Southern Missouri are to the effect that the outlook for corn was never better. Hay and fodder crops in the same region are flourishing and tobacco in the immediate past has responded to the more favorable weather conditions. Crop diversification in the South has placed that section, according to excellent

authority, in a more independent position in the matter of foods and feeds than at any time since the Civil War. There are some very unfavorable accounts of the potato crop from Illinois, Missouri and Indiana, early planted varieties having suffered from the heat and drouth.

An encouraging development since the last issue of this report has been the heavy movement of farm products to market, indicating complete abandonment of the campaign to hold and reconciliation to present price returns. This is true especially of wheat, receipts of which cereal at St. Louis in July totaled 9,767,576 bushels, an in-

#### LABOR SITUATION

Replies received from questionnaires addressed to 173 leading employers of labor in 21 of the largest cities of the Eighth Federal Reserve District, with a normal complement of 90,047 workers, asking for employment data developed the following results:

Date	Men	Number of Wage Earners	Women	Pay Roll
July 1, 1920		71,817		
		17,276		
	Total	89,093		\$4,328,957.00
July 1, 1921		51,396		
		14,048		
	Total	65,444		\$3,312,365.00

From the above tabulation it will be noted that the number of employees of the reporting interests decreased 23,649 or 26.6 per cent between the dates July 1, 1920 and July 1, 1921. On July 1, 1920 the number was 954, or 1.05 per cent under normal, and on July 1, 1921, the total was 24,603 or 27.4 per cent under normal. Wages, figured on a semi-monthly basis, decreased \$1,016,592, or 23.5 per cent between July 1, 1920 and the same date this year.

crease of 5,496,000 bushels over the corresponding month in 1920. Proceeds of this cash crop will have a direct and immediate effect upon the purchasing power of the growing areas, which is expected to find reflection in liquidation of indebtedness with banks and merchants.

No change worthy of note has taken place in the fuel situation, either in volume of distribution, production or prices. The demand for steaming fuel continues dull for immediate delivery, and contracting for future requirements is only about 33-1/3 per cent of normal for this time of year. Since the first of August a slightly improved tone has been noted in the demand for lump coal, but generally householders are backward in purchasing for the fall and winter. Illinois mines are operating at about 40 per cent of capacity and prices for typical varieties from that field range thus: 6-inch lump, \$2.60 to \$4.05; 4-inch lump, \$2.35 to \$3.70; 2x6 egg, \$2.10; screenings, \$1.25 to \$1.60; mine run, \$2.00 to \$2.75 per ton at mines.

Railroads operating in this district report improved traffic during the past three weeks, due to heavy movement of cereals and other agricultural products. The first week of August was the largest in point of freight traffic this year for the twenty-six member lines of the St. Louis Terminal Railway Association. There were 36,951 loads interchanged

that week, against 32,115 for the corresponding week in July. The movement of coal, steel and iron and building materials continues light. Passenger traffic is holding up in good shape.

The Mississippi-Warrior Service, the Government service which operates a barge line between St. Louis and New Orleans, exceeded all previous records for freight transported and profit earned during July. After charging off \$32,000 for depreciation and overhead expenses, a net profit of \$25,000 was shown. Approximately 45,000 tons of grain and merchandise freight were carried in five downstream and three upstream tows.

Relative to collections the universal report is that settlements on current purchases are prompt, but there is still backwardness in liquidating extended accounts, though gradual payments are being made on long overdue debts. In the wheat sections and areas of diversified crop production there has been substantial liquidation since the middle of July. Answers to 362 questionnaires addressed to various lines throughout the district show the following results: 24 per cent good; 57 per cent fair and 19 per cent poor.

The per capita circulation of the United States on August 1 was \$53.00, against \$53.42 on July 1 and \$57.43 on August 1, 1920.

Commercial failures in the 12 Federal Reserve Districts during the months of June and July, with comparative figures for July, 1920, as compiled by Dun's, were as follows:

District	NUMBER			LIABILITIES		
	July 1921	June 1921	July 1920	July 1921	June 1921	July 1920
Boston, First.....	94	136	48	\$ 2,124,077	\$ 2,546,879	\$ 470,259
New York, Second.....	230	232	172	18,342,752	4,736,684	11,438,511
Philadelphia, Third.....	72	71	29	1,254,361	1,939,408	755,711
Cleveland, Fourth.....	167	98	54	4,200,340	4,744,487	921,988
Richmond, Fifth.....	124	82	39	1,565,856	1,478,512	1,995,634
Atlanta, Sixth.....	138	130	32	1,968,097	3,522,511	443,135
Chicago, Seventh.....	222	140	70	4,565,389	4,476,283	2,417,401
St. Louis, Eighth.....	94	102	28	1,545,874	1,974,278	96,040
Minneapolis, Ninth.....	27	31	14	425,042	454,553	238,471
Kansas City, Tenth.....	48	73	34	1,056,534	4,764,647	548,910
Dallas, Eleventh.....	114	105	41	3,778,098	2,588,787	1,148,614
San Francisco, Twelfth.....	114	120	120	1,947,733	1,412,345	1,431,738
<b>Total</b> .....	<b>1,444</b>	<b>1,320</b>	<b>681</b>	<b>\$42,774,153</b>	<b>\$34,639,375</b>	<b>\$21,906,412</b>

