

FEDERAL RESERVE BANK OF ST. LOUIS



MONTHLY REVIEW OF GENERAL BUSINESS CONDITIONS IN FEDERAL RESERVE DISTRICT No. 8

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R EPORTS from leading interests covering general business in this district during the past thirty days are almost unanimously optimistic. Production of commodities as a whole maintained the high levels of the two or three months immediately preceding, and in a number of instances further gains were reported and new high records set. Distribution and consumption have kept full pace with production, manufacturers and wholesalers reporting unusually heavy shipments, which in a large majority of cases were well in excess of the corresponding period a year ago. The comment is made that a marked distinction exists between the situation now and that prevailing during the early months of 1920. At present there is little buying by retailers in excess of their actual requirements, speculative purchasing being almost entirely absent, while during the earlier period there was a disposition to accumulate heavy stocks and to pyramid orders in order to profit by price advances which it was believed were about to occur.

In the country retail distribution has been stimulated by the approach of the spring farming season, especially in the South, where preparations are in progress for seeding cotton, corn and other crops. In the large cities the purchasing power of the public has been materially augmented by universal employment of labor of all descriptions. Government, State and private labor agency reports indicate an almost total absence of unemployment other than that of a voluntary character. The demand for clerical and shop workers has undergone distinct improvement during the past sixty days, and there continues a shortage of skilled and common labor in many of the principal industries. Scattered reports from the agricultural communities tell of a scarcity of farm help, the drain of workers from the country to the chief industrial centers being keenly felt. The trend of wages, both in the city and country, is still toward higher levels, and several specific advances were reported in important groups.

While the general trend of commodity prices continues upward, changes during the period under review were less marked than earlier in the year, and in a number of lines a more stable basis is in evidence. Further advances were noted in goods based on iron and steel, and in the list of textiles there were upward revisions. Shoes, hats and clothing remain very firm, but no changes worthy of note were recorded, and the same was true of furniture, drugs and chemicals, groceries and stationery. While considerable interest in fall stocks is being manifested, it is confined largely to inquiries with

the view of testing the market rather than for the actual closing of contracts.

Order books of manufacturers and wholesalers, however, are much better filled with future business now than at the corresponding period a year ago. A considerable amount of reordering in small lots is taking place, indicating that retail merchants have underestimated their requirements rather than overbought. In some sections of the district country retail trade has been handicapped by unseasonably cool weather and heavy rains, but in the cities shopping has suffered little interruption and the volume of sales shows an excellent increase over the same time a year ago. From all sections of the district reports relative to the Easter trade are satisfactory. Specialties of all sorts, particularly confectionery, were bought in large quantities.

The movement of cereals and other farm products to market during March showed a fair gain over the February total and was considerably in excess of the corresponding period a year ago. The urgent demand and higher prices for corn and oats stimulated marketing of those grains, and the movement of wheat from country elevators and farms was slightly above normal for this season. Generally prices of farm products were higher than thirty days ago, with gains particularly notable in the case of corn and oats futures and cash wheat. No. 2 red winter wheat sold in the St. Louis market at \$1.43 on April 14, which compares with \$1.35 on March 15. Between the same dates cash corn advanced approximately 10c per bushel. Middling cotton ranged from 29c to 31c per pound, closing at the minor figure of the spread on April 14. Live stock prices showed no marked variations as compared with the preceding thirty days, but average returns on cattle, hogs and sheep were somewhat under those current at the same time in 1922. Receipts of hogs at the St. Louis market in March totaled 422,429 head, against 286,203 head in March, 1922.

Revenue freight loadings of railroads operating in this district developed further heavy gains during the period under review, and in the case of several of the Southwestern lines were the largest ever recorded for this particular season of the year. Merchandise and miscellaneous freight account for something more than 50 per cent of the increase, but with the exception of coal, virtually all classifications show increases over a year ago. Passenger traffic continued the improvement noted during the two preceding months, the gain in March being 14 per cent over the same month in 1922. The St. Louis Terminal Railway Association, which

includes in its membership 26 roads operating through this gateway, interchanged 222,694 loads in March, the largest number in more than two years, and comparing with 191,642 loads in February and 172,895 loads in March, 1922. During the first nine days of April 63,580 loads were interchanged, against 67,545 loads during the same period in March and 40,346 loads for the first nine days of April, 1922.

The relatively low temperatures prevailing over the northern section of the district helped the domestic coal trade, but generally the fuel situation developed no change from the unsatisfactory conditions existing earlier this year. Prices of bituminous coal declined further, but the lower levels have failed to stimulate buying to any noticeable extent. Steam users are holding back on contracting in hopes of obtaining still further price concessions, with the result that steam sizes are accumulating at the mines and on track. In the Illinois fields operations at the mines average no more than three days per week. The car supply is more plentiful, and the low rate of operation is due chiefly to lack of orders. In the Kentucky field operations have been interfered with by a strike of miners. According to the U. S. Geological Survey the estimated cumulative production of soft coal for the country as a whole in the present calendar year to April 7 was 148,867,000 net tons, which compares with 133,123,000 net tons for the same period in 1922, 109,288,000 net tons in 1921 and 144,876,000 net tons in 1918.

