

FEDERAL RESERVE BANK OF ST. LOUIS

MONTHLY REPORT ON



GENERAL BUSINESS CONDITIONS IN FEDERAL RESERVE DISTRICT No. 8

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REPORTS from leading interests in almost all lines of industry throughout the district indicate improvement in sentiment during the past thirty days. This attitude is based on a number of favorable factors, chief among which are the strong financial position, more plentiful and easier money, the recent advance in market values of farm produces, greater stability of prices of manufactured goods, relatively light stocks in retailers' hands, and the need of the public for all sorts of commodities. There has been a further decrease in the ranks of unemployed, and further improvement in this particular is expected through the absorption of workers by farms. Factory operations have been increased, and more activity is noted in the building industry. Building costs have been further reduced by agreements between certain crafts and contractors, and cuts in prices of some building materials.

Merchants and manufacturers, while commenting upon the gradually growing optimism, say that as yet this better feeling has not been reflected in orders for their wares. The greatest conservatism still obtains in purchasing, both by retailers and the public. A universal comment is that everyone who has buying to do is insisting on low prices, and even where sharp reductions have been made, further concessions are desired. Relatively little in the way of future ordering is being done, there being virtually no deviation from the practice of taking only what can be disposed of from week to week or month to month. This is true in staples, as well as novelties and fashionable goods. However, the character of buying indicates urgent need of the goods, and there is good response to special effort in the way of salesmanship and reduced prices.

The approach of spring has quickened activities in the rural communities, particularly to the South, where soil preparation and planting of early crops is in progress. Generally the feeling in the country was materially helped by the accretion to values of farm products, and in the typical grain areas spring work will be undertaken with more spirit and hopefulness than was thought possible two or three months ago. Farmers are formulating their planting programs, and according to hardware, fertilizer, implement and seed distributors, are purchasing supplies on a larger scale than during the corresponding period a year ago, though in quantities smaller than usual at this season in normal years.

The movement of agricultural products from the farm has continued in large volume. Corn, in particular, is being marketed in heavy amounts, receipts at St. Louis for February being more than

1,500,000 bushels greater than for the corresponding month in 1921. The demand for this cereal for feeding live stock is reported stronger than at any time in recent years. Farmers are using the proceeds of recent marketings to defray indebtedness with their merchants and banks, and generally the credit situation in the rural communities is considerably easier, though in some localities the banks are still well loaned up. The U. S. Department of Agriculture's March 1 report on farm reserves showed stocks of wheat, corn and oats in States of this district to be slightly under those of last year, but well in excess of the March 1, 1920 totals.

Replies to questionnaires addressed to wholesalers and jobbers in leading cities of the district indicate for the most part a decrease in sales during February as compared with the same month last year. The lines showing heaviest losses in this regard were dry goods, hardware, groceries, shoes, drugs, and clothing. On the other hand, lines based on iron and steel, notably implements, stoves, boilers and machinery, reported good gains over February, 1921, but it will be recalled that a year ago marked the period of greatest depression in these specialties. Generally orders since March 1 have picked up in excellent shape, the first two weeks developing sales well up to those of the same time in 1921, and in excess of the first two weeks of February.

A majority of correspondents explain the backwardness in ordering by dissatisfaction with prices. Regardless of quotations made, it is stated, the almost universal reply is that the price is too high, and retailers in turn report that this is the attitude of their customers. Another influence which is causing hesitancy in buying, especially for forward delivery, is the threatened strike of coal miners on April 1. Neither wholesalers nor retailers care to acquire large stocks for late spring and summer distribution until something more definite is known as to possible effects on business of a protracted struggle between coal miners and operators. This is also having considerable effect on building plans. The fuel situation at the moment shows weakness. Production has outstripped the demand, and the trend of prices is easier. There is still some accumulation going forward by large consumers, such as railroads and public utilities, but they are proceeding more leisurely and shopping about before they purchase. Dealers with contracts are also protecting themselves by covering to the extent of their commitments, but generally speaking storage has been completed, and was accomplished with little effect on the market. Current consumption

of steaming coal continues at a low ebb, and the weather has not been calculated to stimulate heavy domestic buying. Similar conditions exist in the coke market, save that heavier melting in the district are reflected in a better demand and firmer prices for metallurgical coke. In February the total production of bituminous coal was 40,951,000 net tons. Although smaller than the boom years, 1916-18, this was greater than in any year before or since. In comparison with January it was an increase of 9 per cent. The favorable showing was due to an effort to accumulate reserve stocks against possible interruption of supply, rather than to any marked increase in the rate at which coal was being consumed.

Business of railroads operating in this district continues to show steady improvement. Traffic gains reported earlier in the year are being held, and since March 1 the rate of increase has been more rapid. It is remarked, however, that a large part of the increased tonnage is represented by the accelerated movement of coal, incident to storage operations by large consumers. Grain and live stock are moving in quantity, and miscellaneous and merchandise are making a favorable showing. The number of idle cars further decreased during the period under review. In February the St. Louis Terminal Railway Association, which includes in its membership 26 railroads operating through this gateway, interchanged 150,704 loads, which compares with 151,093 loads in January, 141,226 loads in December and 152,349 loads in November. During the first nine days of March 52,599 loads were interchanged, against 49,199 loads during the first nine days of February. Passenger traffic during the past thirty days showed no variation worthy of note as compared with the similar period immediately preceding.