### MANUFACTURING AND WHOLESALE

In many important lines of manufacturing and wholesale distribution the past month has developed marked progress in the direction of price stabilization. This fact, coupled with depleted stocks, has made for increased volume of business and greater confidence in values. In goods for personal consumption the decline which has continued more or less steadily for nearly a year, was in many instances brought to a halt. Leather goods, notably shoes, were steady, with a slight upward trend in some seasonal raw materials. Textiles, especially cotton goods, are showing a tendency to react upward from their recent low levels, in response to increased demand and prospects for a light cotton crop. In groceries and some other foods there are signs which would indicate that readjustment has about run its course. Canned goods, for example, have advanced in price and are being bought in volume. Sales of flour during the past sixty days have been the heaviest in any like period for several months, and millers reporting to this bank express the belief that their industry has finally made a

turn in the upward direction. Commodities based on iron and steel, building materials and fuel continue extremely dull, with the trend of prices lower, though during the first two weeks of August a slight revival in the demand for pig iron and some steel goods is indicated. Sales of automobiles during the period under review were extremely light, especially of the more expensive makes. Moderate priced passenger cars are in better demand since August 1, with some dealers having disposed of their available quotas for from four to six weeks ahead. Distributors report that for the first time in a year, country dealers are ordering some cars.

**Boots and Shoes**—The nine reporting interests indicate that in numbers of pairs, July sales were from 10 to 18 per cent larger than for the same month in 1920, but due to lower prices, the money values involved were 16 to 22 per cent less. Factory operation has been at from 90 to 100 per cent of capacity, and shipments are restricted by inability to turn out the goods. About the same conditions existing in July are indicated by results during the

first two weeks of August. Salesmen of several of the St. Louis interests are being sent out on the road one month later than usual this season, because of inability to handle business which they might turn in.

**Clothing**—Improving business is reported by all but three of the 16 reporting firms. Sales in July were from 4 per cent less to 20 per cent heavier than in June, but because of lower prices, are still materially under the corresponding period in 1920. Orders are mainly for immediate shipment, but a slight increase in future buying has been noted since the middle of July. Prices are about steady with the preceding month, and range from 35 to 50 per cent under the same time last year.

**Iron and Steel Products**—Warehouse interests report that the recent price cuts in iron and steel have failed thus far to stimulate buying. Stocks are large, both of specialties and miscellaneous lines. Mill and foundry operation in the district during July was no greater than from 10 to 12 per cent of capacity. Since the first of August, however, there has been a flurry of buying in pig iron, and an advance of \$2 per ton. The leading blast furnace interest disposed of 6,250 tons of foundry grades, and other agencies reported sales of small lots aggregating fully 2,000 tons, which completes a total considerably in excess of total transactions since the middle of April.

**Hardware**—The nine reporting interests note a slight gain in sales during the past thirty days over the similar period immediately preceding, but business is still quiet. Buying is confined to im-

mediate needs. The trend of prices is easier, with specific cuts recorded in basic materials. Heavy sales of fishing tackle are reported, and seasonal summer goods are moving fairly well.

**Lumber**—Sentiment is better in several sections of the lumber market, but tangible improvement in conditions during the month has been slight—insufficient to prevent further weakening in prices. During the last two weeks, there has been some recovery in volume of trade in yellow pine; car materials are more freely bought, principally for repair purposes; yard buying has increased, as compared with the July volume. Changes in freight rates from the Southwest show reductions of 1 to 8 cents per 100 pounds on yellow pine to destinations in Oklahoma, Kansas, Iowa, Nebraska, and Minnesota, effective August 19. Some buying has been held in check awaiting these reductions. While reductions in prices of common grades of yellow pine have occurred, the upper grades have been firmly held, with generally conceded increases in the best floorings. Production has not increased. Western goods are coming into this district in only limited quantities. Prices of Douglas fir common grades have weakened but upper grades are fairly stable. There is little optimism in hardwood and the situation of these woods has been virtually static. Some trading continues, but on a distinctly shopping basis; quotations are nominal, with wide ranges in current transactions. Much of the buying is in assorted carloads—an unusual situation in the hardwood trade. Output is heavily restricted and autumn logging operations are expected to be limited.

## RETAIL

Reports of retailers in the various lines indicate considerable unevenness in mid-summer trade. In most instances July was unsatisfactory as to volume of business done, and as usual during the vacation season, collections were somewhat backward. Returns from the leading department stores in the district show declines as contrasted with the preceding month, also in comparison with the same month in 1920. Jewelers report a sharp slump, their July sales being from 20 to 33-1/3 per cent under those of June, and 40 to 50 per cent below July, 1920. A universal comment in all lines is that the public is seeking cheap goods, and holding off where prices look high. In clothing, hats, shoes and kindred lines the movement was disappointing, due chiefly to unfavorable weather conditions.

