

FEDERAL RESERVE BANK OF ST. LOUIS

MONTHLY REVIEW OF

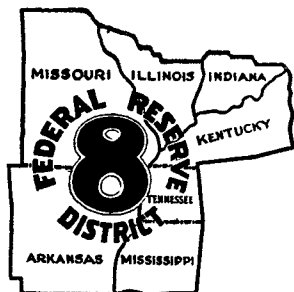
GENERAL BUSINESS CONDITIONS

IN FEDERAL RESERVE DISTRICT No. 8

Released for Publication On and After the Afternoon of November 29, 1922

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GENERAL business throughout this district during the past thirty days has been marked by continued growth in confidence and activity. Despite an advancing tendency in prices of many important lines of commodities, buying has been on an impressive scale, with the aggregate volume the largest for this particular season since 1919. Some complaints were heard of backwardness in the movement of certain goods, due to unusually warm weather, but these were mainly from the retail branch of distribution and by no means the general rule. Price advances in the textile markets have had the effect of arousing greater interest among merchants in future supplies and they are anticipating their requirements to a greater extent than heretofore.

While buying is still on a very cautious and conservative basis, it was noted that there is more of a disposition to fill out and balance stocks, which is taken as an indication of broadening in the call for merchandise by ultimate consumers, also stronger faith in business prospects during the next few months. Rather generally among reporting manufacturing and distributing interests there is expressed dissatisfaction with the rising trend of commodity prices, especially of manufactured goods, which they seem to think is progressing more swiftly than fundamental conditions warrant. Apprehension is felt that if the upward movement proceeds much further it may result in a cessation of buying. This feature is pointed out as the chief menace existing at present to the continuance of business activity.

In virtually all the leading manufacturing lines, production during the past month showed gains over the preceding thirty days and the corresponding period a year ago. Among the lines in which increases were particularly marked were iron and steel, furniture, flour, boots and shoes, lumber and woodenware. Several manufacturers reported that slight decreases during October under September in their total sales were not due to lack of orders, but to physical inability to turn out the goods. A number of plants have disposed of their prospective outputs through the balance of this year, and have booked substantial orders for delivery through the first quarter of 1923.

One extremely favorable development in this district during the period under review was a general rise in prices of farm products. Advances were recorded in the entire list of cereals, with wheat and corn showing particularly good gains. This accretion in values has served to infuse considerable

optimism in the agricultural sections, and farmers are reentering the markets and buying their requirements of staple merchandise. Implement makers and distributors report heavy increases in their sales over a year ago, and the same is true of stove interests and other producers of specialties largely consumed in the country. Another favorable effect of the upturn in prices of farm products has been broadened programs for next season's crops.

Reports from the South reflect the beneficial results of the rise in cotton prices. Throughout that general region business is more active than in more than three years. Wholesale and jobbing interests in the large centers report that Southern merchants who purchased earlier in the year are reordering on quite a liberal scale, and are requesting prompt shipment on goods taken. The demand for cotton is reported active and while the crop is short in many localities, quality generally in this district is excellent. During the period under review middling cotton in St. Louis ranged from $21\frac{3}{4}c$ to $26\frac{1}{4}c$, closing at the latter figure on November 15.

Specifically the past thirty days brought no changes in crop conditions in the district. The November 1 report of the United States Department of Agriculture for the most part verified earlier estimates. According to the Department the average yield per acre of all crops combined in the states wholly or partly lying within the Eighth Federal Reserve District, duly weighted, compared with the average for recent years, was 97.4 per cent, against 103 per cent last year and 93.2 per cent in 1920. Gathering and marketing of late crops has proceeded under favorable conditions, and the mild weather in late October and early November was auspicious for live stock and general farming operations.

The most unfavorable feature in the business situation is the car shortage. From all sections come reports of delayed freight movement and the hampering of operations in the major industries. In face of this handicap, however, railroads in the district made an extremely favorable showing in the matter of loadings during the period under review. All roads reported increases over the preceding month, and the corresponding time a year ago. The St. Louis Terminal Railway Association, which includes 26 roads operating through this gateway, interchanged 209,036 loads in October, the largest number in more than two years, and comparing with 185,545 in September and 191,722 in October,

1921. During the first nine days of November 64,767 loads were interchanged, against 58,550 loads for the same period in October. While still under normal, passenger traffic showed a slight improvement, the October total being about 2 per cent larger than in September. This was the first time this year that an increase over the preceding month was recorded. A slight betterment in the car situation is reported, due to more intensive loading and efficient handling, also to the fact that the roads are beginning to receive deliveries of new equipment purchased, and old cars that have been repaired.