The Mississippi Warrior Service, Inland Waterways, (the Government barge line) which has been operating from Cairo as a Northern terminus during the period of possible ice in the St. Louis harbor, resumed regular service from the

municipal docks at St. Louis on March 15. Officials of the line say regular service to New Orleans will be maintained from this forward.

Conditions in the automotive industry have taken a distinct turn for the better during the past few weeks. Reports from 235 dealers scattered through the district indicate a revival in the demand for all varieties of cars. Actual sales were larger than for any single month in more than a year and a half. While most of the improvement has taken place in the cities, country dealers are also enjoying a better business. The automobile show conducted in St. Louis during the latter part of February resulted in the sale of more than 900 cars. The improvement has extended as well to tires and accessories, sales of dealers showing gains over the preceding thirty days of from 3 to 19½ per cent. More confidence in values is felt, the recent reductions having gone far to stabilize prices. No improvement whatever in the demand for tractors has taken place.

The slowing down in collections, noted in the preceding issue of this report, has continued in greater or lesser degree during the past thirty days. Merchants report a desire on the part of their customers to conserve cash, and there are numerous demands for extensions. Current accounts are being paid promptly, but older indebtedness is being slowly liquidated. There is much variation in collections displayed by different localities. In the tobacco and rice districts settlements are reported good, while in the grain and cotton areas more complaints are heard of backwardness. Answers to 300 questionnaires addressed to representative interests in various lines through the Eighth Federal Reserve District asking for data relative to collections show the following results: 6.5 per cent excellent; 16.1 per cent good; 58 per cent fair and 19.5 per cent fair.

The per capita circulation of the United States on March 1, 1922 was \$50.27, against \$50.43 on February 1, 1922, and \$58.58 on March 1, 1921.

Commercial failures in the 12 Federal Reserve Districts during the months of February and January, with comparative figures for February, 1921, as compiled by Dun's were as follows:

District	NUMBER			LIABILITIES		
	Feb. 1922	Jan. 1922	Feb. 1921	Feb. 1922	Jan. 1922	Feb. 1921
Boston, First.....	206	209	139	\$ 6,235,271	\$ 2,600,442	\$ 1,942,285
New York, Second.....	300	429	222	24,202,858	22,885,754	26,836,505
Philadelphia, Third.....	93	136	71	2,436,402	2,561,559	3,701,526
Cleveland, Fourth.....	235	142	144	4,627,038	6,238,303	3,613,291
Richmond, Fifth.....	213	233	144	4,761,774	4,696,036	3,170,347
Atlanta, Sixth.....	270	283	175	5,331,050	5,012,931	2,920,497
Chicago, Seventh.....	288	362	211	7,876,931	10,314,358	5,442,207
St. Louis, Eighth.....	167	177	129	4,653,231	4,013,092	2,936,144
Minneapolis, Ninth.....	97	109	53	2,300,814	2,597,637	1,690,771
Kansas City, Tenth.....	99	112	85	2,006,480	3,400,430	3,993,889
Dallas, Eleventh.....	207	207	137	5,889,142	4,326,594	2,117,068
San Francisco, Twelfth.....	156	224	131	2,287,431	5,148,644	2,487,919
Total.....	2,331	2,723	1,641	\$72,608,393	\$73,795,780	\$60,852,449

MANUFACTURING AND WHOLESALE

Boots and Shoes — February results of the 11 reporting interests show rather sharp variation. As contrasted with the corresponding period a year ago, sales were from 8 per cent less to 18 per cent greater in dollar value and from 7½ to 51 per cent greater in numbers of pairs. As compared with Jan-

uary, February sales ranged from 20 per cent less to 8 per cent larger in both pairs and dollar value, there having been no change in prices during the period under review. Average prices are now from 14 to 18 per cent lower than at the corresponding period in 1921. While the demand centers largely in

the cheaper staples, considerable improvement was noted in the call for novelty goods, and specialties for the Easter trade. Current business is described as normal for this season. Salesmen will be sent out with new lines next month, and results of their activities will be followed with the greatest interest. The raw material market shows little change, but manufacturers of leather complain of high production costs.

Clothing — Sales of the 23 reporting interests continue to show large increases over the corresponding period a year ago. These gains, which ranged from 4 to 12 per cent, would have been more impressive still but for the lateness of Easter this year. Fair increases in February over January were also reported. Manufacturers report that forward orders are somewhat better than in recent months, but very much smaller than in former years. They are still following the practice of making up only such goods as they have orders for. Makers and distributors of men's clothing report the demand is almost exclusively for moderate-priced suits. Women's ready-to-wear and the general line of underwear are reported quiet.