Production of automobiles for the country as a whole in March developed an enormous gain, many makers reporting the largest month's output in their history. The output of passenger cars by manufacturers reporting direct or through the Automobile Chamber of Commerce was 319,527 in March against 259,383 in February. Production of trucks in March

was 34,063 against 21,411 in February. Distribution, according to reports of 230 dealers scattered through the district, is keeping well abreast of production. Sales of these dealers in March exceeded those of the same month in 1922 by 61¼ per cent, and were the largest for any month since this record has been kept. The demand extends well through all classes of passenger cars, but with the heaviest gains being recorded in medium price makes. Sales of country dealers show relatively heavier increases than those in the large cities. Tires and accessories have moved in proportionate volume to new cars, gains over the preceding month and a year ago being shown by virtually all the reporting dealers.

Collections generally continue to make a favorable showing, both in the wholesale and retail sections of distribution. Some backward spots were reported in the country, where storms and flooded streams have interfered with the normal course of communication. Wholesalers in the large cities report prompt returns on current accounts, but with fewer customers taking advantage of cash discounts than earlier in the year. Excellent liquidation has taken place in the tobacco areas, and there has been considerable liquidation of indebtedness based on live stock and grain. Answers to 390 questionnaires addressed to representative interests in all lines throughout the district asking for data relative to collections show the following results: 1.8 per cent excellent; 42.8 per cent good; 51.8 per cent fair and 3.6 per cent poor.

Commercial failures in the Eighth Federal Reserve District during March, according to Dun's, numbered 107, involving liabilities of \$1,508,844, against 173 defaults with \$2,529,541 of indebtedness in March, 1922.

The per capita circulation of the United States on April 1 was \$41.98, against \$41.61 on March 1, and \$40.37 on April 1, 1922.

MANUFACTURING AND WHOLESALE

Boots and Shoes—Sales of the 11 reporting interests in March were 18.5 per cent larger than for the corresponding month in 1922, and exceeded the February total by 17.6 per cent. While several manufacturers report minor advances on certain specialties, there was no general price change during the period under review, but the trend of values is upward in sympathy with higher raw materials and labor costs. Factory operations range from 92 to 100 per cent of capacity, and two manufacturers report a larger output in March than for any previous month. The desire for extreme styles is stimulating the demand for women's wear, and as has been the case for the past several months, there is almost limitless demand for men's work shoes.

Clothing—A sustained demand for all lines is reported from virtually every section of the district, with some pronounced increases in the cotton sections. While the trend of both raw and finished products is higher, wholesalers report a "marked price resistance" and an almost universal tendency to buy for present needs alone. As a result of this attitude, stocks in retailers' hands are barely normal, with no steps taken to increase them beyond seasonal needs. Manufacturing operations continue at full time, except where scattered labor troubles have caused cessation. With most lines, particularly those based on cotton, feeling the effects of price

stiffening during the month, demand is reported as tending toward moderate and lower priced garments. Scarcity of skilled labor is reflected in scattered wage increases, which some manufacturers report they have absorbed. Sales of the 11 reporting interests show an increase over March, 1922 of 27.0 per cent and exceed February, 1923, by 2.7 per cent. Wholesale hatters report March business as 13.3 per cent in excess of the same month a year ago, with a 5 per cent price advance during the same period. Wholesale milliners, who are experiencing the usual seasonal demands for new styles and models, report an emphatic improvement, March sales showing an increase of 23.2 per cent over the corresponding month a year ago.

Iron and Steel—While purchasing of iron and steel goods has slowed down somewhat during the past few weeks, the tendency in both prices and production continues upward, though the former are more stabilized and the range narrower. Mills, foundries and machine shops are heavily booked on future orders, and despite the enormous shipments of the past six weeks, sufficient business is still on hand to insure the present rate of operations through the third quarter of the year. Consumption continues at the highest point thus far attained on the movement, with the railroads, automotive and building industries and the oil and mining fields still

the heaviest buyers. The demand for wire and wire products is in excess of the supply, and all varieties of warehouse goods, particularly shapes, plates and bars, are moving well, with stocks light and assortments incomplete. The melt of pig iron in the district during March was the largest on record, and approximately $6\frac{1}{4}$ per cent larger than in February. Pig iron prices advanced further, No. 2 Southern, 1.75 to 2.25 per cent silicon, going to \$28, with Northern iron of the same grade bringing \$32.50 per ton, furnace, and small lots for prompt delivery selling as high as \$33. March sales of stove manufacturers, 7 interests reporting, were 46.1 per cent larger than for the same month in 1922; wire rope makers, 5 interests reporting, showed gains of $14\frac{1}{2}$ to 62 per cent; railway supplies, 5 interests reporting, gained $46\frac{1}{4}$ per cent; farm implements, 6 interests reporting, showed increases of from 12 to 200 per cent and boiler works, 6 interests reporting, showed gains of from 35 to 140 per cent.