Reports from scattered sections of the district are to the effect that the fuel situation more nearly approximates normal now than at any time since the miners' strike was called last April. Tonnages are moving in volume from the coal fields, and stocks in consumers hands and on dealers' piles are of size usual at this season in past years. The demand for steaming fuel is quiet, and the trend of prices easier. Metallurgical coke is more plentiful and sharply lower than thirty days ago. Production of soft coal continues to increase, the total output for the week ending November 11 being about 10,700,000 tons. For the calendar year to November 4 total production for the country as a whole was 322,540,000 tons, against 345,617,000 tons for the corresponding period in 1921.

Automobile production for the country at large increased sharply during October as compared with September, the gain being due largely to the fact that certain important interests suspended operations during part of the earlier month. The output

of passenger cars during October by companies reporting direct or through the Automobile Chamber of Commerce was 214,208 against 186,163 in September. Production of trucks in October totaled 21,104 against 18,253 in September. Sales of 230 dealers scattered through the district in October were from 10 to 15 per cent larger than the corresponding period a year ago. The number of new cars in dealers hands was slightly larger than last year, but there was a material reduction in value of used cars held by dealers. The demand for accessories and tires is reported active, with sales well over those of a year ago.

Reports relative to collections continue favorable with backward spots growing gradually fewer from month to month. Leading shoe and drygoods houses in the large centers report October settlements the heaviest in more than three years. Especial improvement is noted in the cotton sections, where planters are paying their bills and fair liquidation with the banks has taken place. In the coal fields merchants are getting in their money, and generally through the grain areas current bills are being promptly paid. Answers to 335 questionnaires addressed to representative interests throughout the Eighth Federal Reserve District asking for data relative to collections show the following results: 7.6 per cent excellent, 50.6 per cent good, 38 per cent fair and only 3.8 per cent poor.

The per capita circulation of the United States on November 1 was \$41.44, against \$41.04 on October 1 and \$42.44 on November 1, 1921.

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

District	NUMBER			AMOUNT		
	Oct., 1922	Sept., 1922	Oct., 1921	October, 1922	September, 1922	October, 1921
Boston, First.....	154	118	135	\$ 3,950,610	\$ 1,479,198	\$ 1,550,137
New York, Second.....	364	376	350	6,239,259	12,209,811	17,525,697
Philadelphia, Third.....	76	61	77	2,122,521	1,107,680	7,890,928
Cleveland, Fourth.....	151	128	177	5,653,108	3,848,535	2,613,018
Richmond, Fifth.....	91	128	109	2,317,926	4,269,453	1,511,141
Atlanta, Sixth.....	119	120	153	1,716,140	2,765,041	5,271,140
Chicago, Seventh.....	232	212	230	5,185,636	3,863,884	5,853,226
St. Louis, Eighth.....	91	100	88	1,661,606	2,417,725	1,117,815
Minneapolis, Ninth.....	86	50	70	1,496,211	575,947	1,833,103
Kansas City, Tenth.....	92	66	76	1,272,345	738,243	2,000,108
Dallas, Eleventh.....	91	85	109	1,014,291	1,480,222	2,455,126
San Francisco, Twelfth.....	161	137	139	2,017,785	2,152,387	3,437,220
Total.....	1,708	1,566	1,713	\$34,647,438	\$36,908,126	\$53,058,659

MANUFACTURING AND WHOLESALE

Boots and Shoes — Orders received by leading interests continue in excess of ability to ship the goods, though factory operations are at capacity and several of the larger companies are turning out more shoes than ever before. October sales of the 11 reporting concerns were 7.6 per cent larger than for the same month last year, and 21.6 per cent in excess of September this year. As was the case during the preceding thirty days, business in men's wear is relatively better than on women's shoes, due to uncertainty relative to styles in the latter classification. Price changes were confined to special numbers and varieties, but the general

trend is upward, in both raw materials and finished goods. Orders received from salesmen who are out to sell spring lines were very satisfactory during the first half of November, and indicate a continuance of the gains recorded during the past several months.

Clothing — The movement of clothing during the period under review, according to 23 leading interests, was brisk, though the unseasonably warm weather had a detrimental effect on buying of cloaks, overcoats and other seasonal garments. Advance sales for spring wear are considerably larger than for the corresponding period a year ago, and

the comment is made that the orders include a larger percentage of better class goods. The trend of prices is upward, reflecting the recent advance in the woolen and cotton markets. Business in the South is relatively better than in other sections of the district. Sales of furs are reported disappointing, due to the late season. October sales of the 23 reporting interests were 4.2 per cent under those of the same month in 1921 and 10.5 per cent less than in September this year.