Iron and Steel Products — Gradually improving conditions are reported by all reporting interests under this classification. The melt of pig iron in the district increased approximately $7\frac{3}{4}$ per cent during the period under review, and new business placed with foundries, mills and machine shops was larger than in several months. There was a reduction in prices of iron and steel bars, plates and shapes by the leading interest, which was followed by the independents. The cuts met excellent response on the part of consumers. Sales of pig iron showed a slight gain, and the volume of inquiries was decidedly larger. The 7 stove manufacturers reporting show gains of from 41 to 150 per cent over February, 1921, and from 10 to 60 per cent over January. Five boiler works show gains in February of from 12 to $33\frac{1}{3}$ per cent over February, 1921, and from 30 to 75 per cent over January. Implement manufacturers and distributors, 8 reporting, show sales equal to 30 per cent under last February, but from 10 to 200 per cent greater than in January. Fabricators of building material report sales steady to 4 per cent greater than last year.

Hardware — Sales of the 12 reporting interests varied broadly during February, ranging from decreases of 2 to 27 per cent to gains of as much as 15 per cent over the same month in 1921. Those showing improvement were in the South, where seasonal demand for farm supplies stimulated business. With one exception, all the interests reported gains in February over January. The first two weeks of March have brought improvement in orders, with a fair proportion for forward delivery. There is an excellent demand for wire goods and repair materials for farms. Seasonal sporting goods are active, and builders tools and building hardware are moving in large volume, several stores reporting depleted stocks of the latter goods. Electrical supply manufacturers and distributors report an excellent demand for hot weather goods, house wiring devices and pole line hardware. Sales of the 6 reporting interests show increases of from 8 to 12 per cent over a year ago, with the exception of one, which showed a decrease of 23 per cent.

Flour — Production of 11 leading mills in the district during February totaled 250,472 barrels, against 333,966 in January and 248,600 barrels in December. During the latter weeks of February there was an active movement of flour, with prices higher in response to the upturn in wheat. Since March 1, however, the demand has subsided with the decline in the cereal markets. Throughout the period under review there has been a good demand for export, which centered chiefly in clears and low grades, which varieties have been well cleaned up. High grades and patents are relatively quiet. Buying for domestic consumption continues almost exclusively on a necessity basis, the broad fluctuations in wheat tending to upset confidence in futures. Mill operation in the district during the period under review was at from 65 to 75 per cent of capacity.

Groceries — Sales of the 13 reporting interests during February were from 40 per cent less to 15 per cent larger than in 1921, and from 5 to 15 per cent larger than in January. Business is described as improving steadily. Prices through the line are on a more stable basis than in many months, and stocks in retailers' hands are light. Collections were fair to good, with old accounts being slowly liquidated. The demand for canned goods and dried fruits is holding up well. Ordering for forward delivery is still a negligible quantity.

Drugs and Chemicals — Sales of the 7 reporting interests in February were steady to 40 per cent less than for the corresponding month in 1921, but from 2 to 30 per cent better than in January. The increase in February over January is due in large measure to seasonal considerations. A slight improvement in orders for forward delivery was reported, though buying continues mainly on an immediate basis. The demand for chemicals for use by manufacturers is improving steadily, with the trend of prices slightly higher. Of twenty price changes during the past month, 10 were upward revisions. Among the advances noted were those on aspirin, iodine preparations, mercurials and insect powder. Spraying materials, oils, paints and other seasonal goods are moving well.

Furniture — Sales of the 11 reporting interests continue to run well ahead of the same time last year, but February totals were 10 per cent less to 4 per cent better than those of January. Generally there was no change in conditions as reported 30 days ago, and factory operation continues at from 70 to 75 per cent of capacity. Prices on finished furniture and raw materials are steady. Buying is mainly in small lots, full 90 per cent of all transactions being in less than car lot amounts. Collections were reported a shade less satisfactory than during January.

Lumber — The spring trade is very late this year because of the depression in agriculture, high and unsettled freight rates and the difficulty of adjusting wages in the building trades, along with prices of some building materials, to a lower basis. So the increase in the distributive movement of lumber, wholesale and retail alike, has been very gradual, with much less than the usual amount of stocking by yards and manufacturing consumers. The demand has run largely to small or limited quantities for immediate or very obvious nearby needs. The effect of the ultra conservative buying has not, however, worked marked reductions of

prices. There has been a good deal of weather the past month unfavorable to both production and shipments. Consequently stocks, especially in the building lumbers, have gained slowly, and are neither large nor well assorted. The hardwood mar-

ket, following a month or six weeks of softening prices, declined quiet noticeably in early March in respect of the first and second and No. 1 common grades of plain oak and red and sap gum.