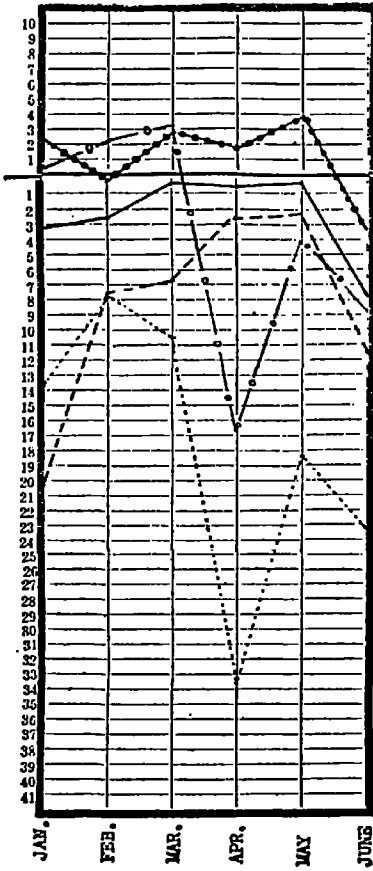
Aside from a fair movement of seasonal goods, reporting hardware firms indicate quietness in their line. The purchasers of hardware of all sorts in the country this season has been well below normal. Printing houses say economies being practiced by business houses is reflected in a decrease in orders for printing. Many shops have been obliged to lay off part of their forces. An exception to the general quietness was in tobacco, sales of which during July and early August were exceptionally heavy. A feature of this line has been a heavy growth in the distribution of cigarettes. Sales of sporting goods during the period under review were only fair, but dealers report liberal purchases in anticipation of fall business.

Figures on retail trade as indicated by reports from 21 representative department stores for July, 1921, are as follows:

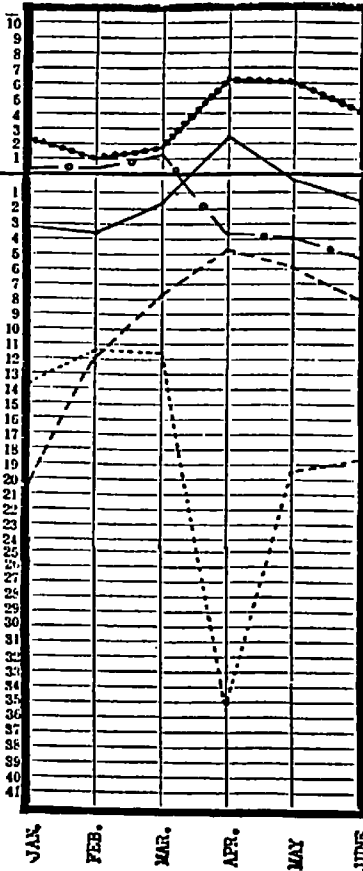
	St. Louis	Louisville	Memphis	Little Rock	Evansville	Quincy	8th District
Percentage increase (or decrease) in net sales during July over or under sales in July, 1920	-13.2	-20.9	-26.6	-9.8	-15.1	-19.4	-16.5
Percentage increase in net sales from July 1 through July 31, 1921, in comparison with sales during the same period of 1920	-13.2	-20.9	-26.6	-9.8	-15.1	-19.4	-16.5
Percentage decrease in stocks on hand at the end of July, 1921, in comparison with stocks on hand at the end of July, 1920	-6.8	-18.6	-7.4	-17.8	-5.3	-18.1	-9.8
Percentage increase in stocks on hand at the end of July, 1921, in comparison with stocks on hand at the end of June, 1921	-3.4	.2	-6.8	-2.	1.3	.3	-3.2
Percentage of average stocks on hand at the end of each month since July 1, 1921, to average monthly sales during the same month	410.3	455.5	475.7	308.6	719.	429.3	426.1
Percentage of outstanding orders on July 31, 1921, to total purchases of merchandise (cost) during the calendar year 1920	8.2	5.6	5.7	5.9	8.9	10.8	7.4

Note: - denotes decrease.