Iron and Steel Products—Production for the industry as a whole showed a moderate increase during the past thirty days, with some lines, notably stoves, railroad supplies, farm implements and miscellaneous castings making good gains. Prices of finished and semi-finished materials were for the most part steady to strong, but there was a sharp decline in the pig iron market. Buying of pig iron, both for immediate and future shipment, fell off heavily, buyers being uncertain as to prices and generally disposed to postpone filling their requirements until greater stability is restored to the market. No. 2 Southern iron, 1.75 to 2.25 per cent silicon, is quoted at from \$25 to \$27, furnace, against \$28 to \$30 per ton thirty days ago. The melt of pig iron, however, continues on a large scale, and the steel plants and foundries have business booked which will keep them busy during the remainder of the year. The railroads continue to buy freely, and warehouse interests report a good outlet for virtually their entire line. Wire rope manufacturers, 5 interests reporting, show October sales 72½ per cent larger than a year ago; farm implement makers, 6 interests reporting, showed October sales 18 per cent larger than last year; railway supplies, 5 interests reporting, show 22¼ per cent larger sales in October than a year ago and stoves, 7 interests reporting, had aggregate sales of 26.3 per cent larger in October than for the same month in 1921.

Hardware—Business of the 12 leading interests in October was described as improving, their aggregate sales for that month being 2.4 per cent larger than for the same period in 1921 and 7.3 per cent in excess of September this year. The price trend throughout the line shows a strengthening tendency, especially on wire and wire products, copper goods and typical steel products. Manufacturers of these materials are behind on deliveries, due to car shortage and disabilities to production incident to the coal strike. Materials of all sorts used on farms, particularly for repairs and improvements, are moving in heavy volume.

Electrical Supplies—October sales of the 7 reporting interests were 16.1 per cent larger than for the same month in 1921 and 5.4 per cent in excess of the preceding month this year. An excellent demand was reported for holiday goods, such as electrical appliances, radio sets and fancy lamps. Sales of fixtures and equipment for new building, while still heavy, showed a slight decrease under recent months. Prices reflect the upturn in copper, iron and steel and slab zinc. Sales of heating apparatus show the usual seasonal increase.

Flour—Production of 11 leading mills in the district during October was 365,306 barrels, the largest in more than a year, and comparing with 353,367 in September and 359,748 in October, 1921.

The demand generally was considerably more active than earlier in the season, and due to an advance in prices, there was a heavy ordering out of flour sold on contract. The South is buying briskly, and the demand from other sections of the district has shown marked improvement. The export inquiry continues slow, except for clears and low grade flours, of which millers have little to offer. Stocks in the hands of jobbers and retailers are light, but there is a disposition to hold off buying in expectation of lower prices. Mill operation during the period under review was at from 60 to 80 per cent of capacity.

Dry Goods—Aggregate sales of the 11 reporting interests in October were 10.7 per cent larger than the same period in 1921, but showed a seasonal decrease, 10.3 per cent, under the preceding month this year. Buying for spot shipment is holding up well and orders for spring delivery are being freely placed. The volume of forward business on the books of the reporting interests is the largest for this particular season since 1919, and ranges from 40 to 87 per cent in excess of the same time last year. Cotton goods are particularly active, the recent price advances having stimulated purchasing. The sold up condition of the mills has resulted in a scarcity of certain staple goods. Retail stocks generally through the district, particularly in the smaller communities, are light.

Groceries—Improvement in general business is reflected in the October sales of the 17 reporting interests, the total being 4.8 per cent over the same month in 1921 and 12 per cent in excess of September this year. Orders received for holiday goods, particularly candies and dried fruits, have been large, and the more staple lines are moving in good volume. The trend of prices is upward, with some rather sharp advances being recorded. Canned goods are higher, and sugar, flour and rice have moved upward. A general comment is that, while competition is still keen, the business has worked to a stage of greater stability and profit.

Drugs and Chemicals—The volume of business in this line is declining somewhat, October sales of the 7 reporting interests being 9.9 per cent under last year, and 3.7 per cent under the September total. An important factor in the decrease has been the falling off in sales of heavy chemicals to manufacturers. A number of the firms reporting comment on the general good health in the territories they serve, which condition is holding down sales of remedial drugs and proprietary medicines. Early orders for holiday goods have been large. Drug and chemical prices continue firm, with the tendency upward. Toilet articles, sundries and specialties, on the other hand, are lower.