Industrial Power Consumption — Consumption of electrical power by industrial customers of public utility companies in the four leading cities of the district during February was 12.4 per cent less than in January, but 12.9 per cent greater than in February, 1921. The decrease in February under January is accounted for by the shorter month, and seasonal inactivity of certain manufacturing plants. The heaviest decrease was shown by Memphis, but this city scored a gain of 11.9 per cent over 1921. Louisville for the first time in a long while reported a substantial gain over the preceding month. The comparative figures follow:

Representative Customers	Feb. 1922	Jan. 1922	Feb. 1922 comp. to Jan. 1922	Feb. 1921	Feb. 1921 comp. to Feb. 1922
St. Louis..... 68	5,054,754 k. w. h.	5,851,464 k. w. h.	-13.6	5,470,141 k. w. h.	- 7.6
Memphis 31	744,380 "	1,257,780 "	-40.8	665,260 "	+11.9
Little Rock..... 11	520,003 "	572,875 "	- 9.2	465,052 "	+11.8
Louisville 81	2,022,822 "	1,840,972 "	+ 9.8	1,785,456 "	+13.2
Total..... 191	8,341,959 "	9,523,091 "	-12.4	7,385,909 "	+12.9

RETAIL

Consensus of opinion among retailers generally through the district is that business in February at best maintained the position of the preceding month. A few scattered reports indicate substantial improvement, but the majority show little change from the dull conditions which obtained in January. Unemployment and a persistent demand on the part of the public for lower prices were mentioned as the two chief causes for backward buying. In the large cities department stores were endeavoring to stimulate business by special sales, but these efforts have, according to reports, met only fair success. One store reports an augmentation of its selling forces by 50 per cent in order to conduct a special sale. The lateness of Easter this year has a further tendency to retard certain seasonal shopping. Jewelers reported a disappointing February, but a satisfactory picking up in sales since March 1. Sales of the 12 reporting stores in February were from 5 to 15 per cent under those of the same month last

year, with one exception, this establishment reporting a gain of 50 per cent. The usual between-season apathy in men's clothing was accentuated by the general disposition to economize, and in the country this line is particularly quiet. Athletic goods are feeling the favorable results of the season for outdoor sports, with baseball supplies in especially strong demand. In the country there is a good movement of seasonal hardware, but sales of city hardware dealers in February showed a rather sharp decrease under January. Furniture stores report stagnation in office equipment, but steady improvement in articles for the household. Stationers and printers continue to complain of quietness in their business. Grocers report purchasing on a strictly necessity basis, but in good volume. Early fruits and truck garden products are arriving from the South in larger volume, but prices on these goods continue high. Collections on current accounts are reported almost uniformly excellent.

Department Stores — The condition of retail trade during February, 1922, in the leading cities of this district is reflected in the following statement, compiled from reports of 20 representative department stores:

(Percentages)	St. Louis	Louisville	Memphis	Little Rock	Evansville	Quincy	8th District
Net Sales:							
Feb., 1922, compared with Feb., 1921.....	-11.0	- 9.2	-15.2	-19.7	- 3.9	-17.3	-12.1
Period Jan. 1 to Feb. 28, 1922, compared with same period in 1921.....	-13.7	- 6.1	-13.9	-23.4	- 1.5	-16.9	-13.3
Stocks at end of February, 1922:							
Compared with same month in 1921.....	+ .9	- 3.0	+ 7.1	+17.4	- 4.2	+ 4.9	+ 2.7
Compared with stocks at end of Jan., 1922.....	+10.9	+18.5	+ 4.0	+16.1	+11.2	+ 8.3	+11.7
Average stocks on hand at end of each month since Jan. 1, 1922 to average monthly sales during same period.....	378.7	583.8	614.1	514.4	1202.1	427.3	463.1
Outstanding orders for February, 1922, compared with previous year's purchases.....	7.7	5.2	9.1	6.7	4.2	3.9	7.2

AGRICULTURE

The advance in prices of cereals and hogs, which began early in February, was well sustained throughout that month, the highest prices being reached in the closing week. Beginning with March 1, however, there was a sharp downward reaction in wheat, which declined about 15c a bushel from the

high point of the movement. Corn and oats also reacted in sympathy with the break in wheat, and hogs worked back to about the range quoted on February 15. The decline in wheat was due chiefly to an overbought market and the bearish Government report on farm reserves as of March 1.

Generally the condition of winter wheat in this district is good, having been improved by the abundant moisture and more moderate temperatures since the middle of February. Some damage is reported from alternate freezing and thawing, but on the whole the crop has suffered but little from effects of winter weather. Plowing and preparation of soil for planting corn is in progress in the Southern part of the district. It is still too early to form any estimate of acreages, but the recent rise in market prices will have a stimulating effect on planting. Reports from all sections of the belt indicate greater attention to quality of seed corn than in former seasons.

According to the U. S. Department of Agriculture, the general tendency indicates an increased acreage of cotton. Preparation of land for planting is in progress. Prices of cotton during the period under review have fluctuated within a narrow range, and all things considered have held fairly steady.

The Co-operative Marketing Association in the Burley Tobacco district has proven a success for the

first year. Most all tobacco has been delivered by the farmers and the association is selling the tobacco in large quantities at a very satisfactory price. A plan is now being inaugurated to organize the Co-operative Association in the dark tobacco district in the western part of Kentucky, which would only effect the next year's crop.