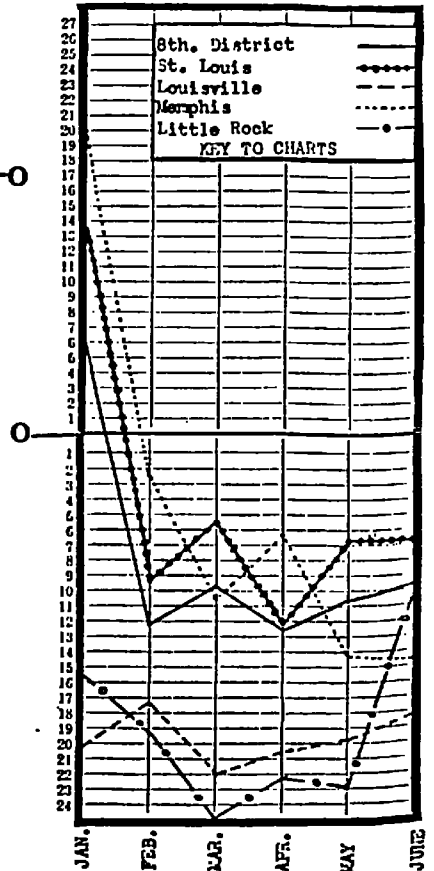
# RETAIL TRADE SUMMARY



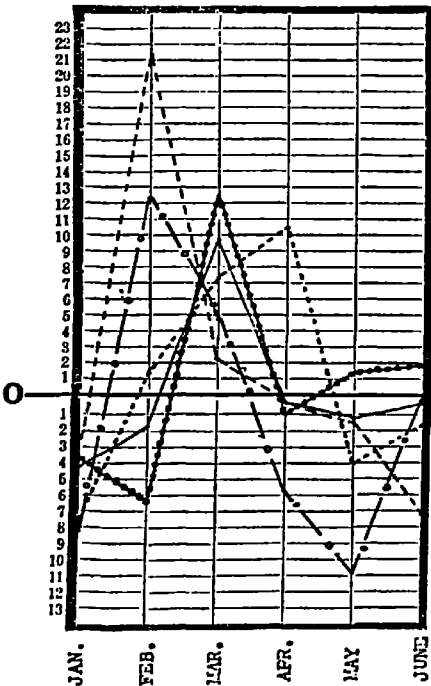
Percentage increase or decrease in net sales by months comparing each of the six months of 1921 with the corresponding month of 1920.



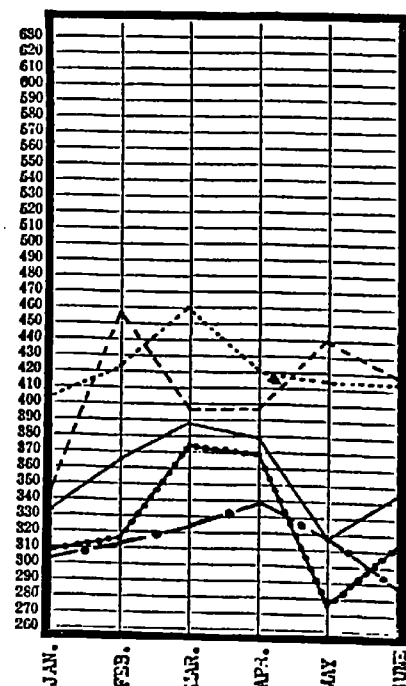
Percentage increase or decrease in cumulative net sales figured monthly from January 1, 1921 in comparison with the corresponding periods in 1920.



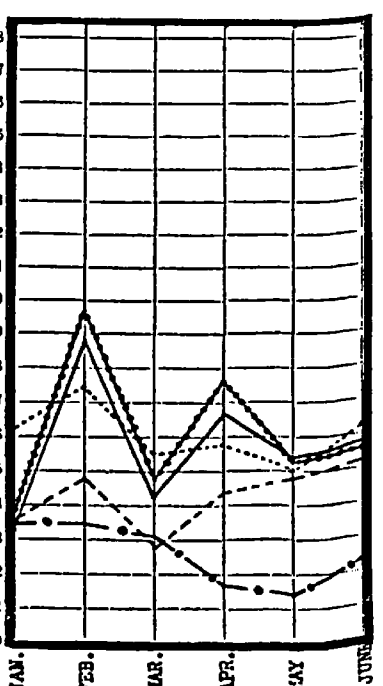
Percentage increase or decrease in stocks on hand at the end of each month of the first six months of 1921 in comparison with the same months of 1920.



Percentage increase or decrease in stocks on hand at the end of each month over or under the preceding month for the first six months of 1921.



Percentage of average stocks on hand at the end of each month since January 1, 1921 to average monthly sales during the same 6 months.



Percentage of outstanding orders at close of each month for the first 6 months of 1921, to the total purchases of merchandise (cost price) during the calendar year 1920.

## AGRICULTURE

The combined condition of all crops in the seven states of the Eighth Federal Reserve District (100=average) as of July 1 was 92.7 per cent.