Hardware — Sales of the 12 reporting interests in March were 29.7 per cent larger than during the same month in 1922, and 33.6 per cent in excess of the February total. Sales in the country show improvement with the advancing crop season, especially to the South, where hand implements, wire screening and other goods used on farms are moving actively. The demand for builders hardware continues excellent, and supplies for the oil camps are being well taken. As has been the case for the past several months, shelf hardware and all varieties of goods for household use are selling well. The continued advance in prices has made for conservatism in buying by retailers, orders being largely confined to immediate needs. Collections are reported generally good.

Electrical Supplies — Building extensions by public utilities companies, wiring of old homes, installations in new buildings, and a strong demand for radio sets and household electrical appliances were the chief factors in further gains in this classification. March sales of the 12 reporting interests were 35.1 per cent larger than for the same month a year ago, and 24.8 per cent greater than in February. Prices continue upward, and through the line average about 5 per cent higher for the period under review. Heavy sales of copper wire and pole hardware were reported by several firms.

Flour — Production of the 11 leading mills in the district during March was 350,000 barrels, which compares with 293,215 barrels in February, 321,725 barrels in January and 329,428 barrels in March, 1922. Business throughout the period under review was described as dull, and unsatisfactory. The domestic trade is on hand-to-mouth basis, and aside from a small movement of clears and low grade flours, virtually nothing was sold for export. Toward the middle of April there was a slight advance in prices, caused by the upturn in cash wheat, but this failed to stimulate buying. Mill operation was at from 55 to 60 per cent of capacity.

Dry Goods — While March reports indicate a continued heavy demand for all goods in this classification, an increasing conservatism is in evidence, due chiefly to the recent stiff price advances. Cold weather and heavy rains during the latter part of March and early April had a tendency to curtail distribution in many parts of the district, especially in the country. The influx of buyers in the large

cities was somewhat under expectations, but an unusually large number of orders by mail is reported. Price advances were noted in some cotton and silk goods, but the market as a whole is more stable than thirty days ago. The demand for ready-to-wear goods is reported brisk, but sales of hosiery and knit goods are somewhat disappointing. The comment is made by several of the largest firms that their sales in the oil, lumber, and cotton districts are relatively better than in other sections, with some backwardness noted in the typical grain areas. March sales of the 11 reporting interests were 29.3 per cent larger than for the same month in 1922.

Groceries — While reports are not uniformly favorable, varying considerably in reference to locality, the line as a whole continues the gradual improvement noted in the two preceding issues of this report. Sales of the 23 reporting interests in March were 6.2 per cent in excess of the same month in 1922, and 14.3 per cent over the February total. Flooded streams and heavy roads in many localities seriously hampered distribution, and in some sections farmers are buying only what they are obliged to have. In the South supplies for farms and plantations are showing the seasonal improvement, and trade in the large cities is generally good. Prices, with few exceptions, show little change worthy of note as contrasted with the preceding month.

Drugs and Chemicals — Sales of the 11 reporting interests in March showed a gain of 6.7 per cent over the same time last year, and were 11.0 per cent larger than in February. Remedial drugs and heavy chemicals for use by manufacturers accounted for a large part of the gains, with insecticides and sundries next in importance. The prevalence of influenza in virtually all parts of the district has resulted in unusually heavy sales of drugs. Sales of calcium arsenate in the South for use against boll weevil while large were under expectations, which fact is attributed by wholesalers to the high price. Generally prices have not been firmly maintained, but several important advances were noted, among which may be mentioned Paris green, which has advanced 8c per pound.

Furniture — While some slowing down in new orders has taken place during the past few weeks, attributable to the advance in prices, continued improvement is reported in this line. Sales of the 12 reporting interests in March were 44.6 per cent in excess of the same month in 1922. Activity prevails through the entire line, but furniture for new homes and for outfitting new hotels, hospitals, etc., is relatively more active than other descriptions. Floor coverings are moving in larger volume than at any time since the early part of 1920. Factory operation during the period under review was at approximately 90 per cent of capacity. There has been a notable revival in the demand for iron beds.

Lumber — The demand for lumber since the middle of March has been comparatively quiet, but the movement from mills has been very heavy and retail distribution increasingly active. In March the receipts of lumber in St. Louis were the largest, in point of footage, in the history of the trade — 344,000,000 feet. At present, as well as for the past three weeks, the local pine yards have been using teams and trucks to keep pace with the call

for deliveries to jobs. Their shipping business has also been of good volume. Price levels have not been sensibly affected as yet by the lull in wholesale buying. Some items of yard stock, such as dimension and boards, have shown moderate changes in the direction of price easement, and timbers are not

as strong as they were. But with these exceptions, mill prices in yellow pine and fir hold well against the lowering tendency. Hardwoods are affected mainly in respect of red gum, especially quartered stock, and various items in the rest of the list—though the whole market is slightly easier.

