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The FEDERAL RESERVE BULLETIN is the Board's medium of communication with member banks of the Federal Reserve System and is the only official organ or periodical publication of the Board. It is printed in two editions, of which the first contains the regular official announcements, the national review of business conditions, and other general matter, and is distributed without charge to the member banks of the Federal Reserve System. Additional copies may be had at a subscription price of \$1.50 per annum.

The second edition contains detailed analyses of business conditions, special articles, review of foreign banking, and complete statistics showing the condition of Federal Reserve Banks. For this second edition the Board has fixed a subscription price of \$4 per annum to cover the cost of paper and printing. Single copies will be sold at 40 cents. Foreign postage should be added when it will be required. Remittances should be made to the Federal Reserve Board.

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CREDIT POLICY OF THE FEDERAL RESERVE SYSTEM.

During the past month problems connected with the credit situation, particularly as affecting the agricultural sections of the country, have resulted in extensive discussion of the work actually done by the Federal Reserve System and of the effect of its operations upon conditions in various branches of trade and industry.

Gov. Harding in a letter to Senator Reed Smoot of Utah, under date of July 11, considered some of the outstanding assertions regarding the Federal Reserve System and has furnished a digest of the facts bearing upon them, as follows:

“JULY 11, 1921.

“MY DEAR SENATOR: Some of the charges which have been made against the Federal Reserve Board and against its members personally, which have appeared in certain papers and in some public speeches, do not appear to me to be susceptible to argumentative reply. They are made without giving any facts to support them and show either total ignorance of the subject on the part of the proponents or else wanton disregard of actual facts.

“Owing to the exigencies of Treasury financing, the war-time Federal Reserve rate of 4 per cent was not advanced until November, 1919, although after the first of July, 1919, there was a rapid advance in the market rate for money and the best grades of commercial paper sold in the open market at from 7 per cent to 8 per cent. The customers of the member banks were willing to pay full rates for accommodation and urged upon the banks as a reason for easy credits that they were willing to pay high rates and the banks in turn could redis-

count with the Federal Reserve Banks at a very substantial profit. On or about September 15, 1919, the total amount of invested assets of the Federal Reserve Banks, including bills rediscounted for member banks, acceptances bought in the open market, and Government obligations held, amounted to about \$2,350,000,000. An expansion of bank credits was going on all the time at a rate which has never been equaled in the history of the country and far in excess of any war-time expansion. Federal Reserve Bank rates were advanced to 4½ per cent early in December, 1919, but the advance was negligible and had no effect. The latter part of January, 1920, rates were advanced to 6 per cent. On January 23, 1920, the total rediscounts and earning assets of the Federal Reserve Banks amounted to about \$3,030,000,000, an increase since September 19, 1919, of \$680,000,000. The rate of expansion for that period was nearly 30 per cent. At the same time the reserves of the Federal Reserve Banks had declined to about \$2,090,000,000, of which only about \$2,030,000,000 were gold reserves. The pyramiding of credits was proceeding at an alarming degree and it was evident that if expansion should continue to proceed at such a rapid rate, it would be merely a question of time until the credit structure of the country would explode.

“It should be noted that even after the rates were increased the expansion of loans and currency continued in a more moderate degree. On January 16, 1920, the total loans and earning assets of the Federal Reserve Banks

amounted to about \$3,000,000,000. These increased gradually and steadily until November 5, when they amounted to \$3,400,000,000. On January 16, 1920, the volume of Federal Reserve notes outstanding was about \$2,800,000,000, and this note issue also increased steadily until it reached the peak on December 24, 1920, of \$3,400,000,000. You will remember that the great price reactions which took place all occurred before November 5 or December 24. Wholesale prices reached their peak about the middle of May, 1920, being at that time about 272 as against 100 for the year 1913. After the middle of May wholesale prices declined steadily, although the loans of the Federal Reserve Banks and Federal Reserve note issues increased until November 5 and December 24, respectively.

"Since the close of the year 1920 there has been a marked reduction in the loans and note issues of the Federal Reserve Banks combined, although this reduction has been by no means uniform at all the banks. As a matter of fact, the liquidation in the New York district has been about equal to that in all other districts combined. The rediscounts and advances of the Federal Reserve Bank of New York, at the close of business on June 30, 1921, were lower than they had been since July 10, 1918. I would call your attention to the fact that on July 9, 1920, the Federal Reserve Bank of New York had total bills discounted and bought amounting to \$1,001,864,000, while on July 6, 1921, total bills held at the Federal Reserve Bank of New York were \$461,585,000, a reduction of \$540,279,000. If comparison should be made a week earlier in each case, it would be seen that a reduction took place of \$578,695,000. Bills held at the Federal Reserve Bank of New York increased from June 29, 1921, to July 6, 1921, from \$423,169,000 to \$461,585,000, a net increase for the week of \$38,416,000. The detail is as follows:

	July 9, 1920.	July 6, 1921.
Secured by United States bonds and certificates	\$344,229,000	\$212,999,000
Commercial paper, etc.	303,454,000	236,970,000
Bills bought in open market	154,181,000	11,616,000
Total.....	1,001,864,000	461,585,000

"Some of those who have complained of the curtailment of credit live in the Richmond and Atlanta districts, and it may be interesting, therefore, to ascertain just what the Federal Reserve Banks in those districts are doing. On July 6, 1921, the Federal Reserve Bank of Richmond had total bills on hand amounting to \$105,974,000, against \$110,052,000 on July 9, 1920, but there was a reduction between these dates of \$15,830,000 in the amount of notes secured by Government obligations, which probably represents sales of bonds and certificates, while loans on commercial and agricultural paper increased from \$58,344,000 on July 9, 1920, to \$74,280,000 on July 6, 1921.

The Federal Reserve Bank of Atlanta shows between July 9, 1920, and July 6, 1921, an apparent reduction in total loans of about \$17,000,000, but commercial and agricultural paper increased from \$61,611,000 on July 9, 1920, to \$65,754,000 on July 6, 1921. When the difference in the value of cotton is considered, it is evident that the real amount of accommodation given is considerably greater now than was the case a year ago. It should be noted, however, that the decrease in the total loans of the Federal Reserve Bank of Atlanta is not as great as it appears, for the bank on July 6, 1921, reports United States bonds and notes owned amounting to \$10,142,000, against \$117,000 on July 9, 1920. This increase represents bonds and notes purchased under resale agreement from certain member banks which had previously been using the bonds as collateral for loans with the Federal Reserve Bank of Atlanta, so the actual reduction in the amount of the bank's total loans is only about \$7,000,000 instead of \$17,000,000.

"As your State is in the San Francisco district, some figures relating to the Federal Reserve Bank of San Francisco may be of interest to you. The total loans of the Federal Reserve Bank of San Francisco on July 6, 1921, amounted to \$161,203,000, as against \$199,003,000 on July 9, 1920. This reduction, however, is made up as follows: A decrease of \$4,446,000 in the amount of paper secured by Government obligations and a decrease of \$44,687,000 in the amount of bills and acceptances bought in the open market. Commercial and agricultural paper under rediscount for member banks amounted on July 6, 1921, to \$114,623,000, against \$103,290,000 on July 9, 1920, an increase in commercial, agricultural, and live-stock loans of \$11,333,000.

"Let us now consider the figures for the system as a whole. On July 9, 1920, the total bills on hand at all Federal Reserve Banks amounted to \$2,934,184,000. On July 6, 1921, this total amounted to \$1,832,499,000, a decrease of \$1,101,685,000. The detail of this decrease is as follows: On paper secured by Government obligations, \$621,973,000 (which can be accounted for in part by Government redemptions of bonds and Treasury certificates and private purchases for investment account); in bills bought in the open market, \$341,455,000. (While the volume of the acceptance business has declined during the past twelve months, this decrease is accounted for principally by the greater demand for first-class acceptances on the part of member and nonmember banks and trust companies.) The total of agricultural, commercial, and live-stock paper on hand, rediscounted for member banks, on July 6, 1921, was \$1,126,986,000, as against a total of \$1,265,243,000 on July 9, 1920, a decrease of only \$138,257,000, which is more than accounted for by the decrease in the holdings of paper of this kind by the Federal Reserve Banks of Boston, New York, and Chicago.

"The Federal Reserve Board has made no suggestion whatever that any Federal Reserve Bank should undertake to force farmers to sell their cotton before the new crop comes in and telegraphic inquiry made of the Federal Reserve Banks in the cotton-producing districts shows that no such restrictions have been made by the Federal Reserve Banks.

"Recent correspondence between the Federal Reserve Bank of Atlanta and one of its member banks shows that the governor of the Federal Reserve Bank calls the attention of his correspondent bank, which writes that it has notified its customers who are borrowing on cotton to sell it and pay their notes by July 1, to the fact that this is a matter which the Federal Reserve Bank has nothing to do with and that it has made no such demands.

"The comptroller's abstract No. 130, made up from reports rendered as of April 28, 1921, shows that the total rediscounts with the Federal Reserve Bank of Richmond by national banks in South Carolina on that date were \$12,506,000, while total loans and discounts of the South Carolina national banks on the same date, exclusive of the amounts rediscounted, amounted to \$75,208,000. Adding these two items together, we find that the South Carolina national banks had total loans and discounts on April 28, 1921, of \$87,714,000 and of this amount they had rediscounted with the Federal Reserve Bank \$12,506,000. They had also borrowed \$6,759,000 from the Federal Reserve Bank on their own collateral notes. The total accommodation granted to national banks in South Carolina as of April 28, 1921, was therefore \$19,265,000, or 22 per cent of their total loans. At the same time the total reserves carried by all national banks in South Carolina with the Federal Reserve Bank of Richmond amounted to \$3,829,000. Deducting the loans to State member banks, \$2,285,000, the loans of the Federal Reserve Bank of Richmond to national banks in South Carolina

on June 30, 1921, amounted to \$18,820,000, and the total loans to all member banks in South Carolina on June 30, 1921, by the Federal Reserve Bank of Richmond amounted to \$21,105,000, against \$17,316,000 on June 30, 1920, and yet the Federal Reserve Bank of Richmond is charged with restricting loans in South Carolina. I may add that the Federal Reserve Banks of Richmond and Atlanta were both heavy borrowers during the latter half of 1920 from other Federal Reserve Banks and the Federal Reserve Bank of Richmond has recently shown loans as high as \$25,000,000 from the Federal Reserve Bank of New York. It is worthy of note also that the Federal Reserve Bank of Richmond has never had the progressive rate and has never had a higher rate than 6 per cent. The legal rate of interest in South Carolina is 8 per cent. So you can see that there is a margin of profit to member banks in that State of two full points, or 33½ per cent, in their rediscount transactions with the Federal Reserve Bank.

"In conclusion, I wish to say that the attitude of the Federal Reserve Board toward agriculture has been greatly misunderstood and grossly misrepresented. The Board has always advocated as liberal a policy as possible, consistent with the terms of the Federal Reserve Act and with reasonable banking prudence toward agriculture, which it recognizes as the basic industry of the country and the foundation upon which all other industries necessarily rest. The trouble is that the loans made by the member and nonmember banks throughout the country are not well distributed and in a number of cases have not been judiciously made. Something over a third of all member banks are not borrowing from the Federal Reserve Banks at all, and of the two-thirds which are borrowing, more than one-half are borrowing very large amounts. Many of these banks have extended themselves so far that they do not feel warranted

in making any new loans, regardless of the disposition of the Federal Reserve Banks to rediscount the paper. They do not want their names on any more paper than they already have. They do not like the idea of increasing their contingent liability. In view of the fact that the twelve Federal Reserve Banks are independent bodies corporate and are controlled and directed each by its own board of directors, subject only to the general supervision of the Federal Reserve Board, whose authority with respect to discount is confined principally to defining eligible paper in accordance with the terms of section 13 of the Federal Reserve Act, it seems to me that the statement which many, both in Congress and on the outside, urge be issued by the Federal Reserve Board, stating that the Federal Reserve Banks will adopt certain policies in connection with the rediscounting of agricultural paper, would have to be made by the Federal Reserve Banks themselves. The Federal Reserve Board has no power to interfere with the discretion given or the responsibility imposed by law upon the directors of a Federal Reserve Bank with respect to passing upon the merits of eligible paper offered for discount.

"Congress did not establish a central bank in this country. It established twelve banks under the general supervision of the Federal Reserve Board, which does not exercise banking functions. These functions are exercised exclusively by the Federal Reserve Banks. The Board has taken up repeatedly with the various Federal Reserve Banks complaints of a general nature regarding the restriction of agricultural credits and the banks have always made a good showing of what they have done for agriculture. Very few specific cases have been brought to the attention of the Board where eligible agricultural paper has been refused for rediscount, and in those cases it seems

that the management of the Federal Reserve Banks have justified themselves in the refusal.

"In some agricultural States there was two years ago unfortunately great speculation in farm lands, and member and nonmember banks in those localities loaded themselves up with a large volume of real-estate mortgages, which paper is not eligible for discount under the terms of the Federal Reserve Act, and many of them have sustained losses in deposits. In the present circumstances, they are endeavoring to work out from under the tremendous load which they ought never to have taken on, and do not feel able or else are indisposed to extend accommodations for agricultural purposes which ordinarily they would be glad to do. In almost every State, however, there are a number of ultraconservative banks which have strong reserves which are not borrowing, and which ought to do their part in assisting agriculture at the present time.

"In the present condition of the country it seems to me that the strong position of the Federal Reserve Banks should be a source of comfort rather than the cause of so much reckless criticism. The Federal Reserve Banks can not be expected to encourage their member banks to make loans to the public on the basis of values which obtained 18 months ago. The inability of any banking system to maintain values in the face of a world-wide decline is evidenced by the plight of the banks in Cuba, which were heavily loaded up with loans on sugar at high prices. Surely, the return of better conditions in this country would not be expedited by having American banks in the same condition that Cuban banks are to-day.

"By way of summary, let me state that while the Federal Reserve Act imposes a general limitation upon the maturity of paper eligible for discount of three months, it is provided in section 13 "that notes, drafts, and bills drawn or issued for agricultural purposes or based on

live stock and having a maturity not exceeding six months, exclusive of days of grace, may be discounted in an amount to be limited to a percentage of the assets of the Federal Reserve Bank, to be ascertained and fixed by the Federal Reserve Board." Had the Board been unfriendly to agriculture, as many of its critics claim it has been, it could easily have limited the amount of six months' agricultural paper which could be discounted by a Federal Reserve Bank to a very small percentage of its total assets. But in order to offer the fullest possible accommodations to agriculture, the Board more than five years ago fixed this percentage at 99 per cent and has never changed it. It has already been pointed out that the decrease of more than \$1,100,000,000 which has taken place in the loans and earning assets of the Federal Reserve Banks is represented mainly by a reduction in loans secured by Government obligations and by bills and acceptances bought in the open market. The actual reduction in commercial, agricultural, and live-stock paper, rediscounted for member banks, from July 9, 1920, to July 6, 1921, was \$138,257,000. This reduction is more than accounted for by the decrease of paper rediscounted by Federal Reserve Banks in Boston, New York, and Chicago. The bank liquidation which has taken place has been mainly in financial and industrial centers, and the figures of the Federal Reserve Banks do not indicate that there has during the past 12 months been any decrease in Federal Reserve accommodations to banks in the agricultural and live-stock districts, but on the contrary there has been a considerable increase, as you will see from the official statements inclosed herewith."

Very truly, yours,

W. P. G. HARDING,

Governor.

Hon. REED SMOOT,

United States Senate.

REVIEW OF THE MONTH.

Practically all observers of current business development agree that the foreign-trade situation is prominent among the factors which have retarded the progress of American business toward a normal condition. Figures for the June foreign trade of the United States show that the total exports of merchandise were \$337,000,000, while the total imports were \$186,000,000, the so-called favorable balance on the side of exports amounting to \$151,000,000. Taking the monthly average values for the year 1913 as 100, with the effect of price changes eliminated, the Federal Reserve Board's index of foreign trade for June was about 111.3 for exports and 119.7 for imports. While, therefore, the falling off is great as compared with the "peak" period of the war, the volume of our total trade compares favorably with that of 1913, our exports being 11.3 per cent above the figures for the former year. The fact remains that there has been a very material reduction in the total volume of export business as compared with more recent years, and the unfavorable influences working against the recovery of foreign trade are widespread, including a variety of factors of domestic origin as well as a larger number that are due to conditions outside the control of any of the exporting countries. Among the unfavorable factors may be enumerated the disturbance of, and uncertainty in, costs of production since the conclusion of the war, the consequent lack of a definite competitive basis upon which operations can be developed, Government interference and control of business in certain lines by various nations, the restriction of the movement of specie and of bank remittances, and in many countries disturbance in the relations between capital and labor due to efforts to bring about a post-war readjustment more or less necessitated by changes in prices. There are certain additional factors affecting foreign trade which must be reckoned as distinctly outside the control of any country. Of these the most general and the most important is the lack of adjustment between currency values, which gives rise to what are called foreign exchange fluctuations. In addi-

tion to these is the growth of commercial restrictions of various kinds and the development of systems of taxation whose general drift has been toward the limitation of the movement of goods.

Much discussion has been devoted to the question what percentage of the total trade of a country is represented by its export and import business, or, in other words, what percentage of a nation's total business transactions represents dealings with foreigners. This is a question as to which no statistical information has ever been made available. The relative importance of foreign and domestic trade varies greatly from country to country. In some countries which produce raw materials to an almost exclusive extent and which rely largely upon exporting them to others, receiving from such others manufactures produced with these exports as a basis, the percentage relationship of foreign to domestic trade may be tolerably large. In other countries, which themselves comprise a large area with great diversification of products and which manufacture extensively, besides producing large quantities of raw materials, the reverse may be the case. Thus, in a country like Great Britain, which imports a very large proportion of raw materials, manufactures them, and ships the product to foreigners, the percentage of foreign to domestic trade is unquestionably much larger than it is in the United States. In this country census estimates place the aggregate value of all manufactured products for the year 1919 at \$62,589,000,000 and the aggregate value of crops at \$16,013,000,000, or a total of \$78,602,000,000. There is a certain amount of unavoidable duplication in this total, when cotton, for example, is counted both as raw material and finished cloth, but the total as given is doubtless nearer the true figure than if manufactures were taken alone. Compared with the statistics for domestic trade just quoted, our foreign business, represented by exports of \$7,920,000,000 in 1919, is seen to be about 10 per cent of the value of domestic products. Such comparative figures for values do not, of course, indicate anything with respect to the "turnover" in either branch of trade,

but merely suggest in an approximate way the relative values of the goods handled.

The significance of foreign trade is not, in countries like the United States, found in the fact that it represents a large percentage of the output of any particular kind of goods, but is found in the fact that it affords a stabilizing factor which influences both prices and amount of output. It enables concerns which miscalculated the strength of domestic demand to find an outlet for products which would otherwise be unavoidably carried over, while, on the other hand, it renders possible the filling of domestic demand or of requirements that might otherwise have to go unsatisfied. From the price standpoint the effect of foreign trade is important because, as is well known, only a small surplus is necessary in any given line of goods to drive down prices of such articles, while, on the other hand, a relatively small shortage as compared with supply exerts a much more than proportionate influence in advancing prices.

The foreign-trade situation is of special interest to the United States at the present time because of the productive changes which have taken place during and since the European war. These productive changes necessarily involved a "speeding up" of manufacturing and consequent increase of output. In addition to the mere speeding up of plants, however, there was also a considerable increase in plant capacity, particularly in certain lines of trade. This has a very direct relation to the question of export trade. There is unfortunately no definite way of measuring such changes in plant capacity except in terms of actual output either as given in terms of units or as measured in dollar values, but careful analysis of these data affords at least a reasonably accurate notion of the extent to which foreign trade is essential as a means of furnishing an outlet for goods which otherwise would to some degree cause congestion in American markets.

Preliminary and as yet incomplete census figures on manufacturing output in 1919 show for most of the leading industries an enormous increase in the value of manufactured products,

comparing 1919 returns with those of 1914. Expressed in terms of physical units, however, the increase appears to have been by no means excessive in the majority of cases for which satisfactory comparable data can be secured. The table which follows, based on census returns, gives changes of output in percentages of value and of physical units for a few typical manufactures.

CHANGES IN OUTPUT, 1914-1919.

	Per cent of increase or decrease (value).	Per cent of increase or decrease (quantity). ¹
Slaughtering and meat packing.....	+157.0	.....
Number of bees.....		+52.1
Number of sheep, lambs, etc.....		-15.6
Number of hogs.....		+29.4
Flour and grist milling.....	+133.9	.....
Wheat flour (bbls.).....		+13.8
Cotton goods.....	+177.5	.....
Cotton goods (sq. yds.) ²		+11.9
Footwear, exclusive of rubbers.....	+129.6	.....
Number of pairs.....		+12.6
Pig iron.....	+151.3	.....
Pig iron (gross tons).....		+30.9

¹ Figures used as a basis for computing percentual changes in physical production do not in all cases cover the totals used in computing changes in value for the several groups.

² Estimates furnished by Textile World.

It is thus seen that there has been not only an increase of output in standard lines as expressed in values, but also a substantial advance in the number of units produced and hence a need for the retention of foreign markets. Allowance should, of course, be made for population increase. The relation of the 1919 output to that of the prewar period (allowing for the normal increase in consumptive capacity due to a population increase of nearly 15 per cent in the 10-year period) is illustrated by computations published by the Harvard Bureau of Economic Research, presenting indexes of the physical volume of production for ten groups of manufacturing industries. This composite index is 10 per cent below what might have been expected on the basis of normal production in 1919, although the returns were 4 per cent and 1 per cent, respectively, above normal in 1917 and in 1918 and 9 per cent above in 1916. On the whole the excess production power of the nation as compared with home consuming power has been at least maintained as shown even by output.

Our leading manufactures are suffering indirectly to-day from the reduced foreign de-

mand, although their difficulties are due not solely to the loss of a foreign market for their own products, but also to the reduced foreign buying of the products which have for so long been the basis of our export trade—primarily foodstuffs and raw materials. As a result of this situation the purchasing power of large groups of domestic consumers is curtailed and manufacturing activities severely restricted in consequence. The trade position to-day thus inevitably leads to recognition of the necessary character of a sound foreign commerce, even though it may not be true (as it ought not to be) that our plant capacity has on the average grown out of proportion to population.

The process of currently financing foreign trade still presents difficulties of quite as serious a nature as at any time heretofore. American institutions have been more and more withdrawing from commitments in foreign trade. On the other hand, foreign institutions with agencies in the United States have placed very stringent regulations upon the business which can be done through these agencies. Refusal to discount bills in trade with various countries seriously interferes with the continuance of business in those directions, while foreign moratoria, or what is equivalent thereto, necessarily prevent American business men from extending credit even in countries where they would otherwise be disposed to provide for the necessities of desirable buyers or borrowers. In a good many cases foreign establishments which during the war were practically obliged to provide cash against documents in New York or at some other shipping point in the United States, are now specifying that they expect the usual period of credit and that without it they will be obliged to transfer their custom to exporters other than American. While it is true that there are many products which can be obtained by foreign buyers in sufficient quantity only in the United States, it also is true that in a large range of manufactured goods American sellers are now obliged to meet competition to an extent greater than in their past experience. In this competitive situation, some of the most serious obstacles to success on their part are the fluc-

tuations in foreign exchange. These fluctuations do not permanently operate, as many suppose, to impair our competitive power by giving to foreigners a "cost of production" lower than is enjoyed by American producers. Production costs, like prices, are adjusted through international competition in such a way as to eliminate the effects of "low" or "high" exchange. There is no permanent productive advantage in either "high" or "low" exchange. The present exchange situation is difficult for the American shipper because of its uncertainty. Accepting payment, as he frequently must, in the currencies of foreign countries, or agreeing to pay in those currencies, he can not calculate with any accuracy over even a very brief space of time the amount in dollars which he will eventually receive, or be obliged to pay. This introduces an element into business which makes the conduct of foreign trade very much more uncertain than it would ordinarily be. During past years unfavorable movements of foreign exchange resulting in depreciation of balances left abroad have induced many business men to carry these balances in foreign countries, either borrowing upon them as collateral in the United States, or, in other cases, borrowing on their own direct notes and merely carrying the foreign balances as an asset. The effect of this plan, as is well known, has been to develop a large unfunded balance abroad, one outcome of which has been to introduce an element of great uncertainty into the foreign exchange situation because of the fact that a favorable movement of exchange quotations has generally brought part of these unfunded balances upon the market. Another disturbing factor has been the development of the reparations settlement with Germany, which has resulted in considerable operations in dollars and in other currencies, which were not the outgrowth of actual commercial transactions. Still a third disturbing factor has been the accumulation of balances in New York for the purpose of meeting the obligations of foreign Governments.

In the BULLETIN for September, 1920, it was estimated that there was a balance of \$1,000,000,000 due us from abroad at the end of July, 1920, an unfunded balance of indebted-

ness, created since the armistice, amounting to \$3,000,000,000. During the fiscal year ended June 30, 1921, exports of merchandise have been \$6,519,000,000, which have been in part offset by imports amounting to \$3,667,000,000, leaving an export balance of \$2,852,000,000. During the same period the flow of gold has radically altered, and instead of a net outgo the fiscal year shows a net importation of \$513,000,000 in gold. The net importation of silver during the fiscal year has amounted to \$7,000,000. Deducting these importations of specie from the merchandise balance leaves a "favorable balance," for the so-called visible items of our foreign trade, amounting to \$2,332,000,000 in the fiscal year just past. Foreign loans floated in the United States during this time have been between \$500,000,000 and \$600,000,000, according to a compilation made by the Guaranty Trust Co. for the Federal Reserve Board. Allowing for this and the other invisible items which figure in America's international balance on one side or the other, it seems clear that in the 12 months ending with June the sum of \$1,500,000,000, or a little less, has been added to our unfunded balance due from other countries. If this be combined with the estimate of a year ago, we arrive at a figure between \$4,000,000,000 and \$4,500,000,000 as the amount now held in suspense. This is on the assumption that at the time of the armistice the international trade balance was practically even so far as unfunded obligations were concerned. That it was about even, except for the unexpended balances of Government credits, has been the opinion most widely held. Such unexpended advances by the United States count as an offset against subsequent shipments of goods to foreign countries, and are included in the foregoing estimate. Another factor which would tend to reduce the international obligations now outstanding relates to certain losses which American exporters have sustained and written off their books. These are represented by bad debts in some cases, but more especially by goods which foreign importers have refused and which have had to be sold abroad at a loss or placed in warehouses pending their reshipment to the United States. The whole problem is one upon which

definite conclusions are exceedingly difficult to reach, and one which is being subjected to further study by the Division of Analysis and Research of the Federal Reserve Board.

In considering the future of the export trade of the United States, it is necessary to take into account the changes the war has made in the productive power of our chief competitors in foreign markets. As regards the raw materials which make up a large part of our export trade (38 per cent of the value of our exported merchandise in 1913, 35 per cent in 1920), there is little question of competition. If the credit and exchange situation abroad could be adjusted, there would be no lack of demand for our wheat and cotton and the other raw materials which we normally export. However, the manufactured and semimanufactured products of the United States come into competition in foreign markets with those of European countries. During the war, in South America, in Asia, and in Oceania there was a great demand for American goods because customary sources in Europe were no longer available. The United States could respond to this demand only in part, however, because of the even more urgent need for American goods in Europe. Since the armistice there has been an effort on the part of all the European countries to reenter their prewar markets. Without doubt, the most important of these countries from the point of view of the United States are the United Kingdom, France, and Germany. The following paragraphs will attempt to show the changes which have taken place in the trade of these countries, as compared with the changes in the trade of the United States since the beginning of the war.

The direction of the export trade of the United States has not changed radically since 1913. In 1920 Europe received a smaller proportion of our total exports than in 1913, because of the decrease in shipments to Germany and Russia; the proportions going to South America, Asia, and Africa were slightly larger in 1920 than in 1913, while the shares received by North American countries and Oceania remained the same. The table following shows the broad outlines of the trade in the two years.

Foreign competition.

VALUE OF EXPORTS FROM THE UNITED STATES, BY CONTINENTS.					
[In millions of dollars.]					
	1913	1920	Per-centage of In-crease.	Proportion of the total to each continent.	
				1913	1920
Europe.....	1,500	4,467	198	60	54
North America.....	601	1,929	221	24	24
South America.....	147	624	326	6	8
Asia.....	126	772	512	5	9
Oceania.....	82	271	232	3	3
Africa.....	29	166	473	1	2
Total.....	2,484	8,229	331	100	100

Similar changes have taken place in the direction of British trade. There has been a large falling off in exports to Germany and Russia, and an increase in the share of the exports going to France, the Netherlands, and Belgium, while the proportion of the trade to the United States, Brazil, China, and Italy has remained the same. The increase in the total value of the export trade is, of course, accounted for by the change in the price level. In the case of France (according to the figures now available) the most striking changes in the apportionment of exports occur in the trade with England and Germany. England received 21 per cent of French exports in 1913 and 16 per cent in 1920, while Germany received 13 per cent in 1913 and only 5 per cent in 1920. The proportion of exports going to Brazil and Argentina has also been reduced in the later period, but the reverse is the case with the United States, which received 8 per cent of French exports in 1920 as compared with 6 per cent in 1913. The most recent complete figures available on the trade of Germany by countries cover the period from January through August, 1920. They show that during that period a larger proportion of German exports went to neutral countries in Europe than in 1913, while a correspondingly smaller proportion went to all of the belligerent countries. The share of German exports received by the United States was about the same in these two periods. No separate figures are given for South America, but the proportion of German merchandise shipped to non-European countries other than the United States decreased from 17 per cent in 1913 to 10 per cent in the first eight months of 1920.

The fact that all these figures are expressed in value units makes it impossible to use them in considering the changes which have taken place in volume of trade since the beginning of the war. Current statistics on the quantity of merchandise shipped, divided by countries of destination, are at present not available for the United States, England, France, or Germany. There are, however, figures for the total quantity of exports leaving each country. The volume of shipments from the United States is estimated by taking 29 of the most important exports of the country (which formed 56.3 per cent of the total value of the export trade in 1913) and comparing the quantities shipped in 1913 with those shipped in 1920, both calculated at 1913 prices. A similar estimate has been made by the Board of Trade for the United Kingdom, except that in this case the value of all commodities shipped in 1920 has been calculated at 1913 prices. For France and for Germany, actual tonnage figures are compiled. In the following table these figures have been reduced to relatives, using 1913 as 100.

INDEX NUMBERS OF THE VOLUME OF EXPORT TRADE.

	1913	1920
United States.....	100	107.0
United Kingdom.....	100	70.9
France.....	100	56.6
Germany.....	100	126.9

¹ First 11 months of the year.

It is clear if we consider exports as an evidence of ability to produce, that none of the European countries in question had returned to its prewar level of productive capacity in 1920. Changes in productive capacity which may have occurred since that time can not be ascertained from any of the available data, since the decreased export figures of 1921 represent rather a slackening of foreign demand than lack of productive power. Indeed, if it had not been for this slackening of demand, which began to make itself felt in the late months of 1920, the index numbers shown above would probably have been slightly larger, at least in the case of the United States, France, and the United Kingdom.

The continued fluctuations in foreign exchange adversely affected our foreign trade early in 1920, and the collapse in commodity prices later in the same year brought disaster to many lines of international commerce, for a declining market is usually accompanied by widespread repudiation of business obligations. Exports from the United States to South American countries in particular were affected by decrees ordering moratoria for a period of several months. These moratoria were both partial and complete, but in general postponed the payment of obligations arising from drafts and bills of exchange and from deposits in banks. In some countries the demand for a general moratorium was denied by the government, but nevertheless American goods on a large scale were rejected and so have accumulated in the warehouses of many South American ports. It is estimated that at the beginning of June the goods thus unsold represented a market value of not less than \$50,000,000 to \$60,000,000. This situation is now being relieved partly by withdrawal of the moratoria and partly by the action of liquidating committees. Repudiation has by no means been confined to American exports, but has also impaired the import trade. In this country repudiation has been in the direction of cancellation of sales contracts and nullification of commercial letters of credit. While the breaking of commercial contracts injures the rating of the parties involved, the violation of bank credit undertakings impairs the standing of the whole country before the rest of the world.

Particularly serious are the difficulties experienced in connection with transactions financed under the commercial letter of credit, which is the fundamental banking document in foreign trade. As a result, a mass of litigation between bankers and merchants has arisen both at home and abroad and many cases are still pending.

These legal complications are concerned mainly with the relations of large American banks with country correspondents, commercial houses, and foreign banking institutions. Comparatively few banks operate foreign departments of their own, and therefore it is custom-

ary for a country bank to avail itself of the services of its city correspondent. Because our experience in the field of overseas financing has been of only recent origin, many of our country banks do not yet fully understand the liabilities which they assume in requesting their city correspondents to open credits, and in consequence grave issues have arisen. The difficulties of the past year have also placed a severe strain upon the relations of city banks to exporting and importing houses, and a divergence of interests has at times resulted. Besides, there has often been no meeting of minds between American banks and their foreign correspondents on many subjects dealing with foreign credits.

Although court decisions have, on the whole, accomplished little in the way of settling the many problems connected with relations among these various parties, nevertheless considerable progress has been made in solving some of these questions through the action of the Bankers' Commercial Credit Conference. This body confined its efforts at first to considering bills of lading and other shipping documents. Late in 1920 the conference appointed a committee to draft a uniform set of credit instruments for use in financing foreign trade. This committee has drawn up a tentative set of documents which is being considered by organizations representing American banking and mercantile interests.

The outlook is now promising for a set of uniform regulations and standardized documents which will meet with the approval of American banks. However, the success of this movement from the international viewpoint depends largely on the cooperation of British and Continental banking institutions. Although they have had the benefit of long experience in financing overseas trade, nevertheless the abnormal conditions since 1914 have presented credit problems in an entirely new light. The legal and banking literature of these countries contains little mention of the subject, and it is therefore necessary to study the actual practices and analyze the documents of the leading foreign banks in order to evolve definitive regulations and instruments which will receive the unqualified indorsement of institutions abroad as well as at home.

Closely bound up with our foreign trade problem is the status of American shipping. Our changed position in the world's carrying trade may be made clearer by reference to the tonnage of ships operating under the American flag now and before the war. The Bureau of Navigation, Department of Commerce, reported the total of American documented shipping on June 30, 1921, at 18,350,000 gross tons, compared with 16,324,024 gross tons in 1920 and 7,928,688 gross tons in 1914. These figures include coastwise ships as well as vessels on inland waters of the United States. The growth of American shipping since 1914 is even more striking if ships registered for the foreign trade are taken alone. Such vessels totaled 1,076,152 gross tons in 1914, 9,928,595 gross tons in 1920, and 10,620,717 gross tons in 1921, showing that our overseas merchant fleet is now tenfold that of 1914. For purposes of comparison with the total world tonnage, the figures of Lloyd's Register may be taken as probably the most reliable. That publication gives the world's steam tonnage on June 30, 1914, as 45,403,877 gross tons, and as 53,904,688 gross tons in 1920. The share of the United States in the total was 4,330,078 gross tons, or 9.6 per cent, in 1914, and 14,574,375 gross tons, or 27 per cent, in 1920.

During the war and even as late as a year ago the opinion was frequently expressed that to repair war losses and bring the world's shipping up to normal would require years of effort, and that for a long time to come shipbuilding could not proceed too rapidly. But the world-wide industrial depression of 1920-21, accompanied by a severe fall of commodity prices coming at a time when the shipyards of the world were working to capacity and when the belligerent powers were releasing requisitioned ships to their owners, and when, moreover, large numbers of German and Austrian steamers were being turned over to the allied powers—all this could hardly fail to produce a profound reaction in the shipping industry. The result was that within a few months of the time when steamship men and exporters alike were demanding more and more ships, a surplus of shipping developed, accompa-

nied by sweeping reductions in ocean freight rates in every trade. Just how much tonnage has been forced to lie idle in ports all over the world will probably never be exactly known. In the early part of 1921 it was estimated that fully 10,000,000 tons of shipping were idle, and there have been periods since then for which that estimate should be considerably increased. What the enforced idleness of 20 per cent or more of the world's shipping means in the way of loss to business in general can only be conjectured. Its significance as a factor in the export trade situation which has just been outlined is, however, evident.

The question of adjusting our international indebtedness, and thereby establishing a definite basis for future financial relations with foreign countries, has been before Congress during the past month as the outcome of a request from the Treasury Department for action granting authority for the funding of these obligations. Hearings have been held with respect to the proposed bill in which the authority for funding is conveyed to the Treasury Department, and testimony has been given by the Secretary of the Treasury with respect to the whole matter. According to the showing made by the Treasury authorities before the committee the total amount due to the United States Treasury from foreign countries is \$10,141,267,585, while the aggregate of accrued and unpaid interest thereon up to and including the last interest period is \$943,534,755. During the hearings the committee was informed that there is no intention to consider the cancellation of the international indebtedness, and accordingly future payment on account of principal or interest, or both, must be taken into account. The large transfers which must be made to the United States in order to obtain a settlement of these obligations will unavoidably affect our balance of trade, since in the last analysis the transfers must be effected by the shipment of goods. A steady flow of goods into the United States must, in other words, take place at some time in the future if the obligations of Europe on the score of this indebtedness are to be provided for.

That such payment in any considerable amount will necessarily be only gradually made and will not, therefore, affect immediate taxation or international trade conditions, would seem to be clear. Existing problems of exchange rates and foreign commerce must, therefore, be considered primarily on their own merits and without reckoning for the immediate present upon the disturbing influence of factors growing out of the debt problem. In this connection our commercial policy must necessarily have a very considerable influence, and this is likewise true of the commercial policies of foreign countries which are our debtors. This factor brings into a foreign situation, which in any case is complex, unusual elements of difficulty, although, as just remarked, they probably need not be considered as an immediate factor.

In the following table are presented the Board's index Board's indexes of business conditions, with figures computed to the most recent available date. These, however, as usual represent a period of about 30 days before publication. Examination of the indexes bears out the opinions of trade authorities concerning existing conditions. In several industries operations have increased somewhat as compared with the month of May. Steel production continues to be more seriously depressed than any other element in the industrial situation.

[000 omitted.]

	June, 1920.		June, 1921.		May, 1921.	
	Total.	Relative.	Total.	Relative.	Total.	Relative.
Receipts of live stock at 15 western markets (head).....	5,005	100	4,928	98.4	4,574	91.4
Receipts of grain at 17 interior centers (bushels).....	77,940	100	93,405	119.9	72,640	93.2
Sight receipts of cotton (bales).....	266	100	.....	.....	777	292.1
Shipments of lumber reported by three associations (million feet).....	685,072	100	679,027	99.1	825,350	120.4
Bituminous coal production (short tons).....	45,114	100	33,852	75.0	33,330	73.8
Anthracite coal production (short tons).....	8,158	100	7,736	95.4	7,497	91.8
Crude petroleum production (barrels).....	36,946	100	40,405	109.3	42,043	113.8
Pig iron production (long tons).....	3,044	100	1,065	34.9	1,221	40.1
Steel ingot production (long tons).....	2,981	100	1,003	33.6	1,266	42.4
Cotton consumption (bales).....	555	100	462	83.2	440	79.2
Wool consumption (pounds).....	46,578	100	59,592	127.8	56,929	122.2

As in former months, there is herewith submitted a review of foreign exchange quotations during the month of July. The figures furnished reflect in practically all cases a downward movement of exchanges during the greater part of the month. This downward movement is decidedly less marked in some cases than in others, but taking the figures as a group, points to a continuous appreciation in the purchasing power of the dollar. Such appreciation is naturally most marked in the case of some of the European currencies. The indications furnished by these quotations may be regarded as corroborating in a measure the conclusions already drawn from the tendencies indicated by our growing balance of international indebtedness. As this balance increases the lack of correlation between supply of and demand for bills drawn upon those countries which are most heavily in our debt becomes more and more evident.

FOREIGN EXCHANGE, JULY 5 TO JULY 23, INCLUSIVE.

	Week ended July 9.		Week ended July 16.		Week ended July 23.		
	High.	Low.	High.	Low.	High.	Low.	Last.
England.....	3.7275	3.6588	3.6550	3.6150	3.6063	3.5713	3.5775
France.....	.0801	.0781	.0788	.0771	.0780	.0770	.0773
Italy.....	.0492	.0463	.0467	.0447	.0458	.0433	.0433
Spain.....	.1290	.1265	.1303	.1260	.1296	.1275	.1275
Germany.....	.0136	.0131	.0137	.0127	.0131	.0128	.0129
Switzerland.....	.1684	.1660	.1659	.1647	.1650	.1625	.1647
Sweden (Stockholm).....	.2180	.2150	.2120	.2095	.2131	.2052	.2055
Holland.....	.3234	.3215	.3204	.3170	.3170	.3127	.3132
Belgium.....	.0795	.0768	.0781	.0757	.0773	.0752	.0773
Argentina.....	.2949	.2922	.2908	.2835	.2867	.2792	.2567
China (Hongkong).....	.5063	.4913	.5038	.4963	.5013	.4913	.5013
China (Shanghai).....	.6938	.6688	.6863	.6763	.6788	.6713	.6788
Japan (Yokohama).....	.4788	.4788	.4788	.4788	.4813	.4788	.4813
Canada.....	.8325	.8750	.8800	.8725	.8888	.8750	.8888
Bar silver in New York.....	.6150	.5963	.6150	.5950	.6113	.5975	.6025

During the month ending July 10 the net Gold and silver inward movement of gold was \$34,351,000, as compared with a net inward movement of \$51,581,000 for the month ending June 10. England, France, and Canada combined furnished over 80 per cent, or \$29,380,000, of the \$36,294,000 of gold imported during the monthly period ending July 10, other countries of Europe, the Orient, and Colombia furnishing most of the remainder. Of the gold exports, amounting to \$1,943,000, almost three-fifths, or \$1,124,000, was consigned to Sweden and the remainder to Mexico and Canada.

Net silver imports during the monthly period ending July 10 totaled \$1,532,000, as compared with net imports of \$3,005,000 for the month ending June 10. Mexico furnished over 56 per cent, or \$2,236,000 of the \$3,983,000 of silver imported during the monthly period ending July 10, the remainder coming principally from Peru, Canada, and Panama. Silver exports, amounting to \$2,451,000, were consigned principally to Hongkong, China, England, and Mexico.

Further progress toward the restoration of a more liquid condition of both member banks and Federal Reserve Banks is indicated by the reports of these banks for the more recent weeks.

In the absence of major loan operations by the Treasury, credit liquidation proceeded unchecked, the volume of loans and discounts of reporting member banks showing substantial reductions for the period under review. Larger reductions are indicated in the member bank holdings of Government securities, chiefly of Treasury certificates and the newly issued 3-year Treasury notes, for which apparently there exists a good investment demand. Reductions in these two accounts between June 15 and July 13 aggregated over \$180,000,000 out of a total reduction of \$227,000,000 in investments and of \$379,000,000 in total loans and investments of the reporting banks. The course of member bank credit operations during the four weeks between June 15 and July 13 is indicated in a general way in the following exhibit:

REPORTING MEMBER BANKS.

[In millions of dollars.]

Date.	Number of reporting banks.	Loans and discounts and investments. ¹	Rediscounts and bills payable with F. R. Banks.	Ratio of accommodation (3+2).	Net demand deposits.
	1	2	3	4	5
June 15.....	817	15,430	1,168	7.6	10,384
June 22.....	817	15,349	1,208	7.9	9,989
June 29.....	817	15,333	1,215	7.9	10,046
July 6.....	816	15,195	1,250	8.2	10,030
July 13.....	816	15,051	1,154	7.7	10,036

¹ Including rediscounts with F. R. Banks.

Developments in the Federal Reserve field during the four-week period ending July 20 in-

clude further net liquidation of \$67,800,000 of discounts for member banks, largely paper secured by Government obligations. Federal Reserve Bank holdings of acceptances show a further decline of \$15,600,000 and on July 20 reached the low total of \$23,900,000, Pittman certificates show a decrease of \$6,500,000, while a decrease of \$30,000,000 in other Treasury certificates is due largely to the redemption of temporary certificates held by the New York Federal Reserve Bank. Deposits moved within rather narrow limits, while Federal Reserve note circulation, notwithstanding the large note issues before the July 4 holiday, shows a further decrease of \$74,800,000, the amount in circulation on July 20—\$2,564,500,000—being about 25 per cent below the peak attained on December 23 of last year. Rediscounts of the Richmond, Minneapolis, and Dallas banks with other Federal Reserve Banks increased from \$41,700,000 to \$49,700,000.

The reserve banks report a further gain of \$57,800,000 of gold, while their total cash reserves, because of a loss of \$18,400,000 of silver and legals, show an increase of only \$39,400,000. It is this gain nearly as much as the reduction in liabilities which is responsible for the substantial rise in the reserve ratio from 60.4 to 62.5 per cent. This rise was continuous, except for the first week in July, when a temporary increase in note liabilities caused a fall in the ratio from 60.8 to 60 per cent.

In the following exhibit are shown the principal changes in the condition of the Federal Reserve Banks between June 22 and July 20:

FEDERAL RESERVE BANKS.

[In millions of dollars.]

Date.	Cash reserves.	Bills discounted.		Total deposits.	F. R. notes in actual circulation.	Reserve ratio.
		Secured by U. S. Government obligations.	All other.			
June 22.....	2,620	658	1,096	1,697	2,639	60.4
June 29.....	2,625	648	1,124	1,686	2,634	60.8
July 6.....	2,631	674	1,127	1,713	2,672	60.0
July 13.....	2,648	619	1,085	1,694	2,604	61.6
July 20.....	2,659	610	1,076	1,693	2,565	62.5

BUSINESS, INDUSTRY, AND FINANCE, JULY, 1921.

Seasonal dullness in practically all lines of trade has prevented general business conditions from showing a material alteration during the month of July. Both in volume of business, extent of unemployment, and depression of production, the month still reflects a condition of business reaction in basic lines of industry. In this connection may be especially mentioned the position of two of the nonferrous metals, copper and zinc, which continue to suffer from lack of demand and extreme depression of prices. It should, however, be noted that in some basic lines of production, in which demand is subject to special conditions, there has been a noticeable improvement. This is true of cement production and structural steel, demand for which has been substantially increased as a result of the growth which has been noted in building operations.

On the other hand, consumers' demand, as reflected in the volume of retail trade (with due allowance for price declines), continues as good as or better than at this time last year. The improved conditions noted during the past month or two as affecting textiles, boots and shoes, and other lines of business producing immediately consumable commodities, have been maintained. Due to the shortage of stocks on the shelves, midsummer orders have been in some few directions better than usual. In a number of lines, such as knit goods, cotton textiles, and others, the forecasts for a satisfactory autumn business furnished by trade authorities are decidedly encouraging.

Probably the most hopeful feature in the outlook is, however, the continuing prospect of excellent food crop returns. In cotton there has been little or no change from the prospect of former months, the outlook indicating about two-thirds of last year's production, due both to reduced acreage and to the poor condition of the crop. This reduced crop prospect holds true also for tobacco and in a lesser degree for other important money crops. Unusually poor returns from the deciduous fruit crop are reported from a number of important producing areas in the East and Middle West.

Price changes have shown no pronounced tendencies. The Federal Reserve Board's index compiled for international comparisons shows a recession of 3 points during June, while conflicting movements are manifest during July. Greater stability is manifest in the textile and boot and shoe industries, while, on the other hand, important declines have taken place in other industries, as, e. g., in iron and steel. Automobile prices constitute a striking example of reduction among the highly manufactured commodities.

Practically no change has occurred in the employment situation, and labor authorities report that the savings of men who have been for some time out of work, as well as unemployment funds of trade-unions, are becoming seriously depleted. The desire to see a resumption of full production has become very acute in not a few districts and has apparently led to some operation of plants on a nonprofit-making basis, but with wage scales correspondingly reduced or employees working on part time.

In the financial field money rates have become distinctly easier. A reduction in the rediscount rates at several Federal Reserve Banks has placed the charge for all classes of paper at 5½ per cent, while some softening of rates to direct borrowers of banks has been reported from the financial centers. Fairly satisfactory demand for commercial paper and for bankers' acceptances continues to make itself felt. Fluctuations in exchange and unstable financial conditions in foreign countries have prevented any material improvement in the financing of export products, and foreign trade conditions continue to show comparatively little advance from the position of recent months, although heavy seasonal exports of cotton and grain have slightly increased our trade balance, as shown by the most recent figures.

AGRICULTURE.

The composite condition of all crops of the United States on July 1 was 96.4 per cent of their average condition on that date during the past 10 years. There was some decline in the condition of all the leading grain crops during June, and the indicated production of wheat on July 1 was 809,412,000 bushels, as compared with an estimated production of 829,631,000 bushels on June 1 and an actual production of 787,128,000 bushels in 1920. Harvesting of winter wheat was completed early in July and the harvesting of spring wheat has commenced. District No. 10 (Kansas City) states that the wheat yield was better than has been anticipated, but the prolonged period of hot weather has left the wheat and other small grain crops of district No. 9 (Minneapolis) in a spotted condition. The acreage and condition of corn on July 1 indicated a yield of 3,123,139,000 bushels for the 1921 crop, as compared with a yield of 3,232,367,000 bushels in 1920 and an average production of 2,797,625,000 bushels during the previous five years. The heavy rains in June and warm, dry weather in July have combined to improve crop prospects throughout most of the corn belt. District No. 9 (Minneapolis) states that, unless unfavorable conditions develop before the harvest, the corn crop should be the largest that that district has ever produced. Reports indicate that the acreage planted to corn in districts No. 6 (Atlanta) and No. 11 (Dallas) has been largely increased as a result of the reduction in cotton planting. The estimated production of sugar beets on July 1 was 8,012,000 tons, as compared with 8,546,000 tons in 1920 and an average production of 6,218,000 tons in the previous five years. District No. 12 (San Francisco) states that sugar beets in California, Utah, Idaho, and Washington are well above the average condition, while the acreage is only slightly smaller than in 1920.

FRUIT.

The deciduous fruit crops showed some further deterioration during June, and the indicated yield is very low in all sections of the United States. The indicated production of apples on July 1 amounted to 102,190,000 bushels, as compared with 240,442,000 bushels in 1920 and an average production of 182,706,000 bushels during the previous five years. On July 1 the condition of each of the citrus fruit crops—oranges, grapefruit, lemons, and limes—was higher than the 10-year average condition on that date. Shipments of all citrus fruits from California during June amounted to 7,858 carloads, as compared with 5,960 car-

loads in May and 4,870 carloads in June, 1920. The hot weather has caused a large increase in the demand for lemons, which has resulted in a sharp rise in their price. Cannerymen in district No. 12 (San Francisco) are planning to curtail their pack of canned fruit, as distributors have been placing few orders for future delivery.

COTTON.

The condition of the United States cotton crop on June 25 was 69.2 per cent of a full normal, as compared with 70.7 per cent a year ago, and an average condition of 78.8 per cent for the past 10 years on that date. The area of cotton under cultivation amounts to 26,519,000 acres, as compared with 37,043,000 acres a year ago, while the estimated total production for 1921 is 8,433,000 bales, as compared with an actual production of 13,365,754 bales in 1920. The reduction in acreage amounts to at least 25 per cent in each of the States where cotton is cultivated. District No. 5 (Richmond) reports a generally poor condition of the cotton crop due to late frosts, boll-weevil activity, and a reduction of about one-third in the quantity of fertilizer used. In district No. 6 (Atlanta) there has been considerable abandonment of acreage planted to cotton. Large numbers of boll weevils have appeared, but their activities have been somewhat checked by the hot, dry weather. Reports from Alabama and Georgia indicate that the average quality of fertilizer used on the acreage planted to cotton was unusually poor. District No. 11 (Dallas) states that the condition of Texas cotton is "from about the average to very good," except in eastern Texas, although the season has been too wet to secure the best progress for the plant. Weather conditions have also hampered the growth of the crop in district No. 8 (St. Louis) and it has been seriously injured by the ravages of the boll weevil.

TOBACCO.

The production of tobacco this year on the whole has been greatly reduced. The total acreage is reported as 70.6 per cent of that in 1920, while the condition on July 1 was only 71.9 per cent as compared with 84.3 per cent on July 1, 1920, and 82.1 per cent for the July 1 10-year average. Accordingly, the estimated yield is 932,157,000 pounds, as compared with the December, 1920, estimate of 1,508,064,000 pounds last year. The reduction is especially marked in the Southern States which grow the manufactured and export types. On the other hand, in the cigar-type States acreage in general has been

but little reduced from last year, and the condition is much nearer the 10-year average, so that the falling off in estimated production has been much less than in the case of the other types. In district No. 5 (Richmond) the South Carolina crop has been made, and the markets open there this month. Growth has been slow in district No. 8 (St. Louis), and the Burley crop in district No. 4 (Cleveland) has been "hit hard" by drought, while in district No. 3 (Philadelphia) the Lancaster County crop is also not very far advanced, as it was retarded by the June drought, although it has been aided by recent rains. The cigar industry in district No. 3 (Philadelphia) has recently experienced a general improvement, but, while operations have been increased in many factories, production is being regulated by sales so that stocks will not accumulate.

GRAIN MOVEMENTS.

Receipts of grain at primary markets increased considerably during June, as compared with May, and also showed an increase over receipts in June, 1920. Wheat receipts at the four leading markets of district No. 10 (Kansas City), however, amounted to 11,034,400 bushels in June, as compared with 11,964,000 bushels in May and 7,570,100 bushels in June, 1920. Receipts of wheat at Minneapolis and Duluth totaled 12,599,842 bushels in June, an increase of 57 per cent over the receipts for May and of 42 per cent over the receipts for June, 1920. The June receipts of corn, oats, and barley at these two centers showed even greater increases in comparison to the receipts during May and during June, 1920. In the four reporting centers of district No. 10 (Kansas City), however, receipts of corn during June were appreciably lower than in June, 1920. About 54,435,000 bushels, or 6.9 per cent, of the 1920 wheat crop still remained on the farms on July 1, as compared with 47,620,000 bushels on July 1, 1920, and average stocks of 29,328,000 bushels for that date in the five preceding years. Stocks of grain in terminal elevators at Minneapolis and Duluth amounted to 21,869,196 bushels on June 30, an increase of 19 per cent over the stocks on May 31. Stocks of corn nearly doubled during June, and there was an increase in stocks of all grains except rye. Comparisons with a year ago at these centers show a particularly large increase in stocks of oats from 516,513 bushels on June 30, 1920, to 15,016,996 bushels on June 30, 1921.

FLOUR.

Business of flour millers continues well under normal, but in district No. 8 (St. Louis) 12 reporting firms give sales during the past 30 days (up to about July 20) as the best in several months. The domestic trade has picked up, and export buying has been on a larger scale. Operations in that district have been at 40-50 per cent of capacity. Increased milling activity during the latter part of June and the first half of July is also reported in district No. 10 (Kansas City), where June output of reporting mills amounted to 1,433,804 barrels. Flour mills in district No. 9 (Minneapolis), however, operated at about 39 per cent of capacity during the four weeks ending July 2, as compared with 41 per cent during the four weeks ending June 4. The output of mills representing about 75 per cent of the total production of the district, on the other hand, increased 1.7 per cent—from 1,626,830 barrels to 1,651,175 barrels. An increase in the percentage of operations in district No. 12 (San Francisco) from 34 per cent of capacity in May to 42 per cent of capacity in June was due entirely to increased activity by California millers. Seventy-six mills produced 623,134 barrels during June, while 72 mills produced 525,392 barrels during May. Flour prices receded sharply during June, although they showed a considerable advance again at the middle of July.

LIVE STOCK.

Range conditions continue good in practically all sections except Arizona and southern Utah, where there has been deficient rainfall for some time. There is, however, a shortage of beef cattle in the range country of district No. 12 (San Francisco), as a larger proportion than usual of the herds were sold last fall in order to meet maturing obligations. The spring lamb crop in the district is reported the best in several years.

June movement to markets of each of the three principal classes of live stock has been heavier than in May, although less than during June, 1920, except in the case of sheep. Receipts of cattle and calves at 15 western markets during June were 1,117,111 head, as compared with 1,062,988 head during May and 1,282,294 head during June, 1920. The respective index numbers were 111, 105, and 127. June receipts of hogs were 2,671,462 head, corresponding to an index number of 122, as compared with 2,401,246 head during May,

corresponding to an index number of 109, and 2,695,660 head during June, 1920, corresponding to an index number of 123. Receipts of sheep during June were 1,130,874 head, as compared with 1,097,976 head during May and 1,005,790 head during June, 1920. The respective index numbers were 83, 80, and 74. Prices of these three classes of live stock have been higher in July than in June, and the advance has been particularly marked in the increase of hogs. Dressed hogs on July 15 likewise were 2 cents a pound higher at Chicago than on June 15, and similar increases were shown for the various pork products. These are attributed to improved export demand, in particular from England. Warm weather at the end of June hurt the beef trade in district No. 10 (Kansas City), which had slackened as far back as the latter part of May, although there was an excellent demand for lamb during the first half of June.

PETROLEUM.

The petroleum industry during the month of June was characterized by continued production in excess of requirements, and by further price cuts ranging from 2 per cent to 19 per cent for all refined products. California showed the greatest increase in production. The average daily production was 337,625 barrels, an increase of 64,556 barrels as compared with June, 1920, and of 524 barrels as compared with May, 1921. Production was greater than consumption, and at the end of June the stored stocks of 29,768,643 barrels represented an increase of 1,713,933 barrels over those at the close of May. Seventy-six new wells were opened with a daily production of 19,965 barrels. In district No. 11 (Dallas) the average daily output was 380,171 barrels, as compared with 372,596 barrels for the preceding month. A total of 264 new wells, which had an initial production of 73,062 barrels, were completed in June, as compared with 278 new wells, with an average daily production of 75,574 barrels, for the month of May. Preliminary estimates of the production of crude oil in the three States of Kansas, Oklahoma, and Wyoming indicate a total production of 14,850,000 barrels for the 30 days of June, as compared with 15,412,000 barrels for the 31 days of May. Reports for the first two weeks of July, however, showed a considerable reduction in output, with indications that fewer new wells will be completed in July than in any month since February, 1920. In this district 733 new wells were completed in June with 71,890 barrels daily new production, as compared with 714 wells with 87,461 barrels daily new production for the month of May, and 1,135 wells with

106,970 barrels daily new production in June, 1920. In all districts there were further pronounced reductions during June in the prices of crude petroleum and its refined products, because of decreasing consumption and increasing stored stocks. In the Texas, Kansas, Oklahoma, and Wyoming fields crude oil is quoted at \$1 per barrel, while in the California district \$1.35 is the present price.

COAL.

Demand for bituminous coal is very slack and movement of coal to the lake ports is sluggish. Railroads and public utilities are placing the largest orders, but are not making future contracts. Production of bituminous coal in the United States during the first six months of 1921 amounted to 196,000,000 tons, which is smaller than in any similar period since 1915, and is 66,000,000 tons less than the production for the corresponding six months of 1920. June production was 33,852,000 tons, as compared with 33,330,000 tons for May and with 45,114,000 tons for June, 1920. The respective index numbers are 91, 90, and 122. District No. 3 (Philadelphia) reports output 60 per cent of normal. Operations are declining and many mines are closing for the summer months. The mines of Colorado and Wyoming were operated at approximately 50 per cent of capacity as a result of the reduced demand. June production of anthracite coal totaled 7,786,000 tons, corresponding to an index number of 105, as compared with 7,497,000 tons, corresponding to an index number of 101, for the preceding month, and with 8,158,000 tons, corresponding to an index number of 110, for the corresponding month of 1920. A generally dull anthracite market is reported. In district No. 3 (Philadelphia) production continued at the same rate as heretofore, but greater amounts of domestic sizes are being stored by dealers who are laying in winter supplies. On the other hand, steam sizes are being stored at the mines. Retail prices were advanced the usual 10 cents per ton on July 1, with an additional 15 cents per ton for the new Pennsylvania State tax. Beehive coke production continued to decline during June, with present output in district No. 3 (Philadelphia) only 11.7 per cent of that reported a year ago. By-product coke is being produced at less than 50 per cent of the normal rate, but it remains practically unchanged in price.

IRON AND STEEL.

Operations in the iron and steel industry continue at a low level. Pig-iron production

during June was 1,064,833 tons, corresponding to an index number of 46, compared with 1,221,221 tons during May, corresponding to an index number of 53. Daily average production was the lowest since January, 1908. Steel-ingot production declined similarly, from 1,265,850 tons during May to 1,003,406 tons during June. The respective index numbers were 54 and 43. The unfilled orders of the United States Steel Corporation likewise declined, from 5,482,487 tons at the close of May, corresponding to an index number of 104, to 5,117,868 tons at the close of June, corresponding to an index number of 97. The number of active blast furnaces decreased during June from 90 to 76. Present production is stated to be at a rate not more than sufficient to meet current demands, and manufacturers are not accumulating stocks, except when the operation of the by-product ovens makes it profitable to consume the coke produced in the manufacturing of pig iron. Consumers' stocks are stated to have been steadily decreasing during past months, but no attempt is being made to replenish them. The large manufacturers, on the other hand, appear to have in general adopted the policy of shutting down plants or curtailing operations rather than attempting to force their goods upon the market irrespective of price. New price levels were established early in the month, which represented a formal recognition of the levels previously reached through shading the schedule of prices announced on April 13, rather than a new development in themselves. Some of the smaller companies, in fact, are already stated to have shaded the new levels. In spite of the reductions, the volume of new business on the whole continues small. Some firms in district No. 3 (Philadelphia) report a few inquiries from automobile and oil-tank manufacturers, while in district No. 4 (Cleveland) there have been an increasing number of requests from railroads for material for repairs, and some buying has resulted. A few inquiries and purchases of new equipment have also developed. With increased building activity in recent months there has been increased purchasing of structural steel.

AUTOMOBILES.

Price reductions have been made by 72 out of about 90 large automobile manufacturers in the country, while four have increased their prices. Reductions have been comparatively few on the higher-priced cars, and the percentage reductions are also stated to have been less. The reductions range from 5 to 34 per cent, the average decrease announced by 45 companies being 14.8 per cent. There has

been some revival of sales in consequence, but this is now subsiding, and it is stated from district No. 3 (Philadelphia) that "the mid-summer season bids fair to be duller than usual." Greater economy in purchasing by consumers is evidenced by the relatively better demand for the lower-priced cars and for used cars of all types, as well as by an exceptionally good demand for accessories and parts. A conspicuous exception is afforded by a leading make of low-priced car, which is stated to be selling in record quantities. Manufacturers in general are keeping production close to existing demands in order to prevent accumulation of cars. Shipments of automobiles reflect the situation just indicated. June shipments are estimated at 19,200 carloads, as compared with 18,608 carloads during May, while driveaways during June were 18,000 cars, as compared with 15,193 in May, and June boat shipments are estimated at 3,700 cars, as compared with 2,881 cars during May.

METAL MANUFACTURING.

The metal-working industry of New England is operating at approximately one-third capacity, with rather more firms below this average than above. Producers of machinery are confronted with a considerable quantity of second-hand machinery on the market that must be absorbed before substantial orders can be expected. The quantity of orders on hand is extremely small, and the firm with a volume of advanced business equivalent to whole-time operation for even a week or two is the exception. Companies have frequently been asked to suspend shipments of goods ordered until business conditions improve. While jobbers' and dealers' stocks are not considered large, buying continues on a hand-to-mouth basis.

NONFERROUS METALS.

Production of the nonferrous metals has been very inactive during June and the early part of July, and there has been very little demand for copper, lead, or zinc. It has been stated by authorities in the copper industry that June marked the slowest month since June, 1908, but toward the middle of July conditions became more encouraging. The output of refined copper by reporting companies in district No. 9 (Minneapolis) amounted to 5,790,145 pounds, as compared with 5,927,881 pounds in May, but was only 22.6 per cent of that produced during the same period last year. The quoted price of refined copper (New York) during this period ranged from 12.675 cents to 12.25 cents per pound. The larger producers are doing practically no business, as they are

unwilling to sell, even to favored customers, for less than 13 cents delivered. Export demand has continued weak. Production of zinc during June amounted to 19,443 tons, as compared with 18,026 tons for May, and stocks increased from 83,721 tons at the close of May to 89,889 tons at the close of June. The zinc market registered still further price declines and in the early part of July zinc was quoted at 4.20 cents per pound. Due to the increased amount of stocks, producers are taking steps to curtail production in order to permit the disposal of some of the accumulations. District No. 10 (Kansas City) reports that stocks of zinc ores held in the bins of the ore producers and unsold were estimated at 71,000 tons at the end of June, 1921, as compared with 28,000 tons at the end of June, 1920, while the average price for zinc blende ore this year showed a decrease of 54 per cent when compared with the same period last year. The price of lead fluctuated but little, the majority of the producers asking 4.40 cents. The stiffening in lead prices is reported to be due more to holding off on the part of the sellers than to increased demand. District No. 12 (San Francisco) reports that gold, silver, and lead mines are still operating at 100 per cent capacity.

COTTON TEXTILES.

Increased activity in the market for cotton textiles is evidenced in the larger consumption of raw cotton reported for the month of June. The total amount entering into consumption was greater by nearly 22,000 bales than during the preceding month, but it was still 17 per cent below the figure for the corresponding month a year ago. Prices for raw cotton had advanced somewhat at the date of writing, principally because of the unfavorable crop reports. The greater part of the increase in consumption is no doubt to be traced to the enlargement of demand in the New England districts. It is stated, however, in the report from district No. 1 (Boston) that "competition is so keen that profits are not keeping pace with the volume of business and fear is felt that the lower wage scale maintained in southern mills endangers the stability of that prevailing in New England." Reports both from district No. 1 (Boston) and district No. 3 (Philadelphia) indicate the prevalence of the demand for special kinds of dress fabrics, such as gingham, while the demand for fabrics needed primarily for industrial uses, such as ducks and denims, is still weak. The activity in the cotton-goods market has not been paralleled by a similar revival in the case of the yarn mills. Large stocks of yarn are still held by manufacturers

and are only taken as needed in small quantities.

Reports made to the Federal Reserve Bank of district No. 6 (Atlanta) by 20 mills engaged in the manufacture of cotton cloth show an increase of 14.4 per cent in yardage as compared with the preceding month and an increase of 14.5 per cent in shipments. Orders on hand, however, had declined 16.7 per cent as compared with the end of May and were 76.2 per cent below the totals for a year ago. The dullness prevailing in the market for cotton yarn in district No. 1 (Boston) and district No. 3 (Philadelphia) also exists in district No. 6 (Atlanta), according to the reports received from 28 mills, which show a reduction of 2.2 per cent in output as compared with the preceding month and 20.2 per cent as compared with a year ago. Orders on hand likewise decreased 10.2 per cent as compared with the end of May.

The reports furnished by the members of the National Association of Finishers of Cotton Fabrics reflect with a high degree of accuracy the conditions that have prevailed within the cotton textile industry for a number of months. There has been a steady increase in output of finished goods as current orders have improved, and the average percentage of plant capacity in operation advanced to 74 per cent in June, as compared with 66 per cent in April and 68 per cent in May. Notwithstanding this fact, the total average number of days of work ahead at the end of the month has shown practically no change, indicating that the demand is of an immediate character. The following figures present the situation in the finishing industry in more detail: Thirty-four firms, representing approximately 72 per cent of the industry in the case of white goods, 62 per cent in the case of dyed goods, and 30 per cent for printed goods, state that the total number of finished yards billed during the month of June amounted to 99,929,456 yards, as compared with 91,033,535 yards in May. The total gray yardage of finishing orders received in June was 96,828,994, as compared with 86,754,055 in the preceding month. The total average percentage of capacity operated was, as previously stated, 74 per cent and 68 per cent, respectively. The total average work ahead at the end of the month amounted to 9.1 days for June, as compared with 10 days for May.

WOOLEN TEXTILES.

The belief that the woolen and worsted industry has reached a fair degree of stability received additional confirmation from the result of the opening of the spring lines by the

American Woolen Co. on July 26. There was a large attendance of buyers, and it is stated that orders in some cases booked the entire production of certain mills. Most significant was the fact that the prices quoted on men's wear fabrics were either about the same or slightly higher than quotations for fall made last February, while there was as light advance on woolen goods for women's wear and practically no change in the prices of worsteds. During the month the mills have largely been working on past orders, as business for fall and winter had been previously placed and the spring season openings were still in prospect. The activity of the industry is shown by the fact that woolen and worsted machinery has been employed from 74 per cent of capacity upward during June, and wool-combing machinery has run at about 96 per cent of capacity. Notwithstanding the favorable outlook, it still remains true that there is a very restricted market for raw wools and that prices both of wools and of tops have suffered further reductions. It is said that prices for raw wool are about the same as they were during the first half of 1916, while tops are selling at about the same prices as those that prevailed during the last half of 1916. The demand for finer counts of yarn is strong. The available supply is small and the outlook promising for spinners able to produce these better grades. Nevertheless, the market for woolen and worsted yarn generally speaking is not very active. Orders are in small quantities merely to fill in depleted stocks. It is stated, however, from district No. 3 (Philadelphia) that the demand from the knitting trade has "developed beyond expectations" and that there has been some difficulty in securing suitable yarns. Slight improvement in the business in hosiery and underwear yarns is also noted, although dullness still prevails. The demand for carpet and rug yarns is somewhat greater.

SILK TEXTILES.

The prospects in the silk industry are fairly favorable at the present time, as witnessed by the fact that the consumption of raw silk during June amounted to 33,846 bales, as compared with only 27,209 bales in May. In fact the total was as great as the amount consumed in any month of 1919. Imports during the month of June amounted to 28,857 bales, a slight increase over the May totals. As a result of the increase in consumption, however, the amount in storage at the end of the month fell to 15,552 bales, as compared with 20,541 bales held at the end of May. The latest reports from the district in and about Paterson indicate that the percentage of operations to

maximum capacity is about 45 per cent, which is somewhat below the estimates for a month ago. The drop can probably be attributed to seasonal influences. Reports from district No. 3 (Philadelphia) are particularly encouraging, and it is stated that one important firm reports a larger business for the first six months of 1921 than for any similar period in its history. The trade reports generally note that Canton prices are advancing, and that the Italian market has also received good advance orders.

HOSIERY.

The conditions in the hosiery trade remained substantially as they were a month ago. The long drawn-out strike in the full-fashioned silk hosiery mills has persisted, with the result that the scarcity of goods has become so great as to encourage importations from abroad. There has been a slight increase in demand for better grades of lisle hosiery, and cotton hosiery has also been taken in somewhat greater quantities but only where price reductions have been made. In district No. 3 (Philadelphia) 24 firms selling to the wholesale trade report an increase of 17.3 per cent in product manufactured during June as compared with May. Orders booked, however, dropped 42.7 per cent and unfilled orders on hand on June 30 were 13.4 per cent less than during the preceding month. On the other hand, 7 firms selling to the retail trade not only showed an increase in product manufactured during June of 26.7 per cent, but also in orders booked and unfilled orders on hand on June 30, with percentages of 65 and 40, respectively.