Furniture—Activity in this industry noted in the preceding issue of this report continued unabated during the period under review. Factory operation was maintained at capacity, and producers are behind on deliveries. Most of the reporting interests have orders which will absorb their entire outputs during the balance of the year. Prices of finished goods were unchanged during the past month, but slight advances were reported on raw materials, notably lumber and metal goods. Manufacturers of metal beds report an improvement in the demand for their product. Office furniture and

equipment are being well taken. October sales of the 11 reporting interests were from 10 to 17½ per cent larger than for the same period in 1921.

Lumber—Through the second half of the fall season the demand for building lumber has been comparatively inactive, and of gradually contracting volume. Consumption, however, has been very heavy, and because of this retailers have had to do much more than the usual amount of small order buying to fill in broken stock assortments. Mixed car buying of an urgent character has accordingly been noted, and the mills have experienced much difficulty in handling it, because of many old un-

shipped orders and the serious lack of cars. The hardwood demand on the other hand, has substantially increased, and is decidedly active in respect to the lower grades and cheaper woods at the end of November. Prices of both soft and hardwoods during the period under review have been controlled by transportation conditions. Pine, fir and other building woods have remained steady, with only minor fluctuations in items here and there in the list; while in the more salable hardwoods and in ship and common grades of cypress there have been continuing, and in some classes of the former kind of stock, very marked price advances. Sap gum has been featured by both demand and price gains.

Industrial Power Consumption—Reports for October indicate that recent gains in the consumption of electrical power for industrial purposes are being maintained and though the increase over the previous month is not large, comparison with October, 1921, shows a gain of 22.6 per cent. The figures follow:

Representative Customers	Oct., 1922	Sept., 1922	Oct., 1922 comp. to Sept., 1922	Oct., 1921	Oct., 1922 comp. to Oct., 1921
St. Louis 67	11,975,405 k. w. h.	12,109,221 k. w. h.	+ 1.1	10,201,596 k. w. h.	+17.3
Memphis 31	1,007,280 "	881,580 "	+14.3	866,530 "	+16.2
Little Rock 11	626,606 "	553,591 "	+13.2	640,357 "	- 2.2
Louisville..... 81	3,015,351 "	2,778,354 "	+ 8.5	1,849,600 "	+63.0
Total.... 190	16,624,642 "	16,322,746 "	+ 1.8	13,558,083 "	+22.6

RETAIL

Continued improvement featured practically all lines of retail trade during October, reports of some lines indicating more than a seasonal increase. In contrast with the conflicting tendencies of August, due partly to labor troubles, last month's reports show an almost uniformly upward tendency, with sharply increased buying in the rural communities. Sales of reporting clothing interests exceeded September totals by fully 15 per cent and show an increase over October, 1921 of from 15 to 20 per cent. The large increase over September is partly due to the fact that early September weather was unfavorable for fall buying. A slight stiffening is noted in the retail price of clothing. Jewelers enjoyed a good month, with sales about 15 per cent above September and about 15 per cent above a year ago. Hardware dealers, who have benefitted by the

recent wave of building, report sales of builders' hardware steady, despite price advances. October sales were slightly above September and 15 to 20 per cent above a year ago. Stationers report October business disappointing, with job printing and stationery quiet and sales in both these departments less than a year ago. The demand for office furniture is better, however. An active demand is noted for fall sporting goods, with sales in larger volume than during October, 1921. Prices in these lines are steady, except for slight advances in leather and cotton goods. October furniture sales were well up to expectations, a brisk demand being noted for dining room and bed room sets, also for draperies and floor-coverings. Furniture sales were from 5 to 10 per cent above September and from 15 to 30 per cent larger than a year ago.

Department Stores—The condition of retail trade during October, 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:							
Oct., 1922, compared with Oct., 1921.....	+ 8.6	- 3.6	+ 7.7	+ 0.1	- 4.7	+ 2.5	+ 5.3
Period July 1 to Oct. 31, 1922, compared with same period in 1921.....	+ 4.8	- 0.1	+ 9.7	-13.9	-12.9	+ 0.8	+ 3.0
Stock at end of October, 1922:							
Compared with same month in 1921.....	- 0.8	-18.1	- 5.9	+ 0.6	-19.9	- 0.2	- 4.0
Compared with stocks at end of September, 1922.....	+ 3.3	+ 7.9	+ 5.4	+ 1.9	+ 0.6	+ 1.2	+ 5.0
Average stocks on hand at end of each month since July 1, 1922, to average monthly sales during same period.....	383.7	373.5	488.5	477.2	717.5	479.8	409.2
Outstanding orders for October, 1922, compared with previous year's purchases.....	7.1	6.3	12.4	6.4	1.2	6.4	7.7

AGRICULTURE

Weather conditions generally through the district were favorable for agricultural operations of all sorts, and farmers are well up with fall work. The recent rains served to improve pastures and were of considerable benefit to the growing crops. Winter wheat seeding, which covered an unusually long period due to dry weather, has been completed,

and latest reports indicate that the plant is up to a good stand and is entering the cold weather in excellent condition. Acreages will be slightly larger than those planted in the autumn of 1921.