Industrial Power Consumption—Industrial power consumption continues to keep pace with trade expansion, totals for March showing further gains over the preceding month as well as the corresponding period in 1922. Acceleration in the motor industry and seasonal expansion of refrigerating operations account partly for the increase over February, 1923, which four of the five reporting cities register. The gain over a year ago may be attributed to the the general business expansion.

Representative Customers		March, 1923	February, 1923	Mar., 1923 comp. to Feb., 1923	March, 1922	Mar., 1923 comp. to Mar., 1922
Evansville ..	40	1,045,434 k. w. h.	954,433 k. w. h.	+ 9.5%	778,207 k. w. h.	+34.3%
Little Rock	11	648,139 "	629,887 "	+ 2.9%	628,030 "	+ 3.2%
Louisville....	67	3,321,937 "	3,154,707 "	+ 5.3%	2,035,265 "	+63.2%
Memphis	31	1,302,060 "	1,350,180 "	- 3.6%	817,980 "	+59.2%
St. Louis....	68	11,751,026 "	11,400,771 "	+ 3.1%	6,971,695 "	+68.6%
Total....	217	18,068,596 "	17,489,978 "	+ 3.3%	11,231,177 "	+60.9%

Department Stores—The condition of retail trade during March, 1923, in the leading cities of this district is reflected in the following statement, compiled from reports of 22 representative department stores:

(Percentages)	St. Louis	Louisville	Memphis	Little Rock	Evansville	Quincy	8th District
Net Sales:							
March, 1923, compared with March, 1922.....	+26.5	+ 7.8	+28.7	+35.1	+51.0	+17.8	+25.2
Period Jan., 1, to March 31, 1923, compared with same period in 1922.....	+14.1	+ 7.4	+22.5	+20.5	+32.4	+11.7	+15.2
Stocks at end of March, 1923:							
Compared with same month in 1922.....	+15.9	- 6.6	+ 6.7	+13.9	+ 6.1	+ 3.0	+10.9
Compared with stocks at end of Feb., 1923....	+ 2.4	+ 7.5	+12.0	+11.2	+10.4	+ 6.1	+ 5.5
†Average stocks on hand at end of each month since January 1, 1923, to average monthly sales during same period.....	364.2	357.8	505.2	521.8	695.7	593.9	407.1
Outstanding orders at close of March, 1923, compared with previous year's purchases	8.8	6.8	12.1	8.3	5.8	6.9	9.0

†This item represents rate of stock turnover, smallest figure indicating the most rapid rate. If it is desired to consider the rate from a per month viewpoint, the first digit on the left represents the number of whole months required for a single turnover and succeeding digits the accompanying decimal fraction. Example: If the figure for the current month is 407.0 it indicates that with the volume of sales reported during the first 3 months of 1923, there is a complete stock turnover every 4 7/100 months or approximately 3 times a year.

The 5 remaining items are shown as percentage increases or decreases.

AGRICULTURE

Reports relative to early sown grains reflect varied conditions, and indicate deterioration in certain localities. On the whole, however, the outlook in this district for winter wheat and oats is considerably more favorable than in other sections of the grain belt. The cold weather in late March and early April retarded growth, and there was some damage from alternate freezing and thawing. While the plant has small growth, except in the rich river bottoms, it is well rooted and generally of healthy color. Under favorable weather conditions from this time on the lost ground can easily be recovered. There are scattered reports from Missouri, Illinois and Indiana, of Hessian fly and chinch bugs.

Planting of corn continues in the South, and further North good progress has been made in preparation of the soil for seeding this crop. Despite preparations for larger cotton acreages, the area seeded to corn in the southern stretches of the district will probaly be as large as last season. Unofficial reports indicate that the corn acreage in the northern sections will be slightly larger than that of last year, though it is still too early to form a definite opinion in this regard.

Lack of sunshine and cold weather have retarded growth of grasses, and pastures as a rule are backward for this season. In some counties clover has been killed by severe weather. Generally farm work was further advanced on March 1 than

has been the case in several years, but since that date unfavorable weather has held back field work.

The extreme low temperatures in mid-March resulted in serious damage to the fruit crops. In Arkansas peaches were damaged about 65 per cent, pears 85 per cent, cherries 25 per cent, plums 90 per cent and strawberries 10 per cent. The Missouri farm peach crop is estimated at only 40 per cent of normal. Heavy damage was reported to early vegetables from the low temperatures, and shipments of truck and early ground fruits will be considerably delayed. Planting of gardens is backward.

Generally live stock continues in good condition, there being a minimum of disease reported among the herds. Considerable mortality among spring lambs and pigs was reported as a result of the cold snap.

Transplanting of tobacco is later than usual, and in some sections there has been damage to fields and seed beds by cold weather. The greater part of the 1922 Burley tobacco crop has either been sold or delivered to the Cooperative Association. Nearly all the markets and cooperative receiving houses will close this month. In the dark tobacco district the crop is moving freely, with the unsold portion of the independent tobacco comparatively small. The Cooperative Association is receiving freely at all points.