UNDERWEAR.

There were indications of improvement in the market for knit goods during June. It was reported from district No. 3 (Philadelphia) that a fair number of orders had been received for the late spring trade in underwear, and operations were at 75 per cent of capacity, and in some cases even more, for the majority of reporting firms. Production had also increased as compared with May, and 20 firms reporting to the Federal Reserve Bank of Philadelphia showed an increase in the product manufactured of 13.2 per cent as compared with May, although the totals were 37.7 per cent below those of a year ago. Orders booked during the month increased 43.9 per cent, while unfilled orders on hand at the end of June had been reduced 22.9 per cent. Orders for the fall trade have been so slight, however, that unless the next few weeks show a very decided increase in demand it will not be possible for manufacturers to fill any subsequent orders within the limited time available. It is

estimated by some firms that the production of woolen and cotton ribbed underwear has not amounted to more than 15 per cent of normal since last December. The improvement noted in the report from district No. 3 (Philadelphia) is also evidenced by the returns received from 62 mills reporting to the Knit Goods Manufacturers of America. Although the production of summer underwear during June amounted to only 60.3 per cent of normal as compared with 63.6 per cent during the month of May, the production of winter underwear rose to 67.9 per cent of normal as compared with only 48.5 per cent during the preceding month.

SHOES AND LEATHER.

Prices of hides and skins have shown little change during July. District No. 3 (Philadelphia) states that calfskins have held steady at 18 cents and that considerable sales have been made at that price. The price of goat-skins has shown a slight increase, while the price of cattle hides has tended to decline. Demand for upper leathers has been well maintained. There is a fair amount of business in calf leather and some export orders for suede calf have been booked. A considerable export business in patent leather has developed, and the foreign demand for glazed kid has recently shown a marked growth. The output of glazed kid is increasing, but manufacturers are selling more than they are producing. District No. 3 (Philadelphia) reports that sales of sole leather declined during July, but the prices showed little change. Sales of hat leather have recently been very satisfactory, but trade in belting leather and glove leather is very stagnant. Shoe production in New England showed a marked increase during June and amounted to over 60 per cent of capacity, as compared with about 50 per cent in April and May. The June output of eight representative shoe manufacturers in district No. 1 (Boston) was about 24 per cent higher than that of May, and more than twice as great as that of November, 1920. District No. 3 (Philadelphia) states that manufacturers are for the most part well supplied with business, and that prices as a rule have been firmly maintained. Manufacturers of women's shoes in that district report that high shoes are ordered in smaller quantities than low shoes, and that calf and kid leathers are in largest demand. In district No. 8 (St. Louis) factory operation has continued at from 90 to 100 per cent of capacity, according to the reports received from 11 firms, but new orders have shown a perceptible decline since July 1. Sales of reporting wholesale shoe dealers in district No. 7

(Chicago) during June showed an increase of 4.4 per cent as compared with June, 1920.

LUMBER.

Demand for lumber declined somewhat during June. District No. 12 (San Francisco) reports "extreme quiet in lumber production," which is expected to change when new freight rates to eastern points become effective. Seventy-five per cent of the logging camps are reported closed and will remain so until the demand for lumber improves. The demand for spruce, however, is greater, due to increasing orders from fruit growers and packers. The four lumber associations of the district report a June production of 377,605,000 feet, the highest figure reached during the current year, and 4.8 per cent greater than the May cut. During June, 1920, production was 525,630,000 feet. Neither shipments nor orders increased in proportion to the increase in cut, and both were less than in May, 1921, and in June, 1920. Shipments were 318,697,000 feet, a 4.7 per cent decrease from the May figure, and were 15.6 per cent less than the June cut. Mill stocks have been increased accordingly. June orders show a decrease of 14.7 per cent when compared with May. The large part of these orders call for mixed carload lots, an indication that purchases are only being made to meet current needs.

Reports from 33 southern pine mills in district No. 11 (Dallas) show a decline in demand for lumber during June as compared with May. Orders booked in June represented 66 per cent of normal monthly production, whereas orders booked in May represented 75 per cent. Actual production of the 33 mills is reported as 29 per cent below normal and 5 per cent above shipments. In the week ending July 1 average production of 138 members of the Southern Pine Association reporting in district No. 6 (Atlanta) was greater than for the preceding week, but less than for any other week since that ending April 22. Orders received during the same week were 6.5 per cent greater than actual production, but 20.8 per cent less than normal production. These same mills report "a moderate volume of lumber moving into construction channels," with retailers buying chiefly in mixed carload lots. Prices remained fairly stable. In district No. 9 (Minneapolis) the June lumber cut was 5 per cent greater than in May, but 28 per cent less than in June, 1920. The stocks of lumber manufacturers increased 2 per cent over the close of May and were 50 per cent greater than at the close of June, 1920. Orders were reported to be 3 per cent greater than in May, but 18 per

cent lower than in June, 1920. The total orders for the first six months of 1921 were less than one-half of those during the same period last year. Retail lumber sales in the district increased 20 per cent in June as compared with May, but were 12 per cent lower than in June, 1920.

BUILDING.

The building contract figures (compiled by the F. W. Dodge Co.) show a decrease in the value of contracts awarded in June as compared with May. Both contract and permit figures, however, indicate that building activity this June is greater than is normal for this season of the year. Five of the seven districts for which contract figures are available show a decrease in activity since May, while districts No. 2 (New York) and No. 4 (Cleveland) show an increased activity. Contracts awarded in district No. 1 (Boston) amounted to \$15,308,072, as compared with \$17,954,234 during May. About \$6,531,152 of the June total was for residential purposes, as compared with \$6,933,658 for May. In district No. 2 (New York) contracts awarded during June totaled \$63,561,928, as compared with May contract figures of \$58,816,766, and residential building amounted to \$34,355,048 in June, as compared with \$36,963,442 in May. Contracts for district No. 3 (Philadelphia) totaled \$14,796,800 for June and \$23,373,200 for May. Of these, \$3,543,700 in June were for residences and \$6,846,800 in May. In district No. 4 (Cleveland) total contracts for June were \$39,928,314, as compared with \$33,915,207 in May, while \$8,198,377 of the June total were for residential purposes, as compared with \$9,188,212 in May. Contracts for district No. 5 (Richmond) totaled \$20,428,761 for June and \$23,023,500 for May. Of these there were residential contracts to the amount of \$4,090,859 in June and \$6,961,450 in May. The value of permits in 15 cities of district No. 6 (Atlanta) indicates a decrease of about 20 per cent as compared with May and a decrease of about 27 per cent as compared with June, 1920. Contract figures for district No. 7 (Chicago) totaled \$45,199,007 for June and \$54,867,976 for May. Residential contracts amounted to \$9,880,273 in June and \$9,779,947 in May. In five reporting cities of district No. 8 (St. Louis) there was an increase of about 70 per cent in the value of permits over May and an increase of about 20 per cent over June, 1920. In district No. 9 (Minneapolis) contracts which totaled \$8,762,123 were awarded in June in comparison to \$8,841,467 in May. Of these, \$2,554,420 in June were for residential purposes and \$2,323,242 in May. District No. 10 (Kansas City) reports 2,336 permits, valued at \$5,809,297, for June,

1921, and 1,564 permits, valued at \$5,993,491 for June, 1920. Nine cities in district No. 11 (Dallas) report 2,617 permits, valued at \$4,155,740, for June, as compared with 1,629 permits, valued at \$2,781,222, for June, 1920. The value of building permits for 20 cities of district No. 12 (San Francisco) amounted to \$15,450,694 in June, as compared with \$16,101,689 last June.

LABOR.

Reports dealing with employment conditions in the several Federal Reserve districts show that few changes of importance have occurred during the past month. This is not surprising in view of the fact that the industries which are now experiencing a fair degree of activity recruited their forces some months ago. On the other hand, the demand for agricultural labor has already reached the peak in certain parts of the country, so that it offers less opportunity for further absorption of excess labor. The building trades and metal industries are offering even less opportunity for employment than during the preceding month. In district No. 1 (Boston) reports from the Massachusetts public employment offices indicate that during the first half of July the demand for workers showed a decrease as compared with the same period in June. Reports from individual cities, such as Worcester and Springfield, also indicated a pronounced drop in the demand for workers. Worcester, for example, showed a falling off of about 10 per cent in applications from employers as compared with the preceding month, and 30 per cent as compared with a year ago. The Springfield office stated that during the period from June 16 to July 15, 10,086 persons applied for work, while only 1,078 requests for help came from employers. The New York State Industrial Commission reported a decrease of 2 per cent between May 15 and June 15 in the number of persons employed in industrial establishments in that State. As in New England, the principal declines in numbers employed were in the iron and steel and metal working industries, while there were increases in textile and clothing lines and in establishments engaged in the manufacture of food products. A special survey of labor conditions in district No. 3 (Philadelphia) furnishes a comprehensive picture of the existing state of employment in that district. Returns from 496 firms show that the total number of men on the pay rolls on June 30 of this year was 29.9 per cent less than the number employed on the same date in 1920 and 6.7 per cent less than the number employed on January 1. The decrease is stated to be accounted for

largely by the drop in activity since those dates in the iron and steel, printing and publishing, and tobacco industries. On the other hand, there has been an increase in the number of employees in the textile industries. Not only did the metal trades show great decreases in numbers of workers, but the replies to questionnaires likewise indicated that only 36.2 per cent of those employed were working at full time, while 42.7 per cent were working under a half-time arrangement and 21.1 per cent at less than half time. In the textile industries 94.2 per cent of the workers were on a full-time basis and only a fraction of 1 per cent were engaged at less than half time. The continuance of a number of long drawn-out strikes in the full-fashioned hosiery, carpet, and rug industries in district No. 3 (Philadelphia) is reported, with no indications of a speedy settlement. In district No. 5 (Richmond) some slight improvement in the labor situation is noted, and although the strike of textile workers at Charlotte continues, it has not spread to mills in other sections. In district No. 7 (Chicago) the regular monthly inquiry into employment conditions which is made by the Federal Reserve Bank resulted in the receipt of returns from 144 firms employing 91,826 persons on June 30, 1921. It appears that the numbers employed had decreased slightly; that is, 1.7 per cent, as compared with a month ago, and 38.7 per cent, as compared with the same month a year ago. The amount of the pay roll showed still sharper reductions of 6 per cent and 50.1 per cent, respectively. In some few industries increases in employment were shown, the most noticeable being in the contracting and building trades, where it is said that, following a decline of 19 per cent in May, an increase of 40 per cent took place in June. There were also slight gains in numbers employed in clothing, knit goods, and shoe manufacturing establishments. In district No. 8 (St. Louis) there was likewise an increase in unemployment during the month, estimated to amount to from 8 to 12 per cent. Although there had been a continuous absorption of workers by the demand from the country districts, it was not sufficient to prevent the falling off in total numbers employed. District No. 9 (Minneapolis) stated that lumber manufacturers were employing 1 per cent fewer men in June than in May and 34 per cent fewer than in June of the preceding year. In the copper and iron mines only a small fraction of those employed last year are working at the present time. The Department of Labor reports a decrease of 2 per cent in the case of firms employing over 500 men. The continued lack of activity in the mining sections of

district No. 10 (Kansas City) has inevitably resulted in a high degree of unemployment, although it is stated that "the effect of these conditions upon the labor market is not as marked as would be anticipated." Much of the labor employed in mining has either gone into agricultural work or is seeking employment elsewhere, as there is no immediate likelihood of a resumption of activity in the mining districts. In district No. 12 (San Francisco) employment conditions in the principal cities improved during the month. In the cities of Los Angeles, Portland, and Seattle there was a slight increase in numbers employed as compared with May, and the large reduction of 25 per cent in San Francisco is in great part accounted for by the strike in the building trades. In the coastal regions of the Pacific Northwest the curtailment of operations in the fishing and lumbering industries and the closing down of shipyards has increased unemployment, and in the mining sections there has been no revival of activity. Some absorption of the unemployed has taken place in the agricultural sections.

WHOLESALE TRADE.

It is difficult to generalize concerning the state of wholesale trade activity during the month of June on the basis of the reports received, but on the whole it appears that in view of the natural slackening in business activity, which is to be expected during the summer months, sales have held up fairly well. In fact, in the case of reporting hardware firms in several districts, increases over May figures are recorded. For example, 25 reporting firms in district No. 3 (Philadelphia) show a slight advance of 1.2 per cent in volume of sales, while in district No. 10 (Kansas City), with 3 firms reporting, there has been an increase of 15.1 per cent in the volume of sales, and in district No. 12 (San Francisco), 23 firms reporting, an advance of 7.7 per cent. In two other districts, namely, district No. 5 (Richmond), 9 firms reporting, and district No. 6 (Atlanta), 14 firms reporting, changes from the preceding month have been insignificant, while in district No. 11 (Dallas), 3 firms reporting, there was a drop of 6 per cent. Hardware sales are, however, far below the totals for June a year ago, and as price reductions have not been so far-reaching as in other lines of wholesale trade it is evident that the dullness which has been characteristic of the preceding months still prevails. Several districts report a slight strengthening of the demand for groceries, notably district No. 3 (Philadelphia), with 50 firms reporting an average ad-

vance of 4.7 per cent, and district No. 5 (Richmond), with 9 firms reporting an average advance of 2.9 per cent. Elsewhere decreases have occurred amounting to 3.2 per cent in the case of district No. 11 (Dallas), 12 firms reporting; 3.9 per cent in the case of district No. 12 (San Francisco), 31 firms reporting; and 12.3 per cent in district No. 6 (Atlanta), 21 firms reporting. On the whole, a greater degree of stability appears to exist in grocery lines, and expressions of optimism concerning the future outlook are general. As might be expected at this season, with one exception no important changes have occurred in the sales of dry goods concerns during the month. In district No. 10 (Kansas City), however, 3 reporting firms record a quite marked increase of 14.9 per cent over the preceding month, and this unusually pronounced advance is attributed to the fact that retail merchants waited until the last possible moment to make their purchases. Elsewhere minor declines are recorded except in the case of district No. 5 (Richmond), where 9 reporting firms showed an average increase of 1.3 per cent. In district No. 5 (Richmond) and district No. 6 (Atlanta) reporting shoe firms have shown increases amounting to 15.2 per cent, 8 firms reporting, and 5.7 per cent, 6 firms reporting, respectively. In district No. 12 (San Francisco), 15 firms reporting, a negligible decrease of 0.3 per cent was recorded. In all districts decreases in the sales of shoe firms were marked as compared with a year ago, except in the case of district No. 7 (Chicago), where 7 shoe firms reported an increase of 4.4 per cent. It appears that the mark-downs that have occurred in this district have resulted in unusually heavy sales for the season. In none of the four lines covered do reports indicate any feeling of certainty as to subsequent developments sufficient to induce retailers to place any substantial orders for future delivery. As has been the case for months past, buying is only in small lots for immediate delivery.

RETAIL TRADE.

Retail trade continues to be considerably less in value than in the corresponding period of 1920, but in view of the fact that prices are noticeably lower the present volume of trade is probably a little greater than in 1920. There seems to be a continuing demand for medium-priced goods, and several stores report that high-priced goods sell very poorly. The volume of trade during June has been increased considerably by profitable "sales" of seasonable merchandise, which sold readily because of the extremely hot weather. There is a decided falling off of trade in the furniture and house-

hold furnishings departments, as a result of the shortage of residential building. Reports from representative department stores show a decrease in all districts in net sales for June from the same month a year ago. This amounted to 3.1 per cent in district No. 1 (Boston), 7.1 per cent in district No. 2 (New York), 7.3 per cent in district No. 3 (Philadelphia), 14.1 per cent in district No. 4 (Cleveland), 4.2 per cent in district No. 5 (Richmond), 17 per cent in district No. 6 (Atlanta), 17.5 per cent in district No. 7 (Chicago), 7.9 per cent in district No. 8 (St. Louis), 16.8 per cent in district No. 9 (Minneapolis), 10.8 per cent in district No. 10 (Kansas City), 17.4 per cent in district No. 11 (Dallas), and 7.8 per cent in district No. 12 (San Francisco). Reports from all the districts show a large decrease in stocks on hand as compared with those at the close of June, 1920, as well as slight decrease from the stocks at the close of May. The rate of stock turnover has changed little since last month, although it has shown a slight tendency to become slower. Orders at the close of June show an increase as compared with a month ago, but merchants are still buying very conservatively.

PRICES.

During June and July wholesale price recessions have continued, but in the same uneven fashion as heretofore. While comparative stability seems to have been obtained in cotton manufactures and the boot and shoe industry, the reverse is the case in the iron and steel industry, and irregularity marks agricultural prices. In contrast with the situation in May, but similar to the case in earlier months, the recessions in June appear to have been greatest in raw materials and least in finished commodities for personal consumption. Retail prices of food continue to decline only very gradually, the index number for May registering 145 (as compared with 1913=100) and that for June 144. No statistics are available showing the retail prices of other consumable goods, but various factors seem to indicate that in those lines also prices are declining very little, if at all.

The all-commodities index number of the Bureau of Labor Statistics, based upon the prices of over 300 commodities at wholesale, stood at 148 in June as compared with 151 in May, while that of the Federal Reserve Board, based upon 90 price quotations, stood at 139 and 142 during the same months. Dun's index showed similar changes between June 1 and July 1, but Bradstreet's registered a slight increase.

The individual price changes which produced this relatively small decline in June may

be summarized as follows: Agricultural commodities, such as cereals and cotton, after advancing somewhat in May, declined quite materially in June. At the same time live stock continued to decline as well as the leading minerals (excepting anthracite coal). Meanwhile a certain number of building materials, such as brick, cement, and some types of lumber, remained unchanged in price, as did finished woolen goods. Cotton goods, raw silk, and commodities in the "provisions" category rose.

During the first half of July the tendencies in agricultural prices appear to have shifted again, live stock as well as leading cereals and cotton advancing. At the same time the trend in other commodities has not been materially changed. Yarns and cloth in the cotton and woolen industry have continued relatively stable, iron and steel products as well as the nonferrous metals have tended to decline, while lard, butter, cheese, etc., have increased. Bituminous coal continues to decline, while anthracite advances.

FOREIGN TRADE.

Statistics for total imports and exports during June differ but little from the figures for May and disclose no new tendencies in the general foreign trade situation. Imports were valued at \$198,000,000, which represents a decline of 64 per cent from their peak value in June, 1920. June exports amounted to \$340,000,000, a drop of about 46 per cent from the total for the corresponding month in 1920 and of 63 per cent from the peak value which was reached in June, 1919. As a part of the decline must be attributed to the lower prices now prevailing, the Board's foreign trade index is significant, showing as it does trade movements with fluctuations due to prices eliminated.

Total imports for the fiscal year 1920-21 amount to \$3,667,000,000, while exports were \$6,519,000,000. These figures were lower than the higher records of the previous fiscal year by 30 per cent and 20 per cent, respectively. The declines would have been greater but for the influence of the earlier months before the contraction of trade set in. However, unless there is a marked revival of our foreign trade in the remaining months of the present calendar year, the calendar year 1921 will show a far greater falling off from 1920 than is indicated by the figures given above for the fiscal years. There is, however, a decrease of less than 1 per cent in the commodity balance of trade, excess exports falling from \$2,871,000,000 for the fiscal year 1919-20, to \$2,853,000,000 for the fiscal year 1920-21.

Coincident with the decline in foreign trade, there has been a falling off in the proportion of our commerce transported in American vessels and a corresponding increase in the proportion carried in foreign bottoms.

THE COMMERCIAL PAPER BUSINESS.¹

The following is the first of two articles which give the results of a study made by the Division of Analysis and Research of the more important aspects of the commercial paper business. The endeavor has been to describe in turn current practice with respect to the placement of paper with purchasers, its acquisition from borrowers, and the operation of the commercial paper house. The study is based upon data from 12 distributors, 10 of whom had paper outstanding on June 30, 1921, amounting to \$609,000,000, out of a total reported by 27 houses to the Federal Reserve Bank of New York of \$707,000,000.

There are two central features of the commercial paper business which should be kept in mind. These features are influential in determining the organization of the business and the operating methods of the individual dealers. The first feature is the service of the dealer in linking up the several sections of the country, so that a national commercial paper market in effect tends to be established, to which the individual borrower may have access. By this means, too, a territorial distribution of funds is obtained under our system of many small independent banks, and surplus funds in some sections are rendered available to borrowers in other sections where an insufficiency of local funds exists. The distribution changes from time to time as conditions in the several sections change. The commercial paper dealer acts as a regulator of this process and serves to connect the different sections. The second feature relates to the part played by the dealer in the credit system of the country. He scrutinizes carefully the volume of credit to be extended to the open-market borrower, and serves as a source of information as to the standing of these borrowers, on whom he maintains an elaborate credit file.

I. COMMERCIAL PAPER MARKETS.

The commercial paper business is concentrated. About 15 large houses (counting one group as a single house) do the great majority of the total business of the country. A few houses confine their activities entirely to dealing

¹ Prepared under the direction of W. H. Steiner, Division of Analysis and Research.

in commercial paper, but the majority also deal in securities, and in certain cases are members of stock exchanges in leading centers.

Branches of commercial paper houses.—The organization of the large house is highly centralized, and the entire system of branches which it maintains is directly under the control of the principal office. Of eight large houses which are among those who maintain an elaborate system of branches, four have their head offices in New York, three in Boston, and one in Chicago. Four of these houses have less than ten branch offices (namely, from five to nine), and cover the territory tributary to these offices in large part through salesmen. The other four houses have ten or more branches. Two of the latter make a distinct territorial division, and have branches in each section tributary to a head office for that section. The location of these sectional head offices is as follows: Two houses each in Boston, New York, Chicago, St. Louis, and San Francisco, and one house each in Philadelphia and Seattle. One of the two houses thus divides the Pacific coast territory into two parts—north and south.

A further indication of the scope of the system of branches is afforded by the following table, which shows, for the eight large houses cited above, the number of houses having branches in each center:

OFFICES OF EIGHT LARGE COMMERCIAL PAPER DEALERS.

Boston.....	7	St. Louis.....	5
Hartford.....	3	Dallas.....	2
New York.....	8	San Francisco.....	7
Philadelphia.....	6	Los Angeles.....	5
Scranton.....	2	Portland.....	3
Richmond.....	2	Seattle.....	3
Atlanta.....	4	Total.....	77
Pittsburgh.....	4		
Cleveland.....	3		
Detroit.....	2		
Chicago.....	8		
Minneapolis.....	1		
Omaha.....	1		
Denver.....	1		

This table serves to indicate the chief commercial paper markets, as well as in a broad way which are the principal and which are the lesser markets. This of course does not imply that the volume of business done in each of the principal or the lesser markets is by any means the same.

Several of the houses have correspondents in certain sections, instead of branch offices. One house states that "of the 11 or 12 leading commercial paper houses in the country at least 6 have no affiliations. Most of the others have affiliations in one territory or another." Another house explains their use

by it as due to the fact that they have been found to be cheaper than salesmen in covering the particular territories where they are employed.

One group of houses, which does a considerable business in the aggregate, is organized on the correspondent principle. That is to say, about six firms located in as many of the leading commercial-paper markets, and each confined to a limited territory, mutually act as correspondents and divide the profits on paper sold, as is the general rule where correspondents are employed. The group then in effect parallels one of the larger houses which covers the country as a whole through a system of branches of its own. Small dealers are also more or less associated in other markets with local houses who act as their correspondents. Some dealers report a considerable number of them in New York and Chicago, but in general it is stated that they are found more largely in Philadelphia than elsewhere. One dealer states that the development of these dealers in Philadelphia was due to their old family connections, but that they are gradually decreasing in importance. Small dealers, it has been stated, endeavor to originate paper for their own account, although the majority of their business may result from having affiliations who supply them with more paper than they are able to originate themselves. They may use their personal connections, suggests one dealer, in obtaining local accounts, whose paper they will undertake to distribute in the immediate territory in which the firm is located.

Sections of the country.—It is evident from the above discussion that each house has its own method of dividing the country into several sections. Aside from differences in the number of sections, the territory assigned to an office located in a certain center by any two houses by no means exactly coincides in all cases. In a broad way, however, certain sections are generally distinguished, into which the country naturally divides itself from the point of view of the commercial-paper business. These are the New England, North Atlantic, South Atlantic, Middle West, Southwest, and Pacific coast sections. Some houses combine the North and South Atlantic sections into one, while others again further divide the North Atlantic section into two, covered, respectively, by New York and Philadelphia. In general, the South Atlantic section is regarded as more closely associated with the North Atlantic section, but one house associates it instead with the Southwest. Further division of the general sections is of course possible, and thus, e. g., the Northwest may be distinguished from Chicago territory,

although this is not usually done. Each general section has a leading center. These correspond as a whole to the centers given above, in which the head offices for particular territories shown by three houses are located.

The basis of this territorial division is indicated by one dealer as follows: "The divisional basis is from several viewpoints: First as to the banking center which the banks in that community use as their correspondent. It has always seemed that this has been largely governed by the flow of money in that district. Second, the nature of the crops, as indicating at what time or periods of the year surplus funds are likely to occur in those sections. The Southern States, as their largest commodity crop is cotton, are periodical in the buying of paper, and bank principally through St. Louis and New York, very little of their money naturally flowing to Chicago territory. There is, however, a noticeable difference in the case of the southwest and southeast territories, as the States comprising the southwest territory use St. Louis and Chicago practically as much as New York."

Retracing our steps in point of time, it is found that the several sections have only gradually developed and become differentiated. Thus it has been stated by a leading dealer that St. Louis banks at first did not want to purchase paper, but changed their attitude after the financial strain in that center in 1897. The principal distinction for many years has been between the East and the West, the dividing line between the two running north and south through Pittsburgh. The line is stated by some dealers to still be of considerable importance, although others speak of it as "more or less done away with." One dealer states that from time to time there has been some discussion as to whether Pittsburgh belongs to eastern or western territory, but that his house has always maintained that the entire State of Pennsylvania belongs to eastern territory, and in every case where it has the eastern account, insists on obtaining the entire State. He remarks that "some western brokers have frequently made a fight on Pittsburgh, but as far as our own experience is concerned, have always lost." These statements coincide with the remarks of another dealer that "the Pittsburgh market is sometimes handled from Chicago and sometimes from Philadelphia."

The Pittsburgh line, as just indicated, is important in connection with the division of an account among several dealers, each of whom then handles the account in a certain section. "Many large firms, which are very large borrowers of money," states one dealer, "divide

the entire country among several brokers, thinking by this method they can place more paper on the open market, which is undoubtedly a correct assumption, as some brokers are better established in certain territories than others. Only the very largest users of money make an extensive division, although quite a number of well-known houses have an eastern broker and a western broker." The packers afford the conspicuous example to which reference is generally made when indicating firms who regularly use several dealers. In this connection another dealer mentions the existence in the past of a sharp divisional line east and west through Effingham, Ill., then along the southern boundary of Indiana east to the Pittsburgh line. Westward the line ran to Denver, with another divisional line north and south through Denver, and the country was thus divided into four parts, a different dealer being used by very large borrowers in each section. One dealer states that he only divides territory now with a local broker, e. g., in Chicago or Indianapolis, and that he dislikes the practice, as it renders it difficult to follow the amounts borrowed.

II. PLACEMENT OF PAPER.

Shift of paper between markets.—Aside from its relation to the organization of the individual house, the importance of territorial division of the country lies in its relation to seasonal purchasing of paper. It is thus possible for the individual house at certain seasons of the year to shift paper originating in one section to buyers in another section. In normal times reliance is regularly placed upon certain sections to take paper, although in the last few years conditions have been such as largely to vitiate the normal seasonal trend.

The seasonal movement is found principally in those agricultural sections in which reliance is placed upon one principal crop. The dealer will watch for easier money conditions in these sections after the crops have been moved and time his efforts accordingly. The exact time of course varies from year to year, according to the abundance and rapidity of movement of the crops. In a general way, the South, including both Southeast and Southwest, normally should purchase paper from November or December through to March, when cotton has moved. This has not, of course, been true this season. The Northwest is also distinctly a seasonal market, and is ordinarily especially active in the fall and winter months, when grain has moved. The Central Western States, however, practice diversified farming, and purchase more or less continuously throughout the year, heaviest purchases perhaps following the wheat crop in

July, August, and September. "It has long been a practice," states one dealer, "that the farmer uses the proceeds of his wheat crop to pay off his bank indebtedness, while the funds received from the other crops are used either to put in the new crop or to carry him over the dull season." On the Pacific coast, and principally in California, the savings banks provide a market throughout the year, although the maximum purchasing occurs directly after the fruit crop is marketed. In the East and New England, steady purchasing is the rule.

The seasonal movement will also be found with respect to the lesser crops. Thus a Philadelphia house states that it watches the tobacco situation in Pennsylvania, while a Chicago office states that the Michigan fruit district always purchases paper in September and October.

On the other hand, banks in the financial centers are more steady purchasers throughout the year. In fact, one dealer states that "country markets vary with crops; city markets vary with change in business and money market conditions." During the last few years conditions have been such as to emphasize the latter factors. The opportunistic aspect of the business accordingly has been stressed, and several leading dealers either state that there can not now be said to be a seasonal shift of paper, or else emphasize seasonal requirements for funds on the part of certain sections rather than seasonal placements of paper.

Types of purchasers.—Sales are made to several types of purchasers. Banks in the larger financial centers buy either for their own account or for the account of correspondents. Country banks also buy a considerable amount direct from the commercial-paper houses, while corporations and insurance companies buy a small amount of paper.

Sales to corporations are very small in the aggregate. All data received, both actual percentages and estimates, do not place them at over 1 or 2 per cent of the total volume of sales. Their purchases, notes one dealer, are confined to periods when their business is dull, although another dealer states that, owing to the high rates, quite a number of corporations have been buyers of paper during the last two years as an investment for surplus funds. His estimate of the total proportion of such sales, however, agrees with the figures just given. Sales to insurance companies are very rare, due to the fact, states one dealer, that most of them are not permitted by charter to purchase paper.

Normally, banks in the larger financial centers purchase a considerable volume of paper for their own account. They also pur-

chase a large amount of paper for the account of correspondents, particularly in New York, Boston, Philadelphia, Chicago, and St. Louis, although the amount normally so purchased is stated to be less than for their own account. During the last two years, however, these banks have practically been out of the market on their own account, although New York City institutions again commenced purchasing toward the end of June, 1921. Outlying banks in these centers (small banks scattered through the residential and suburban districts) have bought some paper for their own account. The great bulk of sales during the past two years have thus been made direct to country banks. High rates have proved attractive to them, and the business is said to fall off usually to a great extent when rates are under 5 per cent. In fact, it is generally said that in times of "easy" money large city banks are the chief buyers, and in times of "tight" money, smaller country banks. Commercial-paper houses thus maintain a force of so-called country-bank salesmen, and also do a large volume of business by circular letter. One dealer believes that "country banks are more and more purchasing paper on their own account, and are not depending upon the city institutions or their correspondents to supply their demands." This factor may, he suggests, "more than anything else, have caused the opening of branch offices by the larger brokers in all the various sections."

Some figures have been obtained as to normal and recent percentages which sales to the several types of purchasers are of total sales. One dealer estimates that in ordinary times banks in the larger centers, such as New York, Boston, Philadelphia, Chicago, St. Louis, Kansas City, San Francisco, and Seattle, absorb 60 per cent of all paper offered, but doubts whether they have been in a position during 1919 and 1920 to purchase 10 per cent of the total paper sold. Another dealer estimates that at the opening of this year 90 per cent of his outstanding paper was in country banks. Actual figures supplied by one middle western and one southwestern office show a range of percentages at present as follows: Sales to local banks for own account, 35 to 45 per cent; to local banks for account of correspondents, 21 to 25 per cent; to corporations, 0 to 2 per cent; and direct to country banks, 34 to 38 per cent.

Terms on which paper is sold.—Paper is sold on a varying option, the thought being to give the purchaser an opportunity properly to check the credit. The most frequent option is 10 days; that is to say, the purchaser may return the paper at any time within 10 days.

City sales, however, may be made in certain cases only on 5 days or weekly option. One dealer usually allows only 7 days, and another has the "majority and average" of his sales at from 7 to 10 days, while a third has by far the largest portion on 7 days' option. The last named usually allows the 10 days to banks at a greater distance from the chief centers, because of the additional time required to receive replies to mail inquiries. For a similar reason the usual option given by many houses to Pacific coast purchasers is 20 days. A small proportion of the sales carry no option. One dealer states that "firm" sales predominate in New England, while another states that no option is required in the occasional cases when a bank repurchases the obligation of some concern on which they have an up-to-date file.

Payment by the purchaser is generally made either by cashier's check in the case of local banks or by exchange on the center in which the dealer is located or on another leading center, such as New York, Chicago, or St. Louis, in the case of out-of-town banks to whom paper is sent. At times the purchaser's correspondent in the dealer's center is instructed to pay the dealer. A great deal of paper, states one house, is forwarded by the dealer to country banks through the latter's city correspondents, in which case the dealer receives cash on the day of the transaction, and the city bank charges the country bank's account with the amount of the paper. Another dealer thus states that he aims to secure New York, Chicago, or Boston delivery and payment wherever possible.

Several dealers complain that there has been a tendency in the past for country banks when making remittance to calculate the discount from the day on which they receive the paper, instead of from the day on which the dealer receives the funds. When this is done the dealer loses the use of the funds for a period equal to the mail time between the bank and himself. Dealers who have commented on the practice, however, agree that it is tending to disappear.

III. OPEN-MARKET BORROWING.

Seasonal appearance of paper.—While a considerable number of borrowers are more or less continuously in the market, a considerable number of lines borrow only for seasonal needs. Their paper thus appears in the market at certain seasons of the year only. Manufacturers, e. g., need to purchase raw material for next season's business. More or less regular maturity dates are also found. The underlying theory is that maturities should be based upon anticipated collections, which then pro-

vide the means of retiring the paper, and thus render it liquid. These industries then have an annual clean up, which frequently precedes the period at which regular annual statements are made for the particular industry in question. The maturity of the paper thus depends upon the quickness of turnover, and in the case, e. g., of wholesalers, also upon the length of the terms which they themselves extend. Southern jobbers thus usually sell on longer time and make longer maturities than jobbers in other sections, while department store and grocery paper is usually short. As opposed to the needs of borrowers, another factor which, on the other hand, must also be considered, is the demand of banks for balanced maturities.

A great variety of illustrations of seasonal borrowing have been given. Concerns in agricultural sections dealing in certain commodities which can be purchased only when the product comes to market usually have the peak of their indebtedness two or three months after the first movement of the crop. Such borrowers collect their money, states one dealer, in the three or four months prior to the close of their fiscal year, as they either sell for cash or on very short time the product which they have accumulated during the season when it moves to market. Cotton paper normally begins to appear in September and October and is paid off by March, April, and May. Southern cotton-mill paper usually runs from about October to July, and northern cotton-mill paper chiefly from November to August. Grain dealers in general borrow, it is stated, from September to January, and liquidate about July, generally making statements as of June 30 or August 30. Tobacco manufacturers' paper, states one dealer, usually comes into the market in the late fall and early part of the year, and matures in June and July, while wool paper is outstanding from about June until February. Cottonseed oil crushers and refiners, packers of fruits and vegetables, manufacturers of beverages from fruit juices, and crushers of flax seed and refiners of linseed oil also are seasonal borrowers. A similar situation prevails with respect to certain manufacturing industries. Clothing manufacturers, shoe manufacturers and jobbers, and glove manufacturers, e. g., sell on certain datings for the fall and spring seasons, and adjust their maturities accordingly. Agricultural implement manufacturers' paper appears from January to July, and is retired in October, November, and December.

Sectional popularity of paper.—Paper of certain industries is more popular in some sections of the country than in other sections. There are two conflicting forces at work in the case

of the individual banker in determining the industries whose paper he will purchase. On the one hand, there is a desire for diversification which impels him to purchase paper of industries other than those found locally. Banks in the crop-moving sections may hold other paper at crop-moving time in order to spread their risks. On the other hand, there is the fact that he is acquainted with industries found locally and thus in a better position to judge the paper of firms in these industries. The latter is by far more potent, and it is therefore easier to place paper of certain industries in localities where they are well known.

Perhaps the most conspicuous illustration is afforded by lumber paper, which is not popular in the East and has a very limited market there, but is found more largely in Chicago and the Northwest, where it sells readily. There is, however, some in New England. Similarly, cattle loan paper has a market in the West, but meets with little favor in the East. To a lesser extent this is true also of grain paper, states one dealer. Again the South likes cotton paper, which is not appreciated by the East. Tobacco paper is especially popular in the South, and, "as a matter of fact," states one dealer, "all over the country." On the other hand, paper of commission merchants, textile manufacturers, etc., is far better known in the East than the West. New England mill paper is more popular in New England, where it is a legal investment for savings banks in Massachusetts. Certain buyers, states one dealer, do not like the paper of corporations located at too great a distance, and this tends to confine the sale of paper of medium-sized concerns to a great extent to the sections where they are located. Smaller names, in fact, generally sell better locally, although in the case of large firms no difference is noted. At times also a firm may not wish its paper offered in the immediate vicinity of the city where it is located, due either to pride on the part of a small firm in the fact that it obtains its funds outside or to a desire to prevent other local parties from obtaining data about its business.

The open-market borrower.—It is often stated that the minimum capital of the firm which borrows in the open market is about \$200,000. At the present time, however, state several dealers, it is very difficult to sell the paper of the smaller borrowers. One dealer whose normal figure is the above remarks that at present \$500,000 would be about correct. Another dealer observes that "generally speaking, we would say that the big corporations have liquidated more slowly than the smaller firms and that we have outstanding in the

market to-day larger amounts of big corporation paper and comparatively little paper of the smaller borrowers." The minimum figure which is given naturally varies somewhat with the individual dealer. Some show a higher amount, namely, \$250,000 to \$300,000 and \$500,000 (with infrequent exceptions reported by one in the case of local borrowers). One dealer, however, places the figure for capital investment as a rule at \$700,000, while several show an amount as small as \$100,000. One dealer observes that, while very little paper could probably be sold now for borrowers with less than \$200,000, before money became firm, paper of borrowers of, "say, \$125,000 or \$150,000 quick in stable lines could be sold." It is interesting to observe that one dealer distinguishes between wholesalers and jobbers on the one hand and manufacturers on the other hand. While the \$200,000 minimum holds in his opinion for the former, for the manufacturer "the minimum must necessarily be a larger amount, as he always has a large portion of his capital tied up in plant and equipment."

Control of the amount borrowed.—The statement is often made that the commercial paper dealer so facilitates borrowing in the open market in normal times as to render it possible for many houses to borrow very heavily in proportion to their capital. On the other hand, almost all commercial paper dealers in the present study call attention to efforts which they make to keep the volume of paper issued by the individual borrower within reasonable limits. They endeavor to see that the borrower has sufficient bank lines open to take care of his open-market borrowings. This, of course, has the effect of preserving the liquid character of the paper from the point of view of the individual purchasing bank, in the event that new paper is not sold. "A good broker," states one dealer, however, "can always sell some paper." These reserves of unused borrowing power are of particular importance in the case of steady borrowers, as the borrower can not depend upon anticipated collections to retire paper. One hundred per cent, of course, is ideal, and in certain cases the dealer may not be in a position to require it, but several dealers specify as much as 50 or 75 per cent. A dealer states that he has arranged additional bank lines for clients whose own lines have been insufficient.

One dealer, however states that "we very seldom have occasion to limit the borrowings on the open market or through banks, of any of our clients; however, we keep in close touch with them, and advise as to what we feel is the proper course to be pursued." The dealer, of course, follows closely the condition of his bor-

rowers, which one dealer states that he does through monthly statements or personal interviews, and thus at all times knows the total indebtedness of his accounts through all sources.

The effort to keep sufficient bank lines open reflects a belief that, as one dealer expresses it "the open market facility should be used collaterally and not in addition to the bank-line facility." As another dealer states, it is desired to have the open market used only when the borrower is not using his bank; "in fact the open market is to be used in order to clean up his accommodation at his bank, and he is to stop using the open market when he starts borrowing from his bank—in other words, to alternate between these two borrowing channels. Of course, during the past year it has been impossible for the borrower to live up to this condition on account of the unforeseen cancellations which necessitated carrying over an abnormal amount of inventory."

THE AUTHORITY TO PURCHASE.¹

I. INTRODUCTION.

Previous studies, conducted by the Division of Analysis and Research in methods of financing foreign trade, have dealt mainly with the letter of credit. The results of these surveys have appeared in the current issues of the *FEDERAL RESERVE BULLETIN* for February, April, and June, and have presented such phases of the letter of credit as its legal aspects, forms used, and practices followed by American banks and mercantile houses. The following study examines the "authority to purchase," an instrument which serves a purpose in foreign trade quite similar to that of the letter of credit. In fact, these two documents are the means of shifting the burden of financing an overseas transaction from exporter to importer. These instruments are therefore of special significance to American foreign trade, which to-day consists more largely of exports than of imports. The letter of credit is of major importance since it is applied in financing trade with all the world, while the authority to purchase has less significance, for its use is confined mainly to commerce with the Orient. In this field, however, it plays a commanding rôle, for exports to the Far East are financed mainly by the authority to purchase. Because of its specialized use, this instrument has received scant attention from writers dealing with foreign trade, and

¹ Prepared under the direction of George W. Edwards, Division of Analysis and Research.

works on far eastern banking have given it slight consideration. The preceding studies of this series developed some expressions of opinion from American bankers and traders on the nature of the authority to purchase, but these responses indicated that it was little known in the United States outside of New York and San Francisco. It was therefore thought advisable to conduct a more intensive analysis of the document, especially because of its significance in oriental commerce, which has always been a center of interest to trading nations.

The data presented in the following study was gathered from banks in New York City mainly through personal interview, and from outside institutions largely through a questionnaire circulated by the Federal Reserve Agents. While the earlier surveys have been confined to American institutions, it was necessary to extend this analysis to the New York agencies of foreign banks, which gave helpful cooperation in securing information on the subject.

While the data regarding the authority was thus gathered largely through answers to a questionnaire as in previous studies, the results will be presented not in the form of tabulations and excerpts from these responses, but rather as a general exposition of the salient characteristics of the instrument. This change in treatment is due to the difference in the purpose of the studies, for in analyzing the letter of credit, the aim was to present views on problems more or less unsettled, while in examining the authority to purchase the object is to set forth information on a subject whose principles are not generally known to American business and banking interests. This survey will explain the nature, classes, forms, and practices of the authority, and finally compare it with the letter of credit.

II. MEANING.

A shipment in foreign trade may be financed either by the exporter, the importer, or their respective banks. If the obligation of supplying the credit is to be carried by the exporter, he draws his drafts on the importer and forwards them through his bank for collection. The exporter may transfer the burden of furnishing the credit by selling the drafts to his bank. A third method may also be followed whereby the task of supplying the credit is shared by both the exporter and his banker. This occurs when the latter does not purchase the draft outright, but instead advances a certain percentage of the face amount to the exporter.

The financing of an overseas transaction by the importer rather than the exporter is per-

formed either through a letter of credit or an authority to purchase. In the Far East, where banking facilities have until recent years been limited, it has often been impossible for an importer to secure bank credit for the financing of his business. To meet this need the authority to purchase or, as known in its abbreviated form, the A/P, was developed. Its operation may be illustrated by describing the financing of a shipment of goods from an American exporter to a Chinese importer. As the transaction is not to be financed through a letter of credit, the exporter can not draw his drafts on a bank, but must address them to the importer himself. It may, however, prove difficult to find a bank which cares to purchase such trade bills, and hence the exporter normally has no other choice but to forward his drafts for collection. This applies especially to a shipper whose credit is so limited or overburdened that he is unable to secure accommodation from a bank in financing his transactions. To create a market for the shipper's drafts, the importer is then called upon to finance the transaction by an authority. This he does first by informing a bank in his own country that he has authorized the exporter to draw his drafts, and then requesting the bank to arrange for the negotiation of these bills by a branch or a correspondent located near the exporter.

The importer, of course, assures his bank that he will provide funds for the retirement of these drafts at maturity, also that he will reimburse the bank for its services and protect its interests with sufficient collateral. This document which the importer thus addresses to his bank is frequently confused with the authority to purchase. It is, however, a separate instrument and may better be termed a "letter of guaranty." It is quite similar to the combined form of application and guaranty sometimes used in requesting a bank to issue a letter of credit. If the far-eastern bank acts favorably on the application of the importer, it will then address to its American branch or its correspondent a communication instructing the latter to negotiate the drafts drawn by the shipper in the United States on the importer in the Orient. It is the practice immediately to cable this information, and later to send a letter with complete details. This letter constitutes the true authority, also known as the "authority to negotiate" or the "advice to purchase." It is entirely distinct from the "authority to draw" sent to the exporter. It is also different from the "advice of authority to purchase" forwarded by the correspondent bank to the exporter for the purpose of informing him that he has been authorized

to draw drafts on the importer, and that the bank has been instructed to negotiate his bills on the presentation of proper shipping documents. This "advice of authority to purchase" may of course be sent directly to the exporter by the bank in the Orient, but it is more customary to forward the communication indirectly through an agent, whether a branch or a correspondent, located in the exporter's city. As the "advice of authority to purchase" is thus a communication from a bank to a beneficiary, it performs the same function as a letter of credit and so is frequently styled a "Chinese" or "oriental" letter of credit. Therefore in financing a shipment under the so-called "authority to purchase" method, four separate documents are actually involved. The first is the communication by importer to exporter in which the latter is advised of the terms of sale and the right to draw drafts on the former. This document is known as an "authority to draw," but it is of no direct interest to the banks, for it is merely part of the commercial contract between buyer and seller. Banks, however, are more concerned in the remaining documents, namely, the letter of guaranty addressed by the importer to the far-eastern bank, the authority to purchase forwarded by the far-eastern bank to its American agent, the advice of authority to purchase sent by the American agent to the beneficiary.

III. CLASSIFICATION.

Authorities, the same as letters of credit, may be classified along such principles as: (1) direction of shipment, (2) tenor of drafts, (3) form of currency, (4) privilege of cancellation, and (5) right of recourse. Although the instrument may be used to finance either an export from or import to the United States, in actual practice the authority is largely applied to the movement of exports, and, in fact, most banks report that all the authorities which they handle cover only export transactions. Therefore, while American banks perform the duties of notifiers of authorities and payers of drafts, they rarely, if ever, act as issuers. While drafts instructed under an authority may be drawn either at sight or on time, the latter tenor is generally used. Banks report that about 85 per cent of these drafts are drawn on a time basis which may run for 60, 90, or 120 days' sight. Moreover, these drafts are payable not in Oriental currency but in United States money, and the exporter usually receives the full amount of the bills. In short, drafts made under authorities are ordinarily based on export transactions drawn on a time basis and payable in United States currency.

It is, however, more difficult to classify the authorities from the standpoint of the right of cancellation. It will be recalled from the previous studies of letters of credit that these instruments, grouped on the principle of whether they could be revoked, are classified as follows:

- (1) Irrevocable by issuer and confirmed by notifier.
- (2) Irrevocable by issuer and unconfirmed by notifier.
- (3) Revocable by issuer and unconfirmed by notifier.

The same classification may also be applied, with certain modifications, to the authority. As mentioned above, the authority is not ordinarily sent by the issuing bank directly to the beneficiary, but is more usually transmitted to him through a second notifying bank, and therefore the subject of confirmation is of some theoretical importance. However, this question loses some of its importance, for an authority is generally opened by a domestic agency of the foreign bank which has originally issued it. An authority may be irrevocable by the issuing bank and further confirmed by the notifying institution, in which case it becomes practically a letter of credit, for it constitutes the direct obligation of both issuing and notifying banks to negotiate the bills and can be rescinded only with the consent of the beneficiary. The form of authority transmitted by the notifying bank to the beneficiary contains an address which unequivocally informs him that the bank has been authorized to pay his drafts and that his right to draw these bills continues until a fixed date of expiration. The notifying bank is not always requested to confirm the authority, and in this event it is unconfirmed as far as the notifier is concerned but still irrevocable by the issuer. In this contingency the advice which the notifier communicates to the beneficiary may assume the following form:

We beg to advise that we are to-day in receipt of instructions from our correspondent, the _____ Bank, authorizing us on behalf of _____ to negotiate your _____ documentary drafts.

At the same time this advice specifies the expiration date for the authority, but is careful to add a statement that it is subject to cancellation. The form used by one bank states definitely its relation to the entire transaction in this manner:

We have no instructions to confirm this advice and make no representation that we have funds in our possession applicable to the payment of said drafts and reserve the right to cancel this notice or refuse to negotiate any drafts presented in accordance herewith at any time.

The third form of the authority is that type which is revocable by the issuing and uncon-

firmed by the notifying bank. This document is quite similar in wording to the advice of an irrevocable unconfirmed authority. The bank naturally holds that the unconfirmed authority may be revoked at any time prior to the payment of drafts drawn by the beneficiary. This view is usually expressed in the advice to the recipient in a statement that the authority may be canceled upon notice to this effect. Nevertheless, this is a right which a bank should exercise with utmost care, especially in dealing with an exporter manufacturing or preparing goods not staple in character and therefore limited in marketability.

It appears that, before the war, authorities were generally revocable in form, but during the past seven years sellers of goods have been in a position to demand irrevocable obligations. This was a natural result of the period of rising prices and the sellers' control over market conditions, but in the present movement of falling prices, with the consequent return to power of the buyers, it appears that eastern importers are insisting that American exporters accept revocable rather than irrevocable authorities.

In turning the discussion from the subject of cancellations to that of recourse, it must be borne in mind that a relation does not necessarily exist between these two principles. The question of cancellation affects the authority before negotiation of the authorized drafts, while the subject of recourse enters into consideration only after the purchase of these bills. At this point it may be mentioned that the Law of Negotiable Instruments permits the drawer of a draft to add after his signature the expression "without recourse" and in consequence of this act he is relieved of the usual liabilities of a drawer in the event that his bill is dishonored by the drawee. The subject of recourse under letters of credit has already been discussed in the FEDERAL RESERVE BULLETIN for June, 1921, page 684. Although the letter of credit seldom contains any reference to recourse, by implication there is no practical recourse on the drawer of drafts under an irrevocable form. But it is customary to insert in the authority sent to the beneficiary a sentence which reads somewhat as follows:

Please note that this advice is *not* to be considered as being a bank credit and does not relieve you from the ordinary liability attaching to the drawer of the bill of exchange.

Even if this statement is omitted, it is usage among banks to regard drafts drawn under authorities as carrying full recourse to the drawers until the bills have been honored by the drawees. This implication naturally may be nullified by inserting in the notice to the beneficiary an expression which permits him

to specify on his draft that it has been drawn without recourse to himself.

The question of recourse among the various parties to an authority will be more clearly understood by tracing a complete transaction financed under this method. In the first place, the exporter draws his draft on the importer and presents this bill together with his documents to the local bank which has notified him of the authority. This bank examines the documents, and if they are regular in form it gives him a check for the face amount of the draft. As the paying bank is acting in behalf of its foreign branch or of a closely affiliated institution, it then debits the account of this far-eastern bank and forwards drafts and documents for acceptance. Upon receipt of these documents, the issuing bank presents them to the importer for his acceptance and at maturity for ultimate payment. If he meets these obligations the entire transaction is closed, but if he dishonors the drafts either at the time of their acceptance or payment the question of recourse immediately arises. In the first place, if the far-eastern bank has issued the authority directly to the drawer, it reserves full recourse. However, it is more customary, as seen above, to transmit the authority to the beneficiary through an American notifying bank which takes the position that it is merely an agent of the foreign issuer and therefore has the right of action on the drawer. Lastly, as to the relations between negotiator and issuer, there is entire agreement among banks that the former has full recourse upon the latter until final payment. The negotiating bank further protects itself by usually stamping upon the drafts the declaration that it in no way holds itself responsible for the ultimate fate of the bills. The sole liability which the negotiating bank incurs is its obligation for the correctness of the shipping documents. The question of recourse between issuer and notifier in actual practice is really of small importance, because these two institutions usually stand in relation of home office to branch or agency.

Regarding relations between the right of recourse and the right of cancellation there appear to be two divergent views. One contention is that a revocable authority necessarily gives rise to the drawing of drafts with recourse, while an irrevocable instrument by implication permits the drawing of drafts without recourse. However, as observed above, it is the general opinion that there is no relation between these two subjects, and authorities theoretically may be issued in four types: (1) Revocable without recourse, (2) revocable with recourse, (3) irrevocable without recourse, (4) irrevocable with recourse. The first type is rarely

found, while the second is widely used. The third form, which assures the beneficiary that his drafts will be negotiated until a certain time and that his bills may be drawn without recourse to himself, is practically a confirmed letter of credit and seldom appears under the name of authority. However, the fourth form is of little service to the recipient, for although this authority may not be canceled, still there is always recourse to him if his drafts are dishonored by the drawee.

In summary, most authorities are revocable in form and call for drafts carrying full recourse to drawers.

IV. FORMS.

As explained above, the financing of a shipment under an authority involves the issuing of three separate bank instruments, the letter of guaranty to the issuing bank, the authority to purchase to the notifying agent, and the advice of authority to purchase to the beneficiary. These communications may be sent as ordinary letters, but it is customary for banks which handle many of these transactions, to use set forms such as those presented below:

1. LETTER OF GUARANTY.

(Issuing bank) ———.

DEAR SIR: We beg to inform you that we have authorized _____ (exporter) to draw on us with recourse to the extent of _____ at _____ days'/months' sight for _____ invoice cost against the following documents:

Bill of lading, Invoice,
Insurance certificate, Consular invoice,
to cover shipment of _____ from _____ to _____.

BILL OF LADING TO ORDER _____ and indorsed in blank
of X Bank.

Freight to be prepaid _____ Marine insurance
paid at destination _____
by shipper _____
covered here _____

We agree,

1. To accept upon presentation all bills drawn pursuant hereto.
2. To hold the X Bank harmless because of any damage to merchandise shipped or deficiency or defect therein or in the documents above described.
3. That the said documents, or the merchandise covered thereby, and insurance shall be held as collateral security for due acceptance and payment of any drafts drawn hereunder, with power to the pledgee to sell in case of non-acceptance or nonpayment of the draft to them attached, without notice at public or private sale and after deducting all expenses, including commissions connected herewith, the net proceeds to be applied toward payment of said drafts. The receipt by you of other collateral, merchandise, or cash, now in your hands, or hereafter deposited, shall not alter your power to sell the merchandise pledged and the proceeds may be applied on any indebtedness by us to the Bank due or to become due.
4. To pay your commission of _____ % for negotiating of drafts hereunder.

This engagement to commence from date hereof and to apply to all bills drawn within _____ months.

Please advise by ^{mail}
cable.

Yours, faithfully,

.....
(Importer.)

2. AUTHORITY TO PURCHASE.

A/P No. _____

Expires on _____

To the Manager, The Y Bank.

DEAR SIR: You are hereby instructed to negotiate drafts drawn by _____ on _____ at _____ days' sight to the extent of _____ against shipment of _____ to _____ within _____ months from this date.

Each draft must be accompanied by a full set of shipping documents, consisting of invoice, bills of lading filled up to order, and blank indorsed. Certificate of Origin ^{required}
~~not required~~. Insurance (marine and war) policy to accompany the drafts in China.

This instruction not being a bank credit is revocable and does not release drawer from liability.

All drafts drawn under this A/P must be marked as drawn under A/P No. _____ dated _____ 19 .

Kindly advise the beneficiary of the above and oblige.

Yours faithfully,

For the X Bank,
.....
Manager.

3. ADVICE OF AUTHORITY TO PURCHASE.

Exporter.

DEAR SIR: We beg to inform you that we have been authorized by _____ at _____ to negotiate your bills on _____ (importer) to the extent of _____ for _____ invoice cost of _____ shipped to _____.

The bills are to be drawn in duplicate at _____ sight and must be accompanied by full set of bills of lading, invoices, and marine insurance policies, all in duplicate.

Shipping documents must be made out to "order" and blank indorsed.

The above documents must be duly hypothecated to the bank against payment of the bills.

Please note that this advice is not to be considered as being a "bank credit" and does not relieve you from the ordinary liability attaching to the "drawer" of a bill of exchange.

All drafts under this authority to purchase to be marked: "Drawn under A/P No. _____" with interest added thereto at _____ per cent per annum, from date hereof to approximate due date of remittance in New York. Payable at the current drawing rate for the X Bank's drafts at sight on New York.

Kindly hand in this letter with your drafts in order that the amount of same may be indorsed on the back hereof.

This authority expires on _____, but is subject to cancellation by our giving you notice to such effect.

Yours faithfully,

.....
(Notifying bank.)

It will be observed that the first instrument consists of an application and a guaranty. In the application the importer stipulates the conditions under which the authority shall be issued. These terms describe the form of drafts and the kind of documents. The expiration date is usually determined by the period

within which the drafts are to be drawn. In the guaranty, the applicant usually agrees to accept the drafts on their presentation, to pay the commission, to absolve the bank from all responsibility for the condition of documents or goods and to pledge the merchandise as collateral.

It is unnecessary at this point to enter into a detailed analysis of the forms of the authority to purchase and the authority to draw, for their general characteristics have been studied above, and besides, these instruments have features in common with the letter of credit as described in the FEDERAL RESERVE BULLETIN for April, 1921 (pp. 410-415). It will therefore be sufficient to confine the examination of forms to those phases which are peculiar to authorities. The letter of credit usually specifies that bills of lading must be indorsed directly in favor of the bank negotiating the drafts, but the authority generally calls for the drawing of these documents to order and indorsed in blank. Although the bills of lading are thus in negotiable form, the paying bank's title to all the documents is fully recognized by having the shipper sign an hypothecation certificate.

As the drawer of the drafts receives payment for their full amount without the deduction of any discount, and as the paying bank immediately debits the account of the issuing bank, the latter is therefore entitled to interest from the date of payment. Provision is made for this charge by inserting on the bill the "far-eastern interest clause" which reads as follows:

Payable at the collecting bank's rate for sight drafts or with interest from date of draft until date of approximate return of proceeds of the draft.

The authorities as a rule provide space on the reverse side for entering details of drafts negotiated, but banks apparently do not insist upon these entries in case of "without recourse" authorities. In fact, the only purpose of such records is to prevent a beneficiary from negotiating his drafts several times at different banks and thus overdrawing the amount allowed him. However, this difficulty does not arise in the case of the authority, since the advising bank alone is designated as the paying agent, and therefore no other bank would be likely to negotiate the drafts. For the same reason it is also unnecessary for a bank to demand the return of an authority which has not been exhausted, since it can not very well be misused after its expiration if irrevocable, or after cancellation if revocable.

V. COMPARISON BETWEEN THE AUTHORITY AND THE LETTER OF CREDIT.

The above analysis has presented the meaning, classification, and forms of the authority

and it now remains to compare this document with the letter of credit. The function of these instruments is the same because they both transfer the burden of financing the transaction from the exporter to the importer or his bank. Both documents enable the exporter to receive reimbursement for his goods on presentation of the proper documents, and therefore both the authority and the credit letter are in a way d/p or documents on payment instruments. The underlying principle is the conferring upon the exporter of the right to draw drafts. In fact, the similarity between the two instruments has led a number of bankers and exporters to term an unconfirmed letter of credit an authority to purchase. In order to avoid confusion in terminology there is a tendency among banks engaged in oriental trade to issue only two instruments, an irrevocable letter of credit and a revocable authority. A further point in common may be noted in the documents ancillary to both the letter of credit and the authority. In financing a shipment under either of these two methods, it is necessary to employ a letter of guaranty from the importer to the issuing bank, a communication between issuing and notifying bank, and an advice from the notifying bank to the beneficiary.

The letter of credit and the authority, however, differ widely as to actual use, for in general the latter is far more specialized. As mentioned above, the letter of credit is used to finance trade to all countries and to cover import as well as export transactions. On the other hand, the authority is applied mainly to far-eastern commerce and is used almost exclusively to facilitate exports from the United States. Under letters of credit, drafts may be drawn either at sight or on time, in dollars or in sterling and other foreign currencies. However, bills executed by virtue of authorities are usually made on the acceptance basis, and because of the uncertain nature of most far-eastern currencies in the past, it has been the custom for exporters to insist upon payment in United States money. The letter of credit may be handled through any correspondents, but the authority is opened mainly with branch banks or other closely associated institutions. Comparing the two documents from the viewpoint of cancellation and of recourse, it was observed above that the letter of credit is usually irrevocable and allows the drawing of drafts practically without recourse to the beneficiary. However, the authority is usually revocable in form, and the issuing bank generally reserves the right of recourse to the drawer. Lastly, the fundamental distinction lies in the fact that the authority is not a bank

credit. Banks at times erroneously describe their authorities as "credits," but the instrument in no sense is the undertaking of the issuing institution. While the letter of credit imposes the burden of financing the transaction upon the bank, the authority places this obligation upon the importer himself. In the first case, the accredittee is given the right to draw upon the bank, and this leads to the creation of bankers' bills. On the other hand, the authority instructs the beneficiary to draw on the importer, and as time bills are usually made, these in consequence become trade acceptances. Because of the superior credit standing of the drawees, bankers' acceptances under letters of credit may be freely sold in the open market. The holder of these bills is able to dispose of them in any money center which offers the lowest rate, and so the cost of financing the entire enterprise may be materially lowered. The owner of bills drawn under an authority does not possess this freedom of action, since the drafts are made not on a bank but on a merchant. Therefore it is quite impossible to find a buyer outside of the bank advising the authority, and so these bills are carried by the far-eastern bank. Because of these limitations, the discount rate on such trade bills is far in excess of that carried on bankers' acceptances. While the rate on bankers' bills drawn under letters of credit is determined largely by market conditions and is more or less variable, the charge for trade bills made under authorities must necessarily be fixed in this document. This rate has recently run as high as 9 per cent, but since the 1st of July, 1921, the maximum has been reduced to 8 per cent.

Index Number of Ocean Freight Rates.¹

For some months past the Division of Analysis and Research of the Federal Reserve Board has been studying the trade balance of the United States, with particular reference to the invisible elements, which have not heretofore received adequate attention from investigators in the field of foreign trade. In the April number of the BULLETIN the question of the earnings of shipping in relation to the trade balance of the United States was discussed and a tentative estimate of America's "shipping balance" in 1920 was submitted. The present index number is the outgrowth of the data on ocean freight rates that were assembled and used in making that estimate. A twofold object is expected to be served by this index.

¹ Prepared under the direction of H. W. Van Pelt, Division of Analysis and Research.

The primary object from the standpoint of the work now being done by the Division of Analysis and Research is to serve as a basis for keeping the estimates of the shipping earnings of the United States up to date. The other object of the index is to give a review of the ocean freight market, and at the same time, of the condition of the shipping industry, which as a factor in developing American foreign trade must play a much larger part than before the war. It is as an indication of the status of the shipping industry, that the index probably will have its widest interest apart from the primary object of the Board in publishing it. As such a barometer this index is alone in the field—nothing of the kind being published in the United States, so far at least as has come to the attention of the Federal Reserve Board.

NATURE OF THE DATA.

The chief source of the ocean freight rates upon which the index is based is Cornish's Weekly Freight Circular. This publication every week quotes current rates on grain, provisions, cotton, cottonseed oil, sack flour, and measurement goods (i. e., general cargo) from New York to the principal European ports. The index, so far as it is based on this source, is therefore necessarily limited to outward rates in the United States Atlantic-Europe trades. In time it may be possible to add to the European freight index other indexes of rates in the South American and Far East trades as well.

An examination of the rates quoted on the six commodities above enumerated led to the conclusion that the first five were suitable for inclusion in this index. Since the success and reliability of such an index must depend in large measure upon how faithfully it marks fluctuations in rates, it must be reasonably sensitive to changes of basic rates, and rates that are purely nominal or not adjusted quickly to the shiftings of the ocean freight market are out of place in it. For this reason, rates on measurement goods, or general cargo, were omitted, an added reason also being the difficulty of assigning a proper weighting, in comparison with the other commodities, to so indefinite a category. The European ports to which these rates apply are 18 in number, and it would be possible to construct a series of weekly relatives on each commodity to each port separately, thereby forming some 90 different index series. The problem was obviously one of reducing that mass of data to usable proportions. The first step in the process of consolidation was to group the various ports into a smaller number of trade

regions. This classification placed together the various ports to which rates are fixed by a single steamship conference, or ports that otherwise are naturally grouped together from a shipping point of view. Eliminating Hamburg because of long periods when no rates were quoted, the remaining 17 ports may be grouped under five trade regions, as follows:

United Kingdom.....	Liverpool. Manchester. London. Glasgow. Bristol. Hull. Newcastle.
French Atlantic.....	Bordeaux. Havre.
Netherlands and Belgium.....	Rotterdam. Amsterdam. Antwerp.
Scandinavia.....	Christiania. Copenhagen.
Mediterranean.....	Marseilles. Genoa. Naples.

The fluctuations in rates to different ports in the same trade region were found to be very similar, and for the purpose of averaging to get an index number for the region, the different ports were regarded as of equal importance. Had the fluctuations not been similar, a method of weighting the different ports would have had to be employed.

SELECTION OF THE BASE.

For some purposes a prewar base would have been the logical one, but in the present instance it is the recent changes in freight rates that are of most interest, compared with the situation shortly after the close of the war. A good base, therefore, might have been the calendar year 1919. The rate data for that year, however, are not altogether satisfactory, inasmuch as during part of the year the Government retained its war-time control over rates, and it was not until the latter part of the year that the ocean freight market was again freely competitive. Furthermore, many rates were not regularly quoted over a sufficiently long period of time. During 1920, on the other hand, came the sudden and precipitate drop in freight rates which it was desired to measure. Any average of rates over the months of 1920 would therefore include rates so widely different as to lack concrete meaning. In these circumstances, it was deemed best to start with rates in the single month of January, 1920, before any large drop from the rates of 1919 had occurred. That month has therefore been used as a base with which to compare the average monthly

rates of 1920 and 1921 to date. In arriving at monthly rates, the simple arithmetic averages of actual weekly quotations have been calculated for the different commodities and ports separately.

METHODS OF WEIGHTING.

Since it was desired primarily to show relative or percentage fluctuations in ocean freight rates, the type of index number that has been adopted is a weighted geometric mean of the several series of monthly relatives. To carry out this method, the average monthly rates were converted into separate series of relatives on the January, 1920, base with a separate series for each commodity to each foreign port. The different ports in each trade region were then combined by use of unweighted geometric averages to make a single series for each commodity to each trade region. There being five commodities each to five different trade regions, the number of relative series was reduced to 25 instead of 90 at the beginning.

In order to have a single representative index for each of the five trade regions, a logical method had to be found for averaging together the different commodity series in the same trade region. Not only did the commodities differ in importance, but the same commodity was more important in the trade of one region than another. Accordingly, a table of commodity weights was drawn up for use in averaging together the different commodity series. The starting point for determining this table of weights was the number of pounds of the given commodity exported from the United States to the various trade regions in question during the calendar year 1920. In converting these quantities into relative weights, however, some modifications were deemed advisable to avoid overweighting grain and underweighting the group of oils represented in the index by cottonseed oil. After making these and other necessary adjustments, the relative weights assigned to the various commodities are as follows:

Commodity.	Trade regions.				
	United Kingdom.	French Atlantic.	Netherlands and Belgium.	Scandinavia.	Mediterranean.
Grain.....	35	35	30	.....	35
Provisions.....	20	20	20	35	15
Cotton.....	20	20	20	25	20
Cottonseed oil.....	10	10	10	15	10
Sack flour.....	15	15	20	25	20
Total.....	100	100	100	100	100

The final index numbers for the five European trade divisions, obtained from geometric averages of the several commodity series, weighted as above, are believed to be indicative of the fluctuations of ocean freight rates in those trades. In addition to this, it was desired to know as nearly as possible what have been the fluctuations in the rates to Europe as a whole. It has been thought legitimate to average these five indexes to obtain a single monthly index of the rate level to all Europe. Here again, since percentages are being averaged, a weighted geometric mean has been employed. To gauge the proper relative importance of each trade division in the final result, two criteria were considered for the purpose of weighting—(1) the total value of the export trade of the United States with each European division in 1920, and (2) the net tonnage of vessels clearing American ports for each European division in 1920. Neither of these is an entirely satisfactory basis for determining index weights, and yet each has its advantages. The second basis of weighting was, nevertheless, adopted in the main with some modifications where the facts on the values of exports indicated the advisability. The weights finally assigned to each of the five European index series in arriving at the all-European index are as follows:

	Weight.
United Kingdom.....	35
French Atlantic.....	18
Netherlands and Belgium.....	22
Scandinavia.....	10
Mediterranean.....	15
Total.....	100

The table giving the five European index series, together with the all-Europe index, follows:

INDEX NUMBERS OF OCEAN FREIGHT RATES.

Month.	United States Atlantic to—					All Europe.
	United Kingdom.	French Atlantic.	Netherlands and Belgium.	Scandinavia.	Mediterranean.	
1920.						
January.....	100.0	100.0	100.0	100.0	100.0	100.0
February.....	96.5	86.9	83.3	90.1	91.1	90.3
March.....	91.2	78.5	78.0	84.6	79.5	83.4
April.....	90.2	87.2	78.9	82.7	72.2	83.5
May.....	96.2	85.9	87.3	82.5	75.2	87.5
June.....	101.2	87.1	89.5	82.1	76.5	90.0
July.....	96.0	85.6	82.1	82.0	75.3	86.3
August.....	85.7	77.9	70.4	82.1	73.2	78.5
September.....	86.7	73.7	66.9	82.1	71.6	76.9
October.....	84.9	68.9	70.9	75.3	69.6	75.4
November.....	77.8	51.6	59.9	59.6	59.2	63.8
December.....	72.3	38.5	47.0	51.6	49.2	53.6
1921.						
January.....	60.7	30.2	34.1	42.9	43.2	43.3
February.....	54.7	27.7	29.2	30.9	43.8	38.5
March.....	49.3	24.6	28.3	30.8	42.2	35.9
April.....	50.1	32.6	36.6	29.4	35.7	39.0
May.....	50.6	35.0	38.2	31.3	34.6	40.1
June.....	42.7	34.7	38.3	31.3	34.0	37.6

These figures show that, while freight rates all around have been reduced enormously in the last year, rates to the United Kingdom have fallen the least of any of the groups given in the table. The general rally which took place in May and June, 1920, was also particularly noticeable in United Kingdom rates. These facts reflect the strong position occupied by the North Atlantic-United Kingdom Conference, which has been able to maintain its rates more successfully than some of the others. In June, however, this conference cut grain rates by about 30 per cent, the rate now being 5 shillings per quarter (480 pounds) compared with 7 shillings in May.