Prospects for fruits and early truck gardening in the district are distinctly favorable. Increased interest in strawberry growing is reported in Arkansas and Mississippi. Orchards in many sections are being subjected to more careful and scientific treatment than in former years.

Livestock is generally in good condition and health, with losses during the winter unusually light. There is an excellent demand for stocker hogs and brood sows. A considerable increase in the number of poultry in Arkansas, Tennessee and Mississippi is reported.

The supply of farm labor is generally more plentiful and wages lower.

The U. S. Department of Agriculture, in its report as of March 1, 1922, gives the amount of corn, wheat and oats on farms in States of the Eighth Federal Reserve District as follows:

CORN

	Stocks on Farms March 1 in thousands of bushels (i. e., 000 omitted)			Price per Bushel March 1 (cents)			Percentage of Crop of Merchantable Quality		
	1922	1921	1920	1922	1921	1920	1922	1921	1920
	Arkansas	24,661	21,809	11,733	65	96	187	83	85	70
Illinois	128,506	150,784	117,361	50	55	142	86	82	90
Indiana	76,432	99,846	68,641	50	55	145	80	88	88
Kentucky	33,682	50,844	29,843	67	76	178	77	78	74
Mississippi	27,977	18,614	14,936	73	103	188	84	85	80
Missouri	69,494	99,956	46,682	55	61	150	81	80	80
Tennessee	43,542	50,137	29,498	61	85	185	82	84	73

WHEAT

	Stocks on Farms March 1 in thousands of bushels (i. e., 000 omitted)			Price per Bushel March 1 (cents)			Percentage of Crop shipped out of County where grown		
	1922	1921	1920	1922	1921	1920	1922	1921	1920
	Illinois	6,333	10,008	7,719	128	155	229	59	60	59
Indiana	4,113	5,741	5,845	126	165	226	56	56	60
Kentucky	761	900	1,063	134	186	229	21	21	25
Missouri	5,169	9,037	7,388	117	165	232	57	54	60
Tennessee	720	725	956	131	198	253	22	18	20

OATS

Illinois	46,262	78,749	45,056	34	39	82	46	48	45
Indiana	17,578	33,825	16,240	34	39	82	36	41	35
Missouri	15,895	25,740	14,288	40	47	85	11	18	16

Range of prices on typical products in the St. Louis market between February 15 and March 15, with closing quotations on each of these dates, and on March 15, 1921:

	Close Feb. 15, 1922			High	Low	Close March 15, 1922		Close March 15, 1921	
May wheat.....Per bu.		\$1.36 $\frac{7}{8}$	\$ 1.43 $\frac{1}{8}$	\$1.26		\$ 1.28 $\frac{5}{8}$		\$ 1.50	
July wheat....."		1.20 $\frac{3}{8}$	1.24 $\frac{3}{8}$	1.08 $\frac{1}{8}$		1.10 $\frac{1}{2}$			
Sept. wheat....."			1.11 $\frac{1}{4}$	1.05 $\frac{1}{4}$		1.05 $\frac{3}{4}$			
May corn....."		.61	.67 $\frac{1}{2}$	.56 $\frac{7}{8}$		.58			.69 $\frac{1}{8}$
July corn....."		.62 $\frac{7}{8}$	.69 $\frac{3}{4}$	.60 $\frac{1}{8}$		.61 $\frac{1}{4}$			.71 $\frac{1}{2}$
Sept. corn....."			.70	.62 $\frac{1}{2}$		.62 $\frac{7}{8}$			.72 $\frac{3}{4}$
May oats....."		.43	.44	.38 $\frac{1}{4}$		.38 $\frac{1}{4}$			.43 $\frac{3}{4}$
July oats....."		.44 $\frac{1}{2}$	.45	.40 $\frac{1}{4}$		.40 $\frac{1}{4}$			.44 $\frac{3}{4}$
No. 2 red winter wheat..	\$1.42 @	1.44	1.48	1.38		1.38	1.62 @	1.65	
No. 2 hard wheat....."	1.35 @	1.36	1.45	1.28	1.28 @	1.29	1.56 @	1.58	
No. 2 corn....."		.55 $\frac{1}{2}$	.61	.56 $\frac{1}{2}$		.56 $\frac{1}{2}$	.63 @	.64	
No. 2 white corn....."	.56 @	.57	.63	.56 $\frac{1}{2}$	.56 $\frac{1}{2}$ @	.57		.65	
No. 2 white oats....."		.39	.42	.36		.37 $\frac{1}{2}$	.43 @	.44	
Flour: soft patent.....Per bbl.	6.50 @	7.50	7.50	6.50	6.50 @	7.50	8.00 @	9.00	
Flour: spring patent....."	7.55 @	8.35	9.00	7.00	7.00 @	7.30	7.75 @	8.00	
Middling cotton.....Per lb.		.17 $\frac{1}{4}$	.17 $\frac{1}{2}$	.17 $\frac{1}{4}$		.17 $\frac{1}{2}$		.11 $\frac{1}{2}$	
Hogs on hoof.....Per cwt.	7.50 @	10.25	11.45	7.45	8.00 @	10.40	7.75 @	11.35	