Preparation of the soil for cotton planting has been completed, and seeding is in progress in the Southern counties. Planting has been delayed by cold, wet weather, and the crop generally is backward. Indications generally point to larger acreages. A shortage of labor is reported from many counties.

The U. S. Department of Agriculture, in its report as of April 1, 1923, gives the condition of winter wheat in states of the Eighth Federal Reserve District as follows:

WINTER WHEAT						
	Dec. 1, 1922	Condition April 1 10 yr. av.		1922	1923	Price April 1 1922 1923
	%	%	%	%		cents cents
Arkansas	83	88	86	83	122	125
Illinois	90	84	93	82	120	116
Indiana	90	83	90	78	125	123
Kentucky	89	87	94	85	135	131
Mississippi	84	87	88	77	175	-----
Missouri	90	85	88	84	117	112
Tennessee	83	86	95	85	135	132

Range of prices on typical products in the St. Louis market between March 15 and April 14, 1923, with closing quotations on each of these dates, and on April 15, 1922:

		Close March 15	High	Low	Close April 14	Close April 15, 1922
May wheat.....Per bu.		\$1.18 $\frac{3}{4}$	\$1.25 $\frac{3}{4}$	\$1.17 $\frac{3}{4}$	\$1.25 $\frac{3}{4}$	\$1.39 $\frac{1}{2}$
July wheat	"	1.11 $\frac{1}{2}$	1.21 $\frac{1}{2}$	1.11 $\frac{1}{2}$	1.21	1.22 $\frac{3}{4}$
September wheat.....	"	1.10 $\frac{3}{4}$	1.20 $\frac{3}{4}$	1.11 $\frac{1}{4}$	1.20 $\frac{1}{4}$	1.18 $\frac{3}{4}$
May corn.....	"	.74 $\frac{1}{2}$	.82 $\frac{1}{2}$	.74 $\frac{1}{2}$	.82 $\frac{1}{2}$	.59 $\frac{1}{2}$
July corn.....	"	.76 $\frac{3}{4}$	.83 $\frac{1}{2}$	.76	.83	.63 $\frac{1}{2}$
September corn.....	"	.76 $\frac{3}{4}$	.82 $\frac{3}{4}$	.77 $\frac{1}{2}$	.82 $\frac{1}{2}$	.65 $\frac{1}{2}$
May oats.....	"	.45 $\frac{1}{2}$	.47	.45 $\frac{1}{4}$	.47	.38 $\frac{3}{4}$
No. 2 red winter wheat.....	"	1.35	1.43	1.35	\$1.42 @ 1.43	\$1.44 @ 1.47
No. 2 hard wheat.....	"	\$1.17 $\frac{1}{2}$ @ 1.19	1.27	1.18 $\frac{1}{2}$	1.26	1.37 @ 1.38
No. 2 corn.....	"	.73 $\frac{3}{4}$	.83 $\frac{1}{2}$	.74 $\frac{1}{2}$	.83 $\frac{1}{2}$	.58
No. 2 white corn.....	"	.74 $\frac{1}{2}$	.85	.75 $\frac{1}{2}$	.84 @ .84 $\frac{1}{2}$	.58 $\frac{1}{2}$
No. 2 white oats.....	"	.46 $\frac{1}{2}$ @ .47	.48	.47 $\frac{1}{2}$	.47 $\frac{3}{4}$	.38 @ .38 $\frac{1}{2}$
Flour: soft patent.....Per bbl.	6.00 @ 7.00	7.25	6.00	6.25 @ 7.25	6.00 @ 7.00	
Flour: hard patent.....	6.00 @ 6.40	6.75	6.00	6.50 @ 6.75	7.45 @ 7.75	
Middling cotton.....Per lb.	.31	.31	.29	.29	.17	
Hogs on hoof.....Per cwt.	6.00 @ 8.65	8.80	5.75	5.50 @ 8.65	8.25 @ 10.45	

COMMODITY MOVEMENT

Receipts and shipments of important commodities at St. Louis during March, 1923 and 1922, and February, 1923, as reported by the Merchants' Exchange, were as follows:

	Receipts			Shipments		
	Mar., 1923	Feb., 1923	Mar., 1922	Mar., 1923	Feb., 1923	Mar., 1922
Flour, barrels.....	409,840	343,520	412,770	573,800	452,020	592,815
Wheat, bushels.....	2,312,821	2,257,388	2,451,443	2,035,090	1,780,350	2,407,290
Corn, bushels.....	2,844,618	3,120,000	2,210,000	2,184,990	2,146,830	2,403,325
Oats, bushels	3,285,670	1,939,190	1,886,000	2,608,000	2,029,340	1,867,830
Lead, pigs.....	296,550	235,840	404,630	158,780	108,030	146,490
Zinc and Spelter, slabs.....	442,070	138,700	252,340	281,320	177,140	303,910
Lumber, cars.....	22,204	14,805	15,085	15,575	11,682	10,218
Meats, pounds.....	17,937,000	15,152,500	13,754,800	32,212,000	28,287,900	22,246,900
Fresh Beef, pounds.....	605,000	92,100	62,600	16,204,300	16,754,000	15,612,300
Lard, pounds.....	4,402,500	4,754,000	2,709,500	15,630,200	11,434,200	7,083,600
Hides, pounds.....	7,678,700	5,669,300	5,310,700	9,048,300	7,208,300	7,871,800