Threshing of wheat generally throughout this district is making good progress, and in many localities has been completed. Returns are somewhat spotted, there being evidences of damage of one sort or another in the form of shriveled grain. The average, however, is well up to recent predictions, and higher in this district than other parts of the winter wheat belt. Fall plowing has commenced in some sections. A general comment is that corn is maturing unusually early, and enormous yields are in prospect. Slight damage is reported to early corn from drouth, and chinch bugs have wrought damage in parts of Illinois and Indiana. The recent rains have been of incalculable benefit to the crop, which in many important areas is virtually assured. Threshing of oats is being pushed rapidly under favorable conditions, but results are showing effects of the late spring freezes and extreme heat

during the late growing stages, and quality and quantity are somewhat disappointing. Potatoes have deteriorated during the past thirty days, due to high temperatures, but precipitation in late July and early August and cooler weather will benefit the late varieties, as well as vegetables generally. The condition of live stock in this district is on the whole favorable, with a minimum of disease reported. Hay and pastures are for the most part in excellent condition. In the drouth areas material damage was confined to the poorer lands. Generally throughout the district farm work is proceeding with little interruption. Relatively speaking, the past thirty days have been favorable for development of the cotton crop in States of this district, and the outlook is good. Cultivation is excellent and the plant is fruiting well. Boll weevil reports continue, but the damage is not serious except in Southern counties of Arkansas. In many sections the crop is showing lack of fertilizers on thin soils.

The U. S. Department of Agriculture, in its report as of August 1, gives the condition of winter wheat, corn, and cotton, in States of this district as follows:

### WINTER WHEAT

	Total production in Thousands of bushels			Yield per acre Bu.		Quality Per cent		Price per bu. August 1 Cents	
	Dec. Estimate			10-yr.					
	1921*	1920	1915-19 av.	1921*	av.	1921	av.	1921	1920
Illinois .....	38,608	35,720	42,485	16.0	16.4	83	90	106	236
Indiana .....	22,728	23,400	37,936	12.0	15.4	80	89	113	230
Kentucky .....	6,030	5,610	9,878	10.0	12.0	85	90	117	254
Missouri .....	30,128	32,500	38,402	10.9	14.2	81	90	103	237
Tennessee .....	4,610	4,028	7,133	10.0	10.8	85	89	125	265

\*Preliminary estimate.

### CORN

	Condition August 1		*Forecast 1921 From condition		*December Estimate		Price per bushel August 1 cents	
	1921	10-yr. Av.	August 1	July 1	1920	5 yr. av. 1915-19	1921	1920
	%	%	Bu.	Bu.				
Arkansas .....	86	75	62,923	60,880	55,224	49,967	88	210
Illinois .....	79	77	297,326	347,637	294,168	346,330	55	148
Indiana .....	68	81	137,531	185,981	184,072	178,777	56	151
Kentucky .....	68	81	77,059	92,791	100,650	97,735	81	202
Mississippi .....	85	77	94,183	83,007	63,680	63,733	102	232
Missouri .....	82	73	181,637	182,744	198,880	170,354	59	169
Tennessee .....	80	83	85,181	84,447	93,100	84,834	87	206

\*in thousands of bushels, i. e., 000 omitted.

### COTTON

	July 25		June 25		Change June 25 to July 25	
	1921		1920		1921	
	1921	1919	1920	1919	1921	av.
Arkansas .....	76	78	78	63	78	-2
Mississippi .....	68	67	71	63	74	1
Missouri .....	80	80	81	67	81	0
Tennessee .....	75	74	76	67	79	1

The following table, compiled from commercial sources for the Government market report, shows the cotton movement from August 1, 1920 to August 5, 1921:

	BALES	
	1921	1920
Port receipts.....	52,597	18,120
Port stocks.....	1,303,371	741,290
Interior receipts.....	74,011	19,584
Interior stocks.....	1,099,238	842,646
Into sight.....	120,577	67,527
Northern spinners' takings.....	22,463	21,418
Southern spinners' takings.....	45,463	21,430
World's visible supply of Amercian cotton.....	4,031,594	2,897,100

Range of prices on typical products in the St. Louis grain market between July 15 and August 15, with closing quotations on each of these dates:

		Close July 15	High	Low	Close August 15
September wheat.....	Per bu.	\$1.29½	\$1.29½	\$1.15¼	\$1.22¾
December wheat.....	"	1.33¾	1.33¾	1.19¾	1.25
September corn.....	"	.59½	.61¾	.52½	.54
December corn.....	"	.58¾	.60¼	.53¼	.53 @ ¼
September oats.....	"	.41	.41½	.33	.32½
No. 2 red winter.....	"	\$1.29 @ 1.33	1.30	1.17	\$1.25 @ 1.28
No. 2 hard winter.....	"	1.30	1.29	1.14	1.22 @ 1.23
No. 2 corn.....	"	.63	.63½	.53	.53 @ .53½
No. 2 white corn.....	"	.64½	.63½	.53½	.53½
No. 2 white oats.....	"	.40	.42	.32½	.33
Flour: soft patent.....	Per bbl.	6.25 @ 6.75	7.00	6.25	6.25 @ 7.00
Flour: spring patent.....	"	9.00 @ 9.65	9.25	7.55	7.55 @ 8.05

### LABOR

Reports from Federal, State and unofficial agencies indicate a further increase in the number of unemployed in this district. The increase is estimated at from 6½ to 10 per cent, with the heaviest gains in the larger centers of population. In the typical lumber producing sections reemployment is reported, and in the shoe, clothing, flour milling

and packing industries additional workers have been taken on, but there have not been sufficient to offset increased idleness in steel and iron, building, and other trades. A surplus of farm hands is reported in the South and West. The trend of wages is downward. Transportation companies have slightly increased the number of their skilled workers.