LABOR SITUATION

The labor situation in this district is reflected in the following table, compiled from reports received from 200 leading employers in 20 of the largest cities in the district:

	Men	Women	Wage Earners			Pay Roll
			Total	Normal	% of Normal	
Feb. 28, 1922.....	95,846	21,540	117,386	153,775	-23.6	\$6,845,740.89
Jan. 31, 1922.....	94,398	18,227	112,625	144,217	-21.9	6,521,716.27
Feb. 28, 1921.....	104,098	18,300	122,398	153,775	-20.4	7,670,746.25

From the above tabulation it will be noted that the number of employes of the reporting interests decreased 95,012 or 4.1% (men decreased 7.9% while women increased 12.2%) between February 28, 1921 and February 28, 1922. On February 28, 1921 the number was 20.4% under normal and on January 31, 1922 the total was 21.9% under normal. Wages figured on a semi-monthly basis, decreased \$825,005.36 or 10.7% between February 28, 1921 and February 28, 1922.

COMMODITY MOVEMENT

Receipts and shipments of important commodities at St. Louis during February, 1922 and 1921, and January, 1922, as reported by the Merchants' Exchange, were as follows:

	Receipts			Shipments		
	Feb. 1922	Jan. 1922	Feb. 1921	Feb. 1922	Jan. 1922	Feb. 1921
Flour, barrels.....	366,350	406,830	329,960	451,380	414,820	387,450
Wheat, bushels.....	2,286,000	1,802,400	2,890,122	1,749,370	1,860,940	2,138,610
Corn, bushels.....	4,113,200	4,438,200	2,605,688	2,345,585	3,199,745	1,653,630
Oats, bushels.....	2,584,000	2,772,000	1,932,600	1,722,070	1,823,410	1,842,680
Lead, pigs.....	232,080	389,990	167,840	135,740	170,270	52,590
Zinc and Spelter, slabs.....	133,720	242,670	190,890	391,540	363,150	212,810
Lumber, cars.....	10,271	10,043	8,876	7,885	7,482	6,960
Meats, pounds.....	13,650,700	14,803,400	4,478,400	22,230,100	23,774,600	21,923,500
Fresh Beef, pounds.....	129,100	20,000	1,886,200	15,916,600	20,450,800	19,916,000
Lard, pounds.....	4,016,400	4,190,200	4,146,700	8,033,700	8,024,700	11,460,900
Hides, pounds.....	6,618,500	6,714,700	2,698,300	7,699,000	7,775,000	6,804,400

LIVE STOCK MOVEMENT

As reported by the St. Louis National Stock Yards, receipts and shipments of live stock in February, 1922 and 1921, and January, 1922, were as follows:

	Receipts			Shipments		
	Feb. 1922	Jan. 1922	Feb. 1921	Feb. 1922	Jan. 1922	Feb. 1921
Cattle and Calves.....	66,490	85,412	54,021	36,552	47,947	23,940
Hogs.....	289,520	364,812	321,218	216,463	275,093	166,911
Sheep.....	21,308	44,334	29,712	8,436	22,261	9,379
Horses and Mules.....	7,892	12,264	10,267	9,671	11,376	11,107

BUILDING

In both number and value, building permits issued in the five leading cities of the district during February show a big increase over the preceding month, also over the corresponding month a year ago. Reports from all sections of the district indicate broadening activities in the building industry. In the South a feature of the situation is the number of moderate-priced homes being erected in the country and suburban communities. Residential construction in the larger centers of population is on a larger scale than at any time since the beginning of the great war. Road construction, which was delayed by cold weather in some sections of the district, has been resumed, or will be early in April. Some further slight reductions in the cost of building materials has been reported, notably cement, fire clay products, iron and steel, and hardware. In St. Louis the painters and cement workers unions have voted to accept a reduction of 20 per cent in their wage scales, effective April 1. Many important building projects by municipalities, which have been delayed by high costs, will be undertaken during the coming spring and summer.

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

	New Construction				Repairs, etc.			
	Permits		Cost		Permits		Cost	
	1922	1921	1922	1921	1922	1921	1922	1921
St. Louis.....	363	325	\$1,060,540	\$ 561,930	341	326	\$225,195	\$152,915
Louisville.....	127	49	401,150	354,850	96	104	59,250	50,100
Memphis.....	251	111	1,492,170	258,336	30	61	37,440	45,588
Little Rock.....	61	46	726,715	112,200	116	127	49,969	72,870
Evansville.....	42	14	81,860	10,700	49	35	16,198	7,360
Feb. totals.....	844	545	\$3,762,435	\$1,298,016	632	653	\$388,052	\$328,833
Jan. totals.....	714	424	2,273,860	1,174,416	478	504	306,034	338,168
Dec. totals.....	712	410	3,017,045	623,472	518	489	343,359	346,339