French Atlantic rates have experienced the most drastic cut of all. At the low level of March, 1921, rates were about one-quarter of those in January of last year. These extreme cuts were due largely to the rate war waged for some months between the French line (*Compagnie Générale Transatlantique*) and the conference lines. The settlement between them is reflected in the index by a quick upturn of rates in April of this year. Rates in the Netherlands and Belgium trade have also been affected by the rate war, although the declines have not been quite so drastic.

The Scandinavian index shows a continuous and progressive decline to the lowest point of any of the groups in the latest months of 1921. The decline was arrested for several months in the middle of 1920, but the tendency has been steadily downward, except for a slight upturn in May, 1921, in sympathy with Netherlands and Belgium.

Rates to the Mediterranean indicate the disorganized state of the conferences after the war. Declines have been severe and the reductions came earlier in 1920 than in the case of United Kingdom rates for instance. It is noteworthy also that the rise in April and May of the present year, noticeable in rates in other directions, has had no influence on the Mediterranean trade, where rates moved in the opposite direction.

The composite picture presented by the all-Europe index number gives the broad movements of rates as a whole without an undue influence from disturbances in a single trade. This shows a decline early in 1920 followed by an increase in May and June. Thereafter rates fell continuously and at times very rapidly until the low point was reached in March of this year. In April and May moderate gains are recorded, which have been brought about chiefly by the rise in French Atlantic and Netherlands rates. In June, however, the tendency has again been downward and some rates have gone to new low levels for the period after the war. The most

important cut recently has been on grain to the United Kingdom, and on account of the basic character of this rate in determining the level of many other rates, the results that may be expected to follow are far-reaching.

THE SILVER SITUATION.

Fluctuations in the price of silver are determined by a large number of circumstances, among which may be mentioned especially: (1) Quantity produced, of which about two-thirds originates in United States and Mexico; (2) demand in the western world, i. e., in Europe and America, both for the arts and for coinage purposes; (3) demand in the Orient, i. e., in China and India, depending mainly on the balance of payments of these countries and on their general level of prosperity, but affected also over short periods of time by speculation; (4) the general price level, or in other words, the purchasing power of gold.

PRICE OF SILVER AND THE GENERAL PRICE LEVEL.

Fluctuations in the price of silver, compared with fluctuations in the wholesale price index compiled by the Bureau of Labor Statistics, are shown in the table below, and in the chart on page 937. The price of silver is shown per fine ounce in actual monthly averages for the New York market and in percentages of the 1913 average of 61.241 cents.

There is a striking similarity between the wholesale price curve and the silver price curve. Silver, however, moved at a considerably lower level than general wholesale prices, touching its peak in January, 1920, at 219 per cent of the 1913 price, while the wholesale price index continued to rise until May of that year, when it reached 272 per cent. Although the price of silver has declined rapidly since January, 1920, its downward course shows three distinct breaks, one in July, 1920, one in January, 1921, and the third in April. These breaks are independent of the wholesale price movement, which shows an uninterrupted decline, while since March, 1921, the general trend of silver prices has been upward. The temporary increase in the price of silver in July, 1920, occurred when the United States Treasury began to purchase American silver at a fixed price of 99½ cents. These purchases were made under the terms of the Pittman Act,¹ which provided for the breaking up and sale of silver dollars and their repurchase when the price of silver should not exceed \$1 per ounce. The original sales amounted to 208,000,000 ounces. The Treas-

¹ For text of this act, see FEDERAL RESERVE BULLETIN for May, 1918, p. 393.

ury proceeded to repurchase promptly as soon as the legal purchase price was reached. The act provided that the silver purchased should be of American origin and refined in the United States. The Treasury, however, placed a liberal interpretation on this clause to the effect that individual silver need not be identified so long as each producer should sell as American silver that portion of his silver product which corresponded to the silver mined and refined in this country. Total purchases of silver by the Treasury up to July 25, 1921, amounted to 63,600,000 ounces, or to almost one-third of the total amount sold. It is to be expected, therefore, that the Government will continue to purchase silver for two or three more years. The entry of the United States into the silver market and the elimination from the world market of the American domestic silver supply has had a steadying influence on the price of silver. Soon after the purchases began a rise of the price of "foreign" silver occurred from about 93 cents in June, 1920, to 97 cents in August. After that other factors in the situation overcame the steadying influence of the Treasury purchases, so that silver continued to decline, though perhaps not so rapidly as would have been the case had the Treasury not been buying silver.

PRICE OF SILVER AND WHOLESALE PRICE INDEX.

	Average New York price of silver per fine ounce.	Per cent of 1913 average of \$0.61241.	Whole- sale price index.
1918.			
November.....	\$1.01500	166	206
December.....	1.01587	166	206
1919.			
January.....	1.01558	166	203
February.....	1.01500	166	197
March.....	1.04495	166	201
April.....	1.01500	166	203
May.....	1.08020	176	207
June.....	1.11402	182	207
July.....	1.07332	175	218
August.....	1.12386	184	226
September.....	1.15636	189	220
October.....	1.20692	197	223
November.....	1.30446	213	230
December.....	1.33072	217	238
1920.			
January.....	1.33899	219	245
February.....	1.32665	217	249
March.....	1.27287	208	253
April.....	1.20576	197	265
May.....	1.03495	169	272
June.....	.92789	152	269
July.....	.92935	152	262
August.....	.96948	158	250
September.....	.94510	154	242
October.....	.84187	137	225
November.....	.78490	128	207
December.....	.65503	107	189
1921.			
January.....	.66388	108	178
February.....	.59813	98	167
March.....	.56736	93	162
April.....	.59830	98	154
May.....	.60310	98	151
June.....	.59125	97	148
July.....	.60798	99	148

In spite of occasional discrepancies, the two curves clearly show that silver prices are to a very large extent affected by the same economic forces as prices of other goods or commodities. Rising prices of other commodities increase the cost of producing silver and, therefore, tend to raise its price. Furthermore, changes in the general purchasing power of gold affect the price of silver in the western world, where the demand for industrial purposes at times exceeds Government purchases for coinage.

PRODUCTION.

From the table below it will be seen that the production of silver, which before the war totaled from 220,000,000 ounces to 226,000,000 ounces yearly, dropped to 211,000,000 ounces in 1914, 179,000,000 ounces in 1915, and 157,000,000 ounces in 1916. In this drop the chief factor was the decline of production in Mexico, which was caused not by the World War but by the unsettled political conditions prevailing in that country. Silver production increased in 1917 to 174,000,000 ounces, and in 1918 to 197,000,000 ounces, but declined again in 1919 to 175,000,000 ounces, and in 1920 to somewhat less than that amount. Production in the United States reached its maximum in 1916, and from that time has steadily declined. This decline is due chiefly to the fact that in the United States silver is produced from different sources approximately in the following proportions: Thirty per cent from siliceous silver ores and placer operations; 30 per cent from copper ores; 25 per cent from lead ores; and 15 per cent from complex ores, such as lead, zinc, and copper ores. Less, therefore, than one-third of the silver in the United States is produced as an independent operation, and more than two-thirds is incidental to the production of baser metals. Consequently, the prices of lead, zinc, and copper are important factors in the amount of silver produced in the United States, and the large declines in its production in 1918 and 1919, when the market for copper and lead was weak, are due primarily to this fact. In Canada production is declining, largely because the cobalt fields are being exhausted. Mexican production, which in 1916 had dropped to only 23,000,000 ounces, has since greatly increased because of the return of more normal conditions. In the last two years silver production on the whole has been on a level much below the prewar amount, but higher than in 1916. With conditions in Mexico more settled, there is no reason to expect a decline in her silver production. On the contrary, the amount in 1921 is likely, in spite of the prevailing lower level of prices, to be greater than in 1920, for the cost of production in Mexico has greatly

decreased, so that silver can be marketed profitably even at the existing price. Production in the United States, which is assured a steady market at a dollar an ounce, is likely to remain constant at least for the next two or three years.

SILVER PRODUCTION OF THE WORLD BY PRINCIPAL COUNTRIES.

[In fine ounces.]

Countries.	1910	1911	1912	1913	1914	1915	1916	1917	1918	1919	1920 ¹
United States.....	57,137,900	60,399,400	63,766,800	66,801,500	72,455,100	74,961,075	74,414,802	71,740,400	67,810,100	56,682,445	56,564,504
Canada.....	32,869,264	32,740,748	31,625,451	31,524,708	27,300,667	26,625,960	25,459,741	22,221,300	21,284,600	15,875,134	13,000,000
Mexico.....	71,372,194	79,032,440	74,640,300	70,703,828	70,703,828	39,570,151	22,838,385	35,000,000	62,517,000	62,681,987	63,656,100
South America.....	17,416,314	14,433,915	13,980,888	13,126,490	12,938,439	13,687,464	11,839,822	15,451,300	15,561,000	14,713,165	15,000,000
Europe.....	14,152,061	15,693,366	15,992,082	15,248,216	15,317,155	10,107,556	8,591,029	6,511,900	6,871,700	4,399,618	5,000,000
British India.....	44,772	104,323	93,649	.....	236,440	284,875	628,656	2,068,700	2,240,500	2,165,606	2,000,000
Australia.....	21,545,828	16,578,421	14,737,944	18,128,577	3,520,274	4,295,755	3,863,418	10,000,000	10,000,000	7,430,770	8,000,000
Japan.....	4,646,160	4,459,087	4,932,852	4,649,910	4,649,910	5,120,293	5,120,293	7,111,700	6,600,400	4,800,000	5,000,000
All other.....	3,694,869	2,751,223	4,540,688	3,724,614	3,981,564	4,197,371	3,870,375	4,082,500	4,509,600	5,468,689	5,000,000
Total.....	222,379,362	226,192,923	224,310,654	223,907,843	211,103,377	178,850,500	156,626,521	174,187,800	197,394,900	174,517,414	173,220,604

¹ Preliminary.

DEMAND IN EUROPE AND AMERICA.

Silver consumption in the arts depends to a considerable extent on its price and on general prosperity. During the war period, and especially during the postwar boom, which was world wide in its scope, an increasing demand for silver in the arts was an element in its rising price. Among the principal industries consuming silver is the moving-picture industry, which, because of its striking development, caused an increased demand in the silver market. The demand for silver to be used in the manufacture of ornaments and luxuries, however, experienced a sharp decline, when in June, 1920, the world-wide depression began to be felt.

More important in the recent history of silver prices were the developments in connection with silver coinage. At the outbreak of the war there was a large increase in the demand for silver coins, partly because the general disturbed condition encouraged people to hoard silver, partly because the higher price level necessitated the use of more silver coins as pocket money, but chiefly because the armies, especially those operating in the Near East, were drawing pay in silver and spending silver money of the smaller denominations.

A very interesting development took place when the price of silver began to rise at the same time that the currencies of the various countries became increasingly depreciated. The table below and the chart on page 937 show the silver contents of different silver currencies and the melting points for these currencies, i. e., the price of silver per ounce at which the silver content of the coins is worth as much as their face value. The total bars in the chart indicate how high the price of silver must be before the currencies will reach the melting point, assuming that the value of these currencies remains at par. The black portions of these bars

indicate the points at which the coins would be melted with exchange at the June, 1921, level.

MELTING POINTS OF SILVER CURRENCIES.

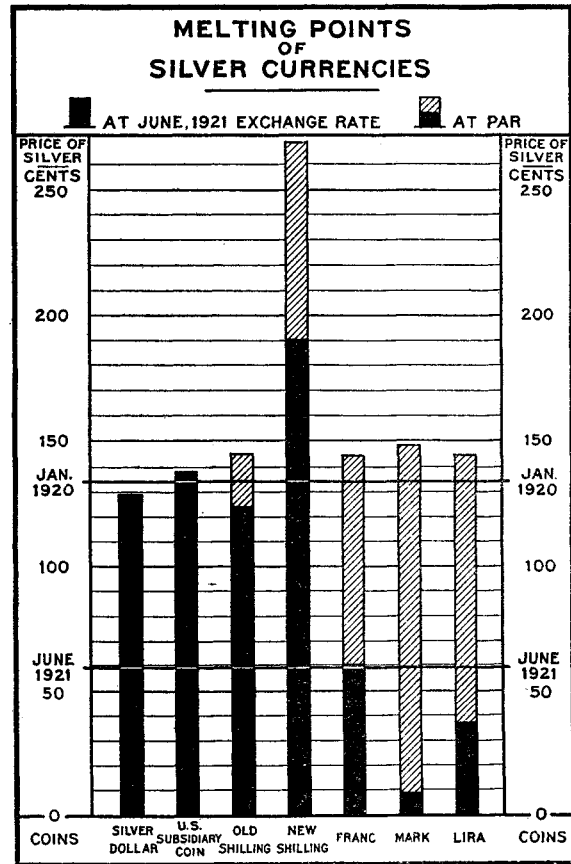
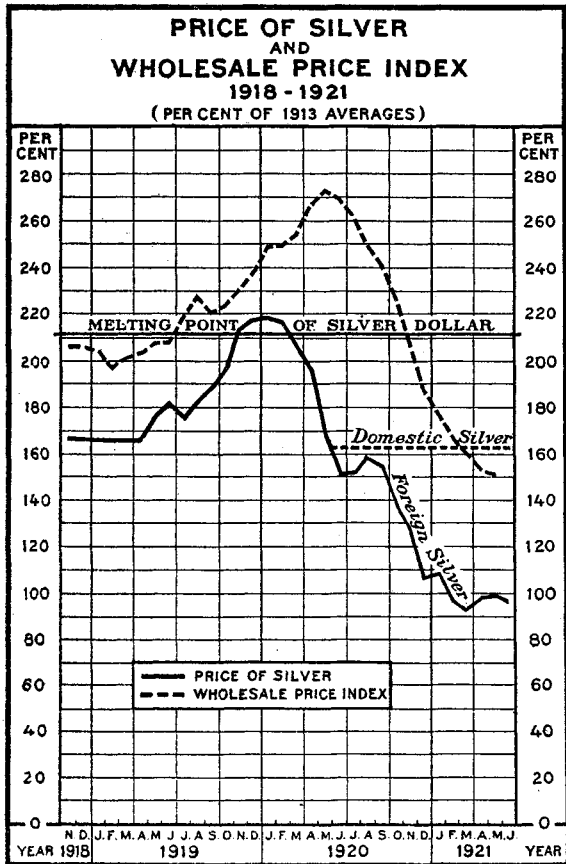
Coin.	Fine silver content (grains).	Melting point (price of silver per oz.).		
		In local currency.	In U. S. money.	
			At par of exchange.	At June, 1921, rate of exchange.
Dollar.....	371.25	1.2929 dollars.....	.....	.....
Subsidiary silver (dime).	34.722	1.3824 dollars.....	.....	.....
Shilling:				
Old.....	80.7263	5.946 shillings.....	\$1.447	\$1.124
New.....	43.6364	11 shillings.....	2.677	2.08
5-franc piece.....	374.22	7.234 francs.....	1.896	.584
1-franc piece.....	64.4286	7.45 francs.....	1.438	.602
Mark.....	11.16	6.221 marks.....	1.482	.09
Lira.....	64.4286	7.45 lire.....	1.438	.371

It will be seen that with currencies at the June, 1921, level, silver dollars and subsidiary silver are far removed from the danger of the melting pot. The price chart shows, however, that for four months, November, 1919, to February, 1921, the price of silver was above the melting point of silver dollars, though below that of subsidiary silver. British silver is now also far below the melting point. At the January, 1920, price of silver, however, the old shilling was worth less than its silver content; this caused a change in the British coinage act by which the silver content of the shilling was reduced from 81 grains to 44 grains, or from a fineness of 925 per thousand to one of 500 per thousand. The new shilling is far removed from any danger of melting either at par or at the present rate of sterling exchange. Other countries took similar measures to protect their silver coinage, notably Norway, Sweden, and Holland. In France the melting point of the 1-franc piece at the present rate of exchange is very close to the current price of silver, while that of the 5-franc piece is below, so that

silver has practically ceased to circulate, some of it being hoarded and much of it sold. This situation has incidentally resulted in the virtual breaking up of the Latin Monetary Union, as France could not afford to have her francs smuggled into Switzerland, where their purchasing power was two or three times as great as at home. France has requested Switzerland to return all French subsidiary coinage, and recently also all the 5-franc pieces. To this end Switzerland has declared this money no longer lawful money within her boundaries. In Germany and Italy the depreciation of the

foreign obligations. In Italy the melting point of the lira is 37 cents per ounce.

The passing of the melting point for several of the important silver currencies brought from continental Europe into the London market a large supply of silver, which during 1920 is said to have approximated 50,000,000 ounces. Thus the total silver for sale in 1920, in spite of the production of only about 173,000,000 ounces, has been close to a record offering. Unquestionably this stream of silver to the London market from the vaults of central and other banks, as well as from the holdings of



national currencies is so great that silver, at its present price, is far too expensive to circulate in the existing coins. In Germany the silver content of the mark would be worth more than a mark at the present rate of exchange if silver were worth as little as 9 cents per ounce. The German Government was obliged to demonetize silver, and the Reichsbank reports its considerable silver holdings not as part of its metal reserve, but included in "all other assets." This silver, amounting to about 30,000,000 ounces, is worth about 1,600,000,000 marks, and the Reichsbank has been reported as negotiating for loans on the security of this silver, or for its sale, as a means of paying some of its

individuals, has been an important as well as a very unusual element in the silver situation during the past year.

INDIA.

More important factors, however, in the silver situation than any of the developments in the western countries are changes in demand by the two great oriental silver using countries—India and China. Following is a table showing the gold and silver imports and exports, as well as the merchandise imports and exports of India, for the fiscal years ending March 31, 1914, to 1921.

GOLD, SILVER, AND MERCHANDISE IMPORTS INTO AND EXPORTS FROM INDIA.

Fiscal year ended Mar. 31.	(In thousands of standard ounces.)						(In thousands of rupees.)				
	Gold.				Silver.		Merchandise.				
	Imports.	Exports.	Excess imports.	Excess exports.	Imports.	Exports.	Excess imports.	Exports.	Excess imports.	Excess exports.	
1914.....	4,593	844	3,749	.....	79,835	8,723	71,107	1,832,479	2,488,788	.....	656,309
1915.....	1,705	527	1,178	.....	64,160	8,394	55,766	1,379,290	1,815,917	.....	436,627
1916.....	833	1,094	.....	261	39,833	6,901	32,932	1,319,862	1,925,343	.....	605,481
1917.....	2,283	18	2,265	.....	116,959	24,765	92,194	1,496,220	2,331,536	.....	835,316
1918.....	.....	.....	.....	.....	88,814	14,283	74,531	1,498,850	2,222,651	.....	723,801
1919.....	390	1,346	.....	956	241,748	4,719	237,029	1,690,341	2,538,814	.....	848,473
1920.....	7,830	2,223	5,607	.....	101,052	4,110	96,942	2,079,724	3,267,931	.....	1,188,207
1921.....	3,728	2,907	821	.....	42,550	20,982	21,568	3,355,072	2,563,591	791,481	.....

It will be seen that the merchandise trade balance of India, which had always been favorable, increased decidedly during the war as the result of the great demand for supplies by the belligerents, and of the inability of European countries to export goods so long as their productive energies were entirely devoted to the war. For the year ending March 31, 1920, this favorable balance was nearly 1,200,000,000 rupees. During the year ending March 31, 1921, however, for the first time in a generation India reported an unfavorable trade balance, amounting to 791,000,000 rupees. This was due to the decrease in the purchasing power of the world during the depression and to the poor crops caused by an unsatisfactory monsoon in that year. In April and May, 1921, also, India reported unfavorable balances, though in May the unfavorable balance was only 20,000,000 rupees, compared with 111,000,000 rupees for the most unfavorable month (November, 1920), and 69,000,000 rupees, the monthly average since June, 1920.

It will be seen from the table that the excess of silver imports over exports into India was enormous during the war years, reaching its maximum in the fiscal year 1919, when 237,000,000 ounces were imported. A large part of this silver came from the United States in accordance with the provisions of the Pittman Act, which authorized the United States Treasury to sell to the British Government not to exceed 350,000,000 ounces of silver at \$1 an ounce. At that time the silver reserves of India were very low; the Indian population was restive, so that it was imperative for the Government

to obtain silver in order to convince the population that the rupee was convertible. In the summer of 1919 the Indian demand for silver ceased, and in the fiscal year 1920 only 97,000,000 ounces and in the fiscal year 1921 only 22,000,000 ounces of silver (net) were imported into India. During recent months, however, there has been a new movement of silver to India estimated at about 35,000,000 ounces for the first half of the present year. The reason for this is said to be the political unrest which generally results in the hoarding of hard cash by the Indian population. At present the political horizon seems to have cleared somewhat, so that the silver movement is expected soon to discontinue. On the other hand, gold has been sent from India to Japan and to the United States, as a result of the unfavorable exchange value of the rupee.

The outstanding facts about India in connection with the study of silver in recent years are her insatiable demand for silver until the summer of 1919, followed by her almost complete withdrawal from the silver market during 1919-20.

CHINA.

The other important factor is China. The table below shows that the Chinese trade balance, which is generally unfavorable, was much less so during the war years than before or since, owing to the same causes that influenced the Indian trade balance. In addition to this it will be noted that China was losing gold until 1916 and silver until 1918. The gold went largely to Japan and the silver largely to India.

GOLD, SILVER, AND MERCHANDISE IMPORTS INTO AND EXPORTS FROM CHINA.

[In thousands of haikwan taels.]

Calendar year ended Dec. 31.	Gold.				Silver.				Merchandise.		
	Imports.	Exports.	Excess imports.	Excess exports.	Imports.	Exports.	Excess imports.	Excess exports.	Imports.	Exports.	Excess imports.
1913.....	3,065	4,451	.....	1,386	55,711	19,743	35,968	.....	570,163	403,306	166,857
1914.....	861	13,862	.....	13,001	16,499	30,122	.....	13,623	569,241	356,226	213,015
1915.....	819	18,211	.....	17,392	20,718	39,100	.....	18,382	454,476	418,861	35,615
1916.....	19,903	8,102	11,801	.....	37,088	65,766	.....	28,678	516,407	481,797	34,610
1917.....	13,872	5,025	8,847	.....	27,507	48,490	.....	20,983	549,519	462,932	86,587
1918.....	1,229	2,282	.....	1,053	36,124	12,629	23,495	.....	554,893	485,883	69,010
1919.....	51,079	9,897	41,182	.....	62,094	8,969	53,125	.....	646,998	630,809	16,189
1920.....	50,967	68,469	.....	17,502	126,354	33,715	92,639	.....	762,250	541,631	220,619

By the middle of 1919 China found herself extremely short of silver as a result of the war-time drain and of the hoarding due to the unsettled times, while the lack of confidence in bank notes also increased the demand for silver. Consequently, it was China that caused such an insistent demand for silver in 1919, heightened perhaps by speculators, as to drive the price to its peak in January, 1920. By that time her demand was fairly well satisfied; the trade balance, as may be seen from the table, became much more unfavorable, rising from 16,000,000 Haikwan taels to 221,000,000 Haikwan taels, and China was no longer in the market for silver. Recently hard times and famine conditions have resulted in considerable amounts of silver being taken from buried hoards to be used in the purchase of food. It was this withdrawal of China from the silver market that precipitated the final drop in the price of silver, which in March, 1921, was worth about 57 cents an ounce compared with \$1.34 at the peak. Since that time the demand from India mentioned above has caused a slight reaction in the silver price.

EARNINGS AND EXPENSES OF THE FEDERAL RESERVE BANKS.

Total earnings of the Federal Reserve Banks for the six months ending June 30, 1921, were \$76,683,303, compared with \$81,778,352 for the corresponding period in 1920, while total current expenses for the first six months of the present year were \$17,581,860, compared with \$13,195,241 in 1920. Current expenses for the first half of the present year include, besides \$13,828,375 of expenses of operation proper, \$2,561,034, the cost, including shipping charges, insurance, and other expenses incident to the issuance and retirement of Federal Reserve currency; \$435,803, taxes on Federal Reserve Bank note circulation, and \$756,648, the cost of furniture and equipment acquired during the period under review.

Current expenses shown are exclusive of expenses of the fiscal agency departments of the Federal Reserve Banks. These expenses are treated separately, being reimbursable by the Treasury. During the first six months of the present year the Federal Reserve Banks acting as fiscal agents for the Government expended a total of \$2,360,509, compared with \$3,397,148 during the corresponding period in 1920. At the beginning of the present year there was also

due from the Treasury a total of \$939,309 expended by the banks during the previous period. Reimbursements received by the banks during the review period totaled \$2,500,824, leaving thus a reimbursable balance on June 30 of \$798,994.

Current net earnings of the banks, i. e., the excess of earnings over current expenses, totaled \$59,101,443, compared with \$68,583,111 for the corresponding period last year. After deducting \$3,526,756 from current net earnings, mainly on account of depreciation of bank premises, the banks paid the regular 3 per cent semiannual dividend of \$3,033,276, carried \$11,788,893 to surplus account, and set aside \$40,752,518 as reserve for the Government franchise tax. Of the total earnings for the six months of the present year, 89.5 per cent, as against 78.7 per cent in 1920, came from discounted paper; bills purchased in open market, largely bankers' acceptances, which are credited with 15.6 per cent of the total earnings for the first six months in 1920, contributed less than 5 per cent of the earnings for the review period, while United States securities, largely Treasury certificates, yielded 4.3 per cent of the total earnings during both periods. Aggregate earnings from these three sources account for about 98.7 per cent of the six months' earnings of the reserve banks, the balance being composed of net earnings from bank transfers, penalties on deficient reserves, collection charges, and sundry minor profits.

Of the total expenses of operation of the banks proper, exclusive of their fiscal agency departments, \$7,130,008, or about 52 per cent, as against \$5,455,812, or 51 per cent, in 1920 went as salaries to the clerical staff; and \$1,154,942, or 8.4 per cent, as against \$881,364, or 8.2 per cent in 1920, as salaries to bank officers. Compensation of special officers, watchmen, and other employees, extra help, overtime pay, and supper money account for \$820,160, or about 5.9 per cent of the total expenses of operation for the six months under review. Printing and stationery called for an outlay of \$590,458, or 4.3 per cent, as against 5.7 per cent in 1920, and postage and expressage for \$566,745, or 4.1 per cent, as against 4.6 per cent for the corresponding period in 1920. Assessments of the reserve banks for the support of the Federal Reserve Board amounted to \$362,226, or 2.6 per cent, and rent (including light, heat, and power) to \$503,357, or 3.6 per cent of the total expenses of operation for the first half of the present year.

EARNINGS AND EXPENSES OF EACH FEDERAL RESERVE BANK FOR THE SIX MONTHS ENDING JUNE 30, 1921.

EARNINGS.

	Boston.	New York,	Phila- delphia.	Cleveland.	Richmond.	Atlanta.	Chicago.	St. Louis.	Minne- apolis.	Kansas City.	Dallas.	San Francisco.	Total.
Discounted bills.....	\$3,871,237	\$22,453,328	\$4,116,231	\$4,347,278	\$3,240,505	\$3,676,548	\$12,054,084	\$2,641,975	\$2,483,785	\$2,959,118	\$2,060,008	\$4,744,622	\$68,648,719
Purchased bills.....	367,900	1,189,894	390,764	679,072	96,744	56,506	292,531	29,179	13	18,373	4,020	664,993	3,789,989
U. S. securities.....	234,391	923,917	356,469	278,809	132,280	199,157	458,499	164,042	86,201	208,821	110,739	137,730	3,291,055
Transfers, net earnings.....				46,767			130,123		11,446			89,339	277,675
Deficient reserve penalties.....	7,611	30,941	20,429	29,766	85,102	42,941	63,424	40,533	76,930	46,310	66,631	83,826	594,444
Sundry profits.....	7,321	36,464	5,604	3,452	2,989	1,973	8,837	3,737	2,329	1,578	5,250	1,887	81,421
Total earnings.....	4,488,460	24,634,544	4,889,497	5,385,144	3,557,620	3,977,125	13,007,498	2,879,466	2,660,704	3,234,200	2,335,987	5,633,058	76,683,303

CURRENT EXPENSES.

Expenses of operation:													
Assessments for F. R. Board expenses.....	\$28,115	\$99,345	\$30,594	\$37,209	\$18,997	\$14,876	\$51,471	\$15,252	\$12,529	\$16,336	\$12,157	\$25,345	\$362,226
Federal advisory council.....	200	700	272	512	296	987	577	600	686	340	200	1,112	6,482
Governors' conferences.....	207	142	203	230	256	371	393	279	545	113	379	572	3,690
F. R. agents' conferences.....						111						677	788
Directors—													
Fees.....	2,870	12,540	2,040	1,620	1,955	3,260	2,425	3,245	2,125	3,605	1,158	5,740	42,533
Per diem allowance.....	850	1,460	280	570	380	5,870	630	1,810	4,525	1,260	354	19,139	19,139
Traveling expenses.....	1,299	2,549	631	1,024	963	5,372	2,445	2,381	1,665	5,339	1,164	405	25,237
Salaries—													
Bank officers.....	67,750	242,399	61,833	94,865	71,035	81,298	154,581	72,225	59,002	76,051	66,195	107,708	1,154,942
Clerical staff.....	415,540	1,875,483	463,102	551,241	368,176	254,111	886,007	393,651	260,057	515,158	356,893	790,589	7,130,008
Special officers and watchmen.....	13,577	101,970	37,820	33,861	10,755	10,896	62,711	12,237	10,815	16,839	15,985	29,743	357,209
All other.....	4,011	151,259	42,097	64,815	18,378	16,907	62,571	17,053	10,002	17,799	27,506	30,553	462,951
Life insurance premiums (employees' group in- surance).....		17,461	8,393	38,440	3,842	2,982	13,865	3,843	904	8,422	488	13,899	112,539
Insurance and premiums on fidelity bonds.....	4,074	44,292	34,642	12,700	15,668	23,914	54,176	17,986	15,532	32,386	6,233	48,126	309,729
Officers' and clerks' traveling expenses.....	4,350	18,164	7,305	9,625	20,690	12,288	25,493	14,721	17,145	11,233	19,670	16,642	177,326
Legal fees.....	1,200	250	3,242	515	504	4,510	4,500	87	5,012	864	2,525	4,107	27,316
Banking house.....	27,227	72,717	68,963	26,010	23,589	9,923		3,286	7,804	7,438	27,887	31,273	306,117
Rent (including light, heat, and power).....	41,932	152,954	9,582	60,582	7,986	13,077	102,144	28,468	15,281	28,166	5,556	37,629	503,357
Fire insurance (furniture and equipment).....	904	559	28	1,612	1,237	117	6,623	557	107	836	21	1,717	14,318
Telephone.....	6,492	20,017	9,863	7,109	2,294	2,509	15,824	4,490	3,365	4,362	4,234	8,236	88,795
Telegraph.....	3,475	30,767	6,534	17,414	17,610	29,989	37,390	19,691	12,076	35,805	32,397	45,582	288,730
Postage.....	35,587	72,076	35,589	42,760	39,932	29,501	65,534	40,316	35,676	62,209	31,328	45,644	536,152
Expressage.....	9	2,681	361	1,275	2,784	2,665	1,341	512	4,248	9,365	1,026	4,326	30,593
Office supplies.....	8,885	61,882	18,741	21,854	10,321	14,546	69,451	7,717	15,623	16,373	17,026	15,003	277,422
Printing and stationery.....	41,410	75,322	36,674	67,748	30,974	33,060	63,707	30,428	36,101	41,074	34,440	99,520	590,458
Currency and coin shipments.....	49,238	76,999	47,306	33,100	23,256	32,151	53,156	13,737	15,566	21,423	30,793	24,030	420,755
All other.....	26,854	92,775	27,809	96,520	25,652	5,600	88,327	23,701	1,558	39,354	39,354	111,800	579,513
Total expenses of operation.....	786,056	3,226,763	953,904	1,223,211	717,530	610,891	1,825,342	727,613	545,234	967,285	744,214	1,500,332	13,828,375
Federal Reserve currency (original cost, including shipping charges).....	147,235	647,322	167,966	122,056	164,082	147,375	499,882	171,769	68,942	101,961	61,119	178,428	2,478,137
Miscellaneous charges account F. R. currency.....	7,682	11,878	7,515	5,958	10,997	6,270	11,171	6,171	1,830	2,626	2,524	8,275	82,897
Taxes on F. R. Bank note circulation.....	39,155	75,326	41,924	50,667	21,515	32,127	72,374	14,000	16,822	31,289	14,519	26,085	435,803
Furniture and equipment.....	9,781	59,857	221,428	70,019	27,424	25,030	83,998	41,573	32,219	22,933	41,666	120,720	756,648
Total current expenses.....	989,909	4,021,146	1,392,737	1,471,911	941,548	821,693	2,492,767	961,126	665,047	1,126,094	864,042	1,833,840	17,581,860
Current net earnings.....	3,498,551	20,613,398	3,496,760	3,913,233	2,616,072	3,155,432	10,514,731	1,918,340	1,995,657	2,108,106	1,471,945	3,799,218	59,191,443
Net deductions from current net earnings.....	422,541	198,002	26,431	96,612	386,586	178,567	802,867	102,523	283,036	260,791	267,393	501,407	3,526,756
Net earnings.....	3,076,010	20,415,396	3,470,329	3,816,621	2,229,486	2,976,865	9,711,864	1,815,817	1,712,621	1,847,315	1,204,552	3,297,811	55,574,687

DISPOSITION OF NET EARNINGS.

Dividends paid.....	\$235,218	\$797,474	\$257,322	\$327,124	\$160,283	\$121,595	\$424,025	\$133,383	\$105,001	\$133,787	\$124,619	\$213,440	\$3,033,276
Transferred to surplus fund.....	631,389	2,993,912	554,221	1,958,835	464,500	354,817	1,555,454	768,399	323,122	171,353	1,079,933	1,012,957	11,788,893
Reserved for U. S. Government franchise tax.....	2,209,403	16,714,010	2,658,786	1,530,651	1,604,698	2,490,453	7,732,385	914,035	1,284,498	1,542,175	.....	2,071,414	40,752,518
Total.....	3,076,010	20,415,396	3,470,329	3,816,621	2,229,486	2,976,865	9,711,864	1,815,817	1,712,621	1,847,315	1,204,552	3,297,811	55,574,687

EXPENSES OF FISCAL AGENCY DEPARTMENT FOR THE SIX MONTHS ENDING JUNE 30, 1921, AMOUNTS REIMBURSED BY TREASURY DEPARTMENT, AND BALANCES REIMBURSABLE JULY 1, 1921.

	Boston.	New York.	Philadelphia.	Cleveland.	Richmond.	Atlanta.	Chicago.	St. Louis.	Minneapolis.	Kansas City.	Dallas.	San Francisco.	Total.
Total expenses Jan. 1 to June 30, 1921.....	\$194,648	\$463,207	\$109,516	\$252,000	\$69,237	\$89,813	\$353,261	\$130,433	\$104,187	\$224,134	\$120,380	\$247,693	\$2,360,509
Amounts reimbursable Jan. 1, 1921.....	86,989	224,647	37,855	82,020	23,888	59,920	84,243	70,417	54,307	112,063	23,658	99,332	939,309
Total.....	281,637	687,854	147,371	334,020	93,125	129,733	437,504	200,850	158,494	336,197	144,038	347,025	3,299,818
Reimbursements received during 1921.....	218,805	558,381	126,170	245,735	76,014	82,951	342,951	160,273	125,154	223,218	94,984	251,188	2,500,824
Balances reimbursable July 1, 1921.....	62,832	134,473	21,201	88,285	17,111	46,782	94,553	40,577	33,340	114,949	49,054	95,837	798,994

FOREIGN LOANS PLACED IN THE UNITED STATES.

The following statement of foreign Government, municipal, and corporate loans placed in the United States and outstanding on June 1, 1921, has been compiled by the Guaranty Trust Co. of New York from the most accurate and complete information available and has been furnished to the Board upon request. The statement brings up to date figures previously compiled by the same agency and published in the FEDERAL RESERVE BULLETIN for July, 1920, on pages 687 and following.

It should be noted that the tabulation does not include subscriptions in the United States to foreign internal loans, as the amounts of such subscriptions are not available, nor does it include most foreign currency issues purchased in the United States. The tables are also incomplete as to issues sold partly in this country and partly in other countries.

It has been necessary in some cases to estimate the amounts, using as bases the amounts at proximate previous dates. All such estimates are indicated in footnotes.

SUMMARY BY COUNTRIES OF FOREIGN GOVERNMENT, STATE, MUNICIPAL, AND CORPORATION LOANS, AND LOANS OF INSULAR POSSESSIONS OF UNITED STATES FLOATED IN THE UNITED STATES, AND OUTSTANDING AS OF JUNE 1, 1921.

Country.	Government.	State and municipal.	Corporation.			Total.	Total indebtedness of other Governments to the Government of the United States, June 1, 1921.	Grand total.
			Railroad.	Public utility.	Industrial.			
Canada and Newfoundland...	\$133,500,000	\$233,964,244	\$176,889,500	\$88,988,500	\$63,339,546	\$696,681,790		\$696,681,790
Mexico.....	500,000		152,087,675	2,478,000	30,000,000	185,065,675		185,065,675
Cuba.....	9,486,000		21,695,000		40,447,800	71,628,800	\$9,025,500	80,654,300
Panama.....	1,978,000					1,978,000		1,978,000
Santo Domingo.....	10,141,450					10,141,450		10,141,450
Haiti.....				3,000,000		3,000,000		3,000,000
Argentina.....			15,000,000			15,000,000		15,000,000
Bolivia.....	3,857,868					3,857,868		3,857,868
Brazil.....	25,000,000	28,242,000				53,242,000		53,242,000
Chile.....	23,769,000	425,000			64,329,300	88,523,300		88,523,300
Peru.....					8,000,000	8,000,000		8,000,000
Great Britain.....	450,016,800				15,000,000	465,016,800	4,166,318,358	4,631,335,158
France.....	197,785,200	64,687,700			1,000,000	263,472,900	3,350,762,938	3,614,235,838
Belgium.....	96,225,000				10,800,000	107,025,000	375,280,147	482,305,147
Germany.....	2,000,000					2,000,000		2,000,000
Austria.....							24,055,709	24,055,709
Norway.....	24,500,000	8,766,500				33,266,500		33,266,500
Sweden.....	25,000,000					25,000,000		25,000,000
Denmark.....	40,000,000	15,000,000				55,000,000		55,000,000
Finland.....							8,281,926	8,281,926
Esthonia.....							13,999,146	13,999,146
Latvia.....							5,132,287	5,132,287
Lithuania.....							4,981,628	4,981,628
Poland.....							135,661,661	135,661,661
Hungary.....							1,685,836	1,685,836
Russia.....	75,000,000					75,000,000	192,601,297	267,601,297
Italy.....	10,000,000					10,000,000	1,648,034,051	1,658,034,051
Switzerland.....	54,285,000	11,760,000				66,045,000		66,045,000
Greece.....							15,000,000	15,000,000
Rumania.....							36,128,496	36,128,496
Serbs, Croats, and Slovenes.....							51,153,160	51,153,160
Czechoslovakia.....							91,179,529	91,179,529
Armenia.....							11,959,917	11,959,917
China.....	17,000,000					17,000,000		17,000,000
Japan.....	102,552,000	5,250,000				107,802,000		107,802,000
Australia.....				1,250,000		1,250,000		1,250,000
Liberia.....							26,000	26,000
Philippine Islands.....	16,000,000		11,765,000			27,765,000		27,765,000
Porto Rico.....	500,000			600,000	3,000,000	4,100,000		4,100,000
Total.....	1,319,096,318	368,095,444	377,437,175	96,316,500	235,916,646	2,396,862,083	10,141,267,586	12,538,129,669

NOTE.—Total indebtedness of other Governments to the Government of the United States, June 1, 1921, is composed of the following: Under Liberty Loan Acts, \$9,435,225,329; from sale of surplus war material, \$565,048,414; from food relief, \$84,093,964; from grain corporation, \$56,899,879.

FOREIGN LOANS, INCLUDING GOVERNMENT, STATE, MUNICIPAL, RAILROAD, PUBLIC UTILITIES, AND INDUSTRIAL LOANS AND LOANS OF INSULAR POSSESSIONS OF UNITED STATES FLOATED IN THE UNITED STATES AND OUTSTANDING JUNE 1, 1921.

Name of issue.	Interest rate (per cent).	Date of issue.	Maturity.	Date offered in United States.	Original amount offered in United States.	Amount outstanding in United States June 1, 1921.
GOVERNMENT LOANS.						
NORTH AMERICA AND WEST INDIES.						
Canada:						
10-year gold bonds.....	5	Apr. 1, 1916.....	Apr. 1, 1926.....	March, 1916.....	\$25,000,000	\$25,000,000
15-year gold bonds.....	5	.....do.....	Apr. 1, 1931.....	.....do.....	25,000,000	25,000,000
10-year gold notes.....	5½	Aug. 1, 1919.....	Aug. 1, 1929.....	July, 1919.....	60,000,000	60,000,000
2-year gold notes.....	5½	.....do.....	Aug. 1, 1921.....	.....do.....	15,000,000	15,000,000
Total Government loans, Canada.....						125,000,000
Newfoundland:						
20-year gold bonds.....	5½	June 1, 1919.....	July 1, 1939.....	May, 1919.....	2,500,000	2,500,000
15-year gold bonds.....	6½	June 1, 1921.....	June 30, 1936.....	May, 1921.....	6,000,000	6,000,000
Total, Newfoundland loans.....						8,500,000
Mexico: 10-year treasury notes of 1913 ²	6	July 1, 1913.....	July 1, 1923.....	June, 1913.....	500,000	500,000
Cuba: External loan of 1914 ³	5	Feb. 2, 1914.....	Feb. 1, 1949.....	February, 1914.....	10,000,000	9,486,000
Panama:						
Secured serial gold bonds.....	5	Dec. 1, 1915.....	Dec. 1, 1921-1925.....	January, 1916.....	1,200,000	160,000
Sinking fund 30-year gold bonds.....	5	Nov. 2, 1914.....	Nov. 1, 1944.....	Various.....	2,250,000	1,818,000
Santo Domingo:						
Custom administration gold bonds.....	5	1908.....	1918-1958.....	January, 1908.....	20,000,000	8,324,450
Santo Domingo gold bonds.....	5	Jan. 1, 1918.....	Jan. 1, 1938.....	Jan. 1, 1918.....	5,000,000	1,817,000
Total Government loans, North America and West Indies.....						155,605,450
SOUTH AMERICA.						
Bolivia:						
Republic of Bolivia sterling loan.....	6	Jan. 1, 1909.....	Jan. 1, 1934.....	1909.....	2,430,000	1,670,868
Gold loan of 1917.....	6	Apr. 1, 1917.....	Oct. 1, 1940.....	June, 1917.....	2,400,000	2,187,000
Total Government loans, Bolivia.....						3,857,868
Chile: Republic of Chile sinking fund gold bonds.....	8	Feb. 1, 1921.....	Feb. 1, 1941.....	February, 1921.....	24,000,000	23,769,000
Brazil: United States of Brazil.....	8	June 1, 1921.....	June 1, 1941.....	May, 1921.....	25,000,000	25,000,000
Total Government loans, South America.....						52,626,868
EUROPE.						
Great Britain:						
United Kingdom of Great Britain and Ireland 5-year gold notes.....	5½	Nov. 1, 1916.....	Nov. 1, 1921.....	October, 1916.....	150,000,000	93,713,000
20-year gold bonds.....	5½	Feb. 1, 1917.....	Feb. 1, 1937.....	February, 1919.....	143,587,000	143,587,000
10-year convertible gold.....	5½	Nov. 1, 1919.....	Aug. 1, 1929.....	October, 1919.....	250,000,000	122,572,600
3-year convertible gold notes.....	5½	.....do.....	Nov. 1, 1922.....	.....do.....		90,144,200
Total Government loans, Great Britain.....						450,016,800
France:						
Government of the French Republic sinking fund bonds.....	8	Sept. 15, 1920.....	Sept. 15, 1945.....	September, 1920.....	100,000,000	97,785,200
Government of the French Republic gold bonds.....	7½	June 1, 1921.....	June 1, 1941.....	May, 1921.....	100,000,000	100,000,000
Total Government loans, France.....						197,785,200
Belgium:						
5-year gold notes.....	6	Jan. 1, 1920.....	Jan. 1, 1925.....	January, 1920.....	18,600,000	18,600,000
25-year external sinking fund bonds.....	7½	June 1, 1920.....	June 1, 1945.....	June, 1920.....	50,000,000	48,000,000
20-year sinking fund bonds.....	8	Feb. 1, 1921.....	Feb. 1, 1941.....	January, 1921.....	30,000,000	29,625,000
Total Government loans, Belgium.....						96,225,000
Germany: 1-year discount notes (in default).....	6	Apr. 1, 1916.....	Apr. 1, 1917.....	June, 1916.....	10,000,000	* 2,000,000
Norway:						
7-year gold bonds.....	6	Feb. 1, 1916.....	Feb. 1, 1923.....	January, 1916.....	5,000,000	5,000,000
20-year sinking fund gold bonds.....	8	Oct. 1, 1920.....	Oct. 1, 1940.....	September, 1920.....	20,000,000	19,500,000
Total Government loans, Norway.....						24,500,000
Sweden: 20-year gold bonds.....	6	June 15, 1919.....	June 15, 1939.....	June, 1919.....	25,000,000	25,000,000

¹ Approximate.
² There was also \$25,000,000 (of a total issue of \$40,000,000) United States of Mexico 4 per cent bonds, due 1954, offered for subscription in 1904. No figures showing amount placed here are available.
³ There were two other Cuban Government loans: \$35,000,000 gold 5's, dated March, 1904, and due Mar. 1, 1944, and \$16,500,000 external gold 4½'s, dated Aug. 2, 1909, and due Aug. 1, 1949, placed partly in this country and partly abroad, but the amounts placed here are unavailable.
⁴ Amount of loan issued, £500,000; rate of conversion, \$4.86 per £. Amount of loan outstanding, £343,800; rate of conversion, \$4.86 per £.
⁵ Amount outstanding estimated.

FOREIGN LOANS, INCLUDING GOVERNMENT, STATE, MUNICIPAL, RAILROAD, PUBLIC UTILITIES, AND INDUSTRIAL LOANS AND LOANS OF INSULAR POSSESSIONS OF UNITED STATES FLOATED IN THE UNITED STATES AND OUTSTANDING JUNE 1, 1921—Continued.

Name of issue.	Interest rate (per cent).	Date of issue.	Maturity.	Date offered in United States.	Original amount offered in United States.	Amount outstanding in United States June 1, 1921.
GOVERNMENT LOANS—Continued.						
EUROPE—continued.						
Denmark:						
25-year sinking fund gold bonds	8	Oct. 15, 1920	Oct. 15, 1945	October, 1920	\$25,000,000	\$25,000,000
Danish consolidated municipal loan sinking fund gold bonds	8	Feb. 1, 1921	Feb. 1, 1946	January, 1921	15,000,000	15,000,000
Total Government loans, Denmark						40,000,000
Russia:						
Imperial Government 3-year credit (in default)	6½	June 18, 1916	June 18, 1919	June, 1916	50,000,000	50,000,000
5-year gold treasury bonds (interest defaulted Dec. 1, 1919)	5½	Dec. 1, 1916	Dec. 1, 1921	November, 1916	25,000,000	25,000,000
Total Government loans, Russia						75,000,000
Italy: Royal treasury bonds (Series A)	6½	Feb. 1, 1920	Feb. 1, 1925	February, 1920	\$ 25,000,000	¹ 10,000,000
Switzerland:						
10-year gold bonds	5½	Aug. 1, 1919	Aug. 1, 1929	July, 1919	30,000,000	30,000,000
20-year sinking-fund gold bonds	8	July 1, 1920	July 1, 1940	July, 1920	25,000,000	24,285,000
Total Government loans, Switzerland						54,285,000
Total Government loans, Europe						974,812,000
ASIA.						
China:						
Chinese Government, Hukuang Ry. sinking-fund bonds	5	June 15, 1911	June 15, 1951	June, 1911	7,500,000	7,500,000
2-year secured gold notes	6	Nov. 1, 1919	Nov. 1, 1921	October, 1919	5,500,000	5,500,000
China-Pacific Development Co. gold loan	6	Dec. 1, 1919	Dec. 1, 1921	Dec. 1, 1919	5,500,000	4,000,000
Total Government loans, China						17,000,000
Japan:						
Japanese Government sterling loan	7 4½	Mar. 26, 1905	Feb. 15, 1925	March, 1905	75,000,000	⁸ 50,998,000
Japanese Government sterling loan (second series)	7 4½	July 8, 1905	July 10, 1925	July, 1905	50,000,000	⁸ 35,690,000
Japanese Government sterling loan of 1905	4	1905	Jan. 1, 1931	November, 1905	16,250,000	⁸ 15,864,000
Total Government loans, Japan						102,552,000
Total Government loans, Asia						119,552,000
U. S. INSULAR POSSESSIONS.						
Philippine Government:						
Certificates of indebtedness	4	Aug. 2, 1920	Aug. 2, 1921	August, 1920	10,000,000	10,000,000
Manila Port wks. & imp. bonds	5½	Sept. 1, 1920	Sept. 1, 1950	October, 1920	6,000,000	6,000,000
Total Philippine loans						16,000,000
Porto Rico gold bonds	4½	Jan. 1, 1920	Jan. 1, 1941-1942	April, 1921	500,000	500,000
Total loans, U. S. insular possessions						16,500,000
Total, all Government loans						1,319,096,318
STATE LOANS.						
SOUTH AMERICA.						
Brazil: State of San Paulo	8	Jan. 1, 1921	Jan. 1, 1936	March, 1921	10,000,000	10,000,000
Total State loans						10,000,000

¹ Approximate.

⁶ Authorized.

⁷ The Japanese Government has been in the market recently for its 4½ per cent sterling bonds due 1925.

⁸ Latest figures available on bonds originally placed here. A considerable amount of these securities, originally sold abroad, has been brought into our markets, but exact figures are unobtainable.

FOREIGN LOANS, INCLUDING GOVERNMENT, STATE, MUNICIPAL, RAILROAD, PUBLIC UTILITIES, AND INDUSTRIAL LOANS AND LOANS OF INSULAR POSSESSIONS OF UNITED STATES FLOATED IN THE UNITED STATES AND OUTSTANDING JUNE 1, 1921—Continued.

Name of issue.	Interest rate (per cent).	Date of issue.	Maturity.	Date offered in United States.	Original amount offered in United States.	Amount outstanding in United States June 1, 1921.
MUNICIPAL LOANS.						
NORTH AMERICA.						
Canada:						
Manitoba, Province of, gold bonds	6	Jan. 3, 1921	Jan. 3, 1931	January, 1921	\$250,000	\$250,000
Do	5	Mar. 1, 1921	Mar. 1, 1926	March, 1921	1,000,000	1,000,000
Ottawa (city), gold bonds	6		July 1, 1940-1945	do	115,000	115,000
British Columbia, Province of, gold bonds	6	Apr. 25, 1921	Apr. 25, 1926	April, 1921	3,000,000	3,000,000
Nova Scotia, Province of, gold bonds	6	Apr. 1, 1921	Apr. 1, 1926	do	1,500,000	1,500,000
Manitoba, Province of, gold bonds	6	June 1, 1921	June 1, 1931	May, 1921	2,000,000	2,000,000
Manitoba, Province of	6	May 15, 1920	May 15, 1925	May, 1920	2,000,000	2,000,000
Manitoba, Province of, gold bonds	6	Jan. 2, 1920	Jan. 2, 1925	January, 1920	4,000,000	4,000,000
Nova Scotia, Province of, gold bonds ⁵	6	May 15, 1920	May 15, 1925	May, 1920	3,000,000	3,000,000
Quebec, Province of ⁵	6	Mar. 1, 1920	Mar. 1, 1925	April, 1920	7,000,000	7,000,000
Ontario, Province of ⁵	6	Apr. 15, 1920	Apr. 15, 1925	do	6,800,000	6,800,000
Hamilton, Ontario	5	1920		do	596,768	596,768
Ontario, Province of	6	Mar. 1, 1920	Mar. 1, 1925	March, 1920	5,000,000	5,000,000
Manitoba, Province of	6	Apr. 1, 1920	Apr. 1, 1925	do	2,850,000	2,850,000
Greater Vancouver, British Columbia	5	Mar. 8, 1920	Mar. 8, 1923	do	510,000	510,000
Manitoba, Province of	6	Feb. 2, 1920	Feb. 2, 1930	do	2,498,000	2,498,000
Greater Winnipeg water district	6	Mar. 1, 1920	Mar. 1, 1930	do	2,000,000	2,000,000
Manitoba, Province of	6	1920	1925	May, 1920	3,000,000	3,000,000
Edmonton, Alberta, gold notes	6		Sept. 1, 1922-1924	September, 1920	750,000	750,000
Alberta (University of), gold bonds	6	Aug. 2, 1920	Aug. 2, 1925	August, 1920	750,000	750,000
Alberta, Province of, gen. oblig. gold bonds	6	Aug. 16, 1920	Aug. 16, 1930	do	2,000,000	2,000,000
Alberta, Province of, tel. construction	6	Nov. 1, 1920	Nov. 1, 1930	November, 1920	1,000,000	1,000,000
British Columbia, Province of, gold bonds	6	July 27, 1920	July 27, 1925	August, 1920	3,000,000	3,000,000
Do	6	Oct. 1, 1920	Oct. 1, 1925	October, 1920	1,000,000	1,000,000
Do ⁵	6	June 1, 1920	June 1, 1925	June, 1920	2,000,000	2,000,000
Manitoba, Province of, bonds	6	Aug. 16, 1920	Aug. 16, 1925	August, 1920	1,250,000	1,250,000
Manitoba, Province of, debentures	6	Nov. 1, 1920	Nov. 1, 1930	November, 1920	750,000	750,000
Manitoba, Province of, gold bonds ⁵	6	Oct. 1, 1920	Oct. 1, 1925	October, 1920	750,000	750,000
Ottawa (Ontario), city of, bonds	6	July 1, 1920	July 1, 1921-1950	do	2,285,000	2,285,000
Ottawa (Ontario), city of, debentures	5, 5½, 6		July 1, 1922-1927	July, 1920	328,000	328,000
Ontario, Province of, gold bonds ⁵	6	Nov. 15, 1920	Nov. 15, 1927	November, 1920	5,000,000	5,000,000
Do	6	Oct. 1, 1920	Oct. 1, 1923	October, 1920	3,000,000	3,000,000
Winnipeg, city of, gold bonds ⁵	6	Dec. 1, 1920	Dec. 1, 1930	December, 1920	800,000	800,000
Winnipeg, city of, bonds ⁵	6	Aug. 2, 1920	Aug. 2, 1940	August, 1920	600,000	600,000
Nova Scotia, Province of, impvt. bonds ⁵	6	1920	April, 1928	1920	500,000	500,000
Calgary, Alberta, gold treasury notes	6		July 1, 1924	October, 1920	200,000	200,000
Vancouver, British Columbia treasury notes	6	1919	1922-1924	1919	2,600,000	2,000,000
Ontario, Province of	5	1919	1922	January, 1919	3,000,000	3,000,000
Do	5	1919	1922	June, 1919	4,000,000	4,000,000
New Brunswick, Province of	5½	1919	1922	do	1,000,000	1,000,000
Calgary, Alberta, treasury notes	6	1919	1924	do	1,500,000	1,500,000
Ontario, Province of	5½	1919	1924	August, 1919	3,000,000	3,000,000
Toronto, Ontario	5½	1919	1924-1938	November, 1919	2,632,000	2,632,000
Toronto Harbor Commission ⁵	4½	1918	1953	December, 1918	1,000,000	1,000,000
Greater Winnipeg water district	5	1918	1923	February, 1918	2,000,000	2,000,000
Manitoba, Province of	5	1917	1922	April, 1917	2,000,000	2,000,000
Saskatchewan, Province of ⁵	5	1917	1932	September, 1917	850,000	850,000
Quebec, Quebec ⁵	5	1917	1927	January, 1917	780,000	780,000
North Vancouver, British Columbia	6	1917	1947	March, 1917	47,440	47,440
Do	5	1917	1967	do	73,000	73,000
Toronto Harbor Commission	4½	1917	1957	April, 1917	1,500,000	1,500,000
Sault Ste. Marie, Ontario	5½	1917	1932-1967	do	63,200	63,200
Trail, British Columbia	6	1917	1937	June, 1917	80,000	80,000
Greater Winnipeg water district	5	1917	1922	July, 1917	1,500,000	1,500,000
London, Ontario (city)	5½	1917	1922	August, 1917	760,000	760,000
Prince George, British Columbia, water and light	6	1917	1932	November, 1917	30,000	30,000
Nova Scotia, Province of	5	1916	1926	January, 1916	500,000	500,000
British Columbia, Province of	4½	1916	1941	March, 1916	1,000,000	1,000,000
Saskatchewan, Province of	5	1916	1926	April, 1916	1,000,000	500,000
Alberta, Province of	5	1916	1926	do	1,650,000	1,650,000
Ontario, Province of	5	1916	1926	May, 1916	4,000,000	4,000,000
Quebec, Province of	5	1916	1926	June, 1916	4,000,000	4,000,000
Ontario, Province of	5	1916	1926	December, 1916	2,000,000	2,000,000
Saskatchewan, Province of	5	1916	1931	do	500,000	500,000
London, Ontario	5	1916	1922-1926	January, 1916	555,496	216,541
Revelstoke, British Columbia	6	1916	1931	February, 1916	51,500	51,500
Do	5½	1916	1936	do	13,000	13,000
Burnaby, British Columbia ⁵	6	1916	1928-1936	March, 1916	575,000	575,000
Maisonneuve, Quebec	6	1916	1926	do	355,000	355,000
Prince George, British Columbia	6	1916	1926-1931	do	140,000	140,000
Sault Ste. Marie, Ontario	5½-6	1916	1931-1946	April, 1916	83,306	83,306
Prince Rupert, British Columbia	6	1916	1946	do	1,600,000	1,600,000
Montreal, Quebec ⁵	5	1916	1936	May, 1916	2,000,000	2,000,000
Toronto, Ontario	5	1916	July, 1921-1948	June, 1916	3,669,000	3,124,000
Westmount, Quebec	4½	1916	1960	June, 1916	107,500	107,500
Medicine Hat, Alberta	5	1916	1926-1942	March, 1916	100,000	100,000
Calgary, Alberta	5	1916	1936-1946	June, 1916	1,568,806	1,568,806
Ottawa, Ontario	5	1916	1926-1946	do	1,032,517	1,032,517
Halifax, Nova Scotia ⁵	5	1916	1950	do	460,420	460,420

⁵ Amount outstanding estimated.

FOREIGN LOANS, INCLUDING GOVERNMENT, STATE, MUNICIPAL, RAILROAD, PUBLIC UTILITIES, AND INDUSTRIAL LOANS
AND LOANS OF INSULAR POSSESSIONS OF UNITED STATES FLOATED IN THE UNITED STATES AND OUTSTANDING
JUNE 1, 1921—Continued.

Name of issue.	Interest rate (per cent).	Date of issue.	Maturity.	Date offered in United States.	Original amount offered in United States.	Amount outstanding in United States June 1, 1921.
MUNICIPAL LOANS—Continued.						
NORTH AMERICA—continued.						
Canada—Continued.						
Iroquois Falls, Ontario	6	1916	1925-1931	July, 1917	\$40,000	\$40,000
Greater Winnipeg Water District ⁹	5	1916	July, 1921	August, 1916	1,500,000	1,500,000
Saskatchewan Drainage District			1946	do	91,200	91,200
Humboldt, Saskatchewan	6	1916	1946	do	67,300	67,300
Nelson, British Columbia	5	1916	1936	do	30,000	30,000
Parish St. Pierre Claver, Manitoba	5	1916	1926	September, 1916	100,000	100,000
Toronto, Ontario	5	1916	1921-1936	November, 1916	2,594,000	1,469,000
Toronto Harbor Commission ⁹	4½	1916	1956	do	1,500,000	1,500,000
Montreal, Quebec ⁹	5	1916	1956	do	3,800,000	3,800,000
Halifax, Nova Scotia	5	1916	1951	December, 1916	265,000	265,000
Alberta, Univ. guaranteed by Province	4½	1915	1925	January, 1915	1,000,000	1,000,000
Ontario, Province of	4½	1915	1925	May, 1915	3,000,000	3,000,000
Alberta, Province of	5	1915	1925	do	4,000,000	4,000,000
Saskatchewan, Province of ⁹	5	1915	October, 1921-1925	October, 1915	840,000	600,000
British Columbia, Province of ⁹	4½	1915	1925	December, 1915	3,130,000	3,130,000
New Brunswick, Province of ⁹	5	1915	1925	November	700,000	700,000
Saskatchewan, Province of	5	1915	1925	do	1,000,000	1,000,000
New Brunswick, Province of	4½	1915	1925	December, 1915	1,700,000	1,700,000
Nova Scotia, Province of	5	1915	January, 1926	do	500,000	500,000
Regina, Saskatchewan	5	1915	1928-1929	January, 1915	340,000	340,000
Sault Ste. Marie	5	1915	1945	February, 1915	500,000	500,000
Toronto, Ontario	5	1915	1948	do	81,000	81,000
Port Coquitlan, British Columbia	5	1915	1945	do	100,000	100,000
Calgary School Board	5	1915	1955	March, 1915	175,000	175,000
Hochelega School Commission, Quebec	5	1915	1943	do	375,000	375,000
North Vancouver, British Columbia	6	1915	1925	April, 1915	19,825	19,825
Toronto, Ontario	4½	1915	1945-1956	do	2,500,000	2,500,000
Do	5	1915	1948	July, 1915	40,000	40,000
Do ⁹	4½	1915	1925	September, 1915	3,655,000	3,655,000
Ottawa, Ontario	5	1915	July, 1921-1945	do	2,181,000	2,091,000
North Vancouver, British Columbia	6	1915	1935	do	30,000	30,000
Toronto Harbor Commission	4½	1913	1953	October, 1915	1,000,000	1,000,000
Victoria, British Columbia	4½	1915	1925	do	289,000	289,000
Saskatoon, Saskatchewan	5	1915	1925-1945	October 1, 1915	300,000	300,000
Montreal, Quebec ⁹	5	1915	1930	November, 1915	1,000,000	1,000,000
Montreal Catholic Schools	5	1915	1945	December, 1915	450,000	450,000
Alberta, Province of	4½	1914	1924	February, 1914	2,400,000	2,400,000
Edmonton, Alberta, school district	5	1914	1954	October, 1914	850,000	850,000
Edmonton, Alberta, electric light and power	5	1914	1934	do	97,000	97,000
Alberta, Province of	4½	1913	1923	November, 1913	3,600,000	3,600,000
Halifax, Nova Scotia, debentures	4½	1913	1945	August, 1913	299,750	299,750
Toronto, Ontario (electric light and power)	4	1908 and 1912	1948	do	4,506,500	4,506,500
Toronto, Ontario, harbor	4½	1913	1953	do	1,500,000	1,500,000
Bassane, Alberta, water and sewer	5	1912	1942	September, 1912	150,000	150,000
Scarborough Township, Ontario	7		1922-1951	January, 1921	130,000	130,000
Toronto, separate Catholic School	6		1941	March, 1921	350,000	350,000
Saskatchewan ⁹	6		1936	January, 1921	3,000,000	3,000,000
Alberta ⁹	6	May 1, 1920	May 1, 1923	May, 1920	2,000,000	2,000,000
Calgary, Alberta, school district	6	1920	1923	September, 1920	250,000	250,000
Selkirk, Manitoba, improvement	6	1920	1930	do	25,000	25,000
Manitoba, Province of	6	1920	1930	December, 1920	1,000,000	1,000,000
New Brunswick ⁹	6	1920	1935	do	1,750,000	1,750,000
Sandwich, Ontario, improvement ⁹	6	1920		April, 1920	144,933	144,933
Smiths Falls, Ontario, hydroelectric	6½	1920	1930	November, 1920	9,200	9,200
Toronto, Ontario, city ⁹	5½	1920		April, 1920	1,905,000	1,905,000
Toronto, Ontario, housing and public schools ⁹	6	1920	1932 and 1939	November, 1920	2,853,000	2,853,000
Toronto, Ontario, city ⁹	6	1920	1929	December, 1920	1,055,000	1,055,000
Toronto Township, Ontario, Toronto Hamilton Highway	6	1920	1930	August, 1920	74,675	74,675
Walkerville, Ontario	5½	1920	1945	April, 1920	75,000	75,000
Ottawa ⁹	6	1920	1928-1935	September, 1920	2,300,231	2,300,231
Saskatchewan, Province of ⁹	6	1920	1924	May, 1920	1,000,000	1,000,000
Saskatoon, Saskatchewan, school district	6	1920	1950	February, 1920	210,000	210,000
Alberta	4½		February, 1924	do	2,400,000	2,400,000
Do	5		1923	June, 1920	1,000,000	1,000,000
Alberta ⁹	5½		Dec. 15, 1929	January, 1920	3,000,000	3,000,000
British Columbia	5		1925	September, 1920	3,000,000	3,000,000
Winnipeg, Manitoba ⁹	6		1931	August, 1920	600,000	600,000
Manitoba	6		1965	May, 1920	3,000,000	3,000,000
New Brunswick ⁹	6		1936	December, 1920	1,750,000	1,750,000
Ontario	5		1950	November, 1920	2,853,000	2,853,000
Sault Ste Marie, Ontario	5		1943	December, 1920	775,000	775,000
Toronto, public school	6		1940	November, 1920	1,058,000	1,058,000
Hamilton	5		1921-1940	March, 1920	46,768	46,768
Toronto, hydroelectric	5½		1920-1933	May, 1920	1,473,000	1,473,000
Saskatchewan ⁹	6		Jan. 15, 1925	November, 1920	47,000	47,000
North Vancouver, British Columbia, improvement	6	1919	1922	December, 1919	225,000	225,000
Trail, British Columbia, improvement	7	1919	1939	September, 1919	15,500	15,500
Sherbrooke, Quebec, electric light	6	1919	1924	January, 1919	90,000	90,000

⁹ Issued in United States and Canada. Exact amount held here unavailable.

FOREIGN LOANS, INCLUDING GOVERNMENT, STATE, MUNICIPAL, RAILROAD, PUBLIC UTILITIES, AND INDUSTRIAL LOANS AND LOANS OF INSULAR POSSESSIONS OF UNITED STATES FLOATED IN THE UNITED STATES AND OUTSTANDING JUNE 1, 1921—Continued.

Name of issue.	Interest rate (per cent).	Date of issue.	Maturity.	Date offered in United States.	Original amount offered in United States.	Amount outstanding in United States June 1, 1921.
MUNICIPAL LOANS—Continued.						
NORTH AMERICA--continued.						
Canada—Continued.						
Winnipeg City.....	5½			November, 1919...	\$162,000	\$162,000
London, Ontario.....	6			do.....	24,000	24,000
New Westminster, British Columbia, Ref. Tr. Cert.	6	1918.....	1923.....	October, 1918.....	100,000	100,000
Do.....	6	1918.....	1923.....	December, 1918..	230,000	230,000
Niagara Falls, Ontario, city improvement..	6	1918.....	1923.....	do.....	230,000	230,000
Ontario.....	4		1926.....	March, 1918.....	1,000,000	1,000,000
New Westminster, British Columbia.....	6		July, 1923.....	July, 1918.....	170,000	170,000
Manitoba ^a	6		August, 1928.....	do.....	1,000,000	1,000,000
New Westminster, British Columbia, street improvement.	5		1967.....	March, 1917.....	35,000	35,000
New Westminster, British Columbia, local improvement.	6		Apr. 15, 1945.....	do.....	47,400	47,400
New Westminster, British Columbia, waterworks and street improvement.	6		May 1, 1947.....	April, 1917.....	85,000	95,000
Selkirk, Manitoba.....	6			March, 1917.....	75,000	75,000
Sarnia, Ontario.....	5½		1940.....	April, 1917.....	63,200	63,200
Sutherland, Saskatchewan.....	5½			March, 1917.....	32,725	32,725
Cardston, Alberta, school district.....	6		1946.....	February, 1916..	35,000	35,000
North Vancouver, British Columbia, local improvement.	6			do.....	7,973	7,973
Sault Ste. Marie, Ontario, pavement.....	5		1931.....	May, 1916.....	16,439	16,439
Do.....	5½		1931.....	June, 1916.....	22,745	22,745
Sault Ste. Marie, Ontario, concrete.....	5½		1936.....	do.....	3,311	3,311
Sault Ste. Marie, Ontario, street extension..	5½		1936.....	do.....	7,500	7,500
Sault Ste. Marie, Ontario, sewer.....	5½		1946.....	May, 1916.....	19,509	19,509
Sault Ste. Marie, Ontario, culvert.....	6		1936.....	June, 1916.....	7,500	7,500
Sault Ste. Marie, Ontario, fire hall.....	6		1936.....	do.....	6,500	6,500
Toronto, separate school district.....	5		1935.....	January, 1916....	100,000	100,000
Sutherland, Saskatchewan.....	7			November, 1916..	36,000	36,000
St. Boniface, Manitoba, school district.....	6			March, 1915.....	200,000	200,000
Vancouver, British Columbia, local improvement.	4½		1925.....	April, 1915.....	1,118,947	1,118,947
Vancouver, British Columbia, Treasury notes				July, 1915.....	850,000	850,000
Toronto, Ontario, harbor commission.....	4½		1953.....	January, 1915....	1,000,000	1,000,000
Montreal, Quebec.....	5			do.....	6,900,000	6,900,000
Port Moody, British Columbia.....	6		1944.....	July, 1914.....	80,000	80,000
Prince Rupert, British Columbia.....	4			June, 1914.....	2,500	2,500
St. Andrews, British Columbia.....	6			March, 1914.....	18,000	18,000
Transcona, Manitoba, school district.....	5½		1934.....	November, 1914..	35,000	35,000
Hamilton, Ontario.....	4½		April, 1934.....	March, 1914.....	500,000	500,000
Toronto, Ontario, local improvement.....	4½		1924.....	May, 1914.....	500,000	500,000
Toronto, Ontario, waterworks.....	4½		1948.....	do.....	745,615	745,615
Westmount, Quebec.....	4½		1928.....	do.....	275,000	275,000
Do.....	4½		1958.....	do.....	110,000	110,000
Watrous, Saskatchewan, water and sewerage.	6		1944.....	April, 1914.....	70,000	70,000
Edmonton, Alberta, school district.....	5		Apr. 15, 1953.....	October, 1913....	1,250,000	1,250,000
Total provincial and municipal loans, Canada.						233,964,244
MUNICIPALS, OTHER THAN CANADIAN.						
SOUTH AMERICA.						
Brazil:						
City of Rio de Janeiro.....	6	May 1, 1919.....	May 1, 1922-1931..	May, 1919.....	10,000,000	10,000,000
City of Sao Paulo.....	6	Nov. 1, 1919.....	Nov. 1, 1943.....	October, 1919....	8,500,000	8,242,000
Total municipal loans, Brazil.....						18,242,000
Chile: Water Co. of Valparaiso (water board loan guaranteed by Government of Chile)	6	Dec. 8, 1915.....	Aug. 9, 1939.....	October, 1916....	471,000	425,000
Total municipal loans, South America.....						18,667,000
EUROPE.						
France:						
City of Paris 5-year gold bonds.....	6	Oct. 16, 1916.....	Oct. 15, 1921.....	October, 1916....	50,000,000	42,467,000
City of Bordeaux 15-year gold bonds.....	6	Nov. 1, 1919.....	Nov. 1, 1934.....	November, 1919..	15,000,000	7,039,000
City of Lyons 15-year gold bonds.....	6	do.....	do.....	do.....	15,000,000	7,590,800
City of Marseilles 15-year gold bonds.....	6	do.....	do.....	do.....	15,000,000	7,590,900
Total municipal loans, France.....						64,687,700
Norway:						
City of Christiania sinking fund gold bonds..	8	Oct. 1, 1920.....	Oct. 1, 1945.....	October, 1920....	5,000,000	4,857,500
City of Bergen sinking fund gold bonds.....	8	Nov. 1, 1920.....	Nov. 1, 1945.....	November, 1920..	4,000,000	3,909,000
Total municipal loans, Norway.....						8,766,500
Denmark: City of Copenhagen sinking fund gold bonds.	5½	July 1, 1919.....	July 1, 1944.....	August, 1919.....	15,000,000	15,000,000

^a Issued in United States and Canada. Exact amount held here unavailable.