Husking of corn is progressing rapidly, with returns somewhat spotted. In certain localities quality reflects the results of the long dry spell

during the growing season, but on the whole the grain is grading well up to expectations. Comment is made in many localities of damage from chinch bugs. The yield per acre in Illinois was 35 bushels; in Indiana, 37 bushels; in Missouri, 29 bushels; in Tennessee, 20 bushels; in Mississippi, 17.6 bushels; in Arkansas, 19 bushels and in Kentucky, 28 bushels.

Yields of late fruits in all states of the district were large, and quality exceptionally high. Illinois produced 9,720,000 bushels of apples, or 81 per cent of normal, and more than four times larger than in 1921. The Missouri apple crop was 85 per cent of normal, and that of Arkansas 40 per cent of normal. Late vegetables have in the main proved satisfactory, though there are numerous complaints of low quality in the Irish potato crop. Production of sweet potatoes in Indiana was equal to a normal yield, and in Tennessee, and Arkansas the outputs were large.

Kentucky's total production of tobacco of all types is estimated at 446,400,000 pounds, an increase

The U. S. Department of Agriculture, in its report as of November 1, 1922, gives the condition of corn and tobacco in the states of this district as follows:

	CORN PRODUCTION						PRICE PER BU.			
	YIELD PER ACRE		1922		1916—1920		Quality		November	
	1922 Prelim.	10 yr. av.	1922 Preliminary	1921 Dec. Est.	1916—1920 average	1922 %	1921 %	1922 cents	1921 cents	
Arkansas	19.0	19.8	48,317,000	60,148,000	48,167,000	75	84	81	56	
Illinois	35.0	34.0	308,665,000	305,966,000	337,245,000	90	78	56	35	
Indiana	37.0	36.4	176,305,000	169,848,000	182,569,000	88	71	54	36	
Kentucky	28.0	27.2	90,748,000	82,150,000	97,152,000	83	74	70	58	
Mississippi	17.6	17.6	50,248,000	57,096,000	55,702,000	82	84	81	65	
Missouri	29.0	26.4	171,477,000	182,880,000	176,224,000	84	80	63	37	
Tennessee	23.0	25.2	74,405,000	90,713,000	86,490,000	81	82	76	59	

	TOBACCO					
	Lbs.	Lbs.	Lbs.	Lbs.	Lbs.	
Kentucky	800	852	446,400,000	325,710,000	467,000,000	88 84
Tennessee	710	765	100,820,000	78,750,000	86,660,000	88 90

Range of prices on typical products in the St. Louis market between October 14 and November 15, with closing quotations on each of these dates, and on November 15, 1921:

	Close Oct. 14	High	Low	Close Nov. 15	Close Nov. 15, 1921
December wheat.....Per bu.	\$1.11¾	\$1.18¾	\$1.09½	\$1.18¾	\$1.00¾
May wheat....."	1.11½	1.16¾	1.09½	1.16½	1.05¾
July wheat....."	1.03¾	1.06½	1.02	1.06¾	.....
December corn....."	.66½	.70½	.64½	.70¾	.45¼
May corn....."	.67¾	.70¾	.65¾	.70¾	.50¾
July corn....."	.67½	.70¾	.65½	.70¾	.....
December oats....."	.44	.45	.42	.45	.32½
May oats....."	.42¾	.44½	.42¾	.44¾	.37
No. 2 red winter wheat....."	\$1.26 @ 1.28	1.31	1.20	\$1.27 @ 1.31	1.19
No. 2 hard wheat....."	1.16 @ 1.17	1.27½	1.14	1.21 @ 1.22	1.03
No. 2 corn....."	.72	.74	.68	.72 @ .72½	.47½
No. 2 white corn....."	.72½ @ .73	.75	.69½	.71½ @ .73½	.48½
No. 2 white oats....."	.47	.47½	.43½	.45¼ @ .45½	.33¼
Flour: soft patent.....Per bbl.	5.75 @ 7.00	7.00	5.75	6.00 @ 7.00	\$5.75 @ 6.75
Flour: hard patent....."	6.30 @ 6.35	6.70	6.10	6.45 @ 6.50	6.30 @ 6.75
Middling cotton.....Per lb.	.21¾	.26¼	.21¾	.26¼	.18
Hogs on hoof.....Per cwt.	6.85 @ 9.50	9.70	6.25	7.00 @ 8.40	5.25 @ 7.25