### BUILDING

Building permits issued for new construction and repairs in the five principal cities of the district in July showed a slight gain over the June total, but fell \$587,000 under the corresponding month last year. Generally the building situation continues extremely dull, with little in the way of new enterprise being undertaken. Scattered reports

from the rural districts and small towns indicate some increase in the number of inexpensive homes being built. A few slight declines in prices of building materials were reported during the month, but no change in the wage scale in the building trades. Road construction operations continue on a large scale.

Comparative figures for July in leading cities of the district follow:

	1921		JULY		1920			
	New Construction		Repairs, etc.		New Construction		Repairs, etc.	
	Permits	Cost	Permits	Cost	Permits	Cost	Permits	Cost
St. Louis.....	621	\$ 807,370	472	\$310,845	395	\$2,424,615	435	\$474,240
Louisville.....	152	604,950	118	98,050	37	293,450	156	76,800
Memphis.....	288	1,077,504	46	24,414	133	810,000	56	80,000
Little Rock.....	56	504,250	154	57,767	41	74,440	100	42,158
Evansville.....	49	170,390	55	22,742	.....	.....	.....	.....

### LIVE STOCK

As reported by the St. Louis National Stock Yards, receipts and shipments of live stock at St. Louis in July, with comparisons for July, 1920, were as follows:

	Cattle & Calves		Hogs		Sheep		Horses & Mules	
	1921	1920	1921	1920	1921	1920	1921	1920
Receipts.....	78,034	114,437	183,511	196,466	71,267	82,757	2,180	8,893
Shipments.....	40,959	52,713	119,909	103,778	27,322	21,411	2,311	10,229

### COMMODITY MOVEMENT

Receipts and shipments of important commodities at St. Louis during July, 1921 and 1920, and June, 1921, as reported by the Merchants Exchange, were as follows:

	RECEIPTS			SHIPMENTS		
	July, 1921	June, 1921	July, 1920	July, 1921	June, 1921	July, 1920
Flour, barrels.....	490,210	371,050	314,970	545,255	402,560	397,670
Wheat, bushels.....	9,767,576	2,982,164	4,270,970	4,682,210	2,439,060	2,115,990
Corn, bushels.....	1,755,000	1,917,500	2,299,120	1,429,295	1,791,240	1,527,530
Oats, bushels.....	2,316,000	2,356,000	2,264,000	1,250,590	1,888,890	1,534,750
Lead, pigs.....	197,870	240,870	214,730	88,550	128,320	120,620
Zinc and spelter, slabs.....	82,660	67,820	366,180	142,570	113,590	580,640
Lumber, cars.....	9,946	12,432	10,727	8,216	9,840	6,174
Meats, pounds.....	22,968,100	24,388,700	6,380,800	23,375,000	25,428,600	22,946,600
Fresh beef, pounds.....	99,400	136,500	723,000	20,183,100	23,360,000	24,305,400
Lard, pounds.....	3,600,700	3,184,600	1,028,900	8,352,100	7,494,700	5,996,800
Hides, pounds.....	4,123,300	4,757,600	771,200	5,134,900	7,444,900	2,230,500

## FINANCIAL

The demand for money generally through this district continued active during the period under review. Total loans and discounts of reporting member banks show a decrease, and the earning assets of this bank are smaller, but these changes may be ascribed almost exclusively to settlements made by borrowers in the larger cities, more particularly St. Louis. The decrease in demand from large mercantile interests is offset by requirements in the rural districts for crop financing. The demand in the country in the immediate past was as heavy as at any period in the history of this district. Southern banks report requests for extensions on numerous loans. Collections on current accounts are in the main reported excellent, and there is slow and gradual liquidation on extended indebtedness. Rates asked by commercial banks remain as a rule about the same as set forth in the preceding issue of this report, but the trend is slightly easier, more accommodations being granted at the minor figures of the range, and some concessions being granted to gilt-edged borrowers. The heavy movement of wheat and other farm products through July is being reflected in a reduction of loans in the sections affected. No change worthy of note has taken place in the typical cotton and tobacco areas. Be-

tween July 9 and August 10 the Federal Reserve note circulation of this bank decreased \$4,800,000, and the net deposits fell off \$194,000. During the same period there was a decrease of 12,687,486 in the amount of accommodations granted member banks by the Federal Reserve Bank of St. Louis. These movements resulted in a rise in the reserve held by this bank against combined deposit and Federal Reserve note liabilities from 53.4 per cent on July 9 to 60.5 on August 10.