FOREIGN LOANS, INCLUDING GOVERNMENT, STATE, MUNICIPAL, RAILROAD, PUBLIC UTILITIES, AND INDUSTRIAL LOANS
AND LOANS OF INSULAR POSSESSIONS OF UNITED STATES FLOATED IN THE UNITED STATES AND OUTSTANDING
JUNE 1, 1921—Continued

Name of issue.	Interest rate (per cent).	Date of issue.	Maturity.	Date offered in United States.	Original amount offered in United States.	Amount outstanding in United States June 1, 1921.
MUNICIPALS, OTHER THAN CANADIAN—Continued.						
EUROPE—continued.						
Switzerland:						
City of Berne sinking fund gold bonds.....	8	Nov. 1, 1920.....	Nov. 1, 1945.....	November, 1920.....	\$6,000,000	\$5,880,000
City of Zurich sinking fund gold bonds.....	8	Oct. 15, 1920.....	Oct. 15, 1945.....	October, 1920.....	6,000,000	5,880,000
Total municipal loans, Switzerland.....						11,760,000
Total municipal loans, Europe.....						100,214,200
ASIA.						
Japan: City of Tokyo (Japan) loan of 1912.....	5	Feb. 22, 1912.....	Sept. 1, 1952.....	February, 1912.....	10,000,000	\$ 5,250,000
Total municipal loans, Asia.....						5,250,000
Total municipal loans other than Canadian.....						124,131,200
Total, all municipal loans.....						358,095,444
Total, all State and municipal loans.....						368,095,444
RAILROAD LOANS.						
NORTH AMERICA AND WEST INDIES.						
Canada:						
Canadian Northern Railway Equipment Trusts—						
Series C-1.....	4½	Apr. 1, 1912.....	1915-1922.....	July, 1912.....	2,000,000	220,000
Series G-1.....	4½	Mar. 1, 1913.....	1915-1923.....	May, 1913.....	1,000,000	220,000
Series H-1.....	5	Dec. 1, 1913.....	1914-1923.....	December, 1913.....	750,000	230,000
Series K-1.....	5	Oct. 1, 1914.....	1915-1924.....	January, 1915.....	2,000,000	740,000
Series L-1.....	5	Aug. 1, 1916.....	1917-1926.....	August, 1916.....	1,250,000	722,000
Series A.....	6	July 1, 1918.....	1919-1928.....	July, 1918.....	5,000,000	3,500,000
Series B.....	6	Jan. 1, 1919.....	1919-1929.....	January, 1919.....	7,500,000	6,000,000
Series C.....	6	May 1, 1919.....	1919-1929.....	May, 1919.....	7,500,000	6,009,000
Series D.....	6	Dec. 1, 1919.....	1920-1929.....	Jan. 1920.....	7,500,000	6,375,000
Miscellaneous equipments (various).....						\$ 3,132,500
2½-year notes.....	6	Aug. 1, 1919.....	Feb. 1, 1922.....	July, 1919.....	10,000,000	10,000,000
5-year notes.....	6	do.....	Aug. 1, 1924.....	do.....	6,000,000	6,000,000
3-year notes.....	5½	Dec. 1, 1919.....	Dec. 1, 1922.....	March, 1920.....	6,000,000	6,000,000
5-year notes.....	5½	do.....	Dec. 1, 1924.....	do.....	6,000,000	6,000,000
20-year debenture bonds.....	7	Dec. 1, 1920.....	Dec. 1, 1940.....	November, 1920.....	25,000,000	24,900,000
Canadian National Railways 15-year equipment.....	7	May 1, 1920.....	May 1, 1935.....	May, 1920.....	15,000,000	14,300,000
Canadian National Ry. System Gr. Trunk Ry. debentures.....	7	Oct. 1, 1920.....	Oct. 1, 1940.....	October, 1920.....	25,000,000	24,900,000
Grand Trunk Ry. Co. of Canada—						
Equipment A.....	4½	May 1, 1912.....	1913-1922.....	June, 1912.....	3,940,000	394,000
Equipment B.....	4½	Nov. 1, 1912.....	1913-1922.....	November, 1912.....	3,360,000	510,000
Equipment C.....	4½	do.....	1914-1923.....	November, 1913.....	2,250,000	553,000
Equipment D.....	5	Aug. 1, 1917.....	1918-1927.....	August, 1917.....	2,500,000	1,634,000
Equipment, series F.....	6½	Feb. 1, 1921.....	Feb. 1, 1936.....	January, 1921.....	12,000,000	12,000,000
Edmonton, Dunvegan & British Columbia Ry. Co. 30-year first mortgage.....	4½	Aug. 11, 1916.....	Oct. 22, 1944.....	July, 1916.....	2,420,000	¹⁰ 2,420,000
Toronto, Hamilton & Buffalo Ry. first mortgage.....	4	June 1, 1896.....	June 1, 1946.....	March, 1899.....	3,280,000	3,280,000
Toronto, Hamilton & Buffalo Ry. cons., series A.....	4½	Aug. 1, 1916.....	Aug. 1, 1966.....	1916.....	2,000,000	2,000,000
Toronto, Hamilton & Buffalo Ry. equipment notes, series A.....	4½	Feb. 1, 1913.....	Feb. 1, 1914-1923.....	January, 1913.....	1,500,000	300,000
Canadian Pacific Ry. Co. equipment trust, series T.....	4½	Jan. 1, 1915.....	1915-1928.....	January, 1915.....	12,690,000	⁹ 7,050,000
Canadian Pacific Ry. Co. equipment trust, certificates, 1920.....	6	Apr. 1, 1920.....	Oct. 1, 1920-Apr. 1, 1932.....	March, 1920.....	12,000,000	11,000,000
Canada Southern Railway Co. cons. mortgage.....	5	Oct. 1, 1912.....	Oct. 1, 1962.....	December, 1912.....	22,500,000	22,500,000
Total railroad loans, Canada.....						176,889,500
Cuba:						
United Railways of Havana equipment, trust gold certificates.....	7½	Feb. 15, 1921.....	Feb. 15, 1936.....	February, 1921.....	6,000,000	21,695,000
Cuba Railroad Co., first.....	5	1902.....	July, 1952.....	1908-1919.....	13,170,000	6,000,000
Cuba Railroad Co., equipments.....		Nov. 1, 1911.....	Nov. 1, 1926.....	October, 1916.....	1,950,000	995,000
Do.....	7	April, 1920.....	1920-1930.....	March, 1920.....	1,700,000	1,530,000
Total railroad loans, Cuba.....						21,695,000
Mexico:¹¹						
Vera Cruz & Pacific R. R. first mortgage.....	4½	July 1, 1904.....	July 1, 1934.....	1904.....	7,000,000	7,000,000
Pan-American R. R. first mortgage.....	5	June 1, 1903.....	June 1, 1934.....	1906.....	1,000,000	1,000,000
National R. R. Co. of Mexico prior lien.....	4½	Mar. 15, 1902.....	Oct. 1, 1926.....	1902.....	23,000,000	23,000,000
National Rys. of Mexico 2-year secured notes.....	6	June 2, 1913.....	June 1, 1915 ¹²	June, 1913.....	26,730,000	26,730,000
National Rys. of Mexico general mortgage.....	4	Oct. 1, 1907.....	Oct. 1, 1977.....	1908.....	50,747,925	50,747,925
National Rys. of Mexico 3-year notes.....	6	Jan. 1, 1914.....	Jan. 1, 1917 ¹²	1914.....	1,653,750	1,653,750

⁹ Amount outstanding estimated.

¹⁰ Amount outstanding March, 1921.

¹¹ All interest in default since 1914.

¹² Principal in default.

FOREIGN LOANS, INCLUDING GOVERNMENT, STATE, MUNICIPAL, RAILROAD, PUBLIC UTILITIES, AND INDUSTRIAL LOANS AND LOANS OF INSULAR POSSESSIONS OF UNITED STATES FLOATED IN THE UNITED STATES AND OUTSTANDING JUNE 1, 1921—Continued.

Name of issue.	Interest rate (per cent).	Date of issue.	Maturity.	Date offered in United States.	Original amount offered in United States.	Amount outstanding in United States June 1, 1921.
RAILROAD LOANS—Continued.						
NORTH AMERICA AND WEST INDIES—continued.						
Mexico—Continued.						
National Rys. of Mexico prior lien.....	4½	July 1, 1907.....	July 1, 1957.....	1908-1909.....	\$37,750,000	\$37,750,000
Mexico International R. R. first consolidated.....	4	Aug. 6, 1897.....	Sept. 1, 1977.....	1897.....	4,505,000	4,208,000
Total railroad loans, Mexico.....						152,087,675
Total railroad loans, North America and West Indies.....						173,782,675
SOUTH AMERICA.						
Argentine: Central Argentina Railway (Ltd.), convertible notes.....	6	Feb. 1, 1917.....	Feb. 1, 1927.....	March, 1917.....	15,000,000	15,000,000
PHILIPPINES.						
Philippine Railway first.....	4	July, 1907.....	July, 1937.....	1907.....	4,000,000	4,000,000
Manila Railroad Co. first.....	4	June, 1909.....	May, 1939.....	1910.....	2,000,000	2,000,000
Manila Electric R. R. and Lighting Corporation.....	5	March, 1903.....	Mar. 1, 1953.....	1906.....	4,265,000	4,265,000
Do.....	7	Sept. 1, 1919.....	September, 1922.....	1919.....	1,500,000	1,500,000
Total railroad loans, Philippines.....						11,765,000
Total, all railroad loans.....						377,437,175
INDUSTRIAL LOANS.						
NORTH AMERICA AND WEST INDIES.						
Canada:						
Abitibi Power & Paper (Ltd.), first mortgage.....	6	Feb. 1, 1914.....	Feb. 1, 1922-1934.....	Various.....	4,753,500	3,815,500
Lake Superior Corp. (Inc.), noncumulative income bonds.....	5	Oct. 1, 1904.....	Oct. 1, 1924.....	1904.....	3,000,000	3,000,000
Sherwin-Williams Co. of Canada (Ltd.), first and ref. mtg.....	6	July 1, 1911.....	July 1, 1941.....	February, 1912.....	1,200,000	1,100,000
Canadian Car & Foundry Co. (Ltd.), first mortgage.....	6	Dec. 1, 1909.....	Dec. 1, 1939.....	January, 1910.....	6,100,000	5,028,146
Dominion Coal Co. (Ltd.), first mortgage.....	5	May 1, 1905.....	May 1, 1940.....	April, 1905.....	7,000,000	5,539,000
Canada West Coast Navigation Co. (Ltd.), first mortgage.....	6	Mar. 1, 1917.....	Aug. 1, 1921-Oct. 1, 1927.....	June, 1917.....	600,000	165,000
Smart Woods (Ltd.), first mortgage, serial.....	6	Aug. 1, 1916.....	Aug. 1, 1921-1931.....	July, 1916.....	500,000	380,000
Canadian Northern Coal & Ore Dock Co. (Ltd.).....	5	Jan. 1, 1916.....	Jan. 1, 1936.....	do.....	1,750,000	1,525,000
Geo. Laid & Co. (Ltd.), Calgary first mortgage.....	6	1916.....	1931.....	do.....	300,000	300,000
British Columbia Sulphite Fiber Co. first mortgage.....	6	Nov. 1, 1916.....	Nov. 1, 1921-1926.....	October, 1916.....	650,000	390,000
Granby Cons. M. S. & Pr. Co. (Ltd.), cons. first mortgage.....	6	May 1, 1913.....	May 1, 1928.....	1910-1915.....	3,500,000	1,491,400
Maple Leaf Shipping Co. (S. S. St. Mihiel) first mortgage.....	7	Nov. 1, 1918.....	May 1, 1921-Nov. 1, 1921.....	November, 1918.....	650,000	150,000
Novia Scotia Transportation Co. (S. S. Quesnoy) first mortgage.....	7	do.....	Nov. 1, 1921.....	do.....	650,000	250,000
Riordan Pulp & Paper Co. (Ltd.), gen. mortgage.....	6	Jan. 1, 1919.....	Jan. 1, 1929.....	January, 1919.....	4,000,000	4,000,000
Spanish River Pulp & Paper Mills (Ltd.), notes.....	6	Sept. 1, 1919.....	Sept. 1, 1921-1929.....	September, 1919.....	2,309,500	2,309,500
Acadia Sugar Ref. Co. (Ltd.), 10-year debentures.....	7	Jan. 1, 1920.....	July 1, 1921-1940.....	April, 1920.....	2,000,000	2,000,000
Canadian Western Steamships (Ltd.), first marine bonds.....	7	Jan. 15, 1920.....	Jan. 15, 1922-1925.....	do.....	850,000	722,000
Newfoundland Maritime Co. first mortgage marine bonds.....	7	July 1, 1920.....	Oct. 1, 1920-July 1, 1923.....	September, 1920.....	700,000	640,000
Northern Electric Co. (Ltd.), first mortgage.....	5	June 1, 1914.....	June 1, 1939.....	July, 1914.....	3,500,000	2,963,000
Massey-Harris Co. (Ltd.), Canada; Massey-Harris Harvester Co. (Inc.), U. S.; sinking fund debenture bonds.....	8	Oct. 15, 1920.....	Oct. 15, 1930.....	October, 1920.....	4,000,000	4,000,000
Riordan Co. (Ltd.), mortgage and refunding, series A.....	8	Dec. 1, 1920.....	Dec. 1, 1940.....	December, 1920.....	6,500,000	6,500,000
Aerne Tire & Rubber Co. (Ltd.).....	6	.....	October, 1946.....	November, 1916.....	100,000	100,000
Canadian Northwest S. S. Co.....	6	Jan. 1, 1920.....	January, 1915-1922.....	November, 1913.....	135,000	135,000
Dominion Glass Co. (Ltd.).....	6	June 2, 1913.....	June, 1933.....	1913.....	1,000,000	1,000,000
France & Canada S. S. Co., Swiftsure oil transport notes.....	7	Apr. 1, 1920.....	October, 1921-1923.....	June, 1920.....	4,421,000	4,421,000
Quebec-Saguenay Pulp Co., serial bonds.....	6	Jan. 1, 1918.....	January, 1946.....	June, 1918.....	300,000	300,000
St. Maurice Paper Co. (Ltd.), first.....	6	July 1, 1916.....	July, 1917-1931.....	January, 1916.....	1,250,000	1,250,000
Simpson (Ribt.) Western (Ltd.), first.....	6	February, 1913.....	February, 1920-1933.....	September, 1916.....	3,000,000	3,000,000
St. Lawrence Pulp & Lumber Co., first s. f.....	6	.....	.....	April, 1913.....	.....	.....
Canadian Puget Sound Lumber Co.....	6	Jan. 1, 1920.....	Jan. 1, 1925.....	.....	500,000	500,000
Vancouver Dry Docks Co. (Ltd.).....	6	Jan. 1, 1912.....	July, 1925.....	December, 1916.....	2,000,000	2,000,000
Vancouver Lumber Co. (Ltd.), first.....	6	.....	.....	1912.....	1,000,000	1,000,000

⁵ Amount outstanding estimated.

¹⁸ Amount outstanding November, 1920.

FOREIGN LOANS, INCLUDING GOVERNMENT, STATE, MUNICIPAL, RAILROAD, PUBLIC UTILITIES, AND INDUSTRIAL LOANS AND LOANS OF INSULAR POSSESSIONS OF UNITED STATES FLOATED IN THE UNITED STATES AND OUTSTANDING JUNE 1, 1921—Continued.

Name of issue.	Interest rate (per cent).	Date of issue.	Maturity.	Date offered in United States.	Original amount offered in United States.	Amount outstanding in United States June 1, 1921.
INDUSTRIAL LOANS—Continued.						
NORTH AMERICA AND WEST INDIES—continued.						
Canada—Continued.						
Western Canada Pulp & Paper Co. (Ltd.), first.	7	Feb. 1, 1920.....	Feb. 1, 1940.....	November, 1920...	\$150,000	\$150,000
Whalen Pulp & Paper Mills (Ltd.), first.....	6	May 1, 1917.....	May 1, 1920-1930...	November, 1917...	1,415,000	1,415,000
Whalen Pulp & Paper Mills (Ltd.), first ref.	6	..... do.....	May 1, 1931-1934...	July, 1919.....	1,500,000	1,500,000
Whalen Pulp & Paper Mills (Ltd.), s. f. notes.	7	Jan. 15, 1919.....	1919-1924.....	January, 1919.....	500,000	300,000
Total industrial loans, Canada.....						63,339,546
Cuba:						
Cuban American Sugar Co.....	8	March, 1921.....	March, 1931.....	March, 1921.....	10,000,000	10,000,000
Cuban Sugar Mills Corporation.....	6	January, 1917.....	January, 1932.....	1916.....	1,500,000	1,500,000
Cuba Cane Sugar Corporation.....	7	January, 1920.....	January, 1923.....	November, 1919.....	25,000,000	24,947,800
Cuban Mortgage Bank (Banco Territorial de Cuba).	6	July 1, 1915.....	January, 1966.....	1916.....	4,000,000	4,000,000
Total industrial loans, Cuba.....						40,447,800
Mexico:						
Institution for the Encouragement of Works and Development of Agriculture.	4½	Nov. 1, 1908.....	November, 1943...	1908.....	20,000,000	20,000,000
Mexican Petroleum Co. (Ltd.).....	8	May 1, 1921.....	May 1, 1936.....	April, 1921.....	10,000,000	10,000,000
Total industrial loans, Mexico.....						30,000,000
Porto Rico:						
Porto Rican American Tobacco.....	8	May 15, 1921.....	May 15, 1931.....	May, 1921.....	3,000,000	3,000,000
Total industrial loans, Porto Rico.....						3,000,000
Total industrial loans, North America and West Indies.....						136,787,346
SOUTH AMERICA.						
Chile:						
Braden Copper Mines Co.....	6	Feb. 1, 1916.....	February, 1931.....	1916 and 1918.....	20,000,000	14,202,000
Chile Copper Co.....	7	May, 1913.....	May, 1923.....	1915.....	15,000,000	15,000,000
Do.....	6	April, 1917.....	April, 1932.....	1917.....	35,000,000	35,000,000
Concepcion Electric Co.....	6	July, 1911.....	July, 1934.....	1913.....	127,300	127,300
Total industrial loans, Chile.....						64,329,300
Peru:						
Cerro de Pasco Copper Cor. Conv.....	8	January, 1921.....	Jan. 1, 1931.....	December, 1920...	8,000,000	8,000,000
Total industrial loans, Peru.....						8,000,000
Total industrial loans, South America.....						72,329,300
EUROPE.						
Great Britain: Anglo-American Oil Co. (Ltd.), 5-year sinking-fund notes.						
Total industrial loans, Great Britain.....						15,000,000
Belgium:						
Minerva Motors serial notes.....	6	1920.....	1921-1925.....	March, 1920.....	1,000,000	800,000
Solvay & Cie secured gold bonds.....	8	Oct. 1, 1920.....	Oct. 1, 1927.....	October, 1920.....	10,000,000	10,000,000
Total industrial loans, Belgium.....						10,800,000
France: Compagnie du Boleo, Société Anonyme serial debentures.						
Total industrial loans, Europe.....						26,800,000
Total, all industrial loans.....						235,916,646
PUBLIC-UTILITY LOANS.						
NORTH AMERICA AND WEST INDIES.						
Canada:						
Bell Telephone Co. of Canada, 5-year bonds..	7	Apr. 1, 1920.....	Apr. 1, 1925.....	March, 1920.....	5,500,000	5,500,000
The Shawinigan Water & Power Co., secured convertible notes.	7½	July, 1920.....	July 1, 1926.....	June, 1920.....	4,000,000	4,000,000
Brazilian Tr. Light & Power Co. (Ltd.), 3-year notes.	6	Nov. 1, 1919.....	Nov. 1, 1922.....	November, 1919...	7,500,000	7,500,000
Montreal Tramways Co. first and refunding..	5	July 1, 1911.....	July 1, 1941.....	1911-1913.....	17,335,000	14 17,335,000
Montreal Tramways & Power Co. (Ltd.), secured bonds.	6½	Mar. 1, 1919.....	Mar. 1, 1924.....	March, 1919.....	7,300,000	7,300,000
New Brunswick Power, first mortgage.....	5	Mar. 1, 1917.....	Mar. 1, 1937.....	March, 1917.....	1,750,000	1,750,000

* Amount outstanding estimated.

¹⁴Bonds held in New York, England, and Canada; exact amount in United States unavailable.

**FOREIGN LOANS, INCLUDING GOVERNMENT, STATE, MUNICIPAL, RAILROAD, PUBLIC UTILITIES, AND INDUSTRIAL LOANS
AND LOANS OF INSULAR POSSESSIONS OF UNITED STATES FLOATED IN THE UNITED STATES AND OUTSTANDING
JUNE 1, 1921—Continued.**

Name of issue.	Inter- est rate (per cent).	Date of issue.	Maturity.	Date offered in United States.	Original amount offered in United States.	Amount outstanding in United States June 1, 1921.
PUBLIC UTILITY LOANS—Continued.						
NORTH AMERICA AND WEST INDIES—continued.						
Canada—Continued.						
Nova Scotia Tramways & Power Co. (Ltd.), first mortgage.	5	Dec. 1, 1916	Dec. 1, 1946	January, 1917	\$2,250,000	\$2,250,000
Cape Breton Electric Co. (Ltd.), first mortgage.	5	Jan. 1, 1902	Jan. 1, 1932	January, 1913	1,096,000	1,096,000
Toronto Electric Light Co. (Ltd.), 3-year notes.	6	July 1, 1919	July 1, 1922	July, 1919	1,000,000	789,000
Dominion Power & Transmission Co. (Ltd.), first mortgage.	5	Apr. 1, 1907	Apr. 1, 1922-1932 .....	.....	1,650,000	1,650,000
The Shawinigan Water & Power Co., first consolidated.	5	Jan. 1, 1904	Jan. 1, 1934	April, 1904	4,382,500	3,824,500
Winnipeg Electric Ry., first refunding.....	5	Jan. 2, 1905	Jan. 2, 1935 .....	.....	4,000,000	3,629,000
Bell Telephone Co. of Canada, first mortgage.	5	Apr. 1, 1895	Apr. 1, 1925	Various	7,650,000	* 7,650,000
Ontario Power Co. of Niagara Falls, first mortgage.	5	Feb. 2, 1903	Feb. 1, 1943	December, 1904	1,000,000	* 895,000
Ontario Power Co. of Niagara Falls, debenture.	6	June 30, 1906	July 1, 1921	May, 1911	2,300,000	* 2,300,000
Ontario Transmission Co. (Ltd.), first-mortgage.	5	Aug. 16, 1905	May 1, 1945	November, 1906	1,805,000	* 1,574,000
Montreal Light, Heat & Power Co. (Ltd.), first and collateral trust.	4½	Jan. 1, 1902	Jan. 1, 1932	1902	2,500,000	2,500,000
Montreal (Lachine Power Co.), sinking-fund bonds.	5	Apr. 1, 1903	Apr. 1, 1933	1903	3,572,000	2,996,000
Cedar Rapids Manufacturing & Power Co., first-mortgage bonds.	5	Jan. 17, 1913	Jan. 1, 1953	February, 1916	800,000	* 800,000
Laurentide Power Co., 30-year first mortgage.	5	Jan. 1, 1916	January, 1946	August, 1916	2,250,000	2,250,000
United Gas & Fuel Co. (Ltd.), 5-year first mortgage.	6	July 1, 1918	July 1, 1923	July, 1918	1,050,000	1,050,000
Ottawa Light, Heat & Power Co., first mortgage collateral trust bonds.	8	Oct. 1, 1920	Oct. 1, 1940	October, 1920	1,200,000	1,200,000
The Shawinigan Water & Power Co., first and refunding sinking-fund bonds.	6	Jan. 1, 1921	July 1, 1950	March, 1921	2,500,000	2,500,000
Maritime Telegraph & Telephone Co. (Ltd.), ref.	7	Dec. 1, 1915	Dec. 1, 1920	January, 1921	500,000	500,000
Glen Transportation Co. (Ltd.), first	8	January, 1921	January, 1922-1926	February, 1921	150,000	150,000
Shawinigan Water & Power Co., first and ref.	5½	Dec. 1, 1919	January, 1950	November, 1950 .....	.....	6,000,000
Total public-utility loans, Canada						88,988,500
Mexico:						
Central Mexico Light & Power Co.	6	January, 1910	January, 1940	1910	1,800,000	1,778,000
Michoacan Power Co., first	6	July 1, 1907	July, 1937	1907	500,000	500,000
Mexican Telegraph & Telephone Co., first ..	5	Feb. 1, 1910	February, 1930	1911	200,000	200,000
Total public-utility loans, Mexico						2,478,000
Porto Rico:						
Porto Rico Telephone Co., first	6	December, 1914 ..	December, 1944 ..	April, 1915	600,000	600,000
Total public-utility loans, Porto Rico						600,000
Haiti:						
Haitian American Corporation, notes	7	July 1, 1919	July, 1922-1924 ..	July, 1919	3,000,000	3,000,000
Total public-utility loans, Haiti						3,000,000
Total public-utility loans, North America and West Indies						95,066,500
AUSTRALIA.						
Melbourne Electric Supply Co. (Ltd.), Melbourne, Australia, 5-year.	6	Mar. 1, 1917	March, 1922	March, 1917	1,250,000	1,250,000
Total public-utility loans, Australia						1,250,000
Total, all public-utility loans						96,316,500
Total, all corporation loans						709,670,321
Grand total all loans						2,396,862,083

* Amount outstanding estimated.

BUSINESS AND FINANCIAL CONDITIONS ABROAD.

ENGLAND.¹

During July business conditions in England appear to have become somewhat more satisfactory than in recent months. With the cessation of the strike on July 4, coal production was resumed, and although output was not large during July, the fact that supplies were being slowly accumulated served as a very material stimulus to domestic industries. In the same way, the situation in the cotton industry showed improvement. Sales of cotton in Liverpool during the first weeks of July were larger than for some months past and in the spinning section of the industry working time was increased from 24 to 35 hours a week. The Statist index number of wholesale prices for July showed an increase of 3 points over the June level.

The quarter ending June 30 was on the whole a period of seriously curtailed production. Only something like 2,000,000 tons of coal were produced, as compared with 56,000,000 tons in the preceding quarter. During the same period pig-iron production decreased from 1,492,000 tons in the first quarter to 74,000 tons in the second, and ingot production from 1,336,000 tons to 77,000 tons. In view of the fact that production in the first quarter of the year in both these industries was low, these figures would seem to indicate a very significant reduction in supplies. The situation in the shipbuilding industry appears to be closely similar. Although ships of a total tonnage of 3,530,000 were under construction in June, work was going forward on only two-thirds (or 2,351,000 tons) of this shipping. Of the 1,179,000 tons on which no work was being done, 735,000 tons were accounted for by actual suspension of building and 444,000 tons by delay in construction. The same situation is brought out by a comparison of the ratios of tonnage under construction to tonnage finished in 1913 and 1920. In 1913 over 23 per cent of the tonnage under construction was completed during a given quarter, while in the first half of 1920 this ratio fell to 8½ per cent. Statistics of output are not available in the cotton and woolen industry, but in view of the well-known reduction in working time in these industries, it is likely that production has been very materially decreased, although not to the same extent as in the iron and steel industry.

¹ British price, trade, and financial statistics will be found on p. 1020.

	Production (metric tons).			Ship tonnage under construction (gross tons).	British railways (000,000's ton-miles).
	Coal.	Pig iron.	Steel ingots and castings. ¹		
Monthly average:	000's	000's	000's		
1913.....	24,336	869	649	2,002,699	.....
1920.....	19,128	667	755	2,3,603,131	.....
June.....	19,048	726	845	3,578,000	1,430
July.....	² 22,926	750	790	.....	1,506
August.....	16,970	752	709	.....	1,347
September.....	18,885	741	885	3,731,000	1,489
October.....	³ 14,044	533	514	.....	.....
November.....	15,920	404	505	.....	1,469
December.....	20,230	675	747	3,709,000	1,323
1921.					
January.....	21,895	642	493	.....	1,440
February.....	17,369	464	484	.....	1,276
March.....	16,437	386	359	3,799,000	1,273
April.....	⁵ 1,950	60	71	.....	597
May.....	.....	14	6	.....	498
June.....	⁶ 179	1	2	7,3,530,000	.....

¹ Revised figures.

² Average of 4 quarterly estimates.

³ 5 weeks.

⁴ Work suspended on all but 2,952,000 tons.

⁵ First week in April.

⁶ Production from Apr. 4 to July 4.

⁷ Work suspended on all but 2,351,000 tons.

Prospects are distinctly brighter for the wage-earning group of the population than for several months past, because, although wage reductions have been made, they have been considerably less drastic than was at first proposed, and employment conditions in certain leading industries are on the mend. In last month's issue of the BULLETIN a summary was made of the terms of the coal settlement. The agreement provided for a 2s. reduction in wages of coal miners in July and 2s. 6d. in August. Under the terms of this agreement the miners returned to the pits on July 4. The terms of the agreement are binding until September, 1922, and can only be terminated thereafter on three months' notice. Cotton operatives were on strike from June 6 until June 27 as a protest against wage reductions. On the latter date they returned to the mills under an agreement providing for an immediate reduction in list rates of 60 per cent (3s. 10d. in the pound on current wages) and a further drop of 10 per cent in list rates (7d. in the pound on present wages) in six months. This amounts to a 19 per cent decrease at the present time and a further small reduction six months from now. The agreement is for six months, but in addition three months' notice must be given if either side desires a change. In other words, wages in the cotton industry are adjusted until March of next year. On July 13 an agreement affecting about a million men in the engineering trades was reached between the employers and the various federations involved. According to

the terms of the agreement time-workers' rates will be reduced twice by 3s. per week (July 15 and August 15) and pieceworkers' rates will be reduced 7½ per cent. The 12½ per cent bonus on total earnings in case of time-workers and 7½ per cent in case of pieceworkers provided by the ministry of munitions during the war is still effective, but will be taken into consideration in September, when another meeting will take place between the employers and the engineers. There is considerable uneasiness as regards the prospects of agricultural workers. Under the provisions of the corn production act of 1917, minimum wages were established for agricultural workers and a national wages board set up. The corn production repeal bill now under consideration by the House of Commons does away with these provisions, however, and it is thought likely that farm wages will be materially reduced as a result.

Unemployment reached its peak in June. 23.1 per cent of trade-union members were out of work, excluding coal miners, and 17.8 per cent of the 12,191,000 workers in insured trades. Registration at public employment offices totaled 2,178,000 on June 24. Meanwhile the cost of living was practically unchanged, the index of the Ministry of Labor registering 119 the 1st of July, as compared with 119 the 1st of June (with the cost of living in 1913 estimated as 100).

The agricultural situation in England is not good, although the condition of the farmer there seems better than here. Prices of leading agricultural commodities have decreased very much less strikingly there than here. In the following table prices of representative grades of home-produced live stock and cereals in the two countries are compared. Such comparisons are valuable for showing the trend in prices only. The grades of the commodities are so different as to make comparison of actual values in the two countries worthless.

CHANGES IN MARKET PRICES OF FARM PRODUCTS.

	England.			United States.		
	Unit.	Post-war peak price.	1921, June price.	Unit.	Post-war peak price.	1921, June price.
Cereals:		s. d.	s. d.			
Wheat...	504 lbs...	98 0	94 6	Bu.....	\$3.025	\$1.47
Barley...	448 lbs...	136 11	80 10½	Bu.....	1.725	.64
Oats....	336 lbs...	75 3	56 0	Bu.....	1.13	.37
Live stock:						
Hogs....	Stone....	28 8½	18 5½	100 lbs...	22.345	8.12
Cattle...	Cwt.....	105 6	97 4	100 lbs...	18.625	7.55
Sheep...	Lb.....	25½	20½	100 lbs...	12.65	4.75

The crop situation in Great Britain is unfavorable because of lack of rainfall. England, Wales,

and southern Scotland have suffered drought for several months, June of this year being the driest since 1813. The wheat crop seems to have fared rather better than oats, barley, beans, or potatoes. The estimated crop for this year in all the latter cases is appreciably below the 10-year average.

On July 5 the chancellor of the exchequer announced a new conversion scheme to provide for the funding of short-term obligations falling due in the course of the next two or three years. The new loan will mature April 1, 1929, and is offered at 5½ per cent, issue price 97. This is the third attempt that has been made in England since the armistice to fund the semifloating debt. The first was made in 1919, with the long-term 4 per cent funding and victory loans, and the second a few months ago in the 3½ per cent conversion loan falling due in 1961. Both of these loans were arranged mainly to attract the private investor. The new financing scheme, on the other hand, is expected to interest the business and banking community, which is, after all, the group which holds short-term obligations. Being of relatively short duration, and offered at attractive terms, it is hoped that the loan will be more successful than the 3½ per cent conversion loan, which has provided for the funding of only an insignificant portion of the debt.

The urgent need for this new loan is to be found in the condition of the Government finances. As a result of the more or less unexpected drains which have been made upon the treasury by the coal strike and the large deficits in railroad operations, expenditures have been considerably larger than anticipated, with the result that it has become necessary to raise funds by the new treasury bonds or resort to more extensive borrowing at the Bank of England or larger sales of treasury bills. In the course of the last few months borrowing at the bank has been consistently reduced, but treasury bill sales have been so large that the total floating debt was £80,000,000 greater at the end of June this year than last.

According to a statement of the chancellor, something like £20,000,000 was spent by the Government as a direct result of the coal strike. Ten millions of this will provide the subsidy for the industry, and £7,000,000 was spent for armed forces during the strike. Railroad deficits for which the Government is responsible have been very large since trade depression became acute, amounting to £18,638,000 in April and May, the first two months of the financial year. Another large sum will be required to meet the obligations of the Government with regard to the cereal price guaranty for 1921.

On July 21 the discount rate at the Bank of England was reduced to $5\frac{1}{2}$ per cent. This is the third reduction in the rate in the course of the past three months, the first occurring on April 28, when the rate was reduced from 7 to $6\frac{1}{2}$ per cent, and the second on June 23, when it was further reduced to 6 per cent. This has led to a reduction in bank deposit rates from 5 to $3\frac{1}{2}$, while rates on three-months bankers' bills have declined from $6\frac{1}{8}-\frac{1}{4}$ the 1st of April to $4\frac{5}{8}-\frac{3}{4}$ on July 21. In the case of bankers' bills reductions occurred prior to the reduction in the discount rate at the Bank of England; the rate was continually weakening during March and April, while the first reduction in the bank rate did not occur until the end of April. To a small extent this may have been due to the fact that changes in the bank rate were anticipated and their influence discounted in the money market. More important, however, was the weakening in the market demand. After the first reduction in bank rate, the rate on three-months' bills hardened for a few weeks and then for the second time weakened. The following table shows the recent changes in the rate at the bank, the rate on three-months bankers' bills, and the bank deposit rate:

BRITISH DISCOUNT RATES.

	Bank of England discount rate.	Rate on 3-months bankers' bills.	Bank deposit rate.
Apr. 1.....	7	$6\frac{1}{8}-\frac{1}{4}$	5
Apr. 29.....	$6\frac{1}{2}$	$5\frac{1}{8}-\frac{1}{4}$	$4\frac{1}{2}$
May 20.....	$6\frac{1}{2}$	$5\frac{1}{8}-\frac{1}{4}$	$4\frac{1}{2}$
June 24.....	6	$5\frac{1}{8}-\frac{1}{4}$	4
July 21.....	$5\frac{1}{2}$	$4\frac{5}{8}-\frac{3}{4}$	$3\frac{1}{2}$

The amendment of the overseas trade act, 1920 (which provides for credit advances to exporters by the Government), referred to in the BULLETIN for June, has been in effect now for some weeks and the details of the new scheme have been published by the Board of Trade. According to the original plan £26,000,000 were made available for advances to exporters of manufactured or semimanufactured goods to the following countries: Finland, Latvia, Esthonia, Lithuania, Poland, Czechoslovakia, Serb-Croat-Slovene State, Rumania, Georgia, Armenia, Bulgaria, Austria, Hungary. By the new plan the Board of Trade may guarantee drafts drawn against shipments to all parts of the British Empire as well as to the countries enumerated above, although for the time being no guaranties will be made in the case of India, Ceylon, and other sections of the Far East, since these countries are more than adequately supplied with goods.

The arrangements are in the main the same for both groups of countries. Instead of making advances to exporters up to 100 per cent of the cost of the goods (according to the former arrangement) guaranties are to be given up to 85 per cent of the selling value of the goods. Securities were formerly required of the importer covering the entire amount of the draft, but under the new arrangement a more liberal policy is being followed and in some cases no security whatever is required. If loss is incurred as a result of this, it is to be shared by the Government and the exporter.

The following clauses of the bill are the same for exports to British or foreign territories:

(1) The guaranty will be given to an extent not exceeding 85 per cent of the total amount of the bill of exchange drawn against the shipment. The export credit department will decide the proportion to be guaranteed in each case, taking into consideration relevant circumstances such as current market values, the amount included as net profit, and the security offered by the importer.

(2) The department will not require the bills to be accepted before guaranteeing them, but—

(a) *In cases where no security is to be deposited*, the department will require that the bills should be accompanied by a letter of guaranty of the importer's bank, which must be an approved bank, or by other satisfactory evidence, to the effect that they will be accepted.

(b) *In cases where security is to be deposited*, the department will require a letter of guaranty as aforesaid from the importer's bank to the effect that the bills will be accepted and that the stipulated security will be deposited immediately upon the first presentation of the documents to the importer.

(3) *Recourse in event of default by the importer.*—The Government will have a first charge on all proceeds of the bill, and—

(a) In cases where the importer puts up security deemed sufficient to cover the whole amount guaranteed, the Government will have no recourse against the exporter.

(b) In cases where the importer puts up security less than that deemed sufficient to cover the whole amount guaranteed, the Government will retain recourse against the exporter to the extent of half the difference between the amount guaranteed on the one hand, and on the other hand such amount, if any, as may be paid by the importer plus the amount deemed to be covered by the security (or which the security eventually realizes, whichever is the greater).

(c) In cases where the importer puts up no security, the Government will retain recourse against the exporter to the extent of half the difference between the amount guaranteed on the one hand, and, on the other hand, such amount, if any, as may be paid by the importer.

The type of securities to be furnished by importers is more specifically described in the case of the foreign countries than for the British Empire. These are—

Security.—The following classes of securities will be considered for the purpose of the scheme:

(a) Bonds issued in accordance with the international credits scheme for the League of Nations (so-called Ter Meulen bonds).

(b) Deposits of currency coupled with an approved guaranty for the maintenance of the currency deposited to cover any decline in the rate of exchange. In certain cases the deposit of fixed amounts of currency might be accepted.

(c) Deposit of approved produce, approved Government securities, or an approved banker's guaranty insuring due payment in sterling at maturity.

(d) An undertaking by an approved British bank or British accepting house that the purchaser will find at maturity currency of the buying country to an agreed amount.

(e) First charges on railways controlled by British companies and under repair, equipment, and reconstruction by them when the first charge is limited to the amount required to provide import of goods for those purposes.

The export credits department will be prepared to consider other proposals as to security which may be put before them.

In addition to making guaranties to individual exporters, the Government is prepared to participate in the losses incurred by banks in export transactions with the same group of countries. To quote: "His Majesty's Government in consideration of an agreed premium will take a share not exceeding 70 per cent of any loss incurred by banks, etc., in respect of such transactions, provided that the transactions comply with the conditions as to nature of goods and nationality of exporters" as described above.

No change is made in the amount of funds to be available for export credits according to the new scheme, but the duration of the arrangement has been extended. Originally it was provided that credits might be made up to September, 1922. Taking renewals into consideration, the scheme now may continue until September, 1925. In addition to manufactured and semimanufactured goods, coal also may be exported under this arrangement.

The safeguarding of industries bill is still under consideration by the House of Commons, as are the railway bill and the corn production repeal bill. All of these measures—the first regarding the tariff, the second for the reorganization of the railways, and the third for the removal of Government assistance for agriculturalists—are all of first-rate importance to the community from an economic point of view. Arrangements have been made by House leaders to finish work on the railway bill before August 15, as on that date, regardless of this bill, the railroads will be returned to private management. Some of them are in such a precarious financial condition that they will face bankruptcy unless this bill has been made effective by that time. It is probable that the House of Commons will likewise report upon the other two bills in the course of the next few weeks.

FRANCE.

The financing of reconstruction by means of loans to individual towns and industries has been one of the chief features of the French

financial market in the last two or three months. In May loans were floated by the city of Albert and by the "Coal Operators of the North and Pas de Calais districts." In June loans to the cities of Verdun and Rheims were announced, and to the "French Sugar Industry in Reconstruction" (Groupement de l'industrie sucrière française en reconstitution). Verdun asks for 55,000,000 francs, Rheims for 120,000,000 francs, and the sugar industry for 200,000,000 francs. Each of these loans will mature in 30 years and pay 6 per cent interest on the face value of the 500-franc bonds, which are being marketed at 475. The French Government guarantees the interest and capital of the bonds, which will be repaid with the funds accruing from German indemnity payments.

On June 17 the French Parliament authorized the flotation of a 1,800,000,000 franc loan for the city of Paris. The loan appears in 500 and 100 franc 5.75 per cent bonds; interest from August 8, 1921, to January 16, 1922, is being deducted from the purchase price; and a further deduction is granted to holders of the 1917 and 1919 bonds of the city of Paris. In addition, there will be quarterly drawings at which prizes amounting to 5,625,000 francs annually will be distributed. The sum realized from this loan will be used to repair public works which were neglected during the war, to build cheap dwelling houses, and to improve the sanitary condition of the city.

The abundant supply of tax-exempt securities bearing interest at a fixed rate has had a depressing effect upon industrial stocks in the French market within the last two or three months. Supposing that the four loans mentioned above as being floated in July are subscribed in full, there will have been an addition of almost 8,000,000,000 francs to the capital invested in tax-exempt bonds from May to July. About 5,000,000,000 francs went to the issue of two-year Treasury bonds, 1,800,000,000 francs will go to the city of Paris, and about 1,200,000,000 francs to the towns and industries of the devastated regions.

This addition to the number of tax-exempt securities also further complicates the fiscal situation in France, which is not altogether satisfactory. June receipts from indirect taxes and Government monopolies amounted to 1,030,000,000 francs, or 104,000,000 francs less than budget estimates. The deficit for the half year amounts to 461,000,000 francs.

There had been rumors for several months of the unsoundness of the Banque Industrielle de Chine, when it was finally announced in June that the bank would fail unless the Government intervened. Toward the end of the month it was decided that the Government

* French price, trade, and financial statistics may be found on p. 1020.

could not wisely interfere in the affairs of the bank and its doors were closed in Paris, Pekin, and Yokohama on July 1. The continuance of the Banque Industrielle de Chine is very important to French interests in the Orient, and a recent cable dispatch says that the shareholders have decided to reorganize with the aid of the Chinese Government. The Société Centrale des Banques de Province also announced its financial difficulties in June. Its announced deficit for 1920 amounts to 53,000,000 francs. Its capital is 200,000,000 francs. In the case of both of these banks their financial difficulties are attributed more to mismanagement than to the general business situation.

Beginning with the 1st of August, France enters upon a régime of free trade in cereals. The importation of foreign grain and buying and selling of French grain will not be supervised by the French Government from this time on.

The general agricultural situation has not been satisfactory in France this year. During June and most of July the weather was excessively dry, and when the drought broke, in the third week of July, the storms were so violent that serious damage was inflicted upon the crops in southern France. According to cable reports the vineyards were most seriously affected, and a part of this year's grape crop was destroyed. It is reported, however, that the grapes remaining are of an unusually good quality. Because of the continued dry weather in the early summer the condition of most French crops on June 1, 1921, was less favorable than on the same date last year. The following table, made public by the Department of Agriculture on July 5, gives indexes of crop condition in the two years:

CONDITION OF FRENCH CROPS.¹

	June 1, 1920.	June 1, 1921.
Meadows.....	76	64
Sugar beets.....	77	71
Corn.....	70	71
Potatoes.....	74	69
Vineyards.....	75	59

¹ 100, very good; 80, good; 60, fair; 50, passable.

There are no recent official estimates upon the condition of the cereal crops, but current reports say that the winter cereals have not been as seriously affected by the drought, and that the wheat crop looks especially well. This fact is particularly encouraging in view of the poor condition of other crops, and the fact that last year's wheat crop, although better than that for 1919, was well below that for 1913.

The definitive figures on the 1920 crop yields were published in June, and are compared with those for 1913 and 1919 in the following table:

FRENCH CROP RETURNS.
[Yield in thousands of quintaux.]

	1913	1919	1920 ¹	1920 crops as compared with 1913=100.
Wheat.....	86,919	49,654	64,482	74
Rye.....	12,715	7,299	8,761	69
Barley.....	10,438	5,000	8,357	80
Oats.....	51,826	24,536	42,208	81
Corn.....	5,431	2,534	3,878	71
Potatoes.....	135,860	77,305	116,378	86

¹ Not including the production of Alsace-Lorraine except in the case of potatoes.

The number of farm animals in France is increasing. Deliveries of animals by Germany and the efforts of French farmers themselves have perceptibly increased their number during the last year, although there are not yet as many as there were in 1913. The increases in cows and beeves and in mules are most noticeable. The following table gives the figures published in the Journal Officiel of June 3:

NUMBER OF FARM ANIMALS IN FRANCE ON DECEMBER 31.

[000 omitted.]

	1913	1919	1920	1920 figures compared with 1913=100
Cows and beeves.....	14,788	12,374	13,217	89
Horses.....	3,222	2,413	2,635	82
Mules.....	188	167	181	96
Asses.....	356	303	298	84
Sheep.....	16,131	8,991	9,406	58
Hogs.....	7,036	4,080	4,942	70

On July 28 the Bank of France lowered its discount rate from 6 to 5½ per cent. The discount rate was last changed on April 8, 1921, when it was increased from 5 to 6 per cent. The note circulation of the Bank of France decreased slightly during July, while the advances of the bank to the Government increased, but in neither case were the changes very material. There was an increase of 758,000 francs in the gold reserve during the month.

The general price level rose in France during July. According to the index number of the General Statistical Office, the increase amounted to 2 per cent. The most pronounced gain was registered in the case of the "sugar, coffee, and cocoa" group of the index, while further decreases occurred in the case of minerals. Fig-

iron prices declined at the end of June, but the lowest price quoted (200 francs per ton) is still more than twice the price in 1913.

The decline of retail prices continues, but not at a rapid rate. According to the retail price index of the French General Statistical Office the decline amounted to about 2 per cent in Paris during July. The quarterly index of retail prices by districts shows that retail prices have not declined as much in France as a whole as they have in Paris. Prices in the north continue to be higher than in other sections of the country, although those in Alsace-Lorraine are not far behind them. The following table summarizes the movement of the retail price index since its inception:

RETAIL PRICES IN FRANCE ¹ BY DISTRICTS.

	France.	North.	East.	South-east.	Center.	West.	Alsace-Lorraine.
1913, 1st quarter...	1,020	1,043	989	1,036	1,038	985	.....
1914, 3d quarter...	1,004	1,089	988	1,018	988	942	1,084
1920:							
1st quarter...	3,204	3,299	3,155	3,228	3,223	3,085	3,092
2d quarter....	3,802	3,959	3,800	3,876	3,744	3,533	3,853
3d quarter....	3,898	4,117	3,859	3,884	3,777	3,648	3,992
4th quarter...	4,519	4,693	4,456	4,522	4,423	4,345	4,530
1921:							
1st quarter...	4,393	4,450	4,218	4,266	4,203	4,180	4,424
2d quarter....	3,642	3,766	3,621	3,654	3,544	3,475	3,740

¹ Based on the prices of eleven foods, kerosene, and alcohol.

ITALY.³

In the course of the month of June further steps have been taken by the Government for gradual removal of war-time control over the distribution and price of foods. Thus, the exportation of cheese and vegetables has been authorized within certain limits. The rationing of a number of articles of general consumption, such as bread, paste, and maize, has been discontinued, and a decree is in preparation abolishing the rationing of sugar. Restrictions on the sale of meat on certain days of the week have been removed, as well as those regarding the number of courses to be served at restaurants, and the hours which public eating places may be open. Prices charged in restaurants, however, are still subject to the control of the municipal authorities.

The Government was to withdraw its control over the distribution of rye, barley, maize, and oats, and to reestablish import duties on these products, according to a law becoming effective July 1. The great problem, however, which confronts the Government is that of the control of the wheat supply, and it has not

been definitely solved yet. At a cabinet meeting early in June it was decided in principle to restore wheat to the list of free imports and to allow trading in domestic wheat after August 1. But the situation this summer in regard to the price of wheat and its regulation is the reverse of that of a few months ago. Government regulation and the bread subsidy, with the financial burden which it implied, were then necessitated primarily by the high cost of imported wheat, which was much above the price paid for requisitioned domestic grain. Now, however, as a result of the changes in the international wheat market, the rise of the lira, and the decrease of freight charges, the price of imported wheat has fallen below the domestic requisition price. At the end of June the price of American wheat was 120 lire per quintal c. i. f. Genoa, with prospects of a further decrease. The requisition price for the 1921 Italian crop, on the other hand, was fixed at an average of 145 lire, which would require the Government to sell the domestic wheat to the provincial grain consortia at about 150 lire, including expenses. As the Government is unwilling to allow foreign competition to depress the price of domestic wheat below the figure originally fixed for requisition, it has had under consideration two alternative methods of handling this problem, namely, either to restore import duties on grain, at the rate of 7.50 gold lire, or about 25 paper lire, per quintal, or to purchase the domestic crop, and to bear the loss resulting from the difference between the price paid to producers and the market price. From the latest reports it appears that the Government has chosen the latter solution. While the requisition of grain is to be abolished, the producers will be given the opportunity, until August 31, of selling their crop to special Government commissions at the original requisition price. The latter will distribute them below cost to the provincial consortia, which will continue in operation until the end of the year. Thus, while freedom of trade would be restored as far as imported grain is concerned, the political price of bread would be maintained, this time for the benefit of the agricultural producers.

All restrictions as to foreign exchange transactions have been removed by a decree of June 9, 1921. The National Institute for Foreign Exchange, which originally had monopoly rights to deal in foreign exchange, and which since May, 1919, has functioned as a controlling and supervising agency, will be maintained for the immediate future, but merely as an organ of the Treasury for payments to be effected abroad.

³ Italian price, trade, and financial statistics may be found on p. 1021.

Payment of the first installment of taxes under the law for the confiscation of war profits (which became effective on April 2) was due on June 10. The law provides for the confiscation of all annual profits realized from August 1, 1914, to June 30, 1920, in excess of 20,000 lire a year, after deduction has been made for ordinary income (average of 1913 and 1914), or of 8 per cent in the investment capital, whichever sum is larger. Amounts contributed for social insurance, employees' welfare, or charity may also be deducted. A single return may be made for the entire period, with a deduction of losses incurred in any year. The tax is payable in 12 bi-monthly installments, but the minister of finance may extend the payment over a longer period, not to exceed five years. In view of the crisis now prevailing, the minister has given the local officials board powers for the granting of such extensions.

The first step toward the enforcement of the law of September 24, 1920, for the compulsory registration of bearer bonds was made in June with the publication of the regulations regarding the registering of bonds of private corporations. This must be effected within 6 months if the securities are held in Italy, and within 9 or 12 months, respectively, if they are held in other European countries or outside of Europe. The regulations regarding the registration of Government bonds are still in preparation.

GERMANY.⁴

One of the chief problems before the German Government at present is that of increasing tax receipts in order to meet ordinary Government expenditures and payments on reparations account. On July 6 the chancellor, Dr. Wirth, outlined to the Reichstag the Government's proposals for certain taxes to meet ordinary Government expenditures, but he left the problem of raising the revenue to meet reparations payments until the Reichstag meets in the fall. Estimates of expenditures for the year have been increased since the budget was first presented to the Reichstag, and at present they read as follows:

GERMAN GOVERNMENT EXPENDITURES, FISCAL YEAR 1921. ⁵	
	Marks.
Ordinary budget.....	48,459,000,000
Extraordinary budget:	
Railway deficit.....	14,368,000,000
Post and telegraph deficit.....	4,515,000,000
Other extraordinary expenditures....	40,797,000,000
Total.....	108,139,000,000

⁴ German price, trade, and financial statistics may be found on p. 1021.

⁵ Estimates of June 27.

The extraordinary budget contains the following items to be paid on reparations account:

	Marks.
For deliveries of living animals.....	3,000,000,000
Compensation for delivery of ships.....	1,500,000,000
Value of the railways in the former German territories.....	1,500,000,000
Sundry reparations payments.....	8,600,000,000
Total.....	14,600,000,000

It does not include, however, the amount of 2,000,000,000 gold marks due this year, nor the equivalent of 26 per cent of the export trade, two sums which will total, it has been variously estimated, from 42,000,000,000 to 53,000,000,000 paper marks.

The revenues which will be available to meet Government expenditures are placed at 58,959,000,000 marks, which leaves a deficit of 49,180,000,000 marks, not including the two sums last mentioned. Of the almost 59,000,000,000 marks of revenue, about 54,750,000,000 marks will proceed from taxes already in force, and 4,250,000,000 marks from new taxes. The deficit in the current budget is still being taken care of by discounting treasury bills through the Reichsbank. The floating debt which amounted to 184,000,000,000 marks on March 31, 1921, had increased to 199,000,000,000 marks on May 31.⁶ The funded debt has, however, decreased within recent months because of the return to the treasury of Government bonds in payment of war taxes and the emergency levy. The funded debt amounted to 85,899,000,000 marks on September 30, 1920, and to 78,350,000,000 marks on May 31, 1921. Therefore the total debt of the German Government stood at 277,000,000,000 marks at the last of May of this year.

The continued use of treasury bills to finance Government operations further increased the burden of the Reichsbank during June. The following table shows the changes in the number of discounted treasury bills during the month and in the note circulation:

[In millions of marks.]

	Reichsbank holdings of discounted treasury bills.	Note circula- tion.
May 31, 1921.....	62,954	71,839
June 7, 1921.....	60,416	72,145
June 14, 1921.....	67,541	71,884
June 21, 1921.....	64,434	71,98
June 30, 1921.....	79,608	75,321

During this same period the number of Darlehnskassenscheine in circulation decreased

⁶ These figures represent the total floating debt. The figures which are published every 10 days by the German finance minister and which appear on page 1021 of this issue of the BULLETIN represent only the discounted treasury bills which form the major part of the floating debt.

802,000,000 marks. There was therefore a net increase in the paper money in circulation of about 2,680,000,000 marks.

The effects of the inflation which went on during 1920 are seen in the reports of the eight "great banks" for that year, which were published during June. During 1920 there were many absorptions of small banks by these larger ones and the Deutsche Bank, the Disconto-Gesellschaft, the Commerz-und-Privat Bank (an amalgamation of the Commerz-und-Disconto Bank and the Mitteldeutsche Privatbank), the National Bank für Deutschland, and the Mitteldeutsche Creditbank all increased their capital. The increase in monetary values which took place throughout the year tended to make profits large and increased the dividends declared by the banks. The following table gives the rate of dividends declared in 1919 and 1920 by each of these banks:

DIVIDENDS OF THE GREAT GERMAN BANKS.

	1919	1920
	<i>Per cent.</i>	<i>Per cent.</i>
Deutsche Bank.....	12.0	18.0
Disconto-Gesellschaft.....	10.0	16.0
Dresdner Bank.....	9.0	12.5
Darmstader Bank.....	8.0	10.0
Berliner Handels-Gesellschaft.....	10.0	12.5
Commerz-und-Privat Bank.....	9.0	12.0
National Bank für Deutschland.....	7.0	10.0
Mitteldeutsche Credit Bank.....	8.0	10.0
	9.1	13.4

Prices increased in Germany during June, and the wholesale price index of the Frankfurter Zeitung rose from 1,376 to 1,467. (It should be noted that at the 1st of June the Frankfurter Zeitung revised its all-commodities index number for the middle of 1914 from 9.10 to 9.23, using January 1, 1920, as a base. This change is small in itself, but it alters the subsequent index numbers when they are recomputed using the 1914 index as a base.)

During March and April there seems to have been very little change in German prices. The price index for March 5 was 1,419, that for April 2, 1,410, and for May 7, 1,428. In May there was a pronounced drop, and the index fell to 1,376 on June 4, while in June there was a reversal of the movement and an increase to 1,467 on July 2. Among the commodities to increase in price were corn, peas, beans, linseed, copper, tin, zinc, lead, nickel, antimony, silver, coal, cotton, cotton yarn, cotton cloth, silk yarn (organzine), hides, and skins. Part of the price increases were due to the decline in the exchange value of the mark, which resulted from payments to the allies on reparations account.

The following table, which shows the trend of exchange during the month, is taken from

figures supplied by the Disconto-Gesellschaft, Berlin:

Marks to the.....	Berlin exchange on—		
	New York.	London.	Switzerland.
	Dollar.	Pound sterling.	Swiss franc.
Par.....	4.19	20.43	0.81
May 31..... 1921.	63.25	244.50	11.00
June 7.....	66.30	251.00	11.31
June 15.....	69.73	262.50	11.67
June 23.....	71.57	268.50	12.01
June 30.....	75.15	280.75	12.62

The depreciation of the mark in terms of foreign currencies had its usual effect upon the prices of stocks and bonds, and the Bourse index of the Frankfurter Zeitung rose perceptibly until it stood at 189 on July 9, or 11 per cent above its level a month earlier.

The weekly cost of living for a family of four in Greater Berlin was estimated as 285 marks at the end of May. At the end of June it was 311 marks, and the index published for Frankfurt-am-Main shows a similar increase.

The Reichswirtschaftsministerium, in cooperation with some of the other Government departments, has prepared a complete report upon the economic condition of Germany in 1920 as compared with the period before the war. This report estimates that the population of Germany in 1920 was 61,000,000 persons, as compared with 64,930,000 in 1910. This decrease is due to the loss of territory, war casualties, a decreased birth rate, and increased death rate. The death rate from tuberculosis is particularly serious. It rose from 15.7 to 27.1 from 1913 to 1919. The description of the present population by age groups shows the decline in the birth rate very strikingly. In 1910, 14.3 per cent of the population were under 6 years of age; in 1920, only 8.5 per cent of the population fall into that age group.

In the matter of agricultural production there have been marked reductions. The following table gives the area sown to various crops, and the yield. The reduction in yield per hectare is due to the decreased use of fertilizer.

CROPS IN GERMANY.

	Area (in thousands of hectares.)		Yield (in tons per hectare.)		Total yield (in thousands of tons).	
	1913	1920	1913	1920	1913	1920
Bread grains.....	7,286	5,865	1.82	1.26	13,200	7,400
Forage crops.....	5,362	4,442	1.98	1.50	10,600	6,700
Potatoes.....	2,863	2,460	14.1	12.0	40,300	23,200
Sugar beets.....	1,468	329	30.6	24.5	14,300	8,100

† 1914.

A similar reduction has taken place in coal production, which has declined from 190,100,000 tons in 1913 (including Alsace-Lorraine and the Saare) to 130,900,000 tons in 1920 (excluding Alsace-Lorraine and the Saare). Exports of coal in 1920 amounted to only 21,200,000 tons, as compared with 43,300,000 tons in 1913. On the other hand, lignite production has increased from 87,200,000 tons in 1913 to 110,900,000 tons in 1920.

For the territories now included within German boundaries iron production in 1913 is estimated at 11,500,000 tons for the year, or 960,000 tons per month, and in 1920 is placed between 400,000 tons and 500,000 tons monthly. The loss of Luxemburg and Lorraine has of course been very important in this connection, but production has also been retarded by lack of coal.

The German potash industry has also changed greatly because of the war. The following table gives production and sales of potash in Germany:

[In millions of tons.]

	Potash production.	Sales of potash.
1913, including Alsace-Lorraine.....	1,326	1,110
1913, excluding Alsace-Lorraine.....	1,285	1,069
1919.....	932	812
1920.....	1,297	924

Since exports, upon which the industry largely depends for its profits, have greatly fallen off, the report says that many of the potash mines have restricted their production this year.

SWEDEN.⁷

Recent dispatches from Sweden indicate that no real advance in industrial or commercial activity has taken place during the past month. The demand in the paper-pulp market has not improved in spite of drastic price cutting. Although a complete shutdown of the pulp mills has not occurred in Sweden as in Norway, the reduction in output by the cellulose-pulp mills during the past five months is estimated at about 185,000 tons, and the present lethargy of the market necessitates a continued curtailment of production throughout the summer. In the case of the lumber industry, it is anticipated that the settlement of the coal strike will have a stimulating effect upon British demand. The recent improvement in French and Belgian exchange is also looked upon as favoring a revival of demand in the continental market, although the lumber in-

dustry is still handicapped by the competitive exchange advantage of Finnish manufacturers.

The effects of the economic depression are reflected in the number of manufacturers and exporters represented at the Fourth Annual Industrial Fair which opened at Gothenburg on July 4. Although this was the first officially recognized national fair, the registration of exhibitors, according to Dagens Nyheter, amounted only to about 450 as compared with an enrollment of 1,000 in 1920. Sweden's large, internationally known producers showed a considerable falling off in representation, while the small and medium sized industries were well represented. Although the attendance of buyers at the fair was below that of previous years, orders were placed on a reasonably large scale.

Railway statistics indicate that distribution is slacker than at any time since the depression set in. According to a recent report of the State railways, the volume of freight traffic moved during May dropped to 422,600 tons, the lowest figure for many years. The freight transported in the corresponding month of 1913 amounted to 803,100 tons and in April, 1920, to 923,700 tons.

FREIGHT CARRIED ON STATE RAILROADS.

[In thousands of tons.]

	1913	1920	1921
January.....	733.5	894.5	608.0
February.....	855.5	968.2	713.7
March.....	832.8	1,140.7	667.3
April.....	905.2	981.7	576.3
May.....	803.1	923.7	422.6
June.....	787.4	944.8	.....
July.....	880.8	1,101.9	.....
August.....	820.6	1,091.7	.....
September.....	822.0	993.7	.....
October.....	964.8	1,042.8	.....
November.....	885.0	1,013.8	.....
December.....	671.1	792.8	.....

There is no improvement apparent in the labor situation. The Swedish Social Board estimated the total number of unemployed in May at 60,000. In April 20,000 received State aid, as compared with 10,000 in February. The number of trade-union members out of work in May amounted to 25.2 per cent of the total enrollment.

The latest crop reports, on the other hand, indicate that the agricultural situation as a whole is promising. In certain sections crops were menaced by drought, but a timely rainfall prevented serious damage, and a good harvest is anticipated throughout most of Sweden.

During June the wholesale price index of the Svensk Handelstidning remained unchanged. Group index numbers for building materials, metals, oils, and animal foods continued their

⁷ Swedish price, trade, and financial statistics may be found on p. 1022.

steady decline. Prices for textiles and raw materials for agriculture again decreased after a rise in the previous month. An upward movement took place in June in the indexes for vegetable foods, hides and leather, and coal.

Following the same policy as that of other central banks, the Riksbank lowered its rate on July 6 to 6 per cent. The gold holdings of the Riksbank during June remained unchanged, while the note circulation, which declined during May to the lowest point since July, 1918, increased by 27,000,000 kronor. The loans and discounts of the joint stock banks continued to contract. As a result of the appreciation in a majority of foreign currencies, the index of the exchange value of the Swedish krona abroad during May registered 123.3, a decline of 2 points from the preceding month.

State Banks and Trust Companies Admitted.

The following list shows the State banks and trust companies which have been admitted to membership in the Federal Reserve System during the month of July, 1921.

One thousand six hundred and three State institutions are now members of the system, having a total capital of \$582,622,205, total surplus of \$529,548,526, and total resources of \$9,915,848,720.

	Capital.	Surplus.	Total resources.
<i>District No. 3.</i>			
Carlisle Trust Co., Carlisle, Pa.....	\$150,000	\$150,000	\$2,246,786
<i>District No. 4.</i>			
Dollar Savings Bank Co., St. Clairsville, Ohio.....	50,000	32,000	705,028
<i>District No. 7.</i>			
Farmers & Merchants State Bank, Sebawaing, Mich.....	25,000	6,250	348,632
The Blanchard State Bank, Blanchard, Mich.....	25,000	5,000	212,905
South Side Trust & Savings Bank, Chicago, Ill.....	300,000	100,000	6,653,905
<i>District No. 8.</i>			
Citizens Bank of Cabool, Cabool, Mo....	25,000	25,000	500,040
<i>District No. 9.</i>			
Kenyon State Bank, Kenyon, Minn.....	50,000	12,000	740,013
<i>District No. 12.</i>			
Hazelton State Bank, Hazelton, Idaho..	25,000	5,700	199,456
Steiner & Carpenter Bank, Fossil, Oreg.	100,000	5,000	506,733
State Bank of Richmond, Richmond, Utah.....	25,000	12,500	214,169
Selah State Bank, Selah, Wash.....	30,000	6,000	356,171

LIQUIDATION.

The State Bank of Bloomington, Ill.
McCornick & Co., Bankers, Salt Lake City, Utah.

BANKS CLOSED.

Scandinavian-American Bank, Seattle, Wash.
Denison Bank & Trust Co., Denison, Tex.

CHANGE OF NAME.

The Bridgeport Bank & Trust Co., Bridgeport, Ohio, to the Bridgeport Bank Co.

Fiduciary Powers Granted to National Banks.

The applications of the following banks for permission to act under section 11 (k) of the Federal Reserve Act have been approved by the Board during the month of July, 1921.

DISTRICT No. 1.

Trustee, executor, administrator, registrar of stocks and bonds, guardian of estates, assignee, receiver, and committee of estates of lunatics:
Fall River National Bank, Fall River, Mass.

DISTRICT No. 2.

Trustee, executor, administrator, registrar of stocks and bonds, guardian of estates, assignee, receiver, and committee of estates of lunatics:
Ossining National Bank, Ossining, N. Y.

DISTRICT No. 3.

Trustee, executor, administrator, registrar of stocks and bonds, guardian of estates, assignee, receiver, and committee of estates of lunatics:
Monroe County National Bank, East Stroudsburg, Pa.

DISTRICT No. 4.

Trustee, executor, administrator, registrar of stocks and bonds, guardian of estates, receiver, and committee of estates of lunatics:
Second National Bank, Ashland, Ky.
Registrar of stocks and bonds:
Farmers' Deposit National Bank, Pittsburgh, Pa.

DISTRICT No. 5.

Trustee:
Commercial National Bank, Charleston, S. C.
Trustee, executor, administrator, registrar of stocks and bonds, guardian of estates, assignee, receiver, and committee of estates of lunatics:
Peoples National Bank, Pulaski, Va.
Registrar of stocks and bonds:
The Flat Top National Bank, Bluefield, W. Va.

DISTRICT No. 7.

Trustee, executor, administrator, registrar of stocks and bonds, guardian of estates, assignee, and receiver:
Griswold National Bank, Griswold, Iowa.
Trustee, executor, administrator, registrar of stocks and bonds, guardian of estates, assignee, receiver, and committee of estates of lunatics:
Citizens National Bank, Grinnell, Iowa.
First National Bank, Darlington, Wis.

DISTRICT No. 8.

Trustee:
First National Bank, Greenwood, Miss.

DISTRICT No. 10.

Trustee, executor, administrator, registrar of stocks and bonds, guardian of estates, assignee, receiver, and committee of estates of lunatics:
First National Bank, Bartlesville, Okla.

Acceptances to 100 Per Cent.

Since the issuance of the July BULLETIN the following bank has been authorized by the Federal Reserve Board to accept drafts and bills of exchange up to 100 per cent of its capital and surplus:
Bridgeport Trust Co., Bridgeport, Conn.

Commercial Failures Reported.

The wide margin of increase in failures over last year's relatively low mortality continues in evidence, the 917 commercial defaults reported to R. G. Dun & Co. during three weeks of July comparing with only 384 insolvencies for the same period of 1920. The returns for June, the latest month for which complete statistics are available, disclose 1,320 failures, involving \$34,639,375 of liabilities. In point of number there is a sharp contrast with the 674 defaults of June, 1920, but the liabilities then closely approximated \$33,000,000. Excepting in April, insolvencies have decreased in number in each month of the current year, but all of the 12 Federal Reserve districts report more failures for June than for the corresponding month of 1920. In the second, eighth, and twelfth districts, however, the liabilities are less than in June last year, and notably so in the second and twelfth districts.

Failures during June.