LIVE STOCK MOVEMENT

As reported by the St. Louis National Stock Yards, receipts and shipments of live stock in March, 1923 and 1922, and February, 1923, were as follows:

	Receipts			Shipments		
	Mar., 1923	Feb., 1923	Mar., 1922	Mar., 1923	Feb., 1923	Mar., 1922
Cattle and Calves.....	72,971	72,305	72,312	46,346	46,181	41,931
Hogs	422,429	381,987	286,203	232,866	256,489	196,039
Sheep	23,505	19,128	22,335	6,956	5,297	6,574
Horses and Mules.....	11,007	10,740	9,567	12,449	12,874	10,918

POSTAL RECEIPTS

	Quarter Ended March 31, 1923	Quarter Ended December 31, 1922	Quarter Ended March 31, 1922
St. Louis	\$2,832,359.70	\$3,061,724.27	\$2,471,204.81
Louisville	599,847.76	591,374.19	-----
Memphis	403,438.30	456,628.45	360,445.17
Little Rock	178,288.33	190,321.06	172,713.80
Evansville	131,144.18	141,141.14	119,883.63
Total.....	\$4,145,078.27	\$4,441,189.11	\$3,024,247.41

CHANGES IN COST OF LIVING

The cost of living in the United States on March 15, 1923, was 59.2 per cent higher than in July, 1914, according to the National Industrial Conference Board. This represents an increase of one-half of one per cent since November, 1922, brought about by a continued rise in clothing prices, higher rents and an increase in the cost of sundries. The average cost of fuel and gas decreased but the changes were so slight within the four-month period as to leave unchanged the index number for fuel and light combined. Between July, 1920, when the peak of the rise in the cost of living since 1914 was reached, and March, 1923, the cost of living dropped 22.2 per cent; within the month from February 15 to March 15, 1923, the cost of living rose 1.1 per cent.

BUILDING

March building permits issued by the five largest cities of the district were numerically and in dollar amount the largest for any month this year, and exceeded those of March, 1922, by more than 71 per cent. Severe weather interfered to some extent with construction work in progress, but not to any serious extent, and operations continue at the highest rate on record for this particular season. In the South road building has opened up actively, and elsewhere in the district highway construction programs on a large scale will be pushed as soon as weather conditions permit. In the March permits residential construction heads the list, with business structures, public buildings and hotels forming an important portion of the total. A shortage of skilled artisans in the building trades is reported from all sections of the district. The demand for building materials continues unabated, with prices averaging about 3 per cent higher for the month. Production of Portland cement for the country as a whole in March totaled 9,880,000 barrels, against 8,085,000 barrels in February, and 6,685,000 barrels in March, 1922.

Comparative building figures for March in leading cities of the district follow:

	New Construction				Repairs, etc.			
	Permits		Cost		Permits		Cost	
	1923	1922	1923	1922	1923	1922	1923	1922
St. Louis	753	626	\$3,503,005	\$1,495,940	589	502	\$734,580	\$303,065
Louisville	382	233	1,898,795	1,217,150	81	143	84,735	86,750
Memphis	438	393	1,464,625	1,332,600	70	32	24,625	12,840
Little Rock	98	87	520,900	263,540	122	156	56,608	69,032
Evansville	126	66	337,085	201,347	87	82	16,380	30,343
March totals.....	1,797	1,405	\$7,724,410	\$4,510,577	949	915	\$916,928	\$502,030
February totals.....	1,092	844	5,782,898	3,762,435	651	632	745,469	388,052
January totals.....	1,390	714	7,450,855	2,273,860	745	478	485,129	306,034

FINANCIAL

During the period under review the banking and financial situation in the district underwent few changes worthy of note. The demand for credits from all sources continued fairly active but the volume of new loans was pretty well balanced by liquidation of earlier indebtedness, with the result that the position of the commercial banks remained about the same as thirty days ago. Loanable funds of banks in the larger cities were augmented by deposits resulting from large payments to boot and shoe, dry goods and other mercantile interests with which April is an important settlement month. Interest rates fluctuated narrowly, advancing slightly during the early weeks of the period, but showing a disposition to ease off toward mid-April. In the country, particularly to the South, borrowing to finance spring farm operations is beginning to appear but not in volume sufficient to affect the general situation. Excellent liquidation is reported by banks and merchants in the tobacco areas, where marketing is progressing on a satisfactory basis. Some further slowing down in the demand for financing live stock operations is reported, and there was a considerable reduction in loans based on grain. Deposits of this bank and its member

banks showed only minor variation, and the gradual upward trend of savings continues. Between March 15 and April 15 deposits of the Federal Reserve Bank of St. Louis increased \$4,341,697. Federal Reserve notes in circulation decreased \$5,029,190. There was an increase of \$4,463,874 in paper discounted for member banks. Total reserve carried against deposit and Federal Reserve note liability decreased 1 per cent, standing at 67.8 per cent on April 15.