The market for bankers' acceptances in this district during the past thirty days was inert and featureless. Scarcely any such bills have originated in this district, and the volume taken by member banks has been insignificant. From time to time the city banks have purchased, but the aggregate of this buying makes a light showing.

There has been no change worthy of comment in the commercial paper market, brokers reporting conditions dull, and sales vastly under the corresponding period a year ago. In the immediate past country banks in the wheat district have purchased some paper through their city connections, but the city banks are taking almost nothing for their own accounts. Rates range from 6 to 6½ per cent.

### INTEREST RATES

Between July 16 and August 15 the high, low and customary interest rates prevailing in St. Louis, Louisville, Memphis and Little Rock, as reported by banks in those cities were as follows:

	St. Louis			Louisville			Memphis			Little Rock		
	H	L	C	H	L	C	H	L	C	H	L	C
<b>Customers Prime Commercial Paper:</b>												
30 to 90 days.....	8	6	7	7	6	6	8	6	7	8	7	8
4 to 6 months.....	8	6	7	7	6	6	8	6	7	8	7	8
<b>Prime Commercial Paper purchased in open market:</b>												
30 to 90 days.....	7¾	7	7½	6¾	6½	6½	.....	.....	.....	.....	.....	.....
4 to 6 months.....	7¾	7	7½	6¾	6½	6½	.....	.....	.....	.....	.....	.....
Loans to other banks.....	7	6	7	6	6	6	8	6	7	8	7	8
<b>Bankers' Acceptances of 60 to 90 days:</b>												
Endorsed.....	7	5	6	7	6	6	.....	.....	.....	.....	.....	.....
Unendorsed.....	5	5	5	7	6	6	.....	.....	.....	.....	.....	.....
<b>Loans secured by prime stock exchange collateral or other current collateral:</b>												
Demand.....	8	6	7	6	6	6	8	6	7	8	7	8
3 months.....	8	6½	7	6	6	6	8	6	7	8	7	8
3 to 6 months.....	8	6½	7	7	6	6	8	6	7	8	7	8
Cattle Loans.....	8	7	7	.....	.....	.....	.....	.....	.....	8	7	8
Commodity paper secured by warehouse receipts, etc.....	8	6½	7	6	6	6	8	6	7	8	7	8
Loans secured by Liberty Bonds and Certificates.....	7	6	7	6	6	6	7	6	6	8	7	8

### CONDITION OF BANKS

The condition of banks in this district and changes since a month ago and last year, are reflected in the following comparative statement, showing the principal resources and liabilities of member banks in St. Louis, Louisville, Little Rock, Memphis and Evansville:

	Aug. 10, 1921	July 6, 1921	Aug. 6, 1920
Number of banks reporting.....	37	37	35
<b>Loans and Discounts (including bills rediscounted with F. R. Bank):</b>			
Secured by U. S. Govt. obligations.....	\$ 19,103,000	\$ 20,343,000	\$ 33,593,000
Secured by stocks and bonds other than U. S. bonds.....	118,512,000	119,710,000	126,642,000
All other loans and discounts.....	304,596,000	312,002,000	.....
<b>Total loans and discounts.....</b>	<b>\$442,211,000</b>	<b>\$452,055,000</b>	.....
<b>Investments:</b>			
U. S. Government Bonds.....	25,580,000	25,446,000	30,034,000
U. S. Victory Notes.....	1,949,000	1,992,000	2,649,000
U. S. Certificates of Indebtedness.....	4,568,000	1,894,000	5,126,000
U. S. Treasury Notes.....	226,000	932,000	.....
Other bonds, stocks and securities.....	66,144,000	67,871,000	.....
<b>Total loans, discounts and investments (including bills rediscounted with F. R. Bank).....</b>	<b>\$540,678,000</b>	<b>\$550,190,000</b>	<b>\$609,333,000</b>
Reserve Balance with F. R. Bank.....	37,474,000	39,347,000	38,455,000
Cash in vault.....	6,842,000	8,233,000	9,578,000
Net demand deposits on which reserve is computed.....	285,862,000	284,949,000	318,020,000
Time deposits.....	142,372,000	144,480,000	124,764,000
<b>Government deposits.....</b>	<b>10,632,000</b>	<b>8,862,000</b>	<b>1,750,000</b>

## DEBITS TO INDIVIDUAL ACCOUNTS

The following table gives the total debits charged by banks to checking accounts, savings accounts and trust accounts of individuals, firms, corporations and U. S. Government and also certificates of deposit paid, in the leading cities of this district during the past month and corresponding period a year ago. Charges to the accounts of banks and bankers are not included. These figures are considered the most reliable index available for indicating actual spending by the public during the periods which they cover.