Districts.	Number.		Liabilities.	
	1921	1920	1921	1920
First.....	136	55	\$2,546,879	\$1,783,684
Second.....	232	164	4,736,685	16,218,230
Third.....	71	26	1,939,408	219,092
Fourth.....	98	65	4,744,487	975,973
Fifth.....	82	37	1,478,512	314,156
Sixth.....	130	30	3,522,511	459,562
Seventh.....	140	69	4,476,283	2,742,755
Eighth.....	102	34	1,974,278	2,283,002
Ninth.....	31	21	454,553	306,250
Tenth.....	73	22	4,764,647	281,255
Eleventh.....	105	35	2,588,787	278,668
Twelfth.....	120	116	1,412,345	7,128,338
Total.....	1,320	674	34,639,375	32,990,965

New National Bank Charters.

The Comptroller of the Currency reports the following increases and reductions in the number and capital of national banks during the period from June 25 to July 29, 1921, inclusive:

	Banks.	Amount.
New charters issued to.....	13	.....
With capital of.....	.....	\$4,185,000
Restored to solvency.....	0	.....
With capital of.....	.....	0
Increase of capital approved for ¹	16	.....
With new capital of.....	.....	1,785,000
Aggregate number of new charters, banks restored to solvency, and banks increasing capital.....	29	.....
With aggregate of new capital authorized.....	.....	5,970,000
Number of banks liquidating.....	9	.....
Capital of same banks.....	.....	960,000
Number of banks reducing capital ²	1	.....
Reduction of capital.....	.....	100,000
Total number of banks going into voluntary or involuntary liquidation or reducing capital.....	10	.....
Aggregate capital reduction.....	.....	1,060,000
Consolidation of national banks under the act of Nov. 7, 1918.....	2	.....
Capital.....	.....	900,000
The foregoing statement shows the aggregate of increased capital for the period of the banks embraced in statement.....		
Against this there was a reduction of capital owing to liquidations, etc.....		5,970,000
Net increase.....		1,060,000
		4,910,000

¹ Includes one increase in capital of \$175,000 incident to consolidation under act of Nov. 7, 1918.
² Includes one reduction in capital of \$100,000 incident to a consolidation under act of Nov. 7, 1918.

RULINGS OF THE FEDERAL RESERVE BOARD.

Permission granted to member banks to apply for discounts of eligible paper acquired from nonmember banks.

Section 19 of the Federal Reserve act provides in part that—

No member bank shall act as the medium or agent of a nonmember bank in applying for or receiving discounts from a Federal Reserve Bank under the provisions of this act, except by permission of the Federal Reserve Board.

As announced in a letter sent by the Board to all Federal Reserve Banks, the Federal Reserve Board has given general authority to member banks to apply to their respective Federal Reserve Banks for discounts of eligible paper acquired by such member banks from nonmember banks, such authority to be effective until withdrawn by the Federal Reserve Board. The extent to which the respective Federal Reserve Banks will entertain such application is, of course, a matter of policy for the determination of the officers of each bank.

Bankers' acceptances drawn by cooperative marketing associations against warehouse receipts covering agricultural commodities.

The Federal Reserve Board was recently requested to rule upon the eligibility of bankers' acceptances drawn by cooperative marketing associations against warehouse receipts covering nonperishable agricultural commodities. The Board understood the facts upon which the request for a ruling was predicated to be as follows:

The associations are corporations organized without capital, and their members consist exclusively of producers of the particular crop which that association is organized to market. Each producer, as a condition of membership in the association, signs a standard form of agreement under the terms of which he agrees to sell and deliver his crop to the association. This agreement provides in substance that title to the commodity so delivered shall pass to the association at the time of delivery, that the transaction between the producer and the association is a sale, and that the association shall have absolute control over the commodities delivered with the unqualified right to resell or hypothecate. The price at which the commodity is sold by the producer to the association is not fixed at the time of that sale, but the agreement provides that all of the commodities delivered to the association shall be pooled according to grades and resold, and

the association agrees to pay to each producer the average price realized by the association upon the resale of the commodity in the pool to which the producer has contributed, less a proportionate part of the association's expenses. The commodities are to be stored in warehouses independent of the association and negotiable warehouse receipts issued therefor. The question upon which the Federal Reserve Board was asked to rule is whether drafts drawn by such associations against these warehouse receipts will be eligible for acceptance by member banks and whether after acceptance the drafts will be eligible for rediscount by Federal Reserve Banks.

Section 13 of the Federal Reserve act provides that—

Any Federal Reserve Bank may discount acceptances of the kinds hereinafter described, which have a maturity at the time of discount of not more than three months' sight, exclusive of days of grace, which are indorsed by at least one member bank.

Any member bank may accept drafts or bills of exchange drawn upon it having not more than six months' sight to run, exclusive of days of grace, * * * which grow out of transactions involving the domestic shipment of goods, provided shipping documents conveying or securing title are attached at the time of acceptance; or which are secured at the time of acceptance by a warehouse receipt or other such document conveying or securing title covering readily marketable staples.

The Federal Reserve Board is of the opinion that a draft drawn by an association operating under the plan described above is eligible for acceptance by member banks when secured at the time of acceptance by a warehouse receipt of the kind referred to in the above statement of facts, and that after acceptance such a draft will be eligible for rediscount by Federal Reserve Banks, provided it complies in all respects with the regulations of the Federal Reserve Board.

The law requires that a warehouse receipt, in order to be the basis of an eligible banker's acceptance, shall be a document "conveying or securing title covering readily marketable staples." There is no question but that the warehouse receipts described in the above statement of facts comply with this requirement of the law, since, according to that statement, they are negotiable warehouse receipts covering readily marketable staples, the absolute and unqualified ownership of which has been conveyed to the association. The Board has not, however, undertaken to examine the forms of agreements entered into between the associations and their members, but assumes

that these agreements have the legal effect which they are stated to have. If, in a particular case, any question should arise as to the proper construction of any such agreement, that question would be primarily for the determination of the banks against which the drafts are drawn and the Federal Reserve Banks to which the acceptances are offered for rediscount.

In the letter presenting the question to the Board it was stated that "the acceptances will probably be 90-day acceptances, with an agreement for one or possibly two renewals, depending upon the commodity." In connection with this statement the Board desires to point out that a member bank can not accept an original or renewal draft unless it is drawn in compliance with the terms of section 13 of the Federal Reserve Act, and consequently a member bank can not agree unconditionally to accept a renewal draft but can agree only to accept in the event that the renewal draft is eligible for acceptance under the terms of the law.

Furthermore, the Board has ruled that where it is known that a six months' credit is required it is improper to draw two 90-day acceptances in order to make them at all times eligible for rediscount by Federal Reserve Banks, and that in such a case the original acceptance should be drawn for the full six months' period. If, however, at the time the original acceptance is drawn it is reasonable to anticipate that the transaction will be liquidated within a period of three months, a 90-day acceptance may be issued in the first instance, and a renewal acceptance may be issued at the end of the 90-day period, if, because of abnormal or unforeseen developments, liquidation has not been completed at that time. The Board understands that it is reasonable to anticipate that the sale and liquidation of the commodities held by the associations at any given time will be completed within 90 days from that time. If this is so, there is no objection to the issuance of 90-day acceptances in the first instance.

The Board desires to call attention to section B of the Board's Regulation A, series of 1920, which deals with the eligibility of bankers'

acceptances for rediscount by Federal Reserve Banks and particularly to subdivision (b) (3) of that section. This subdivision relates to acceptances against warehouse receipts and other similar documents covering readily marketable staples, and prescribes under what circumstances it is proper for the accepting bank to release the original documents.

It should be understood, of course, that a Federal Reserve Bank is under no obligation to rediscount an acceptance offered to it, even though the acceptance is technically eligible for rediscount. It is the function of a Federal Reserve Bank, when eligible paper is offered to it, to determine in the exercise of its sound discretion whether the paper is desirable as an investment for the bank.

Notes of irrigation companies are not agricultural paper.

As indicated in the ruling published on page 949 of the September, 1920, BULLETIN, the Federal Reserve Board is of the opinion that the business of an irrigation company in selling supplies of water to its customers is a "commercial" rather than an "agricultural" business, as those terms are used in section 13 of the Federal Reserve Act. The fact that the irrigation company's customers consist entirely or for the most part of farmers does not make the business of the company an agricultural business any more than the fact that a country merchant's customers are farmers makes that merchant's business an agricultural one.

A note of an irrigation company can not, therefore, be classed as agricultural paper and can not be eligible for discount by Federal Reserve Banks with a maturity in excess of 90 days, but a farmer's note given to an irrigation company in payment for a supply of water which has been or is to be used for current agricultural purposes is a note which has been issued by the farmer for an agricultural purpose and may, therefore, be eligible for discount with a maturity not in excess of six months, provided, of course, it complies in other respects with the provisions of the law and the regulations of the Board.

PRICE MOVEMENT AND VOLUME OF TRADE.

WHOLESALE PRICES IN THE UNITED STATES.

During July wholesale prices in general changed very little, but the tendency appears to have been upward. The all-commodities index number of the Federal Reserve Board shifted from 139 in June to 141 in July. Raw materials as a whole were relatively stable. According to the recomputation of the index number of the Bureau of Labor Statistics, agricultural products declined from an index number of 125 in June to 122 in July. Animal products (including wool and hides) increased from an index of 102 to 109, forest products decreased from 204 to 203, and mineral products from 182 to 177. Producers' goods continued to decline in price because of reductions in metal products which are of particular importance in this group. Increases occurred in prices of consumers' goods.

With the increase in the stability of the prices of our important raw materials, the index of "goods exported" remained unchanged. Imports showed a certain amount of stability also, the index shifting only from 102 in June to 103 in July.

In the first table below is presented the compilation of the Federal Reserve Board, which contains index numbers for certain groups of commodities as well as for prices in general.¹ The table following shows the index number of the Bureau of Labor Statistics as reclassified by the Federal Reserve Board.²

INDEX NUMBERS OF WHOLESALE PRICES IN UNITED STATES—CONSTRUCTED BY THE FEDERAL RESERVE BOARD FOR THE PURPOSE OF INTERNATIONAL COMPARISON.

[Average price for 1913=100.]

Date.	Goods produced.	Goods imported.	Goods exported.	Raw materials.	Producers' goods.	Consumers' goods.	All commodities.
1919, average.....	209	174	214	209	198	207	206
1920, average.....	236	191	227	235	237	229	233
1920, July.....	253	208	248	249	251	250	250
1921.							
January.....	166	114	142	164	166	159	163
February.....	156	113	135	152	158	152	154
March.....	152	114	125	146	153	151	150
April.....	145	109	121	136	148	147	143
May.....	145	105	125	139	145	144	142
June.....	141	102	122	133	140	144	139
July.....	144	103	122	134	136	152	141

¹ The index number of the Federal Reserve Board has been constructed primarily with a view to international comparisons of wholesale prices. Due to the difficulties connected with the collection of foreign prices, the foreign index numbers are still incomplete, but in spite of this it has seemed advisable to publish the American number, since it contains certain classifications of commodities not otherwise available, namely, the prices of the important goods imported into this country, and of goods largely exported, and compares them with the general price level in the United States. The number has been published monthly during a period of one year, but is computed for the years 1913, 1919, and the first of 1920 as well.

For detailed information regarding the makeup of the number, reference may be made to the FEDERAL RESERVE BULLETIN for May, 1920, pages 499-503. The commodities included in the different groups are listed there with exact specifications and markets indicated. The "weights" assigned to the different commodities in constructing the index numbers are also given in detail. Revisions in prices or weights appear in BULLETINS for June, 1920, and June, 1921.

The index of "goods produced" consists of 74 quotations (30 raw materials, 24 producers' and 20 consumers' goods). These include agricultural products (such as grains, live stock, and textiles), minerals, and lumber, among the raw materials; yarns, leather, semifinished steel products, refined oils, chemicals, building materials, etc., among the producers' goods; and potatoes, meats, flour, rice, dairy products, cotton and woolen cloth, boots and shoes, and kerosene among the consumers' goods.

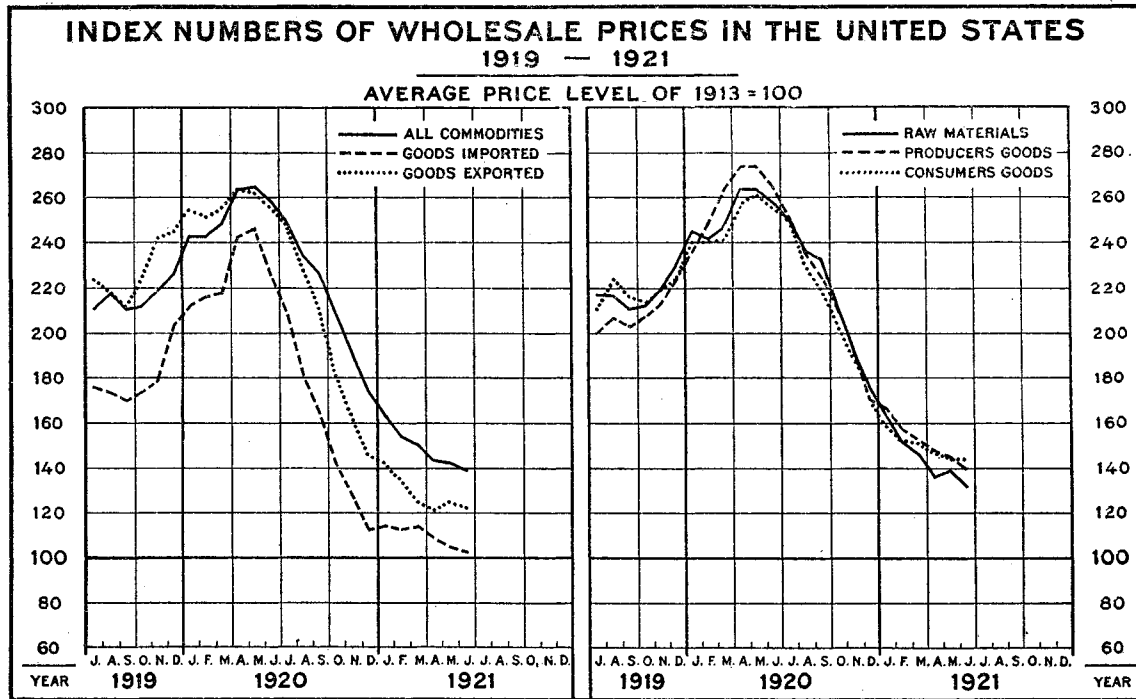
The index of "goods imported" consists of 18 quotations (9 raw materials, 7 producers' and 2 consumers' goods). It includes Egyptian cotton, Australian and South American raw wool, Japanese and Chinese silk, South American hides, Straits tin, and Canadian lumber among the raw materials; plantation and Para rubber, Chilean nitrate, cane sugar, burlap, sisal, etc., among producers' goods; and tea and coffee for consumers' goods.

Leading American exports are included in the index of prices of "goods exported," which is made up of 40 quotations (17 raw materials, 12 producers' and 11 consumers' goods). Grains, tobacco, cotton, copper, coal, pig iron, petroleum, and lumber make up the list of raw materials; vegetable oils, leather, semifinished metal products, refined oils, and chemicals the producers' goods; and wheat flour, refined sugar, pork products, coffee, cotton cloth, boots and shoes, and kerosene the consumers' goods.

The index numbers of "raw materials," "producers' goods," and "consumers' goods" consist of the commodities mentioned above which fall into these classes, whether they are of domestic or foreign origin. The raw materials group includes 39 quotations, the producers' goods 29, and the consumers' goods 22.

The "all commodities" index is obtained by combining the group indexes of domestic and foreign goods. It consists of 90 different quotations. The quotations are obtained from representative trade journals and private firms. About half of them are the same that are used by the Bureau of Labor Statistics in its larger compilation of prices and are furnished to the Board by that bureau.

² As the index number of the Bureau of Labor Statistics (which is based upon 315 quotations) has been reclassified by the Federal Reserve Board, the raw materials group consists of approximately 76 quotations, the producers' goods of about 80, and the consumers' goods of 158. Raw materials have been subclassified into agricultural products (mainly grains, cotton, and tobacco), based upon 19 quotations, animal products based upon the same number, forest products based upon 11 quotations, and mineral products based upon 27 quotations. The FEDERAL RESERVE BULLETIN for October, 1913, contains a list of the commodities in each group. The weights are the same as those used by the Bureau of Labor Statistics.



INDEX NUMBERS OF WHOLESALE PRICES IN THE UNITED STATES FOR PRINCIPAL CLASSES OF COMMODITIES—
BUREAU OF LABOR STATISTICS.
[Average price for 1913=100.]

Year and month.	Raw materials.					Producers' goods.	Consumers' goods.	All commodities (Bureau of Labor Statistics index number).
	Agricultural products.	Animal products.	Forest products.	Mineral products.	Total raw materials.			
July..... 1920.	287	184	359	256	258	251	272	262
January..... 1921.	155	119	245	220	175	169	182	178
February.....	145	114	225	207	164	155	171	167
March.....	136	116	210	197	157	149	168	162
April.....	126	106	205	189	149	143	159	154
May.....	131	104	205	188	149	140	153	151
June.....	125	102	204	182	145	137	152	148
July.....	122	109	203	177	145	131	153	148

In order to give a more concrete illustration of actual price movements, there are also presented in the following table monthly actual and relative figures for certain commodities of a basic character. The prices shown in the

table have been obtained from the records of the United States Bureau of Labor Statistics, except in the case of bituminous coal, prices for which have been obtained from the Coal Age.

AVERAGE MONTHLY WHOLESALE PRICES OF COMMODITIES.

[Average price for 1913=100.]

Year and month.	Corn, No. 3, Chicago.		Cotton, middling, New Orleans.		Wheat, No. 1, northern spring, Minneapolis.		Wheat, No. 2, red winter, Chicago.		Cattle, steers, good to choice, Chicago.		Hides, packers, heavy native steers, Chicago.	
	Average price per bushel.	Relative price.	Average price per pound.	Relative price.	Average price per bushel.	Relative price.	Average price per bushel.	Relative price.	Average price per 100 pounds.	Relative price.	Average price per pound.	Relative price.
1913.....	\$0.6155	100	\$0.1270	100	\$0.8735	100	\$0.9863	100	\$8.5072	100	\$0.1839	100
1919.....	1.5800	257	.3185	251	2.5660	294	2.5370	239	17.4957	206	.3931	214
1920.....	1.3968	227	.3301	260	2.5581	293	2.5225	256	14.4856	170	.3122	170
1920.												
June.....	1.8390	299	.4030	317	2.9000	332	2.8950	294	15.0313	177	.3410	185
July.....	1.5388	250	.3950	311	2.8313	324	2.8050	284	15.3813	181	.2944	160
1921.												
January.....	.6553	106	.1450	114	1.7884	205	1.9613	199	9.8400	116	.1675	91
February.....	.6350	103	.1322	104	1.6713	191	1.9194	195	9.3125	109	.1363	74
March.....	.6180	100	.1105	87	1.6135	185	1.6798	170	9.5625	112	.1150	63
April.....	.5547	90	.1116	88	1.4059	161	1.3869	141	8.7188	102	.1013	55
May.....	.6090	99	.1178	93	1.4923	171	1.5650	159	8.4250	99	.1183	65
June.....	.6075	99	.1101	87	1.4994	172	1.4384	146	8.0938	95	.1385	76
July.....	.6019	98	.1147	90	1.4384	165	1.2291	125	8.4063	99	.1388	75

Year and month.	Hogs, light, Chicago.		Wool, Ohio, 1-3 grades, scoured, eastern markets.		Hemlock, New York.		Yellow pine, flooring, New York.		Coal, bituminous, run of mine, f. o. b. spot at mines, Pittsburgh.		Coal, bituminous, Pocahontas, f. o. b. spot at mines, Columbus.	
	Average price per 100 pounds.	Relative price.	Average price per pound.	Relative price.	Average price per M feet.	Relative price.	Average price per M feet manufactured.	Relative price.	Average price per short ton.	Relative price.	Average price per short ton.	Relative price.
1913.....	\$8.4541	100	\$0.4710	100	\$24.2273	100	\$44.5909	100	\$1.3200	100	\$1.5710	100
1919.....	18.3260	217	1.1894	248	39.7500	164	78.8333	177				
1920.....	14.7106	174	.9712	203	36.6667	234	145.4167	326	6.0433	458	5.8891	375
1920.												
June.....	15.3500	182	1.0000	212	57.0000	235	160.0000	359	8.6700	657	7.0000	446
July.....	15.8875	188	.9091	193	57.0000	235	160.0000	359	10.0000	758	7.9000	503
1921.												
January.....	9.6700	114	.5455	116	48.0000	198	110.0000	247	2.5300	192	4.2500	271
February.....	9.7063	115	.5455	116	48.0000	198	95.0000	213	2.4200	183	3.7300	237
March.....	10.3063	122	.5273	112	48.0000	198	95.0000	213	2.2900	173	3.4000	216
April.....	8.8563	105	.5273	112	41.0000	169	91.0000	204	2.2500	170	3.3625	214
May.....	8.4550	100	.5091	108	41.0000	169	91.0000	204	2.1310	161	3.4940	222
June.....	8.2500	98	.4909	104	41.0000	169	91.0000	204	1.9000	144	3.4250	218
July.....	10.2000	121	.4909	104	37.5000	155	91.0000	204	2.075	157	3.2000	204

Year and month.	Coal, anthracite, stove, New York, tidewater.		Coke, Connellsville, at furnace.		Copper, ingot, electrolytic, New York.		Lead, pig, desilverized, New York.		Petroleum, crude, Pennsylvania, at wells.		Pig iron, basic, Mahoning and Shenango Valley, at furnace.	
	Average price per long ton.	Relative price.	Average price per short ton.	Relative price.	Average price per pound.	Relative price.	Average price per pound.	Relative price.	Average price per barrel.	Relative price.	Average price per long ton.	Relative price.
1913.....	\$5.0613	100	\$2.4396	100	\$0.1573	100	\$0.0440	100	\$2.4500	100	\$14.7058	100
1919.....	8.1639	161	4.7375	194	.1911	122	.0578	131	4.1346	169	27.6971	188
1920.....	9.4265	186	10.8153	443	.1797	114	.0808	184	5.9750	244	42.2692	287
1920.												
June.....	9.3672	185	14.3000	586	.1900	121	.0848	193	6.1000	249	44.0000	299
July.....	9.4580	187	14.3750	589	.1900	121	.0860	195	6.1000	249	45.7500	311
1921.												
January.....	10.6373	210	5.5313	227	.1288	82	.0497	113	5.7750	236	30.0000	204
February.....	10.6382	210	5.1875	213	.1288	82	.0468	106	4.1875	171	27.5000	187
March.....	10.6382	210	5.0000	205	.1223	78	.0405	92	3.0000	122	24.2000	165
April.....	10.1380	200	3.7188	152	.1247	79	.0428	97	3.1875	130	22.8750	156
May.....	10.2910	203	3.3250	136	.1283	82	.0495	113	3.3500	137	22.0000	150
June.....	10.3900	205	3.0938	127	.1284	82	.0451	103	2.6250	107	20.7500	141
July.....	10.5048	208	2.9063	119	.1253	80	.0440	100	2.2500	92	19.3750	132

AVERAGE MONTHLY WHOLESALE PRICES OF COMMODITIES—Continued.

Year and month.	Cotton yarns, northern cones, 10/1 Boston.		Leather, sole, hemlock, No. 1, Chicago.		Steel billets, Bessemer, Pittsburgh.		Steel plates, tank, Pittsburgh.		Steel rails, open hearth, Pittsburgh.		Worsted yarns, 2-32's crossbred, Philadelphia.	
	Average price per pound.	Relative price.	Average price per pound.	Relative price.	Average price per long ton.	Relative price.	Average price per pound.	Relative price.	Average price per long ton.	Relative price.	Average price per pound.	Relative price.
1913.....	\$0.2213	100	\$0.2821	100	\$25.7892	100	\$0.0148	100	\$30.0000	100	\$0.7767	100
1919.....	.5340	241	.5283	187	40.5385	157	.0271	183	49.2642	164	1.6274	210
1920.....	.6245	282	.5342	189	56.2596	218	.0328	222	53.8269	179	1.8250	235
1920.												
June.....	.7299	330	.5700	202	60.0000	233	.0355	240	54.5000	182	2.0000	258
July.....	.7009	317	.5700	202	62.5000	242	.0338	228	54.5000	182	1.7500	225
1921.												
January.....	.2878	130	.4000	142	43.5000	169	.0265	179	47.0000	157	1.1500	148
February.....	.2775	125	.3800	135	42.2500	164	.0233	157	47.0000	157	1.1500	148
March.....	.2447	111	.3700	131	38.4000	149	.0204	138	47.0000	157	1.2000	155
April.....	.2388	108	.3700	131	37.5000	145	.0210	142	47.0000	157	1.2000	155
May.....	.2491	113	.3700	131	37.0000	143	.0220	149	47.0000	157	1.2500	161
June.....	.2545	115	.3700	131	37.0000	143	.0195	132	47.0000	157	1.2000	155
July.....	.2411	109	.3500	124	32.2500	125	.0185	125	47.0000	157	1.1500	148

¹ On Toledo market, average for last six months of 1913.

Year and month.	Beef, carcass, good native steers, Chicago.		Coffee, Rio, No. 7, New York.		Flour, wheat, standard patents (1918, standard war), Minneapolis.		Hams, smoked, Chicago.		Illuminating oil, 150° fire test, New York.		Sugar, granulated, New York.	
	Average price per pound.	Relative price.	Average price per pound.	Relative price.	Average price per barrel.	Relative price.	Average price per pound.	Relative price.	Average price per gallon.	Relative price.	Average price per pound.	Relative price.
1913.....	\$0.1295	100	\$0.1113	100	\$4.5837	100	\$0.1662	100	\$0.1233	100	\$0.0427	100
1919.....	.2333	180	.1785	160	11.9982	262	.3433	207	.2004	163	.0894	209
1920.....	.2304	178	.1198	108	12.6750	277	.3340	201	.2629	213	.1267	297
1920.												
June.....	.2225	172	.1498	135	14.1600	309	.3650	220	.2600	211	.2120	497
July.....	.2550	197	.1306	117	13.6688	298	.3769	227	.2600	211	.1910	447
1921.												
January.....	.1738	134	.0669	60	9.6250	210	.2488	150	.2900	235	.0757	177
February.....	.1600	124	.0672	60	9.1813	200	.2600	156	.2750	223	.0709	166
March.....	.1625	125	.0639	57	8.7300	190	.2725	164	.2625	213	.0784	184
April.....	.1650	127	.0600	54	7.9500	173	.2763	166	.2540	206	.0725	170
May.....	.1650	127	.0621	56	8.7450	191	.2725	164	.2400	195	.0632	148
June.....	.1600	124	.0666	60	9.0063	196	.2822	170	.2200	178	.0569	133
July.....	.1490	115	.0647	58	8.9000	194	.3200	193	.2200	178	.0546	128

FOREIGN TRADE INDEX.

There is presented below a series of indexes designed to reflect movements in foreign trade of the United States, with fluctuations due to price changes eliminated. The commodities chosen for these indexes are those for which prices are compiled by the Federal Reserve Board in the preparation of its international price index. The list includes 25 of the most important imports, the value of which in 1913 formed 47.7 per cent of the total import values, and 29 of the most important exports, the value of which in 1913 formed 56.3 per cent of the total export values. The classification of the original list of commodities used was given in the July, 1920, BULLETIN. A classification of the 11 additional commodities of imports was given in the April, 1921, BULLETIN.

A material increase was shown in the total exports during June, due to an increase in volume of both consumers' goods and raw materials exported. Exports of bituminous coal were considerably larger than in May or the corresponding month last year. The increase of the total commodities exported is due rather to a moderate increase in each of the commodities included in the indexes of raw materials and consumers' goods than to any violent increase in exports of any one article. Total exports of producers' goods continued to show a downward trend for the fifth successive month, despite considerable increases in exports of both upper and sole leather. Decided decreases were shown in the exports of steel plates, copper wire, and gasoline.

There was an appreciable decrease in the total volume of imports. June imports of the 25 commodities were only 62 per cent of the amount imported during the same month last year. Raw wool imports continued to decline, the figure now being only 6 per cent of the amount imported in March, when the high level was reached. A slight increase was ap-

parent in the imports of producers' goods, due largely to the increased volume of india rubber imported. Cane sugar continued to decline at a rather precipitate rate, and consumers' goods showed a decided decrease due to a considerable decrease in the volume of coffee imports, which were smaller in June than in any month since May, 1920.

INDEX OF VALUE OF FOREIGN TRADE IN SELECTED COMMODITIES AT 1913 PRICES.

[Monthly average values, 1913=100.]

	Exports.				Imports.			
	Raw materials (12 commodities).	Producers' goods (10 commodities).	Consumers' goods (7 commodities).	Total (29 commodities).	Raw materials (10 commodities).	Producers' goods (12 commodities).	Consumers' goods (3 commodities).	Total (25 commodities).
1913—Year.....	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1919—Year.....	88.9	154.7	188.5	118.6	157.5	193.0	161.4	171.1
1920—Year.....	92.2	142.6	137.9	107.7	135.2	227.3	155.3	171.7
1921.								
January.....	105.2	187.9	126.0	117.6	74.5	130.8	146.5	104.7
February.....	91.0	141.0	116.4	101.6	118.2	143.5	160.8	133.1
March.....	78.2	104.4	122.4	91.1	160.7	177.4	209.3	173.2
April.....	76.6	102.7	122.5	89.9	153.4	177.7	206.3	169.3
May.....	97.7	81.8	112.8	100.0	98.7	150.1	179.3	128.2
June.....	107.9	74.3	135.1	111.3	94.5	152.5	126.7	119.7

PHYSICAL VOLUME OF TRADE.

The volume of receipts of agricultural products at primary markets continued to increase during June. Total receipts of live stock at 59 markets were larger in June than in May, although receipts of sheep were somewhat smaller. The movement of grain and flour at interior centers showed a marked increase in volume during June, but receipts at seaboard centers continued to decline. Shipments of fruit from California showed a notable gain for June, as citrus shipments were considerably greater than in May and the new deciduous crop commenced moving in large quantities.

The textile industry continued to increase its production during June. Wool consumption in June was higher than in any month since April, 1920, while the percentage of idle machinery continued to decline. Cotton consumption also continued to increase, but there was a slight decline in imports of raw silk.

The output of both bituminous and anthracite coal increased during June, but there was a further decline in production of beehive coke. The upward movement of daily average production of crude petroleum, which has been in progress since February, was halted in June, although there was another slight increase in the number of producing oil wells completed.

The July output of pig iron was lower than in any month since December, 1903. Mining of nonferrous metals was also at a very low level during the second quarter of 1921. Copper production has declined steadily since March, and the output of blister copper in June was less than 21 per cent of that in March. The quantities of zinc smelted and of tin imported have shown a slight increase since March, but the June figures were far below those of June, 1920.

Both the total cut and total shipments of five reporting lumber associations declined somewhat during June, but receipts and shipments of lumber at Chicago and St. Louis continued to increase.

Cement production has increased steadily during 1921, and the production in June was considerably higher than the average monthly production in 1920. Automobile production increased somewhat during June, while the output of locomotives and cars showed a considerable decline.

The number of railroad ton-miles in May was greater than in any month since January, while the average net tons carried per train was greater than in any month since December, 1920.

LIVE-STOCK MOVEMENTS.

[Bureau of Markets.]

	Receipts.					Shipments.				
	Cattle and calves, 59 markets.	Hogs, 59 markets.	Sheep, 59 markets.	Horses and mules, 43 markets.	Total, all kinds.	Cattle and calves, 54 markets.	Hogs, 54 markets.	Sheep, 54 markets.	Horses and mules, 43 markets.	Total, all kinds.
1920.	<i>Head.</i>	<i>Head.</i>	<i>Head.</i>	<i>Head.</i>	<i>Head.</i>	<i>Head.</i>	<i>Head.</i>	<i>Head.</i>	<i>Head.</i>	<i>Head.</i>
June.....	1,867,825	3,697,836	1,595,572	32,051	7,192,784	794,172	1,301,351	790,475	33,328	2,919,226
1921.										
January.....	1,629,994	4,654,560	1,769,155	34,712	8,088,421	602,320	1,637,902	681,987	34,572	2,956,781
February.....	1,174,611	3,951,971	1,501,902	41,212	6,669,696	456,471	1,346,092	590,487	40,611	2,433,661
March.....	1,543,061	3,338,483	1,731,653	41,951	6,660,148	587,898	1,229,405	688,072	42,602	2,547,977
April.....	1,477,720	3,203,016	1,648,950	23,980	6,353,666	600,996	1,116,890	696,229	22,533	2,436,648
May.....	1,531,632	3,311,976	1,886,817	17,824	6,748,299	591,770	1,037,466	915,116	16,610	2,560,962
June.....	1,572,334	3,559,165	1,812,339	13,292	6,957,130	605,522	1,136,269	763,577	13,214	2,518,882

RECEIPTS AND SHIPMENTS OF LIVE STOCK AT 15 WESTERN MARKETS.

[Chicago, Kansas City, Oklahoma City, Omaha, East St. Louis, St. Joseph, St. Paul, Sioux City, Cincinnati, Cleveland, Denver, Fort Worth, Indianapolis, Louisville, Wichita. Monthly average, 1911-1913=100.]

RECEIPTS.

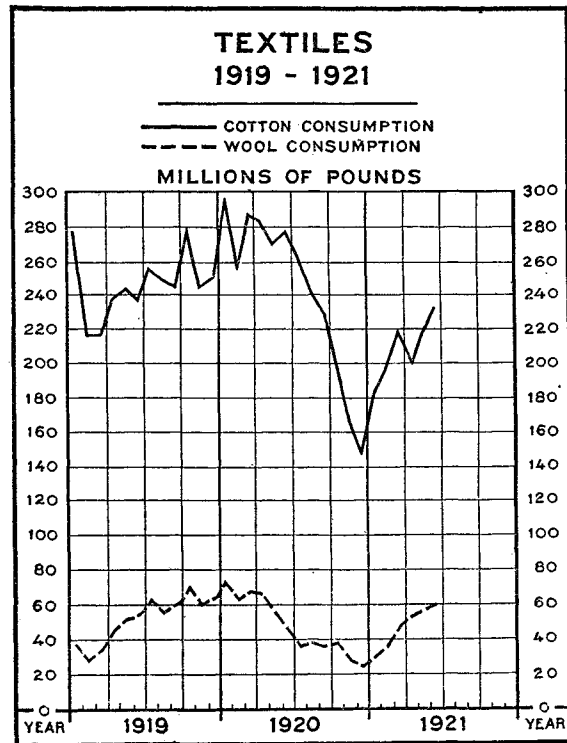
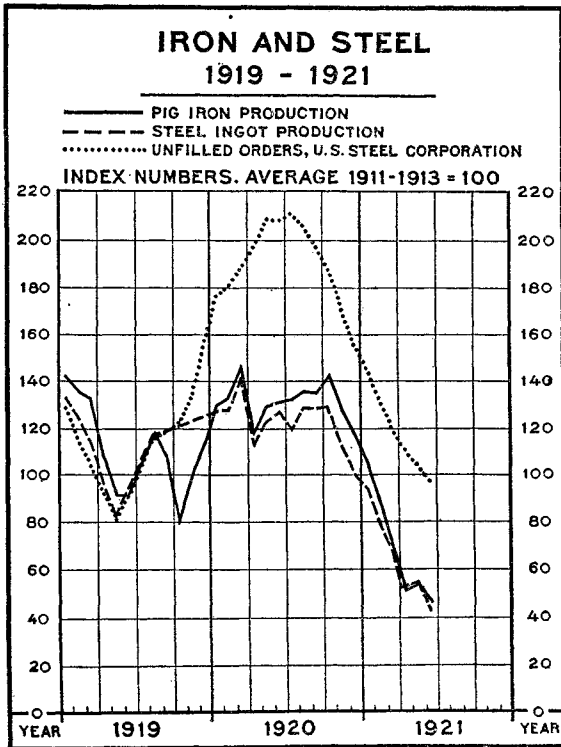
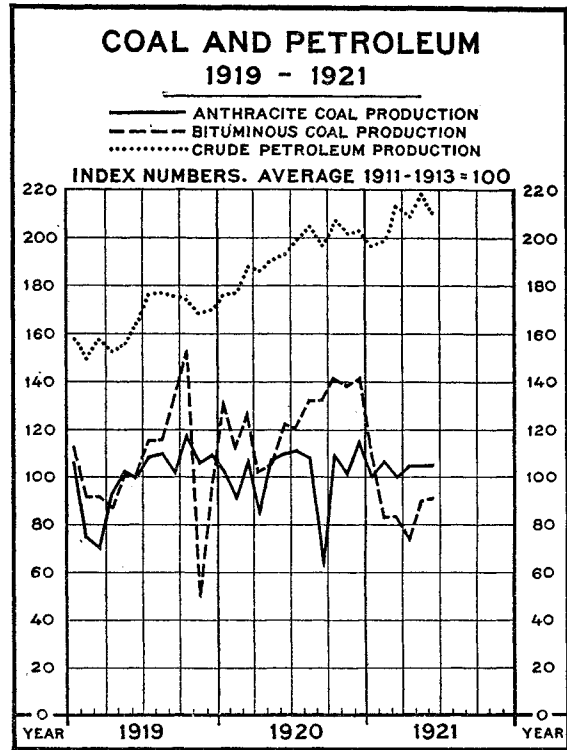
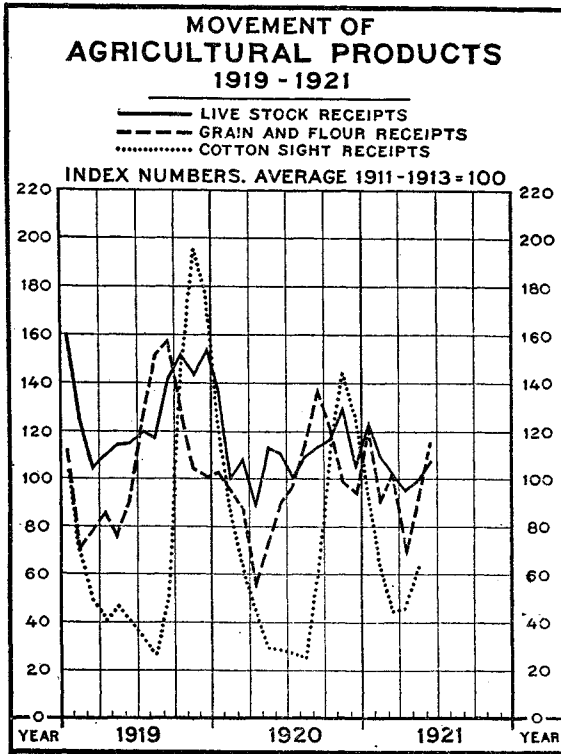
	Cattle and calves.		Hogs.		Sheep.		Horses and mules.		Total, all kinds.	
	Head.	Relative.	Head.	Relative.	Head.	Relative.	Head.	Relative.	Head.	Relative.
1920.										
June.....	1,282,294	127	2,695,660	123	1,005,790	74	21,040	46	5,004,784	108
1921.										
January.....	1,191,814	118	3,339,419	152	1,112,024	81	24,158	52	5,667,415	123
February.....	835,686	89	2,902,107	141	972,647	76	27,111	63	4,737,551	110
March.....	1,119,548	111	2,390,489	109	1,161,549	85	28,437	62	4,700,014	102
April.....	994,916	99	2,279,495	104	1,077,806	79	15,221	33	4,367,438	95
May.....	1,062,988	105	2,401,246	109	1,097,976	80	12,082	26	4,574,292	99
June.....	1,117,111	111	2,671,462	122	1,130,874	83	8,135	18	4,927,532	107

SHIPMENTS.

1920.										
June.....	528,848	130	798,180	165	402,114	80	22,363	55	1,751,505	122
1921.										
January.....	426,887	105	1,078,679	223	316,068	63	24,463	60	1,846,097	129
February.....	334,113	88	839,718	192	324,311	69	26,495	69	1,554,637	116
March.....	447,682	110	825,944	170	406,705	81	28,765	70	1,709,096	119
April.....	415,153	102	694,067	143	392,061	78	14,396	35	1,515,677	106
May.....	424,558	104	644,788	133	415,569	83	11,137	27	1,496,052	104
June.....	414,814	102	703,724	145	403,748	80	8,199	20	1,530,485	107

SHIPMENTS OF STOCKERS AND FEEDERS FROM 34 MARKETS.

	Cattle and calves.	Hogs.	Sheep.	Total, all kinds.		Cattle and calves.	Hogs.	Sheep.	Total, all kinds.
	<i>Head.</i>	<i>Head.</i>	<i>Head.</i>	<i>Head.</i>		<i>Head.</i>	<i>Head.</i>	<i>Head.</i>	<i>Head.</i>
1920.					1921.				
June.....	267,084	41,697	226,626	535,407	March.....	233,477	72,536	88,292	394,305
					April.....	234,351	50,320	106,476	391,127
1921.					May.....	211,846	29,409	114,811	356,066
January.....	202,926	41,892	88,089	332,907	June.....	195,039	31,373	88,302	314,714
February.....	164,504	49,229	61,508	275,241					



ANIMALS SLAUGHTERED UNDER FEDERAL INSPECTION.

[Bureau of Animal Industry. Monthly average, 1911-1913=100.]

	Cattle.		Calves.		Hogs.		Sheep.		Total.	
	Head.	Relative.	Head.	Relative.	Head.	Relative.	Head.	Relative.	Head.	Relative.
1920.										
June.....	656,602	108	431,079	244	3,566,071	126	817,553	68	5,471,335	114
1921.										
January.....	689,506	114	282,043	160	4,347,303	154	1,068,346	89	6,387,201	133
February.....	522,718	92	252,369	153	3,770,974	143	957,751	85	5,503,812	123
March.....	624,375	103	361,733	205	3,075,137	109	1,075,481	89	5,136,746	107
April.....	570,943	97	365,541	207	3,003,270	107	1,040,628	86	5,000,402	104
May.....	559,979	92	366,798	207	3,274,114	116	984,903	82	5,185,794	108
June.....	640,164	105	339,696	209	3,618,174	128	1,116,069	93	5,744,103	117

EXPORTS OF CERTAIN MEAT PRODUCTS.

[Department of Commerce. Monthly average, 1911-1913=100.]

	Beef, canned.		Beef, fresh.		Beef, pickled, and other cured.		Bacon.		Hams and shoulders, cured.		Lard.		Pickled pork.	
	Pounds.	Relative.	Pounds.	Relative.	Pounds.	Relative.	Pounds.	Relative.	Pounds.	Relative.	Pounds.	Relative.	Pounds.	Relative.
1920.														
June.....	6,787,622	1,024	12,526,669	1,010	2,563,702	96	63,730,935	363	21,277,089	143	45,069,517	102	3,962,649	89
1921.														
January.....	548,227	83	6,078,550	490	1,725,625	65	43,202,486	258	16,869,841	113	76,185,237	173	3,089,094	70
February.....	1,733,678	280	979,081	85	1,750,756	70	31,612,140	202	15,847,799	114	91,840,951	224	3,150,452	76
March.....	504,356	76	538,230	41	2,246,547	84	35,350,774	211	19,102,633	128	82,616,583	188	2,024,334	46
April.....	366,682	55	211,193	17	1,364,593	51	32,851,837	196	2,925,807	167	53,275,457	121	2,005,851	45
May.....	326,459	49	191,366	15	1,822,383	68	38,464,256	230	15,508,520	104	48,601,395	110	2,558,043	58
June.....	186,647	28	167,318	13	2,004,136	75	35,011,966	209	18,536,898	124	67,655,776	154	3,337,759	75

RECEIPTS OF GRAIN AND FLOUR AT 17 INTERIOR CENTERS.

[Chicago, Cleveland, Detroit, Duluth, Indianapolis, Kansas City, Little Rock, Louisville, Memphis, Milwaukee, Minneapolis, Omaha, Peoria, St. Louis, Spokane, Toledo, Wichita; receipts of flour not available for Cleveland, Detroit, Indianapolis, Louisville, Omaha, Spokane, Toledo, and Wichita. Compiled from reports of trade organizations at these cities. Monthly average, 1911-1913=100.]

	Wheat.		Corn.		Oats.		Rye.		Barley.		Total grain.		Flour.		Total grain and flour. ¹	
	Bushels.	Relative.	Bushels.	Relative.	Bushels.	Relative.	Bushels.	Relative.	Bushels.	Relative.	Bushels.	Relative.	Barrels.	Relative.	Bushels.	Relative.
1920.																
June.....	21,020,640	78	27,251,166	122	14,260,053	71	3,177,770	288	2,717,367		38,68,426,966	88	2,113,979	108	77,939,897	90
1921.																
January.....	32,229,218	119	42,036,812	188	18,508,986	92	2,202,705	200	3,753,837		52,98,731,558	127	1,430,904	73	105,170,626	121
February.....	22,922,667	91	27,565,779	132	12,553,913	67	1,397,832	136	2,074,908		31,66,515,099	91	1,659,009	01	73,980,640	91
March.....	22,848,939	84	31,165,324	152	17,432,655	87	1,340,498	121	3,111,127		43,78,898,543	101	2,096,030	107	88,330,678	102
April.....	24,808,383	92	12,160,933	51	11,249,703	56	1,514,229	140	2,136,512		30,51,899,760	67	1,967,255	100	60,752,408	70
May.....	25,514,527	94	20,939,570	93	15,524,227	77	1,368,821	124	2,551,087		36,65,898,232	85	1,498,212	76	72,640,186	84
June.....	30,342,592	112	35,816,899	160	21,921,817	109	1,464,530	133	3,859,432		54,93,405,270	120	865,219	44	97,298,756	112

¹ Flour reduced to its equivalent in wheat on basis of 4½ bushels to barrel.

SHIPMENTS OF GRAIN AND FLOUR AT 14 INTERIOR CENTERS.

[Chicago, Cleveland, Detroit, Duluth, Kansas City, Little Rock, Louisville, Milwaukee, Minneapolis, Omaha, Peoria, St. Louis, Toledo, Wichita; shipments of flour not available for Cleveland, Detroit, Louisville, Omaha, Toledo, and Wichita.]

	Wheat.		Corn.		Oats.		Rye.		Barley.		Total grain.		Flour.		Total grain and flour. ¹	
	Bushels.	Relative.	Bushels.	Relative.	Bushels.	Relative.	Bushels.	Relative.	Bushels.	Relative.	Bushels.	Relative.	Barrels.	Relative.	Bushels.	Relative.
1920.																
June.....	20,242,046	130	10,088,237	71	12,805,056	84	5,428,886	767	1,901,225	49	50,465,450	102	3,725,330	110	67,229,435	104
1921.																
January.....	20,187,379	130	17,288,509	121	11,523,642	76	2,380,797	336	2,874,359	74	54,254,686	109	2,678,257	79	66,306,843	102
February.....	15,134,115	104	12,891,895	97	9,299,842	66	1,041,424	158	1,626,913	45	39,994,189	86	2,696,723	85	52,129,443	86
March.....	17,415,266	112	20,723,904	145	12,435,262	82	1,116,943	158	1,685,989	43	53,377,364	107	3,156,299	93	67,580,710	104
April.....	21,482,283	138	13,793,563	97	10,286,573	68	1,518,559	214	2,029,838	52	49,110,816	99	3,178,254	94	63,412,956	98
May.....	18,675,009	120	15,747,327	110	12,447,121	82	1,309,016	185	1,682,946	43	49,861,419	100	2,533,847	75	31,263,730	94
June.....	21,550,026	138	21,381,193	150	11,656,507	77	1,427,796	202	2,224,652	57	58,240,174	117	2,113,649	62	67,751,504	104

¹ Flour reduced to its equivalent in wheat on basis of 4½ bushels to barrel.

STOCKS OF GRAIN AT 11 INTERIOR CENTERS AT CLOSE OF MONTH.

[Chicago, Detroit, Duluth, Indianapolis, Kansas City, Milwaukee, Minneapolis, Omaha, Peoria, St. Louis, and Toledo.]

	Wheat.	Corn.	Oats.	Rye.	Barley.	Total grain.
	Bushels.	Bushels.	Bushels.	Bushels.	Bushels.	Bushels.
1920.						
June.....	10,698,325	2,843,334	2,901,391	2,395,941	1,669,346	20,508,337
1921.						
January.....	14,414,231	11,596,518	29,435,153	478,125	2,057,434	57,981,461
February.....	12,883,444	17,294,569	30,039,057	600,585	1,800,604	62,618,259
March.....	11,277,724	24,465,117	31,570,022	562,754	1,673,037	69,543,654
April.....	6,565,280	16,498,010	27,717,326	494,356	1,333,323	52,608,295
May.....	3,787,294	10,539,233	24,926,743	363,170	1,079,831	40,696,271
June.....	3,853,292	17,944,190	29,273,562	239,665	1,407,124	52,717,833

RECEIPTS OF GRAIN AND FLOUR AT NINE SEABOARD CENTERS.

[Boston, New York, Philadelphia, Baltimore, New Orleans, San Francisco, Portland (Oreg.), Seattle, Tacoma; receipts of flour not available from Seattle and Tacoma. Compiled from reports of trade organizations at these cities. Monthly average, 1911-1913=100.]

	Wheat.		Corn.		Oats.		Rye.		Barley.		Total grain.		Flour.		Total grain and flour. ¹	
	Bushels.	Relative.	Bushels.	Relative.	Bushels.	Relative.	Bushels.	Relative.	Bushels.	Relative.	Bushels.	Relative.	Barrels.	Relative.	Bushels.	Relative.
1920.																
June.....	13,374,721	106	1,878,334	53	3,194,897	67	6,506,053	4,579	1,191,767	72	26,145,772	115	1,486,365	142	32,834,415	120
1921.																
January.....	12,717,255	101	6,228,175	175	1,542,355	32	2,748,524	1,934	1,970,931	119	25,207,240	111	1,174,815	112	30,493,908	111
February.....	10,315,852	88	7,845,915	237	1,039,537	23	2,059,538	1,553	1,631,288	105	22,892,130	108	1,186,565	122	28,231,673	110
March.....	9,094,534	72	13,933,057	392	1,433,069	30	1,034,760	728	1,689,129	102	27,154,549	120	1,518,450	145	33,987,574	124
April.....	17,958,534	143	2,890,042	81	1,568,490	33	1,017,877	1,139	909,409	55	24,944,322	110	1,831,404	175	33,185,646	121
May.....	15,020,060	119	4,807,533	135	1,221,630	26	1,506,359	1,060	1,422,693	86	24,010,275	106	1,518,671	145	30,844,295	113
June.....	16,628,892	132	5,385,639	152	1,903,786	40	1,180,119	831	658,295	40	25,756,731	118	1,714,852	164	33,473,565	122

¹ Flour reduced to its equivalent in wheat on the basis of 4½ bushels per barrel.

STOCKS OF GRAIN AT EIGHT SEABOARD CENTERS AT CLOSE OF MONTH.

[Boston, New York, Philadelphia, Baltimore, New Orleans, Newport News, Galveston, San Francisco. Compiled from reports of trade organizations at these cities.]

	Wheat.	Corn.	Oats.	Rye.	Barley.	Total grain.
	Bushels.	Bushels.	Bushels.	Bushels.	Bushels.	Bushels.
1920.						
June.....	8,492,819	459,568	901,756	2,035,334	1,193,082	13,082,559
1921.						
January.....	15,060,423	2,524,700	1,980,265	1,602,358	2,105,450	23,273,196
February.....	12,032,772	3,982,316	1,775,563	1,332,441	1,909,706	21,032,798
March.....	6,782,584	6,353,250	1,286,275	1,069,220	1,454,547	16,945,876
April.....	5,651,320	1,822,990	1,316,157	550,011	1,326,460	10,666,938
May.....	3,788,898	1,185,753	1,107,518	534,574	1,300,852	7,917,595
June.....	3,486,041	2,136,128	1,058,652	157,397	1,664,674	8,502,892

WHEAT FLOUR PRODUCTION.

[January, 1918, to June, 1920, U. S. Grain Corporation; July, 1920, on, estimated by Russell's Commercial News (Inc.), New York.]

1920.		Barrels.	1921.		Barrels.
June.....		6,800,000	March.....		9,100,000
			April.....		9,368,000
January.....	1921.	8,924,000	May.....		8,406,000
February.....		7,066,000	June.....		8,087,000

COTTON SEED.

[Bureau of the Census.]

		Received at mills.	Crushed.	On hand at mills (close of month).			Received at mills.	Crushed.	On hand at mills (close of month).
		Tons.	Tons.	Tons.	1921—Continued.		Tons.	Tons.	Tons.
June.....	1920.	25,882	36,915	36,044	March.....		336,226	452,770	299,976
					April.....		133,832	242,282	191,526
January.....	1921.	418,846	527,521	484,832	May.....		70,467	131,522	130,471
February.....		431,539	499,851	416,520	June.....		77,484	98,646	109,309

SHIPMENTS OF CITRUS AND DECIDUOUS FRUITS FROM CALIFORNIA.

[March, 1921, on, Bureau of Markets and California Fruit News.¹ Monthly average, 1911-1913=100.]

	Oranges.		Lemons.		Total citrus fruits.		Total deciduous fruits.
	Carloads.	Relative.	Carloads.	Relative.	Carloads.	Relative.	Carloads.
June.....	3,294	135	1,576	389	4,870	171	1,263
January.....	3,429	140	627	155	4,077	143	98
February.....	3,484	153	610	161	4,123	155	81
March.....	4,955	203	936	231	5,891	207	81
April.....	6,335	259	1,171	289	7,506	263	82
May.....	4,710	193	1,250	309	5,960	209	85
June.....	5,628	230	2,230	551	7,858	276	2,200

¹ For previous sources, see April, 1921, Bulletin.² Includes grapefruit.

SUGAR.

[Data for ports of New York, Boston, Philadelphia. Weekly Statistical Sugar Trade Journal. Tons of 2,240 pounds. Monthly average, 1911-1913=100.]

	Receipts.		Meltings.		Raw stocks at close of month.			Receipts.		Meltings.		Raw stocks at close of month.	
	Tons.	Relative.	Tons.	Relative.	Tons.	Relative.		Tons.	Relative.	Tons.	Relative.	Tons.	Relative.
June.....	301,318	164	319,000	174	42,699	25	1921—Con.	306,914	167	310,000	169	87,466	51
January.....	92,498	50	94,000	51	62,113	36	March.....	345,654	188	232,000	126	187,796	109
February.....	228,952	133	193,000	113	98,165	57	April.....	251,302	137	236,000	129	224,035	130
							May.....	186,800	101	217,000	118	193,835	112
							June.....						

TOBACCO SALES AT LOOSE-LEAF WAREHOUSES.

[Reports of State authorities.]

	Virginia dark.	Bright belt.				Burley.	Western dark.	Grand total.
		Virginia.	North Carolina.	South Carolina.	Total.			
1919-1920.								
July.....	Pounds. 1,195	Pounds. 1,260	Pounds. 6,640,451	Pounds. 2,340,842	Pounds. 32,989,748	Pounds. 452,355	Pounds. 249,085	Pounds. 33,692,393
August.....	1,444,438	22,392	9,953,447	47,330,533	57,450,810	1,391,250	407,395	59,393,593
September.....	1,877,576	6,538,377	79,220,071	12,607,374	98,345,822	1,284,455	337,705	101,877,558
October.....	3,997,818	23,984,456	102,635,197	37,305	129,656,958	6,316,087	1,006,255	140,977,118
November.....	7,577,609	15,541,662	49,826,437	.....	65,368,099	5,677,395	571,710	79,194,813
December.....	7,505,869	7,815,821	32,474,238	.....	40,230,119	49,430,981	30,902,447	128,129,416
January.....	5,803,496	2,189,676	9,947,959	.....	12,137,635	88,533,908	31,215,791	137,696,830
February.....	4,706,632	2,612,588	3,748,031	.....	6,330,619	90,902,243	20,322,756	122,292,250
March.....	2,673,551	99,506	56,731	.....	156,237	31,368,091	17,729,302	51,927,181
April.....	141,890	55,816	.....	.....	55,816	1,910,510	11,431,455	13,539,671
May.....	13,003	.....	.....	.....	.....	438,895	6,168,875	6,620,773
June.....	5,069	.....	.....	.....	.....	491,480	3,836,470	4,333,019
1920-1921.								
July.....	1,240	.....	3,298,994	9,671,324	12,880,318	751,610	2,111,470	15,744,638
August.....	109,266	.....	12,659,567	51,377,514	64,037,081	1,223,750	710,560	66,081,657
September.....	1,893,344	2,423,854	40,480,056	9,479,017	52,332,927	2,967,586	771,995	58,015,852
October.....	259,535	21,947,097	84,387,499	1,544,696	107,873,232	2,283,060	248,750	111,670,637
November.....	1,517,152	25,645,083	79,815,468	.....	105,450,551	1,774,635	243,375	108,985,683
December.....	5,906,923	20,240,311	53,523,080	.....	73,766,441	2,221,075	5,558,418	87,411,904
January.....	7,861,812	18,060,051	49,314,570	.....	67,374,521	49,149,058	9,011,035	133,336,426
February.....	13,846,788	23,322,466	59,216,289	.....	82,538,755	91,703,553	24,983,518	212,072,604
March.....	14,835,702	11,935,047	18,580,120	.....	30,515,167	71,346,847	22,477,900	142,285,906
April.....	5,401,071	103,870	.....	.....	103,870	7,495,115	8,576,951	21,577,010
May.....	1,313,350	1,514	.....	.....	1,514	1,311,135	5,135,995	7,752,904
June.....	.....	.....	.....	.....	.....	1,352,780	2,014,291	3,367,071

NOTE.—Includes sales for growers and dealers, but excludes re-sales.

SALE OF REVENUE STAMPS FOR MANUFACTURERS OF TOBACCO IN THE UNITED STATES (EXCLUDING PORTO RICO AND PHILIPPINE ISLANDS).

[Commissioner of Internal Revenue.]

	Cigars.		Cigarettes.	Manu- factured tobacco.		Cigars.		Cigarettes.	Manu- factured tobacco.
	Large.	Small.	Small.			Large.	Small.	Small.	
1920.									
June.....	Number. 708,112,284	Number. 52,735,587	Number. 4,088,834,583	Pounds. 34,231,038	1921—Continued.	Number. 493,724,482	Number. 64,431,733	Number. 4,119,376,533	Pounds. 27,056,592
1921.									
January.....	462,798,039	64,661,867	3,901,550,330	24,750,290	February.....	531,343,699	70,245,500	4,470,292,160	32,209,842
					March.....	548,103,503	56,425,666	3,831,672,057	28,399,953
					May.....	555,497,120	55,349,100	4,136,084,890	28,671,591

NAVAL STORES.

[Data for Savannah, Jacksonville, and Pensacola. Compiled from reports of trade organizations at these cities.]

	Spirits of turpentine.		Rosin.			Spirits of turpentine.		Rosin.						
	Receipts.	Stocks at close of month.	Receipts.	Stocks at close of month.		Receipts.	Stocks at close of month.	Receipts.	Stocks at close of month.					
1920.														
June.....	Barrels. 32,405	Barrels. 19,654	Barrels. 93,270	Barrels. 108,656	1921—Continued.									
1921.														
January.....	8,919	51,563	36,333	310,905	March.....	7,995	29,299	18,405	301,972					
February.....	5,455	41,755	25,935	316,440	April.....	15,857	28,690	30,478	304,959					
					May.....	25,364	38,650	61,213	312,293					
					June.....	33,533	36,949	80,943	308,341					

LUMBER.

[From reports of manufacturers' associations.]

	Southern pine.			Western pine.			Douglas fir.			Eastern white pine.			North Carolina pine.		
	Number of mills.	Production.	Shipments.	Number of mills.	Production.	Shipments.	Number of mills.	Production.	Shipments.	Number of mills.	Production.	Shipments.	Number of mills.	Production.	Shipments.
1920.		<i>M feet.</i>	<i>M feet.</i>		<i>M feet.</i>	<i>M feet.</i>		<i>M feet.</i>	<i>M feet.</i>		<i>M feet.</i>	<i>M feet.</i>		<i>M feet.</i>	<i>M feet.</i>
June.....	204	385,293	287,487	52	197,461	125,770	127	343,801	271,815	20	25,771	41,557	12	14,259	10,481
1921.															
January.....	193	289,824	311,977	54	24,698	42,793	116	153,157	170,821	19	24,319	10,602	16	7,123	7,880
February.....	189	330,680	335,876	53	22,128	48,270	114	159,646	153,649	19	23,722	13,615	18	10,673	10,045
March.....	195	387,959	390,300	55	35,983	63,126	118	192,188	210,842	19	26,396	15,298	15	12,778	8,915
April.....	194	370,321	405,317	55	93,665	75,433	114	204,698	232,351	19	25,748	21,099	20	14,871	12,953
May.....	191	389,745	420,663	55	110,162	74,685	113	294,762	330,002	19	32,708	22,018	14	16,126	15,673
June.....	190	365,970	371,183	55	121,648	76,874	114	23,407	233,970	19	42,171	23,536	12	15,342	18,243

RECEIPTS AND SHIPMENTS OF LUMBER AT CHICAGO AND ST. LOUIS.

[Chicago Board of Trade and Merchants' Exchange of St. Louis. Monthly average, 1911-1913=100.]

	Receipts.		Shipments.			Receipts.		Shipments.	
	M feet.	Relative.	M feet.	Relative.		M feet.	Relative.	M feet.	Relative.
1920.					1921—Continued.				
July.....	399,615	86	184,767	73	March.....	349,426	75	215,760	85
1921.					April.....	345,798	74	213,359	84
January.....	263,001	57	165,308	65	May.....	354,992	76	242,452	95
February.....	269,632	62	169,843	72	June.....	372,453	80	253,848	100
					July.....	328,129	71	216,908	85

COAL AND COKE.

[U. S. Geological Survey. Monthly average, 1911-1913=100.]

	Bituminous coal, estimated monthly production.		Anthracite coal, estimated monthly production.		Beehive coke, estimated monthly production.	
	Short tons.	Relative.	Short tons.	Relative.	Short tons.	Relative.
1920.						
July.....	45,009,000	121	8,247,000	111	1,693,000	65
1921.						
January.....	40,270,000	109	7,410,000	100	1,074,833	41
February.....	30,851,000	89	7,701,000	106	863,834	35
March.....	30,392,000	82	7,408,000	100	587,333	22
April.....	27,553,000	74	7,703,000	104	325,000	12
May.....	33,330,000	90	7,497,000	101	290,000	11
June.....	33,852,000	91	7,786,000	105	247,000	9
July.....	30,394,000	82	7,050,000	95	181,000	7

CRUDE PETROLEUM.

[Production and stocks, U. S. Geological Survey; wells completed, Oil and Gas Journal and Standard Oil Bulletin (California). Barrels of 42 gallons each. Monthly average, 1911-1913=100.]

	Production.		Stocks at close of month (barrels).	Producing oil wells completed.		Production.		Stocks at close of month (barrels).	Producing oil wells completed.
	Barrels.	Relative.				Barrels.	Relative.		
1920.					1921—Continued.				
June.....	36,946,000	193	126,763,000	2,250	March.....	40,965,000	214	142,093,000	1,450
1921.					April.....	40,061,000	209	147,862,000	1,224
January.....	37,853,000	197	130,321,000	1,565	May.....	42,043,000	219	156,561,000	1,405
February.....	35,348,000	198	135,092,000	1,564	June.....	40,405,000	211	164,837,000	1,471

TOTAL OUTPUT OF OIL REFINERIES AND STOCKS OF OIL.

[Bureau of Mines.]

OUTPUT, BY MONTHS.

	Crude oil run (barrels).	Gasoline (gallons).	Kerosene (gallons).	Gas and fuel (gallons).	Lubricating (gallons).
1920.					
May.....	34,578,282	381,079,291	180,877,089	707,198,355	89,252,410
1921.					
January.....	39,637,382	460,432,439	205,374,611	836,684,040	85,908,641
February.....	34,588,096	388,188,252	163,081,918	732,542,415	72,432,219
March.....	35,509,115	419,795,390	169,247,894	758,334,681	73,003,304
April.....	37,594,220	426,215,200	156,156,565	813,444,202	76,456,958
May.....	36,990,478	448,567,873	145,225,023	817,367,590	70,000,194

STOCKS AT CLOSE OF MONTH.

1920.					
May 31.....	15,331,375	577,671,795	419,077,605	618,939,135	135,882,485
1921.					
Jan. 31.....	21,064,124	571,983,793	418,747,781	921,028,127	183,813,205
Feb. 28.....	22,411,819	680,510,351	430,015,193	993,127,328	201,627,558
Mar. 31.....	21,147,257	713,043,480	446,337,188	1,005,317,939	223,415,093
Apr. 30.....	21,054,630	747,222,900	458,635,895	1,055,484,544	249,593,330
May 31.....	20,816,203	800,495,787	452,437,995	1,163,388,695	261,759,797

IRON AND STEEL.

[Pig-iron production, Iron Age; steel-ingot production, American Iron and Steel Institute. Monthly average, 1911-1913=100.]

	Iron-ore shipments from the upper Lakes.		Pig-iron production.		Steel-ingot produc- tion.		Unfilled orders U. S. Steel Corporation at close of month.	
	Gross tons.	Relative.	Gross tons.	Relative.	Gross tons.	Relative.	Gross tons.	Relative.
1920.								
July.....	9,638,606	159	3,067,043	132	2,802,818	120	11,118,468	211
1921.								
January.....			2,416,292	104	2,203,186	94	7,573,164	144
February.....			1,937,257	90	1,749,477	80	6,933,867	132
March.....			1,595,522	69	1,570,978	67	6,284,765	119
April.....	176,211		1,193,041	51	1,213,958	52	5,845,224	111
May.....	2,594,027	43	1,221,221	53	1,265,850	54	5,482,487	104
June.....	3,600,989	59	1,064,833	46	1,003,406	43	5,117,868	97
July.....			864,355	37	803,376	35	4,839,324	92

STRUCTURAL-STEEL ORDERS AND SHIPMENTS.

[Bridge Builders and Structural Society.]

	Fabricated struc- tural steel con- tracted for throughout country.		Structural-steel orders and shipments of the membership of Bridge Builders and Structural Society.			
	Tonnage.	Per cent shop capacity.	Orders.		Shipments.	
			Tonnage.	Per cent shop capacity.	Tonnage.	Per cent shop capacity.
1920.						
June.....	90,400	50.0	33,790	47.0	49,397	67.0
1921.						
January.....	32,000	18.0	12,194	18.0	32,964	48.5
February.....	25,600	14.0	12,013	18.5	25,776	40.0
March.....	52,300	29.0	26,398	38.0	30,011	43.0
April.....	55,800	31.0	22,694	32.5	29,550	42.5
May.....	50,800	28.0	25,763	37.5	27,987	41.0
June.....	66,900	37.0	25,247	35.5	27,363	39.0

PRODUCTION OF BLISTER COPPER.

[American Bureau of Metal Statistics. Monthly average, 1911-1913=100.]

	Pounds.	Relative.		Pounds.	Relative.
1918, year.....	1,937,900,719	.....	1921—Continued.		
1919, year.....	1,209,603,314	.....	February.....	74,860,913	76
1920, year.....	1,270,841,670	.....	March.....	87,429,789	89
			April.....	45,213,883	46
1921.			May.....	22,653,328	23
January.....	84,167,100	85	June.....	18,033,954	18

ZINC.

[American Zinc Institute.]

	Produced.	Stocks at end of month.		Produced.	Stocks at end of month.
1920.			1921—Continued.		
July.....	40,194	29,059	March.....	15,741	80,990
			April.....	16,550	79,581
1921.			May.....	18,026	83,721
January.....	25,916	75,953	June.....	19,443	89,889
February.....	17,769	78,020	July.....	15,495	92,408

IMPORTS OF PIG TIN.

[Department of Commerce. Monthly average, 1911-1913=100.]

	Pounds.	Relative.		Pounds.	Relative.
1920.			1921—Continued.		
June.....	11,232,325	124	March.....	3,028,356	33
			April.....	2,483,655	27
1921.			May.....	2,021,762	22
January.....	2,584,347	28	June.....	4,133,450	45
February.....	5,269,969	62			

TIN CONSUMPTION.

[New York Metal Exchange's Official Market Report.]

	Gross tons.		Gross tons.
1920.		1921.	
January.....	3,910	January.....	1,555
February.....	5,200	February.....	1,585
March.....	5,130	March.....	1,683
April.....	3,395	April.....	1,590
May.....	3,550	May.....	1,225
June.....	6,500	June.....	1,590
July.....	5,530	July.....	1,523
August.....	3,745		
September.....	4,860		
October.....	3,415		
November.....	3,395		
December.....	2,580		

RAW STOCKS OF HIDES AND SKINS.¹

[Bureau of Markets; July, 1920, on, Bureau of the Census.]

	Cattle hides.	Calfskins.	Kipskins.	Goat and kid.	Cabretta.	Sheep and lamb.
1920.						
June 30.....	6,212,946	3,107,393	915,499	14,623,712	2,070,471	10,993,228
1921.						
Jan. 31.....	7,899,138	3,086,862	1,381,748	10,870,210	2,155,200	13,184,052
Feb. 28.....	7,940,359	3,157,723	1,375,110	9,798,311	1,941,832	12,489,855
Mar. 31.....	7,806,867	3,060,144	1,241,984	8,652,171	1,579,457	12,970,857
Apr. 30.....	7,407,862	3,454,470	1,107,310	7,740,147	1,277,321	12,992,299
May 31.....	7,441,619	3,715,602	1,021,039	8,789,123	1,244,069	13,334,187
June 30.....	7,077,950	3,890,547	1,026,189	9,679,847	1,218,839	13,755,042

¹ Includes hides and skins in transit.

TEXTILES—COTTON AND SILK.

[Cotton, Bureau of the Census; silk, Department of Commerce. Cotton, monthly average, crop years 1912-1914=100; silk, monthly average, 1911-1913=100.]

	Cotton consumption.		Cotton spindles active during month.	Imports of raw silk.			Cotton consumption.		Cotton spindles active during month.	Imports of raw silk.	
	Bales.	Relative.		Pounds.	Relative.		Bales.	Relative.		Pounds.	Relative.
1920.						1921—Con.					
June.....	555,155	123	34,457,464	3,221,177	157	March.....	437,933	97	32,104,946	2,201,633	108
1921.						April.....	408,882	91	32,535,725	4,857,160	237
January.....	366,270	81	31,509,021	708,897	35	May.....	439,884	98	32,631,051	4,437,080	217
February.....	395,563	94	32,458,528	2,327,949	122	June.....	461,656	103	32,665,315	3,871,327	189

TEXTILES—WOOL.