Commercial Paper — Sales of reporting commercial brokerage houses during March were from 4½ to 22 per cent larger than for the corresponding period in 1922, but from 16 per cent less to 2 per cent larger than for February. Activity in this line has slowed down as contrasted with earlier months this year. Offerings of paper are less plentiful, especially of prime quality, and the demand seems to center in that grade. Generally stocks of paper in brokers' hands are light. City banks have withdrawn from the market, buying being confined largely to country institutions, and very scattered. Rates were higher than thirty days ago, ranging from 5 to 5¼ per cent.

DEBITS TO INDIVIDUAL ACCOUNTS

	For four weeks ending April 18, 1923	For four weeks ending Mar. 21, 1923	April, 1923 comp. to Mar., 1923	For four weeks ending April 19, 1922	April, 1922 comp. to April, 1922
East St. Louis and Nat'l Stock Yards, Ill.	\$ 38,294,000	\$ 28,473,000	+34.5%	\$ 33,715,000	+13.6%
El Dorado, Ark.....	14,376,000				
Evansville, Ind.....	28,023,000	31,887,000	-12.1%	22,820,000	+22.8%
Fort Smith, Ark.....	11,567,000	11,048,000	+ 4.7%		
Greenville, Miss.....	3,629,000	4,116,000	-11.8%	3,532,000	+ 2.7%
Helena, Ark.....	4,391,000	5,276,000	-16.8%	3,360,000	+30.7%
Little Rock, Ark.....	57,214,000	58,437,000	- 2.1%	35,099,000	+63.0%
Louisville, Ky.....	145,788,000	149,265,000	- 2.3%	122,601,000	+18.9%
Memphis, Tenn.....	149,943,000	146,548,000	+ 2.3%	90,037,000	+66.5%
Owensboro, Ky.....	6,099,000	6,878,000	-11.3%	4,853,000	+25.7%
Quincy, Ill.....	11,096,000	11,577,000	- 4.2%	9,038,000	+22.8%
St. Louis, Mo.....	623,969,000	589,562,000	+ 5.8%	508,358,000	+22.7%
Springfield, Mo.....	12,663,000	12,935,000	- 2.1%	11,658,000	+ 8.6%
Total.....	\$1,092,676,000	\$1,056,002,000	+ 3.5%	\$845,071,000	+27.9%

*Not including El Dorado.

Savings Deposits—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:

	April 4, 1923			March 7, 1923		April 5, 1922	
	Number Banks Reporting	Number Savings Accounts	Amount Savings Deposits	Number Savings Accounts	Amount Savings Deposits	Number Savings Accounts	Amount Savings Deposits
St. Louis.....	12	251,995	\$ 70,737,000	251,896	\$ 70,271,000	234,558	\$ 63,462,000
Louisville	7	164,846	23,168,000	163,723	22,746,000	133,167	20,431,000
Memphis	7	59,294	16,309,000	59,324	16,451,000	56,889	13,209,000
Little Rock.....	5	25,810	7,606,000	25,712	7,350,000	24,092	6,183,000
Evansville	4	23,805	9,018,000	23,737	8,956,000	21,023	8,190,000
Total.....	35	525,750	\$126,838,000	524,392	\$125,774,000	469,729	\$111,475,000

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:

	April 11, 1923	March 14, 1923	April 12, 1922
Number of banks reporting.....	*36	*36	37
Loans and discounts (including rediscounts):			
Secured by U. S. Government obligations.....	\$ 16,163,000	\$ 18,033,000	\$ 13,934,000
Secured by stocks and bonds other than U. S. Bonds..	136,034,000	137,061,000	124,986,000
All other loans and discounts.....	301,334,000	304,248,000	287,320,000
Total loans and discounts.....	\$453,531,000	\$459,342,000	\$426,240,000
Investments:			
U. S. pre-war bonds.....	15,323,000	15,323,000	25,134,000
U. S. Liberty bonds.....	24,420,000	24,826,000	
U. S. Treasury bonds.....	9,033,000	9,587,000	
U. S. Victory notes and Treasury notes.....	24,414,000	24,393,000	8,416,000
U. S. Certificates of Indebtedness.....	5,815,000	3,034,000	4,395,000
Other bonds, stocks and securities.....	86,793,000	88,923,000	74,322,000
Total investments.....	\$165,798,000	\$166,086,000	\$112,267,000
Reserve Balance with Federal Reserve Bank.....	42,403,000	44,499,000	41,476,000
Cash in vault.....	8,385,000	8,158,000	6,957,000
Net demand deposits on which reserve is computed.....	369,215,000	380,804,000	319,964,000
Time deposits.....	183,194,000	183,487,000	159,173,000
Government deposits.....	10,322,000	3,852,000	4,461,000
Bills payable and rediscounts with Federal Reserve Bank secured by			
U. S. Government obligations.....	3,510,000	2,733,000	1,798,00
All other	7,614,000	6,162,000	6,407,000

*Decrease due to consolidation.