COMMODITY MOVEMENT

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

	Receipts			Shipments		
	Oct., 1922	Sept., 1922	Oct., 1921	Oct., 1922	Sept., 1922	Oct., 1921
Flour, barrels.....	417,860	383,120	589,380	638,140	544,310	589,380
Wheat, bushels.....	3,945,936	2,460,884	3,510,165	2,909,580	2,539,380	3,522,540
Corn, bushels.....	2,524,600	2,796,300	2,369,094	1,949,550	1,734,005	1,940,140
Oats, bushels.....	2,820,000	1,760,000	2,477,225	2,001,190	1,341,490	1,921,710
Lead, pigs.....	372,350	384,890	199,090	288,190	218,690	113,610
Zinc and Spelter, slabs.....	244,140	147,390	213,880	270,120	211,020	303,780
Lumber, cars.....	13,659	16,313	13,560	10,834	12,084	11,191
Meats, pounds.....	22,967,100	23,451,900	20,787,900	31,315,700	30,867,400	25,275,400
Fresh Beef, pounds.....	102,900	.....	90,900	21,947,500	20,964,100	24,139,100
Lard, pounds.....	5,247,200	7,736,900	4,133,100	10,866,300	10,301,600	6,605,400
Hides, pounds.....	4,790,100	4,967,500	6,462,000	6,550,300	7,459,600	7,761,000

LIVE STOCK MOVEMENT

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

	Receipts			Shipments		
	Oct., 1922	Sept., 1922	Oct., 1921	Oct., 1922	Sept., 1922	Oct., 1921
Cattle and Calves.....	207,283	175,481	129,877	129,420	126,660	81,760
Hogs	295,819	253,963	241,267	185,872	166,117	161,524
Sheep	53,861	48,235	41,699	22,889	17,004	12,287
Horses and Mules.....	13,798	9,990	8,229	13,236	8,927	7,091

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:

	Men	Women	Wage Earners			Pay Roll
			Total	Normal	% of Normal	
Oct. 31, 1922.....	115,428	20,305	135,733	158,671	—14.5	\$10,411,542.30
Sept. 30, 1922.....	107,844	19,907	127,751	154,301	—17.2	9,802,604.40
Oct. 31, 1921.....	106,177	18,600	124,777	158,671	—21.4	9,290,101.17

It will be noted that the number of employees of reporting interests increased 10,956 or 8.8 per cent (men increased 8.7 per cent while women increased 9.2 per cent) between October 31, 1921 and October 31, 1922. Wages, figured on a semi-monthly basis, increased 3.0 per cent during the same period.

BUILDING

Continued mild weather throughout the latter part of October and early November furnished favorable conditions for pushing building operations under way, especially road construction, extensive programs for which are being carried out in several states of the district. According to the index of the U. S. Bureau Labor Statistics, building costs are now 40 per cent below their peak in April, 1920, but still 80 per cent above the 1913 level. Some slight reductions in material prices were recorded during the period under review, notably cement and common bricks. The output of cement for the country as a whole in October was 12,287,000 barrels, the largest for any single month this year, and comparing with 10,506,000 barrels in October, 1921.

Comparative building figures for October 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.....	785	604	\$2,683,245	\$1,350,158	578	441	\$274,038	\$207,015
Louisville	262	179	690,725	722,600	103	87	53,575	50,900
Memphis	341	254	2,137,360	897,780	70	48	41,460	23,760
Little Rock.....	67	87	161,750	284,150	153	168	66,526	45,486
Evansville	58	55	219,527	100,400	75	46	25,431	6,235
Oct. totals.....	1,513	1,179	\$5,892,607	\$3,355,088	979	790	\$461,030	\$333,396
Sept. totals.....	1,461	1,273	4,919,432	5,453,742	912	874	464,610	483,883
Aug. totals.....	1,539	1,287	4,725,270	3,121,521	933	870	671,337	372,731