[Wool consumption, Bureau of Markets; idle wool machinery, Bureau of the Census.]

	Consumption (pounds). ¹	Percentage of idle machinery on first of month to total reported.				Percentage of idle hours on first of month to total reported.							
		Looms.		Sets of cards.	Combs.	Spinning spindles.		Looms.		Sets of cards.	Combs.	Spinning spindles.	
		Wider than 50-inch reed space.	50-inch reed space or less.			Woolen.	Worsted.	Wider than 50-inch reed space.	50-inch reed space or less.			Woolen.	Worsted.
1920.													
July.....	37,097,077	42.5	32.3	38.0	35.0	42.0	32.7						
1921.													
January.....	29,807,333	57.0	49.2	58.1	52.9	59.4	50.8	66.7	71.2	66.1	62.9	68.4	65.2
February.....	36,204,000	53.9	48.7	56.5	43.8	58.9	43.0	60.0	66.7	64.3	51.0	64.5	55.3
March.....	47,181,000	43.1	41.7	46.2	28.3	47.2	33.0	45.3	57.1	50.6	26.2	50.5	37.9
April.....	53,071,000	36.1	34.4	33.0	18.7	32.3	21.8	38.3	47.5	35.8	11.3	34.1	25.7
May.....	56,929,000	26.2	28.7	25.3	14.2	23.8	12.9	26.6	36.8	25.0	5.4	22.9	13.5
June.....	59,592,000	20.5	25.2	21.6	10.9	20.6	10.1	19.9	30.1	19.8	1.4	18.6	10.4
July.....		18.7	25.2	21.3	11.0	20.5	9.8	17.5	26.3	17.9	4.1	18.2	6.6

¹ Converted to grease-equivalent basis.

PRODUCTION OF WOOD PULP AND PAPER.

[Federal Trade Commission.]

	Wood pulp.	News-print.	Book.	Paper board.	Wrap-ping.	Fine.		Wood pulp.	News-print.	Book.	Paper board.	Wrap-ping.	Fine.
1920.							1921—Continued.						
June.....	Net tons. 337,115	Net tons. 130,380	Net tons. 94,957	Net tons. 215,131	Net tons. 72,987	Net tons. 34,121	March.....	Net tons. 262,332	Net tons. 107,532	Net tons. 59,832	Net tons. 139,723	Net tons. 49,879	Net tons. 19,058
1921.							April.....	Net tons. 268,806	Net tons. 115,408	Net tons. 51,350	Net tons. 128,186	Net tons. 51,713	Net tons. 15,631
January.....	Net tons. 275,353	Net tons. 123,830	Net tons. 64,382	Net tons. 105,806	Net tons. 44,620	Net tons. 22,756	May.....	Net tons. 216,101	Net tons. 78,968	Net tons. 52,642	Net tons. 122,801	Net tons. 53,084	Net tons. 17,484
February.....	Net tons. 243,797	Net tons. 103,040	Net tons. 56,687	Net tons. 123,832	Net tons. 46,352	Net tons. 19,242	June.....	Net tons. 189,389	Net tons. 87,724	Net tons. 53,934	Net tons. 130,177	Net tons. 50,332	Net tons. 17,511

SHIPMENTS OF AUTOMOBILES.

[National Automobile Chamber of Commerce.]

	Railroad (car loads).	Driveaways (machines).	Boat (machines).		Railroad (car loads).	Driveaways (machines).	Boat (machines).
1920.				1921.			
January.....	25,057	(1)	(1)	January.....	6,485	3,185	93
February.....	25,505	(1)	(1)	February.....	9,986	7,507	99
March.....	29,326	(1)	(1)	March.....	16,287	9,778	74
April.....	17,147	(1)	(1)	April.....	20,087	14,197	1,619
May.....	21,977	(1)	(1)	May.....	18,608	15,200	2,381
June.....	22,516	(1)	(1)	June.....	19,200	18,000	3,700
July.....	23,082	(1)	(1)				
August.....	23,386	(1)	(1)				
September.....	20,804	(1)	(1)				
October.....	17,209	(1)	(1)				
November.....	13,253	(1)	(1)				
December.....	11,802	(1)	(1)				
Total.....	251,064	(1)	(1)				

¹ Complete figures are not available for 1920.

OUTPUT OF LOCOMOTIVES AND CARS.

[Locomotives, reports from individual producers; cars, Railway Car Manufacturers' Association.]

	Locomotives.		Output of cars.				Locomotives.		Output of cars.		
	Domes- tic shipped.	Foreign com- pleted.	Domes- tic.	Foreign.	Total.		Domes- tic shipped.	Foreign com- pleted.	Domes- tic.	Foreign.	Total.
1920.	<i>Number.</i>	<i>Number.</i>	<i>Number.</i>	<i>Number.</i>	<i>Number.</i>	1921—Con.	<i>Number.</i>	<i>Number.</i>	<i>Number.</i>	<i>Number.</i>	<i>Number.</i>
June.....	99	72	2,730	731	3,511	March.....	112	49	6,041	705	6,746
						April.....	138	44	4,652	874	5,526
1921.						May.....	56	18	3,843	444	4,287
January.....	154	71	7,169	843	8,012	June.....	43	36	2,540	417	2,957
February.....	108	70	6,482	518	7,000						

VESSELS BUILT IN UNITED STATES, INCLUDING THOSE FOR FOREIGN NATIONS, AND OFFICIALLY NUMBERED BY THE BUREAU OF NAVIGATION.

(Monthly average, 1911-1913=100.)

	Number.	Gross tonnage.	Relative.		Number.	Gross tonnage.	Relative.
1920.				1921—Continued.			
July.....	173	217,239	899	March.....	86	154,864	641
				April.....	99	120,762	500
1921.				May.....	116	132,622	549
January.....	94	216,280	895	June.....	160	173,885	720
February.....	95	121,404	538	July.....	107	90,636	375

TONNAGE OF VESSELS CLEARED IN THE FOREIGN TRADE.

[Department of Commerce. Monthly average, 1911-1913=100.]

	Net tonnage.			Rela- tive.	Per- cent- age Ameri- can to total.	Rela- tive.		Net tonnage.			Rela- tive.	Per- cent- age Ameri- can to total.	Rela- tive.
	American.	Foreign.	Total.					American.	Foreign.	Total.			
1920.							1921.						
June.....	3,199,274	3,141,913	6,341,187	155	50.5	190	March.....	2,097,843	2,396,309	4,494,152	110	46.7	176
							April.....	2,535,956	2,473,587	5,009,543	122	50.6	191
1921.							May.....	2,113,881	2,910,341	5,024,222	123	42.1	159
January.....	2,191,201	2,454,617	4,645,818	114	47.2	178	June.....	3,058,679	3,094,452	6,153,131	150	49.7	187
February.....	2,017,303	2,149,300	4,166,603	109	48.4	183							

RAILROAD OPERATING STATISTICS.

[United States Railroad Administration; March, 1920, on, Interstate Commerce Commission.]

	Net ton-miles, revenue and nonrevenue.	Net tons per train.	Net tons per loaded car.		Net ton-miles, revenue and nonrevenue.	Net tons per train.	Net tons per loaded car.
1920.				1921—Continued.			
May.....	37,892,000,000	746	28.3	March.....	26,831,000,000	626	27.2
				April.....	25,582,000,000	637	26.9
1921.				May.....	28,721,000,000	674	27.8
January.....	29,817,000,000	621	30.2				
February.....	24,913,294,000	618	28.4				

PRODUCTION OF ELECTRIC POWER BY PUBLIC UTILITY POWER PLANTS.

[U. S. Geological Survey.]

	Kilowatt hours.				Kilowatt hours.		
	Produced by waterpower.	Produced by fuels.	Total.		Produced by waterpower.	Produced by fuels.	Total.
1920.				1920—Continued.			
January.....	1,280,321,000	2,575,526,000	3,855,847,000	October.....	1,342,642,000	2,408,678,000	3,751,320,000
February.....	1,163,285,000	2,317,046,000	3,480,331,000	November.....	1,388,465,000	2,317,042,000	3,705,507,000
March.....	1,421,406,000	2,324,276,000	3,745,682,000	December.....	1,399,825,000	2,320,712,000	3,720,537,000
April.....	1,477,184,000	2,097,015,000	3,574,199,000	1921.			
May.....	1,512,621,000	2,072,171,000	3,584,792,000	January.....	1,342,689,000	2,198,804,000	3,541,493,000
June.....	1,417,276,000	2,148,681,000	3,565,957,000	February.....	1,196,616,000	1,982,008,000	3,178,624,000
July.....	1,417,276,000	2,196,451,000	3,608,804,000	March.....	1,336,893,000	2,068,178,000	3,405,071,000
August.....	1,410,831,000	2,294,353,000	3,705,184,000	April.....	1,301,547,000	1,938,002,000	3,239,549,000
September.....	1,315,642,000	2,307,640,000	3,623,282,000				

COMMERCE OF CANALS AT SAULT STE. MARIE.

[Monthly average, May-November, 1911-1913=100.]

EASTBOUND.

	Grain other than wheat.		Wheat.		Flour.		Iron ore.		Total.	
	Bushels.	Relative.	Bushels.	Relative.	Barrels.	Relative.	Short tons.	Relative.	Short tons.	Relative.
1920.										
July.....	3,133,419	35	7,838,470	41	1,171,250	101	9,235,086	156	9,749,701	139
1921.										
April.....	7,418,708		8,592,826		54,540		95,328		518,458	
May.....	12,431,592	140	12,609,469	66	890,330	77	2,652,033	45	3,407,827	49
June.....	11,358,92	127	10,418,433	54	1,150,240	99	3,892,791	66	4,628,067	66
July.....	10,839,026	122	7,878,077	41	1,119,140	96	4,356,760	73	5,011,900	72

WESTBOUND.

	Hard coal.		Soft coal.		Total.		Total freight.	
	Short tons.	Relative.	Short tons.	Relative.	Short tons.	Relative.	Short tons.	Relative.
1920.								
July.....	300,150	97	1,294,162	67	1,827,978	73	11,577,679	122
1921.								
April.....			109,719		259,288		438,673	957,131
May.....			214,776	69	2,303,369	120	2,747,236	110
June.....			247,048	80	3,027,177	158	3,451,409	139
July.....			445,754	144	2,486,990	129	3,126,683	126

BUILDING STATISTICS.

BUILDING PERMITS IN 166 SELECTED CITIES.

[Collected by the 12 Federal Reserve Banks.]

NUMBER OF PERMITS ISSUED.

	District No. 1. (14 cities).	District No. 2. (22 cities).	District No. 3. (14 cities).	District No. 4. (12 cities).	District No. 5. (15 cities).	District No. 6. (14 cities).	District No. 7. (19 cities).	District No. 8. (4 cities).	District No. 9. (9 cities).	District No. 10. (14 cities).	District No. 11. (9 cities).	District No. 12. (20 cities).	Total (166 cities).
1920.													
June.....	2,127	5,929	2,414	4,235	3,132	1,904	5,749	1,476	1,622	1,522	1,629	5,864	37,603
1921.													
January.....	838	2,559	1,103	2,328	1,921	2,908	2,011	886	463	940	1,692	5,668	23,317
February.....	812	3,148	1,430	2,962	2,417	2,158	3,088	1,149	686	1,327	1,630	6,395	27,232
March.....	2,079	6,551	3,056	6,024	4,201	2,781	6,045	1,961	1,634	2,728	2,331	9,419	48,810
April.....	2,547	8,304	3,426	6,716	4,445	3,030	7,166	1,962	2,862	2,559	2,588	9,412	55,017
May.....	2,412	8,146	3,187	5,107	4,170	2,770	6,132	1,998	2,528	2,655	2,473	8,525	50,373
June.....	2,517	7,534	2,874	4,564	4,045	2,800	5,930	1,939	1,971	2,166	2,617	8,199	47,156

BUILDING PERMITS IN 166 SELECTED CITIES—Continued.

VALUE OF PERMITS ISSUED.

	District No. 1 (14 cities).	District No. 2 (22 cities).	District No. 3 (14 cities).	District No. 4 (12 cities).	District No. 5 (15 cities).	District No. 6 (14 cities).	District No. 7 (19 cities).
1920.							
June	7,532,067	28,051,574	8,742,268	14,589,684	6,434,490	6,364,738	23,436,183
1921.							
January.....	3,770,704	15,193,961	2,236,448	5,480,412	3,870,330	2,755,210	11,064,860
February.....	5,564,539	28,619,271	2,153,152	6,099,516	6,995,120	4,089,181	21,274,117
March.....	5,087,162	35,517,743	6,088,621	11,731,396	8,108,832	4,747,379	20,185,084
April.....	4,451,365	37,953,360	6,489,214	15,972,461	14,838,770	4,194,494	28,034,632
May.....	5,850,526	55,493,186	6,244,792	10,451,771	8,332,123	5,674,822	14,914,403
June.....	6,602,647	48,312,504	7,875,639	15,658,897	8,779,653	4,723,709	20,593,319
		District No. 8 (4 cities).	District No. 9 (9 cities).	District No. 10 (14 cities).	District No. 11 (9 cities).	District No. 12 (20 cities).	Total (166 cities).
1920.							
June.....		3,725,560	4,382,020	5,803,812	2,781,269	16,001,689	127,855,354
1921.							
January.....		1,488,804	854,470	3,766,174	2,109,969	8,931,525	61,522,867
February.....		1,608,789	1,946,150	2,721,473	3,138,657	11,783,509	96,023,474
March.....		2,512,871	2,612,291	6,147,626	5,190,191	18,542,835	126,472,031
April.....		2,403,557	5,591,111	5,167,969	5,633,649	19,907,621	122,603,571
May.....		2,696,521	4,574,734	6,096,407	4,190,778	17,763,732	142,283,795
June.....		4,448,228	5,602,586	5,452,181	4,155,740	15,450,694	147,655,797

VALUE OF BUILDING CONTRACTS AWARDED, BY FEDERAL RESERVE DISTRICTS.

[F. W. Dodge Co.]

VALUE OF CONTRACTS FOR ALL CLASSES OF BUILDINGS.

	District No. 1.	District No. 2.	District No. 3.	District No. 4.	District No. 5. ¹	District No. 7.	District No. 9. ²
1919.							
January.....	\$4,247,241	\$10,817,499	\$4,264,500	\$7,436,001	\$11,925,059	\$10,422,462	\$1,143,952
February.....	5,614,810	15,322,090	6,851,300	11,980,573	3,252,697	41,140,292	1,618,460
March.....	9,820,673	25,605,777	15,688,900	18,448,356	8,393,724	31,093,318	3,481,275
April.....	13,335,611	29,111,889	14,407,180	27,985,035	19,194,730	56,025,629	6,492,997
May.....	19,899,354	43,196,946	36,413,200	26,787,229	20,329,015	62,123,642	7,177,220
June.....	22,577,374	58,575,326	22,386,800	37,411,321	17,517,836	93,402,252	9,809,480
July.....	23,012,000	70,271,349	24,976,489	64,473,663	21,613,109	76,483,830	10,172,801
August.....	27,571,707	81,795,404	2,019,150	51,866,618	16,774,612	58,908,129	10,210,334
September.....	18,528,521	68,589,706	18,493,318	38,013,899	18,132,844	44,161,220	9,579,923
October.....	29,879,082	55,724,372	32,325,350	53,349,455	19,285,312	78,312,826	12,938,255
November.....	17,796,161	52,018,522	18,427,975	41,252,486	13,216,565	56,215,663	7,880,873
December.....	29,773,968	49,269,997	16,825,400	34,548,600	15,715,231	51,194,693	11,170,368
Total.....	222,056,542	560,298,877	238,079,602	413,553,236	185,350,734	659,513,956	91,675,938
1920.							
January.....	16,471,108	73,693,667	16,165,000	40,750,575	11,705,068	46,644,909	8,347,013
February.....	19,883,509	35,657,991	20,221,600	35,921,326	12,308,808	50,496,358	9,121,773
March.....	37,291,708	61,705,112	25,289,000	57,889,553	25,692,902	63,706,280	13,221,891
April.....	27,058,720	80,474,480	28,315,900	43,307,412	23,930,129	62,808,149	12,655,989
May.....	34,341,664	54,976,836	16,756,400	39,586,068	11,204,648	60,103,427	12,100,865
June.....	31,011,113	70,503,487	14,011,300	38,139,826	11,161,363	66,926,713	8,931,252
July.....	27,918,310	38,108,590	14,998,100	31,138,966	10,946,893	52,977,928	10,480,758
August.....	21,668,221	39,683,789	12,805,600	24,410,816	10,822,174	64,072,802	7,300,579
September.....	23,969,260	40,136,440	10,236,000	26,200,411	11,000,937	35,571,691	7,558,054
October.....	16,908,259	51,216,541	6,756,200	31,796,117	10,020,614	37,991,617	10,781,844
November.....	16,562,889	31,415,111	5,547,400	14,855,121	8,882,352	29,898,998	4,169,120
December.....	12,413,338	17,830,062	5,800,700	17,920,546	6,905,657	24,901,314	5,309,156
Total.....	285,528,639	595,442,106	176,966,200	401,919,737	154,661,515	595,290,186	109,988,294
1921.							
January.....	7,510,479	22,011,321	5,379,900	22,973,474	9,987,300	27,159,030	4,890,640
February.....	6,656,292	21,818,908	7,211,800	15,882,329	11,497,300	24,621,677	3,594,984
March.....	12,183,446	30,924,354	14,128,900	32,725,987	15,555,218	37,438,044	8,714,075
April.....	16,711,473	52,143,027	15,050,700	31,790,291	16,097,399	53,705,476	9,080,672
May.....	17,951,234	58,816,766	23,373,200	33,915,207	23,023,500	54,867,976	8,841,467
June.....	15,308,072	63,561,928	14,796,800	39,928,314	20,428,761	45,199,007	8,762,123

¹ North and South Carolina not included prior to May, 1921.

² Montana not included.

VALUE OF BUILDING CONTRACTS AWARDED, BY FEDERAL RESERVE DISTRICTS—Continued.

VALUE OF CONTRACTS FOR RESIDENTIAL BUILDINGS.

	District No. 1.	District No. 2.	District No. 3.	District No. 4.	District No. 5. ¹	District No. 7.	District No. 9. ²
1919.							
January.....	\$846,165	\$3,955,235	\$2,098,000	\$371,049	\$1,164,051	\$2,688,624	\$495,366
February.....	1,996,490	5,537,310	2,542,200	2,752,285	1,527,915	2,808,412	524,300
March.....	2,624,681	9,209,769	7,199,400	5,608,534	2,419,766	7,547,699	1,237,268
April.....	4,638,615	14,599,985	4,907,800	8,698,637	5,493,563	18,751,565	1,762,681
May.....	6,245,250	19,159,350	22,299,900	8,821,412	6,799,431	18,597,323	3,021,423
June.....	7,782,590	28,374,210	9,488,600	11,378,545	8,462,940	27,128,731	3,117,179
July.....	5,312,639	30,053,452	8,891,300	16,370,192	8,431,894	21,728,031	2,402,626
August.....	5,757,944	37,099,226	11,149,014	15,481,282	5,901,228	16,459,393	3,059,920
September.....	6,065,824	26,858,359	6,839,893	10,618,331	8,265,913	18,050,509	3,079,152
October.....	6,823,041	22,449,609	11,608,945	14,295,800	8,650,876	28,305,416	5,431,816
November.....	7,624,271	17,991,354	7,856,475	8,769,100	6,559,010	14,561,773	3,745,373
December.....	7,132,372	12,649,828	4,996,900	11,098,587	7,074,179	13,299,985	2,379,098
Total.....	62,849,882	227,937,697	99,928,427	114,262,754	70,751,366	192,925,461	30,256,202
1920.							
January.....	4,252,076	10,678,049	5,291,400	5,215,364	5,181,726	10,549,559	3,722,223
February.....	2,575,269	6,625,831	1,916,500	5,656,819	6,529,103	8,408,094	3,532,209
March.....	10,743,688	9,061,772	6,564,500	15,166,977	4,592,423	10,406,976	1,842,786
April.....	8,927,938	28,726,032	9,974,100	14,824,855	3,919,601	16,412,050	2,995,338
May.....	11,360,300	14,059,500	5,563,900	10,888,449	4,024,414	11,386,758	2,601,821
June.....	6,421,177	8,752,523	3,507,000	8,046,551	1,983,845	9,636,422	2,032,746
July.....	6,050,146	8,815,254	3,206,200	9,550,771	2,621,679	5,742,251	1,619,314
August.....	5,832,187	13,130,813	2,445,500	7,197,875	2,474,869	5,204,979	1,802,754
September.....	5,036,000	10,089,200	1,824,500	6,641,593	1,978,676	6,414,742	1,468,584
October.....	5,511,379	14,547,821	1,342,000	5,275,353	1,626,395	10,174,254	2,051,909
November.....	3,723,389	10,825,811	1,524,200	5,067,994	2,669,461	4,908,178	945,910
December.....	2,981,510	4,734,290	1,869,900	5,478,018	1,467,376	4,721,345	741,910
Total.....	73,415,089	139,986,896	45,029,700	99,010,619	39,069,628	104,575,638	25,357,504
1921.							
January.....	2,064,571	8,853,629	2,010,200	7,584,636	4,780,689	3,224,830	998,804
February.....	2,429,994	10,514,996	4,266,300	4,884,794	4,951,084	5,674,654	558,645
March.....	4,283,570	18,070,530	6,012,600	11,370,703	5,226,414	9,348,670	2,112,107
April.....	6,528,929	28,558,371	6,297,900	9,090,372	8,092,766	12,989,833	2,026,223
May.....	6,933,658	36,933,442	6,846,800	9,188,212	6,961,450	9,779,947	2,323,242
June.....	6,531,152	34,355,048	3,543,700	8,198,377	4,090,859	9,880,273	2,554,420

¹ North and South Carolina not included prior to May, 1921.² Montana not included.

AUGUST CROP REPORT BY FEDERAL RESERVE DISTRICTS.

Forecasts of crop production issued by the United States Department of Agriculture as of August 1, 1921, are shown in the table below, together with forecasts made as of July 1, and estimates of production in 1920. The corn crop, according to the estimate, will be 3,032,000,000 bushels, or about 91,000,000 bushels less than in 1920. A decided decrease

in the expected crop of wheat is shown, the August forecast being 757,000,000 bushels, compared with 809,000,000 bushels estimated in July, and 787,000,000 bushels in 1920. The estimates are smaller both for winter wheat and spring wheat. Cotton production is estimated at 8,203,000 bales, compared with 12,987,000 bales, the estimate for 1920. Smaller production is forecast also for oats and hay.

PRODUCTION OF CORN, WHEAT, COTTON, OATS AND HAY, BY FEDERAL RESERVE DISTRICTS—AUGUST 1, 1921, FORECAST OF THE DEPARTMENT OF AGRICULTURE.

[In thousands of units of measurement.]

Federal Reserve District.	CORN (bushels).			TOTAL WHEAT (bushels).			WINTER WHEAT (bushels).			SPRING WHEAT (bushels).		
	Aug. 1 forecast for 1921.	July 1 forecast for 1921.	Estimate for 1920.	Aug. 1 forecast for 1921.	July 1 forecast for 1921.	Estimate for 1920.	Aug. 1 forecast for 1921.	July 1 forecast for 1921.	Estimate for 1920.	Aug. 1 forecast for 1921.	July 1 forecast for 1921.	Estimate for 1920.
Boston.....	5,403	5,044	4,535	338	323	368	.....	.....	.....	338	323	368
New York.....	41,272	37,102	38,550	10,080	10,305	12,016	9,645	9,820	11,276	435	485	710
Philadelphia.....	61,395	59,553	63,133	22,756	24,009	23,022	22,466	23,701	22,711	290	308	341
Cleveland.....	171,527	195,975	216,642	34,552	41,787	35,442	34,211	41,372	34,979	341	415	463
Richmond.....	193,088	182,064	202,850	27,542	29,942	36,871	27,542	29,942	36,871	.....	.....	.....
Atlanta.....	330,117	278,398	266,055	7,130	7,147	6,363	7,130	7,147	6,363	.....	.....	.....
Chicago.....	876,445	993,233	987,897	62,536	71,509	66,530	53,733	61,293	54,887	8,803	10,216	11,643
St. Louis.....	426,382	449,328	441,118	60,395	67,019	60,611	59,867	66,441	59,895	.....	578	716
Minneapolis.....	271,350	292,195	259,126	146,499	168,386	145,521	5,803	7,076	6,659	140,696	161,310	138,862
Kansas City.....	469,500	427,011	542,699	250,052	252,909	282,060	234,881	237,396	268,685	15,171	15,513	13,375
Dallas.....	205,942	193,490	199,638	19,713	21,561	18,222	18,961	20,833	17,508	752	728	714
San Francisco.....	9,749	9,746	10,124	115,232	114,515	100,102	69,640	68,909	57,929	45,592	45,606	42,173
Total.....	3,032,170	3,123,139	3,232,367	756,825	809,412	787,128	543,879	573,930	577,763	212,946	235,482	209,365

Federal Reserve District.	COTTON (bales).			OATS (bushels).			HAY, tame and wild (tons).		
	Aug. 1 forecast for 1921.	July 1 forecast for 1921.	Estimate for 1920.	Aug. 1 forecast for 1921.	July 1 forecast for 1921.	Estimate for 1920.	Aug. 1 forecast for 1921.	July 1 forecast for 1921.	Estimate for 1920.
Boston.....	.....	.....	.....	8,539	8,206	9,571	3,319	3,077	4,211
New York.....	.....	.....	.....	33,527	37,036	46,797	4,043	4,480	6,005
Philadelphia.....	.....	.....	.....	21,541	22,372	28,882	2,473	2,444	2,945
Cleveland.....	.....	.....	.....	54,659	66,250	92,711	5,706	5,868	6,209
Richmond.....	1,476	1,416	2,389	25,406	25,471	25,626	4,246	4,417	4,751
Atlanta.....	1,827	1,841	2,435	32,058	31,965	28,090	4,490	4,371	4,594
Chicago.....	.....	.....	.....	398,975	505,905	587,706	15,043	15,442	17,129
St. Louis.....	1,531	1,517	2,085	60,091	68,714	77,814	7,296	7,559	8,183
Minneapolis.....	.....	.....	.....	231,425	283,954	306,867	16,094	16,261	17,896
Kansas City.....	519	555	1,164	178,848	187,627	229,297	18,127	17,813	20,301
Dallas.....	2,759	3,017	4,725	48,016	47,217	48,296	2,025	1,898	2,005
San Francisco.....	185	181	174	44,117	44,220	44,398	13,611	13,335	14,004
Total.....	28,203	28,433	212,987	1,137,202	1,328,937	1,526,055	97,073	96,961	108,233

¹ In addition the following amounts were estimated grown in Lower California (Mexico): Aug. 1, 1921, forecast—33,000 bales; July 1, 1921, forecast—31,000 bales; estimate for 1920—75,000 bales.
² Cotton grown outside of cotton belt included as follows: Aug. 1 and July 1, 1921, forecast—each 6,000 bales; estimate for 1920—15,000 bales.

REPORT OF KNIT-GOODS MANUFACTURERS.

The total production of winter and summer underwear for the six months ending June 30 was as follows:

	Number of mills reporting.	Actual production (dozens).	Per cent of normal.
1921.			
January.....	61	148,023	16.4
February.....	63	248,431	28.0
March.....	62	421,140	50.1
April.....	61	401,938	49.6
May.....	62	505,347	55.4
June.....	60	559,591	65.5
Winter underwear (June).....	.....	334,507	67.7
Summer underwear (June).....	.....	225,084	60.3

Order and production report for month ending June 30, 1921, follows. The number of mills reporting was 42.

	Dozens.	Per cent of normal production.
Unfilled orders 1st of month.....	614,109	.....
New orders received during month.....	398,509	61.6
Total (A).....	1,012,618	.....
Shipments during month.....	375,376	58.1
Cancellations during month.....	5,867	.9
Total (B).....	381,243	.....
Balance orders on hand July 1 (A minus B).....	631,376	.....
Production.....	417,717	64.6

Thirty-eight representative mills which reported for May and June furnish the data for the following table:

[In dozens.]

	May (38 mills).	June (38 mills).	Gain.	Loss.
Unfilled orders 1st of month.....	526,404	556,612	30,208	.....
New orders.....	324,398	372,504	48,106	.....
Shipments.....	280,469	330,904	50,435	.....
Cancellations.....	6,155	5,591	.....	564
Production.....	349,529	381,777	32,248	.....

PRODUCTION AND SHIPMENTS OF FINISHED COTTON FABRICS.¹

	May, 1921.				June, 1921.			
	White goods.	Dyed goods.	Printed goods.	Total.	White goods.	Dyed goods.	Printed goods.	Total.
Total finished yards billed during month:								
District 1.....	13,597,719	18,228,509	8,953,232	44,823,357	14,965,739	21,291,494	10,753,011	51,493,767
2.....	8,165,972	2,579,998	4,275,135	22,987,037	8,616,920	2,956,985	4,804,170	24,637,109
3.....	7,531,433	5,501,772	14,077,886	7,007,279	5,365,709	105,428	6,927,604	13,695,095
5.....	6,193,501	174,107	6,367,608	6,822,176	363,210	904,900	1,268,110	6,927,604
6.....	84,600	794,319	878,919	1,898,728				1,268,110
8.....								1,907,771
Total.....	35,573,225	27,278,705	13,228,367	91,033,535	37,775,324	30,624,516	15,557,181	99,929,456
Total finishing charges billed during month:								
District 1.....	\$265,283	\$720,100	\$420,835	\$1,575,091	\$286,669	\$826,927	\$508,358	\$1,772,085
2.....	139,614	79,040	166,551	590,368	149,423	97,066	195,259	644,511
3.....	227,335	212,945	459,476	251,596	206,237			481,626
5.....	122,603	1,357	123,960	139,939	1,094			141,033
6.....	1,454	35,734	37,188	5,660				44,744
8.....			28,947					28,321
Total.....	\$756,289	\$1,049,176	\$597,386	\$2,815,030	\$833,287	\$1,170,408	\$703,617	\$3,112,320
Total average per cent of capacity operated:								
District 1.....	58	70	53	60	68	72	63	68
2.....	76	66	78	74	88	67	63	84
3.....	97	66		79	72	73		72
5.....	101			101	102			102
6.....				54				91
8.....				77				80
Average for all districts.....	75	69	56	68	77	72	63	74
Total gray yardage of finishing orders received:								
District 1.....	14,005,609	18,791,868	9,695,441	46,389,650	15,192,129	17,815,075	11,356,794	50,645,197
2.....	8,022,763	3,383,903	3,912,887	19,392,069	7,578,109	3,688,752	7,717,946	23,211,173
3.....	5,126,261	5,965,152	12,201,014	6,579,498	5,935,952			13,802,213
5.....	5,828,759	159,653	5,988,412	5,552,463	122,752			5,675,215
6.....	109,450	412,809	522,259	395,000	743,311			1,138,311
8.....			2,260,651					2,356,885
Total.....	33,092,942	28,713,385	13,608,328	86,754,055	35,297,199	28,305,842	19,074,740	96,828,994
Number of cases of finished goods shipped to customers (case equals approximately 3,000 yards):								
District 1.....	5,689	5,702	2,597	23,547	5,149	6,567	2,483	24,878
2.....	4,632	68		10,530	4,425	75		11,143
3.....	3,749	2,199		6,393	3,159	1,694		5,340
5.....	1,730			3,648	2,621			3,788
6.....				771				847
8.....								
Total.....	15,800	7,969	2,597	44,889	14,754	8,336	2,483	45,996
Number of cases of finished goods held in storage at end of month:								
District 1.....	3,350	2,827	2,689	17,249	4,137	2,825	2,947	19,005
2.....	1,952	147		7,733	2,780	223		8,803
3.....	186	316		5,207	194	339		5,335
5.....	316			1,231	319			1,609
6.....				20				26
8.....				1,202				1,093
Total.....	5,804	3,290	2,689	32,642	7,430	3,387	2,947	35,871
Total average work ahead at end of month (expressed in days):								
District 1.....	6.5	8.0	20.0	10.0	5.8	5.9	17.0	9.0
2.....	14.0	8.4	8.5	9.4	10.0	6.3	6.2	8.0
3.....	11.0	9.3		10.0	11.0	12.0		11.0
5.....	16.0			16.0	11.0			11.0
6.....				8.3				4.5
8.....				9.0				12.0
Average for all districts.....	10.0	8.3	19.0	10.0	8.3	7.1	15.0	9.1

¹ The National Association of Finishers of Cotton Fabrics, at the request of the Federal Reserve Board, has arranged for a monthly survey within the industry. The results of the inquiries are herewith presented in tabular form. The secretary of the association makes the following statement concerning the tabulation:

The accompanying figures are compiled from statistics furnished by 34 out of 58 member firms of this association. It is probably fair to state that in the absence of having specific detail at hand, but according to our best estimate, it is probably well within the fact that the figures given for the various classes of work would cover, approximately, the following percentages of the entire industry: White goods, 72 per cent; dyed goods, 62 per cent; printed goods, 30 per cent. The figures given represent reports from exactly the same finishers for the two months, both for the totals and for the subdivisions and, therefore, are strictly comparable.

NOTE.—Many plants were unable to give details under the respective headings of white goods, dyed goods, and printed goods, and reported their totals only, therefore the column headed "Total" does not always represent the total of the subdivisions, but is a correct total for the district.

RETAIL TRADE.

In the following tables a summary is given of the data obtained from 319 representative department stores in the 12 Federal Reserve districts. In districts Nos. 1, 2, 5, 6, 7, 9, 11, and 12 the data were received in (and averages computed from) actual amounts (dollars). In districts Nos. 3, 4, 8, and 10 the material was received in the form of percentages, the 1921 averages for the cities and districts computed from such percentages being weighted according to volume of business done during the calendar year 1920 and the averages for the

several months in 1920 by similar figures for the calendar year 1919. For the month of June the tables are based on reports from 24 stores in district No. 1, 57 stores in district No. 2, 46 stores in district No. 3, 14 stores in district No. 4, 25 stores in district No. 5, 22 stores in district No. 6, 37 stores in district No. 7, 18 stores in district No. 8, 11 stores in district No. 9, 15 stores in district No. 10, 19 stores in district No. 11, and 31 stores in district No. 12. Figures for Atlanta, Nashville, and New Orleans in district No. 6 are shown separately, commencing with those for June.

CONDITION OF RETAIL TRADE IN THE FEDERAL RESERVE DISTRICTS.

[Minus sign denotes decrease.]

District and city.	Percentage of increase in net sales as compared with corresponding period previous year.												Ratio of outstanding orders at close of month to total purchases during previous calendar year (per cent).					
	Jan. 1, 1921, to close of—						Jan., 1921.	Feb., 1921.	Mar., 1921.	Apr., 1921.	May, 1921.	June, 1921.	Jan., 1921.	Feb., 1921.	Mar., 1921.	Apr., 1921.	May, 1921.	June, 1921.
	Jan., 1921.	Feb., 1921.	Mar., 1921.	Apr., 1921.	May, 1921.	June, 1921.												
District No. 1:																		
Boston.....	5.4	10.8	2.1	-1.3	-2.4	-1.5	5.4	7.7	5.5	3.6	2.2	1.5	5.1	7.4	5.7	5.2	5.7	6.9
Outside.....	-10.1	-6.0	-.9	-3.8	-11.4	-8.5	-10.1	-9.1	-6.2	-5.5	-6.8	-7.1	4.5	8.6	11.2	9.6	8.8	5.5
District.....	1.5	6.5	1.5	-1.9	-4.5	-3.1	1.5	3.5	2.7	1.4	.1	-.5	4.8	8.1	6.4	5.8	6.2	6.7
District No. 2:																		
New York City and Brooklyn.....	-6.5	-1.1	-5.8	-2.8	-11.7	-8.7	-6.5	-4.6	-4.5	-3.8	-6.4	-8.8	5.5	7.3	7.1	6.7	6.6	5.4
Buffalo.....					.4	3.4					5.1	3.5					5.5	8.3
Newark.....					-9.2	-4.4					-2.5	-2.8					4.5	5.5
Rochester.....					-2.2	2.4					9.1	7.9					5.3	4.2
Syracuse.....					-3.9	-9.2					5.2	3.3						3.7
Outside.....	-1.5	9.5	-.3	5.8	-9.9	-7.7	-1.5	1.6	.7	2.2	-4.6	-5.3	4.1	7.2	5.7	10.0	7.1	7.3
District.....	-5.3	1.0	-4.6	-.5	-10.0	-7.1	-5.3	-3.5	-3.4	-2.1	-4.3	-5.1	5.1	7.3	6.7	6.5	6.2	6.2
District No. 3:																		
Philadelphia.....	2.9	3.4	-.9	-2.5	-8.8	-9.5	2.9	4.4	2.0	1.8	-1.9	-3.3	4.4	7.9	7.6	8.6	7.5	8.2
Outside.....	3.3	4.7	4.6	5.8	-4.8	-.8	3.3	1.7	2.1	3.7	.7	1.9	4.8	6.2	6.1	4.9	5.0	5.4
District.....	3.1	3.8	1.8	-.4	-7.8	-7.3	3.1	3.6	2.0	2.3	-1.2	-1.9	4.6	7.5	7.3	7.8	7.0	7.5
District No. 4:																		
Cleveland.....					-17.9	-21.8					-10.1	-11.8					5.5	5.3
Pittsburgh.....					1.3	-9.9					5.7	4.9					5.1	4.3
Outside.....					2	-11.0					2.9	2.1					5.8	5.3
District.....	3.6	6.4	-.4	.8	-5.5	-14.1	3.6	.....	4.3	2.3	-.3	-1.1	7.1	7.0	7.7	5.3	5.0	4.7
District No. 5:																		
Baltimore.....	5.9	5.3	-2.2	-6.8	-7.1	-7.0	5.9	4.6	1.9	-.6	-2.0	-2.9	7.2	7.9	6.5	6.1	5.4	7.9
Richmond.....	-4.2	14.2	6.3	3.1	-3.0	-4.1	-4.2	4.2	5.6	4.9	3.2	1.8	5.4	6.1	5.5	4.6	7.2	10.7
Washington.....	9.3	8.4	5.5	5.3	4.3	4.9	9.3	8.8	7.4	6.9	6.3	4.9	3.9	4.8	4.2	4.8	6.8	7.7
Other cities.....	4.0	15.9	9.4	3.7	-5.2	-3.1	4.0	9.4	10.8	8.7	5.4	3.7	5.4	6.9	4.4	5.1	6.6	8.9
District.....	5.4	8.6	2.7	-.7	-3.0	-4.2	5.4	6.4	5.2	3.6	2.1	-.9	6.0	6.6	5.4	5.4	5.6	8.3
District No. 6:																		
Atlanta.....						-32.1						-25.5						2.4
Nashville.....						-19.0						-11.8						4.9
New Orleans.....						-8.3						-4.9						8.5
Outside.....						-18.6						-15.8						3.1
District.....	-9.0	1.4	-5.6	-19.5	-16.8	-17.0	-9.0	-5.4	-4.7	-8.7	-10.7	-12.0	3.1	6.1	6.4	5.1	4.6	5.4
District No. 7:																		
District No. 7.....	-10.5	-5.4	-3.2	-3.1	-12.5	-17.3	-10.5	-4.7	-.1	-5.6	-8.0	-11.6	10.8	11.0	5.3	5.8	4.0	5.4
District No. 8:																		
District No. 8.....	-3.8	-3.1	-.7	-2.9	-1.6	-7.9	-3.8	-3.7	-1.7	-1.7	-.4	-1.8	3.4	8.9	4.1	7.1	5.1	5.6
District No. 9:																		
District No. 9.....	-12.3	-7.0	-11.2	-5.4	-14.9	-16.8	-12.3	-10.9	-11.8	-10.7	-7.0	-15.6	4.2	5.5	5.2	3.5	9.5	9.4
District No. 10:																		
District No. 10.....	-11.6	4.1	-6.1	-2.8	-5.3	-10.8	-11.6	-1.8	-3.9	-1.8	-3.8	-4.3	22.1	11.8	6.4	4.8	3.9	5.9
District No. 11:																		
District No. 11.....	-8.9	-4.6	-16.0	-17.7	-17.4	-17.4	-8.9	-8.4	-11.4	-11.2	-13.0	-15.2	7.0	6.5	5.1	4.6	4.4	6.4
District No. 12:																		
Los Angeles.....	17.1	14.6	9.9	3.4	8.8	2.9	17.1	13.3	11.9	9.7	9.5	8.0	6.9	11.5	10.2	9.8	9.2	11.1
San Francisco.....	-12.1	-.4	-3.1	-9.6	-2.4	-5.7	-12.1	-6.5	-4.3	-5.2	-4.5	-4.1	4.4	8.2	6.9	7.5	9.1	10.3
Oakland.....	-10.4	8.2	.9	1.4	-2.1	-3.9	-10.4	-2.2	9.8	2.0	1.5	.5					4.8	5.0
Sacramento.....	-16.8		-6.2	-7.3	14.8	-13.8	-16.8		-4.2	-5.1	14.0	-9.2						
Seattle.....	-23.4	-2.4	-14.6	-16.1	-16.8	-13.5	-23.4	-9.3	-15.6	-15.7	-13.5	-15.6	2.7	6.0	5.6	6.7	5.2	8.2
Spokane.....	-10.1	12.2	4.6	-6.4	-17.9	-23.4	-10.1		1.3	-.9	-5.4	-8.2		5.2	6.3	7.9	4.0	9.2
Salt Lake City.....	-.6	-5.2	1.7	-8.7	-18.7	-6.1	-.6	1.9	6.0	.1	-3.5	-7.3				4.9	6.0	4.0
District.....	-14.3	-2.4	.6	-9.3	-4.1	-7.8	-14.3	-5.9	1.6	-3.8	-6.9	-6.6	5.4	8.6	7.8	8.7	6.7	8.4

CONDITION OF RETAIL TRADE IN THE FEDERAL RESERVE DISTRICTS—Continued.

[Minus sign (-) denotes decrease.]

District and city.	Percentage of increase in stocks at close of month compared with—												Ratio of average stocks at close of each month to average monthly sales for same period (per cent).						
	Same month previous year.						Previous month.						Jan. 1, 1921, to close of—						
	Jan., 1921.	Feb., 1921.	Mar., 1921.	Apr., 1921.	May, 1921.	June, 1921.	Jan., 1921.	Feb., 1921.	Mar., 1921.	Apr., 1921.	May, 1921.	June, 1921.	Jan., 1921.	Feb., 1921.	Mar., 1921.	Apr., 1921.	May, 1921.	June, 1921.	
District No. 1:																			
Boston.....	-10.7	-3.7	-18.2	-18.9	-18.7	-16.6	-14.5	15.5	-6.6	3.5	-2.9	-3.4	270.2	325.3	300.7	295.5	289.8	283.0	
Outside.....	-10.6	3.7	-10.3	-17.5	-16.5	-17.1	-8.2	15.4	-5.7	1.1	.2	-5.8	352.9	473.7	445.8	426.8	424.5	416.0	
District.....	-10.7	-1.6	-16.0	-18.5	-18.1	-16.8	-12.7	15.5	-6.4	2.8	-2.0	-4.1	297.2	358.1	332.5	324.7	319.5	312.0	
District No. 2:																			
New York City and Brooklyn.....	-9.5	-16.5	-23.2	-22.0	-16.8	-17.6	-8.1	6.3	8.3	5.1	-2.6	-5.9	315.8	323.3	310.1	322.5	300.5	329.6	
Buffalo.....					-10.4	-12.2					.3	-8.4					352.6	396.4	
Newark.....					-25.8	-26.2					.2	-8.9					340.4	330.3	
Rochester.....					-29.2	-31.0					-6.0	-2.7					332.4	387.0	
Syracuse.....					-12.6	-21.5					-2.1	-3.8					446.5	411.7	
Outside.....	-20.0	-23.0	-17.9	-20.7	-10.0	-5.0	-6.1	1.3	9.0	1.1	1.6	3.3	351.3	350.6	407.7	394.4	452.2	472.5	
District.....	-12.0	-17.8	-22.0	-21.6	-17.3	-11.5	-7.6	5.3	8.5	4.0	-2.1	-5.6	325.0	328.7	330.6	342.5	326.5	333.9	
District No. 3:																			
Philadelphia.....	-9	-11.7	-20.4	-20.5	-17.0	-11.9	-13.8	4.2	5.4	1.4	-.5	-.9	281.9	314.3	330.5	313.5	314.2	311.9	
Outside.....	-10.8	-12.4	-14.3	-13.0	-8.2	-12.9	-7.4	9.5	7.3	.8	2.7	-4.6	479.3	508.7	465.8	426.4	447.7	432.3	
District.....	-4.6	-11.9	-19.0	-18.7	-14.9	-12.1	-11.5	5.6	5.9	1.3	.2	-1.7	357.6	365.6	361.9	340.4	346.1	341.0	
District No. 4:																			
Cleveland.....					-28.7	-28.0						-1.0	-2.6					328.7	363.1
Pittsburgh.....					-14.1	-14.9						-4.9	-3.6					302.4	387.7
Outside.....					-9.8	-9.0						-2.7	1.7					418.1	378.9
District.....	-4.0	-13.2	-17.1	-17.8	-18.2	-19.1	-14.6	3.1	7.9	4.2	-3.1	-2.8	306.4	353.6	345.9	327.4	331.0	319.5	
District No. 5:																			
Baltimore.....	-19.7	-24.0	-28.2	-26.0	-25.3	-24.2	-7.0	6.9	8.8	3.6	-3.1	-6.6	311.8	341.6	324.5	327.1	327.9	323.7	
Richmond.....	-9.8	-13.1	-16.6	-13.6	-14.6	-14.2	-15.2	7.7	7.8	4.3	-.2	-2.2	403.5	403.1	354.4	355.9	358.5	350.8	
Washington.....	-28.6	-29.9	-26.2	-29.0	-29.2	-27.5	-18.7	9.8	7.1	5.7	-.5	-2.8	351.2	370.9	341.3	344.1	345.3	340.6	
Other cities.....	-20.3	-21.4	-22.6	-23.3	-24.2	-21.0	-32.1	13.9	10.1	3.0	-1.7	-1.2	407.1	434.3	402.2	400.5	394.6	391.7	
District.....	-22.2	-24.8	-25.9	-25.8	-25.8	-24.2	-16.2	8.9	8.4	4.2	-1.7	-4.1	344.5	368.7	343.2	345.3	345.6	341.3	
District No. 6:																			
Atlanta.....						-21.8							-0.6						499.1
Nashville.....						-19.1							-2.8						442.7
New Orleans.....						-6.6							-4.9						350.8
Outside.....						-26.4							-3.6						536.6
District.....	-8.3	-13.9	-12.7	-11.6	-11.5	-17.4	-.8	6.0	4.4	.4	-2.7	-2.8	549.1	405.3	357.3	428.7	417.8	425.3	
District No. 7.....	-15.5	-13.1	-14.3	-21.3	-18.8	-20.6	-1.8	1.4	9.2	-.7	-3.1	-4.0	544.3	404.4	360.2	385.9	411.4	428.3	
District No. 8.....	9.9	-11.5	-9.8	-12.9	-11.0	-9.9	3.3	-.8	9.6	.2	-1.7	-.5	336.5	407.9	388.6	388.1	329.6	344.2	
District No. 9.....	-10.9	-23.1	-14.8	-19.1	-24.3	-27.4	8.8	1.2	6.2	-2.9	-4.2	-5.7						383.3	
District No. 10.....	-14.9	-18.2	-20.9	-21.6	-19.8	-17.0	-1.1	10.1	6.4	1.7	-4.3	-9.0	480.8	450.3	359.2	346.9	359.2	378.1	
District No. 11.....	-12.9	-15.5	-17.7	-18.1	-21.0	-22.6	-7.9	5.0	9.3	.5	-3.4	-4.6	357.6	393.7	363.6	369.6	407.5	396.5	
District No. 12:																			
Los Angeles.....	-4.9	-12.4	-12.8	-12.8	-9.4	-17.6	3.6	.5	6.2	4.5	2.3	-9.1	354.1	355.6	353.2	367.9	374.1	376.0	
San Francisco.....	-9.3	-16.5	-21.9	-13.8	-17.6	-16.3	-9.0	6.1	3.1	4.4	-2.3	-8.6	424.2	444.6	401.5	402.6	383.8	394.4	
Oakland.....	-21.1	-27.8	-27.2	-23.5	-16.5	-18.4	-10.9	4.2	7.7	2.4	6.8	-4.7	427.2	467.1	455.3	454.3	464.2	468.2	
Sacramento.....					-30.3	-30.5				6.8	3.0	-6.9						382.6	
Seattle.....	-21.4	-27.5	-33.8	-28.7	-27.4	-28.3	-11.3	6.6	3.1	2.6	-3.0	-5.1	463.0	468.1	438.0	399.1	423.4	410.1	
Spokane.....	-3.6	-14.0	-20.9	-17.7	-17.1	-16.3	2.1	4.4	1.4	9.2	-2.5	-7.1	620.5	610.9	621.6	617.8	602.2	575.5	
Salt Lake City.....					-15.1	-10.8				6.6	1.2	-3.2							
District.....	.4	-7.6	-21.6	-13.9	-14.2	-20.9	-4.1	2.2	4.5	3.0	-1.0	-7.6	502.4	448.2	404.7	477.9	466.6	469.7	

WHOLESALE TRADE.

PERCENTAGE OF INCREASE (OR DECREASE) IN NET SALES IN JUNE, 1921, AS COMPARED WITH THE PRECEDING MONTH (MAY, 1921).

District.	Groceries.		Dry goods.		Hardware.		Boots and shoes.		Furniture.		Drugs.		Auto supplies.		Stationery.		Auto tires.	
	Per cent.	Number of firms.	Per cent.	Number of firms.	Per cent.	Number of firms.	Per cent.	Number of firms.	Per cent.	Number of firms.	Per cent.	Number of firms.	Per cent.	Number of firms.	Per cent.	Number of firms.	Per cent.	Number of firms.
No. 3.....	+ 4.7	50			+ 1.2	25												
No. 5.....	+ 2.9	9	+ 1.3	9	- 0.9	9	+15.2	8	-2.5	4								
No. 6.....	-12.3	21	- 5.3	12	+ 0.1	14	+ 5.7	6										
No. 10.....			+14.9	3	+15.1	3												
No. 11.....	- 3.2	12	- 3.5	4	- 6.0	3					-6.5	3						
No. 12.....	- 3.9	31	- 0.8	11	+ 7.7	23	- 0.3	15	-0.5	15	+2.4	10	+6.6	19	+0.2	25	+32.7	13

PERCENTAGE OF INCREASE (OR DECREASE) IN NET SALES IN JUNE, 1921, AS COMPARED WITH JUNE, 1920.

District.	Groceries.		Dry goods.		Hardware.		Shoes.		Furniture.		Drugs.		Auto supplies.		Stationery.		Auto tires.	
	Per cent.	Number of firms.	Per cent.	Number of firms.	Per cent.	Number of firms.	Per cent.	Number of firms.	Per cent.	Number of firms.	Per cent.	Number of firms.	Per cent.	Number of firms.	Per cent.	Number of firms.	Per cent.	Number of firms.
No. 3.....	-46.9	50			-33.4	25												
No. 4.....	-49.8	10	-24.4	4	-32.9	3					-22.2	5						
No. 5.....	-42.5	9	-46.0	9	-32.4	9	-31.3	8	-42.2	4								
No. 6.....	-47.6	21	-34.6	12	-39.5	14	-43.5	6										
No. 7.....	-56.4	18	-29.8	11			+ 4.4	7										
No. 10.....			+12.3	3	-42.9	3												
No. 11.....	-35.4	12	- 7.1	4	-42.7	3					-27.9	3						
No. 12.....	-26.4	31	-17.0	11	-29.2	23	-18.1	15	-27.0	15	-17.8	10	-16.2	19	-34.4	25	+2.5	13

COMPARATIVE WHOLESALE PRICE LEVELS IN PRINCIPAL COUNTRIES.

The foreign index numbers published below are constructed by various statistical offices according to methods described, in most cases, in the BULLETIN for January, 1920. A description of the method used in the construction of the Swedish index number appeared in the BULLETIN for February, 1921, for the new Italian index number in the April, 1921, issue of the BULLETIN, and the method used by the Frankfurter Zeitung in the case of the German index number was described in the BULLETINS for February and March, 1921. Complete information regarding the computation of the United States Bureau of Labor Statistics appears in the publications of that bureau, and a description of the index number of the Federal Reserve Board may be found in the BULLETIN for May, 1920. Details as to the method used by the Økonomisk Revue in constructing its index of wholesale prices in Christiania are not available in this country. The Danish index has been constructed only recently, is based upon the prices of 33 commodities, and is roughly weighted according to consumption.

The new British index number, compiled by the Board of Trade, will be found on p. 990 of this issue of the BULLETIN. It has been revised and now uses prices in 1913 as a base. In the case of the two American index numbers, 1913 is used as the basis in the original computations. In the other cases in which 1913 appears as the basis for the computation, the index numbers have been shifted from their original bases. The computations in these cases are, therefore, only approximately correct. In a few cases July, 1914, or the year immediately preceding that, is used as the base. The figures are for the most part received by cable, and the latest ones are subject to revision. In cases where the index numbers were available they have been published for the war years in various issues of the BULLETIN in 1920.

In the following table the all-commodities index numbers for the whole series of countries appear together to facilitate the study of comparative price levels.

INDEX NUMBERS OF WHOLESALE PRICES (ALL COMMODITIES).

	United States; Federal Reserve Board (90 quotations). ²	United States; Bureau of Labor Statistics (315 quotations). ²	United Kingdom; Board of Trade (150 commodities). ³	United Kingdom; Statist (45 commodities). ³	France; Bulletin de la Statistique Générale (45 commodities). ³	Italy; Prof. Bachi (38 commodities until 1920, 76 thereafter). ³	Germany; Frankfurter Zeitung (77 commodities). ⁴	Sweden; Svensk Handels-tidning (47 quotations). ⁵	Christiana, Norway; Økononisk Revue (93 commodities). ⁶	Denmark; Finans-tidende (33 commodities). ⁷	Japan; Bank of Japan for Tokyo (56 commodities). ²	Australia; Commonwealth Bureau Census and Statistics (92 commodities). ²	Canada; Department of Labor (272 quotations). ⁵	Calcutta, India; Department of Statistics (75 commodities). ³
1913.....	100	100	100	100	100	100	100	100	100	100	100	100	100	100
1914.....	100	100	100	101	101	95	100	116	115	100	96	100	101	100
1915.....	101	101	101	126	137	133	145	159	138	97	97	141	110	110
1916.....	124	124	124	159	187	202	185	233	164	117	117	132	135	135
1917.....	176	176	176	206	262	299	244	341	228	147	147	155	177	177
1918.....	196	196	196	226	339	409	339	345	293	192	192	170	206	206
1919.....	206	212	212	242	357	364	330	322	294	236	236	180	217	217
1920.....	233	243	314	291	510	624	1,522	347	362	259	259	218	246	246
1920.														
June.....	258	269	330	300	493	632	1,473	395	382	248	233	258	206	206
July.....	250	262	324	299	496	604	1,473	363	409	383	239	234	256	209
1921.														
January....	163	178	251	232	407	642	1,083	267	344	341	201	196	208	178
February....	154	167	230	215	377	613	1,473	250	319	290	195	192	199	174
March.....	150	162	215	208	360	604	1,419	237	312	280	191	181	194	174
April.....	143	154	209	199	347	584	1,410	229	297	270	190	171	187	183
May.....	142	151	205	191	329	547	1,428	218	294	257	191	166	183	184
June.....	139	148	202	183	325	509	1,376	218	294	254	192	162	179	178
July.....	141	148	186	186	332	.....	1,467	211	.....	253	196	.....	176	183

¹ Index numbers for 1920 and thereafter based upon prices of 76 commodities. Computations arrived at by the method described on p. 465 of the BULLETIN for April, 1921.
² Average for the month.
³ End of month.
⁴ Beginning of month but not always the first.
⁵ Middle of month.
⁶ End of year and end of month.
⁷ First of month.
⁸ July 1, 1913, to June 30, 1914=100.
⁹ Middle of 1914=100.
¹⁰ Dec. 31, 1913-June 30, 1914=100.
¹¹ July 1, 1912-June 30, 1914=100.
¹² July, 1914=100.
¹³ End of July, 1914=100.
¹⁴ Last six months of 1917.

In the following tables the index numbers for individual groups of commodities are given for each country separately. Reference should be made to the preceding table for the "all commodities" indexes. In the case of the Italian group index numbers, Prof. Bachi's new computations only are given. These can not be referred back to the 1913 base and it is therefore impossible to compare present levels with prewar levels in these cases. No group index numbers are compiled by the Bank of Japan and the Danish index published by the Finans-tidende has only two group indexes, one for food and one for "other commodities."

GROUP INDEX NUMBERS—UNITED STATES—BUREAU OF LABOR STATISTICS.

[1913=100.]

Date.	Farm products.	Food, etc.	Cloths and clothing.	Fuel and lighting.	Metals and metal products.	Lumber and building material.	Chemicals and drugs.	House furnishing goods.	Miscellaneous.
1913.....	100	100	100	100	100	100	100	100	100
1914.....	103	103	98	96	87	97	101	99	99
1915.....	105	104	100	93	97	94	114	99	99
1916.....	122	126	128	119	148	101	159	115	120
1917.....	189	176	181	175	208	124	198	144	155
1918.....	220	189	239	163	181	151	221	196	193
1919.....	234	210	281	173	161	192	179	236	217
1920.....	218	239	302	238	186	308	210	366	236
July, 1920.....	236	268	317	252	191	333	217	362	243
1921.									
January.....	136	162	205	234	152	239	182	283	190
February....	129	150	198	218	146	222	178	277	180
March.....	125	150	192	206	139	208	171	275	167
April.....	115	141	186	197	138	203	168	274	154
May.....	117	133	181	194	138	202	166	262	151
June.....	113	132	180	187	132	202	166	250	150
July.....	115	134	179	184	125	200	163	235	149

ALL COMMODITIES AND GROUP INDEX NUMBERS—UNITED KINGDOM—BOARD OF TRADE.

[1913=100.]

	Cereals.	Meat and fish.	Other foods.	Total food.	Iron and steel.	Other metals and minerals.	Cotton.	Other textiles.	Other articles.	Total not food.
1920 average.....	273	263	278	272	406	252	480	362	274	340
1920.										
June.....	285	244	302	277	443	260	556	388	275	362
July.....	281	269	282	278	439	261	519	357	272	352
1921.										
January.....	245	285	251	257	359	213	224	220	221	248
February.....	212	266	227	234	320	201	195	201	216	228
March.....	205	251	229	228	283	192	173	179	205	209
April.....	200	245	224	222	259	192	181	170	196	202
May.....	197	220	222	213	250	193	183	166	202	201
June.....	199	219	218	212	240	189	180	162	199	196

GROUP INDEX NUMBERS—UNITED KINGDOM—STATIST.

[1913=100.]

Date.	Vegetable foods.	Animal foods.	Sugar, coffee, tea.	Food-stuffs.	Minerals.	Textiles.	Sundries.	Materials.	Date.	Vegetable foods.	Animal foods.	Sugar, coffee, tea.	Food-stuffs.	Minerals.	Textiles.	Sundries.	Materials.
1913.....	100	100	100	100	100	100	100	100	1921.								
1914.....	110	100	107	105	90	97	105	98	January.....	234	283	192	251	225	198	230	219
1915.....	155	125	130	137	109	111	131	119	February.....	206	270	187	234	200	179	224	203
1916.....	193	152	161	169	140	152	163	153	March.....	214	262	182	232	179	171	221	193
1917.....	252	192	213	218	152	228	212	198	April.....	212	249	180	225	176	172	199	184
1918.....	248	210	238	229	167	265	243	225	May.....	211	223	158	209	177	164	192	179
1919.....	252	215	275	238	190	271	268	243	June.....	226	206	156	207	157	164	181	168
1920.....	321	264	366	301	269	299	290	285	July.....	222	212	144	206	123	167	183	174
July, 1920.....	343	278	425	325	276	298	277	283									

GROUP INDEX NUMBERS—FRANCE—GENERAL STATISTICAL BUREAU.

[1913=100.]

Date.	Animal foods.	Vegetable foods.	Sugar, coffee, and cocoa.	Foods (20).	Minerals.	Textiles.	Sundries.	Raw materials (25).	Date.	Animal foods.	Vegetable foods.	Sugar, coffee, and cocoa.	Foods (20).	Minerals.	Textiles.	Sundries.	Raw materials (25).
1913.....	100	100	100	100	100	100	100	100	1921.								
1914.....	103	103	106	104	98	109	99	101	January.....	483	334	337	397	341	460	445	415
1915.....	126	126	151	131	164	132	145	145	February.....	452	317	338	378	300	398	422	378
1916.....	162	170	164	167	232	180	199	206	March.....	406	322	367	366	289	375	392	355
1917.....	215	243	201	225	271	303	302	291	April.....	396	348	359	372	281	314	371	328
1918.....	286	298	231	281	283	460	420	387	May.....	379	346	317	356	266	282	355	309
1919.....	392	313	253	336	272	444	405	373	June.....	349	368	338	357	261	278	341	300
1920.....	503	427	422	459	449	737	524	550	July.....	355	374	393	372	253	290	343	301
July, 1920.....	501	370	405	432	469	746	500	548									

GROUP INDEX NUMBERS—ITALY—RICCARDO BACHI.

[1920=100.]

	Vegetable foods.	Animal foods.	Chemicals.	Textiles.	Minerals and metals.	Building materials.	Other vegetable products.	Sundries.	All commodities.		Vegetable foods.	Animal foods.	Chemicals.	Textiles.	Minerals and metals.	Building materials.	Other vegetable products.	Sundries.	All commodities.
July, 1920..	97	100	100	88	96	108	90	105	98	1921.									
1921.										March....	108	117	87	64	72	113	123	104	97
January..	107	121	98	77	88	113	123	107	103	April.....	106	116	83	57	69	109	111	105	94
February.	103	120	89	65	80	117	127	107	98	May.....	102	112	76	47	62	107	110	95	88
										June.....	97	101	63	46	60	102	95	90	82

GROUP INDEX NUMBERS—GERMANY—FRANKFURTER ZEITUNG.

[Middle of 1914=100.]

	Agricultural products.	Textiles, leather.	Minerals.	Miscellaneous.		Agricultural products.	Textiles, leather.	Minerals.	Miscellaneous.
1920.					1921				
Average for the year.....	1,232	3,175	1,733	1,440	Beginning of—				
Beginning of July.....	1,283	2,561	1,552	1,625	March.....	1,204	2,371	1,552	1,517
1921.					April.....	1,195	2,153	1,608	1,500
Beginning of—					May.....	1,169	2,125	1,566	1,617
January.....	1,353	2,643	1,678	1,575	June.....	1,116	1,907	1,524	1,633
February.....	1,265	2,507	1,580	1,525	July.....	1,270	2,153	1,613	1,588

GROUP INDEX NUMBERS—SWEDEN—SVENSK HANDELSTIDNING.

[July 1, 1913–June 30, 1914=100.]

Date.	Vegetable food.	Animal food.	Raw materials for agriculture.	Coal.	Metals.	Building material.	Wood pulp.	Hides and leather.	Textiles.	Oils.
1913-14.....	100	100	100	100	100	100	100	100	100	100
1914 ¹	136	101	114	123	109	104	116	118	103	111
1915.....	151	140	161	177	166	118	116	158	116	120
1916.....	152	182	180	266	272	165	233	229	166	149
1917.....	181	205	198	551	405	215	267	206	247	212
1918.....	221	419	304	856	398	275	300	195	.....	.....
1919.....	261	409	340	804	258	286	308	211	.....	.....
1920.....	262	296	312	1,007	278	371	675	215	324	294
July, 1920.....	252	277	312	1,252	293	388	767	202	336	303
1921.										
January.....	244	266	281	371	230	320	520	131	169	328
February.....	231	241	248	362	204	319	511	108	147	318
March.....	238	229	240	279	185	298	510	85	134	268
April.....	232	231	236	291	178	236	510	84	125	264
May.....	221	217	245	369	153	237	286	106	132	238
June.....	237	206	236	371	149	224	286	108	129	207
July.....	236	230	216	315	149	192	197	112	133	191

¹ Average for 6 months ending Dec. 31, 1914.

GROUP INDEX NUMBERS—CHRISTIANIA, NORWAY—ØKONOMISK REVUE.

[Dec. 31, 1913–June 30, 1914=100.]

Date.	Animal food.	Vegetable food.	Feed-stuffs and fertilizers.	Fuel.		Iron.	Metals.	Building materials.	Textiles.	Hides and leather.	Pulp wood.	Paper.
				Coal and coke.	Petroleum and benzine.							
End of—												
1914.....	115	130	108	151	104	115	128	107	105	158	103	101
1915.....	149	150	150	224	132	158	289	131	121	193	124	137
1916.....	193	198	195	355	170	435	401	213	178	251	171	190
1917.....	260	292	231	1161	231	720	503	326	264	296	217	263
1918.....	324	277	284	514	247	573	503	359	302	286	283	313
1919.....	329	281	277	767	162	442	187	358	356	284	277	322
1920.....	352	385	340	647	407	482	200	416	402	255	321	472
June, 1920.....	300	324	306	986	257	696	232	429	406	274	323	425
1921.												
January.....	307	370	317	512	384	394	165	378	374	217	321	472
February.....	294	324	292	358	364	340	167	362	352	212	289	472
March.....	307	315	287	289	357	328	169	339	350	203	289	472
April.....	283	304	273	317	343	295	166	329	329	199	289	418
May.....	280	303	277	317	343	295	166	324	324	190	289	413
June.....	273	323	275	345	336	296	167	308	324	197	289	413

GROUP INDEX NUMBERS—AUSTRALIAN COMMONWEALTH—BUREAU OF CENSUS AND STATISTICS.

[July, 1914=100]

Date.	Metals and coal.	Textiles, leather, etc.	Agricultural products.	Dairy products.	Groceries and tobacco	Meat.	Building materials.	Chemicals.
July, 1914.....	100	100	100	100	100	100	100	100
1915.....	117	93	202	127	110	150	116	149
1916.....	154	131	113	124	127	155	136	172
1917.....	213	207	110	116	131	155	194	243
1918.....	220	232	135	121	138	147	245	315
1919.....	193	217	186	137	147	145	261	282
1920.....	209	243	229	184	186	201	295	277
June, 1920.....	214	260	261	187	195	208	307	297
1921.								
January.....	215	145	197	208	197	191	279	244
February.....	214	132	192	206	197	184	303	242
March.....	203	107	176	207	198	178	303	234
April.....	202	114	164	178	196	144	284	231
May.....	194	108	161	175	195	140	279	224
June.....	195	105	160	171	188	134	250	223

GROUP INDEX NUMBERS—CANADA—DEPARTMENT OF LABOR.¹

[1913=100.]

Date.	Grains and fodder.	Animals and meats.	Dairy products.	Fruits and vegetables.	Other foods.	Textiles.	Hides, leather, etc.	Metals.	Implements.	Building materials, lumber.	Fuel and lighting.	Drugs and chemicals.
1913.....	100	100	100	100	100	100	100	100	100	100	100	100
1914.....	114	107	100	99	104	102	105	96	101	100	94	106
1915.....	136	104	105	93	121	114	110	128	106	97	92	160
1916.....	142	121	119	130	136	143	143	167	128	100	113	222
1917.....	206	161	149	233	180	201	168	217	174	118	163	236
1918.....	231	197	168	214	213	273	169	229	213	147	188	250
1919.....	227	199	192	206	222	285	213	173	228	171	201	205
1920.....	263	198	204	261	258	303	191	203	245	268	255	204
July, 1920.....	292	211	194	295	283	305	178	209	242	282	294	218
1921.												
January.....	186	175	216	184	212	228	131	174	257	248	247	196
February.....	171	171	185	163	205	204	126	167	257	239	234	188
March.....	168	171	174	175	203	198	118	158	243	231	233	181
April.....	154	169	161	162	189	191	115	145	241	229	226	180
May.....	150	158	126	162	189	187	114	147	236	224	216	178
June.....	146	146	124	169	183	180	106	154	236	218	212	175
July.....	146	143	133	157	174	179	106	147	236	217	207	175

¹ Unimportant groups omitted.

GROUP INDEX NUMBERS—CALCUTTA, INDIA—DEPARTMENT OF STATISTICS.

[End of July, 1914=100.]

Date.	Building materials.	Manufactured articles.	Metals.	Hides and skins.	Cotton manufactures.	Raw cotton.	Jute manufactures.	Other textiles.	Oil s. mustard.	Raw jute.	Oil seeds.	Tea.	Sugar.	Pulses.	Cereals.	Other foods.
End of July, 1914.....	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
Average for 1920.....	138	231	238	147	354	153	149	162	128	104	173	78	407	166	154	184
July, 1920.....	139	235	249	100	364	132	151	168	119	89	169	74	503	159	151	188
1921.																
January.....	158	238	247	81	324	107	104	149	116	85	130	77	314	135	139	139
February.....	147	226	243	80	306	104	101	149	97	80	124	70	352	119	129	148
April.....	147	242	255	97	311	119	97	123	110	85	131	76	359	147	.....	150
May.....	155	262	254	110	312	124	94	126	112	75	142	78	302	156	.....	153
June.....	149	244	245	119	303	129	100	132	114	76	145	89	239	165	.....	152
July.....	149	237	245	116	316	136	102	147	115	80	157	92	247	173	.....	162

COMPARATIVE RETAIL PRICES IN PRINCIPAL COUNTRIES.

In the following table are presented statistics showing the trend of retail prices and the cost of living in the United States and important European countries. Three of these index numbers—those for the United Kingdom, Paris, and Sweden—are constructed on the basis of prices in July, 1914=100. In the case of the United States, the original base, that of the year 1913, has been shifted to the July, 1914, base. The German index uses the year ending July, 1914, as a base.

The American index number, constructed by the Bureau of Labor Statistics, was based upon the retail prices of 22 articles of food, weighted according to family consumption, until January, 1921, when it was increased to 43 articles reported by dealers in 51 important cities. The method of weighting continues the same, although the actual "weights" applied have been changed.

The British index number of the cost of living constructed by the Ministry of Labor consists of the retail prices not only of foodstuffs but of other articles as well. Retail clothing prices, rents, and the cost of fuel, lighting, and miscellaneous household items are also taken into consideration. The index number is weighted according to the importance of the items in the budgets of working-class families.