FINANCIAL

A further easing in the credit situation is indicated by reports of both city and country bankers in this district. In the rural communities the recent advance in prices of cereals and live stock went far to improve sentiment and strengthen confidence. Many farmers took advantage of the rise to market their surplus stocks, and the proceeds were largely employed to liquidate indebtedness with merchants and banks, and establish credits for use in early spring agricultural operations. In certain localities, country banks report considerable easing in the demand for money, but elsewhere loans show little if any reduction. There is still a strong demand for financing live stock transactions, especially for the purchase of stocker hogs and cattle and brood sows. City banks report continued heavy liquidation by their important mercantile customers, and an indifferent demand for funds from that source. A number of the large wholesalers and manufacturers at the moment are in the position of having funds to lend. In the South cotton has moved at a somewhat slower pace, but holders are not pressing their stocks for sale, and offerings became notably smaller with all downward fluctuations in the market. Tobacco is selling at very satisfactory prices, and large credits based on that staple are being liquidated. There has been fair movement of rice to market. Generally the trend of interest rates is lower, and loanable funds are more plentiful. Deposits of banks in the district show little variation as compared with thirty days ago. Between February 15 and March 15, the bills discounted by the Federal Reserve Bank of St. Louis decreased \$9,363,000, net deposits decreased \$9,585,000 and Federal Reserve notes in circulation decreased \$2,560,000. Between the same dates the total reserve carried against deposits and Federal Reserve note

liabilities combined decreased 0.1 per cent, standing at 79 per cent on March 15.

Acceptances—The market for acceptances is described as dull and featureless. Dealers report a distinct shortage of bankers' acceptances, and several who have had applications for bills bearing 4 per cent or better have been unable to supply the demand. Virtually all bills sold in this market have originated in the East, the few emanating from this territory being based on transactions in oil. Rates range in the extremes from $3\frac{7}{8}$ to 4 per cent. Acceptances purchased in the open market by this bank in February amounted to \$2,081,290 against \$880,054 in January.

Commercial Paper—Throughout February business of commercial paper houses was extremely dull, but since March 1 there has been very decided improvement. A good demand has developed from country banks in widely scattered sections, whereas heretofore buying had been confined almost exclusively to financial institutions in the large cities. The supply of paper is fairly plentiful, though it is remarked that the choicest names are not numerous, these interests being able to secure accommodations on better terms from their banking connections. Rates range from $4\frac{3}{4}$ to $5\frac{1}{4}$ per cent, with most names bearing 5 per cent.

Bonds—While still enjoying considerable activity, the market for investment bonds has slowed down during the past few weeks. Dealers attribute this to the fact that the demand has for the time being been supplied, and the supply of desirable securities has been pretty well absorbed. Several new commercial issues placed in the St. Louis market were readily absorbed, and there is still a brisk demand for municipal bonds of the better sort, and Government obligations.

Interest Rates—Between February 16 and March 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
Customers' Prime Commercial Paper:												
30 to 90 days.....	6½	5	5½	6	6	6	8	6	6	8	6	7
4 to 6 months.....	7	5	5½	6	5	6	8	6	6	8	7	7-8
Prime Commercial Paper purchased in open market:												
30 to 90 days.....	5¼	5	5	5½	5	5	.....	.....	.....	.....	.....	.....
4 to 6 months.....	5¼	5	5	5½	5	5	.....	.....	.....	.....	.....	.....
Loans to other banks.....	7	5½	6	6	5	5½	8	6	6	7	6	7
Bankers' Acceptances of 60 to 90 days:												
Endorsed.....	4½	4	4	.....	.....	.....	.....	.....	.....	.....	.....	.....
Unendorsed.....	4½	4	4	.....	.....	.....	.....	.....	.....	.....	.....	.....
Loans secured by prime stock exchange collateral or other current collateral:												
Demand.....	7	5	6	6	6	6	.....	.....	.....	8	7	8
3 months.....	7	5½	6	6	6	6	8	7	6	8	7	8
3 to 6 months.....	7	5½	6	6	6	6	8	7	6	8	7	8
Cattle Loans.....	8	6	6½	.....	.....	.....	.....	.....	.....	8	7	8
Commodity paper secured by warehouse receipts, etc.....	7	5½	6	6	5½	6	8	6	6	8	7	8
Loans secured by Liberty Bonds and certificates.....	7	5½	6	6	5	6	7	6	6	8	7	7-8

Savings Deposits—The changes in the number of savings accounts and the amount of savings deposits, exclusive of postal savings deposits, since a month ago and a year ago, as reported by the largest member banks in the leading cities of this district, are shown in the following table:

	Number Banks Reporting	March 1, 1922		February 1, 1922		March 1, 1921	
		Number Savings Accounts	Amount Savings Deposits	Number Savings Accounts	Amount Savings Deposits	Number Savings Accounts	Amount Savings Deposits
St. Louis.....	12	232,523	\$ 62,575,000	230,627	\$ 61,662,000	219,077	\$ 60,063,000
Louisville.....	7	131,713	20,045,000	130,788	19,863,000	116,445	17,564,000
Memphis.....	7	54,721	13,703,000	54,597	13,373,000	49,515	12,402,000
Little Rock.....	5	24,980	6,248,000	24,580	6,237,000	20,399	5,481,000
Evansville.....	4	21,003	8,133,000	20,973	8,103,000	19,759	7,970,000
Total.....	35	464,940	\$110,704,000	461,565	\$109,248,000	425,195	\$103,480,000