FINANCIAL

The outstanding feature of the financial situation in this district during the period under review has been the excellent liquidation in the South, particularly in Arkansas. Numerous country banks have reduced their loans much more rapidly than was thought possible sixty days ago. In a number of instances these banks are seeking employment for their funds, a condition which has not existed with them for several years. In the larger cities of the South the loans item shows a substantial increase, which fact is due to the movement of cotton from areas of production to concentration points. Good progress in the clearing up of loans of long standing is general over the entire cotton section. Elsewhere in the district the situation remains much the same as thirty days ago, save that the freer movement of wheat has increased the demand for credits based on that commodity. Liquidation of old live stock loans and new ones contracted about balance, but the demand from this source is

still active. Some improvement in the demand for funds for general commercial purposes has taken place, and is reflected in a firmer tendency in interest rates charged by the commercial banks. Withal there is a plentitude of funds for all legitimate business requirements, and deposits are holding their own in good shape. Savings continue their recent steady gains. Between September 15 and October 15 net deposits of the Federal Reserve Bank of St. Louis increased \$1,309,000. Federal Reserve bank notes in circulation increased \$9,393,000 and there was an increase of \$7,717,653, in paper discounted for member banks. The total reserve carried against combined deposit and Federal Reserve note liabilities decreased 1.9 per cent, standing at 69.2 per cent on November 15.

Commercial Paper — Sales of reporting brokers during the period under review were limited only by the scarcity of offerings. Relatively little paper is originating, and the demand at the moment is brisk. Country banks, especially in the South,

are in the market for liberal amounts of paper, and financial institutions in the larger centers are good purchasers, though the inquiry from the latter source is less steady and regular than from the country. October sales of reporting interests were from 56½ per cent to 70 per cent in excess of the corresponding month in 1921. Rates are higher, ranging from 4½ to 5 per cent, which contrasts with 4¼ to 4¾ during the preceding thirty days.

Acceptances — No change from the dull, featureless status of the bill market was noted during the period under review. Few acceptances are originating, and the demand in this district is almost nil, the slight advance in rates having failed to stimulate purchases. During October the Federal Reserve Bank of St. Louis bought \$6,096,294 of acceptances, an increase of \$5,896,294. Rates at the close of the period were 4¼ per cent.

Interest Rates — Between November 15 and October 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.....	6	4	5½	6	4¾	6	7	5	6	8	6	7
4 to 6 months.....	6	4	5½	6	5	6	8	6	6	8	6	7
Prime Commercial Paper purchased in open market:												
30 to 90 days.....	5	4¾	4¾	4¾	4½	4¾	6	5	6	5	4¾	4½
4 to 6 months.....	4¾	4¾	4¾	4¾	4½	4¾	-----	-----	-----	-----	-----	-----
Loans to other banks.....	7	4½	5½	6	5	5	8	5½	6	7	6	6
Bankers' Acceptances of 60 to 90 days:												
Endorsed	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
Unendorsed	-----	-----	-----	3½	3½	3½	-----	-----	-----	-----	-----	-----
Loans secured by prime stock exchange collateral or other current collateral:												
Demand	6	4½	5½	6	5	6	6	5	6	8	6	7
3 to 6 months.....	6	4½	5½	6	5	6	6	5	6	8	6	7
3 months.....	6	4½	5½	6	5	6	7	6	6	8	6	7
Cattle loans.....	7	5½	6	6	6	6	-----	-----	-----	8	7	8
Commodity paper secured by warehouse receipts, etc.....	6	5	5½	6	6	6	6	6	6	8	6	7
Loans secured by Liberty Bonds and certificates.....	6	4½	5½	6	5	6	6	6	6	8	6	7

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:

	Nov. 1, 1922			Oct. 4, 1922		Nov. 1, 1921	
	Number Banks Reporting	Number Savings Accounts	Amount Savings Deposits	Number Savings Accounts	Amount Savings Deposits	Number Savings Accounts	Amount Savings Deposits
St. Louis.....	12	243,362	\$ 67,204,000	241,668	\$ 66,817,000	225,620	\$ 60,353,664
Louisville	7	141,568	21,447,000	140,721	21,053,000	120,325	17,946,815
Memphis	7	57,930	14,503,000	57,460	14,391,000	59,069	13,277,328
Little Rock.....	5	25,014	6,332,000	24,965	6,323,000	23,768	5,402,686
Evansville	4	22,215	8,572,000	22,067	8,552,000	20,448	8,298,582
Total.....	35	490,089	\$118,058,000	486,881	\$117,136,000	449,230	\$105,279,075

Condition of Banks — The condition of banks in this district and changes 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:

	Nov. 8, 1922	Oct. 11, 1922	Nov. 9, 1921
Number of banks reporting.....	37	37	37
Loans and discounts (excluding rediscounts):			
Secured by U. S. Govt. obligations.....	\$ 15,855,000	\$ 15,273,000	\$ 18,840,000
Secured by Stocks and Bonds other than U. S. Bonds	132,666,000	127,484,000	122,220,000
All other loans and discounts.....	284,664,000	277,190,000	297,871,000
Total loans and discounts.....	\$433,185,000	\$419,947,000	438,931,000
Investments:			
U. S. Bonds.....	52,557,000	36,512,000	29,642,000
U. S. Victory Notes.....	2,592,000	3,252,000	1,540,000
U. S. Treasury Notes.....	12,272,000	10,872,000	185,000
U. S. Certificates of Indebtedness.....	3,561,000	6,007,000	3,265,000
Other bonds, stocks and securities.....	86,874,000	86,766,000	69,697,000
Total investments.....	\$157,856,000	\$143,409,000	\$104,229,000
Reserve Balance with Federal Reserve Bank.....	41,510,000	40,285,000	40,309,000
Cash in Vault.....	10,384,000	7,868,000	7,574,000
Net demand deposits on which reserve is computed.....	341,210,000	333,058,000	294,362,000
Time deposits.....	176,443,000	173,181,000	148,964,000
Government deposits.....	4,992,000	4,428,000	8,881,000
Bills discounted with Federal Reserve Bank.....	9,707,000	6,885,000	25,756,000
Bills payable with Federal Reserve Bank.....	6,491,000	1,338,000	9,132,000

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 period which they cover:

	For four weeks ending Nov. 15, 1922	For four weeks ending Oct. 11, 1922	Nov., 1922 comp. to Oct., 1922	For four weeks ending Nov. 16, 1921	Nov., 1922 comp. to Nov., 1921
East St. Louis and Nat. Stock Yards, Ill.	\$ 40,397,00	\$ 40,426,000	— 0.1%	\$ 34,607,000	+16.7%
Evansville, Ind.	28,986,000	28,938,000	+ 0.2%	20,981,000	+38.1%
Fort Smith, Ark.	14,066,000	13,170,000	+ 6.8%	.....	.....
Greenville, Miss.	4,130,000	3,401,000	+21.4%	.....	.....
Helena, Ark.	8,318,000	6,599,000	+26.0%	.....	.....
Little Rock, Ark.	61,703,000	55,493,000	+11.2%	44,035,000	+40.1%
Louisville, Ky.	130,022,000	126,286,000	+ 3.0%	86,852,000	+49.7%
Memphis, Tenn.	161,199,000	125,029,000	+28.9%	126,295,000	+27.6%
Owensboro, Ky.	4,646,000	4,334,000	+ 7.2%	.....	.....
Quincy, Ill.	9,358,000	9,524,000	— 1.7%	8,477,000	+10.4%
St. Louis, Mo.	572,923,000	586,524,000	— 2.3%	477,753,000	+19.9%
Springfield, Mo.	12,324,000	11,470,000	+ 7.4%	11,119,000	+10.8%
Total	\$1,048,072,000	\$1,011,194,000	+ 3.6%	\$810,119,000	+29.4%

FEDERAL RESERVE OPERATIONS

During October the Federal Reserve Bank of St. Louis discounted for 260 of its 608 member banks, which compares with 271 of its 606 member banks accommodated in September. The discount rate of this bank remains unchanged at 4½ per cent.

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):

RESOURCES:				LIABILITIES:			
	Nov., 15, 1922	Oct., 18, 1922	Nov., 16, 1921		Nov. 15, 1922	Oct. 18, 1922	Nov. 16, 1921
Gold Reserves.....	\$104,212	\$ 97,878	\$ 96,504	Capital Paid in.....	\$ 4,801	\$ 4,787	\$ 4,567
Legal Tender, Notes, Silver, etc.....	8,887	5,018	13,182	Surplus	9,388	9,388	9,114
Total Cash Reserves..	\$113,099	\$102,896	\$109,686	Deposits	67,701	64,728	64,568
Discounts Secured				F. R. Notes in Circulation	95,792	86,425	102,914
Govt. Obligations.....	13,721	7,268	24,978	F. R. Bank Notes in Circulation	2,456	3,396	3,360
Discounts otherwise secured or unsecured..	18,281	18,405	41,795	Deferred Availability Items	53,234	46,694	39,714
Bills bought in open market.....	9,730	8,810	1,528	Other Liabilities.....	1,051	957	2,765
U. S. Govt. Securities....	22,215	26,563	8,465	Total Liabilities.....	\$234,423	\$216,375	\$227,002
Total Earning Assets..	\$ 63,947	\$ 61,046	\$ 76,760	Combined Res. Ratio....	69.2%	68.1%	65.5%
Uncollected Items.....	55,754	50,752	38,595				
Other Resources.....	1,623	1,681	1,955				
Total Resources.....	\$ 234,423	\$216,375	\$227,002				

(Compiled November 20, 1922)