The retail price index for Paris, compiled by the French General Statistical Office, consists of retail prices of 13 different commodities, weighted according to the average annual consumption of a workingman's family of four persons. Eleven of the commodities included

in this index are foods, and the other two are kerosene and alcohol.

The Swedish index number consists of the retail prices of foodstuffs, fuel, and lighting and is based upon the prices of 51 articles in 44 towns (in 1920, 50 articles in 49 towns), weighted according to the budget of a workingman's family which before the war had a yearly income of 2,000 kronor.

The German index expresses upon a percentage basis figures compiled by Dr. R. R. Kuczynski of the statistical office at Berlin-Schoneberg. Dr. Kuczynski bases his calculations upon the cost of living per week of a family of four in Greater Berlin.

RETAIL PRICES IN THE UNITED STATES, PARIS, AND SWEDEN; COST OF LIVING IN UNITED KINGDOM AND BERLIN.

[July, 1914=100.]

	United States, retail prices. ¹	United Kingdom, cost of living. ²	Paris, retail prices. ¹	Sweden, retail prices.	Berlin, cost of living. ³
1919.....	182	216	260	321	.....
1920.....	199	249	371	298	1,080
1920.					
June.....	215	250	369	294	1,056
July.....	215	252	373	297	1,125
1921.					
January.....	169	265	410	283	1,111
February.....	155	251	382	262	1,087
March.....	153	241	358	253	1,035
April.....	149	233	328	248	976
May.....	142	228	317	237	990
June.....	141	219	312	234	1,080
July.....	145	219	306	232	.....

¹ Average for the month.

² Beginning of month.

³ August, 1913-July, 1914=100.

FOREIGN TRADE—UNITED KINGDOM, FRANCE, ITALY, SWEDEN, AND JAPAN.

In the following table are presented figures showing the monthly value of the foreign trade of a group of important European countries and Japan. Similar statistics for Germany are not available. Currencies have not been converted to a common unit, nor are methods of valuation the same in all countries. In England, imports are given current c. i. f. values in England; exports and reexports, current f. o. b. values. The same method is followed in Japan and Sweden. In France and Italy the value of foreign trade is estimated not in terms of current prices but in terms of those of some earlier date, usually the preceding year.

None of the figures presented below include the import or export of gold and silver. In the case of England and France, group figures are given as well as total values, while in the case of the other countries, total values only are presented. This does not mean that group figures are not obtainable, merely that they are either delayed in publication or appear not to be of such general interest as the French and English material.

Japanese figures for recent months are received by cable and subject to revision.

FOREIGN TRADE OF UNITED KINGDOM.

	Imports.						Exports.					Reexports.		
	In thousands of pounds sterling.						In thousands of pounds sterling.					In thousands of tons.	In thousands of pounds sterling.	In thousands of tons.
	Food, drink, and tobacco.	Raw materials and articles mainly manufactured.	Articles wholly or mainly manufactured.	Miscellaneous, including parcel post.	Total.	In thousands of tons.	Food, drink, and tobacco.	Raw materials and articles mainly manufactured.	Articles wholly or mainly manufactured.	Miscellaneous, including parcel post.	Total.			
Monthly average:														
1913.....	24,184	23,485	16,134	259	64,061	4,669	2,716	5,825	34,281	949	43,770	7,650	9,131	152
1919.....	59,927	50,565	24,663	358	135,513	.....	2,814	9,274	53,457	1,008	66,553	.....	13,729	.....
1920.....	63,948	59,292	37,902	254	161,395	3,795	4,241	12,138	93,394	1,528	111,297	3,292	18,701	138
1920.														
June.....	67,341	57,919	44,681	325	170,266	4,150	4,313	11,447	99,081	1,512	116,352	3,143	20,124	137
July.....	69,571	51,899	41,923	450	163,842	4,196	4,515	12,551	118,954	1,432	137,452	3,526	17,848	132
1921.														
January.....	49,158	37,005	30,467	420	117,051	3,383	3,852	7,668	79,746	1,491	92,756	2,558	9,955	87
February.....	47,750	25,504	23,394	326	96,974	2,573	3,075	5,881	58,177	1,089	68,222	2,446	8,004	82
March.....	50,888	17,739	24,930	184	93,742	2,697	2,897	5,832	56,969	1,111	66,809	2,656	8,888	127
April.....	52,908	16,547	20,374	167	89,996	2,668	3,729	2,936	52,019	1,184	59,868	1,279	8,524	126
May.....	50,094	16,711	19,282	221	86,308	2,891	2,101	1,437	38,662	889	43,088	500	7,232	90
June.....	51,915	18,389	17,600	278	88,182	.....	2,439	1,125	33,658	930	38,152	.....	7,083	.....
July.....	42,090	20,232	18,005	431	80,757	.....	2,702	2,775	36,705	991	43,172	.....	9,362	.....

FOREIGN TRADE OF FRANCE.¹

[In thousands of francs.]

	Imports.				Exports.				
	Food.	Raw materials.	Manufactured articles.	Total.	Food.	Raw materials.	Manufactured articles.	Parcel post.	Total.
1913 monthly average ²	151,465	412,144	138,169	701,778	69,908	154,841	301,420	47,182	573,351
1919 monthly average ³	892,040	1,229,435	861,797	2,983,272	99,201	203,691	615,630	71,444	989,966
1920 monthly average ³	718,179	1,400,046	832,187	2,950,413	184,277	397,677	1,187,742	99,867	1,869,563
1921.									
January.....	346,703	1,101,267	534,498	1,982,468	188,546	436,069	1,142,398	115,605	1,882,618
February.....	389,169	803,231	424,531	1,613,931	172,992	478,561	1,162,817	85,074	1,899,444
March.....	455,545	786,352	501,011	1,742,908	162,901	379,281	1,035,826	108,418	1,686,426
April.....	390,345	887,151	501,593	1,779,089	176,333	468,453	1,179,683	107,799	1,932,268
May.....	419,229	690,553	455,726	1,565,508	151,724	415,057	986,583	95,271	1,648,635
June.....	490,615	871,374	361,545	1,723,534	148,237	540,722	977,129	84,376	1,750,464

¹ Not including gold, silver, or the reexport trade.² Calculated in 1913 value units.³ Calculated in 1919 value units.⁴ Calculated in 1919 value units. French foreign trade figures are originally recorded in quantity units only, and the value of the trade is calculated by applying official value units to the quantities imported and exported. Normally the monthly statements of trade appear computed at the rates of the year previous, and only at the end of the year is the trade evaluated at the prices prevailing during that year. Because of the disturbed price conditions in France during the past two years, 1919 price units are being applied to the 1921 trade.

FOREIGN TRADE OF ITALY, SWEDEN, AND JAPAN.

	Italy. (In millions of lire.) ¹		Sweden. (In millions of kroner.)		Japan. (In millions of yen.)	
	Imports.	Exports.	Imports.	Exports.	Imports.	Exports.
1913 monthly average.....	304	210	71	68	61	53
1919 monthly average.....	1,385	506	211	131	181	175
1920 monthly average.....	1,322	650	281	191	195	162
1920.						
April.....	1,363	679	267	164	297	217
May.....	1,401	662	314	227	296	193
June.....	2,076	752	283	224	220	184
July.....	1,040	521	331	268	157	154
1921.						
January.....	1,166	503	122	91	105	75
February.....	1,320	566	116	80	119	77
March.....	1,503	569	99	75	137	94
April.....	1,346	586	² 106	² 69	139	115
May.....	.....	.....	² 194.9	² 82.1	149	105
June.....	.....	.....	.....	.....	² 148	² 107
July.....	.....	.....	.....	.....	² 109	² 98

¹ 1920 and 1921 figures based on 1919 value units.² Provisional.

DISCOUNT AND OPEN-MARKET OPERATIONS OF FEDERAL RESERVE BANKS.

Following is a set of tables showing the volume of bills discounted and of acceptances and Government securities purchased by the Federal reserve banks during June, 1921. Bills discounted and purchased are classified by character of paper and by rate of discount. Average maturity and average rate of discount are also given, as is the number and percentage of banks accommodated during the month.

VOLUME OF OPERATIONS DURING JUNE, 1921.

Federal Reserve Bank.	Bills discounted for member banks.	Bills bought in open market.	U. S. securities purchased.		Total.	
			Bonds and notes.	Certificates of indebtedness.	June, 1921.	June, 1920.
Boston.....	\$257,451,992	\$14,360,872	\$1,070,000	\$60,686,000	\$333,568,864	\$494,121,135
New York.....	1,282,758,515	24,409,834	5,509,000	754,209,500	2,066,886,849	4,348,461,420
Philadelphia.....	372,532,914	3,399,959	6,070,600	49,831,500	431,834,973	525,832,297
Cleveland.....	277,890,926	3,233,046	12,400	91,346,500	372,482,872	338,070,216
Richmond.....	243,032,356	2,154,300	.....	2,000,000	247,186,656	290,865,000
Atlanta.....	125,805,516	868,349	1,587,800	4,012,000	132,273,665	168,730,145
Chicago.....	418,783,158	8,331,600	35,000	28,293,500	455,443,258	630,783,246
St. Louis.....	147,281,117	947,230	226,400	28,714,000	177,168,747	208,560,026
Minneapolis.....	67,995,719	.....	71,000	595,000	68,661,719	121,503,542
Kansas City.....	77,147,034	20,000	.....	243,000	77,410,034	153,691,623
Dallas.....	65,635,555	19,200	.....	2,000,000	67,654,755	148,720,253
San Francisco.....	338,662,232	6,928,739	606,700	22,688,500	368,886,171	371,500,171
Total:						
June, 1921.....	3,674,977,034	64,673,129	15,188,900	1,044,619,500	4,799,458,563	.....
June, 1920.....	6,336,641,955	285,752,619	.....	1,178,444,500	.....	7,800,839,074
6 months ending June 30, 1921.....	36,588,371,463	767,764,912	23,681,761	2,474,154,557	39,853,972,693	.....
6 months ending June 30, 1920.....	38,431,408,220	1,713,703,385	245,500	4,661,369,000	.....	44,806,726,105

VOLUME OF BILLS DISCOUNTED DURING JUNE, 1921, BY CLASSES OF PAPER; ALSO NUMBER OF MEMBER BANKS ACCOMMODATED.

Federal Reserve Bank.	Customers' paper secured by Government obligations.	Member banks' collateral notes.		Commercial paper, n. e. s.	Agricultural paper.	Live-stock paper.	Bankers' acceptances.		
		Secured by Government obligations.	Otherwise secured.				Foreign.	Domestic.	Dollar exchange.
Boston.....	\$11,287,155	\$157,770,100	.....	\$87,489,454	\$518,869	\$8,535	.....	.....	.....
New York.....	37,585,152	463,897,874	.....	764,140,975	14,381,840	10,107	\$1,737,539	.....	.....
Philadelphia.....	13,690,184	250,613,210	\$300,000	107,459,825	303,323	.....	.....	.....	.....
Cleveland.....	5,886,645	178,557,225	427,000	89,738,398	387,975	103,472	81,347	\$30,000	.....
Richmond.....	1,729,338	197,734,769	2,522,500	35,019,086	5,190,683	20,166	.....	.....	.....
Atlanta.....	2,759,442	64,618,933	498,150	51,575,327	5,013,896	929,595	.....	.....	.....
Chicago.....	14,363,211	199,112,169	2,937,488	184,377,893	14,537,116	2,155,073	.....	167,315	.....
St. Louis.....	2,300,109	82,336,633	.....	55,392,594	5,049,851	612,010	882,208	388,443	\$20,000
Minneapolis.....	370,457	25,767,662	1,529,875	27,390,986	8,505,639	4,157,984	50,000	.....	.....
Kansas City.....	2,185,889	49,273,281	.....	14,803,708	2,567,795	7,979,201	.....	.....	.....
Dallas.....	691,635	33,268,834	7,009,040	11,222,196	6,683,305	6,415,641	.....	.....	.....
San Francisco.....	3,313,183	258,863,301	14,369,509	47,938,796	6,914,615	4,504,150	305,237	128,284	.....
Total: June, 1921..	96,162,420	1,961,814,011	29,593,562	1,476,729,238	70,054,907	26,895,934	3,056,331	714,042	20,000
May, 1921..	137,042,168	2,574,246,609	23,153,375	1,427,085,834	48,159,112	27,845,702	5,823,401	709,555	30,000
June, 1920..	140,604,965	4,404,231,395	8,711,600	.....	1,759,724,891	.....	.....	9,431,522	.....
May, 1920..	162,537,856	4,345,928,296	6,130,761	.....	1,589,592,398	.....	.....	15,254,260	.....

VOLUME OF BILLS DISCOUNTED DURING JUNE, 1921, BY CLASSES OF PAPER; ALSO NUMBER OF MEMBER BANKS ACCOMMODATED—Continued.

Federal Reserve Bank.	Trade acceptances.		Total, all classes.	Total reduced to a common maturity basis. ¹		Member banks.		
	Foreign.	Domestic.		Amount.	Per cent of total.	Number in district.	Accommodated.	
			June 30.			Number.	Per cent.	
Boston.....		\$377,879	\$257,451,992	\$159,505,793	4.3	438	254	57.9
New York.....		1,035,028	1,282,758,515	818,210,351	22.3	792	376	47.5
Philadelphia.....		183,372	372,532,914	238,449,207	6.5	699	399	57.1
Cleveland.....		2,648,864	277,890,926	255,658,995	6.9	879	364	41.4
Richmond.....		815,814	243,032,356	209,032,808	5.7	621	413	66.5
Atlanta.....		410,173	125,805,516	190,855,533	5.2	493	359	72.8
Chicago.....		932,893	418,783,158	805,700,019	21.9	1,430	947	66.2
St. Louis.....		299,269	147,281,117	201,766,222	5.5	585	323	55.2
Minneapolis.....		223,116	77,995,719	192,641,641	5.2	1,016	634	62.4
Kansas City.....		337,160	67,147,034	150,922,470	4.1	1,092	605	55.4
Dallas.....		344,864	65,635,555	141,573,657	3.9	860	603	69.4
San Francisco.....	\$100,000	2,225,157	338,662,232	310,660,338	8.5	865	463	53.5
Total: June, 1921.....	100,000	9,836,589	3,674,977,034	3,674,977,034	100.0	9,779	5,740	58.7
May, 1921.....		9,767,898	4,253,863,654			9,770	5,616	57.5
June, 1920.....	13,937,582		6,336,641,955			9,395	4,948	52.7
May, 1920.....	16,540,603		6,135,984,174			9,329	4,642	49.8

¹ Total discounts multiplied by ratio of average maturity of bills discounted by each bank to average maturity (19.29) for system.

VOLUME OF BILLS DISCOUNTED DURING JUNE, 1921, BY NORMAL RATES OF DISCOUNT CHARGED; ALSO AVERAGE RATES AND MATURITIES.

Federal Reserve Bank.	5½ per cent.	5¾ per cent.	6 per cent.	6½ per cent.	7 per cent.	Total.	Average rate (365 day basis).	Average maturity.
Boston.....			\$257,451,992			\$257,451,992	6.00	11.99
New York.....			838,362,378	\$444,396,137		1,282,758,515	6.15	12.19
Philadelphia.....	\$256,729,095	\$2,623,000	113,180,819			372,532,914	5.67	12.38
Cleveland.....			277,890,926			277,890,926	6.00	17.80
Richmond.....			243,032,356			243,032,356	6.00	16.64
Atlanta.....			125,805,516			125,805,516	6.00	29.35
Chicago.....			215,205,199	203,577,959		418,783,158	6.38	37.22
St. Louis.....	1,096,709		146,184,408			147,281,117	6.17	26.50
Minneapolis.....			26,194,841	41,800,878		67,995,719	6.45	54.81
Kansas City.....	7,760,000	974,000	68,413,034			77,147,034	6.41	37.85
Dallas.....			39,615,590	26,010,965		65,635,555	6.33	41.73
San Francisco.....			338,662,232			338,662,232	6.00	17.75
Total, June, 1921.....	265,585,804	3,597,000	2,689,999,291	715,794,939		3,674,977,034	6.13	19.29
May, 1921.....	318,960,359	5,889,500	2,900,004,902	833,524,302	\$145,484,591	4,253,863,654	6.22	16.60

VOLUME OF BANKERS' AND TRADE ACCEPTANCES PURCHASED DURING JUNE, 1921, BY CLASSES.

Federal Reserve Bank.	Bankers' acceptances.				Trade acceptances.			Total bills purchased.	Total reduced to a common maturity basis. ¹	
	Foreign.	Domestic.	Dollar exchange.	Total.	Foreign.	Domestic.	Total.		Amount.	Per cent of total.
Boston.....	\$10,629,229	\$2,691,643	\$1,040,000	\$14,360,872				\$14,360,872	\$14,189,541	21.9
New York.....	17,363,752	4,414,557	2,566,512	24,344,821	\$65,013		\$65,013	24,409,834	15,372,173	23.8
Philadelphia.....	2,629,323	495,636	275,000	3,399,959				3,399,959	4,375,526	6.8
Cleveland.....	1,539,269	1,633,777	60,000	3,233,046				3,233,046	2,246,124	3.5
Richmond.....	552,800	1,601,500		2,154,300				2,154,300	2,496,951	3.8
Atlanta.....	673,469	194,880		868,349				868,349	1,719,416	2.7
Chicago.....	3,877,120	4,419,430	35,000	8,331,600				8,331,600	19,452,478	30.1
St. Louis.....	229,933	587,297	130,000	947,230				947,230	538,960	.8
Minneapolis.....										
Kansas City.....		20,000		20,000				20,000	62,446	.1
Dallas.....		19,200		19,200				19,200	9,367	
San Francisco.....	5,503,821	1,187,318	228,000	6,919,139	9,600		9,600	6,928,739	4,240,147	6.5
Total, June, 1921.....	42,998,716	17,265,283	4,334,512	64,598,516	74,613		74,613	64,673,129	64,673,129	100.0
May, 1921.....	85,187,323	27,244,489	25,547,853	137,979,665	621,540		621,540	138,601,205	138,601,205	
June, 1920.....	193,372,977	62,810,535	5,149,705	261,333,217	22,872,328	\$1,547,074	24,419,402	285,752,619	285,752,619	
May, 1920.....	195,294,991	72,768,319	2,434,527	270,497,837	2,724,282	1,014,578	3,738,860	274,236,697	274,236,697	

¹ Total purchases multiplied by ratio of average maturity of bills purchased by each bank to average maturity (28.83) for system.

VOLUME OF ACCEPTANCES PURCHASED DURING JUNE, 1921, BY RATES OF DISCOUNT CHARGED; ALSO AVERAGE RATES AND MATURITIES.

Federal Reserve Bank.	5½ per cent.	5¾ per cent.	5⅞ per cent.	5⅞ per cent.	6 per cent.	6¼ per cent.	6½ per cent.	6¾ per cent.	7 per cent.	Total.	Average rate	Average maturity.
											(365-day basis).	Days.
Boston.....		\$9,236,599	\$3,262,297	\$1,361,976	\$500,000					\$14,360,872	5.84	28.48
New York.....	\$25,000		21,391,194	2,192,181	596,546	\$90,000	\$49,900	\$65,013		24,409,834	5.87	18.15
Philadelphia.....	480,000	230,373	1,535,170	1,002,923	151,493					3,399,959	5.90	37.10
Cleveland.....		135,000	1,357,347	749,938	569,507	335,000	72,715	13,530		3,233,046	5.99	20.03
Richmond.....					2,154,300					2,154,300	6.08	33.41
Atlanta.....	25,000				843,349					868,349	6.07	37.07
Chicago.....	1,467,292	505,000	2,744,108	2,700,200	915,000					8,331,600	5.85	67.30
St. Louis.....	10,000	50,000	5,000	335,230	252,000	295,000				947,230	6.07	15.49
Minneapolis.....												
Kansas City.....					19,200				\$20,000	20,000	7.10	90.00
Dallas.....					538,664	1,300	800			19,200	6.08	14.06
San Francisco.....			6,002,755	385,220						6,028,739	5.88	17.64
Total:												
June, 1921.....	2,007,292	10,156,972	36,297,871	8,727,668	6,540,059	721,300	123,415	78,552	20,000	64,673,129	5.88	28.83
May, 1921.....	4,719,441	11,962,515	99,701,302	14,772,502	5,114,040	528,677	255,587	627,141	\$65,000	138,601,205	5.89	23.14

¹ Includes \$55,000 of acceptances purchased at 6¾ per cent.

HOLDINGS OF EARNING ASSETS, BY CLASSES.

Following is a set of tables giving a detailed analysis of the different classes of earning assets held by the Federal Reserve Banks at the end of June, 1921.

AVERAGE DAILY HOLDINGS OF EACH CLASS OF EARNING ASSETS, EARNINGS THEREON, AND ANNUAL RATES OF EARNINGS, DURING JUNE, 1921.

Federal Reserve Bank.	Average daily holdings of—				Earnings on—				Annual rate of earnings on—			
	All classes of earning assets.	Discounted bills.	Purchased bills.	U. S. securities.	All classes of earning assets.	Discounted bills.	Purchased bills.	U. S. securities.	All classes of earning assets.	Discounted bills.	Purchased bills.	U. S. securities.
Boston.....	\$130,991,068	\$98,255,055	\$10,745,570	\$21,990,443	\$582,089	\$489,520	\$51,297	\$41,272	5.41	6.07	5.81	2.28
New York.....	563,294,587	454,980,411	19,567,793	88,746,383	2,642,934	2,354,992	96,974	190,968	5.71	6.33	6.03	2.62
Philadelphia.....	180,669,119	141,471,661	7,825,995	31,371,463	755,699	656,965	37,673	61,061	5.08	5.64	5.85	2.36
Cleveland.....	176,796,037	146,389,188	4,387,826	26,019,023	793,047	721,888	21,547	49,632	5.45	6.00	5.97	2.32
Richmond.....	116,428,369	103,396,976	2,604,393	10,427,000	535,494	505,092	13,023	17,379	5.59	5.94	6.08	2.03
Atlanta.....	128,731,894	103,498,491	1,077,853	24,155,550	589,830	526,031	5,570	58,229	5.58	6.18	6.29	2.93
Chicago.....	357,787,472	312,109,999	3,980,276	41,697,197	1,752,591	1,658,578	20,009	74,004	5.96	6.47	5.89	2.16
St. Louis.....	96,663,299	82,132,596	369,549	14,161,154	450,422	421,955	1,820	26,647	5.66	6.25	5.99	2.29
Minneapolis.....	80,585,000	72,425,000		8,160,000	405,710	392,056		13,654	6.13	6.59		2.04
Kansas City.....	97,975,558	80,578,438	23,500	17,373,600	440,391	409,441	137	30,813	5.47	6.18	7.10	2.16
Dallas.....	70,560,798	63,225,957	172,258	7,162,583	360,753	347,100	936	12,717	6.22	6.68	6.51	2.16
San Francisco.....	174,682,863	159,275,973	3,960,840	11,446,050	819,554	778,890	19,272	21,422	5.71	5.95	5.92	2.28
Total:												
June, 1921.....	2,175,166,064	1,817,739,765	54,715,853	302,710,446	10,128,514	9,262,458	268,258	597,798	5.67	6.20	5.97	2.40
May, 1921.....	2,353,794,360	1,966,646,008	84,394,913	302,753,439	11,571,365	10,502,633	428,792	639,940	5.79	6.29	5.98	2.49
June, 1920.....	3,209,650,487	2,461,021,583	401,183,809	347,445,095	14,493,437	11,888,886	1,967,604	636,947	5.51	5.89	5.98	2.24
May, 1920.....	3,255,859,393	2,537,550,923	416,519,623	301,788,847	14,776,159	12,172,290	2,036,403	567,466	5.36	5.66	5.77	2.22

HOLDINGS OF DISCOUNTED BILLS, BY CLASSES.

[End of June figures. In thousands of dollars.]

Federal Reserve Bank.	Total.	Customers' paper secured by Government obligations.	Member banks' collateral notes.		Commercial paper n. e. s.	Agricultural paper.	Live-stock paper.	Bankers' acceptances.			Trade acceptances.	
			Secured by Government obligations.	Otherwise secured.				Foreign.	Domestic.	Dollar exchange.	Foreign.	Domestic.
Boston.....	97,348	11,414	28,742	.....	55,890	907	8	.....	.....	.....	.....	387
New York.....	390,793	22,527	145,657	.....	214,156	821	.....	6,746	.....	.....	.....	886
Philadelphia.....	140,595	18,102	76,434	.....	45,166	641	.....	.....	.....	.....	.....	252
Cleveland.....	151,856	8,651	46,124	.....	93,661	763	347	56	45	.....	.....	2,094
Richmond.....	99,138	3,536	21,909	1,358	59,653	11,109	117	.....	.....	.....	.....	1,456
Atlanta.....	99,980	5,635	30,644	255	47,201	12,238	2,688	150	50	.....	.....	1,119
Chicago.....	321,934	15,259	89,512	2,034	158,304	53,867	.....	.....	2	.....	.....	2,956
St. Louis.....	86,793	3,052	29,734	.....	42,327	9,271	1,184	469	310	.....	.....	446
Minneapolis.....	71,329	623	4,985	921	23,926	22,823	17,746	50	.....	.....	.....	255
Kansas City.....	78,602	3,066	22,141	.....	22,525	7,550	22,832	.....	.....	.....	.....	488
Dallas.....	62,167	1,022	7,484	3,439	13,349	19,263	16,703	.....	70	.....	.....	837
San Francisco.....	150,815	5,419	35,918	7,104	65,934	18,622	14,633	308	200	.....	80	2,397
Total: June 30, 1921.....	1,751,350	98,306	539,284	15,226	842,092	157,875	76,258	7,779	677	.....	80	13,773
May 31, 1921.....	1,907,913	159,563	627,681	12,006	855,608	152,749	76,718	7,804	1,638	30	134	13,982
June 25, 1920.....	2,431,794	315,835	962,145	2,923	937,645	83,193	84,845	.....	25,174	.....	.....	20,034
May 28, 1920.....	2,519,431	326,473	1,121,489	3,154	863,801	63,537	77,154	.....	41,841	.....	.....	21,970

HOLDINGS OF BANKERS' AND TRADE ACCEPTANCES PURCHASED OR DISCOUNTED, BY CLASSES OF ACCEPTANCES.

[End of June figures. In thousands of dollars.]

Federal Reserve Bank.	All classes.			Bankers' acceptances.				Trade acceptances.		
	Total.	Purchased in open market.	Discounted for member banks.	Total.	Foreign.	Domestic.	Dollar exchange.	Total.	Foreign.	Domestic.
Boston.....	9,035	8,648	387	8,648	5,685	1,894	1,069	387	.....	387
New York.....	23,181	15,549	7,632	22,295	17,714	3,207	1,374	886	.....	886
Philadelphia.....	4,717	4,465	252	4,465	3,775	90	600	252	.....	252
Cleveland.....	4,551	2,356	2,195	2,457	1,621	816	20	2,094	.....	2,094
Richmond.....	3,593	2,137	1,456	2,137	691	1,446	.....	1,456	.....	1,456
Atlanta.....	2,296	977	1,319	1,177	826	351	.....	1,119	.....	1,119
Chicago.....	6,458	3,500	2,958	3,502	3,176	276	50	2,956	.....	2,956
St. Louis.....	1,444	219	1,225	998	469	509	20	446	.....	446
Minneapolis.....	305	20	305	50	50	.....	.....	255	.....	255
Kansas City.....	508	.....	488	20	20	.....	.....	488	.....	488
Dallas.....	1,057	150	907	220	150	70	.....	837	.....	837
San Francisco.....	3,387	2,202	3,185	2,617	2,092	490	35	2,770	173	2,397
Total: June 30, 1921.....	62,532	40,223	22,309	48,586	36,249	9,169	3,168	13,946	173	13,773
May 31, 1921.....	99,045	75,457	23,588	84,711	57,766	16,343	10,602	14,334	352	13,982
Purchased in open market:	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
June 30, 1921.....	.....	40,223	.....	40,130	28,470	8,492	3,168	93	93	.....
May 31, 1921.....	.....	75,457	.....	75,239	49,962	14,705	10,572	218	218	.....
Discounted for member banks:	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
June 30, 1921.....	.....	.....	22,309	8,456	7,779	677	.....	13,853	80	13,773
May 31, 1921.....	.....	.....	23,588	9,472	7,804	1,638	30	14,116	134	13,982

HOLDINGS OF BANKERS' ACCEPTANCES PURCHASED OR DISCOUNTED, BY CLASSES OF ACCEPTING INSTITUTIONS.

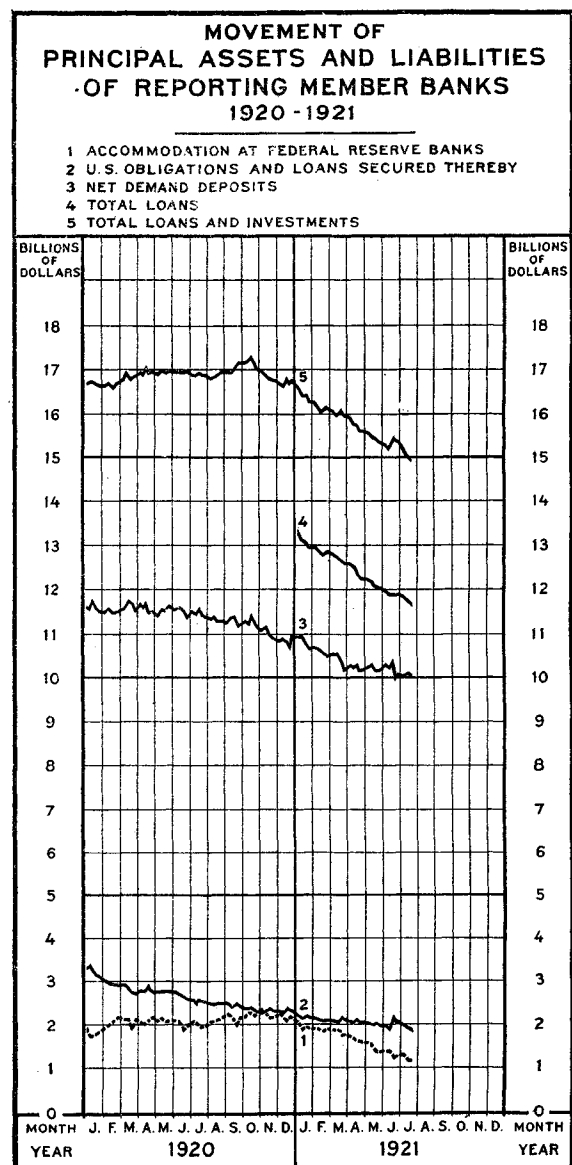
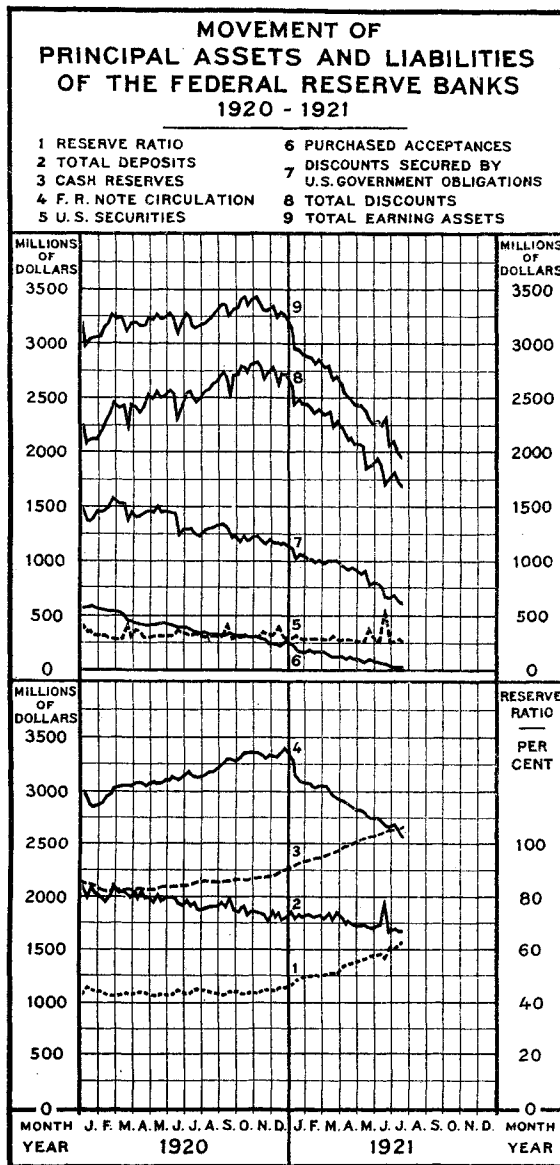
[End of June figures. In thousands of dollars.]

Federal Reserve Bank.	Total.	Member banks—		Non-member banks and banking corporations.	Private bankers.	Branches and agencies of foreign banks.
		National.	Non-national.			
Boston.....	8,648	3,790	3,342	1,361	130	25
New York.....	22,295	6,720	6,567	5,675	2,186	1,147
Philadelphia.....	4,465	1,789	602	341	836	897
Cleveland.....	2,457	256	534	509	184	974
Richmond.....	2,137	2,107	30	.....	.....	.....
Atlanta.....	1,177	721	456	.....	.....	.....
Chicago.....	3,502	1,435	1,706	286	25	50
St. Louis.....	998	518	470	10	.....	.....
Minneapolis.....	50	20	.....	.....	.....	.....
Kansas City.....	20	.....	.....	.....	.....	.....
Dallas.....	220	183	.....	25	12	.....
San Francisco.....	2,617	1,282	192	832	97	194
Total: June 30, 1921.....	48,586	18,871	13,899	9,059	3,470	3,287
May 31, 1921.....	84,711	31,780	21,443	12,318	9,651	9,519
Purchased in open market:	.....	.....	.....	.....	.....	.....
June 30, 1921.....	40,130	15,280	11,507	6,960	3,391	2,992
May 31, 1921.....	75,239	28,444	18,310	10,053	9,517	8,915
Discounted for member banks:	.....	.....	.....	.....	.....	.....
June 30, 1921.....	8,456	3,591	2,392	2,099	79	295
May 31, 1921.....	9,472	3,336	3,133	2,265	134	604

BANKING CONDITIONS DURING JUNE AND JULY, 1921.

Developments in the banking field between the middle of June and July, as indicated by the weekly bank statements of both reporting member banks and Federal Reserve Banks, differed but little in character from those discussed last month. Both member banks

banks' reserve position. There were no major credit operations of the Government during the period, neither the redemption on July 15 of the outstanding balance of some \$130,000,000 of loan certificates issued five months before nor the gradual withdrawal of Government bal-



and Federal Reserve Banks continue to show substantial liquidation of loans and other earning assets. Commensurate reductions in liabilities, especially of the Federal Reserve Banks, and continuous gains of the latter's cash reserves, through purchase of imported gold, resulted in further strengthening the

ances from depositary institutions affecting to any large extent the general trend toward greater liquidation of banking resources.

Member banks report a total reduction of \$194,000,000 in their holdings of Government securities, mainly of Treasury certificates and of the recently issued three-year Treasury

notes, for which apparently there is considerable investment demand. Their corporate and other security holdings show a decline of \$32,000,000, largely during the latter part of the period. Loan liquidation proceeded on a smaller scale, including reductions of \$31,000,000 in loans secured by Government obligations, of \$41,000,000 in loans secured by corporate obligations, and of \$81,000,000 in other, i. e., mainly commercial, loans and discounts. As a consequence of these changes total loans and investments of the reporting banks show a steady decline for the period, the July 13 total of \$15,051,000,000 being \$379,000,000 below the corresponding June 15 total and \$1,699,000,000, or about 10 per cent below the total shown on December 31 of last year.

Borrowings by the reporting member banks from the Federal Reserve Banks, which constitute about 70 per cent of the total amounts

of paper discounted by the reserve banks, increased during the first three weeks of the period under review, but show a sharp decline during the week ending July 13, apparently in connection with the large return movement of Federal Reserve notes to the reserve banks of issue. These borrowings constituted 7.7 per cent of the total loans and investments of the reporting banks, as against 12.5 per cent at the close of last year, the percentages indicating in a general way the progress made during the present year toward greater liquidation of the resources of both the member banks and the Federal Reserve Banks.

In the following table are shown the principal changes in the condition of member banks during the four weeks ending July 13, while the accompanying chart illustrates these changes for the whole calendar year 1920 and the first half of the current year:

MOVEMENT OF PRINCIPAL ASSETS AND LIABILITIES OF REPORTING MEMBER BANKS.

[In millions of dollars.]

	June 15.	June 22.	June 29.	July 6.	July 13.
Number of reporting banks.....	817	817	817	816	816
Loans and discounts: ¹					
Secured by United States Government obligations.....	669	673	672	647	638
Secured by stocks and bonds (other than United States Government obligations).....	3,026	2,993	3,003	3,005	2,985
All other.....	8,195	8,209	8,210	8,168	8,114
Total loans and discounts ¹	11,890	11,875	11,885	11,820	11,737
United States bonds.....	868	864	865	866	862
United States Victory notes.....	178	175	172	172	171
United States Treasury notes.....	152	128	116	94	81
United States certificates of indebtedness.....	265	237	221	183	155
Other bonds, stocks, and securities.....	2,077	2,070	2,074	2,060	2,045
Total loans and discounts, and investments ¹	15,430	15,349	15,333	15,195	15,051
Reserve with Federal Reserve Bank.....	1,443	1,255	1,241	1,251	1,247
Cash in vault.....	318	319	327	341	337
Net demand deposits.....	10,384	9,989	10,046	10,030	10,086
Time deposits.....	2,943	2,919	2,933	2,921	2,903
Government deposits.....	411	462	387	325	278
Bills payable and rediscounts with Federal Reserve Bank, total.....	1,168	1,208	1,215	1,250	1,154
Secured by United States Government obligations.....	433	429	413	443	396
All other.....	735	779	802	807	758
Ratio of accommodation at Federal Reserve Banks to total loans and investments.....	7.6	7.9	7.9	8.2	7.7

¹ Including bills rediscounted with Federal Reserve Bank.

The Federal Reserve Banks show a continuous increase in discounts on hand between June 13 and July 6, substantial liquidation of discounted paper during the week ending July 13, and more moderate liquidation during the following week, with the result that discounts on hand on July 20 were \$67,900,000 less than four weeks earlier. Of the total decrease shown, \$48,200,000 represents the net amount of Government paper redeemed during the period. Reserve bank holdings of paper secured by United States bonds and Victory notes show a decline of about \$62,000,000, due in part to Government purchases of these securities in connection with sinking-fund operations. Bills secured by Treasury certifi-

cates, on the other hand, show an increase of \$13,500,000 for the period. The total of Government paper held by the reserve banks at the close of the period, \$609,800,000, includes also about \$3,000,000 of paper secured by the newly issued three-year Treasury notes.

Holdings of acceptances purchased in open market show a continuous decline from \$39,500,000 to \$23,900,000. "Pittman" certificates, on deposit with the Treasury to secure Federal Reserve Bank note circulation, show a reduction of \$6,500,000, retirement of this amount by the Treasury being accompanied by a reduction of \$7,100,000 in the reserve banks' liabilities on Federal Reserve Bank notes outstanding. Changes in other certifi-

cates reflect largely the redemption about the end of June of special certificates held by the New York Federal Reserve Bank to cover temporary advances to the Government, and to a smaller extent open-market transactions in certificates by the New York bank under temporary purchase agreements. Total earning assets of the reserve banks, in consequence of the above changes, show a decline for the period of \$118,200,000, and on July 20 stood at

\$1,964,200,000, or nearly 40 per cent below the total shown at the close of the past year.

The following exhibit contains a summary of the weekly changes in the principal assets and liabilities of the Federal Reserve Banks for the four weeks ending July 20, while the accompanying chart gives a graphic picture of Federal Reserve development during 1920 and the first half of the present year:

MOVEMENT OF PRINCIPAL ASSETS AND LIABILITIES OF THE 12 FEDERAL RESERVE BANKS COMBINED.

[In millions of dollars.]

	June 22.	June 29.	July 6.	July 13.	July 20.
Reserves:					
Total.....	2,620.0	2,625.5	2,631.2	2,647.6	2,659.4
Gold.....	2,450.5	2,461.9	2,477.8	2,492.7	2,508.3
Bills discounted:					
Total.....	1,754.0	1,771.6	1,801.4	1,704.0	1,686.1
Secured by United States Government obligations.....	658.0	647.3	674.4	618.8	600.8
All other.....	1,096.0	1,123.8	1,127.0	1,085.2	1,076.3
Bills bought in open market.....	39.5	31.6	31.1	25.1	23.9
Certificates of indebtedness.....	255.2	222.8	226.4	234.4	218.8
Total earning assets.....	2,082.4	2,060.5	2,095.5	1,999.6	1,964.2
Government deposits.....	18.0	15.4	34.0	10.9	35.0
Members' reserve deposits.....	1,647.7	1,641.2	1,651.8	1,655.3	1,630.2
Total deposits.....	1,697.2	1,685.8	1,713.2	1,694.0	1,693.0
Federal Reserve notes in circulation.....	2,639.3	2,634.5	2,671.9	2,603.8	2,564.5
Federal Reserve Bank notes in circulation—net liability.....	135.0	132.4	133.3	130.6	127.9
Reserve percentage.....	60.4	60.8	60.0	61.6	62.5

Rediscounting operations by the Richmond, Minneapolis, and Dallas banks show a moderate increase in volume, the amount of bills held under discount for these banks by the Boston and New York banks at the close of the period, \$49,700,000, being \$8,000,000 larger than four weeks earlier. The Richmond bank reduced its accommodation at the New York bank from \$24,800,000 to \$19,500,000; the Minneapolis bank shows a more moderate reduction of its rediscounts with the New York bank from \$12,800,000 to about \$12,000,000, while the Dallas bank reports an increase in its bills rediscounted with the Boston bank from \$4,100,000 to \$18,300,000. Aggregate contingent liabilities of the Federal Reserve Banks on bills purchased for foreign correspondents show a reduction from \$61,700,000 to \$59,200,000.

Total deposits at the Federal Reserve Banks fluctuated within the moderate limits of \$1,713,200,000 on July 6 and \$1,685,800,000 on June 29. Federal Reserve note circulation shows the customary increase immediately before July 4, followed, however, by a much larger return flow of these notes during the subsequent two weeks, with the consequence that the July 20 total of \$2,564,500,000 is \$74,800,000 smaller than the June 22 total and about 25 per cent below the peak

attained on December 23 of last year. During the same period, i. e., since December 23, 1920, the Federal Reserve Banks reduced their liabilities on Federal Reserve Bank notes in circulation by over \$90,000,000, or by nearly 42 per cent.

A further gain of \$57,800,000 of gold is shown by the Federal Reserve Banks between June 22 and July 20, while their total cash reserves, because of a loss of \$18,400,000 of silver and legals, shows an increase of \$39,400,000 only. Since the beginning of the year the reserve banks' gold holdings increased by \$445,500,000 and their aggregate cash reserves by \$405,700,000. It is the gain in reserves almost as much as the reduction in liabilities which accounts for the substantial rise from 60.4 to 62.5 per cent in the reserve ratio during the four week period under review. This rise was continuous, except for the first week in July, when the temporary increase in note liabilities caused a decline in the ratio from 60.8 to about 60 per cent.

In the following table are shown comparative figures of average daily cash reserves, deposits, Federal Reserve note circulation, and reserve percentages of the Federal Reserve Banks for the months of June and July of the present and the two preceding years:

MATURITY DISTRIBUTION OF BILLS AND CERTIFICATES OF INDEBTEDNESS HELD BY THE 12 FEDERAL RESERVE BANKS COMBINED.

[In thousands of dollars.]

	Total.	Within 15 days.	16 to 30 days.	31 to 60 days.	61 to 90 days.	Over 90 days.
Bills discounted:						
June 29.....	1,771,562	1,032,489	165,256	271,088	213,178	89,551
July 6.....	1,801,363	1,049,879	169,610	280,130	223,550	78,194
July 13.....	1,703,980	984,521	160,140	265,996	215,803	77,520
July 20.....	1,686,149	971,150	163,545	286,529	190,922	74,003
Bills bought in open market:						
June 29.....	31,601	16,225	7,706	4,760	2,910	.....
July 6.....	31,136	19,311	6,708	3,434	1,683	.....
July 13.....	25,135	17,225	3,243	2,827	1,830	10
July 20.....	23,907	14,258	3,277	2,933	3,379	10
U. S. certificates of indebtedness:						
June 29.....	222,783	2,600	6,528	17,669	34,814	161,172
July 6.....	226,426	4,228	4,700	20,959	39,482	157,057
July 13.....	234,409	10,063	4,700	28,002	44,376	147,268
July 20.....	218,767	3,700	6,595	29,742	35,092	143,638

FEDERAL RESERVE NOTES.

FEDERAL RESERVE AGENTS' ACCOUNTS ON WEDNESDAYS, JUNE 29 TO JULY 20, 1921.

[In thousands of dollars.]

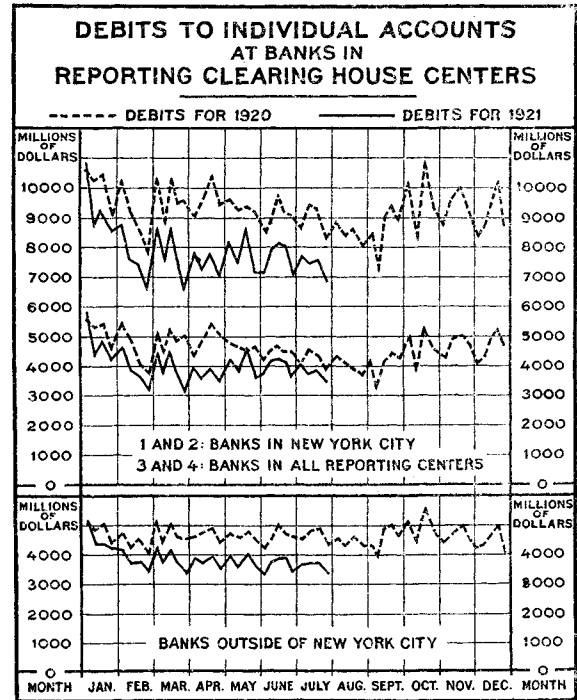
	Total.	Boston.	New York.	Phila- delphia.	Cleve- land.	Rich- mond.	Atlanta.	Chicago.	St. Louis.	Minne- apolis.	Kansas City.	Dallas.	San Fran- cisco.
Net amount of F. R. notes received from Comptroller of Currency:													
June 29.....	3,803,365	360,276	1,100,131	263,263	320,702	147,462	230,076	666,493	151,165	74,203	90,742	76,151	322,701
July 6.....	3,784,499	356,431	1,095,137	263,715	318,941	146,937	228,551	662,788	150,976	73,242	89,724	74,971	323,086
July 13.....	3,785,977	359,211	1,093,772	265,164	316,962	146,596	225,726	665,764	148,938	72,996	90,447	74,018	323,383
July 20.....	3,781,176	359,923	1,074,318	266,431	317,053	144,219	227,045	672,740	151,891	73,737	88,778	72,759	332,282
F. R. notes on hand:													
June 29.....	807,340	93,630	266,200	21,420	43,420	22,429	72,924	174,100	28,320	13,665	4,780	27,612	38,840
July 6.....	769,675	88,030	261,200	21,420	43,120	20,189	69,974	171,140	25,920	11,850	3,580	25,892	27,360
July 13.....	785,470	90,630	259,200	21,420	43,800	21,809	74,154	171,800	25,120	12,785	5,180	26,212	33,360
July 20.....	811,510	95,350	259,200	21,420	45,000	21,809	78,304	184,160	29,080	13,835	4,380	25,612	33,360
F. R. notes outstanding:													
June 29.....	2,996,025	266,646	833,931	241,843	277,282	125,033	157,152	492,393	122,845	60,538	85,962	48,539	283,861
July 6.....	3,014,824	268,401	833,937	242,295	275,821	126,748	158,577	491,648	125,056	61,392	86,144	49,079	295,726
July 13.....	3,000,507	268,581	834,572	243,744	273,162	124,787	151,572	493,964	123,818	60,211	85,267	47,806	293,023
July 20.....	2,969,666	264,573	815,118	245,011	272,053	122,410	148,741	488,580	122,811	59,902	84,398	47,147	298,922
Collateral security for F. R. notes outstanding:													
Gold and gold certificates—													
June 29.....	344,992	5,600	286,924	.....	23,775	.....	3,400	.....	6,110	13,052	.....	6,131	.....
July 6.....	344,993	5,600	286,925	.....	23,775	.....	3,400	.....	6,110	13,052	.....	6,131	.....
July 13.....	344,992	5,600	286,924	.....	23,775	.....	3,400	.....	6,110	13,052	.....	6,131	.....
July 20.....	344,993	5,600	286,925	.....	23,775	.....	3,400	.....	6,110	13,052	.....	6,131	.....
Gold redemption fund—													
June 29.....	127,264	24,289	21,555	16,587	14,290	4,608	4,956	15,433	3,400	1,740	3,266	3,567	13,573
July 6.....	126,558	20,444	21,373	13,039	16,829	2,023	5,432	15,509	3,931	1,779	2,247	5,386	18,506
July 13.....	119,094	15,224	21,026	16,487	14,770	2,223	4,607	15,224	3,292	2,853	2,970	4,434	15,984
July 20.....	118,896	14,536	20,683	11,754	16,161	4,845	3,426	14,762	3,686	2,594	3,301	3,175	19,973
Gold settlement fund— F. R. Board—													
June 29.....	1,124,963	150,000	201,000	111,389	150,000	36,000	50,000	220,645	43,231	5,200	28,360	3,234	125,904
July 6.....	1,126,714	155,000	201,000	121,389	145,000	36,000	51,000	214,644	38,531	5,200	31,360	3,234	124,356
July 13.....	1,159,235	170,000	201,000	128,389	145,000	33,000	51,000	216,645	41,831	5,200	30,360	2,234	134,576
July 20.....	1,160,443	175,000	181,000	135,389	145,000	27,000	46,000	231,644	41,131	5,200	30,360	2,234	140,485
Eligible paper— Amount re-quired—													
June 29.....	1,398,806	86,757	324,452	113,867	89,217	84,425	98,796	256,315	70,104	40,546	54,336	35,607	144,384
July 6.....	1,416,559	87,357	324,639	107,867	90,217	88,725	98,745	251,435	76,484	41,361	52,537	34,328	152,864
July 13.....	1,377,186	77,757	325,622	98,868	89,617	89,564	92,565	262,095	72,585	39,106	51,937	35,007	142,463
July 20.....	1,345,334	69,437	326,510	97,868	87,117	90,565	95,915	242,174	71,884	39,056	50,737	35,607	138,464
E x c e s s amount held—													
June 29.....	346,184	18,984	63,983	13,633	62,303	14,699	4,253	66,704	14,022	28,595	25,442	27,816	5,750
July 6.....	356,446	6,387	100,072	3,173	63,275	15,920	3,017	65,404	10,625	31,460	26,943	25,109	5,061
July 13.....	299,676	8,960	77,183	1,968	60,945	11,139	8,242	37,615	8,824	31,037	26,423	22,808	4,527
July 20.....	313,785	11,047	71,677	8,601	58,170	12,869	6,980	47,707	10,878	32,591	26,914	22,912	3,439

BANK DEBITS.

For the four-week period ending July 20 debits to individual accounts fluctuated between \$6,891,000,000 for the week ending June 29 and \$7,579,000,000 for the following week, which, in spite of having only five business days, showed larger totals of debits owing to the settlement on June 30 of end-of-month, end-of-quarter, and end-of-fiscal-year obligations. For the two following weeks somewhat lower figures are reported though the decline is relatively insignificant.

The movement from week to week for the corresponding period in 1920 was different from that for the period under review, largely because the first week of the period in 1920 included June 30, with its heavy settlements, while the week ending July 7 saw a much smaller volume of debits owing to the inclusion of the Fourth of July holiday. The lag of the 1921 figures behind those for the same period in 1920 amounted to about 19 per cent. For New York City, where the decline in volume of debits set in much earlier last year, the lag was only about 13 per cent, while for the other centers it was about 25 per cent. In view of the fact that the price level in July of this year was more than 40 per cent lower than a year ago, this 25 per cent lag in debits is indicative

of an increase in the physical volume of trade or in the rapidity of the turnover.



DEBITS TO INDIVIDUAL ACCOUNTS AT CLEARING-HOUSE BANKS.

SUMMARY BY FEDERAL RESERVE DISTRICTS.

[In thousands of dollars.]

Federal Reserve District.	Number of centers included.	1921				1920			
		Week ending—				Week ending—			
		June 29.	July 6.	July 13.	July 20.	June 30.	July 7.	July 14.	July 21.
Boston.....	14	336,044	361,875	356,065	390,052	457,698	473,187	506,869	519,704
New York.....	7	3,742,943	4,217,547	3,874,472	3,946,421	4,611,442	4,228,726	4,721,074	4,551,657
Philadelphia.....	10	357,446	371,903	353,093	374,693	441,838	427,373	418,723	418,552
Cleveland.....	13	359,635	389,312	391,160	377,774	562,817	522,457	560,275	575,198
Richmond.....	8	152,929	165,727	165,345	156,473	195,786	189,733	193,534	191,689
Atlanta.....	15	155,526	180,540	167,774	181,486	225,665	234,282	237,762	241,636
Chicago.....	22	796,678	846,564	906,005	912,418	1,130,725	1,096,359	1,204,163	1,278,229
St. Louis.....	5	153,553	168,212	166,098	179,911	225,060	210,567	238,069	238,764
Minneapolis.....	12	118,491	120,782	129,609	125,172	156,914	149,609	183,545	169,078
Kansas City.....	15	208,554	220,620	234,656	240,032	295,014	284,539	307,088	290,283
Dallas.....	11	103,429	102,253	107,511	108,450	125,576	137,972	145,323	134,619
San Francisco.....	20	406,109	433,595	460,642	398,969	551,530	563,294	593,175	593,793
Total.....	152	6,891,337	7,578,930	7,312,430	7,391,851	8,980,065	8,518,098	9,309,600	9,203,202

NOTE.—Figures for the following centers, while shown in the body of the statement, are not included in the summary, complete data for the centers not being available for each week under review: Harrisburg, Pa.; Johnstown, Pa.; Reading, Pa.; Cincinnati, Ohio; Greenville, S. C.; Washington, D. C.; Wilmington, N. C.; Moline, Ill.; Springfield, Ill.; East St. Louis and National Stock Yards, Ill.; Quincy, Ill.; Springfield, Mo.; Atchison, Kans.; Galveston, Tex.; and Tucson, Ariz.

DEBITS TO INDIVIDUAL ACCOUNTS AT CLEARING-HOUSE BANKS—Continued.

DATA FOR EACH REPORTING CENTER.

[In thousands of dollars.]

	1921 Week ending—				1920 Week ending—			
	June 29.	July 6.	July 13.	July 20.	June 30.	July 7.	July 14.	July 21.
District No. 1—Boston:								
Bangor.....	3,242	3,514	4,093	3,348	3,565	3,909	3,790	3,847
Boston.....	1,215,689	1,217,728	1,219,384	1,252,977	289,517	295,064	322,284	333,990
Do.....	281,563	288,633	295,258	330,913				
Fall River.....	5,017	4,661	5,542	5,923	9,785	9,528	9,837	8,926
Hartford.....	18,417	27,791	22,276	20,863	22,121	28,528	27,206	25,863
Holyoke.....	2,819	2,887	2,931	2,956	4,351	4,045	4,631	4,567
Lowell.....	3,846	3,853	4,496	4,743	5,612	5,778	6,530	6,273
Manchester.....	3,873	4,105	4,559	4,382	5,233	5,904	6,284	5,940
New Bedford.....	4,947	5,085	5,987	6,594	7,954	7,498	8,668	8,978
New Haven.....	13,727	18,231	17,198	18,178	19,137	21,130	22,611	21,795
Portland.....	5,239	5,701	7,309	6,499	8,463	8,358	7,738	9,675
Providence.....	29,238	33,319	30,043	31,515	38,655	39,964	39,287	42,243
Springfield.....	11,624	13,851	12,800	11,590	17,258	17,363	18,471	19,046
Waterbury.....	5,239	6,313	5,188	5,639	7,286	7,814	7,978	7,463
Worcester.....	13,127	14,836	14,259	14,845	18,761	18,304	21,554	21,098
District No. 2—New York:								
Albany.....	31,373	37,006	23,673	18,563	19,843	22,324	24,936	25,176
Binghamton.....	3,361	4,274	3,977	3,747	4,598	4,799	4,789	4,984
Buffalo.....	49,498	69,064	61,146	56,115	68,380	78,900	78,553	79,395
New York.....	3,617,372	4,050,119	3,737,133	3,821,102	4,463,000	4,060,377	4,556,620	4,382,556
Passaic.....	4,616	5,070	5,694	5,968	5,124	5,952	5,676	5,841
Rochester.....	24,599	35,991	28,580	27,700	32,169	34,920	30,911	33,412
Syracuse.....	12,124	16,023	14,269	13,226	18,328	21,454	19,589	20,293
District No. 3—Philadelphia:								
Altoona.....	3,187	2,759	3,209	3,116	3,528	2,919	2,314	3,330
Chester.....	3,884	3,800	4,078	4,753	5,088	5,567	5,789	5,904
Harrisburg.....	6,541	6,835	6,853	7,115				
Johnstown.....	5,102	4,765	4,962	4,913				
Lancaster.....	4,277	4,391	4,390	4,217	5,496	5,437	6,274	6,563
Philadelphia.....	295,195	311,122	289,668	312,507	372,189	359,956	347,789	349,136
Reading.....	8,486	8,630		8,134				
Scranton.....	16,096	14,213	17,474	11,959	15,486	15,148	17,074	13,863
Trenton.....	10,013	9,793	10,552	14,521	12,000	11,793	11,620	13,396
Wilkes-Barre.....	8,135	7,000	8,578	8,178	9,609	8,801	10,013	9,483
Williamsport.....	3,529	4,089	4,295	3,925	3,949	4,405	5,480	4,595
Wilmington.....	9,651	11,019	7,132	7,378	9,818	8,230	7,752	8,072
York.....	3,479	3,717	3,717	4,139	4,675	5,117	4,638	4,210
District No. 4—Cleveland:								
Akron.....	12,976	14,700	13,662	15,216	30,579	25,605	20,690	26,969
Cincinnati.....	56,149	58,132	59,871	63,294				
Cleveland.....	102,281	117,554	122,935	112,857	171,634	182,243	201,537	205,989
Columbus.....	27,343	27,242	29,242	31,350	30,863	28,333	31,474	31,666
Dayton.....	11,196	13,568	12,952	13,137	11,998	13,152	13,124	12,375
Erie.....	5,449	5,892	6,405	5,536	8,355	7,435	8,372	8,324
Greensburg.....	3,881	3,882	4,924	5,109	6,915	5,211	5,923	8,263
Lexington.....	3,143	4,166	3,697	3,595	4,950	5,246	5,224	5,241
Oil City.....	2,161	2,453	1,992	1,984	3,409	2,853	3,901	3,330
Pittsburgh.....	145,776	152,123	139,406	141,526	232,481	191,768	202,371	209,546
Springfield.....	3,377	4,007	4,400	4,171	3,235	4,257	4,361	3,703
Toledo.....	23,838	24,029	32,748	26,977	33,732	30,784	34,719	35,175
Wheeling.....	7,544	7,273	7,305	6,521	9,045	8,051	9,509	9,798
Youngstown.....	10,670	12,423	11,492	9,845	15,621	17,539	19,070	14,819
District No. 5—Richmond:								
Baltimore.....	93,899	99,260	101,330	94,092	111,778	108,543	112,150	106,374
Charleston.....	5,000	7,019	6,742	5,220	9,400	9,875	9,400	9,933
Charlotte.....	5,750	5,865	4,994	4,555	7,872	7,340	8,867	8,856
Columbia.....	5,630	4,300	4,985	4,653	5,577	5,742	5,989	5,771
Greenville, S. C.....	2,543	3,640	2,574	2,472				
Huntington.....	4,353	4,540	4,960	4,995	5,563	5,175	6,183	5,708
Norfolk.....	12,131	13,888	15,147	13,799	20,356	19,797	21,853	23,371
Raleigh.....	4,400	4,350	4,100	4,900	4,070	3,900	4,258	4,000
Richmond.....	21,766	26,505	23,087	24,259	31,170	29,361	24,834	27,676
Washington.....	41,548	41,357	37,830	37,621				
Wilmington.....	4,640	5,039	5,547	4,396				
District No. 6—Atlanta:								
Atlanta.....	20,473	24,697	23,577	23,652	31,579	28,668	30,995	31,896
Augusta.....	4,007	5,308	5,326	5,116	7,925	8,282	7,539	7,669
Birmingham.....	11,991	14,532	10,696	12,025	16,386	17,234	16,845	18,321
Chattanooga.....	6,839	7,906	8,222	8,205	10,330	12,605	12,319	12,906
Jacksonville.....	8,804	9,788	9,965	9,954	12,629	13,936	14,837	14,278
Knoxville.....	4,495	6,197	4,688	6,721	5,863	6,923	7,422	7,717
Macon.....	3,731	4,166	3,997	4,599	5,831	6,390	6,726	8,053
Mobile.....	5,097	5,709	5,820	5,733	7,817	8,013	8,203	8,902
Montgomery.....	2,602	2,400	2,171	2,547	5,590	4,636	5,364	4,880
Nashville.....	23,844	24,992	22,277	33,177	24,183	22,374	27,354	24,329
New Orleans.....	48,954	56,872	54,601	52,866	74,284	79,279	74,362	75,886
Pensacola.....	1,234	1,406	1,464	1,407	2,044	2,150	2,484	2,535
Savannah.....	8,172	10,329	8,761	9,186	14,504	15,903	15,186	15,948
Tampa.....	4,237	4,908	4,976	5,110	5,317	6,097	6,216	6,553
Vicksburg.....	1,046	1,310	1,233	1,188	1,383	1,792	1,910	1,763

¹ Debits of banks which submitted reports in 1920.

DEBITS TO INDIVIDUAL ACCOUNTS AT CLEARING-HOUSE BANKS—Continued

DATA FOR EACH REPORTING CENTER—Continued.

[In thousands of dollars.]

	1921 Week ending—				1920 Week ending—			
	June 20.	July 6.	July 13.	July 20.	June 30.	July 7.	July 14.	July 21.
District No. 7—Chicago:								
Bay City.....	2,027	2,224	2,624	2,292	3,265	3,342	3,321	3,302
Bloomington.....	2,144	2,720	2,074	2,465	2,785	2,845	2,854	2,844
Cedar Rapids.....	8,403	9,613	10,347	9,025	6,282	8,600	13,975	11,621
Chicago.....	523,449	544,121	548,414	586,027	722,263	690,499	769,067	816,123
Davenport.....	5,562	7,151	6,056	5,957	7,577	9,789	8,355	7,482
Decatur.....	2,550	2,673	3,035	3,996	4,337	3,905	4,210	4,167
Des Moines.....	14,396	13,391	15,386	15,787	21,409	18,670	25,039	20,884
Detroit.....	89,665	104,800	160,515	122,774	152,731	141,300	159,382	179,234
Dubuque.....	2,379	3,212	2,581	2,603	2,726	4,193	4,153	2,712
Flint.....	4,876	5,639	5,074	7,465	10,007	17,762	11,231	9,816
Fort Wayne.....	6,159	7,279	6,800	6,567	7,860	7,733	8,688	8,104
Grand Rapids.....	17,063	17,390	14,868	17,273	20,830	20,523	21,601	26,158
Indianapolis.....	31,676	32,244	34,221	33,381	41,031	40,896	42,046	43,180
Jackson.....	4,038	3,182	3,275	4,082	3,522	4,829	2,496	4,625
Kalamazoo.....	3,279	3,807	3,650	3,929	5,474	5,461	5,120	5,609
Lansing.....	4,580	6,100	4,509	5,079	7,133	7,562	6,402	6,879
Milwaukee.....	45,307	50,956	50,688	54,421	65,662	65,633	71,692	77,722
Moline.....	1,405	1,948	1,673	1,938	.....	.....	.....	2,849
Peoria.....	7,143	7,948	7,969	8,279	12,359	11,961	11,930	12,235
Rockford.....	4,144	5,811	4,994	5,103	6,315	7,277	6,882	6,311
Sioux City.....	9,384	8,162	9,062	8,053	16,020	14,166	16,036	18,611
South Bend.....	5,705	5,372	6,707	5,131	5,879	5,361	5,139	5,937
Springfield, Ill.....	4,697	6,957	6,193	6,071	.....	.....	.....	.....
Waterloo.....	2,749	2,769	3,156	2,729	5,258	4,052	4,544	4,673
District No. 8—St. Louis:								
East St. Louis and National Stock Yards.....	8,356	6,971	8,816	8,462	.....	.....	.....	.....
Evansville.....	4,811	5,694	6,832	5,037	5,466	6,003	5,603	4,919
Little Rock.....	8,259	7,337	9,194	8,063	8,673	8,647	12,118	10,295
Louisville.....	122,205	122,612	124,247	122,912	37,125	33,429	37,164	32,548
Do.....	28,821	29,307	31,397	28,698	.....	.....	.....	.....
Memphis.....	17,401	19,887	16,915	22,471	28,818	26,882	29,864	30,021
Quincy.....	1,789	2,093	2,286	2,628	.....	.....	.....	.....
St. Louis.....	110,877	112,682	108,910	121,428	144,978	135,606	153,320	160,981
Do.....	113,397	129,196	129,121	135,318	.....	.....	.....	.....
Springfield, Mo.....	2,324	2,875	2,638	2,498	.....	.....	.....	.....
District No. 9—Minneapolis:								
Aberdeen.....	1,229	1,167	1,536	1,397	1,552	1,808	1,840	806
Billings.....	1,486	1,667	1,854	1,574	1,765	1,991	2,037	2,135
Duluth.....	16,301	15,498	17,559	15,381	18,818	16,351	23,866	23,806
Fargo.....	2,133	2,654	3,041	2,466	3,220	4,023	3,892	3,407
Grand Forks.....	905	1,146	1,216	1,219	1,395	1,971	1,845	1,602
Great Falls.....	1,514	1,352	1,526	1,636	2,042	2,293	1,882	1,822
Helena.....	2,136	2,657	2,481	2,287	2,081	2,553	2,369	2,368
Minneapolis.....	58,837	60,946	65,153	64,686	81,711	74,967	97,397	87,490
St. Paul.....	26,693	26,069	27,682	27,533	35,606	34,636	38,648	35,996
Sioux Falls.....	4,587	4,602	4,149	3,957	5,734	5,571	6,126	6,057
Superior.....	1,794	1,797	2,007	1,863	1,987	2,036	2,036	2,180
Winona.....	876	1,227	1,405	1,173	1,003	1,409	1,507	1,409
District No. 10—Kansas City:								
Athol.....	1,104	970	1,204	1,558	.....	.....	.....	.....
Bartlesville.....	1,965	2,219	2,073	2,645	4,686	3,792	3,462	3,403
Cheyenne.....	1,920	2,538	2,132	1,746	1,915	1,882	1,664	1,958
Colorado Springs.....	2,269	2,316	2,719	2,696	3,215	2,795	3,474	3,543
Denver.....	32,657	32,115	31,020	30,838	39,077	41,667	43,370	40,655
Joplin.....	1,750	1,673	2,042	2,028	3,155	3,086	3,837	3,249
Kansas City, Kans.....	3,582	3,339	3,012	3,719	4,121	4,507	3,275	4,099
Kansas City, Mo.....	60,689	63,567	72,010	76,533	82,353	79,030	92,198	75,889
Muskogee.....	3,050	3,825	3,202	2,859	5,919	5,868	5,005	5,297
Oklahoma City.....	16,465	21,058	20,570	19,466	22,560	22,759	23,672	24,222
Omaha.....	38,595	38,052	41,316	44,663	58,174	53,353	58,004	57,186
Pueblo.....	2,788	4,482	4,192	3,790	5,404	5,397	4,815	4,375
St. Joseph.....	12,887	13,551	16,453	16,971	16,635	16,906	12,842	14,056
Topeka.....	2,620	3,985	4,495	3,409	3,441	3,671	4,485	4,189
Tulsa.....	18,669	17,378	16,954	15,134	32,287	25,115	31,477	29,449
Wichita.....	8,648	10,522	12,466	13,535	12,072	14,211	15,508	18,713
District No. 11—Dallas:								
Albuquerque.....	1,357	1,891	2,124	1,744	1,523	2,114	1,972	1,977
Austin.....	2,268	2,541	3,265	2,271	2,732	3,098	3,285	2,342
Beaumont.....	2,649	2,908	3,350	3,133	3,821	4,509	5,060	4,779
Dallas.....	27,799	27,819	27,607	33,960	33,587	37,843	34,420	36,652
El Paso.....	7,405	7,750	7,093	6,343	8,617	8,279	8,700	8,592
Fort Worth.....	19,941	18,420	18,920	20,110	23,569	24,869	24,897	25,841
Galveston.....	15,980	16,244	19,222	20,965	.....	.....	.....	.....
Houston.....	25,176	24,342	28,045	24,258	31,960	39,870	44,849	33,136
San Antonio.....	7,306	5,646	6,875	6,401	6,185	6,841	7,677	7,520
Shreveport.....	5,684	6,034	5,957	5,555	8,107	5,678	8,130	8,508
Texarkana, Tex.....	1,140	1,580	1,182	1,515	1,615	1,411	2,093	1,422
Tucson.....	1,782	1,089	2,038	1,852	1,782	1,888	1,910	.....
Waco.....	2,704	3,322	3,093	3,160	3,860	3,460	4,240	3,850

1 Debits of banks which submitted reports in 1920.

DEBITS TO INDIVIDUAL ACCOUNTS AT CLEARING-HOUSE BANKS—Continued.

DATA FOR EACH REPORTING CENTER—Continued.

[In thousands of dollars.]