Debits to depositors accounts for four weeks ending:

	Aug. 10, 1921	July 13, 1921	Aug. 11, 1920
St. Louis .....	\$449,722,000	\$448,166,000	\$576,554,000
Louisville .....	84,029,000	92,395,000	121,273,000
Memphis .....	75,025,000	72,690,000	104,048,000
Little Rock .....	33,203,000	33,862,000	32,176,000
East St. Louis and National Stock Yards.....	33,901,000	31,530,000	.....
Evansville .....	19,624,000	22,818,000	19,617,000
Springfield .....	10,346,000	11,062,000	.....
Quincy .....	8,947,000	8,411,000	.....

## FEDERAL RESERVE OPERATIONS

In July this bank discounted \$134,078,290 of paper for 326 member banks, which represents a decrease of \$13,202,826 under the amount discounted in June, and an increase of 3 in the number of banks accommodated. Acceptances purchased in July amounted to \$755,839, a decrease of \$191,391 under the preceding month.

There has been no change in the discount rates of this bank since the preceding issue of this report.

The resources and liabilities of the Federal Reserve Bank of St. Louis on August 17, 1921, as compared to a month ago and a year ago, are shown in the following statement:

RESOURCES:	Aug. 17, 1921	July 20, 1921	Aug. 20, 1920
Gold and Gold Certificates.....	\$ 2,981,000	\$ 2,862,000	\$ 2,874,000
Gold Settlement Fund—F. R. Board.....	18,338,000	16,414,000	13,555,000
Gold with Foreign Agencies.....	.....	.....	5,238,000
<b>Total Gold Held by Bank.....</b>	<b>\$ 21,319,000</b>	<b>\$ 19,276,000</b>	<b>\$ 21,667,000</b>
Gold with Federal Reserve Agent.....	57,392,000	50,927,000	45,337,000
Gold Redemption Fund.....	3,672,000	3,994,000	6,062,000
<b>Total Gold Reserves.....</b>	<b>\$ 82,383,000</b>	<b>74,197,000</b>	<b>73,066,000</b>
Legal Tender, Notes, Silver, etc.....	13,130,000	12,870,000	8,145,000
<b>Total Reserves.....</b>	<b>\$ 95,513,000</b>	<b>\$ 87,067,000</b>	<b>\$ 81,211,000</b>
<b>Bills Discounted:</b>			
Secured by U. S. Government obligations.....	28,100,000	31,857,000	33,652,000
All Other.....	45,714,000	51,035,000	81,076,000
Bills bought in Open Market.....	357,000	85,000	2,570,000
<b>Total Bills on hand.....</b>	<b>\$ 74,171,000</b>	<b>\$ 82,977,000</b>	<b>\$117,298,000</b>
U. S. Bonds and Notes.....	1,153,000	1,153,000	1,153,000
<b>U. S. Certificates of Indebtedness:</b>			
One Year Certificates (Pittman Act).....	11,568,000	11,568,000	17,068,000
All Other.....	430,000	73,000	234,000
<b>Total Earning Assets.....</b>	<b>\$ 87,322,000</b>	<b>\$ 95,771,000</b>	<b>\$135,753,000</b>
Bank Premises.....	627,000	627,000	866,000
5% Redemption Fund against F. R. Bank Notes.....	523,000	523,000	524,000
Uncollected Items.....	29,021,000	27,360,000	43,998,000
All Other Resources.....	736,000	587,000	378,000
<b>Total Resources.....</b>	<b>\$213,742,000</b>	<b>\$211,935,000</b>	<b>\$262,730,000</b>
<b>LIABILITIES:</b>			
Capital Paid in.....	4,541,000	4,542,000	4,275,000
Surplus .....	9,114,000	9,114,000	5,884,000
Reserved for Government Franchise Tax.....	1,143,000	1,009,000	.....
<b>Deposits .....</b>			
Government .....	2,122,000	1,359,000	5,009,000
Member Banks—Reserve Account.....	61,164,000	59,654,000	65,446,000
All Other.....	820,000	761,000	1,641,000
<b>Total Deposits.....</b>	<b>\$ 64,106,000</b>	<b>\$ 61,774,000</b>	<b>\$ 72,096,000</b>
F. R. Notes in Actual Circulation.....	99,298,000	101,257,000	128,584,000
F. R. Bank Notes in circulation—Net Liability.....	5,994,000	6,163,000	9,317,000
Deferred Availability Items.....	28,531,000	27,129,000	40,557,000
All Other Liabilities.....	1,015,000	947,000	2,017,000
<b>Total Liabilities.....</b>	<b>\$213,742,000</b>	<b>\$211,935,000</b>	<b>\$262,730,000</b>
<b>Ratio of Total Reserves to Deposit and F. R. Note Liabilities, combined.....</b>	<b>58.5%</b>	<b>53.4%</b>	<b>41.2%</b>
<b>Memorandum—Contingent liability on bills purchased for Foreign Correspondents.....</b>	<b>\$ 2,111,000</b>	<b>\$ 2,826,000</b>	<b>\$ 752,000</b>

(Compiled August 18, 1921)