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, Memphis Little Rock and Evansville:

	Mar. 15, 1922	Feb. 15, 1922	Mar. 18, 1921
Number of banks reporting.....	37	37	37
Loans and Discounts (excluding rediscounts):			
Secured by U. S. Govt. obligations.....	\$ 14,417,000	\$ 15,804,000	\$ 19,112,000
Secured by stocks and bonds other than U. S. Bonds..	129,929,000	121,798,000	122,856,000
All other loans and discounts.....	283,637,000	286,919,000	295,041,000
Total loans and discounts.....	\$427,983,000	\$424,521,000	\$437,009,000
Investments:			
U. S. Bonds.....	24,667,000	26,000,000	28,716,000
U. S. Victory Notes.....	4,469,000	4,238,000	2,236,000
U. S. Treasury Notes.....	6,075,000	3,815,000	-----
U. S. Certificates of Indebtedness.....	6,486,000	5,979,000	3,975,000
Other bonds, stocks and securities.....	70,881,000	69,658,000	66,082,000
Total Investments.....	\$112,578,000	\$109,690,000	\$101,009,000
Reserve balance with Federal Reserve Bank.....	43,315,000	49,160,000	41,904,000
Cash in vault.....	13,440,000	6,603,000	9,197,000
Net demand deposits on which reserve is computed.....	314,449,000	320,360,000	314,657,000
Time deposits.....	157,863,000	155,996,000	143,802,000
Government deposits.....	7,282,000	13,742,000	6,988,000
Bills discounted with Federal Reserve Bank.....	9,115,000	12,671,000	47,674,000
Bills payable with Federal Reserve Bank.....	1,240,000	3,734,000	18,845,000

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 for four weeks ending.....	Mar. 15, 1922	Feb. 15, 1922	Mar. 1922 comp. to Feb. 1922	March 16, 1921	Mar. 1922 comp. to Mar. 1921
St. Louis	\$489,975,000	\$462,885,000	+ 5.8	\$532,515,000	- .8
Louisville	123,247,000	118,307,000	+ 4.1	153,966,000	-19.9
Memphis	90,721,000	85,006,000	+ 6.7	86,648,000	+ 4.7
Little Rock.....	36,611,000	40,348,000	- 9.2	35,196,000	+ 2.0
East St. Louis & Natl. Stock Yards	32,434,000	33,222,000	- 2.3	34,196,000	- 5.1
Evansville	25,732,000	20,002,000	+28.6	18,703,000	+37.5
Springfield	11,231,000	11,833,000	- 5.1	10,973,000	+ 2.3
Quincy	8,429,000	7,474,000	+12.7	11,030,000	-23.5

FEDERAL RESERVE OPERATIONS

In February the Federal Reserve Bank of St. Louis discounted \$54,234,109 of paper for 298 member banks, which is a decrease of \$20,293,563 under the amount discounted in January, and a decrease of 22 in the number of banks accommodated. Acceptances purchased in February amounted to \$2,081,920, an increase of \$1,201,866 over the preceding month. There was no change in the discount rates of this bank.

Changes in the assets and liabilities of the Federal Reserve Bank of St. Louis since a month ago and last year are shown in the following comparative statement (in thousands of dollars):

	March 15, 1922	Feb., 15, 1922	March, 18, 1921		March, 15, 1922	Feb., 15, 1922	March, 18, 1921
RESOURCES:				LIABILITIES:			
Gold Reserves.....	\$104,403	\$114,978	\$ 94,179	Capital paid in.....	\$ 4,639	\$ 4,604	\$ 4,433
Legal tender notes, silver, etc.....	15,060	14,247	8,329	Surplus	9,388	9,388	8,346
Total Cash Reserves.....	\$119,463	\$129,225	\$102,508	Reserve for U. S. Gov't franchise tax.....	43	62	---
Discounts secured by U. S. Govt. obligations.....	8,406	13,572	35,889	Deposits	68,759	78,335	73,264
Discounts otherwise secured or unsecured..	20,166	24,364	56,910	F. R. notes in circulation	82,457	85,017	119,283
Bills bought in open market.....	1,247	1,469	2,330	F. R. Bank notes in circulation	3,338	3,679	6,998
U. S. Gov't securities....	18,013	12,951	14,507	Deferred availability items	33,182	29,611	36,743
Total earning assets.....	\$ 47,832	\$ 52,356	\$109,636	Other liabilities.....	635	597	1,653
Uncollected items.....	32,066	28,268	36,736	Total liabilities.....	\$202,441	\$211,293	\$250,720
Other resources.....	3,080	1,444	1,840	Combined reserve ratio..	79.0%	79.1%	53.2%
Total resources.....	\$202,441	\$211,293	\$250,720				

(Compiled March 20, 1922)