	1921 Week ending—				1920 Week ending—			
	June 29.	July 6.	July 13	July 20	June 30	July 7	July 14	July 21.
District No. 12—San Francisco:								
Berkeley.....	2,325	2,774	3,234	2,970	2,134	2,822	3,023	2,731
Boise.....	2,675	2,388	3,207	3,034	3,380	2,873	3,445	3,578
Fresno.....	6,865	7,971	9,170	8,300	8,605	10,832	10,738	10,019
Long Beach.....	4,924	6,441	6,042	5,866	4,317	6,361	5,498	4,942
Los Angeles.....	92,355	98,610	104,876	99,727	98,750	105,010	107,112	106,550
Oakland.....	16,629	19,942	13,682	18,109	32,386	36,388	38,578	37,271
Ogden.....	2,731	2,908	3,208	3,088	3,771	4,474	3,984	3,544
Pasadena.....	4,390	5,337	5,303	5,195	4,954	4,823	5,506	5,361
Portland.....	29,523	30,702	31,650	29,503	41,327	45,411	49,499	46,538
Reno.....	2,718	3,517	3,084	2,170	3,309	3,366	2,992	3,222
Sacramento.....	11,231	11,275	13,705	12,769	13,342	15,977	14,770	15,112
Salt Lake City.....	11,468	13,514	13,937	13,181	17,788	18,362	18,579	18,309
San Diego.....	7,271	8,490	9,503	7,841	7,392	8,795	9,843	8,593
San Francisco.....	158,310	158,645	169,216	126,400	232,759	215,598	229,798	239,562
San Jose.....	3,517	5,012	5,039	4,169	4,905	7,695	6,785	5,856
Seattle.....	27,989	29,335	33,727	31,577	44,302	41,046	47,840	47,428
Spokane.....	8,984	10,961	11,259	10,357	11,073	12,174	13,332	12,527
Stockton.....	3,642	4,405	4,890	4,156	5,180	7,000	6,100	6,559
Tacoma.....	6,611	8,744	8,744	8,637	9,338	10,828	12,473	12,441
Yakima.....	1,951	1,995	2,166	1,920	2,518	2,959	3,280	3,044

GOLD SETTLEMENT FUND.

INTER-FEDERAL RESERVE BANK TRANSACTIONS FROM JUNE 24 TO JULY 21, 1921, INCLUSIVE.

[In thousands of dollars.]

Federal Reserve Bank.	Transfers.		Daily settlements.		Changes in ownership of gold through transfers and settlements.		Balance in bank's fund at end of period.
	Debits.	Credits.	Debits.	Credits.	Decrease.	Increase.	
Boston.....	44,000	16,896	358,994	407,335	.....	21,237	41,027
New York.....	100,200	128,244	1,339,738	1,238,528	73,166	.....	57,643
Philadelphia.....	17,000	.....	455,983	497,361	.....	24,378	43,842
Cleveland.....	16,000	.....	355,260	379,360	.....	8,100	55,551
Richmond.....	75,314	78,200	395,102	380,053	.....	12,163	17,121
Atlanta.....	1,000	2,000	141,925	128,202	.....	12,723	6,589
Chicago.....	10,500	7,700	590,934	633,015	.....	39,281	96,150
St. Louis.....	1,000	2,500	293,951	292,198	.....	253	15,197
Minneapolis.....	16,430	14,500	98,117	97,341	.....	2,706	6,315
Kansas City.....	1,200	5,500	252,927	252,129	.....	3,502	34,453
Dallas.....	18,396	32,000	146,140	135,996	.....	3,460	4,433
San Francisco.....	4,000	17,500	172,940	160,493	.....	1,053	26,408
Total four weeks ending—							
July 21, 1921.....	305,040	305,040	4,602,011	4,602,011	101,011	101,011	404,729
June 23, 1921.....	346,594	346,594	4,789,406	4,789,406	.....	.....	403,621
July 22, 1920.....	500,764	500,764	6,580,200	6,580,200	.....	.....	386,419
June 24, 1920.....	542,271	542,271	6,499,262	6,499,262	.....	.....	404,869

FEDERAL RESERVE CLEARING SYSTEM.

OPERATIONS FROM JUNE 16 TO JULY 15, 1921.

[All figures shown in thousands.]

Federal Reserve Bank or branch.	Items drawn on banks located in own district.				Items drawn on Treasurer of U. S.		Total items handled, exclusive of duplications.		Items forwarded to other F. R. Banks and their branches.		Items forwarded to parent bank or to branch in same district.		Total items handled, including duplications.	
	In F. R. Bank or branch city.		Outside F. R. Bank or branch city.											
	Num-ber.	Amount.	Num-ber.	Amount.	Num-ber.	Amount.	Num-ber.	Amount.	Num-ber.	Amount.	Num-ber.	Amount.	Num-ber.	Amount.
Boston.....	705	539,515	3,320	380,129	156	20,771	4,181	940,415	162	53,699	17	5,989	4,343	994,114
New York.....	1,372	1,652,507	4,457	938,490	1,199	160,325	7,028	2,751,322	939	437,158	17	5,989	7,984	3,194,469
Buffalo.....	189	81,947	389	50,761	15	2,271	593	134,979	147	24,714	38	17,649	778	177,342
Philadelphia.....	1,628	707,591	2,114	228,082	171	54,359	3,913	990,032	695	144,540	.....	.....	4,608	1,134,572
Cleveland.....	374	188,477	1,160	135,037	68	6,567	1,602	330,081	31	18,604	27	11,119	1,660	359,804
Cincinnati.....	188	113,882	748	68,264	58	6,170	11,002	1189,432	11	9,990	11	3,004	1,024	202,426
Pittsburgh.....	425	247,164	811	95,305	55	7,021	1,291	349,490	64	34,976	26	5,134	1,381	389,600
Richmond.....	103	108,218	1,773	241,231	53	7,662	1,929	357,111	147	65,551	39	11,382	2,115	434,044
Baltimore.....	229	136,421	630	70,163	56	11,134	915	217,718	57	28,613	76	9,589	1,048	255,920
Atlanta.....	116	48,711	312	38,455	28	5,974	456	93,140	21	9,365	26	4,390	503	106,895
Birmingham.....	232	31,054	124	6,686	9	1,097	365	38,837	15	7,765	27	14,280	407	60,882
Jacksonville.....	53	16,723	135	13,617	8	1,108	196	31,448	19	6,602	4	1,487	219	39,537
Nashville.....	50	22,410	210	16,214	14	2,188	274	40,812	31	1,491	9	855	314	43,158
New Orleans.....	62	38,691	105	11,737	37	7,240	204	57,668	38	11,700	7	1,148	249	70,516
Chicago.....	830	568,531	3,444	312,042	453	70,464	4,727	951,037	270	29,881	7	4,423	5,004	985,341
Detroit.....	266	162,052	434	40,241	33	4,883	733	207,176	8	4,547	5	2,578	746	214,301
St. Louis.....	239	184,974	1,239	74,735	123	11,975	1,601	271,684	31	5,473	9	983	1,641	278,140
Little Rock.....	42	18,819	245	14,005	7	1,861	294	34,685	8	1,331	21	2,266	323	38,282
Louisville.....	91	49,861	368	24,662	29	3,785	488	78,308	11	2,074	2	326	501	80,708
Memphis.....	66	21,737	143	7,435	9	755	218	29,927	2	279	2	289	222	30,495
Minneapolis.....	245	110,917	1,392	78,218	53	3,691	1,690	192,826	189	33,508	6	320	1,885	226,654
Helena.....	24	8,281	196	10,591	5	683	225	19,555	5	1,892	2	1,186	232	22,633
Kansas City.....	305	224,265	1,902	94,266	91	10,610	2,298	329,141	244	34,121	73	13,954	2,615	377,216
Denver.....	100	41,735	317	16,310	24	5,203	441	63,248	70	13,433	41	8,649	552	85,330
Oklahoma City.....	60	50,698	838	68,108	8	1,334	906	120,140	44	8,221	15	7,000	965	135,361
Omaha.....	92	44,413	522	31,305	43	3,380	1,657	179,458	38	6,491	18	4,620	713	90,569
Dallas.....	114	45,211	1,334	151,003	26	4,367	1,474	200,581	70	10,978	53	7,037	1,597	218,596
El Paso.....	40	9,729	121	9,818	18	3,045	179	22,592	9	2,186	5	517	193	25,295
Houston.....	60	34,022	291	29,264	58	2,188	409	65,474	21	4,282	5	1,122	435	70,878
San Francisco.....	192	99,336	434	33,214	75	86,069	701	218,619	23	3,066	37	5,455	761	227,140
Los Angeles.....	291	102,974	840	67,501	36	11,733	1,167	182,208	81	11,628	50	12,214	1,298	206,050
Portland.....	56	26,640	196	11,177	18	5,211	270	43,028	4	1,293	31	3,984	305	48,305
Salt Lake City.....	43	22,635	373	23,429	15	2,738	431	48,802	13	11,611	11	7,630	455	68,043
Seattle.....	110	31,289	194	13,345	24	10,298	328	54,932	15	3,162	35	4,995	378	63,089
Spokane.....	34	15,672	168	9,823	9	1,187	211	26,682	12	1,545	13	2,928	236	31,155
Total:														
June 16 to July 15, 1921	9,026	5,807,102	31,279	3,414,663	3,084	539,347	143,397	19,762,588	3,545	1,045,770	748	178,502	47,690	10,986,860
May 16 to June 15, 1921	9,092	5,837,330	32,918	3,533,271	2,755	479,671	144,775	19,852,052	3,731	1,092,780	767	184,321	49,273	11,129,153
June 16 to July 15, 1920	7,109	7,988,267	28,018	4,701,304	2,419	927,221	137,553	13,618,865	3,381	1,649,417	736	265,407	41,670	15,533,689

¹ Includes items drawn on banks in other Federal Reserve districts forwarded direct to drawee bank.

NOTE.—Number of business days in period for Baltimore, Nashville, St. Louis, and Memphis was 24, and for other Federal Reserve Bank and branch cities 25 days.

NUMBER OF MEMBER AND NONMEMBER BANKS IN EACH FEDERAL RESERVE DISTRICT, JULY 15, 1921 AND 1920

Federal reserve district.	Member banks.		Nonmember banks.			
	1921	1920	On par list.		Not on par list.	
			1921	1920	1921	1920
Boston.....	438	432	255	256	.....	.....
New York.....	792	774	328	324	.....	.....
Philadelphia.....	690	688	459	427	.....	.....
Cleveland.....	879	860	1,075	1,077	.....	.....
Richmond.....	620	606	1,019	762	559	781
Atlanta.....	494	440	401	433	1,168	1,181
Chicago.....	1,432	1,395	4,261	4,238	.....	.....
St. Louis.....	585	564	2,498	2,517	167	174
Minneapolis.....	1,016	976	2,760	2,903	83	.....
Kansas City.....	1,092	1,065	3,337	3,388	63	.....
Dallas.....	867	822	1,211	1,238	.....	.....
San Francisco.....	865	801	995	1,042	.....	.....
Total.....	9,769	9,423	18,599	18,605	2,040	2,136

¹ Incorporated banks other than mutual savings banks.

IMPORTS AND EXPORTS OF GOLD AND SILVER.

GOLD IMPORTS INTO AND EXPORTS FROM THE UNITED STATES, DISTRIBUTED BY COUNTRIES.

Country.	Imports.						Exports.					
	During 10 days ending June 20, 1921.	During 10 days ending June 30, 1921.	During month of June, 1921.	During 10 days ending July 10, 1921.	From Jan. 1 to July 10, 1921.	From Jan. 1 to July 10, 1921.	During 10 days ending June 20, 1921.	During 10 days ending June 30, 1921.	During month of June, 1921.	During 10 days ending July 10, 1921.	From Jan. 1 to July 10, 1921.	From Jan. 1 to July 10, 1921.
Austria.....					\$9,000							
Belgium.....				\$140	39,831	\$335,906						
Denmark.....			\$232,891	75,000	3,236,497							
France.....	\$1,150,564	\$2,897,345	7,482,146	4,279,404	77,617,847	710,940						
Germany.....				200,610	207,839							\$10,000
Greece.....					715,745	110,000						
Iceland.....												912
Italy.....					102,285	40,107						241,263
Netherlands.....	262,800	110,546	449,907	440,984	16,156,923	1,161,428						
Norway.....					1,532,100	3,324						
Portugal.....					20,892	25,364						
Russia in Europe.....					85,000							
Spain.....	2,763		57,763	92,048	3,116,105							
Sweden.....	715,432		6,347,500		42,670,724				\$1,123,783	\$1,123,783		
Switzerland.....				298,168	301,112							1,100
Turkey in Europe.....				2,772	256,503							
United Kingdom—England.....	9,245,243	1,641,271	18,509,346	5,912,271	108,162,766	62,700,068						13,235
Total Europe.....	11,376,802	4,649,162	33,079,553	11,301,397	254,231,219	65,092,074				1,123,783	1,123,783	266,510
Bermuda.....	500	96,850	97,350		97,950							
British Honduras.....						20						
Canada.....	1,580,270	2,541,865	4,230,452	131,900	25,219,508	27,458,298	\$44,655	\$54,456	\$158,430	29,480	1,170,445	2,830,397
Costa Rica.....		35,000	186,624	36,583	520,115	377,554						
Guatemala.....	6,000	18,000	42,000	52,193	325,701	14,872						
Honduras.....	1,058	651	18,465		194,011	131,829						19,000
Nicaragua.....	10,021	30,795	59,160	19,955	388,680	699,510						
Panama.....	52,761	88,642	181,975		1,333,086	41,308						20,000
Salvador.....	3,000		3,000	10,000	429,751	148,487						15,398,041
Mexico.....	42,053	80,108	308,278	77,124	2,873,893	2,335,678	347,050	240,620	600,473	83,690	4,101,265	125,000
Cuba.....	1,647	4,290	5,937		15,683	4,827					250,494	
British West Indies.....	579	61,654		4,632	343,451	87,249						10,000
Virgin Islands of U. S.....			150,000		150,000							39,000
Dominican Republic.....												
Dutch West Indies.....	341,121	230,923	960,613	158,592	4,336,568	129,040						
Total North America.....	2,039,010	3,188,778	6,313,666	491,039	36,228,397	31,428,672	391,705	295,076	758,903	113,170	5,522,204	18,441,438
Argentina.....		1,549	1,549		812,317	57,718						89,995,000
Bolivia.....	516	150	666		2,204	6,172						
Brazil.....				235	15,018	24,585					24,300	280,000
Chile.....	91	9,942	10,033	727	95,787	325,280						400,000
Colombia.....	430,136	137,891	764,580	652,502	7,086,737	1,485,312						700,000
Ecuador.....					322,880	400,632						130,000
British Guiana.....		41,973	41,973	20,383	74,786	71,940						
Dutch Guiana.....		1,608	1,608	1,859	44,565							
Peru.....	47,567	30,479	78,118	65,624	682,573	515,366						
Uruguay.....	1,287	5,280	6,567		2,969,997							12,850,000
Venezuela.....	20,612	16,061	36,673	7,938	886,556	269,796						184,000
Total South America.....	500,209	243,325	941,767	749,268	12,993,422	3,156,801					24,300	104,539,000
China.....	454,186		454,186	267,130	14,453,405	1,260						16,286,750
British India.....	128,797		1,545,988	43,820	17,194,608							5,338,088
Straits Settlements.....												6,683,454
Dutch East Indies.....	150,000	19,576	169,576		373,639	2,486,147					60,000	12,045,105
French East Indies.....					6,005,892							
Greece in Asia.....				169,612	169,612							
Hongkong.....					5,126,396	30,191,910	3,600	9,100	14,700	7,000	1,203,930	25,125,502
Japan.....					2,208,234							16,330,658
Palestine and Syria.....				25,200	25,200							
Turkey in Asia.....	8,502	155,844	522,456	1,658	1,448,793							
Total Asia.....	741,485	175,420	2,692,206	512,420	47,005,779	32,679,317	3,600	9,100	14,700	7,000	1,263,930	81,809,557
Australia.....		4,800	4,800		6,338,337							
New Zealand.....		94,241	94,241		1,080,327	1,036,454						
Tahiti.....											300	
Philippine Islands.....	1,497	536	111,994	12,463	590,655	486,217						
Abyssinia.....					21,665							
British West Africa.....					13,250							28,038
British South Africa.....					51,823							
Portuguese Africa.....		212,501	338,249		504,577	206,107						
Total, all countries.....	14,659,003	8,568,763	43,576,476	13,066,587	359,059,451	134,085,642	395,305	304,176	773,603	1,243,953	7,934,517	205,084,543
Excess imports or exports.....	14,263,698	8,264,587	42,802,873	11,822,634	351,124,934							70,998,901

¹ Includes: Ore and base bullion, \$22,625,000; United States mint or assay office bars, \$428,000; other refined bullion, \$254,438,000; United States coin, \$22,409,000; foreign coin, \$59,159,000.

² Includes: Domestic exports—ore and base bullion, \$27,000; United States mint or assay office bars, \$515,000; other refined bullion, \$89,000; coin, \$5,686,000. Foreign exports—ore and base bullion, \$1,000; coin, \$1,616,000.

SILVER IMPORTS INTO AND EXPORTS FROM THE UNITED STATES, DISTRIBUTED BY COUNTRIES.

Country.	Imports.						Exports.					
	During 10 days ending June 20, 1921.	During 10 days ending June 30, 1921.	During month of June, 1921.	During 10 days ending July 10, 1921.	From Jan. 1 to July 10, 1921.	From Jan. 1 to July 10, 1920.	During 10 days ending June 20, 1921.	During 10 days ending June 30, 1921.	During month of June, 1921.	During 10 days ending July 10, 1921.	From Jan. 1 to July 10, 1921.	From Jan. 1 to July 10, 1920.
Belgium.....					\$16							
Denmark.....					370							
France.....	\$934	\$3,634	\$4,568	\$485	89,958	\$77,491						\$32,920
Germany.....	43,022	18,501	82,997	39,930	289,006							
Greece.....		15,435	15,435		225,234							
Italy.....						24,026						
Netherlands.....					805	30,820						
Norway.....						14,453						
Portugal.....		4,100	4,100		15,417	7,978						
Spain.....					16,028							
Sweden.....					5,250							42,260
Turkey in Europe.....					9,103							
United Kingdom—												
England.....	1,757	8,499	10,627	142	1,142,435	786,567	\$119,036	\$87,623	\$236,857	\$148,603	\$6,175,763	2,308,931
Total Europe.....	45,713	50,169	117,727	40,557	1,793,622	941,335	119,036	87,623	236,857	148,603	6,175,763	2,384,111
Bermuda.....												200
British Honduras.....						63,367						
Canada.....	72,785	249,493	506,118	66,980	2,311,033	2,095,276	46,454	65,301	167,943	33,119	1,331,881	5,624,213
Costa Rica.....		30,000	31,165	1,369	42,608	47,194						
Guatemala.....				5	20	20,036		1,000	1,000		1,500	3,500
Honduras.....	33		63,077		776,033	1,540,131					800	371,505
Nicaragua.....		1,405	17,184	5,886	138,061	478,821						3,000
Panama.....	219	19	260	300,000	385,328	31,915					226,000	542,000
Salvador.....	4,150		4,150		14,031	3,565,127					50,000	
Mexico.....	315,961	1,117,897	2,261,534	801,660	18,613,725	36,236,218	13,873	10,070	33,269	221,778	1,417,945	2,434,436
Cuba.....	138	7,396	7,534	22,600	39,535	45,671	1,000	1,000	3,000	309,625	939,136	17,680
British West Indies.....					1,744	6,949		1,200	1,800		97,352	25,000
Virgin Islands of U. S.....												197,000
Dominican Republic.....	44,000	14,000	58,000	53,200	111,200	84,800						
Dutch West Indies.....		90	90		1,235	1,200						
French West Indies.....						20						
Haiti.....												4,000
Total North America.....	437,286	1,420,300	2,949,112	1,251,700	22,434,553	44,216,725	61,327	77,571	205,012	257,897	3,435,303	10,161,470
Argentina.....		886	886		12,812	20,876					900	11,492
Bolivia.....	38,453	12,462	51,205		219,636	739,364						
Brazil.....				222	40,731	293						2,333
Chile.....	1,735	129,611	131,346	4,169	1,085,758	1,977,692						
Colombia.....	1,991	4,375	8,715	6,596	92,262	254,606				239,500		
Ecuador.....					21,265	45,426						
British Guiana.....				36	40							
Dutch Guiana.....			4		132	6,380						1,002
Peru.....	206,464	94,636	309,280	184,452	2,930,134	7,739,665						
Uruguay.....		2,763	2,763		2,763							
Venezuela.....	23	2,034	2,057	4	2,514	68						10,000
Total South America.....	248,666	246,767	506,256	195,479	4,408,047	10,784,370					240,400	24,827
China.....	183	1,000	1,183	142	6,680	289,974		147,825	147,825	381,289	3,235,955	48,850,194
British India.....	188		224		650		60,298	60,298		1,677,743		223,211
Dutch East Indies.....	30,000		30,000		242,288	2,130,875						
French East Indies.....												4,058,373
Hongkong.....					192	1,650		451,101	480,130	480,160	5,614,988	16,800,267
Japan.....								59,333	293,888	119,401	2,048,793	40
Russia in Asia.....					960	38,511						970
Turkey in Asia.....												
Total Asia.....	30,371	1,000	31,407	142	250,770	2,461,010	60,298	658,259	982,141	980,850	12,577,479	69,933,055
Australia.....		1,268	1,268		3,128							
New Zealand.....		64	64		358	11,216						
Philippine Islands.....	1,281	8	2,019	47	10,349	10,026						
Abyssinia.....					31							
British South Africa.....					3,760	6,097						
British West Africa.....												5,480
Portuguese Africa.....		12,243	19,419		33,670	86,657						
Total, all countries.....	763,317	1,731,819	3,627,272	1,487,925	28,938,288	58,517,436	240,661	823,453	1,424,010	1,387,350	22,428,945	82,508,943
Excess imports or exports.....	522,656	908,366	2,208,262	100,575	6,509,343							23,991,507

¹ Includes: Ore and base bullion, \$22,430,000; other refined bullion, \$3,160,000; United States coin, \$1,324,000; foreign coin, \$1,974,000.

² Includes: Domestic exports—ore and base bullion, \$2,000; United States mint or assay office bars, \$152,000; other refined bullion, \$11,908,000; coin, \$327,000. Foreign exports—ore and base bullion, \$2,000; bullion refined, \$7,138,000; coin, \$2,400,000.

DISCOUNT AND INTEREST RATES.

In the following table are presented actual discount and interest rates prevailing during the 30-day period ending July 15, 1921, in the various cities in which the several Federal Reserve Banks and their branches are located. A complete description of the several types of paper for which quotations are given will be found in the September, 1918, and October, 1918, FEDERAL RESERVE BULLETINS. Quotations for new types of paper will be added from time to time as deemed of interest.

Rates for almost all classes of paper, particularly prime commercial paper purchased in the open market and bankers' acceptances, tended to decrease in comparison with the rates prevailing during the period ending June 15, 1921.

With the exception of the rates on bankers' acceptances and prime commercial paper purchased in the open market, present rates as a whole continued higher for all types of paper than those prevailing during the same period of 1920.

DISCOUNT AND INTEREST RATES PREVAILING IN VARIOUS CENTERS DURING 30-DAY PERIOD ENDING JULY 15, 1921.

District.	City.	Prime commercial paper.				Interbank loans.	Bankers' acceptances, 60 to 90 days.		Collateral loans—stock exchange or other current.			Cattle loans.	Secured by warehouse receipts.	Ordinary loans to customers secured by Liberty bonds and certificates of indebtedness.
		Customers.		Open market.			Indorsed.	Unindorsed.	Demand.	3 months.	3 to 6 months.			
		30 to 90 days.	4 to 6 months.	30 to 90 days.	4 to 6 months.									
No. 1...	Boston.....	H. L. C.	H. L. C.	H. L. C.	H. L. C.	H. L. C.	H. L. C.	H. L. C.	H. L. C.	H. L. C.	H. L. C.	H. L. C.	H. L. C.	H. L. C.
No. 2...	New York ¹	8 6 6-7	8 6 6-7	6 2 6 1/2-7	7 1/2 6 1/2 7	7 7 7 7	5 1/2 5 1/2 5 1/2	5 1/2 5 1/2 5 1/2	7 6 6	7 6 1/2 7	7 6 1/2 7	7 4 6	7 6 7	6 1/2 6 6
No. 3...	Buffalo.....	6 6 6	6 6 6	6 1/2 6 1/2 6 1/2	7 6 6 1/2	6 6 6	6 1/2	6 5 6	6 6 6	6 6 6	6 6 6	6 6 6	6 6 6	6 6 6
No. 4...	Philadelphia.....	7 6 7	7 6 7	6 6 6	6 6 6	6 6 6	6 6 6	6 6 6	6 6 6	6 6 6	6 6 6	7 7 7	8 7 7	7 6 7
No. 5...	Cleveland.....	6 6 6	6 6 6	7 6 6 1/2	7 6 6 1/2	6 6 6	6 6 6	6 6 6	6 6 6	6 6 6	6 6 6	6 6 6	6 6 6	6 6 6
No. 6...	Pittsburgh.....	6 6 6	6 6 6	7 6 6 1/2	7 6 6 1/2	6 6 6	6 6 6	6 6 6	6 6 6	6 6 6	6 6 6	7 7 7	7 6 1/2 7	7 6 1/2 7
No. 7...	Cincinnati.....	6 6 6	6 6 6	6 6 6	6 6 6	6 6 6	6 6 6	6 6 6	6 6 6	6 6 6	6 6 6	6 6 6	6 6 6	6 6 6
No. 8...	Richmond.....	6 6 6	6 6 6	6 6 6	6 6 6	6 6 6	6 6 6	6 6 6	6 6 6	6 6 6	6 6 6	6 6 6	6 6 6	6 6 6
No. 9...	Baltimore.....	6 6 6	6 6 6	6 6 6	6 6 6	6 6 6	6 6 6	6 6 6	6 6 6	6 6 6	6 6 6	6 6 6	6 6 6	6 6 6
No. 10...	Atlanta.....	8 6 7	8 6 7	8 6 7	8 6 7	8 6 7	8 6 7	8 6 7	8 6 7	8 6 7	8 6 7	8 7 7	8 7 8	8 6 7
No. 11...	Birmingham.....	8 6 7	8 6 7	8 6 7	8 6 7	8 6 7	8 6 7	8 6 7	8 6 7	8 6 7	8 6 7	8 6 7	8 6 7	8 6 7
No. 12...	Jacksonville.....	8 6 7	10 7 8	8 7 8	8 6 7	7 1/2 6 7	8 8 8	8 8 8	8 6 7	8 6 7	8 6 7	8 8 8	8 7 8	8 6 7
No. 13...	New Orleans.....	8 6 1/2 7-7 1/2-8	8 6 7 1/2-8	8 6 7	8 6 7	8 6 7-7 1/2-8	8 6 1/2 7-7 1/2-8	8 7 8	8 6 7-7 1/2-8	8 6 7-8	8 6 7-8	8 6 7-8	8 7 8	8 6 7-7 1/2-8
No. 14...	Nashville.....	8 6 7	8 6 7	8 6 7	8 6 7	8 6 7	8 6 7	8 6 7	8 6 7	8 6 7	8 6 7	8 6 7	8 6 7	8 6 7
No. 15...	Chicago.....	7 6 1/2 7	7 7 7	7 7 7	7 7 7	9 7 7	5 1/2 5 1/2 5 1/2	5 1/2 5 1/2 5 1/2	7 6 1/2 7	7 7 7	7 7 7	7 7 7	7 6 1/2 7	7 6 1/2 7
No. 16...	Detroit.....	7 6 1/2 7	7 6 1/2 7	7 6 1/2 7	7 6 1/2 7	7 6 7	5 1/2 5 1/2 5 1/2	5 1/2 5 1/2 5 1/2	7 6 7	7 6 7	7 6 7	7 6 7	7 6 7	7 6 7
No. 17...	St. Louis.....	8 6 7	8 6 7	7 6 7	7 6 7	7 6 6	5 1/2 5 1/2 5 1/2	5 1/2 5 1/2 5 1/2	8 6 7	8 6 7	8 6 7	8 7 7	8 6 1/2 7	7 6 7
No. 18...	Louisville.....	7 6 6	7 6 6	7 6 7	7 6 7	7 6 6	5 1/2 5 1/2 5 1/2	5 1/2 5 1/2 5 1/2	8 6 6	8 6 6	8 6 6	8 6 6	8 6 6	8 6 6
No. 19...	Memphis.....	8 6 7	8 6 7	8 6 7	8 6 7	8 6 7	8 6 7	8 6 7	8 6 7	8 6 7	8 6 7	8 6 7	8 6 7	8 6 7
No. 20...	Little Rock.....	8 7 8	8 7 8	8 7 8	8 7 8	8 7 7	8 7 8	8 7 8	8 7 8	8 7 8	8 7 8	8 7 8	8 7 8	8 7 8
No. 21...	Minneapolis.....	7 7 7	7 7 7	7 6 1/2 7	8 7 7 1/2	7 1/2 7 7	8 7 8	8 7 8	8 7 1/2 8	8 7 1/2 8	8 7 1/2 8	8 7 1/2 8	8 7 1/2 8	8 7 1/2 8
No. 22...	Helena.....	8 8 8	8 8 8	8 7 1/2 8	8 8 8	8 8 8	8 8 8	8 8 8	8 8 8	8 8 8	8 8 8	8 8 8	8 8 8	8 8 8
No. 23...	Kansas City.....	8 6 7	8 6 7	8 7 7	8 7 7	7-8 6 7	8 6 7	8 6 7	8 5-6 7	8 6 7	8 6 7	8 6 7-8	8 6 7	8 7 1/2 8
No. 24...	Omaha.....	8 1/2 7 8	9 6 1/2 7 1/2	7 1/2 6 1/2 7 1/2	7 1/2 6 1/2 7 1/2	9 1/2 6 1/2 8	8 7 8	8 7 8	8 7 8	8 7 8	8 7 8	8 7 8	8 7 8	8 7 1/2 8
No. 25...	Denver.....	8 6 8	8 6 7 1/2	7 7 7	7 7 7	8 6 7	8 6 7	8 6 7	10 6 8	10 6 8	10 6 8	10 7 8	10 7 8	10 6 7
No. 26...	Oklahoma City.....	8 7 8	8 8 8	8 7 8	8 7 8	8 6 6 1/2	8 6 7	8 6 7	8 6 8	8 6 8	8 6 8	8 6 8	8 6 8	8 6 8
No. 27...	Dallas.....	10 7 8	10 8 8	8 8 8	8 8 8	8 7 8	8 6 7	8 6 7	10 5 1/2 8	10 5 1/2 8	10 5 1/2 8	10 5 1/2 8	10 5 1/2 8	10 5 1/2 8
No. 28...	El Paso.....	8 6 7	7 1/2 6 1/2 7	7 7 7	7 7 7	7 6 7	7 7 7	7 7 7	8 6 7	8 6 7	8 6 7	8 6 7	8 6 7	8 6 7
No. 29...	Houston.....	7 6 6 1/2	7 6 6 1/2	7 7 7	7 7 7	7 6 6 1/2	6 1/2 6 1/2 6 1/2	6 1/2 6 1/2 6 1/2	6 1/2 6 1/2 6 1/2	6 1/2 6 1/2 6 1/2	6 1/2 6 1/2 6 1/2	6 1/2 6 1/2 6 1/2	6 1/2 6 1/2 6 1/2	6 1/2 6 1/2 6 1/2
No. 30...	San Francisco.....	8 6 7	8 6 7	7 1/2 6 1/2 7	7 1/2 6 1/2 7	7 6 7	5 1/2 5 1/2 5 1/2	5 1/2 5 1/2 5 1/2	8 5 7	8 5 7	8 5 7	8 5 7	8 5 7	8 5 7
No. 31...	Portland.....	8 6 7	8 6 7	7 6 7	7 6 7	7 6 7	6 5 1/2 5 1/2	6 5 1/2 5 1/2	8 7 7	8 7 7	8 7 7	8 7 7	8 7 7	8 7 7
No. 32...	Seattle.....	8 6 7	8 6 7	7 6 7	7 6 7	7 6 7	8 7 7	8 7 7	8 7 7	8 7 7	8 7 7	8 7 7	8 7 7	8 7 7
No. 33...	Spokane.....	8 7 8	8 7 7	8 7 7	8 7 7	6 7 7	8 7 8	8 7 8	9 8 8	9 8 8	9 8 8	9 8 8	9 8 8	9 8 8
No. 34...	Salt Lake City.....	8 7 8	8 7 7	8 6 1/2 7	8 6 1/2 6 1/2	7 5 6	5 1/2 5 1/2 5 1/2	7 5 1/2 5 1/2	8 6 7	8 6 7	8 6 7	8 6 7	8 6 7	8 6 7
No. 35...	Los Angeles.....	8 6 7	8 6 7	8 6 1/2 7	8 6 1/2 6 1/2	7 5 6	5 1/2 5 1/2 5 1/2	7 5 1/2 5 1/2	8 6 7	8 6 7	8 6 7	8 6 7	8 6 7	8 6 7

¹ Rates for demand paper secured by prime bankers' acceptances, high, 6; low, 5; customary, 5 to 6.

FEDERAL RESERVE BANK DISCOUNT RATES.

RATES ON PAPER DISCOUNTED FOR MEMBER BANKS IN EFFECT AUGUST 1, 1921.

Federal Reserve Bank.	Paper maturing within 90 days.				Bankers' acceptances maturing within 3 months.	Agricultural and live-stock paper maturing after 90 days but within 6 months.
	Secured by—		Trade acceptances.	Commercial, agricultural, and live-stock paper, n. e. s.		
	Treasury notes and certificates of indebtedness.	Liberty bonds and Victory notes.				
Boston.....	5½	5½	5½	5½	5½	5½
New York.....	5½	5½	5½	5½	5½	5½
Philadelphia.....	5½	5½	5½	5½	5½	5½
Cleveland.....	6	6	6	6	6	6
Richmond.....	6	6	6	6	6	6
Atlanta.....	6	6	6	6	6	6
Chicago.....	6	6	6	6	6	6
St. Louis.....	6	6	6	6	5½	6
Minneapolis.....	6	6	6½	6½	6	6½
Kansas City.....	6	6	6	6	6	6
Dallas.....	6	6	6	6	6	6
San Francisco.....	5½	5½	5½	5½	5½	5½

MONEY HELD OUTSIDE THE UNITED STATES TREASURY AND THE FEDERAL RESERVE SYSTEM, JULY 1, 1921.

	General stock.	Held in the U. S. Treasury as assets of the Government. ¹	Held by or for F. R. Banks and agents. ²	Held outside U. S. Treasury and F. R. System.	Amount per capita outside U. S. Treasury and F. R. System.
Gold coin (including bullion in Treasury).....	\$3,223,351,644	\$416,043,542	\$1,691,118,379	\$399,840,464	.....
Gold certificates.....	.....	.....	515,056,937	201,292,322	.....
Standard silver dollars.....	288,789,326	10,469,641	* 35,525,511	39,683,777	.....
Silver certificates.....	.....	.....	41,983,120	159,551,093	.....
Subsidiary silver.....	271,108,323	9,671,247	.....	261,437,076	.....
Treasury notes of 1890.....	.....	.....	.....	1,576,184	.....
United States notes.....	346,681,016	4,031,479	* 82,324,948	260,324,589	.....
Federal Reserve notes.....	3,000,429,860	4,217,103	309,715,840	2,686,496,917	.....
Federal Reserve Bank notes.....	150,772,400	2,422,848	16,914,261	131,435,291	.....
National bank notes.....	743,290,374	13,739,861	4,914,901	724,635,612	.....
Total:					
July 1, 1921.....	8,024,422,943	460,595,721	2,697,553,897	4,866,273,325	\$45.02
June 1, 1921.....	8,073,737,233	499,236,987	2,562,692,917	5,011,807,329	46.43
May 1, 1921.....	8,040,936,478	508,349,193	2,512,465,834	5,020,121,451	46.57
Apr. 1, 1921.....	8,082,773,866	496,945,969	2,534,743,843	5,051,084,054	46.91
Mar. 1, 1921.....	8,084,936,396	493,976,120	2,385,101,578	5,205,858,698	48.41
Feb. 1, 1921.....	8,171,237,897	499,358,809	2,438,773,422	5,233,105,666	48.73
Jan. 1, 1921.....	8,372,970,904	494,296,257	2,377,972,494	5,500,702,153	51.29
July 1, 1920.....	7,887,181,586	485,057,472	2,021,271,614	5,380,852,500	50.19
Jan. 1, 1920.....	7,961,320,139	604,888,833	2,044,422,303	5,312,009,003	49.81
July 1, 1919.....	7,588,473,771	578,848,043	2,167,280,313	4,842,345,415	45.00
Jan. 1, 1919.....	7,780,793,606	454,948,160	2,220,705,767	5,105,139,679	47.83
July 1, 1918.....	6,742,225,784	356,124,750	2,018,361,825	4,367,739,209	41.31
Jan. 1, 1918.....	6,256,198,271	277,043,358	1,723,570,291	4,255,584,622	40.53
July 1, 1917.....	5,480,009,884	253,671,614	1,280,880,714	3,945,457,556	37.88

¹ Includes reserve funds held against issues of United States notes and Treasury notes of 1890 and redemption funds held against issues of national-bank notes, Federal Reserve notes, and Federal Reserve Bank notes, but excludes gold and silver coin and bullion held in trust for the redemption of outstanding gold and silver certificates and Treasury notes of 1890.

² Exclusive of amounts held with United States Treasurer in gold redemption fund against Federal Reserve notes.

³ Includes subsidiary silver.

⁴ Includes Treasury notes of 1890.

FOREIGN EXCHANGE.

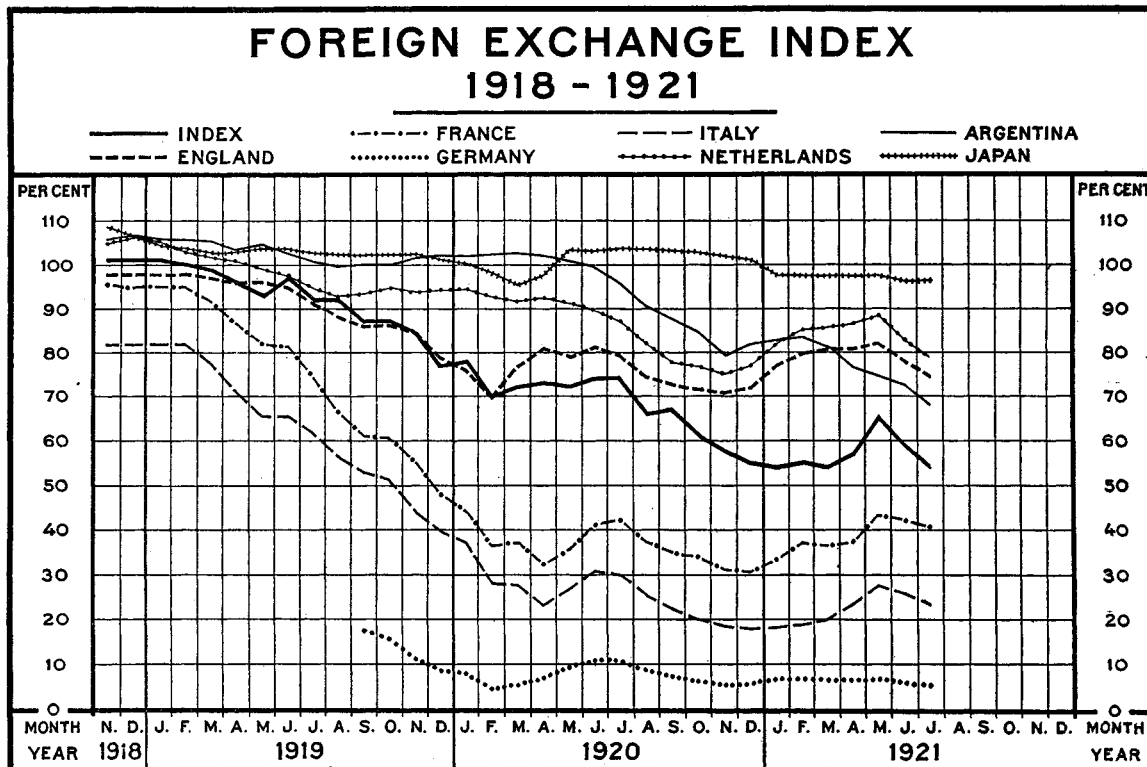
Below is printed a table showing high, low, and average quotations on the principal foreign countries for the month of July. The quotations used are those published daily by the Treasury, in accordance with the emergency tariff act of May 27, 1921, and represent noon buying rates for cable transfers in New York. Rates are shown for the 18 countries on which the foreign exchange index, computed by the method described in the FEDERAL RESERVE BULLETIN for July, 1921, page 798, is based,

as well as for other countries. The weights used in the computation are also shown, these weights representing the total value of trade with each foreign country in June.

Following is a statement of the foreign exchange index for each month from November, 1918, to July, 1921. The accompanying chart shows fluctuations in the foreign exchange index, compared with fluctuations of the rates on principal countries, for the entire period from the armistice to July of the present year.

FOREIGN EXCHANGE INDEX NUMBERS.

Date.	Foreign currencies—per cent of par.	Dollar—per cent of par.	Date.	Foreign currencies—per cent of par.	Dollar—per cent of par.	Date.	Foreign currencies—per cent of par.	Dollar—per cent of par.	Date.	Foreign currencies—per cent of par.	Dollar—per cent of par.
1918.			1919—Contd.			1920—Contd.			1921.		
November...	102	98	July.....	94	106	March.....	83	120	January.....	66	152
December...	102	98	August.....	95	105	April.....	84	119	February....	66	152
1919.			September...	93	108	May.....	82	122	March.....	66	152
January.....	102	98	October.....	94	106	June.....	81	123	April.....	68	147
February....	100	100	November....	93	108	July.....	82	122	May.....	73	137
March.....	100	100	December....	85	118	August.....	76	132	June.....	68	147
April.....	97	103	1920.			September..	76	131	July.....	53	189
May.....	94	106	January.....	88	114	October....	71	141			
June.....	99	101	February....	81	123	November....	67	149			
						December...	65	154			



FOREIGN EXCHANGE FOR JULY, 1921.

[Index for the month=53.]

COUNTRIES INCLUDED IN COMPUTATION OF INDEX.

Country.	Monetary unit.	Par of exchange.	Low quotation.	High quotation.	Average quotation.		Weight.
					Amount.	Per cent of par.	
EUROPE.							
Belgium.....	Franc.....	\$0. 1930	\$0. 0733	\$0. 0797	\$0. 07637	39. 57	11, 540
Denmark.....	Krone.....	. 2680	. 151	. 1682	. 1578	58. 88	4, 207
England.....	Pound.....	4. 8665	3. 5615	3. 7335	3. 63213	74. 64	97, 791
France.....	Franc.....	. 1930	. 0755	. 0823	. 078131	40. 48	31, 014
Germany.....	Reichsmark.....	. 2382	. 01221	. 013505	. 013025	5. 47	37, 854
Italy.....	Lira.....	. 1930	. 0408	. 0492	. 045264	23. 45	27, 689
Netherlands.....	Florin.....	. 4020	. 3068	. 3288	. 31781	79. 06	17, 254
Norway.....	Krone.....	. 2680	. 1279	. 1423	. 1338	49. 93	3, 298
Spain.....	Peseta.....	. 1930	. 1262	. 1294	. 1282	66. 42	4, 407
Sweden.....	Krona.....	. 2680	. 201	. 2194	. 2104	78. 50	10, 341
Switzerland.....	Franc.....	. 1930	. 1637	. 1684	. 16546	85. 73	3, 292
NORTH AMERICA.							
Canada.....	Dollar.....	1. 00	. 872917	. 8905208	. 881973	88. 20	77, 477
SOUTH AMERICA.							
Argentina.....	Peso (gold).....	. 9648	. 637	. 6806	. 65799	68. 20	11, 453
Brazil.....	Milreis.....	. 3244	. 10173	. 1114	. 10449	32. 20	8, 381
Chile.....	Peso (paper).....	. 1953	. 10125	. 10875	. 10443	53. 47	5, 312
ASIA.							
China.....	Shanghai tael.....	. 6685	. 65675	. 68	. 66925	100. 11	20, 009
India.....	Rupee.....	. 4866	. 22458	. 2403	. 230588	47. 39	13, 933
Japan.....	Yen.....	. 4985	. 4788	. 4825	. 480114	96. 31	37, 619

OTHER COUNTRIES.

Country.	Monetary unit.	Par of exchange.	Low quotation.	High quotation.	Average quotation.		
					Amount.	Per cent of par.	
EUROPE.							
Austria.....	Krone.....	\$0. 2026	\$0. 001094	\$0. 00171	\$0. 001417	0. 70	
Bulgaria.....	Lev.....	. 1930	. 0085	. 0109	. 009548	4. 95	
Czechoslovakia.....	Krone.....	. 2026	. 01251	. 0136	. 0131248	6. 48	
Finland.....	Markka.....	. 1930	. 0151	. 0171	. 016414	8. 50	
Greece.....	Drachma.....	. 1930	. 0547	. 0588	. 055516	28. 76	
Hungary.....	Krone.....	. 2026	. 002619	. 0038	. 003323	1. 64	
Poland.....	Polish mark.....	. 2382	. 00045	. 000588	. 000516	. 22	
Portugal.....	Escudo.....	1. 0805	. 1067	. 1308	. 12088	11. 19	
Rumania.....	Leu.....	. 1930	. 012556	. 01511	. 013995	7. 25	
Rumania.....	Krone.....	. 2026	. 0056	. 0068	. 006374	3. 15	
Yugoslavia.....	Serbian dinar.....	. 1930	. 0225	. 0273	. 025634	13. 28	
NORTH AMERICA.							
Cuba.....	Peso.....	1. 00	. 9884	. 99252	. 9902319	99. 02	
Mexico.....	Peso.....	. 4985	. 4858	. 491875	. 489113	98. 12	
SOUTH AMERICA.							
Uruguay.....	Peso.....	1. 0342	. 5826	. 6326	. 60689	58. 68	
ASIA.							
Hongkong.....	Dollar.....	. 4777	. 4838	. 5006	. 4932	103. 24	
Java.....	Florin.....	. 4020	. 3007	. 32	. 30841	76. 72	
Straits Settlements.....	Singapore dollar.....	. 5678	. 4142	. 4325	. 41984	73. 94	

Prices of silver per fine ounce: London, converted at average rate of exchange, \$0.61324. New York, \$0.60798.

FINANCIAL STATISTICS FOR ENGLAND, FRANCE, ITALY, GERMANY, SWEDEN, AND JAPAN.

A summary of banking and financial conditions abroad is presented statistically in the accompanying tables. Similar material will be published regularly each month in the BULLETIN.

BRITISH FINANCIAL SITUATION.

[Amounts in millions of pounds sterling.]

	Deposit and note accounts, Bank of England and Treasury.				Government floating debt.			Nine London clearing banks. ³				Discount rates.			
	Bank notes. ¹	Currency notes and certificates outstanding.	Deposits, public and other.	Coin and bullion. ²	Treasury bills.	Temporary advances.	Total floating debt.	Money at call and short notice.	Discounts and advances.	Investments.	Deposits.	Capital issues of United Kingdom. ⁴	Three months' bank bills.	Six months' trade bills.	Statist index number of foreign exchange value of £.
1913, average of end of month figures.....	29	.....	57	38	.....	.....	.....	.....	.....	.....	.....	Per ct. 4½	Per ct. 4¾	.....
1920, end of—															
June.....	107	357	192	146	1,050	244	1,294	.....	.....	.....	28	6½	7½	106.3	
July.....	107	362	134	152	1,058	204	1,262	.....	.....	.....	43	6¼	7½	100.2	
1921, end of—															
January.....	109	342	129	157	1,145	242	1,387	99	1,207	341	1,810	22	6½	7	122.4
February.....	108	336	127	157	1,110	189	1,299	88	1,172	340	1,754	10	6¼	7½	120.9
March.....	110	344	138	157	1,121	155	1,275	83	1,145	336	1,715	26	6¼	7½	123.0
April.....	109	338	141	157	1,100	190	1,290	92	1,127	334	1,710	15	5¾	7	120.0
May.....	108	333	128	157	1,152	163	1,315	96	1,144	307	1,729	17	5¾	7	119.1
June.....	110	324	147	157	1,222	152	1,374	98	1,162	312	1,768	.....	5¾	6½	117.8
July.....	109	325	122	157	.....	.....	.....	.....	.....	.....	.....	4½	5½	.....

¹ Less notes in currency notes account.

² Held by the Bank of England and by the Treasury as note reserve.

³ Average weekly figures.

⁴ Compilation of London City and Midland Bank.

FRENCH FINANCIAL SITUATION.

[Amounts in millions of francs.]

	Bank of France.					Situation of the Government.			Value of new stock and bond issues placed upon the French market. ⁴
	Gold reserves.	Silver reserves.	Deposits. ¹	Circulation.	Advances to the Government for purposes of the war. ²	Government revenue. ³	Public debt.	Price of 3 per cent perpetual rente.	
1913, average.....	3,343	629	830	5,565	.....	320	35,000	86.77	.....
1920, end of July.....	* 3,611	248	3,416	37,696	25,550	1,109	.....	58.90	.....
1921, end of—									
January.....	* 3,553	268	3,429	37,913	25,600	1,204	.....	59.16	995
February.....	* 3,555	264	3,293	37,808	25,600	921	7 302,304	58.15	1,861
March.....	* 3,556	267	3,103	38,435	26,200	972	.....	58.17	344
April.....	* 3,566	271	3,018	38,211	26,000	1,248	.....	56.92	1,085
May.....	* 3,570	272	3,041	38,233	26,200	1,004	.....	57.50	492
June.....	* 3,572	274	2,861	37,422	25,000	1,030	.....	56.26	621
July.....	* 3,573	275	3,252	36,941	25,100	.....	.....	56.35	.....

¹ Includes Treasury and individual deposits.

² Under the laws of Aug. 5 and Dec. 26, 1914, July 10, 1915, and Feb. 16, 1917.

³ From indirect taxation and Government monopolies.

⁴ Figures of the "Association Nationale des Porteurs Français de Valeurs Mobilières." Bonds issued by the Government and the railroad companies not included.

⁵ Not including about 1,978 million francs held abroad.

⁶ Not including about 1,948 million francs held abroad.

⁷ Foreign debt calculated at the exchange rates of Feb. 28, 1921.

ITALIAN FINANCIAL SITUATION.

[In millions of lire.]

	Leading private banks. ¹			Banks of issue.						Government finances.				
	Cash.	Loans, discounts, and due from correspondents.	Deposits and due to correspondents.	Loans and discounts.	Gold reserve.	Total reserve.	Deposits and demand liabilities.	Commercial circulation.	Circulation for account of the state.	State currency notes.	Treasury metallic reserve.	Short-term treasury bills.	Total public debt.	Principal revenues from taxation and monopolies during month. ²
1913, end of December.....	129	2,007	1,674	857	1,375	1,661	318	2,284	.....	499	117	.....	.....
1920, end of—														
April.....	850	14,884	14,045	5,804	1,038	2,035	2,377	6,029	10,401	.....	.....	.....	.....
May.....	813	15,240	14,044	5,782	1,038	2,065	2,264	6,459	10,402	.....	.....	.....	.....
1921, end of—														
January.....	1,193	17,113	16,392	6,931	1,058	2,045	2,635	8,673	10,591	.....	.....	.....	822
February.....	1,016	16,842	15,961	7,158	1,062	2,007	2,351	8,618	10,308	.....	.....	.....	1,210
March.....	1,067	17,096	16,425	7,144	1,062	2,043	2,461	9,234	9,531	.....	.....	.....	606
April.....	1,165	17,162	16,694	7,040	1,066	2,138	2,349	8,677	9,601	.....	.....	.....	1,309
May.....	.....	.....	.....	6,951	1,070	1,165	2,198	8,809	9,219	2,546	.....	106,721	607

¹ Banca Commerciale Italiana, Banca Italiana di Sconto, Credito Italiano, Banco di Roma.² Revenues from state railways; from post, telegraph, and telephones; from state domains; from import duties on grain; and from Government sales of sugar are not included.

GERMAN FINANCIAL SITUATION.

[Amounts in millions of marks.]

	Reichsbank statistics.				Darlehnskassenscheine in circulation.	Situation of the Government.				Value of new stock and bond issues placed upon the German market. ³	Index number of securities prices. ²
	Reserve.		Note circulation.	Deposits.		Receipts from taxes.	Floating debt.	3 per cent imperial loan. ¹	5 per cent war loan. ¹		
	Gold.	Reichs und Darlehnskassenscheine.									
1913 average.....	1,068	32	1,958	668	.....	.....	75.90	.....	.....	.....
1920, end of—											
June.....	1,092	17,252	53,975	23,414	13,633	1,718	141,987	62.90	98.30	° 117	
July.....	1,092	17,874	55,969	17,282	13,328	1,995	.....	60.64	98.50	° 140
1921, end of—											
January.....	1,092	22,810	66,621	15,834	11,341	6,741	.....	67.00	99.50	2,042
February.....	1,092	21,982	67,427	17,357	10,755	7,766	.....	67.25	99.75	2,397
March.....	1,092	23,836	69,417	28,043	10,168	6,846	166,329	67.60	99.70	894	
April.....	1,092	24,149	70,840	20,856	9,543	5,357	172,634	72.10	99.80	2,559	
May.....	1,092	14,362	71,839	14,093	9,043	.....	176,643	72.10	99.75	1,468
June.....	1,092	8,311	75,321	20,393	8,707	.....	185,032	67.75	99.75	2,238

¹ Quotations of the Berlin Bourse.² Calculated by the Frankfurter Zeitung with the prices of 10 bonds and 25 stocks. Prices as of Jan. 1, 1920=100.³ Compilation of the Frankfurter Zeitung.⁴ As of June 1.⁵ As of July 1.⁶ As of Aug. 2.⁷ As of Apr. 2.

SWEDISH FINANCIAL SITUATION.

[Values in millions of kronor.]

	Riksbank.		Joint stock banks.		Protested bills. ¹		Business failures. ¹	Foreign exchange index. ¹	Index number of stock prices—A list. ¹
	Gold coin and bullion.	Note circulation.	Bills discounted with Riksbank.	Loans and discounts.	Number.	Value.	Number.	Foreign exchange value of the krona abroad (foreign currencies = 100).	
1913, end of December.....	102.1	234.5	138.9	2,286.9	4,314	1.9	309		258
1920, average.....	269.1	732.9	476.2	6,008.2	3,586	6.4	196	112.9	
1920, end of—									
May.....	261.0	708.3	470.4	5,998.6	3,273	5.2	201	111.8	178
June.....	261.1	736.5	527.6	5,982.9	3,531	4.7	179	113.3	179
1921, end of—									
January.....	281.9	672.5	429.2	6,172.6	5,951	13.4	301	116.1	148
February.....	281.8	687.6	451.3	6,119.2	6,411	14.1	381	116.4	138
March.....	281.7	716.9	442.2	6,093.6	8,521	20.1	390	121.7	133
April.....	281.8	680.5	400.9	6,065.3	7,899	15.6	444	125.5	128
May.....	281.6	651.1	377.6	5,982.7	8,201	22.8	454	123.3	116
June.....	281.4	678.8	365.1	5,949.2	7,376	18.0	433	122.6	110
July.....	280.3	629.4		5,929.9					

¹ Source: Kommersiella Meddelanden.

JAPANESE FINANCIAL SITUATION.

[Amounts in millions of yen.]

	Bank of Japan.				Tokyo banks.			Average discount rate (Tokyo market).
	Private and Government deposits.	Loans and discounts.	Note circulation.	Specie reserve. ²	Tokyo associated banks, total loans.	Tokyo bank clearings (total within the month).	Per cent.	
1920, end of—								
March.....	1,181	364	1,368	921	1,982	4,135	10.15	
April.....	1,261	432	1,367	917	1,982	3,168	10.62	
May.....	1,209	445	1,328	930	2,089	2,922	10.95	
June.....	1,165	381	1,349	979	2,036	2,524	10.99	
July.....	1,120	273	1,202	1,011	2,029	2,109	10.95	
1921, end of—								
January.....	1,071	115	1,235	1,235	2,171	2,013	10.33	
February.....	1,126	103	1,141	1,141	2,188	2,143	9.71	
March.....	1,190	88	1,178	1,178	2,219	2,502	9.23	
April.....			1,058		1,848	2,442		
May.....			1,039		1,873	2,506		
June.....			1,033		1,980	2,670		

¹ In case of Tokyo banks, and note circulation and specie reserve of Bank of Japan, last day of month.² It is generally understood that in recent years a certain portion of the reserve has been held abroad. Specie reserve figures do not include bank's own notes held in the bank.

CONDITION OF LEADING FOREIGN BANKS OF ISSUE, ABOUT END OF JUNE, 1914-1921.

BANK OF ENGLAND.

[Combined data for issue and banking departments. From the London Economist and weekly statements of the Bank of England.]

[In thousands of dollars.]

	June 24, 1914.	June 30, 1915.	June 29, 1916.	June 27, 1917.	June 26, 1918.	June 25, 1919.	June 30, 1920.	June 29, 1921.
ASSETS.								
Gold and silver.....	194,310	253,506	298,706	279,989	317,432	427,332	573,673	624,698
Government securities:								
Held by the issue department.....	89,787	89,787	89,787	89,787	89,787	89,787	89,787	89,787
Held by the banking department.....	53,755	248,401	205,303	220,306	251,365	325,184	438,370	297,844
Other securities.....	194,636	744,160	424,909	487,750	490,543	393,228	502,164	417,682
Total.....	532,488	1,335,854	1,018,705	1,077,832	1,149,127	1,235,531	1,603,994	1,430,011
LIABILITIES.								
Proprietors' capital.....	70,822	70,822	70,822	70,822	70,822	70,822	70,822	70,822
Rest (surplus).....	15,378	15,023	15,573	15,626	15,884	15,714	15,865	15,787
Public deposits.....	87,958	396,693	239,816	190,587	174,119	97,544	76,638	74,443
Other deposits.....	218,584	684,492	517,655	608,931	627,044	670,336	856,344	641,112
Seven-day and other bills.....	63	268	136	131	49	63	63	39
Notes in circulation.....	139,683	168,556	174,703	191,735	261,209	381,052	584,262	627,808
Total.....	532,488	1,355,854	1,018,705	1,077,832	1,149,127	1,235,531	1,603,994	1,430,011
Ratio of metallic reserve to deposit and note liabilities combined—per cent.....	43.5	20.3	32.0	28.2	29.9	37.2	37.8	46.5

BANK OF FRANCE.

[From L'Economiste Français and weekly statements of the Bank of France.]

[In thousands of dollars.]

	June 25, 1914.	June 24, 1915.	June 29, 1916.	June 28, 1917.	June 27, 1918.	June 26, 1919.	June 24, 1920.	June 30, 1921.
ASSETS.								
Gold in vault.....	767,309	757,944	866,995	627,877	648,816	689,516	696,651	689,386
Other metallic reserve.....	123,200	71,947	66,383	50,157	50,050	58,607	46,486	52,945
Total metallic vault reserve.....	890,509	829,891	933,378	678,034	698,866	748,123	743,137	742,331
Gold held abroad.....			52,314	392,712	397,987	381,808	381,808	376,035
Foreign credits.....		149,005	136,920	139,860	267,234	327,723	165,915	133,345
Government securities:								
Permanent investments.....	57,900	57,900	57,900	57,900	57,900	57,900	57,900	57,900
Advances to the Government since outbreak of war.....		1,158,000	1,524,700	2,045,800	3,560,850	4,487,250	5,018,000	4,825,000
Treasury bills discounted (advances to foreign Governments).....		44,390	220,020	503,730	662,955	702,520	745,945	783,966
Other Government securities.....	22,687	22,369	21,571	21,645	21,767	21,558	19,535	22,160
Loans and discounts.....	311,075	50,063	86,557	107,766	262,995	168,858	344,876	560,285
Bills matured and extended.....		438,677	283,482	230,529	207,746	155,950	100,917	18,636
Advances on bullion, specie, securities, etc.....	143,437	120,564	232,764	218,522	183,269	246,842	359,193	426,165
Bank premises.....	9,220	9,587	8,848	8,918	8,951	8,990	8,957	9,061
Sundry assets.....	57,844	55,742	67,149	110,447	187,851	296,912	393,328	403,249
Total.....	1,492,672	2,936,188	3,625,603	4,515,863	6,518,371	7,604,434	8,339,511	8,358,133
LIABILITIES.								
Capital.....	35,223	35,223	35,223	35,223	35,223	35,223	35,223	35,223
Surplus, including special reserves.....	8,206	8,292	8,292	8,292	8,292	8,294	8,294	12,509
Amortization account (laws 1914, 1917, 1918).....						108,859	166,304	272,938
Dividends unpaid.....	289	572	4,815	4,922	5,051	5,248	862	4,624
Government deposits.....	56,805	10,485	7,387	6,467	7,164	9,519	14,484	17,362
Other deposits.....	196,226	439,061	438,620	527,559	775,716	648,872	690,557	534,938
Bank notes in circulation.....	1,129,493	2,336,201	3,050,492	3,825,859	5,510,232	6,647,306	7,245,974	7,222,463
Sundry liabilities.....	66,430	106,354	80,774	107,541	176,693	141,113	177,813	258,076
Total.....	1,492,672	2,936,188	3,625,603	4,515,863	6,518,371	7,604,434	8,339,511	8,358,133
Ratio of metallic reserve to deposit and note liabilities combined—per cent.....	64.4	29.8	26.7	15.6	11.1	10.2	9.3	9.5

GERMAN REICHSBANK.

[From Die Bank, the Deutscher Oekonomist, and Weekly Statements of the Reichsbank.]

[In thousands of dollars.]

	June 30, 1914.	June 30, 1915.	June 29, 1916.	June 30, 1917.	June 29, 1918.	June 30, 1919.	June 30, 1920.	June 30, 1921.
ASSETS.								
Gold.....	311,137	568,737	587,330	585,329	558,866	265,927	260,047	260,010
Other metallic reserve.....	77,272	11,124	7,408	15,205	28,771	4,751	778	2,669
Total metallic vault reserve.....	388,409	579,861	594,738	600,534	587,637	270,678	260,825	262,679
Imperial treasury and loan bank certificates.....	11,876	120,989	149,899	107,261	425,332	2,157,726	4,109,334	1,979,730
Notes of other banks.....	2,303	1,554	1,096	476	244	772	478	414
Bills, checks, and discounted treasury bills.....	288,876	1,171,409	1,574,550	2,611,268	3,971,016	7,930,363	12,137,269	19,335,455
Advances on collateral.....	17,063	3,730	2,691	2,096	1,359	1,493	1,923	1,448
Securities.....	87,423	4,845	11,505	25,059	25,512	29,781	81,817	67,343
Sundry assets.....	51,977	46,477	91,326	291,652	443,709	625,762	2,786,968	1,441,165
Total.....	847,927	1,928,865	2,425,805	3,638,346	5,454,809	11,016,575	19,378,614	23,088,234
LIABILITIES.								
Capital paid in.....	42,876	42,876	42,876	42,876	42,876	42,876	42,876	42,876
Surplus.....	17,741	19,187	20,366	21,471	22,588	23,700	24,834	28,920
Notes in circulation.....	573,247	1,391,168	1,724,687	2,072,030	2,979,967	7,138,470	12,856,874	17,941,485
Government deposits.....								1,345,307
Other liabilities payable on demand.....	204,446	428,592	564,701	1,356,001	2,186,982	3,270,400	5,577,204	3,512,236
Sundry liabilities.....	9,617	47,042	73,175	145,968	222,396	541,129	876,826	217,410
Total.....	847,927	1,928,865	2,425,805	3,638,346	5,454,809	11,016,575	19,378,614	23,088,234
Ratio of metallic reserve to deposit and note liabilities combined (per cent).....	49.9	31.9	26.0	17.5	11.4	2.6	1.4	1.2

BANK OF SPAIN.

[From weekly statements of the Bank of Spain, and España Económica y Financiera.]

[In thousands of dollars.]

	June 27, 1914.	June 26, 1915.	June 24, 1916.	June 30, 1917.	June 28, 1918.	June 28, 1919.	June 26, 1920.	June 25, 1921.
ASSETS.								
Gold.....	102,599	133,086	199,168	303,837	405,533	438,349	473,344	480,133
Silver.....	141,085	144,193	148,034	145,838	135,916	126,711	119,765	120,153
Total metallic vault reserve.....	243,684	277,279	347,202	449,675	541,449	565,060	593,109	600,286
Credits abroad.....	34,614	23,829	18,847	17,729	19,434	17,094	9,936	6,363
Loans, discounts, and advances.....	133,021	132,416	114,184	146,891	166,301	316,163	293,122	318,534
Government securities:								
Charter 1881.....	28,950	28,950	28,950	28,950	28,950	28,950	28,950	28,950
Charter 1899.....	19,300	19,300	19,300	19,300	19,300	19,300	19,300	19,300
Other.....	66,475	66,475	66,475	66,477	66,477	66,484	66,484	66,484
Sundry assets.....	17,391	43,364	35,518	11,240	9,195	13,969	41,593	101,346
Total.....	543,435	591,613	630,476	740,262	851,106	1,027,020	1,052,494	1,141,263
LIABILITIES.								
Capital.....	28,950	28,950	28,950	28,950	28,950	28,950	28,950	28,950
Surplus.....	3,860	4,246	4,632	5,018	11,194	11,580	11,966	15,054
Government deposits.....	32,382	24,024	11,260	41,953	8,947	87,043	9,869	22,977
Other deposits.....	93,675	131,989	149,046	153,797	213,918	189,799	223,860	243,019
Notes in circulation.....	365,186	380,596	415,298	478,147	561,819	678,685	747,324	805,008
Sundry liabilities.....	19,382	21,808	21,290	32,397	26,278	30,963	30,525	26,255
Total.....	543,435	591,613	630,476	740,262	851,106	1,027,020	1,052,494	1,141,263
Ratio of metallic reserve to deposit and note liabilities combined—per cent.....	49.6	51.7	60.3	66.7	69.0	59.1	60.5	56.1

BANK OF THE NETHERLANDS.

[From the Amsterdam Algemeen Handelsblad, and weekly statements of the Bank of the Netherlands.]

[In thousands of dollars.]

	June 27, 1914.	June 26, 1915.	June 24, 1916.	June 30, 1917.	June 29, 1918.	June 28, 1919.	June 28, 1920.	June 27, 1921.
ASSETS.								
Gold coin and bullion	64,572	139,549	221,914	251,945	288,459	264,404	255,794	243,599
Silver	3,762	956	3,380	2,997	3,092	3,302	5,586	4,957
Total metallic vault reserve	68,334	140,505	225,294	254,942	291,551	267,706	261,380	248,556
Loans and discounts	26,709	29,553	17,010	21,163	17,614	43,794	47,135	88,487
Foreign bills	8,009	928	3,250	3,138	3,117	10,269	19,979	19,792
Advances	23,719	47,856	32,198	31,817	49,079	90,525	119,385	62,251
Government securities	5,256	1,372	.....	1,844	1,836	.....	5,486	513
Other securities	3,616	3,614	3,680	3,670	3,640	3,440	3,043	3,643
Bank premises	723	643	563	589	712	1,332	1,445	1,506
Sundry assets	345	3,735	20,176	26,609	36,284	33,171	16,768	7,556
Total	136,711	228,206	302,171	343,772	403,833	450,237	474,621	432,304
LIABILITIES.								
Capital	8,040	8,040	8,040	8,040	8,040	8,040	8,040	8,040
Surplus	2,011	2,010	2,072	2,104	2,042	2,010	2,010	2,166
Notes in circulation	123,073	194,507	253,625	307,218	372,789	409,267	403,933	398,755
Interest-bearing certificates	870	621	1,004	1,503	777	1,430	775	629
Government deposits .....	.....	.....	7,964	.....	.....	6,087	.....	.....
Other deposits	2,046	22,073	28,776	24,094	19,543	22,003	57,774	20,556
Sundry liabilities	671	955	690	813	642	1,400	2,089	2,558
Total	136,711	228,206	302,171	343,772	403,833	450,237	474,621	432,304
Ratio of metallic reserve to deposit and note liabilities combined (per cent)	54.6	64.9	77.6	76.9	74.3	61.2	56.6	59.4

BANK OF ITALY.

[From 10-day statements of the Bank of Italy.]

[In thousands of dollars.]

	June 30, 1916.	June 30, 1917.	June 30, 1918.	June 30, 1919.	June 30, 1920.	May 31, 1921.
ASSETS.						
Gold	188,594	160,901	157,904	155,377	155,320	160,210
Silver	18,002	12,763	14,870	14,317	14,425	14,473
Total metallic reserve	206,596	173,664	172,774	169,694	169,745	174,683
Notes of Italian Government, and of other, including foreign, banks of issue	10,050	17,512	50,881	111,717	72,438	100,060
Other cash and cash equivalents	504	486	410	796	915	898
Bills payable in Italy	86,647	102,543	151,749	147,939	567,795	621,128
Bills payable in foreign countries, including foreign treasury bills	4,023	4,018	4,276	3,785	3,966	4,001
Bills payable, received for collection	735	601	1,097	1,320	1,497	1,837
Advances, ordinary	40,636	81,705	126,885	180,191	466,662	411,089
Advances to the Government or for account of the Government	332,613	473,431	912,941	1,123,965	1,491,724	1,307,280
Securities	40,723	42,416	42,376	40,665	42,904	41,608
Debtors in current account:	2,607	25,477	36,502	82,587	102,280	109,225
In Italy .....	.....	.....	.....	.....	.....	.....
In foreign countries	45,473	92,155	125,113	147,967	160,330	168,158
Bank premises	5,749	5,704	5,652	5,743	6,333	7,409
Due from the Government and provincial administrations	4,830	1,420	38,238	55,260	60,672	67,297
Sundry assets	130,965	688,352	758,766	346,777	210,862	276,192
Total	912,151	1,709,484	2,427,660	2,418,406	3,358,123	3,290,865
LIABILITIES.						
Capital	34,740	34,740	34,740	34,740	34,740	34,740
Surplus	9,264	9,264	9,264	9,264	9,264	9,264
Extraordinary and special reserves	5,312	5,488	8,810	12,617	15,349	17,963
Circulation:						
For account of commerce	319,546	388,655	601,879	717,028	1,177,003	1,349,062
For account of Government	332,613	473,431	912,941	1,123,965	1,491,724	1,307,280
Demand and time deposits	166,184	212,428	326,393	328,430	362,926	341,158
Due to the Government and provincial administrations	6,606	39,419	35,621	54,782	124,994	46,223
Sundry liabilities	37,886	546,059	498,012	137,580	142,123	185,175
Total	912,151	1,709,484	2,427,660	2,418,406	3,358,123	3,290,865
Ratio of metallic reserve to deposit and note liabilities combined—per cent	25.3	16.2	9.4	7.8	5.6	5.8

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FEDERAL RESERVE DISTRICTS