FEDERAL RESERVE OPERATIONS

During March the Federal Reserve Bank of St. Louis discounted for 191 of its 620 member banks, which compares with 169 of its 616 member banks accommodated in February. On April 5 this bank established a rate of 4½ per cent on agricultural and live stock paper with maturities between 6 and 9 months, which class of paper became eligible for rediscount under provisions of the amendment of March 4, 1923. On all other classes of paper the rate 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			
	April 18, 1923	Mar. 14, 1923	April 19, 1922		April 18, 1923	Mar. 14, 1923	April 19, 1922
Gold Reserves.....	\$ 80,934	\$ 97,197	\$ 93,447	Capital paid in.....	\$ 4,925	\$ 4,908	\$ 4,633
Legal Tender Notes				Surplus	9,665	9,665	9,388
Silver, etc.....	18,722	20,367	18,435	Deposits	74,020	78,287	73,138
Total Cash Reserves.....	\$ 99,656	\$117,564	\$111,882	F. R. Notes in circulation	80,512	86,936	76,963
Discounts secured by Govt. obligations.....	14,550	8,524	7,300	F. R. Bank Notes in circulation			3,365
Discounts otherwise secured or unsecured.....	15,294	10,701	18,136	Deferred availability items	43,409	41,827	31,115
Bills bought in open market.....	11,966	9,923	820	Other liabilities.....	848	804	758
U. S. Govt. securities.....	22,180	28,836	24,940				
Total Earning Assets.....	\$ 63,990	\$ 57,984	\$ 51,196	Total Liabilities.....	\$213,379	\$222,427	\$199,360
Uncollected items.....	43,484	40,650	28,201	Combined Res. Ratio.....	64.5%	71.2%	74.5%
Other Resources.....	6,249	6,229	8,081				
Total Resources.....	\$213,379	\$222,427	\$199,360				

BUSINESS CONDITIONS IN THE UNITED STATES

(Compiled by Federal Reserve Board, April 26, 1923)

Further increases in the production of basic commodities, in wholesale prices, employment, wage rates, and wholesale and retail trade took place in March.

Production—Production in basic industries, according to the Federal Reserve Board's index, increased 4 per cent in March, to a level 8 per cent higher than at the 1920 peak and 67 per cent above the low point of 1921.

The output of pig iron, steel ingots, automobiles and crude petroleum and the mill consumption of cotton, exceeded all previously reported monthly totals. Building operations showed a further expansion and the value of contracts let for residences in March was the highest on record.

Railroad freight shipments have been larger every week this year than in the corresponding weeks of the past four years. Car shortage has been reduced to the lowest point since September, chiefly as a result of the addition of new equipment, a decrease in the number of bad order locomotives and cars, and a concerted effort to increase the average loadings.

Employment in the building trades and in many lines of manufacturing continued to increase in the Eastern States. The surplus of unskilled labor in the West reported in earlier months is being gradually absorbed by the seasonal increase in farm work. A number of leading textile mills, steel mills and packing plants announced general wage advances ranging between 11 and 12½ per cent and numerous wage advances in other industries also were reported.

Trade—March sales by department stores reported to Federal Reserve Banks were 22 per cent above those of March a year ago, partly because Eastern purchases were made in March this year, whereas last year such purchases were largely deferred until April. Stocks of goods held by department stores were 6 per cent larger than those held a year ago, but this increase was not as large as the increase in sales and hence the rate of stock turnover has been somewhat more rapid.

Sales by mail order houses were larger than for any month since November, 1920, and 35 per cent larger than in March, 1922. Wholesale trade in all reporting lines was larger than in March a year ago.

Wholesale Prices—Wholesale prices as measured by the Bureau of Labor statistics index advanced 1.2 per cent during March, and were 15 per cent above the low point of January, 1922. As in recent months the prices of metals and building materials showed the greatest increases, while fuel prices showed a further decline from recent high levels. Compared with a year ago, metals were 37 per cent and building material 28 per cent higher.

The cost of living increased slightly more than 1 per cent during March to a level 3 per cent higher than a year ago.

Bank Credit—During the month prior to April 11 a more moderate growth in the demand for credit from member banks in leading cities resulted in an increase of about \$48,000,000 in their loans, made largely for commercial purposes, as compared with an increase of \$235,000,000 in the preceding month. Through withdrawal of funds from investments and a further inflow of gold, member banks have been able to meet demands of their customers for increased credit and currency independently of the reserve banks. Consequently the total volume of Federal Reserve Bank credit, measured by total earning assets has remained relatively constant during the past month, and in fact since the seasonal liquidation at the turn of the year.

The volume of Federal Reserve notes in circulation has also changed but little as the larger demand for hand to hand currency has been met chiefly by an increase in other forms of money in circulation.

There has been little change in money rates from those prevailing in March.

